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KNOWLEDGE-BASED INTEGRATED SUSTAINABLE AGRICULTURE AND NUTRITION (KISAN) PROJECT

QUARTERLY REPORT — MARCH 2014

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KISAN PROJECT

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ACRONYMS

AEC	Agro Enterprise Center
AFN	Antenna Foundation Nepal
AFSP	Agriculture Food Security Project
AI	Artificial Insemination
BDSO	Business Development Services Officer
CBO	Community-Based Organization
CC	Collection Center
CDO	Chief District Officers
CEAPRED	Center for Environmental and Agricultural Policy Research, Extension and Development
CFUG	Community Forest User Group
CIP	Climate Intervention Project
COP	KISAN Chief of Party
CSISA	Cereal Systems Initiative for South Asia
CYMMIT	International Maize and Wheat Improvement Center
DADC	District Agriculture Development Committee
DADO	District Agriculture Development Offices
DC	District Coordinators

DDC	District Development Committee
DEPROSC	Development Project Service Center
DIP	Detailed Implementation Plans
DLS	District Livestock Services
DOA	Department of Agriculture (Nepal)
DRR	Disaster Risk Reduction
DS	Direct Seedling
FG	Farmer Group
FINGO	Financial Intermediary Non-Governmental Organization
FM	Frequency Modulation
FTF	Feed the Future
GATE	Global Agri-Tech Nepal
GHI	Global Health Initiative
GIS	Geographic Information System
GON	Government of Nepal
GUC	Grants under Contract
HH	Household
HKI	Helen Keller International

HMRP	Hill Maize Research Program
HVAP	High Value Agriculture Product
ICCA	Initiative for Climate Change Adaptation
ICT	Information and Communication Technology
IDE	Integrated Development Environment
IEE	Initial Environmental Examination
INGO	International non-governmental Organization
IPM	Integrated Pest Management
IPM-IL	Integrated Pest Management – Innovation Laboratory
IPNS	Integrated Plant Nutrition System
IT	Irrigation Technician
JT	Junior Technician
JTA	Junior Technician Assistant
KISAN	Knowledge-based Integrated Sustainable Agriculture and Nutrition Project
LDO	Local Development Officer
LIBIRD	Local Initiatives for Biodiversity Research and Development
LOP	Life of Project
LSP	Local Service Provider

MEDP	Micro Enterprise Development Project
MFDB	Micro Finance Development Bank
MFI	Micro Finance Institution
MIT	Micro Irrigation Technology
MOAD	Ministry of Agriculture Development
MOHP	Ministry of Health and Population
MOU	Memorandum of Understanding
MPC	Market Planning Committees
MSFP	Multi Stakeholder Forestry Program
MSNP	Multi-sector Nutrition Plan
MT	Metric Ton
MUS	Multiple Use of Water Systems
NARC	Nepal Agriculture Research Council
NCCSP	Nepal Climate Change Support Program
NGO	Non-Governmental Organization
NNFSS	National Nutrition and Food Security Secretariat
NPAC	National Project Advisory Committee
OCAT	Organizational Capacity Assessment Tool

PACT	Project for Agriculture Commercialization and Trade
PCV	Peace Corps Volunteer
PERSUAP	Pesticide Evaluation Report and Safe Use Action Plan
PPP	Public Private Partnership
RISMFP	Raising Income of Smallholder Farmers Project
RSDC	Rural Self-reliance Development Centre
SACCO	Saving and Credit Co-operative
SDF	Social Development Forum
SDC	Swiss Agency for Development and Cooperation
SEAN	Seed Entrepreneurs Association of Nepal
SQCC	Seed Quality Control Center
SuDECC	Sustainable Development and Environment Conservation Center
SWOT	Strength, Weakness, Opportunity, and Threat
TOT	Training of Trainers
USAID/Nepal	United States Agency for International Development in Nepal
USG	United States Government
VDC	Village Development Committee
WASH	Water and Sanitation Health

WI	Winrock International
WIKISAN	Web Interactive Knowledge-based Integrated Sustainable Agriculture and Nutrition
WUG	Water User Group

INTRODUCTION

The United States Agency for International Development in Nepal (USAID/Nepal) awarded Winrock International a contract on February 14, 2013 for the Knowledge-based Integrated Sustainable Agriculture and Nutrition (KISAN) Project. This project is a part of the Global Presidential Initiative, Feed the Future (FTF), and is the flagship food security project of USAID/Nepal. The Project's overall goal is to sustainably reduce

poverty and hunger in Nepal by achieving inclusive growth in the agriculture sector, increasing the incomes of farm families, and improving nutritional status, especially of women and children. The project is implemented in collaboration with three Nepali organizations: Antenna Foundation Nepal (AFN); Center for Environmental and Agricultural Policy, Research, Extension and Development (CEAPRED); and Development Project Service Center (DEPROSC). During Year Two, the project is working in ten districts in the Bheri and Rapti Zones of the Mid-Western Development Region; six districts in the Mahakali and Seti Zones in the Far-Western Development Region; and in four districts in the Lumbini Zone in the Western Development Region. This multifaceted project will increase agricultural production and incomes, and improve the nutritional status of women and children under the age of five.

As per the contract (Section C.4.8.8 and F.4), Winrock must submit a quarterly progress report up to 30 days following each quarter. The quarterly report describes the accomplishments as compared to the targets and work plan. The Year Two, Quarter Three report covers the period between January 1 and March 31, 2014.

QUARTERLY HIGHLIGHTS

Major KISAN activities this past quarter are as follow:

- KISAN opened offices in the ten new districts in the West and Far-West.
- With support of the concerned District Agriculture Development Committees (DADCs), KISAN has finalized Village Development Committee (VDC) selection in all 20 districts. The Y2 detailed implementation plans (DIPs) has been finalized and group formation and training activities have been initiated.
- In the Mid-West, KISAN has helped beneficiary farmers and cooperatives to access quality foundation seed through collaboration with Nepal Agriculture Research Council (NARC) and District Agriculture Development Office (DADO). KISAN has also helped establish linkages with seed companies to procure the seeds produced by the farmers

- KISAN has assessed beneficiaries' access to credit in 510 groups in the Mid-West. Just over fifty percent of the 8,699 beneficiary farmers assessed are seen to have access to financial services. These are primarily with Savings and Credit Cooperatives (SACCOS), but some also have linkages to with Financial Intermediary Non-Government Organizations (FINGOs) and Micro Finance Development Banks (MFDBs). KISAN has finalized Memorandum of Understanding (MOU) with five institutions to affiliate KISAN beneficiaries with their financial services.
- This quarter, 608 farmer groups consisting of 11,409 farmers have been formed. As of March 31, 2014, the total number of groups formed has reached 2,550 with 29,326 farmers in the West, Mid-West, and Far-West.
- This quarter, KISAN conducted a total of 1,362 trainings for 14,171 farmers. To date, KISAN has conducted 1,605 trainings for a total of 20,288 farmers.
- KISAN conducted a total of 112 demonstrations on improved technology in this quarter. The demonstrations include the benefits of plastic house with drip irrigation to promote off-season vegetable production; lentil crop/seed production; seasonal vegetable production; and improved storage technology of cereals and legumes.
- AS of Q3 Y2, KISAN has established linkages with over 1200 farmer groups receiving USG assistance that include private enterprises, producers, organizations, water/community forest users associations, women's groups, trade and business associations, and community-based organizations (CBOs). KISAN farmer groups make up the majority of this number – 1183.
- KISAN entered into an agreement with Radio Bheri Awaj FM and Rani Talau MPC in Banke to broadcast market price of major high-value vegetable commodities on Rani Talau and Kohalpur markets to help make farmers aware of current market prices. KISAN will also provide technical support as required for the preparation of agriculture-related programs to be broadcasted. An agreement has also been signed between KISAN and Dhurb Tara FM in Dailekh to disseminate agriculture extension messages.
- This quarter, KISAN conducted a detailed SWOT assessment for 21 collection centers in the Mid-West. Following this, a production plan in 56 VDCs covering 14,296 households has been developed. The plan follows a market-led production approach, integrating timing

and variety of crops. Similarly, 19 MPCs have been identified in the West and 23 in the Far-West for strengthening activities in the coming quarter.

I. COLLABORATION AND COORDINATION EFFORTS

In order to promote sustainability, increase the program’s reach, and avoid duplication, KISAN collaborates with a variety of organizations including the Government of Nepal (GON), international non-government projects, USAID/Feed the Future projects, and other United States Government (USG) projects including Peace Corps, other agriculture initiatives, private sector, cooperatives and groups, and Non-Government Organizations (NGOs), and other donors working in KISAN Districts. Table I presents collaborations that KISAN has initiated this quarter. Details are presented under respective sub-headings.

Table I: Coordination and collaboration with GON and other stakeholders

Organization Type	Activities
GON	
DDC	KISAN worked with the DDC to conduct an agriculture exhibition; the DDC provided material support for haat bazaar formation; provided farmers agri-inputs support: seeds; plastic houses; crates; fertilizer; MIT technology and support; compost making; shed improvement; trainings; IPM technology
DADO	DADOs have supported formation of new CC/MPCs; enabled farmers to purchase diesel pump sets; agri-inputs support: seeds; plastic house; vegetable shipping crates; fertilizer for demos and

Table I: Coordination and collaboration with GON and other stakeholders

Organization Type	Activities
	cooperatives; MIT technology and support; compost-making; shed-improvement; trainings; IPM technologies and materials
VDC	VDCs have supported farmers to purchase sprayer/agriculture lime; income generation and collection center development; water harvesting tank support; canal rehabilitation; electric motors for pumps; seed bins for seed storage; sprayers; krishi electric pole; weighing balance boring; fencing, etc.
INGO	
Helvetas; MEDP	These INGOs gave helped farmers to establish plastic pond with taps; off-season cucumber production in plastic tunnels; conducted district level agriculture exhibition – 2014; provided material support to Rampur Haat Bazaar

FTF and USG Initiatives

Table I: Coordination and collaboration with GON and other stakeholders

Organization Type	Activities
CSISA; IPM-IL; PCV	<p>CSISA is jointly conducting spring maize trials and working with KISAN staff to review KISAN training materials. CSISA is also carrying out demonstration events to build awareness of improved and innovative techniques and technologies in KISAN working areas, including DSR.</p> <p>IPMIL is providing training in IPM technologies and vegetable grafting, and facilitating other linkages to bio-pesticides manufacturers. IPM-IL staff is working with KISAN to develop seed characteristics lists for agrovets and staff. Also developing pest identification sheets with KISAN staff.</p>
Other Agriculture Initiatives	
RISMFP; PACT; HVAP; NCCSP	<p>These high value agriculture projects have provided grants to farmers and groups to establish vegetable input support; plastic house to produce off-season vegetables, seed, crates; plastic ponds; agribusiness promotion</p>
Private Sector	
GATE; Gyan Agri Product	<p>KISAN facilitated linkages of KISAN farmer groups with commercial seed firms to buy farmer produced seeds</p>

Table I: Coordination and collaboration with GON and other stakeholders

Organization Type	Activities
Cooperatives and groups	
Zenith multipurpose Cooperative; Krishak Upkaar Multipurpose Cooperative; Suryodaya Multipurpose Agriculture Cooperative; Chameli Farmer Group; Pragati Farmer Group; Hari Krishna Seed Producer Cooperative; Nawajyoti Farmers Group; Ichchhuk Smriti Cooperative; Sagarmatha Micro enterprise development; Community forest	KISAN has worked with cooperatives to mobilize credit to provide loans to farmer groups that included the provision of watering cans -26pcs, sprayers-2pcs, seeds; supported commercial production and demonstration plots. Funds were also used to establish collection centers; to establish lentil and rice seed production;
NGOs	
NARC; LIBIRD; RSDC; SuDECC; SDF	These organizations supported farmers to purchase inputs for vegetable production; construct irrigation canals, and conduct agricultural activities; and quality foundation seeds for KISAN seed groups in lentils, maize, and rice

A. GOVERNMENT OF NEPAL

I. NATIONAL PROJECT ADVISORY COMMITTEE MEETING

The GON is a key partner for KISAN. KISAN works in close collaboration with the GON at all levels. The project established a National Project Advisory Committee (NPAC) comprised of senior GON personnel from the Ministry of Agricultural Development (MOAD), Ministry of Health and Population (MOHP), Department of Agriculture (DOA), Department of Livestock Services (DLS), Nepal Agriculture Research Council (NARC), and private sector personnel from Agro Enterprise Center (AEC) and Seed Entrepreneurs Association of Nepal (SEAN). This Committee is a forum for the government and key national level stakeholders to understand KISAN's activities and encourage their staff at the regional, district, and sub-district levels to work with KISAN staff. During this quarter, KISAN invited AEC and SEAN to join the NPAC based on recommendations made at the last meeting held in October 2013.

After consultation with the NPAC Chair and other members, the second NPAC meeting has been scheduled for April 17, 2014. All members have been formally notified of the meeting date and agenda and invitations have also been sent.

2. DISTRICT AGRICULTURE DEVELOPMENT COMMITTEE MEETINGS

KISAN closely coordinates with the various line agencies involved in food security in each district by participating in the District Agriculture Development Committee (DADC) meetings. In addition to keeping key district staff abreast of KISAN activities, the DADC meetings serve as a forum to share lessons learned and best practices with others implementing agriculture activities. During the third quarter, KISAN participated in seven meetings. Over the last two quarters, KISAN staff in all 20 districts have worked with DADCs and DADOs to finalize selection of 336 Village Development Committees (VDC) where KISAN will work. .

District level project orientation/inception meetings are continuing to be held in the Mid-West VDCs: 40 in the Bheri Cluster and 23 in the Rapti Cluster. This level of coordination is fostering opportunities to work with VDCs and district agriculture offices as show in the leveraging section. Field visits are being held with the DADOs, Local Development Officers (LDOs), and, in some cases, Chief District Officers (CDOs). KISAN will also hold VDC meetings in the new districts of West and Far-West regions. Details of leveraging are presented in Annex I.

3. REGIONAL LEVEL KEY GON MEETINGS

Senior KISAN staff participated in semi-annual reviews and planning workshops organized by the Regional Directorate of Agriculture in the Central and Far-West Regions in Pokhara and Dipayal. The objective of the meetings was to review progress of the first quarter and plan for 2070/71. The meetings provided an opportunity for KISAN to interact with DADOs and other regional staff and inform them about KISAN startup activities in the two regions. Staff presented the project progress so far and the plans for coming year. These meetings build relationships and avenues of communication to ensure coordination between KISAN and DADOs.

In the Mid-West districts, the Regional meeting occurred at the end of the previous quarter in Surkhet, and has resulted in cooperation and synergies between KKISAN and that regions DADOs in this reporting quarter. DADOs in the Mid-West districts are supporting KISAN activities. For example, in Pyuthan the DADO provided KISAN beneficiaries plastic to create tunnels to produce off-season vegetables, while the Dang, Bardia and Banke DADOs are undertaking similar activities. Details of leveraging are presented in Annex I.

4. COLLABORATING WITH GON'S NEPAL AGRICULTURE FOOD SECURITY PROJECT

During hill district DADC meetings, KISAN worked closely with the Nepal Agriculture Food Security Project (AFSP) staff and DADCs in the relevant districts to select VDCs and ensure that there is no overlap. Moreover, KISAN has included AFSP representatives in the KISAN NPAC, and will continue to seek avenues for collaboration directly with AFSP and through the NPAC platform.

5. OTHERS

Department of Agriculture and NARC

KISAN staff, in cooperation with NARC, DOA, AEC, and Cereal System Initiatives in South Asia (CSISA), took participants (farmer/mechanization dealers) from Banke, Bardia, and Dang districts to the farm mechanization fair in Chitwan organized by the DOA and NARC in February 21-24, 2014. This event has created linkages and raised awareness among farmers and traders regarding the importance of farm mechanization in agriculture. Participants met with machinery dealers, and are eager now to look for opportunities to introduce some farm mechanization equipment in their village or groups. Some observations from the fair are presented below.

There have been some good initiatives from the government and private sector for promotion of farm mechanization such as subsidies for farm equipment from DADO. The key to expansion of this sector will be private sector importers and dealers who will promote mechanization.

- Policy in the promotion of farm mechanization remains weak. Machinery importers and dealers are awaiting the GON's approval of the farm mechanization policy document which contains a number promotional subsidies and tax relief on imported farm machinery. KISAN is awaiting this approval as well as final approval of the Agriculture Development Strategy which also support agriculture mechanization.
 - Custom officers generally have no information about different types of farm machinery; they are unaware of the various equipment and parts, and therefore continue to levy the general 250 percent customs charges on them, instead of the specified 1 percent for agriculture-related imports. KISAN will continue to support CSISA/CIMMYT and the Agriculture Mechanization Association in their advocacy areas and may use the NPAC to bring this to the attention of the MOAD.
- The value chain for the sector is weak. For example, Although machinery may be available on the market, once sold there is a lack of qualified mechanics, limited repair and maintenance outlets and few spare parts for machinery and equipment.
- Access to finance is not adequate. Bank charges are high, and interest rates are high in financing farm machinery (16 percent) as compared to other machinery such as cars (9 percent). The availability of vendor-financing is negligible.
- Farmers especially liked two-wheel tractors power tillers with reapers and seeders attachments.
- Participants from Banke and Bardia have shown interest to fit reapers in their four-wheel tractors. This costs about NRs 135,000 including front side hydraulic and other accessory and fitting charges.
- As recommended by Dr. Muniappan from VaTech, head of the global IPM-IL, plastic seed trays were displayed for the first time in Nepal at the fair. These trays will be used for disease free production of vegetable seedlings and are new to Nepal. Farmers seemed to like the plastic seed nursery trays with coco pit fiber, which are being introduced as demonstrations in project districts. Using the plastic trays with coconut fiber as a media helps reduce disease and is very conducive for plant growth in vegetable nurseries.

Multi-Sector Nutrition Plan

KISAN is committed to the national food security agenda and continues to participate in the Multi-sector Capacity Development Working Group/National Nutrition and Food Security Secretariat (NNFSS) hosted at the National Planning Commission. This quarter, KISAN's PPP Manager and GIS Officer participated in a series of planning meetings as committee members. KISAN has also reviewed and provided inputs to the agriculture-related capacity development master plan being developed as part of the Multi-Sector Nutrition Plan (MSNP). KISAN will work with the MSNP pilot activities in Kapilvastu and Accham in coordination with the respective District Development Committees (DDC) and their DADCs.

Coordination Activities for Next Quarter

- NPAC meeting –The second NPAC meeting has been scheduled for April 17, 2014.
- DADC meetings – KISAN will continue to engage with district level GON agriculture authorities through DADC meetings in all 20 districts. In addition, KISAN will continue to work with VDC committees in all districts.
- KISAN will continue to explore possibilities for collaboration and linkages with GON, I/NGOs as well as private sector actors in KISAN working areas.

B. FEED THE FUTURE PROJECTS IN NEPAL

KISAN works with other USAID/FTF partners in Nepal to identify best practices and lessons learned to scale up within the KISAN Project. The two projects who are supporting KISAN are CSISA and the Integrated Pest Management- Innovation Laboratory (IPM-IL); KISAN is also coordinating with the Hill Maize Research Project (HMRP), and will seek support from the Livestock-IL once KISAN's livestock activities are underway.

KISAN will also work closely with its partner DEPROSC to facilitate FTF KISAN Component C Business Literacy project, as well as with the Global Health Initiative (GHI) Suaahara Project. Component C will provide literacy and Suaahara nutrition interventions to KISAN beneficiaries in common working areas.

FTF KISAN Component C Business Literacy

This quarter, USAID awarded the FTF Component C Business Literacy project to DEPROSC. Through this award, DEPROSC will address FTF Outcome Number 9 “Increased resilience of vulnerable communities and households through skills development”. The program integrates vulnerable groups through literacy, nutrition, life skills, disaster risk reduction (DRR) training, and entrepreneurship action-oriented education enabling women, youth, disadvantaged castes, and ethnic minorities to access agricultural and nutrition interventions. All 48,000 Component C beneficiaries will be selected from KISAN groups.

Suaahara

Winrock learned that USAID’s Suaahara Project will be working in four KISAN districts (Baitadi, Doti, Accham, and Dadheldhura) to improve nutrition and sanitation practices. The KISAN and Suaahara Chief of Party (COP) have held discussions to ensure coordination for the smooth rollout of Suaahara’s nutrition and sanitation interventions in KISAN beneficiary communities. KISAN has recently (March) been unofficially informed that Suaahara will eventually operate in the six to seven districts of the Mid-West.

CSISA

This quarter, KISAN, in coordination with the CSISA and IPM-IL project, carried out four technology-specific field demonstration events for farmers in common change agent fields. The demonstrations have taught farmers efficient rice, maize, and lentil cultivation techniques and technologies.

In coordination with the CSISA project, KISAN conducted three commercial spring maize demonstrations for farmers in Dang, Bardiya and Banke districts to show farmers improved technologies, and to demonstrate a number factors that affect the crop yields. These include differences in varietal output between hybrid (Rajkumar) and improved (Arun 2) cultivars; fertilizer doses; methods of sowing (broadcasting and line sowing); hand planting versus agri-mechanization in this case the use of jab planters; and inputs such as irrigation, etc.

CSISA is preparing a set of recommendations for KISAN to use for the upcoming cropping rice and summer maize season. Apart from normal practices it will include Directed Seeded Rice demonstrations and other activities.

IPM-IL

In coordination with the IPM-IL project, KISAN has increased awareness of improved IPM techniques among beneficiary farmers through demonstrations in bitter melon and cucumber production in farmer’s plots in Banke and Surkhet. The event have built awareness of IPM

techniques for staff and farmers on the use bio-pesticides; proper spacing; how to make and use bio-fertilizers; and cultivation techniques such as staking. The LSP and IPM-IL continue to demonstrate these techniques along the crop cycle. Farmers and KISAN staff are following the demonstrated technologies, and are adopting the staking approach to protect their standing crops. As part of the learning experience, pictorial representations of IPM-IL basic information were printed out as flex posters and distributed.

The lack of commercial access to IPM products can be a barrier to adoption of IPM technologies. Agricare is a private sector enterprise that is working with the support of the IPM-IL; it is building a country-wide supply network. In an effort to continue best practices, grow quality produce, and promote the private sector-led value chains, KISAN will tap into the existing Agricare network to help build the supply bio products and facilitate linkages between Agricare and KISAN agro-vets and farmers.

C. PEACE CORPS

KISAN will seek opportunities to engage Peace Corps Volunteers (PCVs) in project events and activities. PCVs based in the districts were invited to participate in the LSP Training of Trainers activity. KISAN understands that USAID sees a potential productive role for PCVs in helping farmer groups and local communities access external funding sources to carry out agriculture-related activities, such as VDC, Project for Agriculture Commercialization and Trade (PACT), and Raising Income of Small-holder Farmers Project (RISMFP) grants. KISAN will seek PCV involvement for the same. PCVs took part in eight trainings in Dang, Surkhet, and Pyuthan. Project staff is seeking to involve PCVs in the development of business plans for Market Planning Committees (MPCs) and in other activities depending on the interest and skill sets of those volunteers.

D. LEVERAGING RESOURCES

KISAN trains farmers and agro-entrepreneurs on ways to maximize crop production through improved technologies and approaches along the complete agriculture value chain. KISAN is linking KISAN beneficiary communities to locally available opportunities. This approach will ensure that KISAN trainings are cost effective, establish an environment for multi-stakeholder coordination, and minimize duplication of donor-funded activities in common working areas. In addition to leveraging from the collaborators mentioned below, KISAN also leverages resources from the

private sector. During this past quarter, KISAN leveraged funds from local and national GON bodies (DADO, VDC and DDC, other NGOs, International Non-Government Organizations (INGOs), and the private sector including agrovets and seed companies.

The leverage summary is presented below. This quarter, KISAN has conducted over 60 activities in coordination with various government and non-government entities in which KISAN has provided technical trainings and collaborative partners have supported the cost of materials.

I. GON

The government's decentralized fund disbursement approach involves a series of concept submission and review procedures at the district level, after submissions from the ward level to the DDC. These activities span from November (when the ward level proposals are submitted) to February (when the request for funding is approved by the DDC). KISAN district staff therefore invested substantial time in coordinating with VDC and DDCs in all districts. District Coordinators (DCs) participated in DDC assembly meetings in their respective districts and presented the tentative budget and KISAN project plan for BS 2071/72 as is the practice for all district based development organizations. This is part of the annual district budget planning as per the decentralized self-governance approach. All ten Mid-West districts have worked with farmer groups assisting them to link with and solicit VDC funds through this 14-step grant process during the previous quarter, and have been successful in mobilizing some funds in KISAN beneficiary communities as presented in Table III.

KISAN established a presence in the West and Far-West districts only in February-March 2014 and therefore was not able to participate in the complete 14-step process. The West and Far-West districts have, however, participated at DDC level planning meetings. We expect linkages to be made and funds to begin to be available in the next two quarters.

Table II: Coordination and leverage with GON

GON entity	District	Activity
DDC	Bardiya	Provided Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology
	Dang, Banke	Material support for the expansion of a Haat Bazaar
	Pyuthan, Dailekh, Surkhet, Banke, Bardiya	Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology
DADO	Banke	Support to establish a new CC/MPC
	Banke	Diesel pump
	Dailekh , Surkhet, Jajarkot, Dang, Salyan, Rukum, Rolpa, Banke	Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology/pesticides
VDC	Dang	Sprayer/Agriculture lime support

Table II: Coordination and leverage with GON

GON entity	District	Activity
	Dang	Water harvesting tank support for vegetable production
	Rukum	Income generation and to repair and strengthen an older collection center
	Rolpa	Canal rehabilitation
	Banke	Electric motor, seed bin, sprayers, krishi electric meter/pole, weighing balance, shallow boring, fencing, etc.
	Dailekh	KISAN signed agreements with four VDCs in Dailekh (Malika, Seri, Gauri, and Dadaparajul), in which KISAN will provide technical support to design irrigation systems, develop budget estimate, and mobilized irrigation technician staff to provide technical backstopping for VDC irrigation interventions.

2. DONORS

KISAN has signed a Memorandum of Understanding (MOU) with Helvetas to complement efforts in common beneficiary communities. The formalized document was signed between KISAN and Helvetas, with the understanding that it represents Swiss Agency for Development and Cooperation (SDC) and other Swiss-funded programs in Nepal. KISAN and Helvetas Lili project collaborated together to establish a plastic pond with a water tap in Ghakenkot VDC in Jajarkot. The two teams are exploring other joint opportunities in Dailekh and Accham districts in the coming quarter.

Likewise, KISAN continues to seek collaborations with other stakeholders active in KISAN working districts.

Table III: Coordination and leverage with multi-stakeholders

Collaborating Agency	District	Inputs Provided or sold by Collaborating Agency to KISAN Beneficiaries
NARC and seed cooperatives (with DADO)	Banke, Bardiya, Dang	Made 1,758 kg lentil source seed available to KISAN farmers
LIBIRD	Dang	Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology/pesticides
RISMFP	Dang, Dailekh	Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology/pesticides

Table III: Coordination and leverage with multi-stakeholders

Collaborating Agency	District	Inputs Provided or sold by Collaborating Agency to KISAN Beneficiaries
MSFP with FECOFUN	Salyan	Agri-inputs support: seeds; plastic house; crates; fertilizer; MIT technology; compost-making; shed-improvement; trainings; MIT support; IPM technology/pesticides
RSDC		Irrigation canal construction agricultural activities
MSFP, USAID/ICCA, LI-BIRD	Dang	District level agriculture exhibition – 2014; material support to Rampur Haat Bazaar
Climate Intervention Project (CIP)	Rolpa	KISAN and CIP signed an MOU to channel irrigation support to the farmers that are part of both CIP and KISAN. As part of this arrangement, KISAN will provide technical support to the groups, and CIP will construct irrigation systems. The collaboration will benefit more than 225 households.

3. PRIVATE SECTOR

In view of establishing sustainable and market-led value chains in seed production, vegetable production and in rice, maize, and lentil, KISAN is seeking to engage the private sector in KISAN activities. As indicated in the previous quarter, KISAN facilitated business linkages between several farmers groups and agribusiness, GATE Nepal (Global Agri-Tech Nepal). GATE will purchase and sell quality lentil seeds. KISAN seeks to expand on this partnership through a general agreement between GATE and KISAN, and has begun discussions to that end. This quarter GATE Nepal procured 157 Mt rice seed from KISAN farmer groups in Banke, Bardiya and Dang with an additional 25% to farmers on top of the market price.

Likewise, in view of facilitating market linkages for lentil and maize crops, KISAN has initiated collaborations with the K L Dugar Group for lentil and with Nimbus for maize crops.

Through the upcoming grants activity, KISAN envisages various opportunities to integrate private sector actors, including in the farm mechanization and livestock breeding value chains.

II. ACCOMPLISHMENTS COMPARED TO TARGETS

During this quarter, KISAN staff finalized key start up activities (see section on Management and Administration, page 56) and began working on activities to support agriculture production. This section describes the activities conducted in this quarter as per the work plan. Only Component A activities of the work plan have been approved, and no activities to promote nutrition have been conducted.

A. COMPONENT A, IRI: IMPROVED AGRICULTURAL PRODUCTIVITY

Component A addresses food insecurity in Nepal by increasing rural people's productivity of rice, lentils, and maize, and will increase smallholder incomes through the promotion of high-value agricultural production linked to markets and functional supply chains. The agriculture component has five outcomes.

I. OUTCOME I, SUB-IR I.1: FARMERS RECEIVED IMPROVED AND INCREASED AGRICULTURAL INPUTS

KISAN addresses poor access to quality inputs (particularly seeds) by improving the distribution inefficiencies, and works to improve currently limited access to credit. KISAN will improve seed production and availability by introducing and scaling-up community-based seed production, and through the use of well adapted seed varieties (e.g. flood and drought tolerant, and short duration rice seeds). The table below presents the KISAN targets and achievements regarding increasing the quantity and improving the quality of seed inputs. KISAN farmers produced 35 tons of lentil seeds this quarter, and has facilitated the production of a cumulative 275 tons of rice and lentil seeds in Y2 so far. Maize seed production is yet to begin.

Table IV: Increase the Quantity and Improve the Quality of Seed Inputs. (ton)

Crop	Y2 target	Y2Q1	Y2Q2	Y2Q3	Y2Q4
Rice	170	0	240	0	0
Maize	73	0	0	0	0
Lentil	10	0	0	35	0
Total	253	0	240	35	0

Likewise, KISAN has assessed beneficiaries' access to credit in 510 groups in the Mid-West. Just over fifty percent of the 8,699 beneficiary farmers assessed are seen to have access to financial services. These are primarily with Savings and Credit Cooperatives (SACCOS), but some also have linkages to with Financial Intermediary Non-Government Organizations (FINGOs) and Micro Finance Development Banks (MFDBs).

Activity A.1.1 Increase the Quantity and Improve the Quality of Seed Inputs

A.1.1.1 Strengthen value chain.

1. Seed sector assessment interaction workshop (seed company, agrovet, cooperatives, DADO, NARC)

The DADO Rolpa and the KISAN Project have met to determine how to coordinate on seed production and improve the seed sector. As a result of the meeting, the Rolpa DADO and GATE Nepal have requested that KISAN work with farmer seed groups in five VDCs (Jhenam, Dubring, Dubudanda, Sakhi, and Nuwagaun). Moreover, other groups involved with the DADO in KISAN VDCs will be provided with technical support.

A.1.1.2 Increase quality seed production.

1. Lentil seed production

KISAN is addressing lentil farmer's knowledge gap by training farmers on improved lentil seed production. During the last quarter, staff improved the capacity of 60 lentil farmers in five groups on seed production in Banke, Bardia, and Dang districts (see Table V). Through these efforts KISAN facilitated access to 1758 kg of lentil foundation seed for farmers from the DADO, cooperatives, and NARC. It is expected that about 35 Mt of lentil seeds will be produced from the 44 ha area under cultivation. The farmers are producing the lentil seeds and selling it to GATE Nepal), cooperatives, and keeping some for their own use. GATE will clean the seeds they buy from farmers, grade it, test it for germination, and store it until ready to sell, bag it, and then sell the seeds. The popular varieties used in the seed production are Khajura-2, Maheshwar Bharati, and ILL-7723.

2. One-day lentil seed production Training

Staff carried out three one-day lentil seed production trainings in Dang and Banke districts. DADO agronomists also provided technical assistance in the training for 66 seed producer farmers. The objective of the training was to create awareness about the importance of quality seed (choose the plants with the best attributes) in agriculture, and how to produce quality seed in the field. The training focused on technical

practices such as understanding the difference between lentil seed and lentil for consumption; varietal knowledge; weeding practices; irrigation timing; harvesting timing ; threshing criteria; disease and pest management; packaging for storage; certification processes; tagging criteria, etc. Since the training, farmers report that they understand lentil seed cultivation requirements better – how lentil seed cultivation differs from crop cultivation for consumption; where to access quality seeds; and varietal attributes.

Table V: Lentil seed production summary

SN	Group name	Address	Farmers participated	Variety	Production area (ha)	Source seed (kg)	Estimated seed production (Mt)
1	Krishak Upkaar Multipurpose Cooperative Ltd	Bethani, Banke	27	Khajura-2 & Maheshwar Bharati	37.22	1489	29.78
2	Chameli FG	Mohammadpur, Bardia	10	Khajura-2	1.5	60	1.20
3	Pragati FG	Mohammadpur, Bardia	3	Khajura-2	0.3	12	0.24
4	Suryodaya Multipurpose Agri.Coop	Bela, Dang	7	Khajura-2 & ILL-7723	3.07	123	2.45
5	Shivashakti FG	Rampur, Dang	13	Khajura-2	1.87	75	1.49

	Total		60		43.95	1758	35.16
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3. Rice seed production

KISAN has supported 111 farmers from four groups established during the previous quarter to produce 243 Mt rice seed in Banke, Bardia, and Dang districts. Of this, 157 Mt of the produced amount has been sold through GATE Nepal and seed cooperatives (see Table VI). Farmers have retained the remaining 86 Mt of seeds for their own use: some to barter with neighbors, and some to sell within the community. Some of the popular varieties used in rice seed production are Sabitri, Radha-4, Sabha, and Makawanpur.

The arrangement with GATE Nepal is very beneficial for farmers – GATE Nepal is procuring rice seed based on market price of normal rice, with an additional 25% paid to farmers on top of the market price.

Table VI: Rice seed production and marketing summary

SN	Group name	Address	Farmers participated	Variety	Actual seed production (Mt)	Marketed quantity of seeds (Mt)	Marketed To whom (Org)	Marketed quantity of seeds (Mt)
I	Krishak Upkaar Multipurpose Cooperative Ltd	Bethani, Banke	27	Radha-4, Sabitri, Sukha-3	77.6	2.25	GATE Nepal	75.37

2	Hari Krishina Seed Producer Coop	Sorahawa, Bardia	46	Radha-4, Sawa, Makwanpur	129.4	129.4	GATE Nepal	
3	Nawajyoti Farmers Group	Padnaha, Bardia	19	Sawa, Radha-4, Sabitri	30.7	25.1	Budhan Multipurpose Agri. Coop	5.6
4	Ichchhuk Smrithi Agriculture Cooperative	Lalmatia, Dang	19	Radha-4, Bindeshwari	5.7			5.7
	Total		111		243.4	156.75		86.67

4. One-day seed crop inspection training

Buy-back arrangements with seed companies require that seed crops be inspected and that seeds meet certain pre-agreed standards. GON has qualified district level SQCC seed inspectors who serve as valuable resources to farmers groups. In spite of this opportunity and the benefits to farmers of maintaining quality seeds, farmers do not know how to differentiate between healthy seeds, breed quality, how to take seed samples, or how to manage weeds. To address this gap, KISAN staff, in coordination with the DADO, conducted four seed crop inspection one-day trainings in Banke and Bardia districts. The objective of the training was to teach participants various methods of seed crop inspection in the field. A total of 80 farmers participated in the training including 35 female participants. DADO technical staff provided technical knowledge and

skills in seed crop inspection in the training. After the theory session, farmers participated in hands-on knowledge and skill development in the field. During the training, farmers learned different methods of seed crop inspection in the field and importance of seed crop inspection. Since the training, all participating farmers reported that the seed crop growth is better; many have established new linkages with commercial buyers such as GATE Nepal.

5. Mobile training

Weeding and rouging are an essential to seed crop management practice. In continuation of the seed trainings for the farmers mentioned above, KISAN staff conducted two mobile trainings in seed plots for rouging in Banke and Bardia districts for 30 farmers. The mobile training provided knowledge and practical skills on seed crop inspection and removal of off-type plants and diseased plants from seed plots. Special attention was given on methods of removing off-type plants (rouging) in the seed crop for quality control. In the mobile training, farmers learned to identify off-types and diseased plants, as well as ways to remove them from the field.

6. Seed crop inspection

As a follow-up to the seed inspection training in Banke and Bardia districts, KISAN linked farmer groups to two crop inspections in beneficiary lentil fields to maintain the seed quality. KISAN mobilized local DADO technical staff from the Seed Quality Control Center (SQCC) in each district to carry out this activity. DADO staff completed seed inspections in Krishik Upakar cooperative, Harikrishina Cooperative, and Chameli and Pragati farmers groups. DADO SQCC technicians worked with seed producers from the cooperatives and groups to implement the lentil crop seed inspection activity. The inspection did not indicate any objectionable weeds or off-type plants. Farmers were advised to maintain clean fields by regularly removing weeds.

Activity A.1.2 Increase Availability of Inputs

KISAN will conduct an assessment of agrovets to identify products and farmer requirements to increase their productivity and income. Based on preliminary community assessment, KISAN has identified farm communities that needed improved water supply and credit. During the quarter, the project worked on addressing these two issues.

Irrigation support to farmers

Irrigation is an essential input for high value commercial agriculture, but many marginalized small holder farmers are raising vegetables on unirrigated land and lack access to water. To address this need, KISAN is demonstrating how low pressure drip irrigation is working in selected communities and to teach farmers how to set up and utilize micro irrigation systems. KISAN will set up 185 or more such demonstration plots over the life of the project, where staff will support a lead farmer in buying small drip kits and plastic (for plastic house), and will carry out regular trainings on the plot so that the lead farmer and others can learn new techniques and technologies.

During this quarter, a total of four irrigation systems were installed that demonstrate the value of the systems. Two are in Banke (Puraini 9 and Puraina 7) and two in Bardiya (Motipur-7 and Magaragadhi 4). The project has signed agreements with four different VDCs in Dailekh district (Malika, Seri, Gauri, and Dadaparajul), in which KISAN will provide the technical support to design irrigation systems, develop a budget estimate, and mobilize irrigation technician staff to provide technical backstopping for VDC irrigation interventions as part of VDC activities.

In addition, in Rolpa (Dubring and Jhenam VDCs) the KISAN team, along with the Climate Intervention Project (CIP) team, has signed an MOU to channel irrigation support to farmers involved in both CIP and the KISAN projects. As part of this arrangement, KISAN will provide technical support to the groups, and CIP will construct irrigation systems. In Dubring VDC (wards 2, 3, and 9), CIP will construct irrigation schemes that will benefit all the groups in the area.

In Nuwagaun and Jhenam (wards 2 and 4) VDCs, CIP is constructing an irrigation canal to directly benefit at least 50 individual households (HHs); an additional 100 HHs will gain services as indirect user groups. As per the MOU, KISAN will provide technical support in agriculture to indirect HHs which are not KISAN groups. The total estimated cost of canal construction is NRs 17.5 Lakh. In Sakhi and Dubudanda VDCs, CIP

is constructing an irrigation canal in VDC Sakhi-6 where at least 25 HHs from Devasthan Krishak Samuh will benefit directly, and another 50 HHs indirectly. As per the MOU, KISAN will also provide technical support to the indirect HHs. The estimated total cost of canal construction is NRs 14.5 Lakh.

MIT dealers' linkage strengthening workshop and linkages with KISAN change agents

Limited linkages between VDC level input supply dealers and their potential clients is a challenge in rural areas. Farmers are not aware of their options, how to utilize irrigation systems effectively, or where to access agriculture input supplies including micro irrigation systems. KISAN conducted two micro irrigation technology (MIT) dealer linkage strengthening workshops in Dailekh and Surkhet districts. The event has successfully established sustainable linkages between agrovet/dealers with KISAN change agents, leader farmers in farmer groups (FGs), local service providers, and other related stakeholders. Of the total 27 participants, 22 were men and five were women.

The participating stakeholders, however, suggest that the level of sharing from agrovet was not satisfactory. Participants representing agrovet were mostly relatives/someone known to the owners. Despite continuous follow up from the project, agrovet owners continue to hesitate to participate in the workshop/meeting because they need to attend to their businesses. Because of this, the representatives mostly appeared to be unaware of marketing activities. As a result, KISAN will plan further trainings at cluster levels so as to increase the agrovet owners' participation.

Activity A.1.3 Increase Credit Availability in KISAN Districts

KISAN will work with farmers to help them identify credit challenges, assess current credit services, and to help marginalized groups access services. KISAN will also form and strengthen MFIs cooperatives.

KISAN's approach is to help farmers understand how to access credit (increase demand) and train finance organizations on how to assess the risk of farmers and how to profit by working with small holder famers (increase supply).

I. Curriculum and Material Development for TOTs

KISAN will develop curriculum and materials for Training for Trainers (TOT) for Change Agents to use in their training. Training is common across all KISAN outputs. KISAN will develop varied technical curricula that will be used to train change agents. The training manual for the three-day TOT for LSPs and VDC level staff on the concept of saving, credit, and basic bookkeeping was developed this quarter. The manual was developed as a guideline for the training curricula, materials, and methodologies to be used in conducting the TOT for KISAN LSPS.

2. TOT for LSPs on saving credit and basic bookkeeping

During this quarter, KISAN conducted a total of six TOTs on basic savings, credit, and bookkeeping for LSPs and key district staff. The main objectives of the trainings were to develop LSPs as trainers in basic savings, credit, and bookkeeping in order to implement KISAN's savings and credit related activities.

A total of 131 field staff, including 74 LSPs from Rapti and Bheri clusters in the Mid-West, participated in the training; 47 were female participants.

DADO representatives assisted staff in conducting the trainings. The sessions focused on four identified approaches to increase the financial access of beneficiaries through:

- Groups and saving credit;
- Cooperative approach;
- Microfinance development banks/institutions and their services; and
- Financial services through related vendors along the KISAN value chains.

The participatory event also introduced participants to various books to be used for keeping records of group saving credit transactions. The training also included hands-on exercises on book keeping and reporting of financial access.

Pre- and Post-Tests

The effectiveness of the trainings were measured using pre- and post-tests to capture participant knowledge on group saving, cooperatives, microfinance, and bookkeeping prior to, as well as directly following, the three-day event. The pre-test indicates that only 45 of the 131 participants passed with basic knowledge of the sector (where the pass mark was determined as 50). The remaining 86 participants failed. After completing the training, the post-test was administered and the score revealed the effective progress on participant knowledge of saving credit and group level bookkeeping. Out of 131 participants, all participants have passed the test, and can also complete the saving credit bookkeeping exercise properly. The average score in the pre-test was 44 percent, and the average score of the post-test increased to 81.7 percent. Out of a possible 100 marks, three participants (LSPs) scored 98 percent (highest) in the post-test.

Most participants reported that they clearly understood the various forms of financial access, as well as the concepts of savings and credit.

Table VII: Status of pre and post result of 3 day frontline staff TOT on saving credit and basic bookkeeping

District	Test	Total	Participants		Maximum score	Minimum score	Average
			Passed no	Failed no.			
Nepalgunj	Pretest	27	8	19	84.5	22.5	43
	Post test	27	27	0	97	69	82
Surkhet	Pretest	31	10	21	77.5	15.5	42.7
	Post test	31	31	0	91.5	55.5	79
Dang	Pretest	25	14	11	75	21	48.9
	Post test	25	25	0	94	55	81.5

Salyan	Pretest	17	5	12	73	26	41
	Post test	17	17	0	89.5	61.5	75
Pyuthan	Pretest	18	6	12	63	19.5	45
	Post test	18	18	0	93.5	68.5	85
Bardiya	Pretest	13	2	11	68	30	42.8
	Post test	13	13	0	98	78	90
Total	Pretest	131	45	86	84.5	15.5	44.2
	Post test	131	131	0	98	55.5	81.7

3. Present status of financial access of KISAN beneficiaries

KISAN is conducting a survey to assess the beneficiaries' current situation regarding access to credit and to identify existing savings groups. This quarter, KISAN identified 510 savings and credit groups that include KISAN beneficiaries in Rapti and Bheri Zones in the Mid-West. The survey and compiled data indicates out of 8,699 beneficiaries from the 510 groups, 5,405 are currently members of savings groups and already accessing group saving credit. Of these, 986 beneficiaries are accessing financial services through cooperative savings and credit. One thousand and twenty-three beneficiaries are accessing services through MFDB/FINGOs saving credit. The data collection and compilation process is ongoing and will be completed in the coming quarter.

Table VIII: KISAN Farmer Group's access to credit in Mid-west region

No of groups	Beneficiaries	Through group saving credit	Through Cooperative saving credit	Through MFDBs and FINGOs	No access to any financial institution
510	8,699	5,405	986	1,023	1,285

KISAN will analyze beneficiaries' access to finance within the West and Far-West regions in April 2014. KISAN conducted an orientation for staff and LSPs on how to collect the data and conduct the one hour saving credit orientation in the Mid-West region in January and February, and in each West and Far-West district in April.

4. One hour orientation on concept of saving credit in groups

Group savings credit is an important approach to increase access to financial services for KISAN beneficiaries. To initiate group savings in newly formed farmers groups, a handout has been developed and district teams oriented on effective group mobilization. KISAN has designed a one-day orientation for farmer groups to help them start group level savings credit services.

During this quarter, KISAN oriented 327 farmers groups in group savings and credit activities. KISAN will work with these groups to strengthen their capacity to establish savings activities in KISAN communities, mobilize their existing capital in productive income generating activities in KISAN communities, and will facilitate savings groups to access wholesale loans from commercial and FINGOs and MFIs banks should they need it.

5. Interaction meeting with existing Cooperatives, FINGOs, and MFDBs

In addition to building farmers' understanding on how to access credit, KISAN also worked with micro finance institutions (MFIs). Staff held 21 informal meetings with various micro finance institutions in the Mid-West, including linkages to MFI/Cooperatives in Rolpa district to facilitate sustainable livelihoods through agriculture credit for at least 14 farmers groups.

As a result, KISAN has finalized and established formal MOUs with five Saving and Credit Cooperatives (SACCOS), Financial Intermediary Non-Government Organizations (FINGOs) and Micro Finance Development Banks (MFDBs) to link KISAN beneficiaries to their financial services.

Agreements with an additional three financial cooperatives from Dang and Bardiya are also being finalized. These agreements will link our beneficiaries with MFIs and FINGOs to access funds to KISAN groups and related service providers/enterprises, enabling farmers and entrepreneurs to make productive agriculture-related investments along the KISAN value chains. Through these MoUs, KISAN will mobilize beneficiary communities, train them in productive agriculture practices, help them establish linkages, and help them to market their produce. This creates a conducive environment for financial service providers to disburse their products, including loans. The SACCOS, FINGOs and MFDB will mobilize lending in the KISAN communities.

Likewise, linkages to MFI/Cooperatives in Rolpa district show promise in facilitating sustainable livelihoods through agriculture credit for at least 14 farmers groups

Table IX: List of financial organization affiliated to KISAN beneficiaries

District	Saving and Credit Cooperative	FINGO	Microfinance Development Bank
Salyan	Pragati saving and Credit Cooperative Ltd		
Rolpa	Gadhilekh Saving and Credit Cooperative Ltd	Mahila Sahayatra Laghu Bittiya Sanstha	
Pyuthan		Mahila Samudaiyik Sewa Kendra	Swabalamban Microfinance Development Bank
Total	2	2	1

Activities for Next Quarter

- Two irrigation demonstrations featuring electric pumps, plastic pumps, drip irrigation, or shallow tube wells.
- Two Multiple Use Water Systems in coordination with WUPAP, and plastic pond construction in coordination with Dailekh and Jajarkot DADOs.
- Business plan training event for FINGOs in all 20 districts.
- LSP Savings and Credit and basic bookkeeping ToT in West and Far-West clusters.
- Two needs-based trainings for key members of co-operatives.

2. OUTCOME 2, SUB-IR 1.2: IMPROVED CAPACITY OF AGRICULTURE EXTENSION WORKERS, SERVICE PROVIDERS, AND FARMERS

Under Outcome 2, KISAN will train change agents and farmers in all 20 districts. Change agents include staff, GON extension workers, service providers (agrovets, local service providers, and local companies), commercial agribusiness, lead farmers, cooperatives, and marketing committees. The training material for change agents is being finalized, and continues to be updated following recommendations made by KISAN subject matter specialist assessments, including those made by marketing consultant Tom Green and post-harvest expert Kirsten Green in the previous quarter. Specific recommendations are:

Marketing expert – Strategic and business planning and post-harvest training for change agents – MPC/CC, coops, wholesalers.

KISAN has included post-harvest training to farmers, which KISAN based on inputs of the Post-Harvest consultants.

Integration of suggested machines and equipment (moisture meter, threshers, etc.) which KISAN will try as much as possible, maybe through GUC.

Post-harvest training to change agents, e.g. commercial agribusiness.

Table X shows the number of agriculture extension workers, service providers, and farmers trained this quarter as compared to the Y2 targets and life of project (LOP) targets. A total of 14,171 agriculture extension workers, service providers, and farmers have been trained this reporting quarter. This quarter KISAN has trained 14,171 individuals in short-term agricultural sector productivity or food security training, and supported 166 agriculture extension workers, service providers and farmers to successfully complete exams at end of training. The cumulative number of individuals trained so far in Y2 is 20,288. Similarly, a total of 166 agriculture extension workers, service providers, and lead farmers have successfully completed exams at end of their trainings this quarter. The target for Y2 is 390. These trained change agents will support Outcomes 1, 2, 3, 4 and 5.

Table X. Outcome 2: Improved capacity of agriculture extension workers, service providers and farmers

Q2	Performance Indicator	Target Y2	Achievement Y2	Achievement (Y2Q3)	Target LOP	Achievement To Date
2.1	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training.	32,900	20,288	14,171	200,000	20,288
2.2	Number of agriculture extension workers, service providers and farmers who	390	166	166	960	166

successfully complete exam at end of training.					
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Activity A.2.1 Train Change Agents

KISAN will train Junior Technician/Junior Technical Assistants (JT/JTA), LSPs, MPC/ Collection Centers (CCs), commercial agribusinesses, agrovet/local companies, cooperatives, water user groups (WUG), community forest user groups (CFUG), and business associations as change agents in beneficiary communities. Small agrovetts will also be supported to obtain certification and licensing. A total of 166 individuals have been trained as change agents this quarter in the Mid-West Districts. Table XII shows the number of change agents trained per district disaggregated by sex. Table XIII, shows the types of change agents trained during the quarter.

Table XI: Number of agriculture extension workers, service providers and farmers who successfully complete exam at end of training

District	Total	Male	Female
Banke	26	17	9
Bardiya	29	10	19
Dailekh	15	10	5
Dang	27	19	8
Jajarkot	10	7	3
Pyuthan	13	6	7

Table XI: Number of agriculture extension workers, service providers and farmers who successfully complete exam at end of training

District	Total	Male	Female
Rolpa	10	8	2
Rukum	10	3	7
Salyan	13	9	4
Surkhet	13	7	6
Total	166	96	70

A.2.1.1 Develop curriculum and materials for TOT for Local Service Providers to use in their trainings.

Continuing the efforts from the previous quarter, staff have finalized technical curricula and designed change agent TOTs. The trainings will build change agent capacities in varied technical activities and orient them to other related issues such as business planning and management, gender sensitivity, environmental impact, how to train others, and communications skills.

A.2.1.2 Identify Change Agents and Conduct Training Sessions.

The KISAN team is working to identify individuals who can serve as potential change agents in the KISAN production areas. Staff identified 61 LSPs in the previous quarter. A total of 166 LSPs have been trained on improved agriculture production so far this quarter. Seventy-five LSPs have also received training on group savings and credit.

Activity A.2.2 Organize Farmers into Groups and Cooperatives

KISAN staff began forming farmers groups in October 2013 and will continue doing so through the coming quarter.

This quarter, 608 farmers groups consisting of 11,409 people have been formed. Of this, a total of 253 groups consisting of 4,168 farmers have been formed in the Bheri Cluster and 162 groups of 3,248 farmers in the Rapti Cluster in the Mid-West districts. Women account for around 75 percent of group members. As of March 2014, a total of 2,550 farmers groups consisting of 29,326 people have been identified.

Activities have begun in the West and Far-West districts this quarter, beginning with group formation. A total of 60 groups consisting of 1,280 farmers have been formed in March in the West. Of the group members, 818 are female and 462 are male. Likewise, 126 groups have been formed in the Far-West, covering 2,713 farmers. Priority was given to poor and marginalized households. Of the group members, 1,956 are female and 757 are male.

Table XII: Number of Group Formation in Districts

District	Group formation (Y2Q3)	Male	Female	Total members	Cumulative Group formation	Male	Female	Total members
Mid-West								
Banke	120	865	1,837	2,702	239	1,756	3,570	5,326
Bardiya	57	404	901	1,305	249	1,373	4,126	5,499
Dailekh	5	17	24	41	83	374	1,397	1,771
Dang	117	750	1,627	2,377	267	1,654	3,921	5,575

Table XII: Number of Group Formation in Districts

District	Group formation (Y2Q3)	Male	Female	Total members	Cumulative Group formation	Male	Female	Total members
Jajarkot	-	-	-	-	45	328	587	915
Pyuthan	15	172	233	405	90	468	1,431	1,899
Rolpa	11	117	166	283	45	308	694	1,002
Rukum	12	12	33	45	44	191	716	907
Salyan	7	27	111	138	49	291	625	916
Surkhet	71	52	68	120	1246	277	1,246	1,523
Far-West								
Achham	9	37	153	190	9	37	153	190
Baitadi	17	121	262	383	17	121	262	383
Dadeldhura	8	67	122	189	8	67	122	189
Doti	17	52	357	409	17	52	357	409

Table XII: Number of Group Formation in Districts

District	Group formation (Y2Q3)	Male	Female	Total members	Cumulative Group formation	Male	Female	Total members
Kailali	27	112	462	574	27	112	462	574
Kanchanpur	48	368	600	968	48	368	600	968
West								
Argakhanchi	10	45	156	201	10	45	156	201
Gulmi	12	79	186	265	12	79	186	265
Kapilvastu	25	260	267	527	25	260	267	527
Palpa	20	78	209	287	20	78	209	287
Total	608	3,635	7,774	11,409	2,550	8,239	21,087	29,326

Activity A.2.3 Train Farmers on Improved Production and Post-Harvest on Rice, Maize, Lentil, and Vegetables

In order to improve accessibility and availability of nutritious foods, KISAN trains farmers to grow vegetables that have market demand to increase their income, and promotes improved varieties of rice, maize, and lentils to increase food security. KISAN is introducing new

technologies and techniques such as growing vegetables in raised beds; sowing seeds in lines in nursery beds; timely and proper land preparation; and plastic houses/tunnels to cultivate off-season vegetables. KISAN has also started trainings on both seed and crop production of rice, maize, and lentils.

During the quarter, staff conducted trainings in all ten Mid-West KISAN districts as scheduled. Farmers will receive a series of six trainings per year over two crop cycles.

Table XIII: Number of Farmers Trained on Improved Production and Post-Harvest Practices

District	One-day nursery management training	One-day crop production management/post-harvest and marketing	Mobile crop plantation/plant protection/post-harvest marketing and other
Banke	245	62	4
Bardiya	233	101	0
Dailekh	87	69	4
Dang	261	127	2
Jajarkot	36	42	11
Pyuthan	112	21	28
Rolpa	45	14	15

Rukum	47	41	1
Salyan	48	55	29
Surkhet	46	21	14
Total	1,160	553	108

This quarter, KISAN conducted 1,362 trainings (multiple) on a range of topics for 741 groups. Trainings provided to farmers vary based on the agro ecosystem:

- 970 one-day Nursery Management and Crop Production Management trainings;
- 107 one-day Crop Production Management and Marketing trainings; and
- 215 mobile Crop Plantation/Plant Protection, Post-harvest and Marketing trainings.

Through March 31, 2014, KISAN conducted 1,605 trainings. Trainings will continue throughout Y2 in all project districts. The majority of farmers trained have been women. Table XVI shows the number of producer and farmer groups receiving trainings by district. Table XVII shows the number of individuals trained this quarter disaggregated by gender in each district.

Table XIV: Number of Producer/ Farmer Group Receiving Trainings

District	Number of groups receiving training (Y2 Q2)	Total cumulative number of groups receiving training
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Banke	197	238
Bardiya	154	251
Dailekh	71	83
Dang	240	267
Jajarkot	36	45
Pyuthan	71	90
Rolpa	32	47
Rukum	9	44
Salyan	40	46
Surkhet	54	72
Total	904	1,183

Out of 1,183 groups, 16 percent (190) groups are currently registered. Of those 190 groups, 95 percent (180) are registered in DADO, 4 percent (7) in cooperative, and 2 percent (3) in Small Cottage Industries.

The total number of trainings conducted includes trainings in vegetable production, as well as lentil, maize, and rice. Of the cereal crops (rice and maize) and lentil, KISAN has trained farmers on how to produce lentil, maize, and rice as seed crops, as well as food-crops. This quarter, KISAN conducted

1877 trainings focused on vegetable production, and over 30 on cereal crops and lentil.

Some of the trainings were conducted at the demonstration sites (see Outcome 3). KISAN staff used these sites to train farmers on a range of techniques such as the benefits of rhizobium inoculation; vegetable production; plastic house with drip irrigation for off-season vegetable promotion; lentil seed and crop production; improved vegetable cultivation packages, including practices in cauliflower, tomato, and onion production; and nursery establishment.

Table XV: Number of individuals who have received USG supported short-term agricultural sector productivity or food security training

District	Number of farmers trained (Y2Q3)	Male	Female	Total farmers trained cumulative	Male	Female
Banke	3,786	1,193	2,593	4,698	1,500	3,198
Bardiya	1,410	371	1,039	4,016	990	3,026
Dailekh	1,336	328	1,008	1,566	382	1,184
Dang	4,059	1,134	2,925	4,640	1,291	3,349
Jajarkot	644	31	613	699	46	653
Pyuthan	1,014	293	721	1,417	323	1,094

Rolpa	374	103	271	649	164	485
Rukum	239	53	186	907	191	716
Salyan	790	255	535	909	304	605
Surkhet	519	97	422	787	116	671
Total	14171	3858	10313	20288	5307	14981

Activities for Next Quarter

- Staff will continue a variety of one-day and mobile trainings for farmers. At least 2,600 one-day trainings, and at least 2,200 mobile trainings will be conducted.
- KISAN will identify, train and mobilize an additional 150 LSPs in

the West and Far-West districts. KISAN will also conduct a range of workshops/meetings with agrovets, MPCs, traders, DADO, etc. in which these LSPs will also participate.

- KISAN will conduct trainings for GON extension workers, agrovets and MPCs.

3. OUTCOME 3, SUB-IR 1.3: IMPROVED AND SUSTAINABLE AGRICULTURE PRODUCTION AND POST-HARVEST TECHNOLOGIES AND PRACTICES ADOPTED AT THE FARM LEVEL

To improve productivity, and better prepare farmers for climate change, KISAN will introduce new technologies to farmers through the trainings described in Outcome 2. For example, KISAN may improve water management through innovative capture technologies and efficient water usage methodologies such as multi-purpose ponds or micro-dams that incorporate irrigation and off-season crop production. Additionally, KISAN will show farmers how to improve their soil via conservation tillage practices, composting to increase soil organic matter, and improved irrigation practices. KISAN will report on this more fully annually based on sample surveys which will take place later in the year.

Overall, farmers lack access to improved technologies and cultivation practices of commercially viable crops. Farmers have also displayed limited awareness about the potential commercial value of certain crops such as vegetables.

Likewise, farmers are unaware of the new cultivation practices and the new varieties for lentils, rice, and maize. KISAN is promoting new methods and improved technology through its trainings and I I2 demonstration events this quarter to increase farmers' production. Details of activities conducted are listed after the table.

Table XVI: Demonstration Plots by District

District	Demonstration of plastic house with drip irrigation for off-season vegetable promotion		Demonstration lentil crop/seed production		Demonstration seasonal vegetable production		Demonstration of storage technology of cereals and legumes (Superbag, etc.)	
	Y2Q3	Cumulative	Y2Q3	Cumulative	Y2Q3	Cumulative	Y2Q3	Cumulative
Banke	3	5	13	22	9	15		
Bardiya			1	10				
Dailekh	2	2			7	7		
Dang	4	4	4	13	20	20		
Jajarkot					7	7		
Pyuthan	1	1			2	2		
Rolpa	2	2			2	4		
Rukum	2	2			11	11		
Salyan	1	1			8	8		
Surkhet		4	3	6		2	10	10

Total	15	21	21	51	66	76	10	10
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Activity A.3.1 Design Technical and Field-based Interventions to Improve Production Over the project lifetime, KISAN will carry out a range of trainings to enhance beneficiary capacities and improve agriculture productivity in KISAN working areas. Trainings will cover a range of improved techniques and technologies including land improvement/preparation practices; management practices; cultural practices; harvest and post-harvest practices; nursery management; and crop genetics. This quarter, KISAN trainings have oriented beneficiaries to the following:

Table XVII: Technical and Field-based Interventions to Improve Production

Technology Category	KISAN Improved Technology
Land improvement/preparation practices	Soil solarization Terrace improvement Type of soil for suitability for different crops
Crop genetics	Adopting improved and quality seed variety Use of draught tolerance seed variety
Nursery management	Raised/low bed nursery Polypot/polybag, tray nursery High bed nursery (tand) Mulching
Management practices	Use of plastic house/tunnel Use of MIT (drip/sprinkler/MUS/Treadle pump/plastic pond) Agronomy management (complementary mix, inter-cropping, mixed cropping, relay cropping, crop rotation) Off-season cultivation Use of nutrients and lime Line sowing, adequate spacing (both plant-to-plant and row-to-row). Direct seeding in case of rice, maize, and lentil.

Cultural practices	Adequate use of manure Raise bed farming Timely sowing Timely irrigation Timely weeding Staking, mulching Use of lure and traps Use of bio-fertilizer Balance use of fertilizer Adoption of IPM practices Judicial use of pesticides; use of Class III and IV pesticides Use of jholmol (liquid manure) Use of hormones for female flower induction (e.g. miraculan) Proper handling of sprayer
Harvest and post-harvest	Harvesting time (based on crop type) and time of harvest

Activity A.3.2 Identify Improved Post-Harvest Processes

Farmers noted that crops stored in farmers’ fields and demonstration sites develop powdery mildew and gradually deteriorate, resulting in substantial crop loss. During the previous quarter, KISAN hired a post-harvest expert to assess the existing post-harvest management situation, identify gaps in the process, and recommend modifications in the process to remedy the situation. The major finding of the assessment was that there is a significant crop loss at the farm-household level due to inefficient post-harvest handling. To help farmers understand the importance of proper post-harvest handling, KISAN staff carried out demonstrations of simple storage technologies that can prevent crop loss of cereals and

legumes using Superbags, etc. Such demonstrations are providing farmers vital information on effective and technically sound post-harvest management. A total of ten storage technology demonstrations for cereals and legumes using super grain poly bags were conducted in this quarter. All ten demonstrations were conducted in Surkhet district; 195 farmers participated, of which 162 were female and 33 male.

Activity A.3.3 Establish demonstration plots

Maize and crop demonstrations

In this quarter, KISAN collaborated with CIMMYT-CSISA and IPM-IL to conduct demonstrations. In Satbariya and Sonpur VDCs in Dang, CSISA/KISAN planted spring maize with different treatments so farmers can see the impacts of the different approaches. These spring maize demonstrations will show the differences between different varieties (hybrid and improved cultivation), fertilizer doses, methods of sowing (broadcasting and line sowing), manual operation versus agri-mechanization, weeding regimes, and irrigation regimes. CSISA also demonstrated differences between hybrid maize Rajkumar and improved variety Arun-2 by line sowing in 400 sq. m area in Bageswari VDC, Banke. KISAN staff bring KISAN farmers to the demonstration plot to discuss the differences.

IPM demonstrations

Similarly, in Puraina VDC, Banke, IPM-IL provided technical support to conduct a demonstration of bitter melon in order to show improved techniques. A field visit was jointly organized by KISAN, IDE/IPM-IL, and CIMMYT-CSISA in all three project common working areas in Banke and Surkhet. Details of this visit are presented as Activity A.3.4 Organize exposure visits. As part of the learning experience, pictorial representations of IPM-IL basic information were printed out as flex posters and distributed.

Off-season vegetable demonstrations

In the absence of storage infrastructure and vegetable processing industries, off-season and early season vegetable farming is a viable option to add value to the farmers' produce. Demonstration of off-season/early season vegetables in KISAN working areas is therefore important for both

for vegetable production and for promotion of drip irrigation technology. KISAN has conducted 15 demonstrations of plastic house with drip irrigation for vegetable promotion this quarter. Ten demonstration sites showcase plastic houses with drip irrigation in the Rapti cluster and five in the Bheri cluster. Refer to Table XVII. The demonstrations have helped farmers to understand the importance of the technologies in increasing production and controlling pests, insects, and diseases. Farmers have become motivated to adopt the technologies. In spite of establishing demand for the plastic house and drip technologies, though, there are some perceived challenges:

- The investment for the first crop cycle is very high.
- There is shortage of labor, and labor costs are high.

Lentil demonstrations plots

This quarter, KISAN established 21 demonstration plots that will show the differences between lentils inoculated with rhizobium versus those without inoculation. Of the 21 demonstrations, 17 were in the Bheri cluster and four in Rapti cluster. During the demonstrations, a 600 square meter plot was used to demonstrate improved technology, and a 300 square meter plot to deploy traditional methods of planting. The yields in these two fields will demonstrate the benefits of rhizobium inoculation through yield performance. The crops are harvested and yields will be reported only in the next quarter.

Demonstration of bio-pesticides

KISAN has been promoting bio-pesticides as an alternative to chemical pesticides. In this quarter, KISAN conducted a total of 85 demonstrations of bio-pesticide technology in the Mid-West. Of these, 73 demonstrations were conducted in the Rapti cluster and 12 in the Bheri cluster. These demonstrations show the farmers how to use locally available resources to prepare locally produced bio-pesticide known as Jholmol using material such as discarded plants, weeds, ripe fruit (except citrus), aromatic herbs (simali, tomato leaf, khirro, bhang leaf, dhaturu leaf, neem leaf, bojo leaf, asuro leaf), rotten chilli, ginger, turmeric, cow urine and cow dung, etc. Since it utilizes local resources for nutrient management and

plant protection, vegetable farmers are very positive about using IPM and Integrated Plant Nutrition System (IPNS). Jholmol works as a repellent for insects, controls soft body insects, and also provides nutrients to vegetables.

This approach has started producing results in the KISAN areas. The field of a KISAN beneficiary in Sitapur VDC showcased the technologies disseminated by the KISAN Project, including IPM. It was awarded second place in the 7th DADO National level Organic Fair in Kohalpur, Banke with a cash prize.

KISAN has carried out the preparation of bio-pesticide, conducted jointly with IPM-IL. The bio-pesticide is gaining popularity among farmers. The general observation and lessons learned from these demonstrations are as follow:

- Jholmol is easy and cheap to prepare; delivers speedy response to crops as a foliar spray, as well as directly as a soil spray; and makes optimal uses of local resources.
- Farmers are open to switching over from traditional production of agriculture to new improved technologies in nursery management and cultivation practices once they understand how to do it.
- Jholmol technology is more eco-friendly and cost-effective and hence should be promoted more.
- Although effective, Jholmol technology is comparatively less effective than chemical pesticides.
- But compared to chemical pesticides, which can just be used straight from a packet, jhol-mol takes longer to prepare.
- Farmers stand to gain high incomes from off-season vegetable production like cucumber, bitter gourd, and onion, and are very keen to adopt the technologies demonstrated.
- Demonstration plots should be frequently visited and monitored for better results.

Despite the anticipated improvement in productivity as a result of these demonstrations, there are a few challenges:

- Districts do not have adequate resources: the budget allocation to carry out demonstrations is limited, and the supply of quality seeds does not meet the current needs in the district.

- Unexpected and excessive rainfall four times in the winter this quarter has damaged an estimated 30 percent of the crops in the low lands and 5 percent of the upland crops.

Activity A.3.4 Organize exposure visits

KISAN will organize exposure visits for change agents to CSISA, HMRP, IPM-IL, CEAPRED, GON farms and research stations. KISAN farmers will also participate in one-day intra district exposure visits to change agent demonstration fields replicating CSISA, HMRP, IPM-IL, CEAPRED, GON farms and research station technologies. KISAN will conduct these in the coming quarter. Joint visits to common sites are however ongoing. KISAN, together with IDE/IPM-IL and CIMMYT-CSISA jointly organized a visit to common sites in Banke and Surkhet as outlined on page 59. An outcome of this visit is that the KISAN and CSISA teams have decided to develop the common VDC of Gaddi in Surkhet further as a potential demonstration site. KISAN, CSISA and IPM-IL will plan a visit to Gaddi to identify the most potential sites for this purpose.

Activity A.3.5 Develop extension messages

Lack of farmer awareness about improved agriculture techniques and efficient technologies remains the major challenge in developing agriculture systems in Nepal. Lack of awareness about pesticide use and safety, and improved pest management practices are also challenges. In this quarter, KISAN and IPM-IL teams organized several meetings with stakeholders to develop an information extension system to transfer validated IPM-IL technologies in KISAN districts. The IPM-IL team shared information about successful integrated pest management and bio-pesticide packages. Both the teams also agreed to extend these packages in KISAN districts, and to ensure access to IPM products by linking local agrovets to the supply network developed by Agricare, a private sector enterprise supported by IDE-Nepal/IPM-IL. In this regard, KISAN has met with Agricare in Kathmandu to explore various avenues for collaboration. These potentially include:

- Disseminate IPM agriculture messages through Agricare KISAN Call Center.
- Promote bio-pesticides in agrovet stores on the KISAN working areas.

KISAN conducted several meetings with CSISA to discuss adoption of successful varieties of rice, maize, and lentil, based upon the trial. The FTF partnership will continue throughout the project, KISAN will replicate successful CSISA interventions once the trails are complete, and CSISA recommends them.

Price broadcasting through FM /radio

KISAN entered into an agreement with Radio Bheri Awaj FM and with the Rani Talau market Committee in Nepalgunj, Banke to broadcast wholesale market prices of major high-value vegetable commodities of the Rani Talau and Kohalpur markets. The MOU agrees that the market will establish prices and provide the radio station with the information of the agreed prices for them to announce.

KISAN will disseminate crop prices through local FM radio networks, and will also support FM stations to develop agriculture-related programs in the coming quarter by providing technical support as needed. For this, KISAN will pay NRs 25,000 annually to Radio Bheri Awaj FM for its services. KISAN will also provide necessary training for capacity building of Rani talau MPC as part of the market development program. Radio Bheri Awaj FM Radio will broadcast the market price/market information just before the news at 6 PM three times a week (Sunday, Tuesday, and Friday) effective from April 1, 2014. As per the the MOU the stations will report on wholesale market prices of major high-value vegetable commodities of the two big markets. This is expected to enhance agriculture productivity in KISAN VDCs in Banke district, and encourage farmers to utilize the information to get better prices for their produce. This service is expected to fill the current gap in market price information, enabling farmers to make informed decisions about where to sell produce based on where they can get the best prices. In recognition of the need to establish a sustainable model that can continue beyond the project period, KISAN will explore possibilities to integrate the FM related activities with local GON authorities as well as with local private sector and FNCCI bodies.

Similarly, an MOU was signed between KISAN and Local FM Dhrub Tara in Dailekh to broadcast extension messages in the district. The agreement will come into effect from April 1, 2014, and will be valid until 30 March, 2015 The extension messages will disseminate improved

agriculture production technology, post-harvest technology, promote farming as a business, IPM technology, value addition and marketing activities, IPNS, improved cultural practices, MIT technology, highlight KISAN success stories, etc.

Activities for Next Quarter

- KISAN will conduct post-harvest trainings for farmers and complete mobile trainings.
- KISAN will conduct post-harvest trainings for wholesalers and MPCs.
- KISAN will begin trainings in the ten West and Far-West districts.

B. COMPONENT A, IR 2: INCREASED AGRICULTURE VALUE CHAIN PRODUCTIVITY LEADING TO GREATER ON- AND OFF-FARM JOBS

KISAN will coordinate with Component C, the Livelihoods Component, to teach farmers and rural residents how to increase their revenue and profit when they invest in productive assets that improve product quality.

4. OUTCOME 4, SUB-IR 2.1: IMPROVED MARKET EFFICIENCY

Outcome 4 will focus on establishing market linkages for farmers and creating demand for both inputs and farm outcomes. Under Outcome 4, KISAN is developing collection centers, strengthening wholesale markets, and improving the availability of market information to ensure farmers can continue to sell their high-value agriculture products. Table XVIII shows the number of Collections Centers and MPCs established and functioning due to KISAN facilitation. KISAN has facilitated the establishment of 11 CCs/MPCs this quarter; the cumulative number established so far in Y2 is 15.

Table XVIII. Outcome 4: Improved market efficiency

Performance Indicator	Target Y2	Achievement Y2	Achievement Y2Q3	Target LOP	Achievement LOP
Number of collection centers/MPC established and functioning via facilitation of USG (either through funding or leveraging)	30	15	11	50	15

Activity B.4.1 Conduct Assessment of Collection Centers and Markets

During the previous quarter, KISAN conducted an initial assessment of MPCs by mapping collection centres and major markets in the ten Mid-West districts. This quarter, KISAN continued this activity and conducted informal meetings with 77 MPCs. Of the 77 MPCs, only 51 were found to be functional. Primary reasons why collection centres have closed include limited agriculture production, inadequate business/market-led production planning, lack of markets, and increasing trend of outside traders collecting produce directly from farmers.

KISAN is expanding activities in the West and Far-West from this quarter, and has conducted market assessments in these regions as well. A total of 19 MPCs/haat bazaars have been identified in the Western cluster and 23 in Far-Western cluster. Table XXII provides a summary of MPCs in the Western and Far-Western Regions. As in the Mid-West, a SWOT (Strength, Weakness, Opportunity, Threat) analysis of existing marketing committees has been planned to identify suitable support for strengthening these marketing committees, their markets, and to develop linkages with other marketing channels for sustainable operations.

Table XIX: Functional and non-functional MPCs in Western and Far-Western Regions

Region	District	Functional MPCs	Non- functional MPCs	Total
Western	Kapilvastu	6		6
Western	Gulmi	1	3	4
Western	Palpa	4	2	6
Western	Arghakhanchi	2	1	3
Far-Western	Kanchanpur	3	4	7
Far-Western	Kailali	16		16

KISAN has conducted a detailed SWOT assessment of 21 collection centers in the Mid-West. Of the assessed collection centers, three were in Pyuthan, four in Dang, four in Salyan, four in Banke, and six in Bardiya. The key findings of the SWOT were as follows:

- Lack of sufficient crops in production pockets is a major barrier to sustainable operation of CCs.
- MPC members are inactive.
- In terms of physical access, collection points are not easily accessible to farmers.
- Extended road networks have extended collection options so traders and farmers have access to points of collection closer to them. This means that overall market access is improving, but that not all CCs may be viable.

Activity B.4.2 Identify Priorities and Plans for Agricultural Collection Centers and Wholesale Markets

KISAN will coordinate with representatives of district-specific committees, other district-based line agencies and other stakeholders to identify GON resources (i.e. block grants) that can be accessed by KISAN to support the rehabilitation or establishment of new collection centers and/or wholesale markets. For collection centers to be successful, we need to ensure that farmers are producing enough marketable products. Therefore, this quarter, KISAN has developed a production plan for 14,296 households in 56 VDCs in the Bheri cluster in the Mid-West: Bardiya -18; Banke -19; Surkhet -7; Dailekh -7; and Jajarkot -5. The six month plan covers winter rice, maize, and lentil crops. The plan follows a market-led production approach, integrating timing and variety of crop to establish systematic production supply system as per local needs. KISAN farmer groups in these VDCs will follow these plans for subsequent crop planning.

KISAN has also been extending support to MPCs and CCs to help farmers take advantage of market opportunities and to help farmers become more responsive to traders' demands, access, appropriate inputs, and to advocate for their members. In this process, KISAN conducted a series of meetings in Baraha VDC, Dailekh between traders and MPC members. An MPC formation- meeting was organized to orient the 82 members about the MPC formation process and preliminary activities for this process. As a result of the interaction, a new MPC consisting of 13 members (three female and ten male) has been established.

Activity B.4.4 Strengthen Market Linkages

Likewise, KISAN conducted a total of 19 follow-up meetings with MPC/CCs in the Mid-West in Banke (4), Bardiya (2), Surkhet (2), Dailekh (2), Jajarkot (2), Rukum (3), Pyuthan (2), Rolpa (1), and Salyan (1). As a result of these meetings, KISAN has helped CCs/MPCs identify specific market-related issues. It has also helped MPC/CC define roles and responsibilities of members. Following these meetings, KISAN provided support to strengthen ten MPC/CCs as detailed in next section.

Activity B.4.5 Identify and Strengthen Existing MPCs

This quarter, KISAN worked to strengthen ten existing but non-functional MPC/CC/Haat bazaars in the Mid-West: one in Surkhet, one in Banke, Bardiya, one in Dailekh, two in Dang, two in Rukum, one in Rolpa, and one in Salyan. In Dang, KISAN provided one MPC in Rampur VDC support in terms of a weighing balance and office stationary.

The primary reasons attributed for closure of MPC/CCs were found to be:

- Mass production of same type of vegetable crops; production without any market-led business planning.
- Lack of proper linkages with markets and traders.
- Inability of farmers to get fair market price for their produce.
- Lower volume of vegetables produced for commercial market.

Similarly, other contributing factors were cited as:

- Lack of proper irrigation for off-season vegetable production.
- Regular practice of trading vegetables outside of production groups or CC markets by some farmers for higher prices.
- Lack of effective operational and management planning among MPC and its members.

The meetings trained MPC/CCs on essential management processes including:

- Annual recordkeeping (cost price and selling price); next year planning.
- Crop-wise yearly vegetable production charts.
- How to provide TOT for MPC members, and coordinate with various line agencies, including DADO, other MPC, regional MPCs, etc.
- How to conduct productive discussions with stakeholders including MPC members, traders, retailers, agrovets, and dealers.

All members of MPCs are committed to coordinating with KISAN and other NGO/INGO to establish sustainable agriculture markets and marketing approaches. An MPC in Thala, Jajarkot has few resources and needs to call members together to reactivate the committee. Dalli, also in Jarjakot, has a collection center building funded by other projects, but lacks crates, a scale, etc.) Following a series of discussions, meetings, and interactions with MPC executive members, advisory board members, member farmers from existing and new farmer groups, local traders, and available local people and agrovets, it appears that the Dalli CC can potentially be revived to serve the local community. KISAN has committed to support the DADO and agrovets to revive the CC.

Activity B.4.6 Strengthen Wholesale Markets

No activities were conducted to strengthen wholesale markets this past quarter.

Activity B.4.7 Form and Strengthen New MPCs and Establish Collection Centers

As indicated in earlier sections, MPC SWOT analysis indicate a number of general issues that are factors contributing to inefficient MPC operation:

- Production volumes are low, executive members of MPCs are inactive, and market information systems are very weak.
- In terms of physical access, collection points are not easily accessible to farmers.
- Extended road networks have extended collection options so traders and farmers have access to points of collection closer to them.

Previous efforts in the field also indicate that agrovets and markets will be sustainable only if projects avoid providing free inputs to farmers. Farmers do not value free inputs and therefore lack ownership.

Overall, market access is seen to be improving, but the SWOT indicates that not all CCs may be viable. Taking these factors into consideration, KISAN has assessed MPC viability, and has established a total of six new MPCs this quarter: three in Banke and one each in Bardiya, Dailekh, and Pyuthan. The new MPCs will provide services to 6,100 farming households and mobilize communities by helping them develop and work using crop production plans.

Activity B.4.8 Explore and establish ICT Market Information System Needs

KISAN beneficiary farmers can benefit greatly from the existing market system if they can obtain better access to essential market-related information such as enhanced knowledge of cultivation and production processes, and market prices.

A preliminary analysis of the information needs in KISAN working areas indicates the following major gaps in market-related information:

- Products for aggregation are insufficient or low in volume.
- The market management knowledge and skills are inadequate.
- The market information system is weak and knowledge of price discovery mechanism inadequate.
- Knowledge of post-harvest handling is inadequate.
- Further capacity strengthening production and marketing activities will be more sustainable for regular operation of MPCs.
- Vegetable marketing institutional structures (MPC/CC) are weak. Strong support and linkages are required to make them viable.
- Group members/traders do not understand the importance of the MPC/CCs.
- Timely follow up and interactions are crucial in establishing business linkages between farmers groups and output traders, input suppliers and MPCs.
- The volume of vegetables produced locally is inadequate for trading in commercial markets.
- Most MPCs do not have a market-led business plan for commercial vegetable farming.

To address these perceived gaps, KISAN will develop a Market Information System based on local needs. The first step in this regard will be to collect supply and demand-side market information to develop market-led production planning. This will be implemented in the coming quarter.

Activities for Next Quarter

- Develop strategic and business planning for improved capacity of wholesale markets and collection centers.
- Extension messages will be developed and disseminated through FM/radio and other media on improved technology.
- Market price information will be compiled and broadcast through local FM/radio.
- Provide training to targeted MPCs to strengthen their capacity.

5. OUTCOME 5, SUB-IR 2.2: INCREASED CAPACITY OF GON AND LOCAL ORGANIZATIONS

KISAN will build the organizational and technical capacity of local organizations to access and implement USG funding in future activities. Winrock plans to use the Organizational Capacity Assessment Tool (OCAT) to measure the ability of local organizations and build their capacity in areas where they are weak. With respect to the GON, capacity building will be undertaken in agriculture research and extension. As of Q3 Y2, KISAN has established linkages with over 1,200 farmer groups receiving USG assistance private enterprises, producers, organizations, water/community forest users associations, women's groups, trade and business associations, and community-based organizations (CBOs). KISAN farmer groups make up the majority of this number – 1183.

Activity B.5.1 Increase Capacity Building of Local Organizations

As per verbal communication, USAID has suggested that Winrock hold off on building the capacity of local organizations that will eventually take over the KISAN Project activities

Activity B.5.2 Strengthen Partnership with NARC and Universities for Innovation Dissemination

Although no specific tasks to strengthen partnership with NARC and universities for innovation dissemination have been conducted this quarter, until the Outcome 5 approach is finalized, KISAN continues to coordinate with NARC in whatever way possible. NARC is a member of the KISAN NPAC and is consulted with in all major KISAN activities and events at national and district levels.

Activity B.5.3 Strengthen Entrepreneurial and Organizational Skills of Small Enterprises and Community-Based Organizations.

KISAN has worked extensively with local organizations in the project districts, particularly in the Mid-West. KISAN has worked to strengthen CC/MPCs, cooperatives, seed networks, as well as agrovets and equipment suppliers.

During the last quarter, KISAN has facilitated the formation of six new MPCs in the Mid-West; another ten non-functional MPCs were revived. In the process of reviving these non-functional MPCs, KISAN has facilitated linkages between MPC members, traders, retailers, agrovets, dealers, and KISAN LSPs. KISAN has built capacities of MPCs in recordkeeping of both produce and sales; next year planning; developing crop wise yearly production charts; and stakeholder coordination for produce marketing with DADO, other MPCs, and regional level MPCs. These MPCs will coordinate regularly with KISAN and other development projects for sustainable operation of the market. KISAN will also conduct trainings for members of these MPCs in the upcoming quarter.

KISAN has also conducted several meetings with cooperatives on possible approaches to increase their outreach to KISAN farmers for both membership, as well as access to finance. Similar meetings were held with MFIs. In future quarters, KISAN in coordination with these coops and MFIs will identify the gaps that need to be strengthened and conduct specific trainings.

III. MANAGEMENT AND ADMINISTRATION

A. CONTINUED START UP AND EXPANSION

In addition to continued implementation of project activities in the Mid-West, this quarter KISAN has initiated activities in the Far-West and West as well. Considerable staff time has been spent on selecting VDCs in the remaining districts, preparing DIPs, and setting up offices in the new districts. The DIPs of both the regions have been approved, and field activities are being implemented as per the schedule. In view of smooth mobilization of activities, the Year Two DIPs for the West and Far-West will extend a complete calendar year from the final few months of KISAN's Year Two to the end of KISAN's Year Three: effective from March 2014 to February 2015.

I. VDC SELECTION

As with the ten Mid-West districts, KISAN staff has coordinated closely with DADOs to finalize KISAN VDCs in the Far-West and West districts. Most of this was completed in the previous quarter. This quarter, VDCs in the final remaining district (Gulmi) were approved by the Gulmi DADC on January 1, 2014. KISAN will be working in 15 VDCs in the district. Although VDCs for the nine districts in West and Far-West were finalized in previous quarters, activities formally began only in February 2014. See Table XXIII for the full list of KISAN VDCs.

Table XX: KISAN Working Districts and Final VDC List

District	No of VDCs	KISAN working VDCs
Far-Western region		
Achham	75	10
Baitadi	62	19
Dadeldhura	20	10

Table XX: KISAN Working Districts and Final VDC List

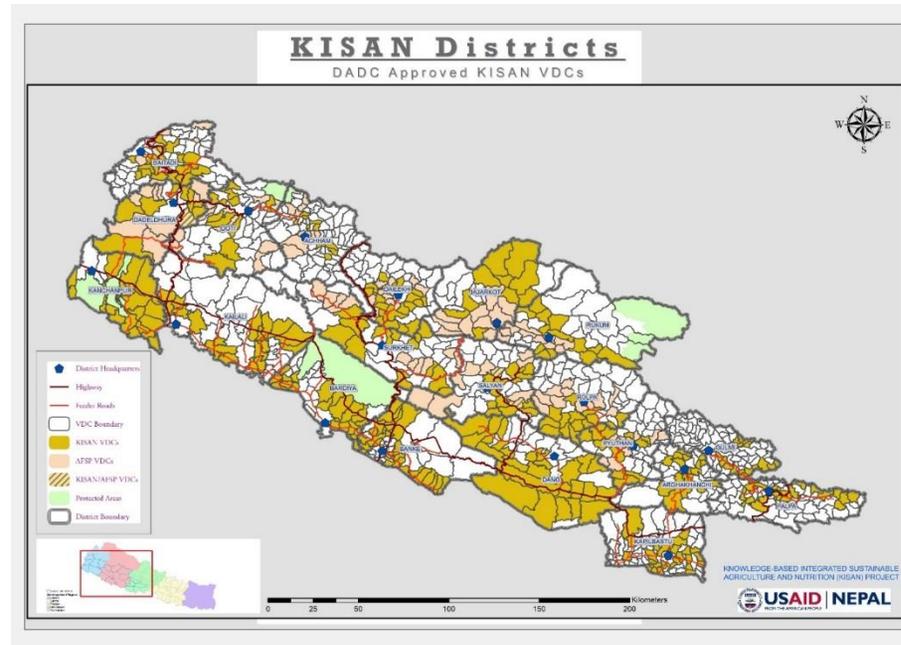
District	No of VDCs	KISAN working VDCs
Doti	50	10
Kailali	42	19
Kanchanpur	19	18
Mid-Western region		
Banke	46	25
Bardiya	31	18
Dailekh	55	20
Dang	39	26
Jajarkot	30	10
Pyuthan	49	13
Rolpa	51	14
Rukum	43	13
Salyan	47	15
Surkhet	50	15
Western region		

Table XX: KISAN Working Districts and Final VDC List

District	No of VDCs	KISAN working VDCs
Arghakhanchi	42	18
Gulmi	79	15
Kapilbastu	77	27
Palpa	65	21
Total	972	336

VDC Inception/interaction

KISAN staff conducted VDC level inception meetings in each of the new beneficiary selection/farmer group workshops were organized under the respective VDC secretaries. KISAN stakeholders including the VDC agrovets, representatives from CC/MPC, agriculture coordination committee, lead and representatives from NGO/INGOs discussions.



workshop

orientation and districts prior to formation. These chairmanship of invited various secretary, local member of VDC farmers, agro-traders, to participate in the

Table XXI: District wise VDC inception workshop

District	No. of VDCs
Dang	9
Pyuthan	9
Rolpa	2
Salyan	3
Kailali	10
Baitadi	4
Doti	6
Kanchanpur	9
Dadeldhura	5
Achham	4
Kapilvastu	8
Gulmi	3
Arghakhanchi	2
Palpa	5

During these events, the district team presented the and identified possible areas for partnership with the quarter, KISAN conducted 66 inception workshops in the Mid-West, West, and Far-West districts. As of this reporting quarter, inception workshops have been conducted in 77 VDCs in the Mid-west (23 in Rapti cluster and 36 in Bheri cluster), ten in the West, and 38 VDCs in the Far-West; this will be continued in the coming quarter. See Table XXI for details.

Total	77
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KISAN goal and objectives VDCs. This reporting

2. MOBILIZING STAFF

During this quarter, KISAN completed staff recruitment for the Western and Far-Western regions. KISAN has experienced a high rate of staff resignations during this quarter in the West, so KISAN staff has been continually hiring to fill vacant positions. Key positions have been filled at the regional and district levels, including: district coordinators, M&E manager, business development service officer (BDSO), marketing supervisor, and VDC coordinator. Screenings are ongoing for the BDSO and agriculture technician positions in additional districts. In the Far-West and West, the respective Cluster Managers have given a one-day orientation about the project, targets, and working modality to district teams before assigning them to their VDCs. This reporting quarter, KISAN has recruited 33 staff. The current status of KISAN staffing is presented in the table below.

Table XXII: KISAN Staff List

Staff by category	Organization	Kathmandu Staff	Nepalgunj Staff	District Staff	Total
Professional (Full Time)	WI	9	4	31	44
Professional (Part Time)	WI				0

Staff below Professional Level	WI	2		36	38
Support staff	WI	4	5	3	12
Pending Approval	WI				0
Total WINROCK Staff		15	9	70	94
Professional (Full Time)	CEAPRED	3	2	16	21
Professional (Part Time)	CEAPRED				0
Staff below Professional Level	CEAPRED			56	56
Support staff	CEAPRED				0
Pending Approval	CEAPRED				0
Total CEAPRED Staff		3	2	72	77
Professional (Full Time)	DEPROSC		1	4	5
Professional (Part time)	DEPROSC				1
Staff below Professional Level	DEPROSC			10	10
Support staff	DEPROSC				0

Total DEPROSC Staff		1	1	14	16
Grand Total		19	12	156	187

3. OFFICE LEASE AND PROCUREMENT

During this quarter, KISAN staff has focused on expanding the project to the Far-Western and Western Regions. Lease Agreement for these new offices had been finalized and approved by HQ by the end of February 2014. As of this quarter, all KISAN offices are in place and operational: the three district offices and one cluster office in the West; and the five district offices and one cluster office in the Far-West. The central office in Kathmandu and Regional office in Nepalgunj have coordinated with district offices to manage logistics: computers, printers and scanners, pick-up vehicles and motorbikes, generators, and inverters in the newly established district offices. In the past month Winrock has procured 10 motorcycles.

4. KISAN PARTNER COORDINATION

This quarter, partner coordination has primarily been at field and district levels, but upper management interactions between KISAN and partners also continue at the central level. A series of formal and informal meetings were conducted on March 20 and 21, 2014 with DEPROSC and CEAPRED during Winrock International's Vice President, Mr Ron Hubbard.

5. WIKISAN MONITORING SYSTEM

WIKISAN applications were successfully deployed on February 16, 2014. In this quarter, more than 55 users have been created in WIKISAN for data entry and to supervise the process in the districts. Data entry is ongoing: to date 1,183 groups, 2,017 trainings, and 15,685 individuals have been entered in WIKISAN. By April we anticipate that all data entry related to tasks already completed will be complete.

During the quarter, the M&E Coordinator and GIS Expert conducted a two-day 'WIKISAN web-based M&E system and GIS training for Mid-West district staff. The objective of the training was to orient district staff to the WIKISAN system, and to provide hands-on training to enter real time data from project districts. Along with the M&E training, the staff was trained to use GPS to collect location-based data, and was provided with basic GIS skills. Altogether, 40 field staff received the hands-on training to enter geo-enabled data into WIKISAN system.

Each KISAN activity and training needs to be entered into the WIKISAN database. M&E data collection forms for individuals, group, activities, and organizations are printed out and filled in. This data then needs to be entered into WIKISAN. In view of expediting the data entry process, and avoiding excessive use of staff time in managing the system, this quarter KISAN has hired 15 M&E interns to support M&E and other activities. District and regional staff have trained these M&E interns to enter the real time data properly. The internship program seeks to build the professional capacity of disadvantaged youth graduates. Most of these M&E interns are women and from marginalized groups from project districts. Annex V presents the list of M&E interns.

During the quarter, WIKISAN was updated to version 1.02 and made operational for data entry. More than 57 users were created in WIKISAN for data entry and data quality control. Data entry is ongoing to date. Data of 1,183 groups, 2,017 trainings, and 15,685 individuals have been entered in WIKISAN. Groups and training data have already been updated in WIKISAN, and by next month individuals related to the 1,183 groups will have been entered into the system.

In this quarter, additional M&E tools and data collection questionnaire leverage forms were pre-tested. The leverage forms have field guides that describe how to complete them to ensure staff completes the forms correctly and consistently. Similarly, project training data have also been entered in Trainet.

Geo-enabled Database System

GIS Expert is in the process of maintaining an up-to-date geodatabase system. Updated information on DADC approved VDCs were incorporated and district-wide DADC approved VDC maps were produced and sent to respective districts for validation. Additionally, information of other organizations working in similar sectors in KISAN districts was also updated into the database. Maps on existing

organizations in the region were produced to identify leverage opportunities. GIS datasets received from USAID have also been merged into the KISAN geodatabase. The Mid-Western, Western, and Far-Western region maps have also been developed in this quarter. See Annex III for KISAN project location.

6. TRIPS AND SIGNIFICANT MEETINGS

Access to finance

In this quarter, the KISAN approach to the access to finance activities has been finalized. The detail implementation plan and Statement of Work (SoW) have been developed, and the budget for Year 2 has been approved. The access to finance-related DIP has been developed and is in the process of being finalized.

IPM Observation visit

In the two day visit from March 13-14, 2014, KISAN organized an observation visit program for more than 20 scientists/experts officials from various institutions visited the sites, including USAID/Nepal, USAID/Tajikistan, USAID/Washington DC, IPM-IL, BFS/ARP/Research, USAID BFS/ARP, Fintrac, USAID BFS, Insight Systems Corporation/ USAID Bureau for Food Security, Insight Systems Corporation/USAID, US Tufts/Nutrition Innovation lab/HKI, AVRDC Taiwan, Center for Large Scale Social Change (CLSSC), and VirginiaTech.

Home Office Support

Two Winrock staff visited and supported the KISAN Project staff at no expense to the project. Ron Hubbard visiting the project and met with USAID staff to ensure the project was progressing in a positive manner and to identify ways to increase activities. Home Office Coordinator, Erin Hughes, visited the KISAN office the last week in March and met with the USAID program team to learn about USAID's interest in KISAN having a stronger market based approach.

B. KISAN PROJECT AMENDMENT AND MODIFICATION

Based on a number of meetings and discussions with USAID in March and early April, including interactions in the field and in Kathmandu with the USAID scaling team, Winrock is in the process of developing a modification proposal for KISAN. Winrock deeply appreciates the willingness of the USAID mission to work directly with the KISAN team in the development of this proposal.

This proposed modification will remove nutrition components from the contract and expand activities in the areas of the Grants under Contract (GUC) and the USAID Forward transition grants. In addition, KISAN will expand its efforts in the market side of the program, specifically in Outcomes 1 and 4.

Winrock has submitted an early draft of the Scope of Work and hopes to submit a final draft by or before the 22nd of April. KISAN and USAID expect that this will be the first of several proposed modifications submitted to incorporate the suggestions of the USAID “scaling team”.

C. CONTRACT DELIVERABLES

As of March 2014, Winrock has finalized and submitted all the deliverable documentation for project implementation as required by the contract. USAID has asked Winrock to modify most of the deliverables to reflect the changes in KISAN activities after the anticipated modification is approved. Table XXIII shows the current status of deliverables.

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
Management Plan	March 31, 2013 Revised and resubmitted April 7, 2013	Component A approved April 18, 2013	30 days

Table XXIII: Contract Deliverables

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
Life of Project Implementation Plan	May 15, 2013 Revised and resubmitted December 3, 2013	Received comments from USAID/Nepal on June 27, 2013. Received interim approval Feb 7, 2014	15 days
Procurement Plan	August 2, 2013	Received comments from USAID/Nepal on August 14, 2013	
Monitoring and Evaluation Plan	June 5, 2013 Revised and resubmitted October 22, 2013	USAID comments received July 9, 2013 Received interim approval Feb 7, 2014	30 days
Year One Annual Work Plan	Year One portions submitted on August 16, 2013	Approved August 26, 2013	

Table XXIII: Contract Deliverables

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
Year Two Annual Work Plan	Component A portion submitted August 26, 2013.	Component A approved on October 7, 2013	30 days
Outreach and Communications Plan	Submitted June 26, 2013 Resubmitted November 8, 2013 Resubmitted December 2, 2013	Received interim approval February 7, 2014	15 days
Environment Mitigation and Management Plan	Submitted May 22, 2013 USAID comments received August 26, 2013 Resubmitted December 3, 2013	Received interim approval February 7, 2014	
PERSUAP	Informal sharing of the report on third week of July	Awaiting Approval	

Table XXIII: Contract Deliverables

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
	Submitted October 17, 2013 USAID comments received October 30, 2013 PERSUAP submitted November 25, 2013 USAID comments received February 7, 2014 PERSUAP submitted March 21, 2014 Resubmitted April 1, 2014		
Monthly Reports	March 31, April 30, May 31, June 30, July 31	Approved	
Quarterly Progress Reports	Submitted April 30, 2013 for Year 1 First Quarter Submitted November 1, 2013 for Year 2 First Quarter	Received acknowledgement of receipt from USAID/Nepal Awaiting Approval	

Table XXIII: Contract Deliverables

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
	Submitted January 30, 2014 for Year 2 Second Quarter; resubmitted February 26, 2014	Awaiting Approval	
Annual Performance Report	Annual Report submitted on August 9, 2013 USAID comments received on August 13, 2013 Resubmitted October 10, 2013	Received interim approval February 7, 2014	
Grants Under Contracts	August 14, 2013 Re-submitted the Grant Flow Cycle Chart (was part of original document) October 16, 2013	USAID comments received on February 7, 2014 to incorporate revisions related to Mod 2	
Security Report	August 14, 2013	No Issues	

Table XXIII: Contract Deliverables

Deliverable Documentation	Date Submitted	Status	Resubmission dates after Modification
Emergency Preparedness and Response Plan	August 14, 2013		
Branding and Marking Plan	August 15, 2013	Received interim approval February 7, 2014	

D. WINDOWS OF OPPORTUNITY GRANTS UNDER CONTRACT

This quarter, KISAN has resumed grant planning and conducted meetings with USAID and within the KISAN team to mobilize the grants program. Following consultations with USAID, it has been decided that livestock activities in the KISAN Project will be carried out entirely through the grants program. Deliberations with government and other stakeholders in the sector have indicated that there are very few government operated breeding centers, and no private institutions involved. Promotion of artificial insemination (AI) to improve the breed of large ruminants has therefore been identified as the activity with most potential. Large ruminant breeding will be a part of this activity. KISAN is developing a grants activity to pilot artificial insemination for large ruminants in an effort to strengthen sustainable breeding practices as part of the livestock value chain. The activity is innovative in that it will be synchronized with the GON livestock breeding center, but will be implemented by private sector actors. The pilot activity will be implemented in the selected pockets in Kapilvastu, Dang, Banke, Bardiya, Kailali, and Kanchanpur districts. A detailed Terms of Reference (TOR) and invitation for Expression of Interest have been drafted, and will be released in the coming quarter.

Winrock is in the process of developing a modification proposal for KISAN to expand activities.

Activities for Next Quarter

- Two six-day TOT for KISAN DC, PO, and BDSO on concepts related to cooperatives, policy and account, MFDB, MFIs, business planning.
- Home Office Coordinator, Erin Hughes plans to travel to Nepal to work on the annual workplane and annual report.
- COP Bill Collis has been requested by USAID to travel to the US for the Feed the Future Global Forum.
- New modules will be added to WIKISAN in the coming quarter. In addition KISAN will hold an event to familiarize USAID partners and others in the use of WIKISAN.

IV. ANTICIPATED FUTURE PROBLEMS, DELAYS, CONDITIONS, AND CONSTRAINTS THAT MAY ADVERSLEY AFFECT THE IMPACT OF THE PROGRAM

Visit of USAID Administrator

In late January, the USAID Mission Director visited several KISAN farmer sites as well as the KL Dugar Rice and Lentil Mill in Nepalgunj. KISAN was informed at that time that the USAID Administrator would be visiting the Nepalganj in late February. For the next four weeks, senior KISAN staff and District staff in Banke were very involved in trip preparation, making three trips to Nepalganj, involving various communities and a number of others who would have been available to meet the Administrator. The week before the visit, it was determined that the Administrator would not visit Nepalganj.

In Dailekh and Jajarkot, rain and hail storms during the second week of March affected standing crops (vegetables and cereals), destroying about 30 percent of crops (as reported by the World Food Program). The storms affected KISAN working VDCs including Bindhyabasini, Paganath and Dadaparajul VDCs in Dailekh and Khagenkot in Jajarkot.

V. SECURITY ISSUES

During this quarter, there were no significant political disturbances or strikes in Kathmandu and project districts. There was one-day strike declared during the quarter, due to petroleum price hike, but it didn't affect the project districts. See table below for details.

Table XXIV: KISAN Security Reporting				
Date	Region	District	Description	Risk Level
March 19, 2014	Central region	Kathmandu	The agitating student alliance called Kathmandu Valley bandh due to hike in petroleum price by 55%	Low
January-March, 2014	Mid-West, Far-West, West	All 20 districts	Everything is normal in all districts during reporting period.	Low

I. ENVIRONMENTAL IMPACT

As part of KISAN's Initial Environmental Examination (IEE), the project developed a Pesticide Evaluation Report and Safe Use Action Plan (PERSUAP) that outlines currently used agrochemicals, or those that may be used in the future. Winrock has made several resubmissions in the

reporting quarter following USAID feedback, and is currently making final adjustments to the document submitted on April 1, 2014 based on comments received on April 8.

Although the PERSUAP remains to be approved, KISAN is already reinforcing the importance of safe pesticide use to staff and project beneficiaries. In this respect, KISAN has printed out double-sided pocket-sized laminated cards that list the pesticides recommended to be permitted in the KISAN project on one side, and recommended clothing when using pesticides on the other.

ANNEXES

ANNEX II: NAME LIST OF M&E INTERNS

S.N.	Name of Intern	District	Date Joined
1	Ms. Sharmila Tharu	Banke	March 25, 2014
2	Ms. Durga Thapa	Banke	March 25, 2014
3	Mr. Sanjeev Verma	Banke	March 28, 2014
4	Ms. Sadhana Jha	Bardiya	March 23, 2014
5	Ms. Anita Tharu	Bardiya	March 23, 2014
6	Ms. Radhika K.C.	Surkhet	March 12, 2014
7	Ms. Amrita B.K.	Dailekh	March 13, 2014
8	Mr. Santosh B.K.	Jajarkot	March 19, 2014
9	Ms. Rita Chaudhary	Dang	February 25, 2014
10	Ms. Birshikha Chaudhary	Dang	March 19, 2014
11	Ms. Ramita Jhakri Magar	Dang	March 27, 2014
12	Ms. Gita Budhathoko	Salyan	March 4, 2014
13	Ms. Pampha B.K.	Rukum	March 2, 2014
14	Ms. Gita Acharya	Rolpa	March 12, 2014
15	Ms. Kamana Shrestha	Pyuthan	April 6, 2014

ANNEX III: NEWS COVERAGE OF KISAN



