Food and Agriculture Organization of the United Nations

Initiative on Soaring Food Prices

Lessons Learning Exercise from FAO's Initiative on Soaring Food Price (ISFP)

(TCP/NEP/3202 and OSRO/NEP/806/Cha)

Final Report
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ACRONYMS AND ABBREVIATIONS

AICL	Agricultural Input Company Limited
ASC	Agriculture Service Centre
CEAPRED	Center for the Agriculture Research, Extension and Development
CERF	Central Emergency Response Fund
DADO	District Agriculture Development Office
DCRC	Dhaulagiri Community Development Centre
DoA	Department of Agriculture
EMOP	Emergency Operations
ENPRED	Environment Preservation Services for Development
FAO	Food and Agriculture Organization of the United Nations
GoN	Government of Nepal
Ha	Hectare (10,000 m^2)
HICODEF	Himalaya Community Development Center
HDI	Human Development Index
HH	Households
HQ	Head Quarter
HRDC	Hill Resources Development Centre
INGO	International Non-Governmental Organization
IP	Implementing Partner
JKSS	Jay Kisan Seed Store
KIDS	Kapilvastu Integrated Development Services
LIDO	Lumbini Integrated Development Organization
LSC	Lumbini Seed Company
MoAC	Ministry of Agriculture and Cooperatives
MoU	Memorandum of Understanding
MSS	Malla Seed Supplier
NESDO	National Education and Social Development Organization
NGO	Non-Governmental Organization
NPR	Nepalese Rupee
NSC	National Seed Company
PO	Purchase order
PRRO	Protracted Relief Operations
REEC	Rural Environment and Empowerment Center
RUDES	Rural Development Environment Society
RPI/SIMI	Rural Perspective Initiative
SAPPROSC	Support Activities for Poor Producers of Nepal
SEAN/SSC	Seed Entrepreneurs' Association of Nepal-Seed Service Centre
SEED	School of Energy and Environmental Development
SSDC	Siddartha Social Development Center
UN	United Nations
VDC	Village Development Committee
WFP	World Food Programme

EXECUTIVE SUMMARY

In 2008, food prices reached their highest level in real terms in thirty years. This provoked social unrest, leading, in many cases, to short-sighted policy responses from governments, which further exacerbated instability in world markets. In response to the food crisis, FAO launched its Initiative on Soaring Food Prices in 2007. In 2008, it assisted member countries to put in place measures to rapidly boost production in the following agricultural seasons and to provide policy support to improve food access and reduce food insecurity in the most affected countries.

The food price crisis hit hard the most vulnerable populations and as such required an immediate response. The ISFP focus was on the short term and the nature and the number of activities proposed were determined by this time frame. However, these interventions provided the basis for longer-term sustainable development of the sector. Learning from the support provided by FAO through the ISFP is vitally important, especially now that donors continue to show a special interest in short-term interventions to address food security issues. This new context represents a challenge for FAO and requires reflection on how best to respond quickly but in a sustainable way to underlying causes of food insecurity, as well as how to merge the efforts and different expertise of emergency and technical experts.

Nepal was selected among the ISFP beneficiary countries for the first lessons learning exercise. The objective of this study was to show how this type of support could be improved and to highlight the strengths and best practices that could be replicated in the future. It looked at how ISFP activities in Nepal were implemented and how the expected outcomes had been achieved or not, rather than at the products/activities itself. The focus was on how ISFP programmes in Nepal were perceived by the different stakeholders involved as well as their ***experiences***. The study's main activity was field work: direct and personal contact with people in the programme in their own environment.

For this purpose, beneficiary districts in ecologically representative areas (high hills, middle hills and low lands) were selected. The main stakeholders were identified and individual interviews and focus group discussions were carried out in order to glean their perceptions of the ISFP programme in Nepal.

The report presents a brief background of FAO activities in Nepal and the methodology used, followed by the views and perceptions of the different stakeholders interviewed. Finally the main lessons learnt and recommendations are summarized. The main lessons learnt include: (i) considering local input suppliers with expertise in seed multiplication; (ii) careful selection of implementing partner and use of local groups for input distribution; (iii) creating an effective targeting mechanism for effective monitoring of the project activities; (iv) simplifying FAO tendering processes and improving planning for input supply; (v) considering training prior to input distribution and collaboration between ongoing and previous projects for effective synergies; (vi) planning strategies to prevent farmers from becoming dependent; and (vii) diversifying the types of inputs (e.g. seeds with organic pesticide).

1. BACKGROUND

Despite a slight improvement in Nepal's food security situation over the past few years, food insecurity has been a serious concern in remote areas (Rasul and Schild, 2009). The number of food insecure people across Nepal is estimated to be about 3.7 million – approximately 16.4% of the rural population (WFP, 2009). The rapid decline per capita of available land (0.1ha) coupled with population growth (2.1%) have put serious pressure on agriculture production and food security in remote areas of Nepal. Because of the hilly region, Nepal has the lowest level of land available for agriculture (34%) compared to other South Asian countries (Pandit and Thapa, 2004; Rasul and Schild, 2009). This suggests that the scope for increasing food production by bringing additional land under cultivation is limited in Nepal as most of the suitable land is already under cultivation (Pandit and Thapa, 2004). This created a rapid rise in food prices, burdening the poor in developing countries who spend roughly half of their household incomes on food (Arabi U, 2009). Similar to that of other developing countries, Nepal has witnessed a steep rise in food prices in the last one decade, especially during the last three to four years when the 2004 winter snowfall in the mid-hills of western Nepal affected the wheat and vegetable crops and vegetables. Despite government and I/NGOs intervention, rising food prices are still a major concern. The current Government's year-on-year food price inflation figure is 16.7%. Further price hikes for staple grains are expected in the years to come due to recent large-scale crop losses in South and Central Asia (WFP, 2009).

In December 2007, FAO launched its Initiative on Soaring Food Prices (ISFP) to assist member countries to put in place measures to rapidly boost production during the following the agricultural seasons and to provide policy support to improve access to food in the most affected countries. In the framework of the ISFP, two projects were implemented in Nepal: (i) TCP/NEP-3202 (E) - Input supply to vulnerable population; and (ii) OSRO/NEP/806/Cha - Support to improve access to agricultural production inputs and services - with funding from the UN Central Emergency Response Fund (CERF). The TCP project was implemented in nine districts (Accham, Baitadi, Bhajang, Darchula, Kailali and Kanchanpur of far-western, Jumla of mid-western region, and Sunsari and Saptari of Eastern Region) of Nepal from Sept 2008 to October 2009. The OSRO project was implemented in six districts (Kapilbastu, Nawalparasi, Arghakhanchi, Gulmi, Parbat and Myagdi) of the western region of Nepal from November 2008 to June 2009 (Figure 1). A short description of these two projects, including the interagency assessment mission report, is discussed below.

(i) TCP/NEP/3202 (E)

The project is part of FAO's global "Initiative on Soaring Food Prices (ISFP)" to assist countries affected by the global food crisis brought on by the sharp rise in food prices. The main objective of the initiative is to respond to the urgent needs of the most vulnerable households and farmer groups so as not to worsen an already precarious situation of poverty and hunger or jeopardize agricultural development efforts. Under this project, FAO, in consultation with the Minsitry of Agriculture and Cooperative (MoAC) and Department of Agriculture (DOA), selected five districts of the Mid and Far Western Regions of Nepal affected by chronic food insecurity, providing beneficiaries with high quality seeds and technical know–how in 2008. A total of 27,316 beneficiaries (18% of total households) were targeted for support through the provision of 6.75 MT vegetables, 123.68 MT of wheat , and 2.43 MT of millet seeds (FAO, narrative report, 2008). All targeted households were supposed to receive composite packages containing seven different vegetable species (radish, turnip, rayo, peas, french beans, carrot, cabbage). The World Food Programme was involved in transporting inputs from the districts' headquarters to the distribution points. Implementing partners (local and international NGOs) were involved in distributing inputs to beneficiaries. In addition, at the request of the Government of Nepal (MoAC/DLS), 1420 MT of rice straw and veterinary medicines were supplied to the Sunsari and Saptari districts, which were hit hard by the Koshi floods in 2008. Altogether, 20,000 large ruminents in the flood-affected areas benefited from this intervention. Similarly, 165 MT of paddy seeds, 51 MT of wheat seeds, and 7.4 MT of vegetable seeds were supplied to the 9,947 HHs of the Kailali and Kanchanpur districts, which were also severely affected by the floods in September 2008.

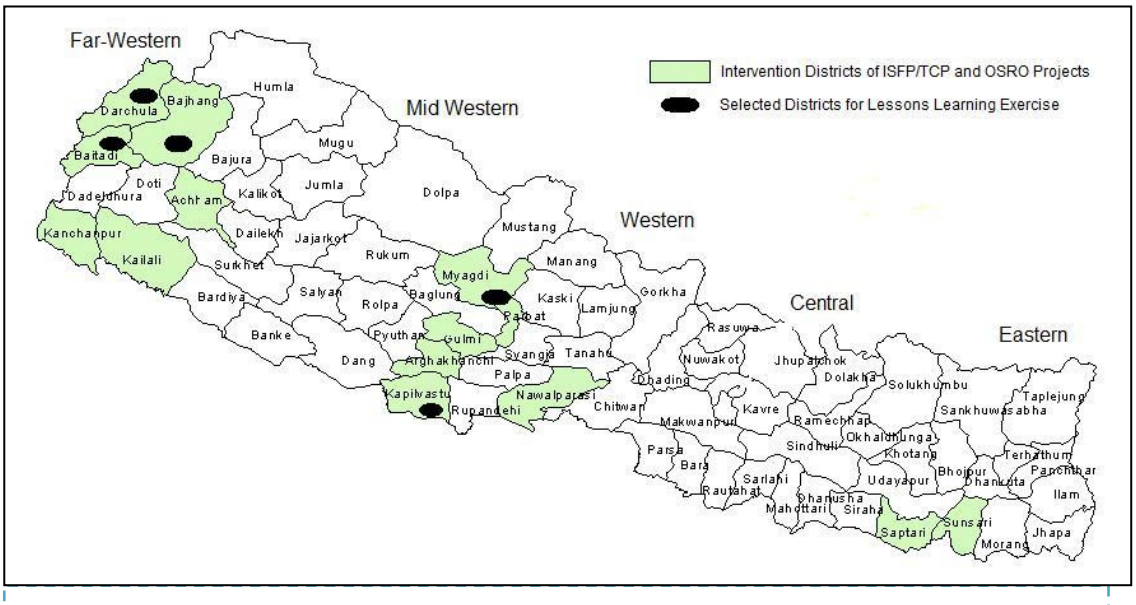

Figure 1: Map of Nepal Showing Study Districts

(ii) OSRO/NEP/806/CHA/ISFP

The FAO/Emergency and Rehabilitation Coordination Unit (ERCU), in coordination with the Government of Nepal, implemented the project "ISFP-Support to improve access to agricultural production inputs and services" with funding support from the UN Central Emergency Response Fund (CERF). The project aimed to support 30,000 marginal farm families with agricultural production inputs and services, increase production and enhance food security in target districts listed earlier. Prior to project implementation, an expression of Interest was called in the target districts' headquarters for the selection of implementing partners (CBOs, I/NGOs); twelve NGOs were selected to carry out this task in close consultation with Department of Agriculture including District Agriculture Development Offices (DADO) of the concerned districts. A total of 180 MT of maize seeds were to be procured to support farmers in the hills (16,000 households or 96,000 beneficiaries) and in the low lands (2,000 households or 12,000 beneficiaries) in order to increase food availability and household food security (CERF, 2008). Similarly, vegetable composite packages consisting of nine different species were to be procured and distributed to 30,000 households (180,000 beneficiaries) aimed at increasing vegetable production by 30%. In addition, urea (75 MT) and complex (N:P 150 MT) fertilizers were planned to be supplied internationally and distributed to 30,000 households (180,000 beneficiaries) with the aim of increasing agriculture productivity (FAO/CERF, 2008).

(iii) Interagency Assessment mission and EU Food Facility Project

An Interagency Assessment Mission (Govt of Nepal - FAO - WFP - IFAD - Asia Development Bank - World Bank) took place in Nepal from 21 July to 1 August 2008 in response to growing concerns of the potential short- and medium-term consequences of high food and fuel prices on food security in Nepal. This mission recommended a three-year action plan to address short-term and medium-term assistance needs in line with Nepal's three-year interim plan (For more information see full report at http://www.fao.org/fileadmin/user_upload/ISFP/Nepal_Final_Report_ISFP.pdf). This report also presents the mission members' views and perceptions about the mission's outcomes.

On the basis of the proposed three-year action plan, a two-year project was launched in June 2009, with a contribution of over € 8 million from the European Union in the framework of its EU Food Facility (EUFF) Initiative. FAO is providing quality inputs to small-scale farmers and technical training to farmers' group in Nepal in an effort to boost crop production and make vulnerable families more food secure. Due to operational constraints, the EUFF project was just starting when this study was completed. The views of different stakeholders involved in the EUFF in Nepal are briefly reflected in this study.

2. METHODOLOGY

A national consultant was recruited to undertake this exercise in the project area for four months. The main objective was to see why ISFP activities in Nepal were successful or not, how ISFP activities had been implemented and if the expected outcomes had been achieved or not. The analysis was focused on the perceptions and experiences of different stakeholders involved in ISFP activities. It also looked at constraints and opportunities, as well as suggestions for improving this type of support in the future. A checklist (Annex 1) was developed accordingly by a joint team of FAO-ISFP field mission experts (national and international) in November 2009. The type of information collected was qualitative, based on the perceptions of beneficiaries and other stakeholders directly or indirectly affected by the projects.

Three districts each from the TCP and OSRO areas were selected for the lessons learning exercise. These districts include: Kapilbastu in Terai, and Parbat and Myagdi in the mid-hills under OSRO/806 project; and Bajhang, Baitadi and Darchula districts in the far-west region under the TCP project. Bajhang, Baitadi and Darchula districts were among the high mountain regions above 1500 meters in altitude. Parbat and Myagdi districts were among the mid-hills between 400 to 1500 meters in altitude, while Kapilbastu was in the Terai. This was done to largely cover the country's three ecological regions, i.e. Terai, Mid-hills and Mountain regions (Figure 1).

Types of tools used for data collection

Four main tools were used; (i) farmers' group meeting; (ii) focus group discussions (FGD); (iii) individual interviews; and (iv) mini-meetings of implementing partners (IP) staff and volunteers. At the national level, members of the interagency assessment mission were interviewed as well as key FAO staff from the OSRO and TCP projects. In each of the selected districts, the first step was to organize a meeting with IPs to set the agenda for farmers'meetings, FGDs, individual interviews and mini-meetings.

Farmers' group meeting: At least one farmer group meeting was held in each of the six districts. A total of 243 farmers were present at these meetings. Of the total participants, 42 percent were female, and 31 percent were *dalit* participants (Table 1).

Table 1: Beneficiary participants in meeting and interviews

District	Gender		Ethnicity		Total
	Female	Male	*Dalit*	Non-dalit	
TCP project					
1. Bajhang	13 (33%)	17 (77 %)	6 (20%)	24 (80%)	30
2. Baitadi	09 (30%)	19 (70%)	9 (30%)	21 (70%)	30
3. Darchula	11 (39%)	17 (61%)	5 (18%)	23 (82%)	28
Sub-total	33 (37%)	55 (63%)	20 (23%)	78 (77%)	88
OSRO project					
4. Kapilbastu	27(35%)	51 (65%)	*31 (40%)*	47 (60%)	78
5. Parbat	28 (58%)	20 (42%)	18 (38%)	30 (62%)	48
6. Myagdi	15 (52%)	14 (48%)	06 (21)	23 (79%)	29
Sub-total	70 (45%)	85 (55%)	55 (35)	100 (65%)	155
Total	**103 (42%)**	**140 (58%)**	**75 (31%)**	**168 (69%)**	**243**

Source: Compiled from field reports, 2010

Focus Group Discussion (FGD): For a deeper understanding of the equity issues, *dalit,* women and some indigenous people were invited to a separate group meeting in each cluster village, and a heterogeneity analysis was done. This exercise provided information on the beneficiaries, the inputs received and how the project addressed pro-poor, gender and social exclusion issues.

Individual interviews: This is the core of the overall research study conducted in six districts. For some of the questions such as production (yield) increases or decreases due to the introduction of new varieties, seeds for the next sowing season, input delivery and use, individual participant's perceptions and experiences were recorded during the farmers' group meetings and tabulated (Table 1). In addition, individual farm visits and case studies of some successful farmers were also conducted in order to know who received the inputs and how they were used across various ethnic groups, gender and economic classes of people.

Various stakeholders (such as input suppliers, IPs (GOs and NGOs), private seed dealers, NGOs and INGOs) were asked about their individual views, perceptions and experiences during the individual interviews using checklists developed during a joint FAO field visit mission held in November 2009. A total of 66 individuals of various organizations ranging from local to national level were interviewed (Annex 2). Stakeholders interviewed in Bajhang district include DADO, leader of the farmer groups, journalist, private seed dealers, Peace Win, SAPPROSC, WUPAP, DFO and seed producer farmers. Similarly, interviewees from other five project districts including Kathmandu include participants from District Agriculture Development office, private seed dealers, District Forest Office, NGOs, INGOs and cooperatives. Interagency assessment mission members (IFAD, WFP and

MoAC) and input suppliers Seed Entrepreneurs' Association of Nepal (SEAN), Seed Service Center (SSC-SEAN), National Seed Company (NSC), Agriculture Input Company Limited (AICL), Lumbini Seed Company (LSC), Jayakisan Seed Store (JKSS), and Malla Seed Supplier (MSS), Chitwan were also interviewed (Annex 2).

Mini-meeting: A mini-meeting involving participants from IPs (NGOs in OSRO area and DADO in TCP area), non-project partners DADO and NGOs, and farmer leaders was held in the district headquarters of each of the study districts. In the mini-meetings, implementing partners were asked to present their views, perceptions and experiences about the success, issues, suggestions or lessons learnt.

3. ISFP SUPPORT IN STUDY DISTRICTS

The support provided by the project has been grouped into four main areas: (i) coordination and implementation; (ii) input suppliers; (iii) input varieties; and (iv) target beneficiaries.

(i) Coordination and implementation

In order to facilitate the implementation of activities in support to targeted farmers, FAO nominated District Agriculture Development Offices of the Ministry of Agriculture and Cooperatives (MoAC) as implementing partners (IPs) under the TCP project.

In the OSRO project area, 12 NGOs (two each district) were selected for project implementation. NGOs selected in Kapilbastu district were (1) *Lumbini Integrated Development Organization (LIDO)* and (2) *Kapilbastu Integrated Development Services* (KIDS). In Parbat district, the two selected NGOs were, (1) School of Energy and Environmental Development (SEED), and (2) Environmental Preservation Services for Development (ENPRED) and in Myagdi District (i) Rural Environment and Empowerment Center (REEC) and (ii) Hill Resource Development Center (HRDC) were the selected implementing NGOs. Even though NGOs were selected as implementing partners in the OSRO area, project activities were executed in close collaboration with the District Agriculture Development Office (DADO).

(ii) Input Suppliers

In the TCP area, inputs were provided mainly by two suppliers from Kathmandu: (i) SEAN seed service center (private seed company based in Kathmandu); and (ii) National Seed Company of Nepal's Government. SEAN-SSC was involved in supplying vegetable seeds and the National Seed Company was mainly involved in supplying wheat seed. These companies delivered seed to respective DADOs, and DADOs in turn distributed seeds through its local service centres to target beneficiaries, and in some cases (such as in Baitadi), Agriculture Service Centres distributed seeds through help of local farmers' groups and ward chair persons.

In the OSRO area, five main input suppliers were involved: (i) viz SSC-SEAN; (ii) Jay Kisan Seed Store (JKSS); (iii) Malla Seed Store (MSS); (iv) Agriculture Input Corporation of Nepal (AIC-Nepal); and (v) Lumbini Seed Company (LSC), Rupandehi (See Table 2).

Table 2: Organizations involved in Input supply

Project site	Input supplier	Type of inputs supplied
1. TCP area	1. Seed Service Center- Seed Entrepreneur Association Nepal (SSC-SEAN)	9 composite vegetable packets
	2. National Seed Company	Wheat
	3. Roshan Order Suppliers, Janakpur	Rice and Rice straw
	4. Sungava Vet Distributors, Tripureswor	Veterinary medicine
2. OSRO area	1. Seed Service Center- Seed Entrepreneur Association Nepal (SSC-SEAN)	9 composite vegetable packets
	2. Jaya Krishna Seed Store (JKSS), Butwal	Maize and paddy
	3. Malla Seed Suppliers (MSS), Chitwan	Rice and maize
	4. Agriculture Input Company Limited (AICL) of Nepal	Fertilizer
	5. Lumbini Seed Company (LSC), Rupandehi	Rice

Source: FAO records

(iii) Input varieties

In the TCP area, the following varieties were distributed:

- Cereal: Wheat (Gautam*)*
- Vegetables: cabbage (Copenhagen market), broadleaf mustard (Khumal), radish (Mino-early), turnip (purple top), bean (four season), pea (Sikkim local) and carrot (new Koroda). Wheat seeds were distributed to farmers mainly during the first week of November and vegetable seeds during the end of September. Planting of vegetables could not take place in the high hills as seeds were received too late by one to two months and the planting time, except for beans, was optimum for the mid-hills.

In the OSRO area, vegetable composite packets similar to the ones of the TCP area described above were distributed. In addition, two improved varieties of rice Radha-4 and Sabitri), and one of maize (Arun-2), were distributed.

To boost agriculture production, fertilizer packets (complex 25.15 t and urea-12.5 t) were delivered by the project as well.

Lumbini Integrated Development Organization (LIDO) of Kapilbastu District selected 10 VDCs of the northern part of the district, where very few (approx 10 % households) have *khet* (low) lands for paddy cultivation. They were supported with maize and vegetable seeds, and fertilizers. While Kapilvastu Integrated Development Services (KIDS) in the same district selected 12 VDCs of the southern part of the district. This area is mainly lowland. Rice seeds, vegetable seeds and fertilizer were distributed (Table 3). No cereal seed was supplied to Myagdi district, whereas in Parbat district, beneficiaries received rice seed. The original plan to distribute vegetable seed in Myagdi district was

for 10 VDCs (5 each NGO site) of 4022 households. But because of local pressure, the same amount of seed (250 gm/hh) was distributed to another six VDCs consisting of additional 1388 target beneficiary households. In Parbat district, the Environment Preservation Services for Development (ENPRED) distributed seeds to beneficiaries of two additional VDCs (Table 2).

(iv) Target beneficiaries

In the TCP study districts, in principle and according to the project target and criteria, households owning 1 *ropani* (20 *ropani* = 1 ha) of land or less were eligible for vegetable composite seed packets and those owning 1-5 *ropani* were eligible for a bag of 5 kg of wheat seeds. Seed distribution under the project aimed to cover 7143 households in Bajhang, 6050 households in Baitadi, and 3155 households in Darchula district (Table 3). But in reality, the same seed quantity was distributed to almost double the households. In Bajhang district, vegetable seeds were distributed to all 47 VDCs, and wheat seed was distributed to 30 VDCs (Table 3).

Table 3: VDC coverage, households and quantity (MT) of seed distributed

District	Initially Selected VDCs	Total VDCs that received inputs	Initially Targeted Beneficiary HHs	Final number of beneficiary HHs *	Wheat/ Maize/ or Paddy** seed (MT)	Vegetable seed (MT)
TCP project						
1. Bajhang	25	47	7143	13426	30	1.765
2. Baitadi	43	62	6050	12000	35	1.699
3. Darchula	35	41	3155	5600	15	0.779
OSRO project						
4. Kapilbastu	22	77	6000	11000	$^{p}80+^{m}20$	1.500
5. Parbat	14+2	52	4000	5570	20	1.000
6. Myagdi	10+6	41	4022	6410	-	1.000

Source: Information compiled from respective IPs and verified with beneficiaries

Note:

** The figure shown in the respective columns does not match with the record available in IPs' office, but this is the proportion of the estimation made by the implementing partners and beneficiary farmers.*

*** Wheat seed was distributed only in the TCP area, Maize seed was only distributed in Kapilbastu (northern area of LIDO) and paddy was distributed in the southern part of Kapilbastu and Parbat districts.*

' p' indicates paddy seed and' m' indicates maize seeds

In Kapilbastu district of the OSRO project, the initial plan was to support 6 000 households from the local communities in Kapilbastu. Field learning exercises revealed that almost double the number of households (11000 households) received the same amount of inputs (Table 3). The main reason for this increase was the interest of other households who were not selected as target beneficiaries (i.e.

households with less than 0.5 ha land) for growing new varieties. The study revealed that one of the main reasons of this increase in the number of beneficiary HHs was the interest of local authorities of maintaining votes, and local NGOs for maintaining credibility. Therefore, all households had the chance to receive the input in the selected villages. In selected VDCs, pocket areas were defined according to the input distribution criteria. In pocket areas, almost all households were supported with inputs irrespective of criteria (one of the criteria for input distribution was that land size per household should be less than 0.5 ha). It means that the households with more than 0.5 ha were also supported with seeds and fertilizers.

4. STAKEHOLDERS VIEWS, PERCEPTIONS AND SUGGESTIONS

4.1 Input supplier views

Project Input suppliers' views

The views regarding the supply of inputs, and the procedures for contract arrangements remain almost the same with all input suppliers (Table 4). All input suppliers were satisfied with the offer of a tender for input supply. They were happy because they could also sell old stock (seeds bought in previous years but not yet sold). SEAN-SSC noted that their company had to dump some old seeds that had a lower germination percentage during the previous years. If FAO had not contacted them, they would have to dump some seeds that were older than 3-4 years. The National Seed Company also expressed that their company could not sell almost 1000 tonnes of wheat seed in the previous year (response from managing director). Some input suppliers also noted the market price increase of vegetable and wheat seeds. This increase was also because of market shortages created by FAO seed purchase. All input suppliers complained about the process of contractual arrangements, which they found quite complicated and involved a lot of formalities. They suggested making this process simpler and straight forward. The NSC and AICL (both are government agencies) claimed that they did not need to go under bidding process (Table 4).

Non-project input suppliers' views

Many of the interviewees did not have knowledge on the seed distributed by FAO. Surma Agro-vet (private seed dealer) of Bajhang knew about the project, but was not happy as this dealer did not have a chance to collaborate with the implementing partners in terms of seed supplies to the farmers. Five seed producer cooperatives promoted by CEAPRED in Baitadi district were very positive with the FAO input supply programme and unanimously felt that it helped poor producers to increase their income. However, they said that the vegetable seeds supplied by the project were of poor quality and not corresponding to local demand. Local farmers were seeking hybrid seed, which is too expensive to be purchased. Wheat seed was not good for high altitude; it performed well in the valley and foot hills where irrigation facilities are available. Some seed cooperatives and companies (such as New Dhaulagiri of Myagdi district) and NGOs (such as SODEC of Parbat) were involved in helping to distribute seed through their farmers' group (Table 4). Private seed dealers and local coop members suggested organizing input distribution through their support, which they thought important to avoid failing to provide inputs in time and as well as seed germination as they are responsible for the supply of bad quality seed. They said that they would bear the risk if the seed did not germinate.

Table 4: Response of project and non-project input suppliers

Type of stakeholder	Stakeholders views and main issues	Suggestions
1. Project Input suppliers (SEAN-SSC and National Seed Company-NSC, AICL, JKSS, MSS and LSC)	• Thanks to FAO purchase they were able to sell old stocks, so they disposed of fresh seeds for the next season. (previously old seed used to be dumped)-SEAN-SSC • Market price increased by 25 to 30 percent • Demand from FAO came at a short notice (All Input suppliers) • Application (tender and bidding) and payment procedure is complicated (All) • Unavailability to provide seed to other clients MSS (-) • Seed shortage in the market (JKSS) • Unavailability to supply the amount requested by FAO (JKSS and LSC)	• At least 3-5 months time is required for booking seed with producers (All input suppliers) • Training is needed for lead farmers prior to distribution of inputs (SSC) • FAO should also provide grants to private seed dealers (LSC & MSS) • FAO should prioritize agreements only with those companies who have seed multiplication programmes with farmers (MSS & JKSS)
2. Non-project Input suppliers (Joshi Agrovet-Darchula, Surma Agrovet-Bajhang, Seed coops in Baitadi, New Dhaulagiri seed coop- Myagdi, Mouria Seed store-Kapilbastu)	• Many did not know about the FAO programme • Few people knew about the project but did not have opportunities for collaboration • Lack of technical support • Increased dependency because of free seed distribution • Some of them, particularly seed producer cooperatives, expressed positive impacts on reducing poverty. • Seed quality was not good (Rayo and Turnip seed were mixed) • Some seed coops and NGOs were helpful in distribution of inputs	• Collaboration with local seed dealers would give better result • Mobilization of local networks and CBOs including seed producer groups would help resolve conflict and also help accomplish the work in time • Local NGOs/CBOs and seed producer groups were helpful in input distribution in some areas of Baitadi district (i.e., they collaborated with IPs to distribute seeds to beneficiaries)

4.2 DADO partner's views

All DADO officials interviewed complained about the delayed supply of seeds. Most of them did not have knowledge on when the seed supply plan was made by the project. All staff of the three districts (TCP site) expressed their dissatisfaction with the transportation costs provided by the project. According to them, the budget was not enough to cover the cost of seed transportation; in some cases it was misused. This created dissatisfaction among staff (Table 5). Despite this, all DADO officials expressed their satisfaction with the increase of wheat production due to the new variety (Gautam). Darchula DADO suggested involving the existing seed producer groups for the large-scale supply of

seed to the farmers. Supplying seeds through untrained contractors was not a sustainable approach. All DADO officials suggested organizing training prior to the distribution of inputs. They cited examples of motivation of other projects such as the current EU Food Facility (EUFF) project, which includes the provision of training. All staff interviewed was happy with introducing the new variety of wheat (Gautam) because it was resistant to rust. The only problem with this variety was that it cannot be grown in mountain regions above 1500 m.

Table 5: Success, issues and suggestions provided by IPs (DADO)

District	Success/outcomes	Issues	Suggestions
1. Bhajang (DADO)	• Good synergies among different stakeholders • Vegetable seed distributed in all VDCs • Many poor farmers have continued vegetable growing • Wheat yield increased by 0.5 t/ha.	• Volume of seed was very low • Seed supply through contractor was not a sustainable practice • Seed distributed without training • Transportation budget was misused • Small number of staff deputed for seed distribution	• Seed should be enough for at least one *ropani* land • Seed supply responsibility should be given to those agencies who have experience in seed quality • Training for farmer group leaders should be done before distribution
2. Baitadi (DADO)	• Wheat production increased in irrigated and low valleys by 10 to 20 percent • Inputs reached to ultra-poor people • Increase public awareness on improved seeds	• Cabbage and Rayo seeds mixed • Because of small number of staff, police force was used in some villages • Distribution was done based on application of farmers and in some cases one HH got 3-4 packets of seed • Some landless also got wheat seed and used it for food	• Seed quality should be tested before supply • Distribution by farmer groups will ease the seed distribution process • Depute more number of staff in the agriculture centers at the time of distribution • Provide options (such as goat or chicken subsidy) to landless people instead of seed
3. Darchula (DADO)	• Income of poor farmers increased through new vegetable production • Wheat yield increased by 25 to 30 percent in low belt • Wheat seed performed good in drought season • Inputs reached to at least 70 percent vulnerable communities	• Input was distributed without assessing the need (e.g. Annapurna variety was a demand but sent Gautam) • Unorganized seed supply system • Less manpower allocated for this work	• Seed producer groups are appropriate for assessing local needs. • Main source seed (F1) needs to be supplied to some farmers' group for multiplication, and then distribute to general farmers • Create link to agro-vet-local private seed dealers

Source: DADO staff Interview and mini-workshop 2010

4.3 NGO views

NGO partners' views

All NGOs (SEED, ENPRED, HRDC and REEC) of Parbat and Myagdi districts interviewed

complained about the failure of delivering the maize seeds. Vegetable seeds were received almost one season late (three months later than the actual season). Except one, all remaining NGOs emphasized the positive effect of involving community-based organizations for effective distribution of seed and fertilizer. This also reduced conflict between various groups of farmers and stakeholders (Table 6). The major complaint from NGOs of Kapilbastu district was about the climatic suitability of seeds. All nine varieties of vegetable seeds were not suitable to the conditions of the Terai and the project duration was too short (Table 6).

Table 6: NGO partners views on success, issues and suggestions

Name of NGO	Success/outcomes	Issues	Suggestions and lessons learnt
1. SEED Nepal, Kushma Parbat	• Vegetable growing culture developed • Income increased • Seed available for next year • Vegetable seed sharing between farmers	• Inputs could not be supplied in time as planned • Maize seed could not be delivered and therefore, almost half of upland remained fallow • Bitter gourd did not germinate • Fertilizer transportation involved high costs	• Inform farmers when input procurement is assured • Make seed procurement process more reliable and timely • Provide training before giving inputs • Provide inputs with grants or loans but not completely for free as it might create dependency • Collaborate with local stakeholders who have skill and knowledge
2. ENPRED, Parbat	• Inputs (seeds and fertilizer) reached the ultra-poor • Contribution to nutrition and balanced diet • Increase public awareness on improved seeds • Rice production increase double	• Short project period • Late supply of inputs (seeds) • Lack of technical support • Maize seeds did not arrive • Increased dependency • Paddy and vegetable seed arrived late	• Collaboration with DDC and VDC will give better result • Mobilization of local networks will help resolve conflict and also helped accomplish the work in time • Local NGOs/CBOs and mother groups are helpful in input supply
3. REEC Nepal, Beni, Myagdi	• Some farmers started commercial vegetable farming with new seeds • Income increased • A little extra income • Women can utilize leisure time	• Input was distributed without assessing the need • No cereal seed was available • Land remained fallow • Less manpower allocated for this project	• Seed distribution in collaboration with DADO and VDC give better result • DADO should continue improved seed distribution program in future in collaboration with NGOs

4. HRDC, Myagdi Beni	• Poverty reduction through increased income • Fresh vegetable at home for poor farmers	• Transportation in rainy season was a problem • People waited for maize seed for almost a month, and disappointed (their land remained fallow)	• Distribute input according to the interest of people • Partnership with local cooperative and CBOs would be helpful
3. LIDO, Kapilbastu	• Fresh and nutritious vegetable to the poor families • Income increased by at least 10 percent of poor HHs • Group unity strengthened	• Inputs could not be supplied in time as planned • Input was distributed without training • Fertilizer for maize reached to farmers late (reached only during paddy growing season)	• Inform farmers when input procurement is assured • Collaborate with local stakeholders who have skill and knowledge • Provide training before giving inputs
4. KIDS, Kapilbastu	• Paddy production increase by 20-50 percent • Income of poor families increased	• Vegetable seed was not suitable for the Terai region • Project duration was too short • Input was delivered almost one season late	• Make provision of hybrid seeds to be supplied from India • Deliver seeds according to local climate condition

Source: Interviews of IPs and mini-meeting, 2010

Non-project (NGOs/INGOs and projects) views

In every district selected for the study, there are some NGOs, INGOs and private agencies involved in seed support programs from other projects. For example, in Bajhang district, Peace Win Nepal, SAPPROSC Nepal and Western Upland Poverty Alleviation Program (WUPAP) are quite popular to local people regarding training of vegetable and Non-Timber Forest Product cultivation. Similarly in Baitadi District, CEAPRED Nepal, ECARDS Nepal and RUDES are NGOs working with rural poor farmers and INGO, OXFAM (Table 7).

Table 7: Non-Project NGOs/INGOs, and Projects

Name of NGO	Success/outcomes	Issues	Suggestions and lessons learnt
1. Bajhang (Peace Win, SAPPROSC & WUPAP)	• Small increase in income • Some poor farmers also benefited from seed distribution program	• Inputs did not reach to real target groups • Inputs were not properly utilized (some eat or sold) • Coordination of DADO was not so strong	• Input should be distributed through civil societies who have technical experience in seed management • Farmers should be charged small amount of money for the seed as revolving funds
2. Baitadi (CEAPRED, ECARDS Nepal &	• Inputs (seeds and fertilizer) reached to remote location • Public awareness on	• Short project period • Free seed distribution increased dependency	• Mobilization of local networks and cooperative will give better results • Local seed producer groups

RUDES and OXFAM)	improved seeds • Wheat yield increased in low land and valleys	• Vegetable seeds distributed were not commercial and hybrid varieties	are helpful in input supply
3. Darchula (Melkhola farmers' cooperative)	• Some farmers started commercial vegetable farming with new seeds • A little extra income • Women can utilize leisure time	• Seed distribution through DADO is biased and many poor farmers did not receive the seed. • Seed was not properly utilized	• Seed distribution in collaboration with local farmers' groups will give better result • Farmers network should be contacted prior to distribution of seed for planning
4. Myagdi (HICODEF and DCRC)	• Farmers are satisfied with seed that they got from NGO • Fresh vegetable at home for poor farmers	• Seed was distributed without local plan • Drought and disease/pests affected vegetable	• Distribute input according to the interest of people and with proper planning • Consider other components of the support
5. Parbat (SODEC, Taclac and Hawas Seed coops)	• Local people were positive to the seed distribution program • Local cooperation has established	• Input was distributed without training • Incentives to collaborators was not a provision	• Training is necessary before giving inputs
6. Kapilbastu (SIMI/RPI and SSDC)	• Good yield of paddy • Some synergies in delivering outputs between NGOs	• Vegetable seeds were not suitable to local climate • Inadequate coordination with other NGOs who have expertise	• Make input distribution plan according to local climate condition • Regular sharing between projects will be helpful

Source: Interviews of IPs and mini-workshop, 2010

Similarly, SODEC in Parbat, DCRC in Myagdi and SSDC and SIMI/RPI in Kapilbastu were working to provide agriculture inputs to farmers (Annex 2). They were aware of the FAO input supply programme and appreciated the programme very much. The NGOs (ECARDS Nepal, RUDES, CEAPRED) of Baitadi made some reactions on the input distribution system used by the project. They said that free seed distribution was not a sustainable strategy for sustainable management of agriculture production. As not more than 70 percent of farmers used the seed, and rest either kept the seed for the next season, ate it or some sold to other farmers. One of the NGOs staff in Bajhang District was a local resident who got three packets of wheat seed because three members of his family had applied for the seed packets. DADO staff just checked the citizenship certificate and provided the seed. They complained that landless or smallholders did not use the wheat seed; rather they consumed it by washing in the water. They suggested distributing the seed through existing farmer groups or through community-based organization (CBO). Another issue raised was that vegetable production was just limited to kitchen gardening. Commercial vegetable production would have been possible if seed distribution had taken place by assessing the market demand. The short project duration was also one of the constraints. Therefore the suggestion was to use experienced and locally available NGOs or

civil societies for such activity.

4.4 Farmers' perception

(i) Food production

TCP area: One-third of the participants expressed that wheat production with the new variety (Gautam) increased by 25 percent. Another almost one-third (30%) said that wheat production increased from 25 percent to 50 percent (Table 8). Farmers from Darchula District produced relatively more wheat than other district farmers. The foot hills and valleys along the ridge towards Darchula district headquarters are more fertile than other sample districts' upland farmlands.

OSRO area: Half of the participants in Parbat district said that paddy production with the new variety (Makwanpur-1) increased by one quarter to half percent (Table 8). The increase in vegetable yields due to the introduction of new varieties was about 25 percent.

Similar to those in the TCP area, almost half (45%) of the beneficiaries interviewed in Kapilbastu district expressed that paddy production with new variety (Sabitri) increased by one quarter to half percent of the rice production (Table 8). Even 10 percent of the participants said that rice production had increased by almost a hundred percent. The production increase of maize is relatively lower than rice, mainly because of lack of moisture in the soil at the time of seed sowing of maize. Some farmers who had applied for irrigation water prior to seed sowing got good yields from the maize variety.

Table 8: Percentage response of food production increase

District	Percentage response on food production increase				Remarks
Food production increase	**Up to 25%**	**25 to 50 %**	**50 to 75%**	**75 to 100%**	
TCP area 1. Bhajang (n = 30)	100	-	-	-	Wheat seed in high hills was not suitable
2. Baitadi (n=30)	32	57	11	-	Wheat variety was good for lower elevation
3. Darchula (n = 28)	67	33	-	-	"
OSRO area 1. Parbat (n = 48)	30	50	20	-	Paddy was distributed in the south
2. Myagdi (n=29)	50	30	20		No cereals was distributed
3. Kapilbastu (n= 78)	30	45	20	5	Paddy and maize was distributed

Source: Field learning exercise, 2010

In terms of the degree of farmers' satisfaction with the increase in production due to the introduction of new varieties, almost all farmers interviewed expressed their satisfaction with the new seeds received by FAO. They were more satisfied with cereal seeds than with vegetable seeds. The reason was because they could see direct benefits through yield increases. Regarding vegetable seeds distributed by the project, cucumber, eggplant and bitter gourd were not of good quality. The cucumber seed was mixed with other seeds and also not suitable for the mid-hills. Of the nine composite seed packages distributed by the project, beans were suitable for both districts. Parbati Thapa Magar of Ratanchour expressed that through one small packet of bean seed she could earn Rs. 2150 in one season. Almost half of the farmers (participator) in Myagdi district earned an additional Rs. 1000 from vegetable sale. Two farmers even sold vegetables for more than 30,000 in a season, which is an increase of more than 50 percent from the previous year.

The frequent complaint from farmers of the Terai (Kapilbastu) was that vegetable seeds supplied by the project were not suitable to their region. Of the nine composite vegetable seeds distributed by the project, only two (Sponge gourd and long bean) were suitable in the maize area (i.e. northern part of the district). No vegetable seed was suitable in the paddy area.

(ii) Seed Availability for Next Season Planting

TCP area: Of the total farmers interviewed, almost one-quarter (30 farmers) of the farmers have kept seed for the next growing season. Bean and rayo were among those seeds kept for the next season planting. Regarding wheat seed, almost one-quarter of the farmers have kept seed for the next planting season. Farmers who had not kept seed for the next planting season hoped to receive free seeds in the next season. This shows the dependency on external support for seed created by the project.

OSRO area: In Myagdi district, almost half (nine farmers) have kept seed for the next growing season. Ladies fingers (Okra), bean and bitter gourd were among the seeds kept for next season planting. In Parbat district also, almost one-quarter (12 farmers) of the farmers have saved seeds for next planting season. Previously they used to buy seed from the nearest private seed dealers.

Except for a few farmers (4 out of 30), almost all had kept rice seed for the next growing season. The seed quantity ranges from 10 to 30 kg based on the landholding size of the farmers. Very few or no farmers had kept maize and vegetable seeds for the next planting season. They had expected to receive the seed again from the project like farmers in the TCP area. Because of delayed rainfall, maize was sown quickly, when the season was almost over (later part of April). Almost all participants in the FGD reported that they harvested green maize to catch the paddy planting season. However, farmer strategies to harvest unripe maize helped to get a better price by selling it in the market. FGD participants said that harvesting green maize had double benefits. First, green maize fetched a higher price in the market during the off season; and second, farmers were able to catch the

rice planting season.

(iii) Quality of Seed Distributed and Timing of Distribution

TCP area: Farmers were satisfied with the quality of the bean, rayo and radish seeds distributed by the project because these seeds were their choice and also adapted to the local climate. They produced higher yields than the local varieties. However, there was problem of seed mix with the rayo variety. Wheat variety (Gautam) matured relatively late (two weeks later) compared to other improved varieties (i.e. Sonalika); its taste was not preferred by the farmers.

OSRO area: The participants in Parbat and Myagdi districts were not so happy with the quality of seeds they obtained from FAO. The frequent answer was no (not good quality seed). Most vegetable seeds except bean, egg plant and ladies finger were of poor quality due to the mixing of other seeds and sometimes with gravel and pebbles. The vegetables reached the field almost one season late. For instance, winter vegetable (tomato, bean) reached farmers in summer. Despite this, many vegetable growing farmers, who have had irrigated land, were happy with the vegetable seeds.

Almost half of the farmers who participated in interviews from Kapilbastu district were using the same variety (Arun-2) of maize prior to the introduction of maize seed. This seed was not new for them. Therefore they did not see a change in terms of distribution of maize variety. They were looking for real new and tasty varieties that would be suitable for growing in their areas. Regarding vegetable seed, as explained earlier, all nine varieties were not the farmers' choice. The vegetables reached the field almost two months later than the planting season. For instance, winter vegetables (tomato, bean) arrived to farmers' field in the summer. This was a common problem expressed by the farmers in all locations as the input supplier for vegetable seed was the same. Despite this, many rice-growing farmers were happy who have had irrigated lowland area. They said that rice seed arrived on time and according to their choice. As discussed above, only a few farmers were not happy because they did not have lowland area. They were looking for another drought-resistant variety such as Radha-4, which performs better in areas with relatively less irrigation water.

(iv) Use of Improved Seed and Chemical Fertilizer before Project

TCP area: As discussed in the proceeding section, many farmers were using the improved seeds prior to the project. They were also trained by some NGOs and private seed dealers (such as SAPPROS Nepal, PAF, and CARE Nepal in Bhajang district, CEAPRED and RUDOS in Baitadi district and Joshi Agrovet in Darchula district) in vegetable cultivation. Some of the farmers were heavily trained in vegetable cultivation in Gokule area of Baitadi and Darchula districts. The Center for the Agriculture Research, Extension and Development (CEAPRED) had facilitated the formation of six vegetable seed producers' cooperative in Baitadi district. They are located in Shikhar, Kailpal, Siddhapur, Basantapur, Silung, and Gurukhola VDCs. One seed producer cooperative has also been

formed in Bhajang district. The name of the cooperative is Sribhabar seed promotion cooperative. These groups and cooperatives have been supplying seeds to farmers locally. These groups produce both winter and summer vegetable seeds. Winter vegetable seeds include Rayo, field peas, broccoli, spinach, coriander, onion, and summer seeds are bean, cowpeas, cucumber, chili and tomato. Few farmers in the road head and high ways also use chemical fertilizer to boost agriculture production.

OSRO area: Many farmers in Parbat and Myadgi districts were also using the improved vegetable seeds prior to the project. They were also trained by some NGOs (such as National Education and Social Development Organization- NESDO, Heifer International) in vegetable cultivation. They could be the contact persons for seed supply in the future. Similarly, chemical fertilizer was also heavily used in these areas. More than one-third of the farmers expressed that they would be able to buy the improved seeds and fertilizer with the increased price from vegetable sale.

In Kapilbastu district, more than half of the farmers interviewed responded that they were using the same maize variety prior to the project. It is because; the local private seed dealers were selling the same seeds to the farmers. According to farmers, this variety was not a new thing for them. While in the case of paddy, only 10 percent of the farmers were using the improved variety of paddy (variety name Sabitri). Improved vegetable seeds and mostly hybrid seeds imported from India were used by almost half of the participants. Chemical fertilizer was also heavily used in Kapilbastu District. Regarding input used before project, almost half of the participants of both maize and paddy growing areas of Kapilbastu district expressed 'yes'. Participants of the paddy growing area claimed that this is mostly the result of support of other projects such as SIMI/RPI and SSDC were providing support. However, the support was not for free seed. Farmers had to pay for the inputs that they got from these agencies.

(v) Knowledge and skill of farmers about use of seed and fertilizer

TCP area: In addition to DADO, SAPPROS in Bhajang and CEAPRED in Baitadi district were providing vegetable training to farmers. Rural Development Environment Society (RUDES) and OXFAM were also providing vegetable training to the farmers in Baitadi district. This was the synergy between implementing and non-implementing partners However, this synergy happened without project plan. Farmers have had some basic knowledge about vegetable growing. Farmers of Gokule area of Baitadi and Darchula district can train other farmers if opportunities exist locally. In Bajhang district also, there are some farmers who are very good to train other farmers in vegetable production. This needs to be explored by any projects realated with input supply to be implemented in future.

OSRO area: In Parbat district, SEED Nepal under support of Heifer International had been involved in providing training support to farmers in the surveyed villages. As mentioned above, NESDO is

another NGO, who had been involved in imparting knowledge to farmers on vegetable farming in Parbat district.

A few farmers in both maize and paddy growing area of Kapilbastu district had knowledge and skill regarding planting of maize and paddy varieties in the past. One NGO each site (Siddartha Social Development Center-SSDC in Maize growing area and SIMI in paddy growing area) had provided training on vegetable farming to leader farmers. As per participants, ISFP project did not provide any training to the farmers. This has severely constrained the achievement of the project outcomes.

(vi) Equity in access to livelihood benefits of the poor and Dalit farmers

TCP area: Seed packets were distributed in an equal amount to those farmers who submitted a letter of request for seed to respective DADO or Agriculture Service Centers. Citizenship certificate was one of the criteria set by DADO for seed distribution. There was no consideration of the land size and well-being level for applicants. It means if a household sends 5 members to apply for seeds, each one of the family members would receive seed without verification of family names, their relations and well-being level. It indicates that equity in access to livelihood benefits through vegetable growing by poor and disadvantaged farmers in this area has not been done satisfactory. In Nawali village of Baitadi district, of the 18 farming households interviewed, four dalit households did not get any information regarding wheat seed distribution. Twenty-five seed packets of five kg each was distributed in one ward having households ranging from 25 to 150 households. Because of such system, mostly rich and elite were found to have used more inputs than poor farmers. There are several reasons for this. Firstly, poor could not take risk of growing new varieties; secondly, they were not informed and thirdly, they could not influence the input suppliers for more input. Because of a smaller number of seed packets, in some villages, for instance in Nawali of Baitadi, Luita of Bhajang and Gokule village of Darchula district, one packet of wheat seed was distributed to 3 to 5 farming households. Some of the farmers even did not use the seed, but kept for next season planting because of risk involved in planting new seeds.

OSRO area: Similar to TCP area, seed packets were distributed in an equal amount irrespective to the land size of the farming households in Parbat and Myagdi districts. Example from Dhaireni village demonstrated that the fertilizer distributed to poor farmers did not have land for fertilizer use. Therefore, almost one-quarter of the farmers sold this fertilizer to other rich farmers at lower elevation at cheaper rate compared to the existing market price. Information from Ratanchour village of Myagdi district indicated that one poor farmer got 4 to 10 kg of fertilizer against 10 to 16 kg fertilizer distributed to farmers in Deurali village of Parbat district. Besides, all farmers have not used the seeds distributed by the project. Some gave it to their neighbors, some to their relatives, and some kept the seed stored in a khopa (*khopa*, a small place made for storing seeds and other materials) on the wall of the house with the objective of using this seed in the next season.

In Kapilbastu district, because of equal distribution of inputs (i.e. without consideration of land size and interest of farmers), some farmers were reported to have given their share of seeds to other neighboring farmers who have had larger landholding size, and some farmers even boiled the seeds of maize to remove the effect of seed treatment and fed their cattle. In Maize area, the concern VDC sold almost 20 percent of the surfeit fertilizer to other parties. It happened because fertilizer for maize arrived late almost during the time of second top-dressing of paddy variety. Those who did not have low land for paddy growing did not use the fertilizer that was sold to the outsiders. In both sites, marginalized users perceived that equity issues are not yet entirely resolved to everyone's satisfaction. This needs to give enough attention in future programs.

4.5 Interagency Assessment Mission Members' Views

The mission member organizations included WFP, IFAD, FAO, MoAC, WB and AsDB. Of these six mission member organizations, we could interview only the first four members (WFP, IFAD, FAO and MoAC), being impossible to make appointment with the latter two members (WB and AsDB). Mr. Basu Aryal of IFAD, Dr. Krishna Pahadi of WFP and Dr. Hari Dahal of MoAC were interviewed. This section reflected mission member views about the main outcomes of the mission.

Participants from IFAD and WFP had almost similar views on usefulness of the interagency assessment mission. They were in the opinion that implementation of EU food facility project is one of the most evident outcomes of the short to medium action plan of the mission. This project is planned to be completed 26 months (response of FAO-Dilip Karki). IFAD has mobilized some funds for food insecure HHs in mid and far-western project districts. Food security monitoring unit has been established within MoAC. The members of these agencies claimed that these activities were happened mainly because of the action plan developed by the mission members. National workshop held on April 30 also confirmed these outcomes. According to the participant of the respective agencies, these activities have been implemented under short to medium term action plan of the mission.

Major remark of both IFAD and WFP members was on low budget allocation (only 3%) to agriculture sector development by the government. This has nothing to do in solving food insecurity problem in the country. The suggestion was to increase government spending in agriculture sector to another 3 to 7 percent. Another concern raised by them was on capacity of the government agency (DoA) for implementation of input supply project as DOA has very less number of technicians at the field level. Five to ten Agriculture Service Centers in one district are not able to manage the additional work. As a result, the input cannot reach to vulnerable and poor people. The suggestion was to retain the agriculture extension workers who were engaged in agriculture service delivery few years ago. The

small amount of seeds distributed to poor and deprived farmers cannot resolve food insecurity problem. The distribution system should be well organized and adopted by the government. Dr Pahadi suggested to diversify the types of seeds to be distributed in future. It means the input distribution should not be limited to cereal and vegetable seeds and fertilizers. Some cash crops (such as cardamom) that are suitable to local climate condition should be promoted or expanded. The agriculture policy of Nepal favors big farmers, Mr. Aryal commented.

The spokesperson of MoAC (Dr. Hari Dahal) view was different from what other mission members expressed especially in terms of responsibility assigned to implement projects such as ISFP for input distribution. He argued that the involvement of NGOs in input distribution was not a wise decision, as they lack technical capacity. The major responsibility should be given to government agency so that sustainability of the project can be ensured in long run. He was very critical on the issue of budget allocated for real target group (the poor) by the on-going projects. He suggested re-assessing the status of the on-going projects (such as EUFF and Food for work program of WFP) as to the amount money has really been allocated to the poorest section of the society. He accepted that government capacity to undertake additional work (input distribution) is not adequate. He recommended to increase budget of DoA for technical support in future. He further said that the free seed distribution has created dependency of the target beneficiaries on the project support. Besides these, his major concern was on the quality of the inputs procured, especially when dealing with seeds, as sometimes suppliers do not comply with the standard required by project. He further recommended to assess the quality standard of the input prior to its distribution. All participants of the interviews found this exercise quite relevant and timely to remind them of their action plans.

5. LESSONS LEARNT AND RECOMMENDATIONS

Lessons learnt

1. ***Include and consider as inputs suppliers local seed producers and dealers in project beneficiary areas (Cooperatives and Community based organizations) and promote local seed multiplication programmes***

In the case of ISFP projects in Nepal, most input suppliers selected were from Kathmandu. In some cases, the seed quality was not good or adapted to local conditions and there was no mechanism in place that would allow the project team to return the seeds or ask for any responsibility from the suppliers.

One of the main recommendations from the different stakeholders was to involve existing local seed producer groups and dealers in supplying inputs. In the selected districts there are several private dealers and input suppliers including farmers' seed producer cooperatives (at least 10) which could be mobilized for input supply purposes. Local suppliers know better the local requirements and they could provide inputs that are better adapted to local conditions. In addition to this, it would be easier to ask them to be accountable in case of problems with input quality. On the other hand, the involvement of local suppliers in FAO projects could represent an opportunity to further develop their network and strength their organizations, which would contribute to ensuring a sustainable input source for farmers in the area.

The promotion of local seed multiplication programmes is also strongly recommended to reinforce the availability of locally adapted seeds that may feed future input distribution programmes in case of emergencies and shocks in the country.

2. Careful selection of implementing partners; use of local farmers' group for input distribution

This study shows that inputs could not reach a large number of vulnerable farmers in remote locations mainly because of a lack of human capacity of implementing partners. In this case, distribution done by local NGOs appeared to be more effective than distribution done by the Government's DADOs, which lacks human resources to handle the programme effectively. A village level farmers' network is an effective forum for resolving local conflicts observed during inputs distribution (example of Parbat district).

The selection of implementing partners should be carefully studied in advance and their capacities should be assessed to ensure an effective implementation of future programmes.

3. *Create an effective targeting mechanism that can easily be implemented and monitored*

The study shows that project criteria for beneficiary targeting was not respected either in the TCP or the OSRO areas, the amount and type of inputs supposed to be distributed to targeted beneficiaries according to land area. In both areas, the final number of targeted beneficiaries almost doubled and all of them received the same amount of inputs. The main reasons apparently were that other farmers initially not selected as beneficiaries (e.g. farmers with less than 0.5 ha land) showed interest in growing new varieties. There was also the interest of local authorities in maintaining votes and local NGOs to maintain credibility. This was problematic in some cases.

It appears to be vitally important to design an effective targeting mechanism prior to the emergency project implementation. The selection and targeting should be done according to the type of landholding and wellbeing ranking, and should be easily monitored.

In the case of landless farmers, other options could be explored, as granting small livestock or poultry or alternatively, common lands not used could be allocated to landless groups for crop cultivation.

4. *Simplification of FAO tendering process and improve planning for input supply*

The existing FAO tendering process is time consuming and requires a lot of formalities that in the case of Nepal resulted in a serious delay in the timing of inputs supplied to beneficiaries. In addition, the complex FAO tendering process prevented local level institutions (such as local seed cooperatives and Community based organizations) from applying even if they could provide locally adapted inputs.

All input suppliers complained about the short notice in which FAO informed them about the purchase. This meant that many of them were unable to provide the amounts requested by FAO.

At the farmer level, some beneficiaries received the inputs almost one season later than planned. The work of the implementing partners was also greatly affected by those delays. Therefore, it is suggested to simplify and adapt FAO tendering and contractual arrangement processes to local conditions, and to plan in advance the amounts and types of inputs required. In order to meet the planting season of each crop, inputs should be procured in advance considering as well unexpected events such as road blockages, adverse climatic conditions, etc, that can significantly slow down the process and increase the risks of missing the planting season.

5. Importance of including training and considering ongoing and previous project in the area to look for synergies and complementarities

Many farmers in beneficiary areas were previously and/or actually involved in other projects and programmes aimed at increasing their food production in a sustainable manner. Thanks to this, some of the farmers were already trained in the use of the received inputs. However, this happened only in some cases and accidentally, not because of proper planning. This shows that emergency programmes can use and complement existing longer-term programmes in the area, but agreements and planning need to be done with existing programmes prior to implementation in order to boost synergies that result in an enhanced sustainability of the interventions.

At the same time, training appears to be an indispensable component of the input distribution interventions to ensure the correct use of the inputs and implement good and sustainable agricultural practices in the area.

6. Plan strategies that prevent dependency of farmers

The study shows that some farmers were not keeping seeds for the next season as they were hoping to receive free inputs from different programmes. Many of the stakeholders interviewed expressed their concerns about the risk of dependency on external support that free distribution programmes may create on farmers. It is recommended to use, when possible, mechanisms for reimbursing at least a minimum percentage of inputs costs. This may ensure greater involvement and interest of beneficiaries of the programmes. In case these mechanisms are impossible to put in place because of the emergency nature of the intervention at least some strategies may be included in the programme to ensure that they keep seeds for the next planting seasons (training, etc).

7. Diversify type of inputs (for example seeds with organic pesticides)

Most of the farmers followed a mixed cropping system due to the shortage of land, fear of use of single and commercial crop varieties and limited knowledge on modern technology. Therefore, any technology (particularly the seed selection) should be locally adaptive and be suited to the rain-fed environments. New varieties that comply with this characteristic could be provided in combination with fertilizers, traditional or organic, depending on local conditions.

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ANNEX 1: METHODOLOGY FOR THE LESSONS LEARNING EXERCISE FROM FAO ISFP ACTIVITIES IN NEPAL

Methodological background: Not the What but the Why?

This exercise focus on processes, the implications and emphasis on how ISFP activities in Nepal were implemented and how the expected outcomes had been achieved or not, rather than looking at products/activities itself. For example it implies analysing why inputs supplied were successful or not, not how many people got inputs or how many inputs were distributed.

To carry out this exercise it's necessary to ask the reasons WHY, why ISFP activities in Nepal were successful or not. As a result of this we expect to have not only a description of what happened but a why it happened. Process analysis focus on how programmes are perceived by the different stakeholders involved in the programme analysed, what had been their ***perceptions and experiences***, ***field work*** is the central activity; having direct and personal contact with people in the program in their own environment.

The methods of data collection are qualitative and will consist basically on the following ones:

(1) In-depth, open-ended interviews which could be individual key informant interviews or participatory focus-group discussions.
(2) Direct observations and,
(3) Written documents, including such sources as reflection field notes, personal diaries, program records, pictures and other materials.

The validity and reliability of qualitative data depend to a great extent on the methodological skill, sensitivity of the national consultant selected to carry out this exercise. He will firstly set out to understand and document the reality of the programs under study, try to understand what has happened, not only looking at formal activities but also investigate informal patterns, including the perception of the people about how things are going. This exercise will reveal areas where this kind of support can be improved and highlight strengths, good practices than could be duplicated in future interventions.

Target audiences: FAO internally; FAO launched the ISFP initiative early 2008 as a rapid response to the food crisis providing different kind of support to affected countries. It appears of vital importance to learn lessons from the support provided by FAO, especially now that donors continue to show a special interest in short-term interventions to address food security issues, as it has been the case with the European Union Food Facility. This new context represents a challenge for FAO; that needs to

reflect how best respond rapidly but in a sustainable manner to underlying causes of food security, how to merge efforts and different expertises between emergency and technical departments.

Output

A clear and concise report of max 30 pages, qualitative data collected will be organized in major themes, categories through content analysis. The final report will include the following major sections:

(i) Analysis of ISFP major program processes in Nepal.

(ii) Description of the different stakeholders

(iii) Description on how ISFP programme affected the different types of stakeholders

(iv) Observed changes based on interviews and field observations, outcomes and impacts, and

(v) Analysis of programme strengths and weakness.

Main questions/issues to be addressed by type of ISFP intervention in Nepal.

The questions below has been selected after first discussions with key stakeholder carried in an inception mission, they should be taken as a menu/guide not as a fixed questionnaire as interviews and focus group discussions should be open, flexible and intuitive.

The major support provided by the Initiative on Soaring Food Prices in Nepal includes the following three types of interventions:

1. Emergency ISFP Projects in Nepal.

1.1. TCP/NEP/3202: Input supply to vulnerable populations under ISFP (budget:500 000 USD)

1.2. OSRO/NEP/806/CHA: *ISFP-Support to improve access to agricultural production inputs and services* *(budget:* 899,998 USD*)*

Key stakeholders: (i) seed suppliers , (ii) FAO project staff, (iii) government bodies (national and district level) (iv) NGOs involved in project implementation, (v) direct project beneficiaries, (vi) farmers in same districts non-beneficiaries of the project, (vii) NGO national and international working in the agricultural development sector in the same districts.

Common questions for all stakeholders:

1. Opening questions.

- Do you know about FAO ISFP project? (TCP or OSRO)
- What was your involvement in the mentioned project?

2. Closing questions.

- What were the major problems you faced with regard to this project?
- And which were the major achievements/successes of the project?
- Do you have any suggestion to improve these types of interventions in the future?

Specific questions by type of stakeholder:

(i) **Seed suppliers** ,

1) What type of input did you provide to the project?
2) Have you been able to provide the requested amount of inputs? if not, which were the major reasons.
3) Were you the only supplier of the project? Do you know who the other suppliers were?
4) Do you think the inputs requested are appropriate for smallholder's farmers?
5) Did FAO purchase affect your other clients?
6) Did FAO purchase affect the prices of the inputs?

(ii) **FAO project staff,**

1) Do you think this project was pertinent to address the food price crisis in Nepal?
2) How FAO can improve its approach in a future possible crisis?

(iii) **Government bodies** (national and district level)

1) Was the consultation process for this project done properly?
2) Are you satisfied with your involvement in the project? (Any phase)
3) Do you think the project increased the production of the targeted farmers?
4) Do you think the project reached the most vulnerable farmers?
5) Would like FAO to continue the same type of support in Nepal?
6) Are there any other seed supply support programmes in the same region/district?

(iv) **NGOs involved in project implementation,**

1) What were the main problems faced in the implementation phase?
2) What were the benefits/constrains for the beneficiaries?
3) Do you think the project met the expected results?
4) How the partnership between you and FAO can be improved?
5) Was the area selected highly affected by the soaring food prices?
6) Did the project reached the most vulnerable farmers?
7) Is there any risk for the farmers to get dependent to inputs distributed under the

project?

8) Do you think that the free distribution of input would help the farmers to overcome poverty?
9) Do you think the selection of beneficiaries and the quantity of input provided was appropriate?

(v) **Direct project beneficiaries,**

1) Have you been informed on time (how many months before) about this project?
2) Did you produce more comparing to the previous year?
3) Are you satisfied with yield of the new varieties provided by the project?
4) Are you keeping seeds for the next season?
5) Are you satisfied with the time you received the inputs?
6) Are you satisfied with the quality of inputs received?
7) Did you buy inputs before the project? if not, please explain the reason
8) In the case of receiving fertilizer, will you be able to buy again for the next planting season? Have you been using fertilizer before?
9) Did you grow new crops due to the project?
10) Did you have the knowledge required to use the inputs distributed?
11) Are you beneficiary of any other project?
12) What type of assistance would you need to increase your food production? What type of support would you like to receive in the future?

(vi) **Farmers in the same districts non-beneficiaries of the project,**

1) Do you know why you were not selected under this project?
2) Do you currently use improved seeds and fertilizer?
3) What type of assistance would you need to increase your food production? What type of support would you like to receive in the future?

(vii) **NGO national and international working in the agricultural development sector in the same districts**

1) Have you been consulted before the start of the project?
2) Did ISFP project activities interfere with your project activities?
3) What was the feedback of your beneficiaries about ISFP projects?
4) Dou you distribute free inputs?
5) Have you ever seen similar projects in this area?
6) Are there seed supply support programme in the same region/district?
7) What is your personal opinion about this project?

2.Govt of Nepal-FAO-WFP-IFAD-AsDB-World Bank Interagency Rapid Assessment Mission (21-31 July 2008)

Key stakeholders: persons involved in the coordination, preparation, development and/or follow-up of the interagency assessment mission from the different participating agencies; (i) Govt of Nepal, (ii) FAO, (iii) WFP, (iv) IFAD, (v) AsDB, and (vi) World Bank

1) Was this interagency assessment mission useful in your opinion? In which sense?
2) What has been the follow-up given to the developed action plan? Has this follow-up been done properly in your opinion?
3) Was your organization able to mobilize some funds thanks to the mission report? If yes, how much and for what type of intervention?
4) Do you know what parts of the developed action plan has been funded at national level?
5) Is this still this action plan adapted to the actual national context? Ca still something been done to raise funds for the unfunded parts of the action plan?
6) What is you opinion of the relevance of this exercise to address the food crisis in Nepal? What are the positive and negative aspects to highlight?
7) What are your recommendations to improve this kind of intervention in the future?

3. EU Food Facility Project in Nepal

Key stakeholders, (i) FAO staff involved in the formulation process and implementation of the project, (ii) EC delegation in Nepal. (iii) Government of Nepal. (iv) other agencies/NGOs involved in the EU Food Facility in Nepal (directly with FAO project or with different interventions funded by EU Food Facility funds)

1) How the formulation process initiated?
2) In your opinion was the consultation process for this project done properly? Why?
3) Are you satisfied with you involvement in the project (formulation, implementation, etc)?
4) What do you think is the relevance of the project to address the food crisis in Nepal?
5) What are you main concerns about the project? Strong and weak points
6) What are your recommendations for the success in the implementation of the project?
7) And you recommendation for the formulation of a similar intervention in the future?

ANNEX 2: NAME LIST OF STAKEHOLDERS PARTICIPATED IN INTERVIEWS

Participant name	Organization/Address	Position
1. Lalit Bahadur Thapa	DADO, Bajhang	Acting DADO
2. Kale Singh	Farmer group	Horticulture nursery
3. Himalaya Joshi	Kantipur daily	Local reporter
4. Nav Raj Koirala	Agrovet, Chainpur	Business person
5. Kali Pachhain	Chainpur-1	Farmer-non user
6. Jaya Bdr. BK	Peace Win	Coordinator
7. Chandra Bdr. Singh	SAPPROSC	Coordinator
8. Govinda Singh	WUPAP	Field staff
9. Karna Bahadur Kathi	District Forest Office	Ranger
10. Ram Bahadur Bohara	Seed and NTFP business percon	Trader
Baitadi District		
11. Karna Bdr. Chand	District Agriculture	Acting DADO
12. Mahindra Mahato	OXFAM	Staff
13. Bindu Chand	NTFP cooperative	member
14. Tara Datta Bhatta	Private seed dealer	Trader
15. Ram Bdr. Chand	Gothalapani	Trader
16. Bhuban BK	ECARDS	Staff
17. Harisingh Bol	Patan- seed coop	Member
18. Sushil Raj Subedi	CEPREAD Nepal	Staff
19. Govinda Raj Joshi	RODES	Director
Darchula District		
20. Rajendra Pd Mishra	District Agriculture	DADO
21. Rebati Saud	Mel Khola Farmer cooperative	Farmer leader
22. Nav Raj Joshi	Agro-vet Khalanga	Proprietor
23. Madhav Bhatta	Seed and NTFP dealer	Trader
24. Man Singh Bohara	Seed and NTFP dealer	Trader
25. Mangal Singh Thaguna	Khalanga-3	Social worker
26. Mohan Bahadur Sahi	ASC, Gokule	Junior Technician
27. Devi Prasad Koirala	District Forest Office	DFO
Kapilbastu District		
28. Krishna Dwivedi	KIDS	Coordinator
29. Khrusid Alam	Agriculture Office	DADO
30. Janga Bahadur Gurung	SIMI/RPI	Staff
31. Om Narayan Poudel	SSDC	President
32. Bibek Sharma	Agri- service center	Proprietor
33. Pramod Upadhaya	Sidhartha Agro Center	'Proprietor
34. Gangu Kahar	CEAPRED	Staff
35. Gopal Gyawali	LIDO	Staff

36. Jagadish Mouria	Mouria Seed Store	Proprietor
37. Chandra Kanta Khanal	District Agriculture Office	DADO
Parbat District		
38. Raju Prasad Poudel	ENPRED, Parbat	Staff
39. Devi Timilsina	SODEC, Myagdi	President
40. Govinda Pahadi	SEED Nepal	President
41. Nirmala Neupane	Taclac Farmer Group	Member
42. Sam Kumari Gurung	Durlung Seed cooperative	Member
43. Sarba-jit BK	Hawas Seed Cooperative	Member
Myadgi District		
44. Lekh Nath Subedi	HRDC, Myagdi	Staff
45. Khamiswara Shiris	HICODEF, Myagdi	Staff
46. Mahesh Chandra Acharya	DADO, Myagdi	DADO
47. Sangita GC	REEK, Myagdi	Acting Chair
48. Resham Bahadur Kisan	Farmer Coop, Ratnechour	Member
49. Saraswati Giri	Lamgara Agri-coop, Ratnechour	Member
50. Govinda Sharma Poudel	DCRC	Staff
51. Yam Bahadur GC	New Dhaulagiri Seed co.	Proprietor
52. Chu Maya Thajali	Jhi- Farmer Group	Farmer leader
53. Laxmi Baniya	Pulachaur- Farmer Group	Farmer leader
Other Districts 54. Prakash Shrestha	Jaya Kisan Seed Store, Butwal	Proprietor
55. Shubash Raj Upadhaya	Lumbini Seed Company, Rupandehi	Proprietor
56. Shiva Malla	Malla Seed Supplier, Chitwan	Proprietor
National level		
57. Dilip Karki	FAO, CERF	Senior Agronomist
58. Arjun Thapa	FAO, Nepal	Program Officer
59. Krishna Pahadi	WFP, Nepal	Senior Officer
60. Basu Aryal	IFAD, Nepal	Coordinator
61. Govinda Gyawali	AsDB, Nepal, Food Security	Coordinator
62. Pasupati Gautam	Agriculture Input Company Limited	Managing Director
63. Durga Adhikari	Seed Support Center, SEAN	Chairperson
64. Nanu Jha	National Seed Company	Managing Dirctor
65. Ram Hari Timilsina	Seed Entrepreneur Association Nepal	Coordinator