Report On
The Study of Nepalese Private Sector’s Involvement in Water and Sanitation

Submitted to:
UN HABITAT
Water for Asian Cities Programme Nepal
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Submitted by:
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II. EXECUTIVE SUMMARY

This report is a comprehensive analysis of the data and information collected for the ‘Study on the Nepalese Private Sector’s Involvement in Water and Sanitation’. The main aim of this study was to understand private sector’s willingness to partner up with development sector for water and sanitation issues as part of their Corporate Social Responsibility (CSR) activities. The study was carried out from mid-May to end of June 2008 in Kathmandu valley by a study team. The key objective of the study was to understand the willingness of private sector to work with UN agencies on Water and Sanitation issues and also to propose appropriate model for UN HABITAT to work with the private sector.

The study methodology was both objective through questionnaire and descriptive through face to face interview. A total of 30 private sector businesses were selected through stratified random sampling representing different sectors such as banking, manufacturing (both national and multinational), hotel, cargo, airlines and mineral water Company. The sample ratio was set as 50:50 for manufacturing and service sectors.

Analysis and findings section of the report comprises the analysis of the private sector businesses visited during the study. 67% respondents of the study mentioned that the CSR activities they are doing is part of their business strategy while rest 33% mentioned that it is not a part of the business strategy rather more as a need and request basis. For 22% of the respondents environment was the major priority sector followed by education and health. Sports and community development were on the third and the fourth priorities respectively.

69% respondents are interested to work in water and sanitation issues in partnership with UN Agencies, but would like to know the proposal detail as well as role of both organizations.

The study team recommended UN HABITAT a phase wise approach to work with private sector where the first phase was to have a first round of dialogue with them. The second phase was to develop a good model which needs to be communicated with private sector making it attractive to them. Finally, the third phase included identifying and selecting local NGOs to implement projects and to develop monitoring and evaluation mechanism.

UN HABITAT also needs to build its linkages with private sector and set matching fund for projects. The private sector businesses are interested to work with development sector but do not want their social fund to be used for NGOs’ overhead cost. Thus, UN HABITAT needs to plan for alternatives for NGOs’ overhead. The private sector does not have adequate idea about NGOs or whom to work with for their social activities. For this reason, UN HABITAT can identify credible NGOs to implement the project and recommend them to the private sector businesses willing to participate in ‘water and sanitation’ related activities.
### III. Acronym

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>ECCA</td>
<td>Environmental Camps for Conservation Awareness</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non Governmental Organization</td>
</tr>
<tr>
<td>MDGs</td>
<td>Millennium Development Goals and targets</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Governmental Organization</td>
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<tr>
<td>PPPUE</td>
<td>Public Private Partnership for Urban Environment</td>
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<td>SC/US</td>
<td>Save the Children US</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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<td>UN-HABITAT</td>
<td>United Nations Human Settlements Programme</td>
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<td>WAC</td>
<td>Water for Asian Cities</td>
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<td>World Water Forum</td>
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VI. TERMINOLOGY

**Private Sector**- The private sector consists of those entities that are controlled and managed by individuals and/or firms themselves, but not controlled directly by the government. They usually have a major objective, besides providing services or products to consumers, to make profit so that shareholders get a financial return on their investment. For this reason, entities in the social sector that are non-profit oriented are not included in the ‘private sector’, although they may not be controlled by the government as well.

**Development/ NGO Sector**- The NGO sector consists of all the organizations, or group of people working independently of any external control with specific objectives and aims to fulfill tasks that are oriented to bring about desirable change in a given community/group of interest or area or situation.

They are usually non-profit oriented and are working in sectors like education, health, social mobilization among others. The NGO consists of different organizations like development NGOs, associations of a group of people (student association, consumer association etc), federation of different organizations, community based organizations etc. They may receive funds and resources to work from different sources like government, donors, private sector, local community etc.

**Philanthropy**- Philanthropy is defined in different ways. The origin of the word philanthropy is Greek and means love for mankind. Today, philanthropy includes the concept of voluntary giving by an individual or group to promote the common good. Philanthropy also commonly refers to grants of money given by foundations to non-profit organizations. Philanthropy addresses the contribution of an individual or group to other organizations that in turn work for the causes of poverty or social problems and ultimately improving the quality of life of the citizens. Philanthropic giving supports a variety of activities, including research, health, education, arts and culture as well (Source: www.indiangrantmakers.org/give/glossary.html)

**Corporate Social Responsibility (CSR)** - Corporate Social Responsibility is the continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. While philanthropy comes only after profit, CSR includes all activities of companies during the production and delivery process, which aim to satisfy one or various stakeholders (these are the group of people that the business affects, e.g. consumers, government, suppliers, community, etc.). Basically, CSR is about businesses giving back to the society by actions that makes business sense as well as positively affect the stakeholders.

Businesses partnering with NGOs and providing a certain amount of money through an NGO for development activities can be simply considered as philanthropy. However, long-term commitment, capacity building, and the way these activities are conceived as part of a more global strategy in the business can be included in the CSR definition. Thus, for businesses to include their initiatives under CSR should be part of their strategy of operating businesses and not just sharing the profit.

Source: Study on “Scope of Private Sector Involvement in the NGO/development Sector in Nepal conducted by SC/US and Lotus Opportunities in 2005
1. INTRODUCTION

This report is the result of over a month-long field study, which interviewed various businesses and their owners in Nepal. The main aim of this study was to understand private sector’s willingness to partner up with development sector for water and sanitation issues as part of their Corporate Social Responsibility (CSR) activities. The study was carried out from mid-May to end of June 2008 in Kathmandu valley by a study team.

The report has been divided into three major sections which are as follows
- Study Background and methodology
- Analysis and findings
- Recommendations and Conclusion

2. STUDY BACKGROUND AND METHODOLOGY

Corporate Social Responsibility does not have one particular definition but organizations worldwide have been developing their own definitions for this. Some defines it as operating in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business; whereas other defines it as doing business in an ethical way that respects people, society and the environment.

European Union definition of CSR is “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

Amongst other things, this definition helps to emphasise that:
- CSR covers social and environmental issues, in spite of the English term corporate social responsibility
- CSR is not or should not be separate from business strategy and operations: it is about integrating social and environmental concerns into business strategy and operations
- CSR is a voluntary concept

An important aspect of CSR is how enterprises interact with their internal and external stakeholders (employees, customers, community, NGOs, public authorities, etc.).

Source: http://ec.europa.eu/enterprise/csr/index_en.htm

In Nepal private sector has been involved in social activities for years. They have been doing their own way of social /philanthropy activities. The activities they have been involved in are more of one time basis than a regular one. As per the study on “Scope of Private Sector Involvement in the NGO/development Sector in Nepal”\(^1\) most of the businesses from private sector have identified -Health, Education, Environment and Sports as areas where they would like to work in. They are also interested to work with development sector on those issues.

The Year 2008 is the international year of Sanitation and UN HABITAT has been doing different Safe Drinking Water and Sanitation related programs in Nepal. In March 2008 they launched a partnership between UN HABITAT and Coke Nepal for Safe Drinking Water in

\(^1\) Source: Study done by Save the Children US and Lotus Opportunities in year 2005
five municipalities of Nepal. UN HABITAT is looking for other potential private partners to work in Water and Sanitation issues. This study has been done to explore other potential partners from private sector for UN HABITAT to partner up for Water and Sanitation issues.

2.1 About UN HABITAT

The Water for Asian Cities (WAC) Programme is a collaborative initiative between the United Nations Human Settlements Programme (UN-HABITAT), the Asian Development Bank (ADB) and Governments of Asia. The WAC Programme was officially launched at the Third World Water Forum (WWF) on 18 March 2003. WAC Programme in Nepal was initiated in 2004.

The WAC Programme is supporting implementation of the water and sanitation related Millennium Development Goals and targets (MDGs) in Asian cities. It is specifically promoting:
- pro-poor governance;
- water demand management;
- increased attention to environmental sanitation; and
- income generation for the poor linked to water supply and sanitation.

The programme seeks to achieve the above by mobilizing political will, raising awareness through advocacy, information and education; training and capacity building; by promoting new investments in the urban water and sanitation sector; and by systematic monitoring of progress towards MDGs.

2.2 Objectives

The objectives of the study were defined as follows:
- To learn which private sector is doing what in the field of Water and Sanitation as part of their CSR/philanthropy activities
- To understand willingness of private sector involvement with development sector
- To have a tentative idea of the resource that private sector mobilize on social activities
- To identify the priority sectors for private sector for social activities
- To recommend appropriate model that UN HABITAT can incorporate in the project that would promote private sector’s involvement in water and sanitation

2.3 Study methodology

2.3.1 Data collection

The methodology adopted for the study was both objective through questionnaire and descriptive through face to face interview. A combination of both primary and secondary data was used. Literature review was done prior to the visit to the field to have a general knowledge about the present status of philanthropic / social activities and private sector’s involvement in water and sanitation as part of their CSR activities, nationally as well as internationally. Secondary data was also collected through browsing of various websites. Primary data was collected through an in-depth face to face interview with the top level management of the private sector. The time frame for desk research and data collection was for six weeks from mid May to end of June.
2.3.2 Sample selection
A stratified random sampling of big enterprises of Nepal was done for the purpose of the study. As defined by the Nepalese government, big enterprises are those organizations whose total assets exceed 100 million Nepalese rupees. The criteria for selecting the enterprises were their involvement in philanthropic or social activities in Nepal.

![Sectors Interviewed](image)

The total sample size for the study was 30 private sector businesses where the top level management was interviewed as well as a questionnaire for the study was posted to be filled by the organization. The sample represented different sectors such as banking, manufacturing (both national and multinational), hotel, cargo, airlines and Mineral Water Company. Out of the 30 sample size 50% of the sample was from the service sector while 50% was from the manufacturing sector.

2.3.3 Questionnaire development
The study team developed two sets of structured questionnaire for respondents where one was open-ended questionnaire and another one was close-ended questionnaires. The open ended questionnaire was used for face to face interview whereas the close ended questionnaire was mailed or faxed to the organizations to fill it before hand.

The questionnaires covered the following issues:

- Kinds of philanthropy/CSR activities that the private sector practiced in Nepal
- The planning of philanthropy/CSR activities and its delivery
- Areas the private sector is interested in and whether there is any priority sector or not
- Private sector’s involvement or interest to work on Health and Sanitation related activities
- Private sector’s interest to work in partnership with UN Agencies for Health and Sanitation related activities

Note: Budget issue was not included in the questionnaire as the private sector may not be willing to talk about the budget they spend on philanthropy/CSR activities. But a question on
what kind of partnership the private sector is interested to work with development agencies - whether financial or other kinds was included in the questionnaire.

2.3.4 Study team
The study team consist of the following

Mr. Neeraj Nepali, Team Leader
Ms. Reema Shrestha, Team Member
Mr. Yogendra Jung Khadka, Research Assistant
Ms. Bhumika Basukala, Research Assistant

2.4 Limitations
The following were the limitations of the study:

Sample Size:
The sample size of the study was only 30 private sector businesses. Out of the 30 sample size only 28 of the respondents filled out returned the questionnaires due to which the analysis is based on these 28 sample size respondents only. The sample size itself is very small as compare to the total private sector operating in Nepal. There is a possibility that the appropriate businesses might not have been covered in the sample.

Time Frame:
Likewise, the time period was for six weeks which limited visits and more in-depth analysis of the study.

Political Situation:
Due to various bandhs and strikes during the study period, it was difficult to visit organizations timely. Some of the planned meetings were cancelled due to this reason.

3. ANALYSIS AND FINDINGS
The analysis and findings section of this report includes the analysis of the private sector businesses visited for the study. Total of 30 businesses were interviewed for the study including both manufacturing and service sectors. The charts and figures of this study include analysis of 28 businesses only as 2 of the private organizations interviewed did not return the questionnaires despite of constant reminders. Thus, findings of these two businesses are not added in the charts.

The term ‘Corporate Social Responsibility’ and ‘Philanthropy’ are used interchangeably during this study as well as in the report as the Nepalese private sector has been practicing philanthropy for decades and have been using CSR as their philanthropy activities. As all the private sector businesses interviewed, do not have a planned CSR policy, both the words are used interchangeably. The objective of the study was not to find the status of CSR in Nepal but to know the social/environmental activities private sector are involved in and whether they are interested to work with development agencies for Water and Sanitation issues or not.

The study team has focused on the following main topics where the analysis and findings section have been divided as per the following topics.
− The kind of philanthropy/CSR activities private sector businesses are involved in
− Priority sectors the private sector is interested in
− Private sector’s interest to work on Safe Drinking Water and Sanitation
− The partnership private sector is interested to work with development sector

Out of the 28 organizations interviewed all 28 of them had heard the term Corporate Social Responsibility. Out of these 28 organizations only one of them responded that they are not involved in any kind of CSR activities but is interested to be involved in the future.

3.1 Private sector's involvement in philanthropy/CSR activities

All the private sector businesses interviewed were involved in some kind of CSR/philanthropy activities. The activities most of the businesses are involved were - community development, cash donations, school support programs and support to sports activities. Out of 28 organizations, 18 of them were supporting community based activities and 19 of them were involved in cash donation which was the highest.

![CSR/Philanthropy activities businesses are involved in](image)

Figure 2: CSR activities businesses are involved in

3.1.1 Planning of CSR/philanthropy activities

The majority of the private sector businesses interviewed was implementing their CSR/philanthropy activities as per need of the communities. They informed that they receive proposals from different NGOs, clubs, schools, community based organizations. After analysing these proposals and examining their authenticity they decide whom to support and whom not to support. 30% of the total respondents agreed that they plan their CSR/philanthropy activities in annual meetings where they set their priority areas and the total budget to be spent on these activities where accordingly they make plans with the proposals received from the communities or NGOs or clubs.
How CSR activities are planned

![Pie chart showing how CSR activities are planned: Annual Meetings 30%, Semi annual meetings 7%, Need basis 50%, Others 13%](image)

Figure 3: CSR activities planned

While interviewing, 67% of the respondents who plan on yearly basis informed that they follow the fiscal year calendar (Shrawn – Ashadh Nepali month) to plan their CSR activities.

### 3.1.2 Decision makers for CSR activities

CEO and the Management Team of the organization are the major decision makers of CSR activities in organizations which totalled 60%. Out of 28 businesses, 42% of CEOs decide on which area their organization should focus their CSR activities and where not to. They are the major ones who decide on the activities, budget and partners with whom to work with.

![Pie chart showing who decides on CSR activities: CEO 42%, Management Team 18%, Communication Dept 5%, HR Dept 7%, CSR officer 4%, Company guideline 9%, Other 16%](image)

Figure 4: Decision making of CSR activities
3.1.3 Dedicated person for CSR activities

In the above 3.1.2 section it shows clearly that the CEO and the management team are the major decision makers for CSR activities even though they have a dedicated person for CSR activities. 52% of the respondents have appointed a dedicated Officer to look after their organization’s CSR activities. However, such officers have minor role on deciding their CSR activities. In most of the organizations, the final CSR plan has to be approved by the CEO and the management team.

![Any dedicated person for CSR activities](image)

Figure 5: Dedicated personnel for CSR

3.1.4 Delivery of CSR activities

The private sector has been doing their CSR activities both in partnership basis as well as by the organization themselves. Out of 28 private organizations, 51% have worked in partnership for their CSR/philanthropy activities. Out of those 51% working in partnership, the partner organizations included INGOs, NGOs, Chambers, Local clubs like Rotary, Lions, Youth clubs, Community Based Organisation as well as local Municipalities. Rest 49% of the organizations have never worked in partnership with other organizations for their CSR activities. When asked why they did not work in partnership with other NGOs, clubs or community based organizations for their CSR activities, they responded that it was difficult to find a credible NGO to work with and being a private sector they are not aware of which NGOs were working on which sector. They felt that they do not have enough resources to find credible NGOs and even though they find one, they feel that the overhead cost proposed by NGOs is very high. In interviews with the private sector, they emphasised that they are interested to work with those NGOs which are credible and do not charge high overhead cost.
3.1.5 Part of business strategy
Corporate Social Responsibility has to be part of the business strategy of any organization. These activities should not be a one-time activity but has to be done on a planned way in a continued basis. 67% respondents of the study mentioned that the CSR activities they are doing is a part of their business strategy while rest 33% mentioned that it is not a part of the business strategy rather more as a need basis. Those who mentioned that it is part of their business strategy told that such activities have been benefiting them by enhancing their brand. Some of the respondents mentioned that these activities have helped them reach their community effectively and have helped build trust between the organisation and the community.

3.2 Priority sectors
Most of the respondents have already prioritised certain sectors where they would like to get involved in. These sectors are prioritised on the basis of their area of operation. For certain
businesses, environmental issues are not on the top priority but health and education is a priority. Similarly for some businesses, environment is on the top of the list but education is not a priority. For example pharmaceutical companies are more interested to work on health related issues and environment but banking sector’s priority is more on education and health. Out of the total 28 respondents environment was the priority sector for most of the organizations and then the second priority was education and health. Sports and community development was on the third and fourth priority respectively. Water and sanitation was the fifth priority for the respondents.

![Priority sectors for organization](image)

Figure 8: CSR priority sector for organization

### 3.3 Private sector’s interest to work on Safe Drinking water and sanitation

Most of the respondents have already prioritized the areas where they would like to work as CSR activities. Out of the total 30 organizations interviewed 69% of the organizations showed interested in working with UN agencies. Out of these 69% organizations, most of them showed interested to work in water and sanitation issues but again they would like to know the detail proposal as well as the role of both organizations in the planned program. 43% of the private sector businesses were interested in financial partnership with UN Agencies whereas 27% were interested in non-financial partnership such as technical input, product distribution etc. Some of the organizations despite the water and sanitation not being their priority were ready to consider this area if they get good proposal where there is a win-win situation for both organizations involved.
3.4 Partnership model with UN Agencies

The word United Nations (UN) itself was of interest for many respondents to work with. Many of the organisations said that it was difficult for them to find credible NGOs to work with. Even though the private sector does not have enough experience and resources to work with community, they prefer doing their social activities themselves as it is difficult to trust NGOs or find credible ones. Many of them had disappointing experiences working with NGOs and thus are sceptical to work with NGOs directly. Therefore with the name ‘UN’ itself, they feel that they are more trustworthy than other NGOs and can count upon their suggestions.

Those respondents who showed interest to work with ‘UN’ Agencies had two types of partnership models where one was based on direct financial contribution and the other one was on indirect partnership.

**Direct Financial Partnership**
The respondents were interested to have financial partnership with UN Agencies considering UN agencies contribute matching grant to the program. Some of the respondent very clearly mentioned that the 100% of amount they contribute for water and sanitation issues has to reach the actual beneficiaries and the amount should not be used for NGOs’ overhead cost. The respondents were reluctant to talk about the total budget they are ready to invest on CSR activities and informed that most of the activities are done on a need-basis and can only talk about it once a proposal is received from UN HABITAT. Some of the respondents have already shown interest to work with UN HABITAT.
Table 1: Private sector interested in direct financial partnership

- Surya Nepal is interested in the Safe Drinking Water and this is the campaign where they could think of considering partnership.
- Unilever is interested to work on drinking water supply to the community near their factory where they are looking for matching fund as well as partners for the program.
- Khetan Group as well as Golcha Organization feels that if UN HABITAT comes with a proposal of constructing 100 public toilets in Kathmandu then they will be interested to sponsor at least 3-4 toilets.
- Le Meridian is interested to work in drinking water near their community, Sankhu
- Kathmandu Guest House group is interested to work on water and sanitation issues in Thamel area which could be done with Thamel Tourism Board

Indirect partnership

28% of the respondents were interested to partner with UN Agencies on water and sanitation issues on indirect basis instead of direct financial. The partnership could be using technical knowledge or utilizing distribution channel of the respondents for water and sanitation related services. The respondents were interested to contribute to the water and sanitation theme by raising awareness to communities and extending their services.

Table 2: Private sector interested in indirect partnership

- Vijayadeep Laboratories is interested to support the water and sanitation cause by raising awareness on the issues through their marketing/distribution channel
- DHL is interested to support the safe drinking or any other water and sanitation campaign by having the campaign sticker in all their parcels
- World link would like to get involved with water and sanitation campaign by hosting websites to create awareness on the issues

Benefits of partnership

The key benefit private sector perceives on the partnership with UN Agencies is the name UN itself. UN is a global name in development sector which could help them in enhancing their brand in development field. As private sector is always looking for credible NGOs and is difficult for them to find one by themselves, working with UN brand could be a safe option. The private sector is always looking for a good win-win model on their CSR activities and if good proposal is received from UN then this could be a good opportunity for them as well.

4. Recommendation

UN HABITAT program for Water for Asian Cities focuses on water and sanitation related programs in cities only, where as for many manufacturing private sector businesses their first priority area to do carry out CSR activities are near their factory areas which could be both in rural as well as urban areas. Therefore, while choosing organizations UN HABITAT has to consider this point in mind.
The recommendation for UN HABITAT has been divided into phase-wise approach as explained below:

**Phase I**
The first phase for UN HABITAT for partnership with private sector is to have a first round of dialogue with them to share what UN HABITAT is doing and what are their interest to work with private sector and how they think this can be achieved. The different stakeholders interested from the private sector and water and sanitation issues have to be included in the dialogue so that there could be discussions on both pros and cons of the partnership. The private sector has to be clear on the type of partnership UN HABITAT is looking for. The main aim of the dialogue is to have a feel of interest of the private sector to work with UN HABITAT. The dialogue will also lead to the areas where private sector would like to work and the mechanism in which they will feel comfortable.

**Phase II**
The second phase for UN HABITAT will be to develop a good model for NGO Private Sector Partnership on water and sanitation issues. The model has to be such where both private and development sectors will be interested. The partnership as well as the implementing and monitoring part of the partnership has to be clear. The study “Scope for NGO Private Partnership” conducted by SC/US and Lotus Opportunities showed various constraints where the private sector was reluctant to work with NGO and vis-à-vis. The major constraints the private sector felt was NGOs’ credibility, how credible and accountable they are. Similarly other constraints were the concern whether the money contributed by the private sector is used in the real cause or not. Like wise the constraints NGO felt was that private sectors are not interested in development and they are always looking for visibility even though their contribution is minimal. Therefore, while developing the model these points need to be considered and the role of both sectors has to be clear.

UN HABITAT also needs to consider how the model should be delivered for private sectors where they become interested to partner up with UN HABITAT for water and sanitation as part of their CSR. Communicating with development actors and private actors are not similar as the languages they speak are different therefore while developing a model this needs to be considered. UN HABITAT can also consider hiring professionals who understand both the sectors who have experience in communicating with both sectors. Once UN HABITAT has developed a model for partnership a pilot testing of the model has to be done. For the pilot testing a potential private sector has to be identified and approached. Building trust between private sector and UN HABITAT is important where a mutually agreed effective monitoring and evaluation of the program has to be developed.

**Phase III**
The final phase of the partnership will be to implement the project as per the partnership agreement. Both the organizations UN HABITAT and the private sector are not an implementing organization therefore a local partner needs to be identified who can implement the project in the selected location. The partnership has to be such that both the organizations are involved from the planning process to monitoring and evaluation. The partnership has to be real partnership and not just a philanthropy where private sector will give money and the activities are carried out. The implementing organization has to have a dual reporting system where they will report to both UN HABITAT and the respective private sector. The monitoring and evaluation also needs to be done by both the organisations to the implementing organization.
Figure 10: Proposed Model for UN HABITAT to Work with the Private Sector

- Be part of multi-sector networks working for development and

**Process**
- Approach private sector
- Develop attractive project proposal for private sector
- Set matching fund
- Build Linkages with private sector
- Introduce credible NGOs to private sector

**Available Resources**
- CSR/Social Objective
- Financial Resources
- Technical Resources

**Available Resources**
- Development Objective
- Technical Competence
- Community base

SRBDN
FNCCI CSR Forum
NBI

UN HABITAT

PRIVATE SECTOR

NGOs
In the above proposed model, UN HABITAT needs to develop a good project proposal where it can partner up with the private sector. The project proposal itself needs to be attractive for the private sector with provision for matching fund. As private sector businesses are interested to work with development sector yet do not want their social fund to be used in NGOs overhead cost, UN HABITAT needs to plan for alternatives regarding this. Private sector does not have much idea about NGOs or who to work with so UN HABITAT needs to find credible NGOs to implement projects.

UN HABITAT also needs to be a part of multi-sector forums/networks such as SRBDN, FNCCI CSR forum, etc. so that they could build good linkages with the private sector. These networks are important to have linkages with private sector.
Figure 11: Proposed Steps

Phase I
- Dialogue between Businesses and UN HABITAT

Phase II
- Develop a model for NGO Private Partnership
  - Good packaging of the model to attract businesses
  - Market the model

Phase III
- Dialogue between the interested businesses and UN HABITAT
  - Identify local NGO to implement
- Partnership UN HABITAT & Businesses
  - Monitoring & Evaluation
  - Reporting

Implement the project
- Monitoring & Evaluation
5. **CONCLUSION**

Private sector and Development sector often speak different languages. The private sector’s key objective is to earn profit whereas development sector thinks differently and its objective is to carry out social welfare activities. Even though these organisations speak different languages, since last few years there has been a shift where both the sectors are becoming interested to work with each other. The reason for this interest is the increasing trend of CSR and Public Private Partnership approaches. The private sector is interested to conduct social activities as part of their CSR but is not very comfortable in development field; similarly the development sector wants to partner up with the private sector due to its access to consumers through its distribution and marketing network.

In Nepal similar interest from both the private and development sectors has been shown where the partnership between UN HABITAT and Bottlers Nepal (Coke)\(^2\) is a good example. Private sector is interested to work with UN HABITAT as part of their CSR activities but proper communication between both the organizations as well as trust building is necessary so that the effective partnership is initiated leading to the success.

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\(^2\) UN HABITAT and Bottlers Nepal had a partnership for Safe Drinking Water in five municipalities of Nepal where both the organizations contributed equal amount of money for the program which is being implemented by a ENPHO, local NGO.
## Annexure 6.1: List of Organizations Interviewed

<table>
<thead>
<tr>
<th>S.No</th>
<th>Organization</th>
<th>Contact Person</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yeti Airlines Pvt. Ltd.</td>
<td>Mr. Binay Shakya</td>
<td>Senior Manager</td>
</tr>
<tr>
<td>2</td>
<td>TNT International Express – Nepal</td>
<td>Mr. Pramod Khanal</td>
<td>Finance Department</td>
</tr>
<tr>
<td>3</td>
<td>Club Himalaya Resort</td>
<td>Ms. Parmita Shakya</td>
<td>E-marketing Director</td>
</tr>
<tr>
<td>4</td>
<td>Nebico Private Limited</td>
<td>Mr. Rabindra Shrestha</td>
<td>Managing Director</td>
</tr>
<tr>
<td>5</td>
<td>Asian Paints (Nepal) Pvt. Ltd.</td>
<td>Mr. Soumitra Roy</td>
<td>General Manager</td>
</tr>
<tr>
<td>6</td>
<td>Nepali Paper Products Pvt. Ltd.</td>
<td>Mr. Bishnu Prasad Shrestha</td>
<td>Chairman and Managing Director</td>
</tr>
<tr>
<td>7</td>
<td>Surya Nepal Private Limited</td>
<td>Mr. Arjun Kandel</td>
<td>Social Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mr. Deepesh Shrestha</td>
<td>HR Officer</td>
</tr>
<tr>
<td>8</td>
<td>Unilever Nepal Pvt. Ltd.</td>
<td>Mr. Ambar Thapa</td>
<td>Corporate Officer</td>
</tr>
<tr>
<td>9</td>
<td>Vijayadeep Laboratories Limited</td>
<td>Mr. Pradeep Man Vaidya</td>
<td>Chairman and CEO</td>
</tr>
<tr>
<td>10</td>
<td>Le Meridien Kathmandu Gokarna Forest Golf Resort &amp; Spa</td>
<td>Mr. Suman Sachdev</td>
<td>Director</td>
</tr>
<tr>
<td>11</td>
<td>Bank of Kathmandu Limited</td>
<td>Ms. Shreeyukta Thapaliya</td>
<td>Head Corporate Communication</td>
</tr>
<tr>
<td>12</td>
<td>Nepal Pashmina Industry</td>
<td>Mr. Pushpa Man Shrestha</td>
<td>Managing Director</td>
</tr>
<tr>
<td>13</td>
<td>Golchha Organization</td>
<td>Mr. Shekhar Golchha</td>
<td>Executive Director</td>
</tr>
<tr>
<td>14</td>
<td>Himalayan Bank Limited</td>
<td>Mr. Ashoke SJB Rana</td>
<td>CEO</td>
</tr>
<tr>
<td>15</td>
<td>DHL Express (Nepal) Pvt. Ltd</td>
<td>Mr. Mukunda Malla</td>
<td>Country Manager</td>
</tr>
<tr>
<td>16</td>
<td>Khetan Groups</td>
<td>Mr. Rajendra Khetan</td>
<td>Executive Director</td>
</tr>
<tr>
<td>17</td>
<td>Varun Beverage (Nepal) Pvt. Ltd</td>
<td>Mr. Sudan Aryal</td>
<td>Human Resource Manager</td>
</tr>
<tr>
<td>18</td>
<td>The Everest Hotel</td>
<td>Mr. Rakesh Rawat</td>
<td>General Manager</td>
</tr>
<tr>
<td>19</td>
<td>KGH Group of Hotels/Resorts &amp; Travels</td>
<td>Mr. Rajan Sakya</td>
<td>CEO</td>
</tr>
<tr>
<td>20</td>
<td>Tara Management Private Limited</td>
<td>Mr. Sujeev Shakya</td>
<td>President</td>
</tr>
<tr>
<td>21</td>
<td>SN Power Holding Singapore Pte. Ltd.</td>
<td>Mr. Suman Basnet</td>
<td>Senior Manager-Relations</td>
</tr>
<tr>
<td>22</td>
<td>Aarati Soap and Chemicals Industry Pvt. Ltd</td>
<td>Mr. Varun Lohia</td>
<td>Director</td>
</tr>
<tr>
<td>23</td>
<td>Standard Chartered Bank Nepal Limited</td>
<td>Mr. Diwakar Poudel</td>
<td>Head Corporate Affairs</td>
</tr>
<tr>
<td>24</td>
<td>Nanglo International Pvt. Ltd</td>
<td>Mr. Shyam S.L. Kakshapati</td>
<td>CEO</td>
</tr>
<tr>
<td>25</td>
<td>Nepal Pharmaceuticals Laboratory Private Limited</td>
<td>Mr. Mahesh Gorkhali</td>
<td>Marketing Director</td>
</tr>
<tr>
<td>26</td>
<td>WorldLink Communications Pvt. Ltd</td>
<td>Mr. Pavan S. Shakya</td>
<td>Director – Public Relations</td>
</tr>
<tr>
<td>27</td>
<td>Butwal Power Company Limited</td>
<td>Mr. Ranjan Lohar</td>
<td>CEO</td>
</tr>
<tr>
<td>28</td>
<td>Vaidya's Organization of Industries and Trading Houses</td>
<td>Mr. Suraj Vaidya</td>
<td>President</td>
</tr>
<tr>
<td>29</td>
<td>Clean International Pvt. Ltd</td>
<td>Mr. Sunil Palak</td>
<td>Chairperson</td>
</tr>
<tr>
<td>30</td>
<td>Dabur Nepal</td>
<td>Mr. Abhimanyu Kumar</td>
<td>HR Manager</td>
</tr>
</tbody>
</table>
6.2 Annexure 2: Other organizations visited / talked

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Mr. Purushottam Shrestha</td>
<td>PPPUE</td>
</tr>
<tr>
<td>2.</td>
<td>Mr. Naresh Rimal</td>
<td>Water Expert</td>
</tr>
<tr>
<td>3.</td>
<td>Ms. Navina Shrestha³</td>
<td>UNDP</td>
</tr>
<tr>
<td>4.</td>
<td>Mr. Sunil Palak</td>
<td>CEMAT</td>
</tr>
</tbody>
</table>

³ Telephone interview with Ms Shrestha
6.3 Annexure 3: Study Questionnaire close ended

Dear Respondent,

UN HABITAT is conducting a study on the Nepalese private sector involvement in water and sanitation as part of their CSR activities. We would like your help in this matter. So, please go through the questions and tick (✓) the appropriate answer or provide the subjective answer where required.

1. Organization Name: ___________________________________________

2. Year Of Establishment: __________________________________________

3. Are you aware of Corporate Social Responsibility (CSR)?
   Yes          No

4. Has your organization been involved in any kind of corporate philanthropy / CSR?
   Yes          No
   (if yes please go to question no. 7)

5. If no, are you willing to initiate any such activities in the near future?
   Yes          No

6. Do you need any kind of assistance for this?
   Yes          No
   (please go to question no. 16)

7. What kind of philanthropy / CSR activities are you involved in? (choose all that apply and please specify)
   Cash Donation for charity  Scholarship for children
   Supporting hospitals  Supporting sports
   Environment conservation  Donating products to community
   Community Development  School support program
   Water and Sanitation  Women Empowerment programs
   Trainings and awareness programs to community
   Day care centre  Others .........................

8. How is the philanthropy / CSR activities planned (process)?
   On annual meetings  On Quarterly meetings
   On half yearly meetings  On need basis
   Others (please specify).........................

9. If annually, which calendar does your organization follow?
   English Calendar (Jan – Dec)  Nepali Calendar (Baishakh – Chaitra)
   Fiscal Year (Shrawan – Ashadh)

10. Who decides what philanthropy / CSR activities your company should be involved in or support?
    CEO / Managing Director  Executive Management Team
    Human Resources Department  Corporate Communication Department
    CSR Officer  Company Strategy/Policy Guideline
11. Is there any dedicated personnel or team for carrying out your philanthropic / CSR activities?
   Yes          No

12. Is the philanthropy / CSR activities done by the organization itself or with a partnership with other development organization? (if partnership please mention)
   By organization itself          In partnership with ........................................
   (if by yourself please go to question no. 14)

13. Do you have any other working relationship with the above partner besides philanthropy / CSR activities?
   Yes             No

14. Are above activities part of your organization/business strategy?
   Yes             No

15. Is there any particular sector your organization is interested in for philanthropy / CSR activities?
   Yes             No

16. If yes which are the following sectors your organization is interested in?
   Education          Health
   Environment         Sports
   Women Empowerment   Community Development
   Water and Sanitation Others (please specify).................................

17. How long have you been involved in philanthropy / CSR activities?
   From the date of establishment     Last five years
   Last three years                 Last one year
   Others (please specify).........................

18. Are you aware of UN Global Compact?
   Yes             No

19. Are you aware of Socially Responsible Business Development Network (SRBDN)?
   Yes             No
   (if no please go to question no. 21)

20. Have you ever participated in the SRBDN forum?
   Yes             No

21. Do you receive weekly postings on CSR from SRBDN?
   Yes             No

22. If no, are you interested in receiving weekly postings from SRBDN yahoo groups?
   Yes             No
6.4 Annexure 4: Study Questionnaire open ended

1. Are you aware of Corporate Social Responsibility?

2. What does it mean to you and your organization? How do you define it?

3. What kind of CSR / philanthropy activities are you involved in?

4. Do you have any priority sectors to do philanthropy / CSR programs? If yes please specify the reason for choosing those sectors

5. Has there been any kind of impact in your business through the philanthropy / CSR work? How do you perceive contribution of CSR in your business?

6. While developing philanthropy / CSR activities have your organization ever taken into consideration the Millennium Development Goals (MDGs)?

7. What is the approximate budget for your philanthropy / CSR programs (campaigns, volunteer programs, special events, etc.)?

8. Has your organization ever worked on Safe drinking water and sanitation?

9. If yes what was the activity?

10. Was this activity done by the organization itself or with a partnership with other organizations?

11. Are you interested in working for safe drinking water and sanitation in Nepal?

12. How do you think you can contribute to safe drinking water?

13. Would you like to partner up with other organizations working in this theme or would you like to do it by yourself?

14. If in partnership with other organization, what kind of partnership would you look for?

15. Are you interested to work in partnership with UN Agencies in Nepal?