



Rural Village Water Resources Management Project (RVWRMP - III) Livelihoods Component

PROJECT OVERVIEW

RVWRMP-III is a six-year (2016-2022) project that seeks to improve health and reduce multidimensional poverty in remote and rural communities. The project and its partners target individuals, households, and communities to improve the living conditions of more than 351,000 beneficiaries across 10 districts in Nepal. The project is focused in the Sudurpashchim (Far-West) and Karnali provinces and covers the districts of Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula, Dailekh, Doti, Humla and remote hill communities of Kailali.

Targets

351,000 Drinking Water Supply beneficiaries
110,000 HH Sanitation beneficiaries
275,000 Home Garden beneficiaries
50,000 Irrigation beneficiaries
60,000 Income Generation beneficiaries
200,000 Renewable Energy beneficiaries
25,000 Shareholders of Cooperatives
448 kW of renewable energy provided through micro-hydro power schemes

Project period

April, 2016 to August, 2022

Contact

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RVWRMP – III working area, 10 districts in Far-West and Karnali provinces. Sudurpaschhim **Province**: Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula, Doti, and remote communities of Kailali
Karnali Province: Dailekh and Humla.

The main overall Project results to be achieved are:

- Improved and sustainable nutrition, food security and sustainable income at community level through water resources based livelihoods development
- Increased resilience to disasters and climate change as well as promotion of climate change mitigation and adaptation

The following main Project Output indicators are covered under the Livelihoods component:

Result Area 2 - Improved and sustainable nutrition, food security and sustainable income at community level through water resources based livelihoods development

- Number of Home Garden beneficiaries: 275,000

- Percentage of women among home garden training recipients, trainers of trainers and Lead Farmers: > 50%
- Percentage of Dalit and other socially excluded groups in home garden training: > 24%
- Number of people receiving Rural Advisory Services: 500,000
- Families trained in income generating activities: 12,000 (converted to population-60,000)
- Percentage of leadership posts of project supported cooperatives held by women: > 50%
- Percentage of Multiple Use Systems (MUS) among the RVWRMP supported schemes: >10%
- Number of beneficiaries of irrigation activities: 50,000 (*internal indicator*)
- Value chains (VCs) promoted : Minimum 3 VCs (2022) (Internal indicator)
- Agri-business promoted : Minimum 10 Agri-businesses (One in each district) (2021) (Internal indicator)
- Number of beneficiaries of irrigation activities: 50,000 (*internal indicator*)
- Percentage of MUS/Irrigation schemes supported by the project has livelihood business plan prepared and implemented : Minimum 30% (2022) (Internal indicator)
- Number of shareholders in supported cooperatives: 30,000 (*internal indicator*)
- Percentage of Cooperatives supported by the project has business plan including marketing of agriculture goods prepared and implemented : Minimum 25% (2022) (Internal indicator)

Result Area 3 - Increased resilience to disasters and climate change as well as promotion of climate change mitigation and adaptation

- Renewable Energy generated through 5 micro-hydro power plants: 448 kW
- Number of households provided with access to sustainable energy services: 21,000
- User Committees (UCs) of micro-hydro power schemes are active and able to maintain service level as verified by presence of a paid maintenance worker, public audit at least once a year and affiliation with cooperative: 90% of constructed micro-hydro UCs user committees
- Greenhouse gas emissions mitigated by the use of sustainable technologies, e.g. cooking stoves, improved water mills: 250,000 tCO₂e
- Number of trained beneficiaries on disaster risk reduction and climate change adaptation: 2,500
- Project investments meet DRR standards and criteria: 100%

Result Area 4 – GoN institutional capacity to continue integrated water resources planning and support communities in implementing and maintaining WASH and Livelihood activities

- Contribution to policies designed for poverty reductions in remote and mountainous areas.
- National and Provincial authorities in WASH, agriculture and small industries sectors informed on RVWRMP experiences
- Number of trained local bodies to promote effective access to energy, markets, irrigation and WASH services.
- Mobilization of RM own resources under Agriculture and Cottage and Small Industries sections for joint activities in the core-RMs

LIVELIHOODS IN THE WORKING AREA OF RVWRMP

Hill and mountain farming offered people a certain livelihood basis and proved to be resilient over time. However, the system does not produce enough to pay for the modern amenities. The complementary income from remittances and transfers from predominantly male migration are necessary for paying school fees and the extras.

The livelihoods of the people in Sudurpashchim and Karnali provinces traditionally depends on diversified rain-fed subsistence family farming. The conditions of production are harsh with small plots



on steep slopes with deep valleys and limited access. Many communities are hours walking from the nearest road and large parts of the area can be inaccessible during the rainy season. Higher in the mountains the seasonal snow is a serious constraint for work and production during several months of the year. Only few larger farms in the more productive areas are able to produce excess for the market and generate a certain level of wealth.

Farming is labour intensive. Narrow terraces are cultivated with wheat, dry-land rice, mustard and fodder grass. Most of the work is done manually with little support from animal traction and occasionally mules are used for transporting goods. People have diversified farms and with some chicken and goats while larger farmers can afford cattle. There is a tradition of drying vegetables and making chutney's and pickled vegetables (*achar*) that can be stored and conserved for the winter. The communal forests provide a range of products such as herbs, mushrooms and medicinal plants. During dry years harvests may fail and people drop easily below the food security line.

Poverty and food insecurity in Nepal

Nepal has made significant progress towards reducing its overall poverty rate. However, many people, especially those living in the hill and mountain regions, continue to struggle with food insecurity and poor nutrition. Agricultural development in these areas is faced by big challenges under increasingly extreme and erratic weather events. Poverty remains deep-rooted in these remote areas where few off-farm income opportunities exist.

Agriculture employs 78 percent of the economically active population in Nepal, with 66 percent of the population directly involved in farming, and contributes 34 percent to the Gross Domestic Product. Poor nutritional and sanitation practices undermine health status and productivity, while limited public investment in infrastructure, drinking water supply, and public services constrain sustainable development.

Water for Irrigation is seen as one of the most important limiting factors to increase agriculture production in the Project area. Water becomes general scarcer from East to West and from the Terai to hills. Small scale irrigation can be found in the valley bottoms but the water is too far and deep to supply the population and fields higher in the hills. Many parts of the project area face a scarcity even for drinking water, which is still the first priority by the government over the use of water for irrigation.

Food insecurity

Food insecurity in Nepal is still the highest in the hills and mountains of Sudurpashchim and Karnali Provinces, where RVWRMP is active. Overall, according to the National Demographic and Health Survey (NDHS, 2016)), only 22% of HHs in Karnali Province and 38% of HHs in Sudurpashchim Province are food secure. The other 5 Provinces all have food secure HHs between 43% and 56%.

Food insecurity is also more profound in the hills and mountains, where RVWRMP is working, than in the Terai. Overall only 38% of HHs in mountains are fully food secure, compared to 46% in hills and 51% in the Terai.

Out of the 10 districts where RVWRMP is active, most parts of Bajhang, Bajura and Humla districts face regularly and seasonal moderately to highly food insecure periods. Achham, Baitadi, Darchula and Doti districts have parts that face seasonal moderately food insecure periods. Only Dadeldhura, Dailekh and Kailali (hill areas) are mostly minimally food insecure according to WFP in 2017.

Many households in the remote RMs can grow enough food to last only four or five months of the year. For the remaining, they must purchase or borrow food. But cash is also scarce, so people rely heavily on subsidized food and loans.

The development priorities



The development priorities for the Province (source: speech of Chief Minister of Sudurpashchim Province on 8 March 2019):

- Agricultural development.
- Energy
- Tourism.

Modernization and diversification of the agriculture has some potential to increase and improve the quality of the products and thus improve livelihood and income of the farmers in the hills. The energy grid is being rolled-out fast and will be soon reaching most of the rural population. On the other hand solar energy is becoming an affordable option for water pumping and other off grid energy solutions. Solar empowered pumped water schemes are a game changer since water can now be pumped from the rivers down in the valley to the higher lying settlements and fields. Finally, some areas in the province are identified with potential for tourism development. All rural municipalities are expected to benefit from these developments but for many families in it will not be enough to lift people out of poverty.

Demand for agricultural products

Markets in the (rural) municipalities and district headquarters have a guaranteed but rather limited demand for fresh farm products. Larger markets for agricultural products are found in the Terai and over the border in India. Hill, and to a lesser extent, mountain areas have a comparative advantage and are able to supply the lowland markets when large scale production in Terai and northern India is limited due to excessive heat, rains and flooding between April and September, and with specific products that cannot be produced in the Terai. Trade restrictions are unpredictable and are a constraint on long-term business planning investments of the Nepalese farmers.



Female beneficiaries grow cucumber on a semi-commercial scale for the first time in Aalital RM, Dadeldhura district, which earned them an extra income of 20,000 NPR on average within 3 months.

However, most of the common agricultural products, such as fresh vegetables and fruits, cannot compete directly with products coming from India coming in through the southern and western borders, due to larger scale mechanized production areas, higher subsidies on fertilizers and agriculture machinery, availability of irrigation, better production technologies and lower transport and electricity prices.

Possibilities for export of agriculture products are limited in the Far West. Some products enjoy local fame such as Turmeric, citrus fruits but lack scale to be developed as value chain for the export. Important export products for Nepal, such as ginger and large cardamom are mostly grown in Eastern Nepal and most traders are also situated there. Other major export products such as tea and lentils are not grown in the Project area.

Decentralization

In the Federalization process power has been decentralized to the (Rural) Municipalities. The transition is in full swing and the RV project is a close ally to the Chairpersons in this change trajectory. Since a

few years the national government and municipalities are investing heavily in roads in the hilly region. With the roads people bring new (construction) materials and goods to their rural homes. Improved roads and access to energy are leveraging the local economy since people can process and sell their produce in the markets export local products such as vegetables, mustard, milk and chicken to the market.

The catchment

Landscape degradation, mainly due to deforestation in the last century, has been halted and reverted in forest rehabilitation. Forest has made a great comeback after introduction of the community forest management in the eighties. There is an increased risk of landslides and erosion due to the high rainfall in combination with road construction and climate change¹. The erosion reportedly damages water resources and water systems and agricultural lands are eroded or covered with sediments. Terracing of the fields is a common practice and is often combined with agroforestry. Some farming areas are at risk of abandoning due to low productivity. Solid and liquid waste is starting to become a source of contamination of the water resources around the population centres in the area.

Women and girls

Traditionally women and girls are in charge of large part of the hard work on the farm. They climb in high trees to harvest fodder for the cattle. They cut the firewood and bring compost on to the fields. They also risk their lives to harvest grass from the steep mountain slopes and dig the red and white clay for painting the house. Due to increased migration of males to India and other parts of the world, women have become fully responsible for the household and family chores, the farm and the sustenance of the community organizations.

Migration

Migration is a fundamental element in the livelihood and food security strategy of the population. Male members of the family commonly migrate to Kathmandu, India or beyond to earn money. This means that the women and children stay behind. The money is necessary to pay for items such as: electricity, schooling of the children, food stuffs, housing and clothes. Migration is still increasing from year to year (7.3% in 2017) and foreign workers sent more than 5.9 billion Euros back home in 2017.

¹ Nepal's primary staple- and cash crop, rice, is highly dependent on seasonal monsoon rainfall. The onset of the monsoon and the winter rains has been delayed by about 1 to 4 weeks in recent years. An increased frequency of drought and landslides and more noticeable infestation of crops by pests have also been recorded. Meanwhile, available surface water has started to diminish with the drying up of springs in the hills and mountains. These phenomena are correlated with reductions in farm income. National Climate Change Impact Survey 2016, a Statistical Report, Central Bureau of Statistics, Kathmandu, 2017.

FROM BASIC- TO ADVANCED LIVELIHOODS

Despite the huge challenges and relative hardship, the rural villages are far from lifeless. The Federalization has brought fresh investments in local government buildings, local banks, schools and roads. Many people are investing little by little in better housing and are hopeful about the future: they believe that with improved services the people will not completely migrate but still use the village as a second home or as place for retirement.

There is no silver bullet when dealing with improving the health and wellbeing of the people in the mountainous project area. RVWRMP believes that many parallel interventions in health, nutrition, and economic development are needed to sustainably improve the quality of life of men and women. Project actions address multiple interlinked improvements of equality, WASH, knowledge and skills, and economic empowerment, environment and governance.

The specific livelihoods component (result area 2) of RVWRMP-III follows the same overall approach as the other project components by working directly with and giving full support to the Rural Municipalities to jointly plan and implement project activities. The Rural Municipalities plan their activities within the overall framework and objectives of RVWRMP.

Livelihood activities are identified and planned through the bottom-up planning process of the Livelihood Implementation Plans (LIP) as part of the overall Water Use Master Plans (WUMP), which are now being completed for all the 27 core-Rural Municipalities of the Project. These plans provide a detailed strategy for water supply as well as irrigation, livelihood and other activities in the RM for both short- and medium term.

RVWRMP implements a three-pronged approach to move from basic- to advanced livelihoods:

- Improve household nutrition by promoting diversified home gardens and conduct nutrition related trainings
- Support commercial agriculture and agri-related businesses (MSME – Micro, Small and Medium Entrepreneurs) for income generation using a Value Chain approach
- Strengthen and support private and public service providers on community level to provide decentralized and pro-poor services

To support the overall strategy in WASH and Livelihoods, the project works in two additional result areas. Result area 3 includes activities on Renewable Energy in areas where electrification has not yet reached or will not reach within 5 years, but also promotion of Improved Cooking Stoves (ICS) to save on fuel-wood and decrease smoke related health issues for women. It also aims to increase the resilience to disasters and climate change of the local communities related to project activities such as water sources protection measures and developing Water Safety Plans for all water supply schemes.

Result area 4 directly supports mainly the local administrative bodies (RMs) to become effective service provision entities and assisting them in their capacity to govern effectively.

RVWRMP works through RMs with the people

As for the other components the Project works directly through the newly established federal structures of the local level - Rural Municipalities (RM) and focusses on provision of safe drinking water, improved household sanitation, improved water-based livelihood opportunities, improved local level service provision, improved communities' resilience to climate change and disasters, promote renewable energy including micro-hydro power and build capacities of local government bodies.

Through a system of bottom-up planning processes, facilitated by the Project, the Rural Municipalities are capacitated to plan, implement and co-invest in project activities that will improve the longstanding wellbeing of the citizens.

The following are the strategies of the project under the mentioned result areas.

Improve household nutrition by promoting diversified home gardens and conduct nutrition related trainings

In the first 2 years, the Project focused heavily on increasing agricultural production through irrigation, better seeds and resource-efficient techniques through Home Gardens and Nutrition Sensitive Agriculture. This activity is directly linked to the drinking water supply activities of RVWRMP and is

Livelihood approach with focus on gender

The RVWRMP approach to support women in acquiring more power over their own lives is:

- 1) Female health
- 2) Women Empowerment: (Awareness raising, capacity development, action planning)
- 3) Economic activities

Female health

Womens health is improved through water, sanitation, female hygiene, nutrition and improved cooking stoves. Improved access to WASH means the women and girls need less time to fetch water, less time for attending sick family members and thus more time for other activities and to develop themselves. WASH is addressed by component 1 of the project. Nutrition is addressed by diversifying the daily diet with vegetables and fruits from home gardens. Use of improved cooking stoves means less smoke resulting in decreased smoke related health issues, and less time for collecting firewood. This is particularly important for women who are more involved in the daily household chores.

Women Empowerment: Awareness raising, capacity development, action planning

The project promotes social change by empowering rural women and disadvantaged groups through an inclusive, as well as participatory development process starting from the planning phase of the activities. The target is to ensure at least 50% women and proportionate representation of minorities in the activities. In order to achieve the target different capacity building activities to empower women are accomplished. The Project engages in critical discussions on women's issues focusing more the harmful practices of *Chhaupadi* in relation to the security, health, education and dignity of women and girls. The inclusive approach of RVWRMP sets a minimal participation of women and disadvantaged groups in the trainings and organizational bodies of the project. This means women are acquiring the knowledge and skills in different productive domains. The practice of participatory monitoring in mass meeting 'social audits' to share and discuss project progress is empowering women. A special workshop on "Women as Decision Makers" aims to formulate gender responsive plan has been taking place at RM level. Which remains an effective means to empower women for any administrative or entrepreneurial work in the community.

Economic activities (livelihood development)

Access to own financial resources is important to give women more control over their own lives. At least 50% participation of women in home garden management and income generation activities is the mandatory provision of the Project. Women can produce and sell the fresh vegetables and fruits on the local markets. Cooperatives are places where women generate an own income and further learn about roles in public life.

implemented in all project geographic areas. Home Garden Management groups of about 25 people, each representing a separate HH, are formed in communities where new water supply schemes are constructed. Through intensive training support and follow-up, these beneficiaries are encouraged to grow diversified crops in their home gardens, including vegetables, fruits, spices and fodder crops.

Over 75% of the home garden training beneficiaries are women and in addition to technical trainings, nutrition related trainings are organized. Technologies trained to the farmers are nursery management, composting, improved cultivation practices, use of bio-pesticides and -fertilizers including the use of human urine and use of waste-water. All the home gardens are specifically managed by using organic practices only.

The Home Garden Groups meet regularly in the presence of Project staff or other Extension Workers to discuss season related issues and plan activities for next period.

Each group selects two genuine Leader Farmers (minimum one woman), who receive additional trainings from the Project and act as a liaison between the groups and the Project and carry out farmer-to-farmer extension.

In order to increase the coverage of basic agriculture extension services, the Project trains so-called Local Resource Persons (LRP), these are selected from Leader Farmers and employed part-time by the RMs to provide services in their communities. Through the network of Leader Farmers and LRPs, the Project is able to reach and effectively support large numbers of small farmers.

By the end of FY04, RVWRMP had reached more than 175,000 beneficiaries out of a target of 275,000 beneficiaries. Initial results show that more than 95% of the home gardens include vegetables, fruits, spices and fodder crops. Besides providing a diverse nutrition to the household for increasing periods of time (6-12 months per year), there is also a tendency to sell small parts of the home garden harvest, typically around 25% of the total production, valued on average at 5,000 NPR per home garden or household. An updated monitoring system is now in place to track production and sales information.

The project promotes a shift from growing only for household consumption to growing crops for semi-commercial purposes. This next step focusses on commercialization of the farming process, which involves specifically growing food for sale, further processing to add value and marketing. This change or “upgrading” to more commercial oriented agriculture is specifically supported by the Project and such farmers or farmer groups receive additional support.

Support semi-commercial and commercial agriculture and agri-businesses (MSME) for income generation using a Value Chain approach

In most parts of the working area of RVWRMP, there is still a lack of livelihood options. There is hardly any commercial agriculture or existing agro-enterprises. Most markets are far away from the rural areas, and the supply chains are rather undeveloped. In addition there is a feeling that the government in Kathmandu has neglected this part of the country for a long time.

As roads and markets become more accessible, communities can invest in their production and bring them to the markets. Some possibilities include cultivation and processing of medicinal and aromatic plants (MAPs), high-value herbs, honey, and sustainable harvesting and processing of non-timber forest products (NTFPs). Many of these activities need little external inputs, and can be achieved through skills trainings, service delivery, and some micro investment support.

The Income Generation (IG) activities of RVWRMP provide support to three types of beneficiaries:

1. Semi-commercial and commercial farmers,
2. Value Chain linked farmers,
3. Agri-related businesses and entrepreneurs (MSME).

Semi-commercial and commercial farmers

The Project has been shifting from the homegarden centred approach to the Value Chains approach. The homegarden has become the standard add-on and is handled by the SO's and local livelihood staff. The value chain approach delivers support along the whole chain from producer to consumer: inputs, production, knowledge support from trainings institutes, post-harvest, finance, transport and marketing.



The project will focus on a limited number of value chains after analyzing sub-sectors and supports Value Chains that have been identified in the WUMP/LIP process on RM level, these include:

- Fresh vegetables (season and off-season) – Dadeldhura and other districts
- Ginger – Doti and Kailali
- Large cardamom - Dailekh
- Citrus – Kailali & Dadeldhura
- *Chiuri* (butter-tree) – Darchula and other districts

Semi-commercial and commercial farmers are identified by the project and receive different training packages from project and RM Agriculture Section staff. These trainings may include technologies such as: use of improved seed, production under plastic tunnel and poly-house (over 1,000 poly-houses have now been constructed with project support), use of drip-irrigation, use of compost and chemical fertilizers, safe use of crop protection chemicals, post-harvest techniques, but also simple business skills such as calculation of cost-of-production, break-even-point and crop planning, which is completely new to most farmers.

The project supports so called “short value chains or local value chain” where feasible. Such “short value chains” include honey, fruit trees (walnut, apple), potato processing, dairy and Seabuckthorn as identified by RMs in the LIPs and by sub-sector analysis and where project support is more limited than in the larger value chains as identified above.

With the increase in production on community level, there is an increased need to link farmers and farmer-groups to local and regional markets. Farmers’ production decisions have to be based on market demand (demand-driven rather than production-driven).

RVWRMP has started to facilitate in developing market linkages, using a Buyers Led Approach (BLA) by engaging local middle-men, cooperatives and wholesalers at the regional fruits and vegetables wholesale market in Attariya (Kailali). There still exists a lack of trust between traders in Terai and producers in hills. Furthermore issues concerning quality, volume and continuous supply limit the trade volumes at present.

Market surveys are ongoing to map the market-chains in the Far-West and assure that Project supported groups have the appropriate knowledge and skills to access these markets.

Livelihoods related infrastructure such as collection centers managed by producer-groups or cooperatives, market structures, post-harvest related infrastructure and irrigation schemes are planned during the LIP process and implemented on RM-level.

Lack of sufficient water for irrigation is one of the main constraints for increasing production and frequently the increased demand for drinking water competes directly with the demand for more

Potential of local markets

Demand and supply in local markets is often overlooked. Without travelling far in the small neighboring town there is often already an unsatisfied demand for certain vegetables or other nature-based products.

The project (Livelihood Officers and Livelihood Facilitators) brings producers and consumers together to analyze the demand and to plan production. These encounters are a tool to learn about the principle of the functioning markets. In these short-value-chains trust is built between producers and consumers to create a stable flow of products to the market. The Project only facilitates this process: supporting the producers to analyze market opportunities and risks. The Project advises how to increase the crop production that is already part of the farming system without putting at risk the livelihood of the household

The Project does not assume responsibility for the sale of the product. The farmers have to learn Step by Step to interact with markets. The Project absorbs a small part of the risk for example by co-investing in agricultural machinery, store rooms, and improved

irrigation. For this reason, the Project supports the construction of Multiple Water Use Systems (MUS) where feasible. These schemes serve both for drinking water as well as irrigation. Based on the MUS and irrigation infrastructure constructed by the project, poly-houses supports as pocket development approach will be there for best use of water services.

The Project has a target of supporting 50,000 beneficiaries with increased irrigation possibilities. There will be a stronger support to farmers linked to such irrigation possibilities.

Introduction of new and innovative technologies through private service providers and GoN includes small machineries, plastic houses, drip irrigation, improved seeds and grafted fruit-tree saplings.

The Project has started interventions in commercial crops (other than vegetables) such as ginger, large cardamom, oranges and on a smaller scale in NTFPs such as Sea buckthorn and Butter Tree (*Chiuri*).

Agri-related businesses and entrepreneurs

The Project has initiated a pilot program in providing support (100,000 – 500,000 NPR) to agro-related businesses, cooperatives and CBOs such as farmer groups to increase private sector investment and growth. It is envisaged that this activity will be rolled out in all core-RMs from fiscal year 2076/77 onwards.

Producer groups, cooperatives, community based organizations (CBOs) and other related stakeholders will be able to submit proposals for small support in starting or upgrading their businesses and activities. Those groups, cooperatives and CBOs should be also the beneficiaries of other RVWRMP interventions and have linkage with water and livelihood interventions and their user groups. This may include investments for small machinery, processing equipment, drying equipment, storage facilities, transport facilities, trainings etc. Female entrepreneurship is promoted to identify and develop market niches for products such as mountain herbs medicinal and aromatic plants (MAPs).

The support to Agri-business is managed on RM level and the project assures that the support activities are performance based in nature and support the overall objectives of the project. It is especially important to assure effective linkages between agri-business beneficiaries, cooperatives and farmers in the community.

The project will provide tailored trainings (such as SIYB – Start and Improve Your Business) and other support activities where necessary to support the process and increase synergetic benefits.

Once the project Micro-Hydro Power schemes become operational, the project will initiate and support MSMEs to make use of the increased electricity supply for end use promotional activities, this may include non-water resources based entrepreneurs.

Develop and support private and public service providers on community level to provide decentralized and pro-poor services

Strengthening of Service Providers and Service Provision, either private, public or embedded is carried out through GoN institutes, agro-input suppliers (agro-vets), multipurpose-nurseries, cooperatives, and Local Service Providers through regular trainings such as financial and business literacy, agro-vet trainings and support to licensing, technical trainings for GoN staff and tailored trainings where needed.

A total of 182 Local Resource Persons (LRPs) have been trained and mobilized in the community. Most of them will be part-time employed by the RMs. There is more demand coming from the RMs to employ LRPs so the project will continue to implement these training courses, in close cooperation with Provincial and RM Agriculture sections.



A total of 72 agro-input suppliers have received training support from RVWRMP. These trainings are implemented by the Plant Quarantine and Pesticide Management Centre (formerly Plant Protection Directorate), financially supported by the project and also the licensing process is facilitated by project staff. A further training is planned in September-October 2019 for 27 new agro-input suppliers from the project RMs. Those trained agro-vets will work as input-service providers with rural advisory services to the farmers in the RMs.

The Project focusses intensively on supporting cooperatives as a sustainable source of financial (savings and credit) and technical services (input supplies, marketing) for their members. Most cooperatives in the project area are rather weak and need intensive capacity building to be able to provide sustainable services. Presently, the project supports 55 local cooperatives in which proper initial preparation, capacity building of key persons and financial sustainability is emphasized. A series of intensive trainings over a two-year period strengthens the cooperatives and prepares them for their role as service providers for their members. Presently the 55 Project supported Cooperatives have more than 27,000 shareholders and a total capital of more than 1.3 million Euros.

The project target for the Rural Advisory Services activity is 500,000 beneficiaries. Through home garden and commercial farming activities by lead farmers and local resource persons, the project will reach over 250,000 people. Additional agriculture advisory services will be provided by agro-vets, cooperatives and government extension services including fairs/exhibitions, plant health clinics, soil testing campaigns, plant propagation campaigns. Using radio-programs for disseminating agricultural messages is another method being investigated by the project.

Support for Community Agriculture Extension Service Centers (CAESC) will only start after the Ministry of Agriculture and Livestock Development has fully endorsed this approach under the Agriculture Development Strategy (ADS) as the bulk of the support will come from government side. The Project will be able to provide support in infrastructure development and capacity building for the CAESC.

In total the Project has now reached more than 7,300 households with income generating activities. Initial results show an increased income of 35,000-40,000 NPR per year of the people who intensified their production. More detailed surveys have been planned for the near future and an updated monitoring system is in place to capture increased sales and income data. The project target is to reach 12,000 households with income generating activities.

Theory of Change (ToC)

Theory of Change is an illustration of how and why a desired change is expected to happen in a particular context. It maps out or “fills in” what has been described as the “missing middle” between what a project does (the interventions) and how these lead to desired impact.

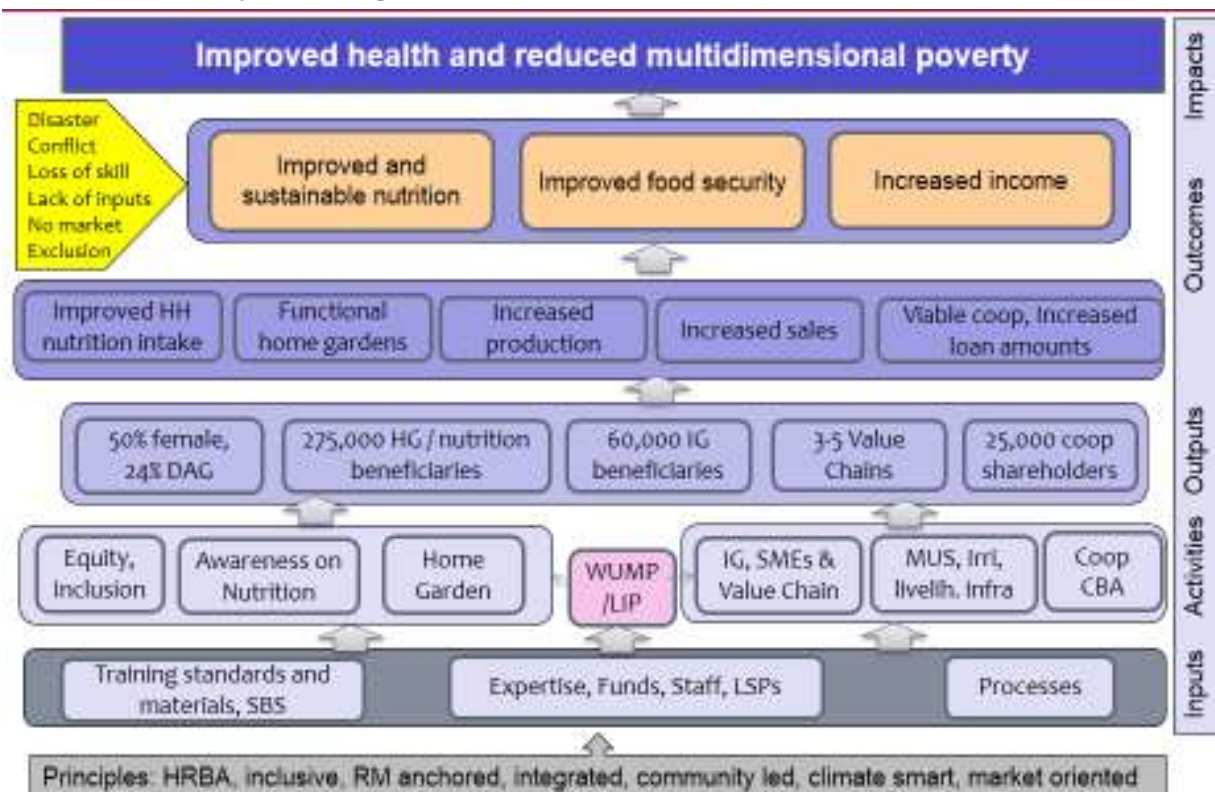
Below is a simplified Theory of Change model for RVWRMP with the overall project principles that influence the interventions, results and ultimate impact.



RVWRMP Theory of Change

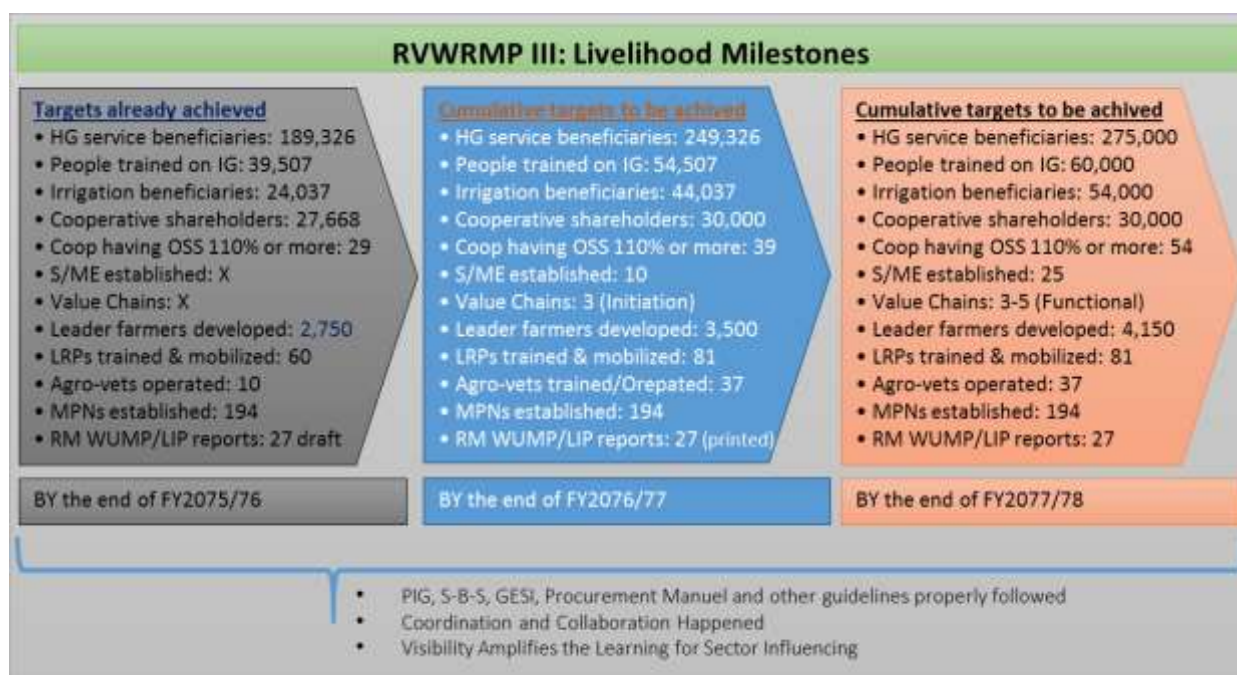


Livelihood Theory of Change



LIVELIHOOD RESULT AREA MILESTONES AND ACTION PLANS

Livelihood Milestones (Cumulative figures)



Livelihood Interventions with Action Plan

To achieve the targets of the project, the livelihood milestones were set based on the targets mentioned on the project document. The project has been supporting Livelihood Implementation Plan (LIP) for exploring potentiality of livelihood interventions at the local level. To achieve the livelihood milestones, the following actions points will be implemented.

Basic livelihood activities especially the home garden management for nutrition promotion and food security:

By the end of project period, there will be 80% functional home gardens of water users of the DWS schemes. By the end of project period 275 000 farm population will benefit. Based on the number of DWS beneficiaries and the scheme number, the home garden groups will be selected/reformed/formed and trained. Excess water will be by-default for irrigating vegetable fields to grow seasonal nutritious vegetables, spices and fruits. Periodic review of the status of functionality of the home gardens will be done by local resource persons, leader farmers at RM level as part of a regular reporting mechanism. Local Resource persons will mobilize HGM groups to give them updates on technical matters.

Income Generation:

Fresh Production for market:

In this category, there are production related activities basically seasonal and off-season vegetable production at semi-commercial or commercial scale by the farmers groups. Productivity enhancement, increase of production and marketing linkages between producer groups/cooperatives and wholesale markets will be dealt with. Farmers can grow spices and fruits at commercial scale and off-season commercial vegetable in poly-houses. In such poly-houses, the Project supports with plastics to farmers while farmers contribute with local materials and labour. The project will support the farmers as per their needs based on the use of MUS/irrigation schemes developing business plans. The poly-house

production technology will be supported on a cluster basis. The cluster allow for production in higher volume of production and joined marketing of products. Cooperatives will be linked to these cluster and for inputs services to the growers and for market access. Mus and irrigation scheme selection considers the factors, access to markets and active market actors, transport, roads, and willingness of the farmers; to guarantee the sustainability. The formation of income generating groups, design of projects follows the normal procurement process. If there is MUS and irrigation scheme fall under the cluster, the business plan (production and marketing planning) will be developed and implemented to run the project.

If there is the chance of collaboration with other agencies, it will be done under the cluster approach in case of poly-house scheme under capital heading of investment or as a demonstration activity for income generation.

Agri-business development and promotion:

Based on the potentiality and mentioned in LIP of the RM, the Agri-business related support program will be launched. Such ME activities must be managed under a farmer group or cooperative. For such events, project will support farmers groups, community based organizations (CBOs) and cooperatives. The project has developed a mechanism to support Agri-business (ME) described in the “Support Guidelines”. Agri-businesses are selected in the LIP and after sub-sector analysis, these agri-businesses can be supported. As per the preliminary assessment done during LIP preparation, there are the following business opportunities: potato chips, dalmot, Lokta paper, noodles making, pickles making, incense making, bamboo (crafts, furniture, construction material, fodder, pickles), spices grinding, sauce making, chiuri processing, etc Agri-businesses proposed to implement. If there is the chances of collaboration with other agencies on ME, the project/RM will collaborate to leverage the support to such Agri-businesses. The Project/RM will follow the ME support guideline.

Value chains development and promotion:

Context: The livelihoods component of RVWRMP employs a value chain approach to facilitate collaboration between collector and processor groups, buyers, and marketing agents. It facilitates in market linkages, using a Buyers Led Approach (BLA) by engaging local middle-men and the regional wholesale markets. The project supports income generating activities both on-farm as commercial agriculture farms and off farm as Agri-businesses. Some of the value chains that RVWRMP is supporting are ginger, large cardamom, Sea buckthorn, oranges, honey and butter nuts (*Chiuri*).

Developing effective value chains for such products requires a thorough understanding of their prevalence, production, processing, and marketing dynamics, as well as identification of key actors and their needs, role and function, identification of constraints and Opportunities, and areas of project intervention.

Rationale: The mid-term evaluation has suggested to work with a few Value Chains. The learning with the RMs will be important for the RMs to engage more in local economic development around agriculture, NFTP and other nature-based products.

Process, Methodology and Tools:

A value chain approach in agricultural development helps identify weak points in the chain and actions to add more value. The most important factor for sustaining livelihood activities depends on the actors' involvement how strongly or actively they involved in the value chain. Therefore, the project felt the

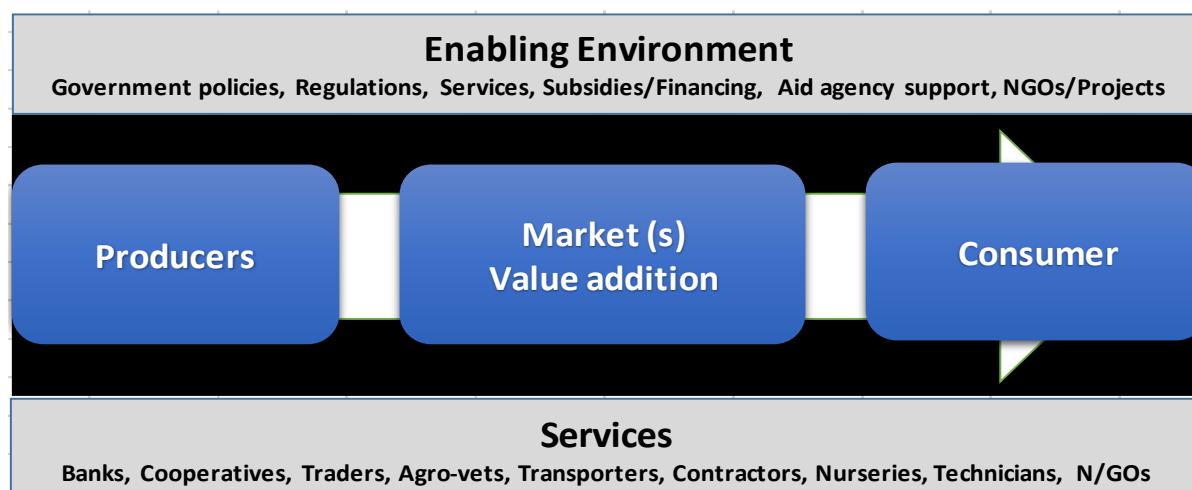
need of supporting, developing and strengthening limited value chains on pre-dominant commodities in the region for pro-poor engagement in the value chain. Though this takes too much time (may be 5 years) to mature or become stronger, project will support for initiating value chain interventions that generates better livelihood opportunities for the poor who solely involved in the entire value chain.

There may also be short/localized (distance-limited) value chains to be supported as per the demand from RMs, availability of human resources/experts for value chain development and support, availability of resources, collaborating agencies and present status for developing full chain of commodities. For this, it is very important to carry out the short assessment by the short term consultants/experts (STC) and the project Livelihood Officers. The chain of activities from decision to go for value chain to implementation of value chain activities with monitoring and managing impacts be done as following business development services, sub-sector analysis, constraints/bottlenecks and opportunities identification, prioritization of activities and detailed implementation plan (DIP) preparation will be done smoothly and thoroughly in the high potential RMs or districts or region. There might be 5 major events exercising for value chains in project area.

One event to identify the full package of value chain selection with DIP with replication in other RMs/Districts/Cluster with potential. This will guide the value chains support in the project area. The identified interventions will be supported jointly with RM, other agencies and companies. The interventions will be included in the AWP of concerned RMs. As per the status of selected value chain, the following actions are planned.

Process /steps

1. Organize value chain and SSA training to the LOs and other livelihood technicians
2. Prepare for the SSA/VCA with consultant
3. Organize SSA/VCA study in RM basis
4. Identify the opportunities, constraints and area of interventions
5. Consolidates the finding of all RMs SSA /VCA study
6. Incorporate the intervention in the DIP



Key Activities

- Inputs promotion and farm related activity
- Farmer's capacity building and agri extension related activity
- Retailer and wholesaler linkages and capacity building related activity
- Consumers (end markets) related activity

- Cross cutting: Gender and Policy , information and technology

Actions/interventions planned to be implemented for value chain promotion (Led by LOs)

Major Actions	Timeframe	Remarks
Decision to go for value chain promotion <ul style="list-style-type: none"> • Value chain potentiality and limits • Potentiality identification for combining chain promotion with other development approaches 	By 30 December, 2019	It might differ for some RMs based on their interest
Selecting a value chain for promotion <ul style="list-style-type: none"> • Determining the scope of value chains to be promoted • Conducting and supporting market research • Setting priorities across alternative value chains 	By 28 February, 2020	This applies for first VC, followed by others
Value chain analysis <ul style="list-style-type: none"> • Value chain mapping • Quantifying and analyzing value chains in detail • Economic analysis of value chains 	By 28 February, 2020	This applies for first VC, followed by others
Determining the chain upgrading strategy <ul style="list-style-type: none"> • Agreeing on a vision and strategy for value chain upgrading • Analyzing opportunities and constraints • Setting operational upgrading objectives • Identifying actors to implement the upgrading strategy • Anticipating the impact of chain upgrading 	By 30 April, 2020	This applies for first VC, followed by others
Facilitating the chain development process <ul style="list-style-type: none"> • Clarifying public, private and donor roles • Designing a process and setting entry and exit points • Organizing the chain promotion project and scaling it up • Institutionalizing the collective action of chain actors 	By 30 May, 2020	This applies for first VC, followed by others
Strengthening private business linkages <ul style="list-style-type: none"> • Brokering vertical collaboration: Supplier – buyer contracting • Fostering horizontal collaboration of value chain operators • Business matchmaking 	Ongoing process	As per need
Engaging in public private partnership <ul style="list-style-type: none"> • Engaging private partners in development work • Concluding private-public partnership agreements 	As per the maturity	
Strengthening services in value chains <ul style="list-style-type: none"> • Assessing service needs and service markets • Strengthening private service markets and arrangements • Improving the responsiveness of public service providers • Strategic use of temporary support services 	By 30 July, 2020	This applies for first VC, followed by others
Financing value chains <ul style="list-style-type: none"> • Brokering value chain financing arrangements • Publicly funding chain development 	As per the need	
Introducing social, ecological and product quality standards <ul style="list-style-type: none"> • Facilitating the development of standards • Accompanying the implementation of standards 	As per the maturity	

<ul style="list-style-type: none"> • Developing the capacity for the verification of standards 		
Improving the business environment of value chains <ul style="list-style-type: none"> • Supporting private initiatives addressing micro & macro-level constraints • Fostering a coherent value chain promotion policy 	2019-2020	
Monitoring and managing impacts <ul style="list-style-type: none"> • Formulating impact hypotheses of value chain promotion • Verifying impact hypotheses • Managing for development results 	As per the maturity period	
Advocacy and policy influencing <ul style="list-style-type: none"> • Dialogue with local, provincial and federal government entities for policy making 	2020 AD	

Short value chains and opportunities in local markets will be identified and facilitated in parallel as per the interest and with necessary support from RMs. Simple business plans of MUS and Irrigation groups will be drafted and implemented to boost the short value chains. MEs will be linked interventions where possible.

There will be more than 60 000 households benefiting from different income generating activities like fresh production, processing, Agri-businesses, value chain and cooperative. Collaboration with RM Agriculture Sections and other agencies will be key for the success. The online MIS system keeps track of the income generation on a yearly basis. Results will be made available in the reports.

Developed and Mobilized Local Service Providers:

Local service providers are playing important roles in supporting local businesses. The project has been training those service providers such as Local Resource Persons (LRPs), Leader Farmers (LFs), Agro-vets, Multi-purpose nurseries (MPN), Village Maintenance Workers (VMWs) and Improved Cooking Stoves (ICS) Promoters. Local resource persons have been mobilized by concerned RM and Project considering RM will continue this service after the project exit. The capacity building of the local service providers creates employment at local level with enhanced agro-services in the rural area. The Agro-vets, multi nursery managers, VMWs and ICS promoters are also the service providers and create self-employment at home and earn cash by providing services. The agro-vet owners will be trained and supported for running agro-vets at RM providing advisory services to the local farmers. The project also partners with the Community Agriculture Extension Service Centres (CAESCs) in the RMs and will work closely for the betterment of the farmers' community.

Cooperatives, marketing and Livelihood infrastructure:

The project has been supporting 55 cooperatives. The project has been assessing the gap and has been providing trainings that they really need. The project also has been supporting with investments, account book keeping registers, computers with banking software and other necessary training. The Project envisions that strong cooperatives are the best collectors and marketers for agricultural products. The project will train them on business plan preparation including agriculture goods and product marketing. Cooperatives will be empowered as vehicles for agri-business development. They can play a role in collection, selling and providing financial services to their communities. The RM/project will support cooperatives for example with establishing collection centres. The marketing

infrastructure will be supported under capital heading of the project and will be handled as the water schemes construction. Proposed activities and investments for cooperatives will be reflected in annual plan of concerned RMs of fiscal years.

Funds from RMs and RM Agriculture Section, cooperation with Provincial Ministry of Land Management, Agriculture and Cooperative, Agriculture Knowledge Centers, Donor agencies will be mobilized for investing in the local economic development. The Micro Enterprise support Fund will be used to strengthen Income Generation, Value Chains, Service Providers and Cooperatives.

MAJOR ACTIVITIES AND EXPECTED OUTCOMES

- Increase household nutrition through the establishment of home-gardens, directly linked with drinking water supply
- Increase adoption of profitable, productivity-enhancing, and climate smart low-cost technologies.
- Increase the acreage under irrigation by constructing new schemes
- Increase access to local agriculture markets for commercial producer groups
- Develop selected value chains and linkages to local markets
- Enhance financial services provision through cooperatives.
- Enhance business development skills and services
- Increase the reach and quality of agriculture extension and financial services
- Promote the establishment of Agri-businesses
- Train, support and institutionalize Local Resource Persons / Local Service Providers
- Train and support local Agro-Vets to act as private service providers
- Build the capacity of GoN staff to deliver quality services including services related to DRR/CCA.
- Make available and promote the use of Improved Cooking Stoves and Improved Water Mills
- Increase the availability of electricity through construction of Micro Hydro Power plants in remote and not-to-be-served areas

The implementation of the following activities in the Rural Municipalities will support achievement of the outcomes.

- Increased household nutrition in volume and diversification
- Increased yields, volumes and sales of selected crops.
- Increased income for households engaged in commercial activities
- Diversification of agriculture and non-agriculture based livelihoods
- Increased access to financial services and financial and business skills
- Strengthened institutional and human resource capacity of the GoN staff
- Mitigation of greenhouse gas emissions

STAFFING

The Livelihoods activities are carried out through the following staffing structure:

At the RM level, the Project has contracted Support Organizations (SOs, local NGOs) that employ 20 Livelihood Promoters. These Livelihood Promoters work on community level and mainly support the basic livelihood of home garden and nutrition activities. It is foreseen that one Livelihood Promoter is employed per core-RM on annual basis.



The Project has now employed 15 Livelihood Facilitators at RM level. These Livelihood Facilitators mainly support activities regarding advance livelihood of semi-commercial and commercial agriculture, Agri-business and Cooperatives.

On the district/TSU level, five Livelihood Officers (one has double function of WRA/LO) have been employed. Their task is to lead the advance livelihood Agri-business and Value Chain related and monitor activities and progress in the districts. They are also the technical back stop to the RMs where needed and develop training materials together with PSU.

On the PSU level, overall management and guidance is provided by the Chief Livelihood Advisor (currently vacant), Sustainable Livelihood Specialist (ad interim head of livelihood section) and Cooperative Development Officer.

The full livelihood team has less than a year of experience and with the low capacity at RM level it is envisaged that two additional years are needed before handing over of tasks to the RMs.

COOPERATION WITH GON AND OTHER DONOR AGENCIES

Cooperation with donor projects is separately discussed in the Livelihood Project Mapping section at the end of this document.

RVWRMP has had a very good cooperation with the Ministry of Agriculture Development and the District Agriculture Development Offices before the restructuring. As of now, the new restructuring has been completed but the final posting of most of the agriculture related government staff on national level (Ministry of Agriculture and Livestock Development), provincial level (Provincial Ministry of Land Management, Agriculture and Cooperative), district level (Agriculture Knowledge Center) and RM level (RM Agriculture Section) has been assigned delayed. Some of the mandates are also not yet clear and may change in the near future.

GoN activities in agriculture are mostly through RMs. Joint activities are already being conducted between RM Agriculture Section and RVWRMP, mostly in the form of RVWRMP providing capacity-building activities and the Agriculture Section providing materials and equipment. The joint process of WUMP/LIP development at RM level is one of the concrete results of this excellent cooperation.

Regular monitoring (MIS) and surveys

- Home Gardens – Low cost technologies/management practices adopted
- Home Gardens – Number of farmers having applied new technologies/management practices
- Home Gardens – Crop diversity, number of crops grown (vegetables, fruit trees, spices, fodder)
- Home Gardens – (Incremental) Sales (expected average of 5,000 NPR/year/HH)
- Home Gardens – Household Consumption, increased nutrition
- Semi-Commercial and Commercial Farms – Technologies/management practices adopted
- Semi-Commercial and Commercial Farms – Number of farmers having applied new technologies/management practices
- Semi-Commercial and Commercial Farms – Increase in production (in kg and NPR)
- Semi-Commercial and Commercial Farms – (Incremental) Sales (expected average between 30,000 and 50,000 NPR/year/HH)

- Irrigation – Number of beneficiaries and hectares
- Irrigation – Increment in Cropping Intensity (CI) (>45%)

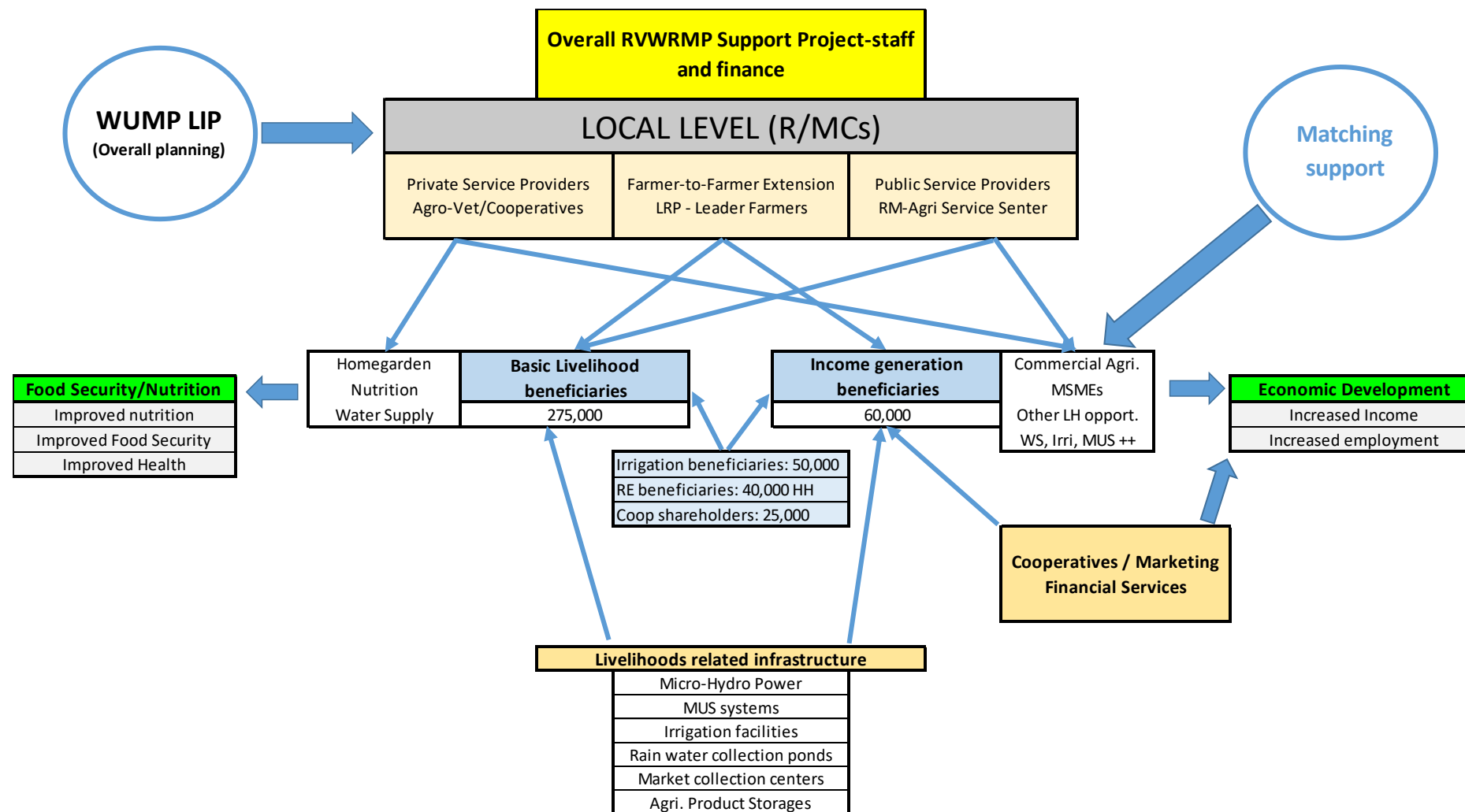
- Cooperatives – Number of shareholders
- Cooperatives – Share Capital and Savings
- Cooperatives – Agricultural loans / credit amount

- Agri-business – Annual sales
- Agri-business – Increment in Full Time Job Equivalent (FTE)

- (Embedded) Service Providers – Increased income
- (Embedded) Service Providers – Number of clients

- Renewable Energy – Capacity of MHPs and number of HHs that have access to electricity
- Renewable Energy – Number of ICS and IWM
- Renewable Energy – Number of beneficiaries
- Renewable Energy – Greenhouse gas emissions mitigated

Livelihoods Approach in RVWRMP – III



Livelihood Project Mapping (GoN and donors)

RVWRMP-III working area

Government of Nepal activities

- RM Agriculture Sections
- Agriculture Knowledge Centers
- Prime Minister Agriculture Modernization Project- PMAMP 2017-2027 / \$ 53 million
- Multi-Sector Nutrition Plan II – MSNP II 2018-2022 / \$ 470 million (including other donors)

Main donor funded projects/programs in RVWRMP project area

- Knowledge-based Integrated Sustainable Agriculture in Nepal - KISAN II (USAID) 2017-2022 / \$ 32.7 million
- Promoting Agriculture, Health, and Alternative Livelihoods - PAHAL (USAID) 2014-2019 / \$ 37 million
- Suaahara II “Good Nutrition” Program (USAID) 2016-2021 / \$ 63 million
- Feed the Future Seed and Fertilizer Project (USAID) 2016-2021 / \$ 15 million
- Agriculture Sector Development Program – ASDP (IFAD) 2018-2023 / \$ 68 million

Other donor funded projects/programs in RVWRMP project area

- INCLUDE (GIZ) 2016-2019 Selected value chains and responsible businesses in the focus districts (Banke, Bardia, Dang, Kailali, Pyuthan and Surkhet) have grown and become more inclusive. Riverbed farming, Honey, Dairy, Tourism, Ginger, MAPs (Timur, Cinnamon, Asparagus and Chiuri).
- Anukulan X / BRACED X – (UKAID) Jan 2015-June 2019 / \$ 6.3 million for phase I: Jan 2015-Dec 2017, extended for 18 months
- Building Climate Resilience of Watersheds in Mountain Eco-Regions Project – BCRWME (ADB) 2014-2020 / \$ 30 million
- Rural Access Programme 3 – RAP 3 (DFID) 2013-2019 \$ 82 million? Income generation activities, building economic infrastructure, private sector development, ICS and IWM.
- Renewable Energy for Rural Areas – RERA (GIZ-SNV) 2016-2019 \$ 3.5 million for Far-West Province. Works mainly on policy formulation.
- FAO – no current projects in the RVWRMP project area
- Safe Practices on Water, Sanitation and Hygiene (SAFE-WASH) Project II – (USAID) 2014-2019. Enhanced family health through WASH improvements • Improved hygiene behavior of the community including reduction of repressive menstruation practices (chaupadi) • Enhanced governance of the WASH sector. Kanchanpur, Kailali and Darchula.

Projects matrix for RVWRMP III districts

District	PMAMP	KISAN II	PAHAL	Suaahara	ASDP	BCRW ME	RAP	Anukulan	MSNP II
Achham	X	X	X	X		X	X		X
Baitadi	X	X	X	X		(X)			X
Bajhang			X	X		(X)			X
Bajura	X		X	X		X	X		X
Dadeldhura	X	X	X	X		(X)	X	X	X
Darchula	X		X	X					X
Doti	X	X	X	X		X	X	X	X
Kailali	X	X		X				X	X
Dailekh	X	X	X	X	X		X		X
Humla							X		X

(X) = phased out districts

Overlapping activities matrix

Areas of Activities	PMA MP	KISAN II	PAHAL	Suaahara	ASDP	BCRW ME	RAP 3	Anukulan X	MSNP II
WASH			X	X		X			X
Nutrition			X	X				X	X
Home Gardens			X	X				X	X
ME/IG/Marketing	X	X	X		X		X	X	(X)
Irrigation	X		X			X		X	
Cooperatives / MFI		X	X						
DRR/CCA		X				X		X	

Detailed donor mapping per RM

			PAHAL	KISAN II	SUAAHARA	PMAMP	ASDP	RAP 3	Anukulan X	MSNP II
1	Achham	Ramaroshan Gaopalika			X	X				X
2	Achham	Turmakhand Gaopalika			X	X				X
3	Baitadi	Shivnath Gaopalika	X		X	X				X
4	Baitadi	Pancheshwor Gaopalika	X		X	X				X
5	Baitadi	Dilasaini Gaopalika	X		X	X				X
6	Bajhang	Talkot Gaopalika	X		X	X				X
7	Bajhang	Thalara Gaopalika	X		X	X				X
8	Bajhang	Chhabis Pathibhara Gaopalika			X	X				X
9	Bajura	Gaumul Gaopalika	X		X	X				X
10	Bajura	Swamikartik Gaopalika				X				X
11	Dadeldhura	Aalital Gaopalika	X	X	X	X		X	X	X
12	Dadeldhura	Bhageshwor Gaopalika	X	X	X	X				X
13	Dadeldhura	Ajaymeru Gaopalika	X	X	X	X			X	X
14	Dailekh	Bhagawatimai Gaopalika	X	X	X		X			X
15	Dailekh	Naumule Gaopalika	X	X	X		X			X
16	Dailekh	Bhairabi Gaopalika	X	X	X		X			X
17	Darchula	Api Himal Gaopalika			X	X				X
18	Darchula	Naugad Gaopalika			X	X				X
19	Darchula	Marma Gaopalika			X	X				X
20	Doti	Badikedar Gaopalika			X	X		X	X	X
21	Doti	Sayal Gaopalika		X	X	X			X	X
22	Doti	Bogtan Gaopalika	X		X	X				X
23	Humla	Namkha Gaopalika				X				X
24	Humla	Kharpunath Gaopalika				X				X
25	Humla	Sarkegad Gaopalika				X				X
26	Kailali (Hill)	Mohanyal Gaopalika		X	X					X
27	Kailali (Hill)	Chure Gaopalika		X	X	X			X	X

Possibilities for coordination and risks of duplication

PMAMP

PMAMP's budget goes directly through the RMs for specific pocket- and block-areas. RVWRMP coordinated closely with the RM Agriculture Section to ensure that common activities are mutually supported. Examples include PMAMP funding plastic greenhouses and RVWRMP conducting trainings.

MSNP II

This project is implemented through RMs and has several outcomes which coincide with RVWRMP's including in drinking water, WASH and nutrition.

MSNP's focus is on the development of nutrition related service providers, thus it fits nicely with RVWRMP project livelihood and other activities, which also aim to improve the service delivery on RM level.

KISAN II

KISAN works in a limited number of RVWRMP project RMs and mainly focusses on private sector involvement including cooperatives and agro-vets.

There is little chance of duplication, rather there is a good opportunity to coordinate if target RMs and businesses are overlapping.

On field level there is a good coordination between KISAN and RVWRMP.

PAHAL

PAHAL's activities include irrigation, WASH, DRR/CCA, cooperatives, nutrition and home gardens and as such there is a chance of overlap with RVWRMP activities in common RMs.

Coordination meetings have taken place between PAHAL and RVWRMP and on RM-level there seems to be a good coordination between the two projects. Some overlap still occurs on cooperative support trainings (with some of the same cooperatives that RVWRMP also supports or has supported) and PAHAL's DRR/CCA activities are more advanced.

PAHAL is phasing out in mid-2019, a new phase is not foreseen at the moment.

ASDP

There is an overlap in RMs only in Dailekh district. As ASDP only work with limited value chains there is little chance of overlap.

SUAAHARA

SUAAHARA works in a large number of RVWRMP project RMs and does in-depth nutrition work, focusing on women and children (1000 days).

There may be some overlap in the home-garden component but RVWRMPs approach in the establishment of home gardens is much more intensive whereas the nutrition extension part is more established with Suaahara. Suaahara also improves the nutrition service delivery on village level.

During Phase II, RVWRMP had and MOU with Suaahara on livelihoods cooperation. However, in practice there were limited results (partly due to the different working modality, as RVWRMP operated through district governments and Suaahara was working independent).

It has been noticed in the field that in some cases Suaahara selects RVWRMP trained leader farmers as their local nutrition services providers and placing Suaahara signboards as such.

Coordination with Suaahara is mainly done through the RMs.

BCRWME

Although many of the districts overlap with RVWRMP and the work of BCRWME in watershed management and water supply matches closely to RVWRMP, the actual working area of BCRWME has only a few overlapping RMs. Early in BCRWME operations it was agreed to divide the VDCs with RVWRMP to avoid overlaps.

RAP 3

RAP 3 is active in a few of the RVWRMP project RMs.

RAP has a livelihood component and supports activities for SMEs, market development, micro-hydro rehabilitation and ICS/IWM. As RAP is phasing out in mid-2019 there is little chance of overlapping activities.

Anukulan X / BRACED X

This project is active in 5 core-RMs of RVWRMP. Activities are limited to certain wards. Some DRR activities implemented similar as PAHAL, LAPA (Local Adaptation Plan of Action) planning. Will be phased out mid-2019.

RVWRMPs approach to donor coordination

RVWRMP has conducted preliminary meetings with all of the major GON and donor projects active in the project area and shared information on project activities and project target RMs. As most of these projects have (branch) offices in Dadeldhura and throughout the districts, irregular information sharing is ongoing to avoid main overlapping activities.

Previously, the Regional Agriculture Directorates (RAD-Doti and RAD-Surkhet) conducted regular coordination meetings with all major stakeholders and donor-funded projects, this will be taken over by the provincial ministries in the near future. RVWRMP provided some funding to these events in the past. However, projects and other stakeholders do not always attend such meetings, although they are regularly invited. However, in practice, some duplications have been seen.

RVWRMPs main coordination mechanism is on RM level where RMSUs together with RMPMCs assure that duplication does not take place or are coordinated to ensure synergies (co-funding, mutual training participation, joint monitoring etc.).

It is foreseen that RMs will play a stronger role in donor coordination; RVWRMP is presently strategically the best placed to support and capacitate the RMs in this role.

Overall, it is felt that coordination with some projects such as PMAMP is easier than with some if the USAID-funded projects such as KISAN, PAHAL and Suaahara. This is probably due to the fact that most USAID projects have mostly centralized planned activities and coordinate less with the RMs during their planning phase (they prefer to operate more independently). Coordination with these projects is also hindered by the distance between the RVWRMP PSU in Dadeldhura and most donor projects having their offices in Kathmandu.

Recommendations

- Continue capacitating RMs to establish donor-coordination mechanisms on RM level
- Report regularly to Finnish Embassy on ongoing coordination efforts so it can be taken up in central level meetings (TWG).

- Coordinate with Provincial Ministry of Agriculture to initiate coordination meetings and possible joint field visits with RVWRMP co-funding.
- Where possible continue direct communications and coordination with GON and donor-projects (PMAMP, MSNP, KISAN, Suaahara).

Knowledge-based Integrated Sustainable Agriculture in Nepal - KISAN II

KISAN II will contribute to the Government of Nepal (GON)'s Agricultural Development Strategy (ADS). KISAN II is a five year project which facilitates systemic changes in the agricultural sector including: (1) greater climate-smart intensification of staple crops and diversification into higher value commodities; (2) strengthening of local market systems to support more competitive and resilient value chains and agricultural related businesses; and (3) improving the enabling environment for agricultural and market systems development. The project will coordinate closely with the private sector and the GON's Ministry of Agricultural Development (MOAD). KISAN II focusses on 20 districts in the West, Mid-West and Far-West regions and four earthquake-affected districts in the Central region (Feed the Future Zone(s) of Influence 1 and II respectively).

The goal of KISAN II project will be achieved through activities under five components, listed below;

1. Improve the productivity of selected agricultural market systems
2. Strengthen competitiveness, resilience, and inclusiveness of selected agricultural market systems.
3. Strengthen the enabling environment of selected agricultural market systems.
4. Enable vulnerable communities to act on business opportunities within selected market systems.
5. Apply Collaboration, Learning, and Adaptation to market systems development.

PROJECT ACTIVITIES

- Increase adoption of profitable, productivity-enhancing, and climate smart technologies.
- Strengthen lead firms and other SMEs to support selected market systems.
- Enhance financial services markets and infrastructure that serve selected market systems.
- Build capacity for GON policies and regulation to support market systems development.
- Enhance literacy and business development skills.

EXPECTED OUTCOMES

- Increased yields and volumes of selected crops (rice, maize, lentils, vegetables).
- Increased percentage of smallholders, farmer cooperatives, and farmer associations able to meet market quality and standards requirements.
- Increased value of new private sector investment in selected agricultural market systems.
- Strengthened institutional and human resource capacity of the GON and private sector to support market systems development.
- Platform established for collaboration and learning among KISAN II stakeholders.

Promoting Agriculture, Health, and Alternative Livelihoods - PAHAL

PAHAL is a five-year project that seeks to strengthen livelihoods, improve nutritional status, and increase the capacity of vulnerable households to mitigate, adapt to, and recover from shocks and stresses in rural communities. Implemented by Mercy Corps, the project and its partners target individuals, households, and communities to help build the resilience of up to 160,000 households across 14 food-insecure districts in Nepal. The program is focused in the far-western and mid-western districts of Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula, Dailekh, Doti, Jajarkot, Pyuthan, Rolpa, Rukum, Salyan, and Surkhet. PAHAL will phase out end of 2019 and there will be no extension.

PROJECT OBJECTIVES

Mitigating risk of socio-ecological stressors and shocks that reduce local food security

- Increasing resilience to shocks and stressors by diversifying incomes and response strategies, strengthening participatory planning, and empowering communities to link to relevant Government of Nepal resources
- Providing disadvantaged groups with skills and forums necessary to increase their voice and agency
- Incorporating training on disaster risk management and mitigation
- Encouraging the use of water, sanitation, and hygiene facilities, as well as overall improved sanitation practices

Strengthening and diversifying livelihoods for food-insecure populations

- Increasing agricultural production and finding appropriate non-agricultural livelihoods
- Increasing health and nutritional status by improving access to nutritious foods
- Providing training on financial and business skills, and vocational skills
- Improving marginalized groups' access to and management of productive natural resources

KEY RESULTS

The PAHAL project seeks to achieve the following results over the course of five years:

- Improved knowledge and skills to manage and respond to the social and ecological hazards to food security
- Diversification of agriculture and non-agriculture based livelihoods through access to financial services, financial and business skills, and vocational training
- Increased access to markets for disadvantaged groups
- Improved productivity of crops and livestock as well as access to nutritionally diverse foods
- Adoption of natural resource management and disaster risk reduction practices
- Improved nutrition for pregnant and lactating women, and their children (ages 6-23 months)
- Sustainable access to and appropriate use of safe water and sanitation facilities
- Increased influence over natural resource management for marginalized groups

SUAAHARA II

Suaahara II is a five-year (2016-2021), \$63 million integrated program dedicated to improving the health and nutrition status of women and children who fall within the 1,000 days period, from conception until a child reaches 24 months of age. This period is recognized as the crucial timeframe during which nutritional interventions have optimal impact on child growth and development. In selected districts, Suaahara II will support the Government of Nepal (GON) in expanding health and nutrition services that target adolescents. In particular, the project will address anemia, reproductive health, menstrual hygiene, food diversity, social attitudes towards delayed marriage and pregnancy, and health service utilization. Suaahara II will also collaborate with existing projects and private sector groups towards shared objectives.

PROJECT OBJECTIVES

- Promote key Maternal, Infant and Young Child Nutrition (MIYCN) practices through an intensive behavior change strategy, including interpersonal communication activities, radio programs, and the use of mobile technology at the community level.
- Expand coverage of the community-based integrated management of newborn and childhood illness program and strengthen growth monitoring and promotion at outreach clinics and health facilities.
- Enhance clean water, sanitation, and hygiene conditions of household facilities and establish private sector linkages to promote WASH technologies.
- Improve consumption of nutritious food through increased production, improved post-harvest storage, and processing diverse nutritious food, especially for women farmers from disadvantaged groups.
- Strengthen coordination on health and nutrition between government and other stakeholders through the Food Security and Nutrition Coordination Committee, Nepal Nutrition Group, Nutrition Technical Committee, Safe Motherhood sub- committee, Family Planning Sub -committee, and Reproductive Health Coordination Committee.
- Strengthen the technical, managerial, operational capacity of health and non-health sector stakeholders at the district and Village Development Committee (VDC) levels to enhance MSNP implementation.

KEY OUTCOMES

- Reduce stunting, underweight, and wasting prevalence among children under five in 40 target districts.
- Improve household health and nutrition behaviors.
- Increase use of quality maternal, newborn, and child health services; family planning services.
- Improve water, sanitation and hygiene behavior and practices.
- Increased consumption of diverse and nutritious foods by women and their families.
- Improve the food security of households.
- Transfer of key nutrition and health services in 15 Suaahara districts to GON management as appropriate.

Nepal Seed and Fertilizer Project

The five-year (2016-2021) \$15 million Feed the Future's Nepal Seed and Fertilizer project facilitates sustainable increases in national crop productivity, economic welfare and household-level food security, working in 20 Feed the Future "Zone of Influence" districts and in five earthquake-affected districts. The project promotes the use of improved seeds and Integrated Soil Fertility Management technologies approved and registered by the Government of Nepal. The Seed and Fertilizer Project will specifically increase availability of technologies to improve productivity in maize, rice, lentils, and high value vegetable farming. The project will work to improve capacity of both the public and private sectors in their respective roles for technology development and its in-country dissemination.

The project is led by the International Maize and Wheat Improvement Center (CIMMYT) and collaborates with different divisions of the Ministry of Agricultural Development (MOAD) and private sector. To effectively reach women farmers and marginalized social groups, the project will also seek value-driven collaboration with USAID's development partners in raising awareness and improving access to agricultural inputs and services.

KEY RESULTS

The Seed and Fertilizer Project seeks to achieve the following results over the course of five years:

Seed Component:

- Increase accessibility of quality seeds and its adoption by local farmers
- Strengthen seed testing, monitoring, and distribution systems
- Establish a seed development and distribution platform through public-private partnership
- Enhance in-country seed system by strengthening project partners' capacity
- Develop a national seed information system as a decision making tool to partners of the seed value chain
- Increase business capacity and financial access to seed enterprises

Fertilizer component:

- Increase the capacity of public and private partners for developing and employing ISFM technologies
- Develop and deploy domain-specific ISFM recommendations
- Evaluate and commercialize efficient fertilizer application technologies
- Complete studies of fertilizer demand, welfare outcomes, and market characterization
- Strengthen fertilizer supply chains and markets through private sector engagement, policy experiments, and public-private partnerships
- Scale ISFM through dealers, retailers, cooperatives, and development partners-supported by extension agents

Agriculture Sector Development Project – ASDP

The **Goal** of the Programme is to: *Contribute to the achievement of Nepal's SDG 1 and SDG 2 targets by reducing poverty and nutrition insecurity amongst women and men in hill and mountain areas of Karnali province.*

The **Development Objective** is to: *contribute to the achievement of Nepal's SDG 8 target through sustainable improvement in the income and food security of smallholders and disadvantaged rural groups involved in commercially-oriented production and marketing systems in selected high value agricultural value chains.*

Programme Components. The Programme will have two components: (i) Value chain development, and (ii) Programme coordination.

Component 1: Value chain Development would include four sub-components (Outcomes):
Sub-components

1. Inclusive and sustainable agriculture value chains
2. Market-oriented infrastructure
3. Rural financial services for value chain development
4. Agriculture services support innovation and value chain development

Selected Value Chains:

1. Apple
2. Ginger
3. Turmeric
4. Goat
5. Off-Season Vegetable
6. Timur
7. Honey
8. Dairy
9. Orange
10. Walnut
11. Potato

Component 2: Planning, monitoring & evaluation and Knowledge management

Multi-Sector Nutrition Plan II – MSNP II

Vision

To reduce malnutrition so that it no longer impedes people's potential and performance towards enhanced human capital and overall socioeconomic development.

Goal

Improved maternal, adolescent and child nutrition by scaling up essential nutrition-specific and sensitive interventions and creating an enabling environment for nutrition.

Objectives

- To increase the number of service delivery institutions to improve access to and the use of nutrition-specific services
- To increase access to and the use of nutrition sensitive services including improving health-related behavior
- To improve policies, plans and multi-sectoral coordination at federal, provincial and local government levels to create an enabling environment to improve nutrition.

Strategies

- Scale up multisector nutrition programmes across Nepal to ensure qualitative, equitable and gender-informed nutrition for all.
- Develop positive nutrition behavior by running advocacy, communication and participation campaigns and through public engagement programmes.
- Foster cooperation, partnership, coordination and the sharing of lessons learned and best practices on improving nutrition
- Promote and use innovative technologies and initiatives for improving nutrition
- Internalise and implement nutrition interventions in federal, provincial and local government policies and plans
- Strengthen monitoring, evaluation, study and research for evidence-based planning, decision making and implementation.

Outcomes

- 1. Improved access to and the equitable use of nutrition-specific services**
 - Enhanced nutrition status of WRA including adolescents
 - Improved infant and young child nutrition and care practices
 - Improved MIYC micronutrient status
 - Improved management of severe and moderate acute malnutrition
 - Enhanced preparedness for nutrition in emergency responses
 - Built capacity of nutrition specific sectors
- 2. Improved access to and the equitable use of nutrition-sensitive services and improved healthy habits and practices**
 - Increased availability and consumption of safe and nutritious foods
 - Increased physical and economic access to diversified food
 - Increased access to safe drinking water
 - Increased access to safe and sustainable sanitation services
 - Improved knowledge on hygienic behavior of children and mother and caretakers of under 5 children

- Targeted groups have access to resources and opportunities that are essential for making them self-reliant.
- Nutrition component incorporated in women, adolescent girls and child development training packages
- Women, children and out of school adolescent girls reached with health and nutrition care packages
- Child care homes comply with minimum standards of nutrition care services
- Communities empowered to address harmful practices
- Enhanced enrolment of children in basic education
- Increased adolescent girls' awareness and behaviours in nutrition
- Promote access to health and reproductive services

3. Improved policies, plans and multi-sectoral coordination at federal, provincial and local government levels to enhance the nutrition status of all population groups.

- MSNP included in local, provincial and federal governments' policies and plans
- MSNP governance mechanism strengthened at federal, provincial and local level
- MSNP institutional mechanisms functional at federal government level
- Strengthened integrated information management system across sectors in line with MSNP-II
- Enhanced capacity of federal, province and local level government to plan and implement nutrition programme

Prime Minister Agriculture Modernization Project- PMAMP

With a view to making the country self-reliant in agriculture production, the '**Prime Minister Agriculture Modernisation Project (PMAMP)**' is implemented from 2072 B.S. The ministry has a target of running the project for the next 10 years, under which the ministry will expand the blocks, zones and super zone gradually every year aimed at promoting the agriculture sector. The ministry is to develop 21 super zones across the country by the end of the project period. The project will run with government resources, where the government will actively coordinate and cooperate with the private and cooperative sector to implement the project effectively.

The government has introduced the project with a clear and specific roadmap for increasing agriculture production and productivity to make the country self-reliant in agriculture production and livestock within a decade. With the implementation of this project, the country will be self-reliant in rice and potato in two years, in maize and wheat in three years, in fish and vegetables in two years and in fruits in seven years. The project had plans to establish at least one agriculture college in each of the provinces by the end of the project.

The government has come up with certain interventions in agriculture sector, as the import of agriculture products started to rise consistently despite the country's tremendous potential in agriculture sector.

As per the Project plan, the government will create 2100 Pocket areas of 10 Hectares each, 150 Blocks of 100 hectares each, 30 Zones of 500 Hectares each and 7 Super zones Of 1000 hectare each for the first year and the number of Super zones will increase in coming years.

Under the Super Zones, Jhapa is promoted for paddy, Bara and Dhanusa for fish, Kaski for vegetables, Kavrepalanchowk and Dadeldhura for potato, Dang for maize, Jumla for apple, Kailali for wheat, and Sindhuli for orange (Junar).

The government is implementing the project under a private co-operative group partnership. The government has aimed at achieving self-sufficiency in wheat and vegetables by first fiscal year, in paddy and potato in 2 years, in maize and fish in 3 years, in fruits like banana, papaya and litchi in 4 years. At the end of this project, the country will become self-sufficient in fruits like kiwi and apple.

The pocket areas are getting subsidies on fertilizers and irrigation besides technical support. Easy availability of seeds and saplings is ensured. The MoAD is the implementing body for the PMAMP, which has envisioned addressing the supply-side constraints and taming inflation caused by spike in food prices.

The government, through the implementation of the PMAMP project, expects to generate output worth Rs 30 billion in the gross domestic product in the next fiscal. The government has announced 85 percent cash grant to purchase agriculture inputs for farms located in special pocket areas, blocks, zones and super zones that run specialised programmes and similar amount for collection centres of agriculture products, warehouse, community seed banks, post-harvest centres and training centres. The government has also announced the services will be provided through 15 mobile laboratories in the specialised agriculture production areas.

Similarly, the budget has announced 50 percent cash grant for establishment of processing centres, warehouses, agriculture marts and cold storage facilities.

ANUKULAN X (BRACED X - Building Resilience and Adaptation to Climate Extremes and Disasters)

1. Project Background

International Development Enterprises (iDE) is implementing a UKAID funded “Anukulan-X” Project. This 18 months duration project, which commenced from January 1, 2018 (as an extension of Anukulan/BRACED implemented from 1st January 2015 to 31st December 2017) continues implementation in six districts of Nepal viz. Surkhet, Bardiya, Kailali, Kanchanpur, Doti and Dadeldhura. The project targets to cover an additional 20,000 households benefiting new 100,000 poor and vulnerable people. Thus in all the project will cover 120,000 households benefitting 600,000 people.

2. Objectives of the project

The overall impact of the project is to improve well-being of poor people, especially women and children, despite exposure to climate related shocks and stresses. The specific outcome of the project is – “poor people in Nepal achieve improved resilience through enhancements in their ability to absorb, anticipate and adapt to climate related shocks and stresses”. The underlying objective is to develop climate resilient livelihoods for local communities through public-private partnership in western Nepal that suffer from climate extremes and environmental disasters. The project expects to achieve the following outputs:

- a. Increased capacity of poor people to reduce their vulnerability to climate related shocks and stresses.
- b. Increased capacity of local government, civil society and private sector to respond and provide support to climate related shocks and stresses.
- c. Better understanding of what works in building resilience to climate related shocks and stresses and integration into DRR approaches.
- d. Improved policies integrating DRR and climate change adaptation in place at local and national levels.

Building Climate Resilience of Watersheds in Mountain Eco-Regions Project – BCRWME

The project estimated cost is \$30.11 million of which \$23.54 million is funded from the Strategic Climate Fund administered by ADB. The Nordic Development Fund (NDF) is providing grant co-financing of \$4.63 million partially administered by ADB, and the Government of Nepal is contributing the equivalent of \$1.94 million.

PROJECT CONTEXT AND RATIONALE

BCRWME aims to provide reliable water resources for domestic purposes and irrigation for communities living in watershed of West-Seti and Budhi Ganga of Far-western of Nepal River systems, cited as being amongst the most significant watersheds vulnerable to climate change. It is anticipated that through project interventions focused on water source protection, source development and catchment restoration activities, approximately 45,000 households are expected to benefit by 2020 from improved water availability during the dry season to support domestic and agricultural uses. The spring or surface water sources are expected to become more reliable, and; the dry season water yield will either remain the same or increase.

BCRWME has selected 108 VDCs for sub-projects intervention in four phases- Phase I-8 VDCs, Phase II-20 VDCs, Phase III-40 VDCs and Phase IV-40 VDCs of 6 district of Achham, Bajhang, Bajura, Baitadi, Dadeldhura and Doti.

Description of Outcome	Communities in selected climate-vulnerable mountain watersheds have access to more reliable water resources
Description of Project Outputs	<ol style="list-style-type: none"> 1. Participating communities have improved catchment management and new or improved water storage infrastructure 2. Communities and government manage water and land in an integrated and inclusive manner within watersheds 3. Knowledge-based approaches for integrated water and land management and improved water reliability and accessibility in the wake of climate change adopted by government 4. Project management support provided