BACKGROUND

Eighty percent of people in Nepal are directly or indirectly involved in the agriculture sector. Seventy percent of agriculture is rain-fed, and two out of three farmers own land whose size is less than 0.22 ha. Agriculture productivity is low compared to that of neighboring countries, which is associated with limited infrastructure, small farm size, human resource shortage and limited access to market.

Fruit and vegetable crops are considered as high value commodities in Nepal compared with other field crops. Though their area coverage and total production increased in the past 20 years, the marketable volumes are still low considering the production potentiality. A significant portion of fruit (20-35%) and vegetables (15-30%) is being lost or damaged during picking, storage, transportation, and marketing stages due to inappropriate handling practices or a lack of support facility. Farmers have limited access to market to sell their products.

Tackling those challenges, the Ministry of Agriculture and Livestock Development joined hands together with Korea International Cooperation Agency (KOICA) and United Nations Development Programme (UNDP) to initiate a project, called Value Chain Development of Fruit and Vegetables in Nepal project (VCDP). Started in July 2018, the project aims to strengthen the fruit and vegetable value chains and help increase incomes of smallholder farmers. A special focus is placed on production maximization, postharvest loss reduction and better market linkage creation.

QUICK FACTS:

- **Duration:** July 2018 to December 2022
- **Focus:** Farmer income generation, vegetable and fruit production, post harvest loss reduction, market linkage
- **Budget:** $5.5M (KOICA $3M, UNDP $2.5M)
- **Implementing entity:** UNDP
- **Implementing agency:** Ministry of Agriculture and Livestock Development
- **Partners:** Ministry of Agriculture and Livestock Development, KOICA, and UNDP
- **Geographic Area:** 11 districts in Province 3 and 4 (Chitwan, Dhading, Gorkha, Kaski, Kavre, Makwanpur, Nawalparasi, Ramshapah, Sindhuli, Syangja, Tanahu)

**Outcomes:**
- Project outcome 1: Improve agricultural productivity through increased capacity of government agencies and better access to production technology by farmers.
- Project outcome 2: Reduce postharvest losses of selected fruit and vegetables by postharvest technology development.
- Project outcome 3: Better market linkages at local level.
Expected results by the end of the project cycle

- 10,000 farmers are capacitated with production knowledge, access to appropriate postharvest technology or practices, and connection to market.
- At least 12 crops of gross margin increased
- 3 to 5 postharvest technologies in place for use of farmers
- At least 20 cooperatives equipped with market infrastructure and management support

Achievement to date (July 2018 – June 2021):

- A total of 7,109 farmers (62% female; 51% from ethnic groups) empowered in increasing incomes by receiving technical training, experiencing production technologies, and assessing improved collection/market facilities
- 37 Palikas supported with financial grant and enhanced their capacity in planning process, preparation, and execution of consolidated annual agriculture plan
- 115 Agriculture technicians of Palikas, cooperatives capacitated in different aspects of crop production and productivity enhancement, post harvest loss management and marketing
- 37 Palikas prepared and practicing programme operation and management procedures, standard norms for effective and efficient implementation of programme, enhance agriculture sector governance
- 3 Palikas prepared and implemented agriculture sector strategy
- Three articles on postharvest technologies developed by project support published in international and national journals
- Project developed 12 Nepali technical publications related to production and postharvest handling of fruit and vegetables targeting to farmers and field-based technicians
- Sixty-nine migrant returnees (22% female; 58% from ethnic groups) developed business plans to start agribusiness
- A cumulative 39 cooperatives and market centres capacitated with physical and technical support on production inputs, postharvest loss management, and marketing
- Developed mobile application to disseminate the market price information of commonly traded fruit and vegetables from major market centers in Nepal.

GENDER AND SOCIAL INCLUSION

The project mainstreams Gender equality and social inclusion (GESI) aspects into every project stage. Not only the project attempts to meet the project targets, but it goes extra miles. While the project aims to ensure 40% of beneficiaries as female, 62% of benefitting farmers were female and 51% were from socially disadvantaged groups. From the operation aspect, the project sets its evaluation criteria in consideration of GESI. This led to ensure that almost half of project interns were female in 2019.

COVID19 Relief and recovery actions

To support farmers and actors in the agriculture sector who suffered from C19 and lockdown situation, the project helped them transition to recovery through a combination of Farmer Relief Fund provision, support to transportation, agri-entrepreneurship support to migrant returnees, and protective material provision. A total of 37 local governments in Bagmati and Gandaki Province received the Farmer Relief Fund with a value of NPR 100,000-190,000 for input and production support. Project also approached about 70 migrant returnees (11 female; 29 from ethnic groups) to help settle down in Nepal and start agribusiness by supporting them to develop business plans and get matching fund. The project also initiated the kisan call centre in partnership with Phedikola and Kamalamai local governments so that farmers do not need to physically visit extension officers for farming related questions. All activities helped over 2,000 farmers to date.

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