

Country Name	<Phase 1> The Project for Capacity Development on Water Supply in Semi-urban Area
Nepal	<Phase 2> Capacity Development Project for the Improvement of Water Supply Management in Semi-Urban Areas (WASMIP-II)

I. Project Outline

Background	In the semi-urban¹ and rural areas of Nepal, the Department of Water Supply and Sewerage (DWSS) (currently the Department of Water Supply and Sewerage Management: DWSSM²), a government agency, oversaw water supply services. On the other hand, operation and maintenance (O&M) of water supply facilities in those areas were transferred to the Water Users and Sanitation Committees (WUSCs). However, not all WUSCs had the capacity to properly manage and operate their water supply systems. DWSS had historically focused on facility construction and had made limited efforts to strengthen the O&M capabilities of WUSCs. To address this issue, the “Project for Capacity Development on Water Supply in Semi-urban Areas” (Phase 1) was implemented, targeting Morang and Jhapa districts. This phase aimed to strengthen the technical support system for WUSCs and resulted in the development of two models: the Small and Medium Scale Water Utility Management Model (the Management Model), which consisted of Standard Operating Procedures (SOPs) and training materials, and the Small and Medium Scale Water Utility Support Model (the Support Model), which provided a technical and financial support mechanism. However, to scale up these models nationwide, it was necessary to revise the training materials and support system to ensure their adaptability and applicability to WUSCs in other semi-urban towns. Therefore, the “Capacity Development Project for the Improvement of Water Supply Management in Semi-urban Areas” (Phase 2) was implemented. This phase aimed to enhance the versatility of the two models by expanding the target WUSCs to 68 semi-urban WUSCs in 12 districts in five provinces, revising the models, and strengthening the support for WUSCs in semi-urban towns by DWSSM and the National Water Supply and Sanitation Training Center (NWSSTC) (currently the National Water Supply Sanitation Research, Innovation and Capacity Development Center: NWSSRICDC).										
Objectives of the Projects	<Phase 1> The project aims to improve DWSS (currently DWSSM) technical support system to WUSCs in Morang and Jhapa districts through the development of the Management Model and Support Model and dissemination of the Models in Morang and Jhapa districts, thereby contributing to dissemination of DWSS technical support model for WUSCs established by the project to all over the country by the Ministry of Urban Development (MoUD) and DWSS. <Phase 2> The project aims to provide and strengthen the support to the WUSCs in semi-urban towns by DWSSM and NWSSTC (currently NWSSRICDC) using government and non-government organizations’ personnel through strengthening the supporting capacity of DWSSM regarding the O&M for WUSCs and strengthening the implementing capacity of NWSSTC regarding the training for WUSCs, thereby contributing to providing continuous support to WUSCs in semi-urban towns by DWSSM and NWSSTC. <Phase 1> 1. Overall Goal: DWSS (currently DWSSM) technical support model for WUSCs established by the Project will be disseminated to all over the country by the Ministry of Urban Development and DWSS. 2. Project Purpose: DWSS technical support system to WUSCs is improved in Morang and Jhapa districts. <Phase 2> 1. Overall Goal: Continuous support to WUSCs in semi-urban towns is provided by DWSSM and NWSSTC (currently NWSSRICDC). 2. Project Purpose: Support to the WUSCs in semi-urban towns is provided and strengthened by DWSSM and NWSSTC (currently NWSSRICDC) using government and non-government organizations’ personnel.										
Activities of the Projects	1. Project Site: <Phase 1> Morang and Jhapa Districts <Phase 2> Bardiya, Dang, Nawalparasi, Rupandehi, Lamjung, Bara, Dhanusha, Sarlahi, Ramechhap, Sindhupalchok, Jhapa, and Morang Districts 2. Main Activities: <Phase 1> Implementing the monitoring for appropriate water supply management, developing models for Water Supply and Sanitation Division Offices (WSSDOs) / Eastern Regional Monitoring and Supervision Office (ERMSO) and WUSCs, disseminating the Management Model in Morang and Jhapa districts <Phase 2> Finalizing the project implementation plan, strengthening the supporting capacity of DWSSM regarding O&M for WUSCs, strengthening the implementing capacity of NWSSTC (currently NWSSRICDC) regarding the training for WUSCs. 3. Inputs (to carry out above activities) <table> <tr> <td>Japanese Side</td><td>Nepal Side</td></tr> <tr> <td><Phase 1></td><td><Phase 2></td></tr> <tr> <td>1) Experts: 11 persons</td><td>1) Staff Allocated: 28 persons</td></tr> <tr> <td>2) Trainees Received: 20 persons</td><td>2) Facility: project office</td></tr> <tr> <td>3) Equipment: generators, personal computers, printers,</td><td></td></tr> </table>	Japanese Side	Nepal Side	<Phase 1>	<Phase 2>	1) Experts: 11 persons	1) Staff Allocated: 28 persons	2) Trainees Received: 20 persons	2) Facility: project office	3) Equipment: generators, personal computers, printers,	
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¹ The term “semi-urban” refers to towns with a population between 5,000 and 40,000, as defined in the *Nepal Water Supply, Sanitation and Hygiene Sector Development Plan (2016–2030)*, and 229 towns are applicable to the definition (as of 2015).

² After the transition to the federal system in 2017, DWSS was renamed DWSSM in November 2018.

	and vehicles		
	<Phase 2> 1) Experts: 14 persons 2) Trainees Received: 16 persons 3) Equipment: printers, laptops, ultrasonic flow meter, and COVID-19 emergency response equipment	<Phase 2> 1) Staff Allocated: 110 persons 2) Facility: project office	
Project Period	<Phase 1> (ex-ante) April 2009 – December 2012 (45 months) (actual) 1 January 2010 – 30 September 2013 (45 months) <Phase 2> (ex-ante) June 2016 – June 2021 (61 months) ³ (actual) 10 June 2016 – 18 March 2022 (70 months)	Project Cost (Japanese side only)	<Phase 1> (ex-ante) 257 million yen (actual) 290 million yen <Phase 2> (ex-ante) 400 million yen (actual) 355 million yen
Implementing Agency	<Phase 1> Department of Water Supply and Sewerage (DWSS) (currently DWSSM) of MoUD (currently the Ministry of Water Supply (MoWS)) ⁴ <Phase 2> Department of Water Supply and Sewerage Management (DWSSM) of MoWS		
Cooperation Agency in Japan	<Phase 1> NJS Co., Ltd. <Phase 2> NJS Co., Ltd., Yokohama Water Co., Ltd.		

II. Result of the Evaluation

1 Relevance/Coherence

[Relevance]

<Consistency with the Development Policy of Nepal at the Time of Ex-Ante Evaluation>

The projects were consistent with the development policies of Nepal at the time of ex-ante evaluation.

<Phase 1> The *Three-Year Interim plan* (2010/11–2012/13) prioritized “drinking water and sanitation” in the social development sector.

<Phase 2> The improvement of water supply service quality was emphasized in both the *Envisioning Nepal 2030* and the *14th Three-Year National Development Plan* (2016/17–2018/19). The *National Report 2016–2030* prepared by the National Planning Commission also set a goal of reducing the proportion of water taps in which E. coli is detected to zero by 2030.

<Consistency with the Development Needs of Nepal at the Time of Ex-Ante Evaluation>

The projects were consistent with the development needs of Nepal at the time of ex-ante evaluation.

<Phase 1> Strengthening DWSS’s technical support system was a key issue, as human resource development for WUSC management and institutional support was needed. However, DWSS (currently DWSSM) mainly had focused on facility construction and was unable to sufficiently support the enhancement of O&M capacities of WUSCs.

<Phase 2> Although the models (the Management Model and the Support Model) were developed in Phase 1 to strengthen the technical support system, their implementation was mainly focused on the three WUSCs selected as pilots, and it was necessary to systematically expand efforts to strengthen the O&M capacities of other WUSCs nationwide.

<Appropriateness of Project Design/Approach>

The project design/approach of the two projects was appropriate. No problem attributed to the project design/approach was confirmed.

<Evaluation Result>

In light of the above, the relevance of the projects is ③⁵.

[Coherence]

<Consistency with Japan’s ODA Policy at the Time of Ex-Ante Evaluation>

The projects were consistent with the Japan’s ODA policy to Nepal at the time of ex-ante evaluation.

<Phase 1> One of the priority areas of assistance to Nepal in 2008⁶ was “social and economic infrastructure development,” including water supply.

<Phase 2> The *Country Development Cooperation Policy for Federal Democratic Republic of Nepal* (2016) identified “social and economic infrastructure and mechanism development which directly contribute to economic growth and the national livelihoods improvement” as one of its priority areas. The Policy identified the deterioration of infrastructure, including water supply, as a major factor negatively affecting economic growth and the improvement of people’s livelihoods, and set forth a policy to address urban environmental improvements.

<Collaboration/Coordination with JICA’s Other Interventions>

The collaboration/coordination between the projects and the dispatches of individual experts of JICA was planned at the time of ex-ante evaluation and was implemented, the positive effects expected were confirmed at the time of ex-post evaluation.

<Phase 1 and Phase 2> The dispatched Japanese individual experts, including the Water Policy Advisor (2003–2017) and the Water and Sanitation Program Advisor (2017–2019), engaged in various instances of collaboration, coordination, and interlinkage with the projects. For example, following the completion of Phase 1, the expert contributed to strengthening the water supply capacity in semi-urban areas through follow-up and dissemination of the project activities, and also contributed in the formulation of Phase 2. In addition, the other advisor supported the analysis of investment needs for water supply facilities in semi-urban areas to further disseminate the outcomes of the projects.

³ For both ex-ante and actual period, the number of months was calculated by including both the first and the last month.

⁴ At the time of ex-ante evaluation of Phase 1, the line ministry was the Ministry of Physical Planning and Works (MoPPW). During Phase 1, it was changed from MoPPW to MoUD, which was established in 2012. Currently, the line ministry is MoWS which was formed in 2018.

⁵ ④ : very high, ③ : high, ② : moderately low, ① : low

⁶ The *ODA Country Data Collection* (2008)

Furthermore, these outcomes have been carried forward under the ongoing “Project on Capacity Development of Nepal Water Supply Corporation to Improve Water Supply System in Urban Cities” (2022–2025), in which the NWSSTC (currently NWSSRICDC) serves as one of the key counterparts. Training manuals and SOPs in the ongoing project are being developed with reference to the training materials produced under Phase 1 and Phase 2.

<Cooperation with other institutions/ Coordination with International Framework>

As for Phase 1, the cooperation/coordination with other donors including Asian Development Bank (ADB) was planned at the time of ex-ante evaluation and was implemented, and the positive effects were confirmed at the time of ex-post evaluation. As for Phase 2, the cooperation/coordination with other donors was not clearly planned at the time of ex-ante evaluation, but was implemented during project implementation, and the positive effects were confirmed at the time of ex-post evaluation.

<Phase 1> The project was expected to be coordinated with a project which was in the planning stage supported by ADB. During the project, the achievements and findings of Phase 1 were widely shared with development partners including ADB and other relevant organizations through project output sharing workshops. The outputs of Phase 1 served as important reference materials for ADB in formulating the third phase of the “Small Town Water Supply and Sanitation Sector Project” (STWSSP). Even after the completion of Phase 1, a series of meetings and discussions continued with JICA Nepal and DWSSM. These information-sharing efforts and collaborative activities not only contributed to the formulation of Phase 2, but also greatly supported the revision and enhancement of the training materials and models developed to better meet the needs and to align with the context of STWSSP.

<Phase 2> Efforts were made to coordinate with STWSSP, and WUSC representatives under STWSSP were invited to participate in the training sessions conducted under the project. In addition, under STWSSP, the Institutional Support and Service Advisory Unit (ISSAU) has utilized the training materials such as SOPs and learning videos developed by the project in its training programs for WUSCs. The synergy effects resulting from coordination and collaboration contributed to the institutionalization of the models developed under the project within both DWSSM and NWSSTC (currently NWSSRICDC).

<Evaluation Result>

In light of the above, the coherence of the project is ③.

[Evaluation Result of Relevance/Coherence]

In the light above, the relevance/coherence of the projects is ③.

2 Effectiveness/Impact

<Status of Achievement of the Project Purpose at the Time of Project Completion>

<Phase 1> At the time of project completion, the Project Purpose of Phase 1 was achieved as planned. Both the Management Model and the Support Model were introduced not only to all 17 targeted WUSCs but also to an additional 19 WUSCs (Indicator 1). The improvements in the safe drinking water services were observed in three pilot WUSCs (Dhulabari, Gauradaha, and Mangadh) (Indicator 2).

<Phase 2> At the time of project completion, the Project Purpose of Phase 2 was achieved as planned. The revision process and sections of DWSSM responsible for the Management Model were identified as planned (Indicator 1). The sections of DWSSM responsible for the training on the Management Model for WUSCs were identified as NWSSTC (currently NWSSRICDC) and revision process of Training Implementation Guideline was defined as planned (Indicator 2). A total of 70 trainers were trained who can carry out the training on the Management Model for WUSCs through the Training of Trainers (ToT) programs, achieving significantly beyond the target of 15 trainers (Indicator 3). The results of the capacity self-assessment of trainers on the Management Model for target WUSCs showed improvement in both general and specific skills (Indicator 4). The training materials developed under the project including the Training Implementation Guideline and SOPs were endorsed by DWSSM in March 2022 immediately following the project completion in the same month (Indicator 5).

<Continuation Status of Project Effects at the Time of Ex-Post Evaluation>

<Phase 1> By the time of the ex-post evaluation, the project effects have been continued. A total of eight WUSCs, including two pilot WUSCs in Jhapa, and fifteen WUSCs, including one pilot WUSC in Morang, have continuously conducted workshops and trainings to promote the models developed under the project (Indicator 1). All three pilot WUSCs have significantly improved their safe drinking water services, as evidenced by the Key Performance Indicators (KPIs) recorded in the National Water Supply, Sanitation and Hygiene Management Information System (N-WASH-MIS) of DWSSM (Indicator 2).

<Phase 2> By the time of the ex-post evaluation, the project effects have been continued. In April 2025, NWSSTC was reorganized and renamed as NWSSRICDC. The training materials developed under the project have been used as standard documents, and no significant need for revision has been identified so far. In light of NWSSRICDC’s new organizational mandate, the revision process is scheduled to be reconsidered within Fiscal Year (FY) 2025 (Indicator 1). NWSSRICDC remained responsible for the training on the Management Model. The training program developed under the project has been institutionalized as an annual program (Indicator 2). The number of trainers developed in 2023 and 2024 was 57 and 88, respectively, exceeding the target set at project completion (Indicator 3). Trainers who completed ToT have supported NWSSRICDC trainings, with their improved capacity evident from field monitoring and enhanced WUSC performance reflected in KPIs (Indicator 4). The endorsed documents developed under the project have been continuously used by NWSSRICDC in annual training programs and disseminated to relevant water utilities (Indicator 5).

<Status of Achievement of the Overall Goal at the Time of Ex-Post Evaluation>

<Phase 1>At the time of ex-post evaluation, the Overall Goal of Phase 1 has been mostly achieved as planned. By 2024, 183 WUSCs have been strengthened to utilize the models developed under the project through support from DWSSM and NWSSRICDC (Indicator 1). Meanwhile, the technical support model was incorporated into the annual schedule of only 8 out of 20 Federal Water Supply and Sewerage Management Projects (FWSSMPs) (currently Water Supply & Sewerage Management Offices: WSSMOs) (40%). Although WSSMOs receive regular annual budget allocations from DWSSM for technical support, proper records of support activities were not maintained, and documentation constraints were identified (Indicator 2).

<Phase 2> At the time of ex-post evaluation, the Overall Goal of Phase 2 has been achieved as planned. Since the project completion, NWSSRICDC has incorporated the project-developed trainings into its annual budget and programs. In 2024, 10 out of 33 trainings

focused on the Management Model for WUSCs and other utilities. Utilization of the Management Model has steadily grown, reaching 183 WUSCs by 2024. However, it should be noted that these figures are based on training records, and therefore it cannot be definitively concluded that the model has actually been adopted (Indicator 1). In addition, over 100 WUSCs under STWSSP have incorporated the model into their Business Plans, especially for tariff recovery. Notably, the private sector, with support from DWSSM, has been promoting the dissemination of digitized versions of the SOPs. Among the targeted WUSCs, high-performing WUSCs have purchased the digitized SOPs and introduced them as part of pilot initiatives (Indicator 2).

<Other Impacts at the Time of Ex-Post Evaluation>

The project has contributed to promoting social inclusion among the targeted WUSCs. The pilot WUSCs endorsed an inclusion policy that provides fee waivers for water connection installation and discounts on associated fees for socially vulnerable or marginalized poor groups, resulting in a positive impact on social inclusion and the well-being of these communities. Notably, some pilot WUSCs, such as Gauradaha, have established a Social Development Fund under their inclusion policy, through which they conduct activities such as providing educational scholarships to children from vulnerable and marginalized households within their service areas.

In addition, all pilot and target WUSCs have adopted an inclusion policy requiring that 30% of Executive Committee members be women. This policy has promoted women's participation in decision-making processes and contributed to the advancement of gender equality.

No negative impacts on natural environment were confirmed.

<Evaluation Result>

In light of the above, the effectiveness/impact of the projects is ③.

Achievement of Project Purpose and Overall Goal (Phase 1)

Aim	Indicators	Results	Source
(Project Purpose) DWSS (currently DWSSM) technical support system to WUSCs is improved in Morang and Jhapa districts.	Indicator 1 Based on the technical support model established by DWSS/RMSO/WSSDO, workshop and training on “Small and Medium-sized Water Supply Management Model” are held at least one time and support system is introduced at other selected 9 WUSCs in Jhapa and 8 WUSCs in Morang districts.	Status of the Achievement (Status of the Continuation): achieved beyond the plan (continued) (Project Completion) A total of 25 workshops and on-site training sessions were held, and both the Management Model and the Support Model were introduced to all 17 targeted WUSCs. Furthermore, the models were introduced to an additional 19 WUSCs in Jhapa and Morang districts through the liaison conference in 2011 and the workshop in 2012. (Ex-Post Evaluation) Number of WUSCs conducting workshops and training to promote the Models was 8 (including Dhulabari and Gauradaha) out of 13 WUSCs in Jhapa and 15 (including Mangadh) out of 17 WUSCs in Morang.	Final report (2013), NWSSRICDC
	Indicator 2 The safe drinking water services provided by 3 WUSCs are improved in comparison to the beginning of the project.	Status of the Achievement (Status of the Continuation): mostly achieved as planned (continued and further developed) (Project Completion) According to the joint monitoring survey, improvements were observed in the served population, non-revenue water reduction, and financial management at Mangadh WUSC and Gauradaha WUSC. Additionally, the implementing agency confirmed improvements in O&M as well as financial management at Dhulabari WUSC. (Ex-Post Evaluation) All three pilot WUSCs—Mangadh, Dhulabari, and Gauradaha—have significantly improved their safe drinking water services. Common achievements include the extension of the distribution pipeline to increase service coverage, increased supply hours, monthly water quality testing, increased tap connections, and the use of the training materials developed under the project, as confirmed by KPIs in the N-WASH-MIS of DWSSM. In addition, several other WUSCs supported by the project, including Uurlabari, Kakadvitta, and Pragatinagar, have also shown improvements in service quality.	Final report (2013), Annual Report (2024) of Mangadh, Dhulabari, Gauradaha and N-WASH MIS Data
(Overall Goal) DWSS (currently DWSSM) technical support model for WUSCs established by the Project will be disseminated to all over the country by MoUD & DWSS.	Indicator 1 44 WUSCs (17% of all WUSCs) are strengthened by the support of DWSS (currently DWSSM).	Status of the Achievement: achieved beyond the plan (Ex-Post Evaluation) As mentioned in below (Indicator 2 of the Overall Goal of Phase 2), in 2024, 183 WUSCs have been strengthened to use the models developed under the project by the support of DWSSM and NWSSRICDC.	NWSSRICDC, DWSSM
	Indicator 2 The DWSS (currently DWSSM) technical support model is reflected on annual schedule of every RMSO & WSSDO.	Status of the Achievement: partially achieved (Ex-Post Evaluation) RMSOs were dissolved, and 15 WSSMOs were newly established as branches of DWSSM. On the other hand, WSSDOs were restructured under each province ministry and no longer have a direct link with DWSSM; they now provide technical support to WUSCs on a demand-driven basis. Approximately 33% of DWSSM's technical support is channeled through WSSMOs under various budget headings. In 2024, the technical support model was reflected into the annual schedule in only 8 out of 20 WSSMOs (40%). In FY2025, 4 out of 13 pilot WUSCs from Phase 2 received budget allocations from the federal government through WSSMOs. Although WSSMOs receive regular annual budget allocations from DWSSM for technical support, proper records of support activities, including trainings, are not well maintained due to human resource constraints. Consequently, technical support is neither systematic nor consistent, and the lack of proper documentation hinders the full integration of the technical support model into the annual schedules of both WSSMOs and WSSDOs.	DWSSM, WSSMOs, Province Ministry

Achievement of Project Purpose and Overall Goal (Phase 2)

Aim	Indicators	Results	Source																					
(Project Purpose) Project Purpose: Support to the WUSCs in semi-urban towns is provided and strengthened by DWSSM and NWSSTC (currently NWSSRICDC) using government and non-government organizations' personnel.	Indicator 1: The revision process and sections of DWSSM responsible for the Management Model and Technical Support Mechanism for WUSCs in semi-urban towns are identified.	Status of the Achievement (Status of the Continuation): achieved as planned (continued) (Project Completion) The revision process and sections of DWSSM responsible for the Management Model and Technical Support Mechanism for WUSCs were identified as the Planning, Monitoring, and Evaluation Division and NWSSTC (currently NWSSRICDC), with additional revisions undertaken by ISSAU. The revision process was also defined. (Ex-Post Evaluation) In April 2025, NWSSTC was reorganized and renamed as NWSSRICDC. The training materials such as SOPs are still being used as standard documents, and no significant need for revision has been identified so far. In light of NWSSRICDC's new organizational mandate, the revision process is scheduled to be reconsidered within FY2025.	Final report (2022), NWSSRICDC																					
	Indicator 2 The sections of DWSSM responsible for the training on the Management Model for WUSCs in semi-urban towns and revision process of Training Implementation Guideline are identified.	Status of the Achievement (Status of the Continuation): achieved as planned (continued) (Project Completion) It was confirmed that NWSSTC (currently NWSSRICDC) was responsible for the training on the Management Model. The revision process of Training Implementation Guideline was also defined. (Ex-Post Evaluation) NWSSRICDC remained responsible for the training on the Management Model. The training program developed under the project has been institutionalized as an annual program. In light of NWSSRICDC's new organizational mandate, the revision process is scheduled to be reconsidered within FY2025.	Final report (2022), NWSSRICDC																					
	Indicator 3 More than 15 trainers, who can carry out the training on the Management Model for WUSCs in semi-urban towns, are developed. From this trainer batch, at least six must be employees of FWSSMPs (currently WSSMOs).	Status of the Achievement (Status of the Continuation): achieved beyond the plan (continued) (Project Completion) A total of 70 trainers were trained through the ToT programs, including 17 from DWSSM, NWSSTC (currently NWSSRICDC), and MoWS, and 19 from FWSSMPs (currently WSSMOs). (Ex-Post Evaluation) The number of trainers developed in 2023 and 2024 exceeded the target set at project completion. In 2025, the development of 100 additional trainers is planned. <table><tr><th></th><th>Target at the project completion</th><th>Actual at the project completion in March 2022</th><th>Actual in 2022</th><th>Actual in 2023</th><th>Actual in 2024</th><th>Plan of 2025</th></tr><tr><td>Number of trainers developed</td><td>15</td><td>70</td><td>135</td><td>57</td><td>88</td><td>100 (under planning)</td></tr><tr><td>Among them, employees of FWSSMPs (currently WSSMOs)</td><td>At least 6</td><td>19</td><td>N/A</td><td>18</td><td>10</td><td>10 (under planning)</td></tr></table>		Target at the project completion	Actual at the project completion in March 2022	Actual in 2022	Actual in 2023	Actual in 2024	Plan of 2025	Number of trainers developed	15	70	135	57	88	100 (under planning)	Among them, employees of FWSSMPs (currently WSSMOs)	At least 6	19	N/A	18	10	10 (under planning)	Final report (2022), NWSSRICDC Training Record
		Target at the project completion	Actual at the project completion in March 2022	Actual in 2022	Actual in 2023	Actual in 2024	Plan of 2025																	
	Number of trainers developed	15	70	135	57	88	100 (under planning)																	
Among them, employees of FWSSMPs (currently WSSMOs)	At least 6	19	N/A	18	10	10 (under planning)																		
Indicator 4 Capacity assessment results of trainers on the Management Model for target WUSCs in semi-urban towns are improved compared to the baseline.	Status of the Achievement (Status of the Continuation): achieved as planned (continued) (Project Completion) The results of the capacity self-assessment show improvement in both general and specific skills. The average score for general skills increased from 3.54 (pre-training) to 3.94 (post-training), while the score for specific skills rose from 3.16 to 3.50. (Ex-Post Evaluation) A systematic capacity assessment of trainers has not been conducted since project completion due to human resource constraints in NWSSRICDC and DWSSM. However, many trainers who completed basic and master-level ToT programs have been engaged as resource persons in subsequent training sessions conducted by NWSSRICDC, suggesting improvement in their capacity. In addition, engineers from NWSSRICDC, DWSSM, and WSSMOs have monitored trainer capacity through field visits, and the improvement of WUSC performance—as reflected in KPIs tracked through benchmarking reports and the N-WASH MIS—is also considered an indirect indication of improved trainer capacity.	Final report (2022), NWSSRICDC, N-WASH MIS Data																						
Indicator5 The final version of the Management Model, Training Implementation Guideline, training plan, and training curriculums for WUSCs in semi-urban	Status of the Achievement (Status of the Continuation): mostly achieved as planned (achieved and continued) (Project Completion) The final versions of 1) Management Model, 2) Training Implementation Guideline, 3) Training Plan and 4) Training Curriculums for WUSCs in semi-urban towns were to be officially approved/authorized by DWSSM.	Final report (2022), DWSSM																						

	towns are officially approved/authorized by DWSSM.	(Ex-Post Evaluation) The training materials developed under the project including the Management Model, the Training Implementation Guideline and SOPs were endorsed in March 2022. Since their endorsement, these materials have been continuously used by NWSSRICDC in annual training programs and disseminated to relevant water utilities. ISSAU has also utilized the training materials such as SOPs in training activities under STWSSP.	
(Overall Goal) Continuous support to WUSCs in semi-urban towns is provided by DWSSM and NWSSTC (currently NWSSRICDC).	Indicator 1 The trainings are continuously implemented by NWSSTC (currently NWSSRICDC) on the Management Model for WUSCs in semi-urban towns.	Status of the Achievement: achieved as planned (Ex-Post Evaluation) Since the project completion, NWSSRICDC has institutionalized the trainings developed under the project by incorporating them into its annual budget and programs. In 2024, out of 33 total trainings, 10 were related to the Management Model for WUSCs and other water utilities. The expansion of these trainings and the implementation of on-site or OJT training for WUSCs remain challenging due to limited human and financial resources. However, the institutional restructuring of NWSSTC in April 2025 has expanded its scope and mandate for capacity development, which is considered a favorable factor for the sustainability of training activities.	NWSSRICDC
	Indicator 2 The contents of the Management Model are utilized for the management of water supply of WUSCs in semi-urban towns.	Status of the Achievement: achieved as planned (Ex-Post Evaluation) Utilization of the Management Model by WUSCs in semi-urban towns has steadily increased since project completion, with 141 WUSCs using the models by 2022, 159 by 2023, and 183 by 2024 ⁷ . In addition, according to ISSAU, more than 100 WUSCs under STWSSP (Phase I, II, and III) have developed Business Plans that incorporate elements of the Management Model, particularly in relation to tariff recovery. Notably, the private sector, with support from DWSSM, has been promoting the dissemination of digitized versions of the SOPs. Among target WUSCs of the project, high-performing WUSCs such as Urlabari, Kakadvitta, and Pragatinagar have purchased the digitized SOPs and introduced them as part of pilot initiatives.	NWSSRICDC, DWSSM, ISSAU, pilot WUSCs

3 Efficiency

The project cost of Phase 1 slightly exceeded the plan (the ratios against plan: 113 %), while the project period was as planned (the ratios against the plan: 100%). On the other hand, the project cost of Phase 2 was within the plan (the ratio against the plan: 89%), and although the project period slightly exceeded the plan, it can be considered within the plan (the ratios against the plan: 98%) when external factors are taken into account.

<Phase 1> The project cost slightly exceeded the plan due to combined factors. The project period was as planned.

<Phase 2> The project cost was within the plan. The project period was delayed due to two external factors. First, project activities were suspended for four months (from May to August 2017) due to organizational restructuring following the transition to federalism, which required revisions to the PDM and project activities. Second, the COVID-19 pandemic led to travel bans and the suspension of Japanese expert dispatch. The impact of COVID-19 is considered to have spanned six months, from March to September 2020, covering the period from the emergency repatriation of JICA personnel to the resumption of international flights. Although international flights resumed in September 2020, movement restrictions remained in effect until March 2022, limiting project activities such as travel to rural areas, and it should be noted that the actual impact on the project was even greater.

		Project Cost (Japanese side only, yen)	Project Period (months)
Phase 1	Plan (ex-ante)	257 million yen	45 months
	Actual	290 million yen	45 months
	Ratio (%)	113 %	100 %
Phase 2	Plan (ex-ante)	400 million yen	61 months
	Actual	355 million yen	70 months (10-month delay due to external factors)
	Ratio (%)	89 %	115 % (Adjusted for external factors: 98%)

Outputs of both Phase 1 and Phase 2 were produced as planned.

In the light above, the efficiency of the projects is ③.

4 Sustainability

<Policy Aspect>

The *Water Supply & Sanitation Act 2022* explicitly recognizes the role of WUSCs as community-based service providers. The *National Water Supply, Sanitation, and Hygiene (WASH) Policy (2023)* has adopted the concept of the Management Model in the form of the Utility Upgradation Program for water utilities including WUSCs in semi-urban areas. The Program, which aims to enhance the O&M performance of water service providers through benchmarking, capacity development, and business planning, is explicitly included in the *DWSSM Five-Year Business Plan (2019/20–2024/25)* and is currently under implementation. These policy, plan, and program imply a potential to expand the models developed under the project.

⁷ Number of WUSCs utilizing the Management Model has been calculated by NWSSRICDC as per their year wise training records. The calculation assumes that the 13 pilot WUSCs and 68 target WUSCs have already been using the model, with additional WUSCs adopting it each year following training. For example, in 2022, the total was estimated at 141 WUSCs (13 pilot + 68 target + 60 newly trained WUSCs); in 2023, 18 more WUSCs were added (141 + 18 = 159); and in 2024, an additional 24 WUSCs were added (159 + 24 = 183).

<Institutional/Organizational Aspect>

In April 2025, an organizational restructuring was implemented. As a result, the role of DWSSM has been clearly defined as a regulatory body, with greater responsibilities in monitoring and evaluation of water utilities, as well as contributing to the Utility Upgradation Program. NWSSTC was reorganized as NWSSRICDC, with an expanded scope of work. Previously under DWSSM and headed by a senior divisional engineer, it is now placed as a division under MoWS and led by a Joint Secretary-level official. WSSMOs have been restructured as a permanent institution. Previously, 20 FWSSMP offices functioned as temporary project offices to implement federal-level projects; now the number has been reduced to 15, with five of them holding major portfolios that cover several districts across the country. This restructuring strengthened the implementation framework for training programs targeting water utilities including WUSCs, and capacity development activities are expected to increase in the coming years.

Regarding staffing, a long-standing challenge across implementing and related agencies has been the insufficient allocation of personnel, which might hinder scaling up and disseminating the project models. However, under the new restructuring, required staffing levels for each institution have been defined, and gradual improvements in staffing are expected.

<Technical Aspect>

NWSSRICDC has continued its capacity development trainings and has developed a number of master trainers through multiple ToT programs. The training materials developed by the project and approved by NWSSRICDC are actively used as standard documents by both DWSSM and NWSSRICDC. ISSAU has also utilized the SOPs developed under the project in its training programs under the STWSSP. A key challenge is to ensure that NWSSRICDC, DWSSM, WSSMOs, and provincial (WSSDO) and local levels properly understand and adapt the models, which highlights the need for additional follow-up training and the further devolution of training management responsibilities to the provincial (WSSDO) and local levels.

<Financial Aspect>

NWSSRICDC has institutionalized the training program developed under the project as an annual program, with a dedicated budget allocated each year to provide training for WUSCs and other water utilities. While NWSSRICDC has allocated an annual budget for training related to the project, it is insufficient to meet the high demand from WUSCs. One of the challenges in utilizing the contents of the Management Model is the funding gap for providing technical support, caused by the mismatch between the demand from WUSCs and the support available from DWSSM, WSSMOs, or WSSDOs. WSSMOs have received regular annual budget allocations from DWSSM for providing technical support to WUSCs but record of such technical support including trainings has not been well maintained at WSSMOs. In FY2025, four out of thirteen pilot WUSCs in Phase 2 received budget allocations from the federal government through WSSMOs for technical support. Although there is a need and demand for similar technical support for the majority of WUSCs, such support cannot be fully materialized due to budget and human resource constraint of DWSSM and WSSMOs.

<Environmental and Social Aspect>

No issue on environmental and social aspect has been observed, and it has not been necessary to take any countermeasures.

<Evaluation Result>

In light of the above, some problems have been observed in terms of the technical and financial aspects. Therefore, the sustainability of the project effects is ②.

5 Summary of the Evaluation

The projects achieved the Project Purposes and the Overall Goal, as support to the WUSCs in semi-urban towns has been strengthened and support has been continuously provided by DWSSM and NWSSRICDC. Regarding the sustainability, although the expansion of the models developed under the project can be expected from a policy perspective, and the new organizational restructuring is regarded as a favorable factor for gradual improvements in staffing, the need for additional follow-up training and a shortage of funding for technical support has been identified.

Considering all of the above points, these projects are evaluated to be satisfactory.

III. Non-score Items

Adaption and Contribution:

Through coordination with multiple schemes—such as the dispatch of Japanese experts, Knowledge Co-Creation Program, and the technical cooperation project “Project on Capacity Development of Nepal Water Supply Corporation to Improve Water Supply System in Urban Cities” (2022–2025)—JICA Nepal Office was able to build effective communication and partnerships with the implementing and related agencies. This contributed to the dissemination of the achievements of the project even after project completion.

Additionality and Creative Values:

The seed investment provided by JICA under the Grant Aid (GA) scheme, titled “The Project for the Improvement of Water Supply Facilities in Urban and Semi-urban Centers” (2005), through the construction of basic water supply facilities, laid the foundation for the Water Users and Sanitation Committees (WUSCs)—specifically the pilot WUSCs in Mangadh, Gauradaha, and Dhulabari—to substantially expand their water supply services delivery.

IV. Recommendations & Lessons Learned

Recommendations for Implementing Agency:

Despite the fact that capacity building activities for water utilities including pilot WUSCs have shown demonstrative results in KPIs of the water supply services, regular trainings to such utilities including refresher trainings and their effective management have not been implemented as required due to lack of technical human resource as well as budget at NWSSRICDC. As there are challenges observed in the section of the Sustainability related to technical (training) and financial aspects, it is recommended that trainings and capacity building activities are to be budgeted and also expanded at provincial level under the new scope of NWSSRICDC.

Lessons Learned for JICA:

Seed investment by JICA under the GA scheme, through the construction of basic water supply facilities, created a foundation for WUSCs, including all pilot WUSCs—Mangadh, Gauradaha, Dhulabari— to substantially expand their water supply service delivery and the Technical Cooperation Project (TCP) helped these WUSCs to become model sites by improving technical, institutional and financial indicators. Taking such positive outcomes from the linkage between the two schemes into consideration, adopting the KPIs monitored through DWSSM’s information system as indicators for both the Grant Aid project and the Technical Cooperation Project enables the effects of JICA’s assistance to be measured in a consistent manner. In addition, adopting DWSSM-monitored KPIs helps align the project outcomes—and their post-project sustainability—with the effects expected by DWSSM. Therefore, when formulating similar technical cooperation projects, JICA needs to emphasize on adopting KPIs monitored by the implementing agency to measure the project effects and its continuity.

Date	PH	Turbidity	Iron	FRC	Chlorine	Manganese	Color	Test name/Remarks
6-5-85	Tempo	5/10	0.3/10	0.2-0.5	0		5/100	
(Mangadh System)								
2083/12/27	32.24	2.33	0.23	4.36	-	0.32	-	✓
(Puspahal System)								
2083/11/27	35.23	3.36	0.23	-	-	2.36	-	✓
(Budhipanga System)								
2083/12/27	33.34	3.70	0.16	2.33	-	2.33	-	✓
2083/12/27	32.24	3.40	0.10	0.84	-	-	-	✓

Mangadh WUSC maintaining proper daily records of water quality on its notice board



Dhulabari WUSC keeping proper records of production and supply hours, and also operating the water treatment plant in accordance with the SOPs