



Annual Report

NEPAL: 2024-2025

Big change starts small

**Practical
ACTION**



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TOWARDS RESILIENCE AND EQUITY

Our 2021–25 strategy has come to a close. In the past four years, we reached nearly one million (984,279) people across Nepal, supporting them through climate-smart agriculture (regenerative agriculture), market access, financial inclusion, improved access to clean energy, productive use of energy, early warning systems, climate resilience, and index-based insurance. Building on this foundation, we are ready to move forward and achieve even greater impact.

Our new strategy will bring together Practical Action's strengths in climate resilience, biodiversity conservation, energy, waste, agriculture, markets, and locally led development. By integrating these areas of expertise, we will focus our work on strengthening green and inclusive economies and put climate resilience into action— a clear shift from the siloed Change Ambitions of the previous strategy to more integrated programmes. But before we expand our renewed vision for the coming years, let me share some stories that help exemplify why our work in Nepal is more significant than ever. The extreme rainfall of September 2024 triggered floods and landslides, causing injury and death for hundreds, as well as the displacement of over 11,000 families. On the 13th of that month, water levels crossed the danger mark in the Lower Karnali. In these areas, farmers with our transformative

Index-based Flood Insurance (IBFI) policies became eligible for payouts of 10 per cent of the sum insured. These payments were released swiftly after flood-level verification by the Department of Hydrology and Meteorology field offices, providing timely support when farmers were struggling to meet basic needs.

At Practical Action, we place communities at the heart of our work by strengthening connections of citizens with concerned stakeholders such as local governments, service providers, other decision-makers, etc. This helps ensure more equitable access to resources, finance, technology, information, and services. As a result of these efforts, in last two years, **6,024 smallholder farmers collectively doubled their income** by nearly NPR 300 million. Similarly, a total of 44 last-mile distributors supported by our electric cooking projects recorded annual transactions of more than NPR 255 million from selling electric cookstoves and providing house-wiring services.

Another powerful example of our work is through Women Digital Champions, who have empowered thousands of other rural farmers through financial education and digital literacy training. With 80 per cent of participants being women, this initiative has helped break gender barriers in financial decision-making, expand access to financial services, and

open opportunities in agricultural markets. So far, 93 Women Digital Champions have provided digital financial literacy training to 5,654 women.

Last year, we continued advancing our gender-transformative approach through agency-based empowerment, reaching 5,005 women and strengthening their leadership in household energy decisions, financial decisions and business activities. We also observed a marked rise in the demand for electric cookstoves, as women recognised the value of saving time and redirecting it toward other income-generating activities and community engagement.

We support improved business strategies, planning, and management within businesses, services, and institutions, guided by inclusive, accountable, and sustainable principles. To ensure the long-term impact of clean energy solutions, we have supported last-mile distributors and technicians with business development and repair-and-maintenance training. Through the establishment of repair centres, sub-support hubs, and technician upskilling, we have strengthened after-sales service networks, boosting consumer confidence and appliance durability.

We engaged in policy discussions to ensure they respond to both people and the planet. Our engagement in the Nationally Determined Contributions (NDCs), particularly in setting energy targets, adaptation, and addressing loss and damage has been crucial. At a national World Soil Day 2024 event, farmer Sarita Chaudhary from Dang, engaged through our SAMUNNATI Agriculture project, joined a panel discussion alongside other experts. She shared how adopting regenerative agriculture practices has enhanced soil health and productivity, illustrating the positive and measurable impact of our work at the community level.

These, among many other experiences we've had over the last year help exemplify why our work is necessary but, more importantly, that sustainable, people-centred change is possible.

We are grateful to all our partners and stakeholders who work with us to make this a reality. We will continue collaborating with market actors including local distributors, cooperatives, SMEs, private companies, and women-led enterprises to reach

the last mile; with government bodies to align with national, provincial and local level policies; and with research and innovation partners, including universities and digital platforms, to generate evidence and provide advisory services. We would especially like to thank Ministry of Home Affairs (MoHA), Ministry of Energy, Water Resources and Irrigation (MoEWRI), Ministry of Federal Affairs & General Administration (MoFAGA), Ministry of Agriculture and Livestock Development (MoALD), Ministry of Forest and Environment (MoFE), Ministry of Women, Children and Senior Citizens (MoWCSC), Social Welfare Council (SWC), National Disaster Risk Reduction and Management Authority (NDRRMA), the Department of Hydrology and Meteorology (DHM), Department of Agriculture (DOA), Alternative Energy Promotion Centre (AEPIC), Nepal Electricity Authority (NEA), Nepal Rastra Bank (NRB) and Nepal Insurance Authority (NIA). Strategic partnerships with regional and international organisations, private sector innovators, carbon finance actors, financial institutions, and philanthropic partners will remain central to mobilising finance and scaling our ambitions.

I am proud of the impact we have achieved together and grateful for our growing partnerships with communities, government, the private sector and the civil society. Building on these collaborations, our new strategy will combine our strengths and locally led development approaches to reach even more people. I look forward to deepening these partnerships, scaling proven solutions, and empowering communities to adapt, thrive, and lead change.

Pooja Sharma
Country Director
Practical Action in Nepal

BIG CHANGE starts small



Kamala Mochi after switching from traditional cookstove to electric cookstove in her home in Sunsari

Practical Action is an international development organisation with a vision of a world that works better for everyone. At Practical Action, we work with the people most affected by the intensifying environmental crises. We support communities to forge their own futures with solutions that foster resilience, create jobs and lasting prosperity. We're turning surviving into thriving and overcoming injustice, especially for women and vulnerable groups in Africa, Asia and Latin America. In Nepal, Practical Action works in three areas of focus and influence: **Access to Clean Energy, Agriculture and Markets, and Climate and Resilience.**

We're a global change-making group. The group consists of a UK registered charity with projects in Africa, Asia and Latin America, an independent development publishing company and a technical consulting service. We combine our expertise to multiply our impact and help shape a world that works better for everyone. We believe in the power of small things to change the big picture and that together we can take Practical Action to build futures free from poverty.

Our REACH and IMPACT in Nepal

We reached

217,244 people directly

♀ 116,344 & ♂ 100,900

337,892 people indirectly

♀ 173,586 & ♂ 164,306

We delivered

30 PROJECTS

covering

101 rural municipalities,

46 municipalities
in

41 DISTRICTS

across

7 PROVINCES

We raised

£3.28 million

We spent

£3.16 million

We created/promoted/ ensured
continuation of jobs/ businesses of

1,489 ♀ 1,174 & ♂ 315
people



Paving the way FORWARD



Farmers taking care of saplings in the agroforestry nursery for nature-based solutions in Panchpokhari Thangpal, Sindhupalchok

As we look ahead, we are setting our vision for 2030— a year of great significance. By then, our country’s five-year strategy, the Sustainable Development Goals, the Sendai Framework, the Paris Agreement, and the Nationally Determined Contributions (NDCs) 3.0 will all reach their conclusion. Guided by this shared global and national momentum, we are setting our next priorities with renewed ambition to create lasting impact.

Under our renewed flagship programme on clean energy access, our priority is to accelerate Nepal’s transition to modern energy use by scaling up electric cooking solutions, expanding productive uses of energy in agriculture and enterprises, and strengthening energy efficiency and resilient energy systems. By 2030, we envision becoming a catalyst and knowledge leader in mainstreaming inclusive

energy access, enabling both households and enterprises to benefit from surplus electricity while contributing to climate goals.

To make this possible, we will promote efficient end-use technologies, improve electricity distribution efficiency and enhance grid resilience and performance. We will mobilise carbon and climate finance to make clean energy more affordable and advocate for enabling policies on electricity tariffs, appliance efficiency standards, and stronger localisation of energy initiatives. We will advance a just energy transition that ensures reliable and inclusive access to modern energy—prioritising women, low-income households, and rural communities who are most often left behind in energy shifts. Moving forward, we will continue following our Participatory Market Systems Development (PMSD) approach, ensuring that local market

actors lead and sustain energy transitions.

Our process will use the innovate–demonstrate–transform model, piloting new solutions like intelligent photovoltaics (PV) storage, demonstrating scalable models through strong evidence; and influencing systemic change by engaging policy, private sector, and finance actors. We will integrate **digitalisation, carbon finance, and blended financing mechanisms to expand affordability and adoption.**

Building on our long-standing experience in clean cookstove initiatives, successfully combining technology innovation, behaviour change, market development, and blended financing, we will extend this integrated approach to other sectors. Through this expansion, we aim to deliver high-integrity projects that blend offset and beyond-offset mechanisms, generating adaptation outcomes, sustainable livelihoods, and wider development co-benefits.

Under our revamped programme on climate risk reduction, we will work towards advancement in climate technologies including hazard risk detection systems, strengthening of the multi-hazard early warning systems (MHEWS) and risk communication, urban resilience and transformative adaptation. We will work to scale up the Landslide Early Warning System (LEWS) based on learnings from the pilot done in Sindhupalchok district. Moreover, understanding the way hazards interact and compound, and their interrelationships, will be one of our priorities over the next five years.

Using tools like Missing Voices and the Climate Resilient Measurement for Communities (CRMC) approaches, **we will continue to understand the impacts of climate change on critical sectors such as forestry, environment, agriculture, sanitation, water supply and risk communication.** With the growing shift from rural to urban centres as people seek economic opportunities driven by climate change and environmental degradation, we realise the urgent need to engage strategically with both rural

communities and informal urban settlements.

We are committed to integrating climate adaptation across all thematic areas through locally led, gender-responsive, and equity-driven approaches. By linking early warning systems with long-term preparedness, particularly for vulnerable populations, we aim to enhance community resilience and adaptive capacity. Our experiences in the central and western parts of Nepal demonstrate that community leadership in constructing context-specific nature-based solutions, such as planting deep and mesh-rooted vegetation on hillslopes and bio-dyke slopes, can effectively stabilise the land and protect it from hazards like landslides and floods. We look forward to collaborating with additional communities and stakeholders to replicate these proven approaches.

Finally, under our revamped vision on food systems, **we are driving the creation of green jobs and advancing a green economy.** With climate change at the core of our work, regenerative agriculture remains our focus, closely aligned with our wider vision for change. Last year, we exceeded our target of including 80 per cent women in commercial vegetable farming, agroecology, and regenerative agriculture practices, leading to significant progress toward becoming gender transformative. We continue to focus on empowering women and people with disabilities by improving their access to markets, finance, and digital services.

We have embraced a **locally led approach**, working with farmers, local actors, and community leaders to drive sustainable and systemic change. In the coming year, we will continue to be guided by the principles of inclusion, local leadership, and systems thinking to deliver lasting impact.

As we move forward, we will work to build resilient and equitable livelihoods in Nepal— paving the way for a systemic and low-carbon economic transformation. Together, we’ll develop green and inclusive economies and put climate resilience into action to transform futures in Nepal and around the world.

Our support SYSTEM



Women participants of Financial Education and Digital Literacy Classes in Dang

Our commitment to identifying ingenious ideas which change lives of people in poverty or those living on the frontlines of climate change has only been possible because of the powerful community of support we have built, and the dynamic team of individuals who work alongside us. This community includes our generous donors, locally rooted partner organisations, compassionate private sector partners, consortium partners and alternative thinkers who envision a world that works better for everyone. Most of all, our work would not have been possible without the support of the Government of Nepal.

DONORS AND PARTNERS

- AB Data Consulting, LLC
- Africa Research and Impact Network (ARIN)
- Ajumery Bikas Foundation
- Asian Disaster Preparedness Center (ADPC)
- AssetCool
- Association for Social Transformation and Humanitarian Assistance (ASTHA) Nepal
- Bheri Environmental Excellence Group (BEE-Group)
- Centre for Social Development and Research (CSDR)
- Coalition for Disaster Resilient Infrastructure (CDRI)
- Community Development & Environment Conservation Forum (CDECF)
- Department of Foreign Affairs and Trade (DFAT)
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- Development Alternatives Incorporated (DAI) Global LLC
- Development Concern Society (DECOS)
- Development Project Service Centre (DEPROSC)
- Department of Foreign Affairs and Trade (DFAT)
- Dhaulagiri Community Resource Development Centre (DCRDC)
- Disabled Empowerment and Communication Centre Banke, Nepal (DEC - Nepal)
- Doko Recyclers
- Duryog Nivaran
- Energising Development (EnDev)
- Foreign, Commonwealth and Development Office (FCDO)
- Frankfurt School of Finance and Management
- Gham Power Nepal Pvt. Ltd.
- Global Green Growth Institute (GGGI)
- Global Parametrics
- Him Electronics Pvt. Ltd.
- InsuResilience Solutions Fund
- International Centre for Integrated Mountain Development (ICIMOD)
- Jersey Overseas Aid
- King's College London
- Livelihoods Funds
- Loughborough University
- Mannion Daniels
- Multi-Dimensional Resource Center, Nepal (MRC Nepal)
- National Association of Community Electricity Users Nepal (NACEUN)
- Namsaling Community Development Centre (NCDC)
- Prabhu Management
- Preservation of Environment and Social Welfare Association of Nepal (PESWAN)
- Shikhar Insurance
- Start Network
- Stonestep
- Swanbarton Limited
- Swiss Agency for Development and Cooperation (SDC)
- Swiss Re Foundation
- The World Bank Nepal
- Ujyalo Multipurpose Cooperative Ltd.
- United Nations Development Programme (UNDP)
- United Nations Industrial Development Organization (UNIDO)
- United States Agency for International Development (USAID)/ Bureau for Humanitarian Assistance (BHA)
- University College London (UCL)
- University of Edinburgh
- Value Network Ventures Advisory Services
- Vasudha Foundation USA INC
- Youth Alliance for Environment (YAE)
- Z Zurich Foundation
- 1001fontaines



RESILIENCE

that protects



Mangali Tharu with her raised nursery in her home in Kailali

26,876


people directly benefitted from our works including 16,751 women and 10,125 men

166,239

people indirectly benefitted from our works including 85,316 women and 80,923 men

£0.74 M

spent on our resilience that protects programme

97,381 

people benefitted with Flood and Landslide Early Warning Systems in Sindhupalchok

According to the Germanwatch Climate Risk Index (CRI) 2025 report, Nepal ranks 69th among the most affected countries, based on the measure of human and economic toll of climate-related disasters. Last year, Nepal experienced extreme floods and landslides resulting from the highest recorded rainfall in the past 54 years. It is said that the likelihood of such an event has increased by about 70 per cent. As per Ministry of Home Affairs (MoHA), over the six-year period from mid-2018 to mid-2024, Nepal experienced 32,375 disaster incidents causing NPR 23.6 billion in direct losses.

The increasing frequency of climate change-induced disasters has displaced thousands of people and caused huge economic as well as non-economic losses and damages. These events have become more frequent and more severe in the last 10 years (2014-2024). They have highlighted the urgent need for effective disaster management, prompting Nepal to prioritise disaster risk reduction and resilience-building efforts. In line with this objective, we are working to build socio-ecological resilience through climate adaptations and resilience measures, early warning systems, nature-based solutions, and policy engagement.

In central Nepal, we have been implementing community-centric, multi-hazard early warning systems for floods and landslides, covering three local governments: Helambu, Melamchi and Panchpokhari Thangpal in partnership with the Department of Hydrology and Meteorology (DHM). A citizen science approach along with impact-based forecasting was central to these initiatives. The two-year project “Community Centric Early Warning System for reducing risk of hydro-meteorological hazards in Bagmati Province of Nepal”, funded by USAID/BHA, aimed to reduce the damage caused by such hazards in the Melamchi-Indrawati watershed. We were able to reach 61,915 people in Melamchi Municipality and Helambu Rural Municipality.

Similarly, through the “Developing a Community Centric Early Warning Protocol for Landslide Early Warning System (EWS)” project, supported by Department of Foreign Affairs and Trade, we directly reached 35,466 people. Our contributions included strengthening three Local Emergency Operation Centers (LEOCs) and one District Emergency Operation Center (DEOC), supporting the development of an Early Action Protocol for the Provincial Emergency Operation Center (PEOC) in Bagmati, strengthening risk communication systems, activating 14 Community Disaster Response Committees, and building the capacity of early warning, first aid, and search & rescue (S&R) working groups. Importantly, all volunteer members were enlisted in the National Volunteer Bureau Formation and Mobilization Platform under National Disaster Risk Reduction and Management Authority (NDRRMA), ensuring that they could be mobilised immediately in case of emergency.



Emergency automatic siren for risk communication in Panchpokhari Thangpal, Sindhupalchok

Most notably, we facilitated the establishment of site-specific rainfall thresholds to trigger landslides with support from the NDRRMA and DHM. As per the thresholds, if rainfall of 124.38 mm occurs in 24 hours, it can trigger landslide and flood in Helambu and 118.76 mm in case of Panchpokhari Thangpal. Furthermore, Disaster Risk Reduction (DRR) focal persons were trained to input data into the Bipad portal, while the LEOCs and DEOCs support systems were integrated into the GODAM portal.

One of Practical Action's top priorities under ex-ante resilience have been strengthening response capacity and capability of the local government and local communities. As part of this drive, we supported the installation of three automatic sirens in Kailali and Bardiya districts of the Western part of Nepal, under the Climate Resilience Programme

funded by Z Zurich Foundation and Swiss Re Foundation and three additional sirens in Sindhupalchok district of central Nepal. This action has improved hazard risk communication through technology, enabling faster and wider dissemination during emergencies. We also enhanced the response capacity of three DEOCs in Bardiya, Kailali, and Kanchanpur; 13 LEOCs housed within 13 local governments; and 58 Ward Disaster Management Committees across those local governments by equipping them with emergency materials.

Our innovative parametric insurance product, the Index-Based Flood Insurance (IBFI), a form of risk transfer solution, continues to gain recognition. In 2024 alone, a total of 1,233 farmers purchased IBFI policies through 46 cooperatives acting as aggregators. These farmers received

the first trigger payout, equivalent to 10 per cent of the insured sum. This disaster risk financing mechanism was also featured at the International Conference on Inclusive Insurance (ICII 2024). Since January 2024, we have partnered with the Swiss Re Foundation to replicate IBFI in the Babai and Pathariya river basins and to strengthen early warning systems in coordination with the DHM. A telemetry station has also been established on the Pathariya River.

As part of the Zurich Climate Resilience Alliance, Practical Action collaborated with Mercy Corps, under the leadership of International Federation of Red Cross and Red Crescent Societies (IFRC) and worked with Ministry of Federal Affairs and General Administration (MoFAGA) on Municipal Disaster Risk Governance Assessment (MDRGA) tool. This tool was endorsed by the

MoFAGA in 2024 and was rolled out by IFRC and Zurich Climate Alliance partners including Practical Action and Mercy Corps.

Through our consulting arm, we successfully completed research on understanding accountability mechanisms and adaptation progress tracking system for the Nepal Climate Change Support Program (NCCSP); contributed to the development of Locally Led Adaptation metrics led by the International Institute of Environment and Development and supported the launch of mini-grants on climate change adaptation accountability in collaboration with University College London (UCL) and Africa Research and Impact Network (ARIN).

Our commitment remains steadfast. We continue to work towards strengthening disaster risk reduction and supporting communities most vulnerable to the impacts of climate change.



Community-centric landslide mitigation via nature-based solutions in Bhotenamlang, Sindhupalchok

A trained and trusted LEADER AMID LANDSLIDES



As the trained chairperson of the CDMC — formed with support from the Landslide Early Warning System project, implemented by Practical Action, Saraswati plays a vital role in keeping her community informed. She regularly calls the government emergency hotline 1155 to get weather updates or before making any farming decisions. She also spreads the message, alerting the elderly, pregnant women, and families with small children when a warning is issued so they can evacuate to a safer place. Her calls are especially important for people who can't read the warning messages sent by the DHM to their phones, or don't have access to phones.

“Our older generation lived here despite landslides during monsoon, because they couldn't afford to buy land in safer areas. My house used to be right beside that path,” Saraswati said, pointing to a narrow trail in the old Dalit Basti — now barely visible after repeated erosion by landslides.

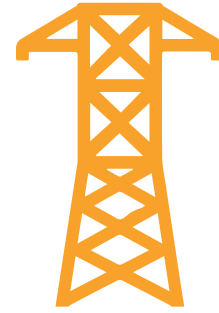
After the 2015 earthquake destroyed her home, Saraswati relocated to a new settlement in the plains below the hill, now known as Saraswati Tole. Saraswati may have moved to a new, safer place, but her heart still lies in the old settlement. She goes to her new house only late at night to sleep; her fields, crops and livestock still wait for her in Dalit Basti, along with 12 other families. Saraswati Sonar is a trusted leader, whose quiet strength and determination have become a source of hope for her community. Such was their trust in her that she was elected as the chairperson of the local Community Disaster Management Committee (CDMC) by her community, even though she was not present at the meeting that founded it. Community Disaster Management Committees (CDMCs) are community-based grassroots organisations that play a crucial role in empowering communities through preparedness and timely assistance during emergencies.

Saraswati is also a trained first responder, having completed basic healthcare training organised by Practical Action. There, she learned how to provide first aid from bandaging cuts to responding to snake bites. When she returned home, her daughter and relatives were eager to know what she had learned. “I sat down and showed everyone how to bandage wounds and give basic care,” Saraswati said with a smile.

Sitting with Saraswati in her old mud house, perched on the steep slopes of Dalit Basti, her words begin to take on even deeper meaning. With the ever-present threat of landslides, some families—like Saraswati's—have already been displaced. For others, leaving the only land they've ever known is simply not an option.



ENERGY that transforms



Rabina Deuba from Dadeldhura using improved cookstove

Last year,
**44,000 HOUSEHOLDS
ADOPTED CLEAN COOKING**



households. These targets have been set to yield numerous co-benefits, including energy security, reduced indoor and outdoor air pollution, healthy people, improved quality of life, increased income, and greater social equity.

In fiscal year 2024/25, we implemented a diverse portfolio of impactful energy projects that significantly contributed to national and global climate goals. Our work spanned clean cooking, productive energy use, energy efficiency, and market system strengthening to deliver inclusive, scalable, and climate-smart energy solutions.

We have been advancing our commitment to clean cooking through strategic, impact-driven projects. Under the Livelihood Fund-supported initiative “Transforming the Market of Improved Cookstoves in Lumbini and Sudurpaschim Provinces of Nepal,” we delivered 19,672 Tier 3+ improved biomass cookstoves, directly benefiting 89,469 people. This initiative has been especially transformative for women, reducing drudgery, improving health, and decreasing reliance on fuelwood.

Similarly, the “Sustainable Market Development of Electric Cooking in Nepal” project funded by GIZ/ EnDev is currently underway. We have promoted widespread adoption of electric cooking appliances

Although 94 per cent of Nepal’s population has access to electricity, only 0.5 per cent of the households use electric cooking. Approximately 51 per cent of households in the country still rely on solid biomass for cooking, which not only has low thermal efficiency but also poses serious health risks due to high indoor air pollution. A new study in The Lancet Journal of Planetary Health reveals that Nepal’s clean cooking transition could prevent around 9,563 deaths annually.

The Government of Nepal is committed to achieving universal access to clean cooking by 2030. Nepal’s Nationally Determined Contributions (NDCs) has set ambitious targets to achieve this goal, including expanding the use of electric cookstoves to 2.1 million households, 15,000 institutions and businesses. By 2035, the use of improved cookstoves (ICS) will be expanded to 1 million



Electric cooktop repair and maintenance training for last mile distributors and local technicians

189,294

people directly benefitted from our works including 98,582 women and 90,712 men

113,976

people indirectly benefitted from our works including 58,711 women and 55,265 men

£1.24 M

spent on our energy that transforms programme

in peri-urban and rural households. The project enabled 24,400 households to shift to electric cooking, reaching over 340,000 individuals through media campaigns and direct outreach.

Through our consulting arm, in partnership with Him Electronics Pvt. Ltd. (HEPL), we are implementing “Escalating the Uptake of Electric Pressure Cookers (EPC) in Nepalese Households – Phase II” in Pokhara, Butwal, Chitwan, and Banepa clusters. Funded by the Modern Energy Cooking Services (MECS) programme, the project focuses on strengthening EPC supply chains and increasing consumer adoption.

Under this project, we prioritised awareness raising for use and adoption of EPCs through information, education and communication (IEC) materials, including brochures, manuals, banners, standees, and an electric cookbook. Through demos and EPC pop-up stalls, we reached 2,061 visitors. Additionally, the project also developed 33 local technicians on EPC maintenance.

In parallel, we led a landmark study, “Identifying the Electric Cooking Potential in Small and Medium-Sized Enterprises and Institutions in Nepal,” shaping donor priorities and institutional adoption pathways. The study confirms that electric cooking is a viable and rapidly emerging solution for Nepal’s small and medium-sized enterprises and institutions, where rising demand offers a powerful entry point to scale clean energy and accelerate progress toward a net-zero future.

Alongside creating demand, we worked to strengthen the foundation of the reliable electricity supply. Last year, we successfully piloted Nepal’s first retrofit application of spectrally selective coatings under a project in partnership with Asset Cool and NEA. This coating was applied to a 33 kV distribution line between Lamosangu and Sunkoshi. The project also trained NEA linesperson for future deployments. This pioneering initiative demonstrates

a scalable solution to enhance transmission efficiency, reduce losses, and boost grid capacity, which are key steps toward broader electrification and clean cooking adoption.



Technology and knowledge transfer to retrofit transmission lines using a remote controlled robot applying photonic coating

Staying true to our legacy of innovation, we are implementing a lighthouse demonstration initiative called Grid Resilience Through Intelligent Photovoltaic and Storage Phase 2 (GRIPS2) under UNIDO’s Accelerate to Demonstrate (A2D) Facility, advancing the transition toward cleaner and more resilient industrial energy systems in Nepal. By significantly reducing reliance on fossil fuels, particularly diesel, the project is expected to generate over USD 1.3 million in energy cost savings.

We have also grounded this project in inclusive development principles, embedding Gender Equality and Social Inclusion (GESI) and Environmental and Social Safeguards (ESS) throughout its design and implementation.

Together, these efforts exemplify our drive to turn innovation into impact while building systems that are not only smarter and more efficient, but also inclusive and sustainable for Nepal’s clean energy future.

Rural startup for CLEAN AND INCLUSIVE ENERGY ACCESS



“I used to carry products in a small basket and take them to customers in my village. Now, I have transformed part of my home into a fully functioning electronic shop with an investment of over NPR 900,000,” said Pradeep Neupane, sitting in his “Multi Connection Electronic & Desktop Shop” in Oyam.

In the remote hills of Panchthar district, 67 km from Phidim Municipality, lies Oyam—a village with limited access to modern energy solutions. But with the launch of the Sustainable Market Development for Electric Cooking in Nepal (SMDeN) project, the landscape of clean energy adoption began to change.

Among the many who were impressed with the initiative was Pradeep Neupane, a 39-year-old returnee migrant. After spending six years working in Qatar, Pradeep returned to his village due to family health concerns. Once back, he was determined to make agriculture the primary source of income for his family.

In March 2024, Pradeep attended an orientation programme on electric cooking conducted by the SMDeN project in collaboration with the local community electricity cooperative. Fascinated by the potential of electric cooking and inspired by the discussions, he explored the idea of turning this into a business opportunity. He then sought further

information from the project’s field officer, facilitated by the ward chairperson.

It took Pradeep a month to officially register his business and formally be part of the project’s local distribution network. He quickly became active in demand collection, product exhibitions, and awareness workshops related to electric cooking technologies.

“I started my business of selling electric cookstoves with a modest investment of NPR 300,000 in a small room in my home,” Pradeep remembered the initial days of hardship. As of now, he has successfully sold 937 units of induction cookstoves. His current stock also includes other electric appliances and household utensils, expanding his offerings to meet diverse customer needs.



Over time, Pradeep has not only developed a reliable income source but also a sustainable business, which is a significant achievement for a rural startup. Furthermore, he is helping people in his village access clean, modern cooking solutions.

Pradeep’s journey exemplifies how inclusive energy access initiatives can foster local enterprise, create jobs, and promote clean cooking adoption in remote areas.

FARMING

that works



1,074
people directly
benefitted from our
works including 1,011
women and 63 men

57,677
people indirectly
benefitted from our
works including
29,559 women and
28,118 men

£0.59 M
spent on our
farming that works
programme

Between 2022-2024,
**6,024 SMALLHOLDER
FARMERS COLLECTIVELY
DOUBLED THEIR INCOME.**



The agriculture sector remains the backbone of the national economy, contributing 24 per cent to the Gross Domestic Product (GDP). Although 62.0 per cent of households are primarily dependent on agriculture for their livelihood, the contribution of the agriculture sector to the total GDP has been gradually declining in recent years.

The Government of Nepal recognises the need to transform subsistence agriculture into a commercial and sustainable agricultural system, thereby improving farmers' condition. In a similar vein, Practical Action implemented the "Building Climate Adaptive Farming Opportunities and Improved Livelihoods for Women and Marginalised Groups in Nepal" project in Province 5 (Dang, Rolpa, and Rukum East) of Nepal, funded by UK Aid Match. We established 226 functional farmers' field schools, enabled around 4,000 smallholder farmers to adopt agroecology and regenerative farming, and supported 13 collection centres. In addition, about 6,000 smallholder farmers gained access to agro-information services through mobile applications. At the same time, 88 Village Animal Health Workers and Local Resource Persons were developed who continue to provide services to farmers. Most remarkably, 6,024 smallholder farmers collectively doubled their income by nearly NPR 300 million, between 2022-2024.

Junmati Gharti clicking photos of her pest-affected crops in Rolpa, to send in an agricultural app for expert advice

The establishment of market centres was a joint effort of the project, local governments, and other development partners. The Agriculture Market Coordination Committee, led by local governments, has ensured ownership among market actors and farmers. Today, the Holeri Collection Centre in Rolpa, which alone transacts over NPR 200 million annually, stands as a strong example of sustainability. The project directly engaged farmers' cooperatives, market management committees, agrovets, business service providers, insurance companies, banks and financial institutions, development partners, and local governments.

Digital technology is another key enabler for the agriculture sector, providing a cost-effective way to reach farmers and overcome geographic and gender barriers. While account ownership has risen globally, Nepal's digital financial engagement is still developing. The World Bank's Global Findex 2025 report revealed that 18 per cent of adults in Nepal accessed their



Woman Digital Champion Lok Kumari Khadka running Financial Education and Digital Literacy class in Rolpa

financial institution accounts via mobile phone or the internet and only around 13 per cent used digital platforms to make payments or purchases and to send or receive money. These numbers are still low as barriers to financial inclusion persist. The digital divide across genders and geographical areas risks widening the development gap and leaving marginalised smallholder women farmers behind.

Last year, Jersey Overseas Aid funded "Empowering Women farmers with Digital Finance, Nepal" or SAMUNNATI Digital Finance Project became a major milestone for Practical Action Nepal in advancing financial inclusion in rural areas. Through this project, we supported breaking gender barriers in financial decision-making, access to financial services, and participation in

agricultural markets. Until now, a total of 5,654 women have received digital financial literacy training, delivered by 93 Women Digital Champions. A comparative study was conducted to understand how the inclusion of gender elements influences learning, participation, and real-life behaviour change in rural households and communities. It was found that SAMMUNATI's training encouraged open communication within families and helped break traditional gender roles. Post-training, 68 per cent of households reported that both men and women were equally involved in financial decisions. The project created a ripple effect beyond the individual and household level, impacting community norms.

On one hand, we created demand through targeted financial literacy training; on the other, we collaborated with private sector investments to expand internet access to some of Nepal's most remote rural municipalities — including Putha Uttarganga and Bhume (Rukum East), Thawang, Pariwartan, Runtigadhi, and Tribeni (Rolpa), as well as Dangisharan and Shantinagar (Dang).

By strengthening the digital systems of local cooperatives, we helped them design women-centered savings and credit products. This led to the disbursement of over NPR 32 million in subsidised loans to women smallholder farmers, empowering them to invest, grow, and lead. Local governments, too, were active partners in this transformation by developing digital strategies in collaboration with the project, paving the way for long-term sustainability.

With these efforts, we are shaping a more inclusive digital future, one where women farmers are not just participants, but leaders of change in their communities.



Gurubaba Multipurpose Cooperative in Dang implementing digital system

How did Rima become A WOMAN DIGITAL CHAMPION?



"I have realised that if you say you don't know anything, you will fall behind. So you need to keep learning new things," said Rima Oli, a Woman Digital Champion in a small village of Thawang, Rolpa.

In 2020, Rima moved to this village after getting married. Although she had completed her diploma-level studies before marriage, she had no experience taking part in social discussions, visiting institutions, or working in an office as an employee. After marriage, she spent her time caring for her daughter and managing household chores.

Rima wanted to work, but everywhere she applied required previous job experience. That's when she found out about vacancy for Women Digital Champion, published by SAMUNNATI Digital Finance project.

"I prepared a lot for the vacancy. I also started learning about mobile banking. I realised that if you say you don't know anything, you will fall backwards so you need to learn new things," said Rima.

After completing the orientations and training, Rima began facilitating three Financial Education and Digital Literacy Classes (FEDLCs) in Thawang Rural Municipality. Majority of participants in Rima's classes are women farmers belonging to indigenous or Dalit communities, who do not know how to read or write. But after attending digital and financial literacy classes, Rima has witnessed a remarkable

transformation among them. Women are now actively creating new sources of income whether by running a diesel mill or starting mushroom farming after learning it from the internet.

"Earlier, women participants in my classroom used to do traditional farming, but now they have moved to commercial farming with the help of apps like GeoKrishi. They are learning and using new skills with the help of the internet. Some women said we should have started these classes 10 years ago," said Rima. At the same time, working with women farmers from diverse backgrounds and varying levels of understanding has helped Rima grow personally and professionally.

The exposure to digital and financial literacy motivated her to start her own business. So, Rima opened a small grocery shop in Tutu Bazar which has become a go-to hub for daily essentials in the village. "This shop has also helped me to do digital transactions, recharge phones, etc. Now, even if people eat chatpatey of NPR 20, they scan QR code for payment," Rima smiled, as she prepared a plate of spicy chatpatey, a quick snack for the villagers.

Beyond economic empowerment, Rima has experienced a deeper transformation within herself. She is now a respected figure in her community, and with women participants relying on her, she understands the need to uphold that respect and trust — a role she values deeply. "Everybody now recognises me, and I understand this comes with a great responsibility," said Rima, exuding confidence.



HIGHLIGHTS FROM LAST YEAR

1. Media Fellowship 2024

Last year, we organised the second edition of our Media Fellowship programme. Based on our five decades of experience working in agriculture, we collaborated and worked with six Nepali journalists to communicate more effectively around the issues of regenerative agriculture, climate-smart agriculture, access to agriculture markets, digital finance and agriculture digitalisation. Read the story published by one of our six media fellows:

Published article by Akshar Kaka in Setopati



2. Digital Finance and its expansion to rural parts of Nepal

This video explains how reliable internet connectivity is not just a service, but a foundation for digital financial literacy, access to digital finance and better opportunities.



3. Cooking recipes using Electric Pressure Cookers (EPCs)

We supported production of engaging and interactive video demonstrations of some of the most loved recipes by Nepalese. This initiative is a significant step toward increasing the adoption and effective use of EPCs, making cooking more efficient, safe, and sustainable.



4. Episodic documentary series on electric cooking and its potential in Nepal

We partnered with Aankhijyal TV programme to produce and broadcast a documentary series which dives deep into stories of communities who have switched to electric cooking. These stories show how access to clean, affordable energy can power progress one household at a time.



5. Publication of Impact Brief

This brief details Practical Action's efforts to protect the development achieved in the communities and regions in Nepal vulnerable to riverine flooding and reduce future losses through effective disaster risk reduction, early warning systems, and sustainable land use.



6. Song on Early Warning System and disaster preparedness

This song was prepared and performed by the locals of Gairibesi, Helambu for general awareness, with support from CDECF and Practical Action. It was disseminated and widely shared as a public service announcement by NDRRMA.





Community Disaster Management Committee in Bardiya, practicing flood mock drill, organised every year on June 5, World Environment Day.



Bin Maya Roka of Kuchibang, Rukum (East), started commercial vegetable farming with the support of Gravity Goods Ropeway.



Technicians install solar panels at Laxmi Steels Industry as part of the GRIPS2 project — a catalytic lighthouse initiative showcasing how smart solar and storage systems can revolutionise Nepal's industrial energy landscape.



Keshwa Kumari Pandey's kitchen in Palpa has transformed into a clean and safe space for all family members after the use of improved cookstove.

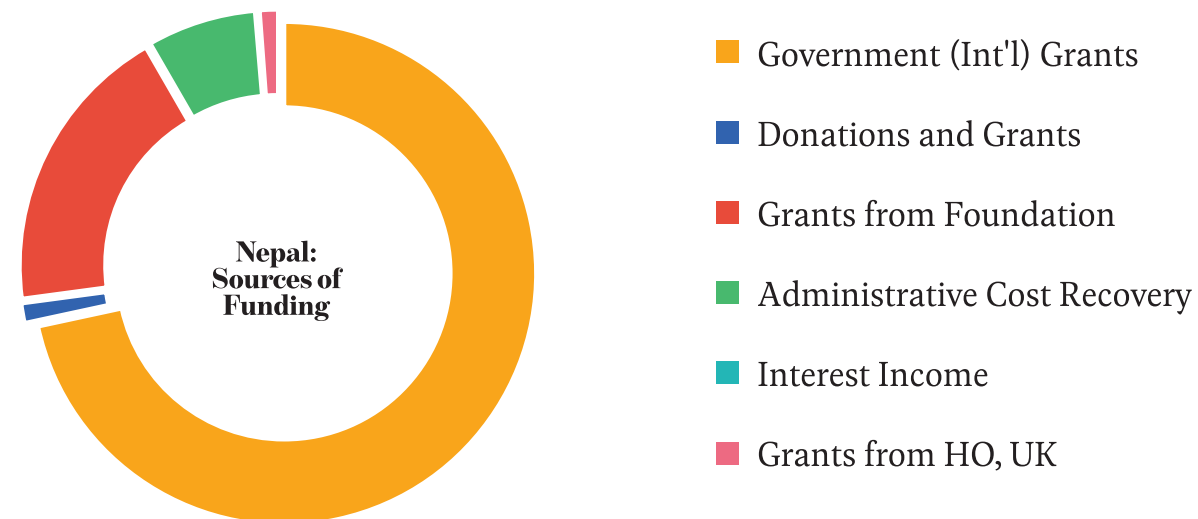
NEPAL'S FINANCIAL STATEMENT

For the period from April 2024 to March 2025

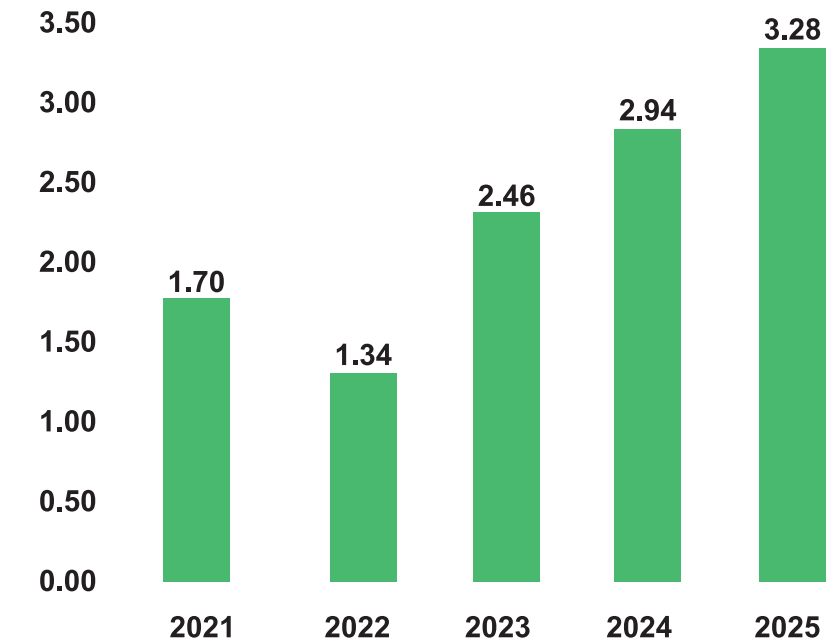
Sources of Income	Restricted £	Unrestricted £	Total 2025 £
Government (Int'l) Grants	2,351,360	-	2,351,360
Donations and Grants	41,432	-	41,432
Grants from Foundation	545,805	71,596	617,401
Administrative Cost Recovery	-	229,081	229,081
Interest Income	-	5,747	5,747
Grants from Head Office, UK	-	38,338	38,338
Total	2,938,597	344,762	3,283,359
Expenditure			
Resilience that Protects	749,651	-	749,651
Energy that Transforms	1,240,474	-	1,240,474
Farming that Works	591,284	-	591,284
Knowledge, Communications and Management	357,188	230,033	587,221
Total	2,938,597	230,033	3,168,630
Fund Balance			
	-	114,729	114,729

Notes:

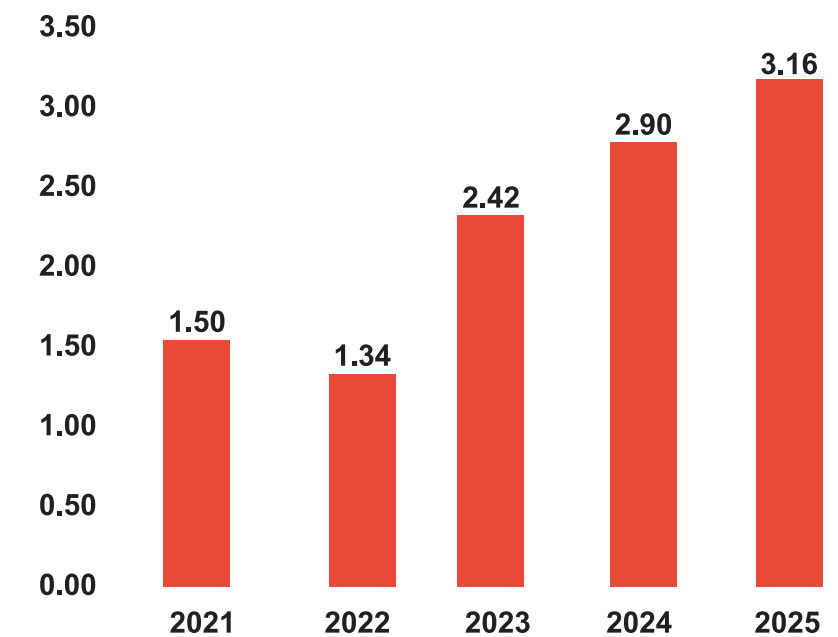
1. A consolidated financial statement is signed at organizational level in the UK, the figures provided are part of group report which is related only to Nepal Office.



Total Annual Income in Million



Total Annual Expenditure in Million



BIG CHANGE starts small

Visit us online at to find out more about
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