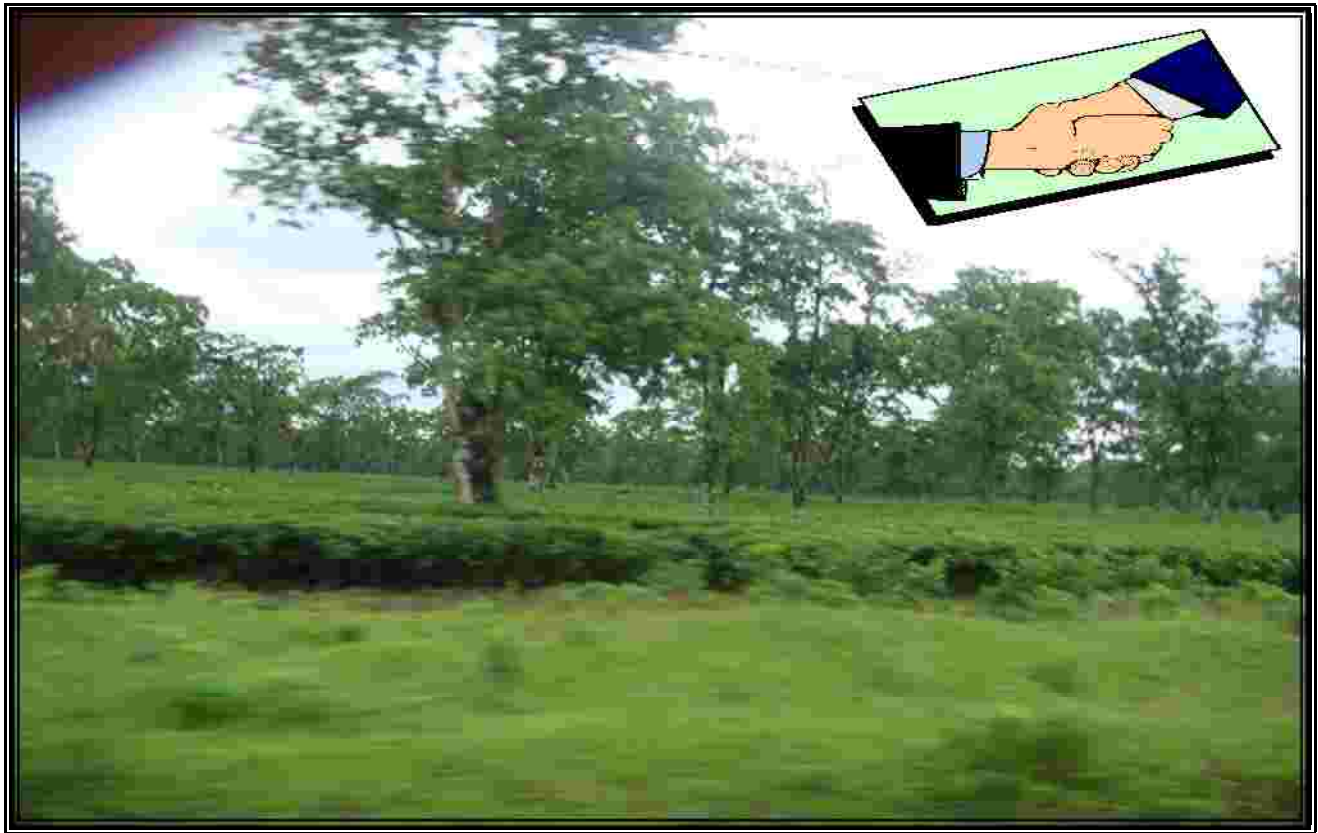


Commercial Agriculture Development Project
An Interaction Program about Partnership
with NGOs, Jhapa
Proceeding
(June 5, 2008)



Organized by :

**Government of Nepal
Ministry of Agriculture and Cooperatives
Department of Agriculture**

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Abbreviations

ADB	-	Asian Development Bank
AOA	-	Agreement on Agriculture
CADP	-	Commercial Agriculture Development Project
CAA	-	Commercial Agriculture Alliance
CAF	-	Commercial Agriculture Fund
DDC	-	District Development Committee
DADO	-	District Agriculture Development Office
DOA	-	Department of Agriculture
EDR	-	Eastern Development Region
GDP	-	Gross Domestic Product
HVC	-	High value Crop
JFPR	-	Japanese Fund for Poverty Reduction
LDO	-	Local Development Officer
MOAC	-	Ministry of Agriculture and Cooperatives
MOLD	-	Ministry of Local Development
NPC	-	National Planning Commission
PMU	-	Project Management Unit
PSC	-	Project Steering Committee
RD	-	Regional Director
SADO	-	Senior Agriculture Development Officer
SPS	-	Sanitary and Phyto-Sanitary
TBT	-	Technical Barriers for Trade
VDC	-	Village Development Committee
WTO	-	World Trade Organization

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CHAPTER-I

1. INTRODUCTION

1.1 Background

Agriculture is the backbone of the Nepalese economy which alone contributes about 38 percent of the Gross Domestic Product (GDP), and plays the lead role in the economic development of the country. In Nepal, agriculture is the main source of employment and livelihood where 65.6 percent of the people are still engaged in agriculture. However, due to the lack of modernization and commercialization in agriculture, farmers could not benefited as per their expectation.

The Government of Nepal (GON) and the Asian Development Bank (ADB/M) agreed to launch Commercial Agriculture Development Project (CADP) on 23 February, 2006. The project is designed to efficiently deliver development to poor and socially excluded people, through equitable and sustainable commercialization of agriculture. The project will directly generate employment opportunities to poor and marginal farmers and landless people by promoting high value crops (HVC) and their marketing, transporting from the point of production to storage and processing centers. CADP will also assist small scale community based market infrastructure development.

This project is implemented in 11 districts of Eastern Development Region (EDR) including 5 hill districts (Dhankuta, Ilam, Panchthar, Terahthum, and Udayapur), 5 Terai districts (Jhapa, Morang, Sunsari, Siraha, and Saptari) and one mountain district (Taplejung). The project beneficiaries will be the farmers (including subsistence, semi-commercial, commercial and women farmers) growing or interested in growing HVC such vegetables, fruits, and spices; and entrepreneurs located in the identified high potential areas of EDR.

Major outputs of the Commercial Agriculture Project will be increased public private investment, inclusion of poor and semi-commercial stakeholders in commercial agriculture, improved market information system and enhanced capacity of project partners in supporting farmers. The project will also cover disadvantaged and vulnerable people in EDR who have been excluded from the development process. The landless will be empowered through training to become employed in market-chain activities.

Mostly, farmers and traders lack of knowledge and skills about production and marketing technology of high value crops (HVC), transportation and marketing infrastructures. Despite of these constraints, EDR has extreme variation in the soil conditions, elevation, and temperature in the project districts, which provide greater scope for the production and marketing of wide range of agricultural commodities including fruits, vegetables and cereals.

The Commercial Agriculture Development Project is market oriented and demand driven. The project aims to accelerate the process of agriculture commercialization in EDR and help to increase employment opportunities in rural areas, value addition of agriculture products and rural income.

Objectives of the District Level Partnership with NGO Program:

- To describe the overview of the project among partners.
- To make aware about eligibility criteria to be a partner.
- To create awareness about roles and responsibilities of partners.

Date and Venue:

Program was conducted on June 5, 2008 in the hall of Red-cross Office, Jhapa.

Procedure:

- Arrival of Participants and Registration.
- Chairing of program : Mr. Gopal Prasad Parajuli, LDO, Jhapa.
- Welcome to the participants: Mr. Yogendra Kumar Karki, Project Manager, CADP, Biratnagar.
- Papers presented by:
 - Ø Mr. Yogendra Kumar Karki, Project Manager, CADP
 - Ø Mr. Ram Kumar Sharma, General Manager, CAA, Biratnagar.
 - Ø Mr. Pashupati Pokhrel, Planning Officer, DADO, Jhapa
 - Ø Mr. Kamlesh Tiwari, Technical Officer, CADP.
- **Few words :**
 - Ø Mr. Devi Prasad Khatiwada, Chairman, Nepal Eracanut Development Organization, Jhapa
- **Vote of thanks and closing of the program :**
 - Ø Mr. Gopal Prasad Parajuli, LDO, Jhapa.

CHAPTER – II

Summary of Presentation

Karki, Yogendra Kumar (Project Manager) CADP: At a Glance, June 5, 2008

Mr. Karki, in his presentation, focused on introduction, overall objective, project command districts, proposed financing plan, expected impacts and outcomes, project components, value chain model and project implementation arrangement system of CADP.

He also explained that the project is under ADB grant, implemented by Department of Agriculture (DOA) for six years period. (July, 2007 to December, 2012) .The overall goal of the project is sustainably increasing the level of commercialization of agriculture in EDR. The specific objective is to reduce poverty in rural communities in 11 project districts through equitable and commercialization of agriculture.

The project investment cost is estimated as US \$ 24 million, out of which, the contribution of ADB, Nepal Govt., CAA, DDC, and FC is 18, 0.8, 4, 0.4, 0.5 million US \$ respectively. The expected impacts and outcomes of this project will be improved efficiency of marketing and processing of HVCs (vegetables, fruits, tea, and spices).

For the implementation of the project, **Project Management Unit** is established in Biratnagar, which prepares project annual work plan and project progress report; recruits the consultants and awards the procurement contracts; supervises the project activities and performance of the partner NGOs and service providers and carries out the M& E of the project activities.

The major components of the project are:

1. Agriculture investment and management.
2. Inclusive development of stakeholders.
3. Market information dissemination.
4. Project partners capacity enhancement.
5. Project implementation support.

The MOAC is the executive agency, the CAA is the implementing agency for component - 1 (commercial agriculture investment & management), and the DOA is implementing agency for the components 2, 3, 4, and 5.

Mr. Karki emphasized that, for efficient implementation of the program, each line–agency and other stakeholders should work as partners with beneficiaries (Farmers, Traders, and Processors). He concluded that "**The success of the project will depend upon level of the co-ordination among stakeholders, for which; regular interaction to understand each other roles, and responsibilities is must**

Sharma, Ram Kumar, (CAA); Commercial Agriculture Alliance: A Brief Introduction, June 5, 2008

Mr. Sharma, in his presentation stated about, the introduction of Commercial Agriculture Alliance (CAA), its objectives, command areas, membership, Board of Directors; management of CAF, main tasks, procedure to be followed for submitting the application and approval of grant and roles and responsibilities of stakeholders and future course of actions of CAA.

CAA is not-for-Profit Company established in 29 September, 2006 for the implementation of **Agriculture Investment and Management** component-1 of CADP. The objectives of CAA are: Promoting commercial agriculture by developing an alliance between the commercial agricultural stakeholders; manage CAF; educate members about market linkage on production; transferring knowledge and skill about agricultural production technology and marketing to farmers and others stakeholders directly involved in the agriculture business; conducting awareness program and helping its members in protecting the intellectual property rights.

CAA will have a cost sharing Commercial Agriculture Fund (CAF) of US\$13.3 million. CAA will provide grant to its members for the development of community based infrastructures such as collection centers, suspension bridges, ropeways, farm to market road improvement, cold stores and so on. It will also provide fund for the non-infrastructure activities such as, production and market promotion of High Value Crops (HVCs) in the project area. The fund for community based infrastructures is mobilized through District Development Committee and for non- infrastructure activities through farmers groups, agricultural cooperatives, processors and traders of agricultural commodities. A maximum of \$ 80,000 will be provided for each community- based market infrastructure intervention and a maximum of \$ 20,000 for each non-infrastructure investment. The allocation of CAF to specific districts will vary according to need. Each general member can obtain a maximum of \$ 40,000 on cumulative basis, and each DDC a maximum of \$ 320,000 on cumulative basis.

Commercial Agriculture Alliance will implement its program in 11 districts of Eastern Development Region. CAA will have two types of members i.e. general and nominated. General members comprise farmer's groups, cooperatives, traders and processors whereas representatives from Ministry of Agriculture and Cooperatives, Ministry of Local Development, District Development Committee of 11 project districts, and Agro Enterprise Centre of Federation of Nepalese Chamber of Commerce and Industries(FNCCI) are the nominated members of CAA. CAA will establish its central office at Biratnagar and branch offices at district headquarter of 11 project districts. The stakeholders should play their roles in creating awareness at local level, selection of appropriate projects, recommendation of grant for feasible projects and regular monitoring and evaluation of the projects.

The CAA is established as a not for - profit company with definite objectives and well defined roles and responsibilities. Commercial Agriculture Fund that will have to manage by CAA, will be allocated for the commercialization of agriculture in the Eastern Development Region.

Activities of NGOs Involved in Agriculture Development and their Partnership and Coordination with DADO, Mr. Pashupati Pokhrel, Planning Officer, DADO, Jhapa.

Mr. Pokhrel presented his paper about brief description of activities going on through partnership with different NGOs, potentials High value crops, and problems faced by DADO.

Background information of the district :

- Total area 159902 h.
- Cultivate land 99716 h.(63.36%)
- Forest 19459 h. (12.16%)
- Range area 1743 h. (1.09%)
- Settlement area 29982 h. (13.12%)
- River / Lake 1800 h. (12.15%)
- Irrigated area 44084 h.
- Year round 32000 h.
- Season 12084 h.
- Unirrigated 55632 h.

Present Infrastructure Development :

- Hatbazar 123
- Wholesale Market 1(Birtamode)
- Transaction annually NRs. 811 Million.
- Cold Storage 21(Capacity- 4500MT)
- Fertilizer Dealers 90
- Agro- Vet 240

Potentiality of High Value Crops :

Banana, Aracanut, Pinaple, Blackpaper, Seasonal and Offseasonal Vegetables, Kurilo, Lemongrass.

Infrastructure to be necessary :

- Agricultural road and electricity facilities in south part of the district.
- Collection and information centre.
- Tomato processing plant .
- Whole sale market of Birtamode to be developed in regional level whole sale market.
- Focus on organic farming.
- Honey processing plant to be established northern part of the district.

Activities conducted by DADO through partnership with NGOs :

- Seed Kit distribution of different crops
- Training on different subjects
- Bee-hive distribution
- Farmers Tour
- DADO also help to CAA's member for proposal writing and to prepare legal document of farmers group, cooperatives.

Tiwari Kamlesh, Technical Officer, CADP: Partnership with NGO, June 5, 2008

Mr. Tiwari, in his presentation , focused on the objective of Partnership, role of partner NGOs, Role of CADP and the basic eligibility criteria for partner NGO selection.

Objective of Partnership :

To assist subsistence and semi commercial stakeholders- Farmers, Traders and Processors (FTP)- who are not eligible for CAA membership but have potential to develop such eligibility if they receive support to overcome their difficulties.

Partnership Why ?

To ensure :

- § that partner NGOs are well established and accepted by local communities
- § that partner NGOs have substantial knowledge of local circumstances
- § efficient use of local resources and experiences
- § better implementation of program
- § clear roles and responsibilities
- § proper identification of target groups
- § quick rapport building

Role of Partner NGOs :

- § Farmer group formation and strengthening
- § Community mobilization
- § Social inclusion activities
- § Income generation activities
- § Monitoring and evaluation
- § Reporting
- § Others as specified in the partnership agreement depending up on the needs of :
 - Ø Target group
 - Ø Capacity of the partner NGOs and
 - Ø Commercial agriculture focus of the project

Role of CADP :

- PMU provides orientation for NGOs
- PMU place advertisements in local newspapers and informal networks calling application.
- NGO selection
- PMU provides training as required and according to the emerging needs of the work plan
- PMU monitor NGO work plan implementation for commitment, quality of work, and relationship with the community.

Basic Eligibility Criteria for Partner NGO Selection :

- Appropriately registered, preferably in EDR district and have legal status
- Operated continuously for at least 2 years, preferably in the project districts
- Record of community mobilization, social inclusion with similar target groups and in similar areas
- Experience or demonstrable competence of working with locally based counterpart NGOs and acceptance of the communities
- Demonstrate the quality of their work, commitment to programs, and relationships with the community
- Annual audited reports and accounts for the last 2 years
- Basic capability in management and accounting
- Membership in related association

Basis for Selection of Partner NGOs :

- General and overall experiences
- Institutional detail
 - Ø Physical facilities
 - Ø Key human resources with their qualifications
 - Ø Experience in required area of expertise
 - Ø Annual turn-over
 - Ø Account management system

Few words of Remarks :**Mr. Devi Prasad Khatiwada, Chairman, Nepal Eracanut Development Organization**

- § Mr. Khatiwada, expressed his happiness for providing opportunity to expressed his view.
- § He suggested to CADP be careful and take a lesson from previous implemented project through partnership approach.
- § He also requested to CAA to make easy criteria to get membership.
- § CADP will focus on eracanut and tea in Jhapa district.
- § He wished the grand success of CADP throughout project period.

Chairman, Mr. Gopal Prasad Parajuli, LDO, Jhapa

- § Mr. Parajuli express vote of thanks to CADP and all participants, for providing the great opportunity to a chairman.
- § He expressed his happiness that CADP implement its activities through partnership approach with NGOs.
- § He suggested that project should implement each activities though transparent and sustainable ways.
- § He expressed his view that commercialization in Agriculture is only the basis of sustainable economic development of the country.
- § He committed that DDC, Jhapa will co-operate in each steps of project activities.
- § He wished grand success of the project.

Appendix-1 : Program schedule.

Commercial Agriculture Development Project An Interaction Program with NGO, Jhapa

Date : June 5, 2008
Time : 10:30- 1:20
Venue : Hall of Redcross, Jhapa.

Time	Activities	Remarks
10.30-11.00	Arrival of Participants and Registration	
11.00-11.15	Chairing of the Program : Mr. Gopal Prasad Parajuli, LDO, Jhapa	
11:15-11:35	Welcome to the Participants and Brief Introduction of CADP: Mr. Yogendra Kumar Karki, Project Manager, CADP	
11:35-11:50	Brief Introduction of Commercial Agriculture Alliance Mr. Ram Kumar Sharma, GM, CAA, Biratnagar	
11:50-12:05	Activities of NGOs Involved in Agriculture Development and their Partnership and Coordination with DADO, Mr. Pashupati Pokhrel, Planning Officer, DADO, Jhapa.	
12:05-12:20	Partnership with NGO, Kamlesh Tiwari, Technical Officer, CADP.	
12:20-12:50	Discussion	
	Few Words	
12:50-1:05	Ø Mr. Devi Prasad Khatiwada, Chaiman, Nepal Eracanut Development Organization, Jhapa	
1:05-1:20	Vote of thanks and closing of the program : Mr. Gopal Prasad Parajuli, LDO, Jhapa	

Name list of Participants :

SN	Name of Participants	Designation	Office/Address
1	Mr. Gopal Prasad Parajuli	LDO	DDC, Jhapa
2	Mr. Yogendra Kumar Karki	PM	CADP, Biratnagar
3	Mr. Ram Kumar Sharma	GM	CAA, Biratnagar
4	Mr. Kamlesh Tiwari	Technical Officer	CADP, Biratnagar
5	Mr. Ritesh Kumar Shakya	Account Officer	CADP, Biratnagar
6	Mr. Ram Prasad Gautam	Act. SADO	DADO, Jhapa
7	Mr. Pashupati Pokhrel	Planning Officer	DADO, Jhapa
8	Mr. Rajendra Prasad Kharel	P. Pro. Officer	DADO, Jhapa
9	Mr. Rajesh Kumar Adhikari	Branch Manager	CAA, Jhapa
10	Mr. Madhusudan Thapa	M&E Officer	CAA, Jhapa
11	Mr. Govinda Prasad Acharya	JT	DADO, Jhapa
12	Mr. Shalikram Bhattarai	JT	DADO, Jhapa
13	Mr. Gopal Bastola	JTA	DADO, Jhapa
14	Mr. Bharatmani Bhattarai	Office Asst.	C. Ag.Farm, Jhapa
15	Mrs. Indira Pathak	Chairperson	NS&BK, Garamani
16	Mr. Rudra Subedi	Chairperson	PKS, Garamani
17	Mr. Matrika Prasad Niraula	V. Chairperson	NTPUSSL, Jhapa
18	Mr. Devi Prasad Khatiwada	Chairperson	NSKBS, Shanischara
19	Mr. Prem Bahadur Phuyal	Chairperson	SKSS, Chandragadhi-1
20	Mr. Yagya Prasad Gautam	JT	DADO, Jhapa
21	Mr. Hari Prasad Parajuli	Chairperson	AMKS, Chandragadhi
22	Mr. Gunjar Rajbanshi	Secretary	SASSB, Jhapa
23	Mr. Thakur Prasad Chapagain	Account Officer	DADO, Jhapa
24	Mr. Pradeep Shrestha	JT	DADO, Jhapa
25	Mr. Ram Prasad Phuyal	Section Officer	DADO, Jhapa
26	Mr. Geeta Niraula	Accountant	IDP, Jhapa
27	Mrs. Shanta Karki	Chairperson	GBCM, Jhapa
28	Miss. Mandira Shrestha	OJT	DADO, Jhapa
29	Miss. Gaura Uprety	Chairperson	NCKS, Ghailadubba
30	Mr. Padamlal Shrestha	Chairperson	KBUSS, Jhapa
31	Mr. Uma Prasad Sitaula	Chairperson	KSB, Birtamod
32	Mr. Sahadev Thapaliya	Chairperson	MKS, Garamani, Jhapa
33	Mr. Mohan Siwakoti	Chairperson	KUBS, Birtamod
34	Mr. Dilli Dahal	Chairperson	KKSS, Chandragadi
35	Miss. Tara Niraula	Member	SPS, Budhabare, Jhapa
36	Mr. Uttam Khanal	Member	SPS, Budhabare, Jhapa
37	Mr. Khiblal Gautam	Chairperson	IPM, Jhapa
38	Mr. Niraj Pyakuryal	Exe. Director	NCDC, Jhapa
39	Mr. Gopal Khatiwada	Secretary	SN, Birtamod
40	Mr. Bharat Kumar Adhikari	Social Mobilizer	VDO, Gauradaha
41	Miss. Rama Regmi	OJT	DADO, Jhapa
42	Mr. Ganesh Prasad Pokhrel	Office Asst.	NSBP, Jhapa
43	Mr. Bishnu Prasad Chudal	Chairperson	NSBP, Jhapa
44	Mr. Laxman Pathak	Chairperson	SBJSS, Jhapa

45	Mrs. Bishnumaya Pathak	Chairperson	MPSS, Satashidham
46	Mr. Ganesh Pokhrel	Secretary	NJF, Jhapa
47	Mr. Lila Baral	Reporter	Kantipur Daily
48	Mr. Prem Acharya	Reporter	Nepalbani, FM
49	Mr. Akraj Giri	Act. Editor	Purbanchal daily
50	Mr. Mahendra Kumar Giri	Act. Director	Sahara Nepal, Jhapa
51	Mr. Bhim Nembang	Reporter	Nepal TV
52	Mr. Pashupati Nath Ghimire	Peon	DADO, Jhapa
53	Mrs. Hopana Murmu	Peon	DADO, Jhapa
54	Mr. Min Bahadur Bista	Peon	DADO, Jhapa
55	Mr. Bishnu Prasad Dulal	Chairperson	Abhiyan Nepal, Jhapa
56	Mr. Laxmi Prs. Luitel	Reporter	NTV
57	Mr. Shalikram Nepal	Chairperson	SKS, Chandragadi
58	Mrs. Bhawani Khatiwada	JT	CADP, Biratnagar
59	Mr. Mahesh Mahara	C. Operator	CADP, Biratnagar
60	Mr. Sudama Shah	Peon	CADP, Biratnagar