

# **TERMS OF REFERENCE (TOR)**

## **Daayitwa**

### **Nepal Public Policy Fellow**

#### **I. Background**

Nepal strives to graduate from being a Least Developed Country (LDC) to a middle-income country by 2030. The excessive focus of Nepal's development paradigm on socio-political empowerment however, has not yielded the desired economic transformation. In fact, the dismal domestic youth employment has heightened foreign migration, lowered domestic productivity, and increased economic dependence on foreign nations. Daayitwa, with a focus on economic empowerment, envisions an enterprising Nepal where every youth has opportunities for a prosperous future and aims to:

- Promote inclusive and enterprise-led economic growth
- Strengthen governance of inclusive enterprise ecosystems
- Bolster community engagement for enhanced livelihoods

Towards these goals, Daayitwa executes three programs. The Rural Enterprise Acceleration Program (REAP) supports rural high-growth entrepreneurs to accelerate their businesses, create jobs and incubate other local entrepreneurs. Leveraging the grassroots enterprise learning, the Fellowship Program supports policy entrepreneurs to collaborate with the government, conduct economic policy research and promote evidence-based policy decisions. In linking the grassroots and government level engagements, the Civic Engagement Program (CEP) supports civic innovators to promote domestic youth employment through evidence-based policy advocacy.

The Daayitwa Abhiyaan also comprises three other entities, Nepal Leadership Academy, Governance Lab, and Nepal Rising.

#### **Daayitwa Nepal Public Policy Fellowship**

As Nepal is navigating the federalism process, the strengthening of governance systems in the federal model has become critical so that the immense potential for economic growth can be harnessed through power devolution. The growing talent, passion, and energy of youths in Nepal and across the world is a tremendous resource-base for the development of the country yet their engagement in bolstering the public systems and domestic economy has been limited. Moreover, the persisting political instability in the country has eroded the youth's faith in their own government, and youth's weak participation in development processes and impatience for rapid results has also tarnished the government's perception of them. The trust deficiency on both sides has created a barrier, hindering youth-government collaboration for sustainable economic growth.

Furthermore, Nepal, similar to the rest of the world, has been grappling with the uncertainties brought forth by the COVID-19 pandemic. The discontinuation of economic activities as a result of the lockdown and reverse migration of workers has aggravated the domestic youth unemployment in the country, heightening the need for urgent policy actions.

Amidst these uncertainties, in addressing the issue of youth employment and youth-government trust deficit, for the past eight years, the Daayitwa Nepal Public Service Fellowship Program has been enabling youths to collaborate with the government to conduct economic policy research and promote evidence-based policy decisions. The fellowship program competitively selects and places young professionals and students at public agencies and with parliamentarians for 3-6 months (6 months in 2021), building their technical and adaptive capacities, and enabling them to provide research support to their public partners. During the past eight fellowship cycles (2013-2020), the fellowship program has

supported 120 young policy professionals from 30 countries to conduct research projects for 40 government organizations as well as 24 parliamentarians at federal, provincial, and municipal levels.

This collaborative initiative has become an action-platform for Nepali students and young professionals, both inside and outside the country. The fellows also partake in a leadership course provided by the Nepal Leadership Academy designed by Former Harvard Senior Fellow and Daayitwa Executive Chairperson Dr. Pukar Malla in collaboration with Professors Marshall Ganz and Ronald Heifetz at Harvard Center for Public Leadership. The course is built on Nepal's socio-cultural and political context that teaches the youth public speaking, collaborative work, and adaptive leadership. The fellows also receive research mentorship from the Governance Lab alongside a public administration course to enhance their technical and leadership capacities.

Our fellowship covers five primary thematic research areas:

- Access to Investment
- Women's Economic Empowerment
- Enterprise Value Chain
- Youth Employment
- Economic Governance

## II. Project Overview

<b>Project</b>	Mapping Policy Landscape of Microenterprise Development in Nepal
<b>Government Agency Placement</b>	Ministry of Finance
<b>Location of the Government Agency</b>	Singha Durbar, Kathmandu

### OVERVIEW

The Ministry of Finance is an apex agency of the Government of Nepal, which has the major responsibility to prepare and present the fiscal budget and determine the state of Nepal's economic development. The Ministry is the main governing body for maintaining micro and macroeconomic stability in the country. Furthermore, the Ministry also oversees the allocation of resources, manages public expenditure and investments, foreign exchanges and monetary policies and regulations in Nepal.

MoF also serves as a member of agencies, boards, banks and financial institutions, such as Nepal Rastra Bank (Central Bank), Securities Board, Agricultural Development Bank, Rastriya Banijya Bank, Stock Exchange Center, Citizen Investment Trust and Employees Provident Fund.

**Fellowship Research Topic:** Mapping Policy Landscape of Microenterprise Development in Nepal

Micro Enterprises, in general, function within the informal economy of a country. Amongst the massive number of 410–550 million Micro, Small and Medium Enterprises (MSMEs) globally, approximately 15-19 percent fall under the formal category, while the remaining still operate informally. In Nepal, 93 percent of all MSMEs are categorized as micro-enterprises, the majority of which continue to work within the informal economy. The fellow will conduct a quantitative analysis of the MSME performance and recommend various possible policy actions to government organizations. There are several initiatives, programs and policies for entrepreneurs related to subsidies, tax benefits and grants for MSME across different ministries and agencies. The fellow will survey how such policies have affected the recipients' bottom lines. The fellow will be placed under Yam Lal Bhusal, Joint Secretary of MoF and Chief of Economic and Policy Analysis Division.

### ACTION

While the Terms of Reference (TOR) will be further refined while partnering with government agencies, the general areas of action are defined below.

1. Analytical and Executory Support

Exe: Successful fellow will develop specific-research questions, scope of analysis, rigorous methodology, and concrete research outputs in close collaboration with the Daayitwa Team and the Public Agency.

Action Initiatives: Based on the in-depth study, the Fellow will collaborate with the Daayitwa Team and the agency to develop and lead advocacy actions or specific initiatives to implement research findings that make public impact.

2. Adaptive Leadership Development and Capacity Enhancement

- The fellows will also partake in a leadership course provided by the Nepal Leadership Academy designed by Former Harvard Senior Fellow and Daayitwa Executive Chairperson Dr. Pukar Malla in collaboration with Professors Marshall Ganz and Ronald Heifetz at Harvard Center for Public Leadership.
- The Fellows will also participate in a public administration course.
- To equip Daayitwa Fellows with technical tools and contextual knowledge, the following capacity enhancement support will be provided:
  - Introductory course on governance and legislation process of Nepal
  - Training on scientific methodologies for undertaking engagement activities
  - Effective communication and relationship building skills
  - Writing skills for reports, briefs, blog, peer-reviewed journals, wiki, and media outlets

3. Synergistic Collaboration

- The Daayitwa Fellows will work collaboratively to understand perspectives, challenges, and innovative solutions that could help achieve the common or central objectives of governance reform for economic prosperity and inclusive growth.
- The Fellows and the agency (and their team) will explore collaboration opportunities with other ministries, members of the parliament, public, private and social sector, and respective constituents.
- The Fellows and the agency staff will participate in advocacy and dialogue, through platforms provided by Daayitwa initiative, such as panel sessions, symposium, and online forums.

## KEY DELIVERABLES

1. Present Work Plan to Daayitwa team and research mentor	June 21, 2021
2. Bi-weekly Engagement with assigned supervisor at the agency	Every two weeks
3. Monthly Engagement with assigned supervisor at the agency	By the end of every month
4. Final Report	November 23, 2021*
5. Symposium	December 7, 2021*

\*tentative

## COMPETENCIES

The ideal fellows will be highly motivated and talented Nepali youths living abroad and in Nepal, who are passionate about Nepal's development with the goal of leveraging their outstanding credentials, analytical abilities, and professional and academic networks to find practical solutions to solve our nation's challenges.

Category	Required Qualifications (Must meet to be considered)	Preferred Background
Academics	<ul style="list-style-type: none"> <li>- High academic achievement (respected university, high GPA, coursework rigor)</li> <li>- BA/BS in Public Policy, Economics, Business or a related field with significant research experience</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>Masters in Public Policy, Economics, Business or a related field (or ongoing)</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>Phd (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>- Econometrics</li> <li>- Statistics</li> </ul>
Professional Experience	<ul style="list-style-type: none"> <li>- Policy analysis and research work in international or national setting</li> <li>- At least a year of work experience in a related field</li> </ul>	<ul style="list-style-type: none"> <li>- Research experience in Nepal</li> </ul>
Availability	<ul style="list-style-type: none"> <li>- Full time for 6 months from June 7th, 2021 to December 7th, 2021</li> </ul>	
Daayitwa	<ul style="list-style-type: none"> <li>- Passion, interest and a personal sense of <i>Daayitwa</i> towards Nepal's development</li> <li>- Demonstrated leadership or active participation in Nepal-related initiatives or issues</li> <li>- Desire to actively contribute to Nepal's development</li> </ul>	<ul style="list-style-type: none"> <li>- Demonstrated leadership in university, community or in professional field</li> </ul>