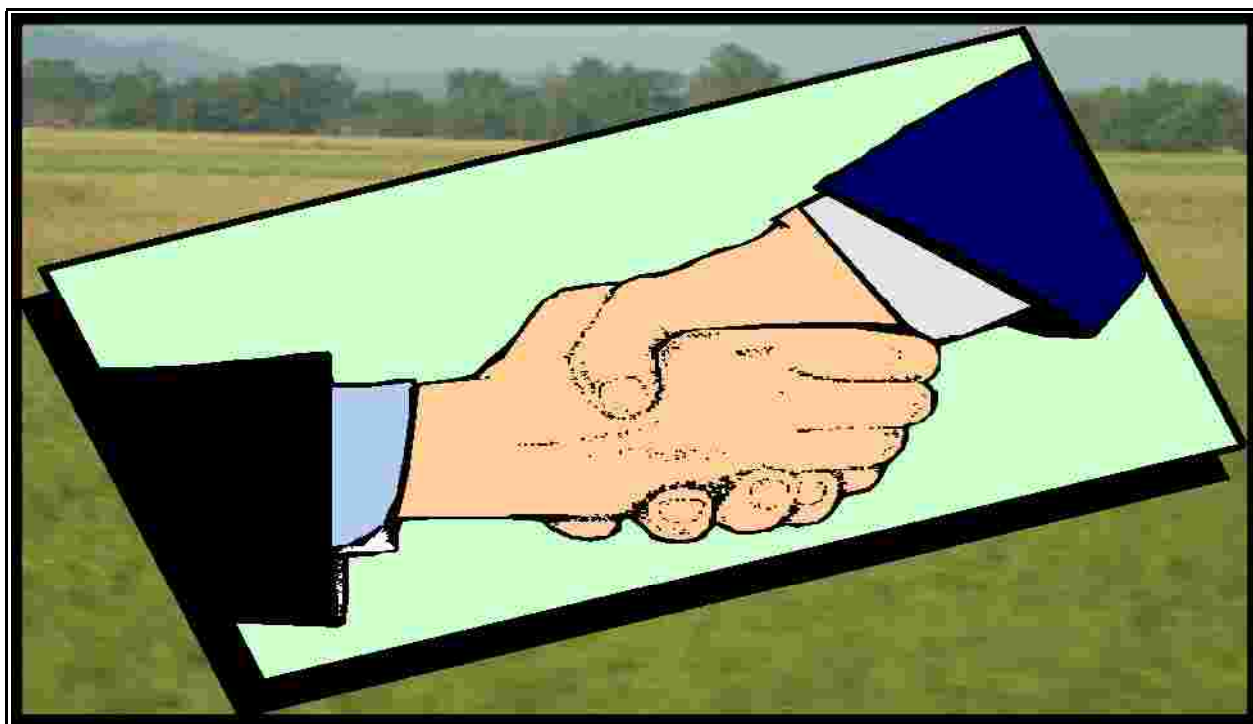


Commercial Agriculture Development Project
An Interaction Program about Partnership
with NGOs, Siraha
Proceeding
(June 11, 2008)



Organized by :

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

Commercial Agriculture Development Project(CADP)

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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

Table of Content
Chapter- I
Content

S.N.		Page No.
1.	Introduction	
1.1	Background	1
1.2.	Objective of the program	2
1.3.	Date & Venue of the program	2
1.4.	Procedure of the orientation program	

Chapter- II

2.	Paper Presentation & Discussion	
2.1.	CADP – At a glance & Project Implementation Arrangement.	3
2.2.	Commercial Agriculture Alliance- A brief Introduction	4
2.3.	Acitivities of NGOs involved in Agriculture Development and their partnership and coordination with DADO	5-6
2.4.	CADP : Partnership with NGO	7-8
2.5.	Few Word of Remarks	9

Appendixes

1.	Presented Papers	10-24
2.	Schedule of the program	25
3.	List of the participants	26-27
4.	Pictures	28-31

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 11, 2008 in the Training hall of the DADO, Siraha.

Procedure:

- Arrival of Participants and Registration.
- Chairing of program : Mr. Ramadhin Yadav, LDO, Siraha.
- Welcome to the participants: Mr. Kamlesh Tiwari, Technical Officer, CADP.
- Papers presented by:
 - Ø Mr. Kamlesh Tiwari, Technical Officer, CADP.
 - Ø Mr. Shyam Bhusan Karna, Branch Manager, CAA, Siraha.
 - Ø Mr. Shree Narayan Sharma, SADO, District Agriculture Development Office, Siraha.
- **Few words :**
 - Ø Mr. Ram Preet Das, Buddha Samaj Sewa Samanyaya Samiti, Siraha.
- **Vote of thanks and closing of the program :**
 - Ø Mr. Ramadhin Yadav, LDO, Siraha.

CHAPTER – II

Summary of Presentation

Tiwari Kamlesh, Technical Officer, CADP: At a Glance, June 11, 2008

Mr. Tiwari, 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 rewards 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. Tiwari 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 .**"

Karna, Shyam Bhushan, (CAA); Commercial Agriculture Alliance: A Brief Introduction, June 11, 2008

Mr. Ka rna, 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. Shree Narayan Sharma, SADO, DADO, Siraha.

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

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.

Potential High Value Crop :

- § Mango
- § Onion
- § Potato
- § Off-Seasonal Vegetable

Brief Introduction of district :

Background:

- Siraha district is one of the most potential district for commercial agriculture.
- The population of the district is 623461
- Total area 122796.9 hectare
- Total cultivated area - 48883.4 ha.

Existing Situation :

- Major cereal crops – rice and wheat
- Major cash crops - onion, off- season vegetables.
- Fruit - Mango

Existing Problems :

- Challenges of food security for emerging population.
- Insufficient market infrastructure.
- Low coverage of agriculture program in the remote area of th e district.

Tiwari Kamlesh, Technical Officer, CADP: Partnership with NGO, June 11, 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. Ram Prit Ray, Chairman, Buddha Samaj Sewa Samanyaya Samiti, Siraha

- § He expressed vote of thanks and happiness that CADP provided opportunity to convey his view as NGO representation.
- § According to his view it is beauty of CADP to implementation its activities through partnership approach with NGOs.
- § He requested to CADP, Partnership selection process should be transparent and unbiasedness on the basis of strength of NGOs in the respective field.
- § He pointed out some of the previous drawback of partnership approach (Example APP-SP) and requested to CADP to be serious on that aspect.
- § He wished the grand success of the CADP.

Mr. Ramadhin Yadav, LDO, DDC Siraha.

- § Firstly, he expressed vote of thanks to CADP for providing the opportunity to be a chairman, he has also given the thanks to all participants for successful operation of workshop in his chairmanship.
- § He became happy that CADP cover the Siraha district.
- § He suggested that CADP should findout potentiality of pocket area and focus on commercialization of high value crops.
- § He committed the DDC will be ready to cooperate with CADP throughout project period. At present content partnership approach of project implementation is the best approach to success of the CADP. So it is great opportunity for NGOs to be successful partner of CADP.

Appendix-1: Program schedule.

Commercial Agriculture Development Project
An Interaction Program with NGO, Siraha

Date : June 11, 2008

Time : 10:30- 1:15

Venue : Training hall, District Agriculture Development Office, Siraha.

Time	Activities	Remarks
10.30-11.00	Arrival of Participants and Registration	
11.00-11.15	Chairing of the Program : Ramadhin Yadav, LDO, Siraha	
11:15-11:35	Welcome to the Participants and Brief Introduction of CADP: Mr. Kamlesh Tiwari, Technical Officer, CADP	
11:35-11:50	Brief Introduction of Commercial Agriculture Alliance Mr. Shyam Bhushan Karna, Branch Manager, CAA, Siraha.	
12:20-12:35	Activities of NGOs Involved in Agriculture Development and their Partnership and Coordination with DADO, Mr. Shree Narayan Sharma, SADO, DADO, Siraha	
12:35-12:50	Partnership with NGO, Kamlesh Tiwari, Technical Officer, CADP.	
12:15-12:45	Discussion	
	Few Words	
1:45-1:00	Ø Ram Preet Das, Buddha Samaj Sewa Samanyaya Samiti, Siraha	
1:00-1:15	Ø Vote of thanks and closing of the program : Mr. Ramadhin Yadav, LDO, Siraha	

Name list of Participants :

SN	Participants	Designation	Office/ Address	Remarks
1	Mr. Ramadhin Yadav	LDO, Siraha	DDC, Siraha	
2	Mr. Shree Narayan Sharma	SADO	DADO, Siraha	
3	Mr. Shyam Bhushan Karna	BM	CAA, Siraha	
4	Mr. Suresh Panjiyar	M&E Officer	CAA, Siraha	
5	Mr. Kamlesh Tiwari	TO	CADP, Biratnagar	
6	Mr. Govinda Sunar	CO	CAA, Biratnagar	
7	Mr. Raj Lal Yadav	Fishery Officer		
8	Mr. Kiran Kumar Ray	Chairman	CEAD, Nepal	
9	Mr. Ram Prati Das	Chairman	Salampur, Siraha	
10	Mr. Raudi Chaudhari	Chairman	Samaj Sewa, Siraha	
11	Mr. Raj Kumar Shah	Joint. Secretary	SYC, Siraha	
12	Mr. Tarakanata Chaudhari	BM	SSS, Siraha	
13	Mr. Jagannath Lama	Chairman	Indreni Sewa Samaj	
14	Mr. Ananada Pakhrin	Secretary	INSEC, Golbazar	
15	Mr. Ram Autar Yadav	Chairman	GSBS, Siraha	
16	Mr. Birendra Chaudhari	Act. Director	PHF, Lahan	
17	Mr. Dipendra Chaudhari	Pro. Coordinator	DJS, Betauna	
18	Mrs. Gita Devi Singh	Secretary	DJSBK, Siraha	
19	Mr. Pramod Kumar Mahato	FM	UN	
20	Mr. Hridaya Narayan Chaudhari	Chairman	PEACE Nepal, Lahan	
21	Mr. Brij Narayan Chaudhari		GSBK, Siraha	
22	Mr. Raj Narayan Yadav	Chairman	Dev. Nepal, Siraha	
23	Mr. Mahendra Prs. Yadav	Office Asst.	LDF, Siraha	
24	Mr. Birendra Karna	Office Incharge	NNC, Siraha	
25	Mr. Durga Pariyar	Office Asst.	NSB, Lahan	
26	Mr. Dev Kumar Yadav		NJF, Lahan	
27	Mr. Dineshwar Prasad Gupta	Chairman	NJF, Lahan	
28	Mr. Pralahd Kumar Chaudhari	Office Asst.	AFTC, Siraha	
29	Mr. Dinesh Kumar Chaudhari	Member	GBS, Nepal	
30	Mr. M Mahato	Representative	Mithilanchal FM	
31	Mr. Dhruva Subedi	Secretary	RSDC	
32	Mr. Sunil Koirala	Chairman	NBS, Lahan	
33	Mr. Pratham Lal Chaudhari	Chairman	SBSS, Lahan	
34	Mr. Birendra Kumar Singh	Chairman	HR&SDC, Siraha	
35	Mr. Shambhu Prs. Chaudhari	Chairman	NSYC, Bhawanipur	
36	Mr. Ram Prasad Mahato		DADO, Siraha	
37	Mr. Kamal Prs. Shah	Fishery Officer	DADO, Siraha	
38	Mr. Andal Raheman	JT	DADO, Siraha	
39	Mr. Kali Kandan Minda	JT	DADO, Siraha	
40	Mr. Indra Dev Yadav		DADO, Siraha	
41	Mr. Sagam Lal Chaudhari	Chairman	SFG, Siraha	
42	Mr. Sukhi Lal Chaudhari	DM	IDE, Nepal	
43	Mr. Shyam Sundar Yadav	Ext. Officer	DADO, Siraha	
44	Mr. Ramesh Prasad Yadav	Ext. Officer	DADO, Siraha	
45	Mr. Umesh Nanda Chaudhari	Chairman	M. Group, Siraha	

46	Mr. Badri Narayan Chaudhari	Chairman	NFF, Lahan	
47	Mr. Ram Kumar Chaudhari	SM	GJBK, Lahan	
48	Mr. Mr. Budhnath Yadav		SBK, Lahan	
49	Miss. Anita Pariyar	DC	SBSK, Lahan	
50	Mr. Genilal Yadav		DADO, Siraha	
51	Mr. Purushwotam Gupta	Ag. Technician	IDE, Nepal	
52	Mr. Ram Prakash Singh		DADO, Siraha	
53	Mr. Bindu Narayan Chaudhari	Chairman	BABK, Siraha	
54	Mr. Ram Chandra Chaudhari	PC	BABK, Siraha	
55	Mr. Ram Bharoshi Mahato	Editor	Samad FM, Siraha	
56	Mr. Ram Dhimani Yadav	Member	JSBK, Siraha	
57	Mr. Govinda Bista	Chairman	JSBK, Siraha	
58	Mr. Shivshankar Yadav	JT	DADO, Siraha	
59	Mr. Rajbanshi Yadav	Driver	DADO, Siraha	
60	Mr. Shahdev Chaudhari	Driver	DADO, Siraha	
61	Mr. Binod Shah	Peon	DADO, Siraha	
62	Mr. Laxman Mandal	Peon	DADO, Siraha	
63	Mr. Kewal Mandal	Peon	DADO, Siraha	
64	Mr. Rameshwor Mandal	Peon	DADO, Siraha	
65	Mr. Manohar Ray	Peon	DADO, Siraha	
66	Mr. Mahesh Mahara	C. Operator	CADP, Biratnagar	
67	Miss. Durga Odari	C. Operator	CADP, Biratnagar	
68	Mr. Ramesh Khatiwada	Driver	CAA, Biratnagar	
69	Mr. Sudama Shah	Peon	CADP, Biratnagar	