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## **Promoting Agriculture, Health and Alternative Livelihoods (PAHAL) Program**



**Cooperative Agreement No.:**

**AID-OAA-15-00001**

**Quarterly Report II (Q2, FY15)**

**1 January – 31 March, 2015**

**Submitted to: USAID Nepal**

**Submitted by: Mercy Corps**

## ACRONYMS

**COP – Chief of Party**

**DCOP – Deputy Chief of Party**

**GoN – Government of Nepal**

**iDE – International Development Enterprises**

**innovATE – Innovation for Agricultural training and Education**

**IPTT - Indicator Performance Tracking Table**

**KISAN – Knowledge-based Integrated Sustainable Agriculture and Nutrition**

**MC – Mercy Corps**

**MoAD – Ministry of Agricultural Development**

**MoFALD – Ministry of Federal Affairs and Local Development**

**MoHA – Ministry of Home Affairs**

**MoHP – Ministry of Health and Population**

**NGO – Non-Governmental Organization**

**NNFSS – National Nutrition and Food Security Secretariat**

**NPC – National Planning Council**

**PAHAL – Promoting Agriculture, Health and Alternative Livelihoods**

**SABAL – Sustainable action for Resilience and Food Security**

**STRESS – Strategic Resilience Assessment**

**SUAAHARA – ‘Good Nutrition’**

**TSU – Technical Support Unit (Mercy Corps)**

**VDC – Village Development Committee**

## **PAHAL Program Overview**

The PAHAL Program, funded by the U.S. Agency for International Development's Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA)/Office of Food for Peace (FFP), is a five-year program that commenced in October, 2014. It seeks to strengthen livelihoods, improve nutritional status and increase the capacity of vulnerable households to mitigate, adapt to and recover from shocks and stresses in communities with deep poverty and high rates of malnutrition in critical zones of the Far-Western and Mid-Western Regions of Nepal.

In recent years Nepal has made substantial strides toward reducing its overall poverty rate. However, many people in the Middle Hill and Mountain zones of western Nepal continue to struggle with the root causes of food insecurity. In these remote and rural areas a quarter of households are unable to afford a basic, nutritious diet, nearly half the children under five are stunted, and rates of acute malnutrition are as high as 15 percent. Poverty remains entrenched in these remote and rural areas where agricultural production is stagnating and few alternative income opportunities exist, poor nutritional and sanitation practices undermine human health and nutritional status and productivity, and limited public investment constrains the reach of infrastructure, health services, extension, and disaster management. Further, the private and public sectors perceive little incentive or ability to extend their reach beyond population centers. Underlying this complex interplay of factors, strict expectations regarding behavior, along with discrimination based on gender and caste/ethnic identification, have also limited people's ability to address food insecurity issues – as well as effectively respond to more recent pressures such as those brought on by climate change.

To confront these challenges, Mercy Corps has formed a dynamic consortium of international and local partners that combine extensive experience and knowledge of the communities in Nepal with evidence and learning from global contexts, while all also maintain strong relationships with local organizations and government structures. Together, the PAHAL Consortium (i.e. Mercy Corps, Plan International USA (Plan), International Development Enterprises (iDE), Tufts University's Feinstein International Center (FIC) and Nepalese partners Rupantaran, RIMS-Nepal, NTAG and SAPPROS), is working at a systemic level to build community resilience and address both the symptoms and root causes of food insecurity.

The **goal** of the PAHAL Program is: *Vulnerable populations are resilient to the stressors and shocks that impede food security.*

The PAHAL Consortium is also working to build the absorptive, adaptive and transformative potential of households across its program area. This will be attained through a systems-based approach to market development, financial services, disaster risk reduction, climate change adaptation, women and youth engagement, as well as the development of strong relationships with local partners and the Government of Nepal at all levels.

To follow, the PAHAL Program is targeting individuals, households, communities and systems to help build resilience and improve food security for a stronger future for 200,000 households, (approximately 1,000,000 individuals), in 14 food-insecure districts in Nepal. The interventions will focus on Middle Hill and Mountain Zones of the Far-Western and Mid-Western Regions of Nepal, and specifically the districts of Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula, Dailekh, Doti, Jajarkot, Pyuthan, Rolpa, Rukum, Salyan and Surkhet.

### PAHAL Program – Target Districts



## **Program Progress – Quarter II**

### ***Start-Up***

The majority of Quarter II was focused on activities supporting the 'start-up' of the PAHAL program, particularly around recruitment and procurement.

### ***Recruitment***

Recruitment of PAHAL Program and Operations staff continued apace, with a specific focus on engaging senior technical staff to be based in Kathmandu.

The positions of Deputy Chief of Party (DCOP) and Governance & Coordination Advisor were successfully recruited, and as Key Personnel, also approved by USAID. These staff will begin work on 1<sup>st</sup> April.

The Resilience/Climate Change Adaptation/Disaster Risk Reduction Advisor, also defined Key Personnel position, was approved by USAID. This staff was already working with PAHAL, and with the approval his engagement was formalized.

Recruitment continues for the one remaining Key Personnel position, that of Monitoring & Evaluation Manager. We anticipate that this individual will join PAHAL by the end of April.

The position of Gender & Social Inclusivity Advisor was also successfully recruited for and the staff commenced work on 16<sup>th</sup> March.

Tufts, Plan-USA and iDE also pushed forward with the recruitment for their senior staff.

### ***Procurement***

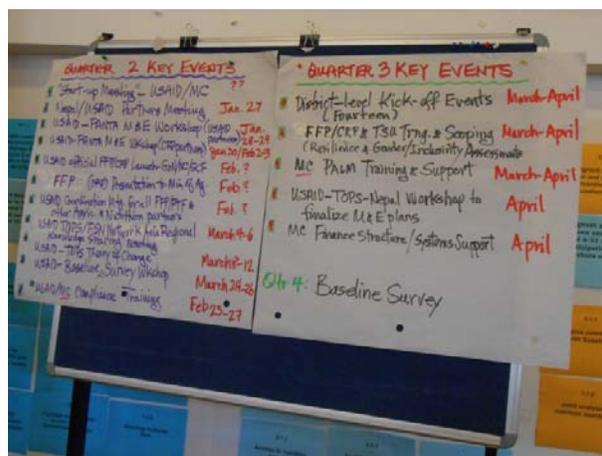
Mercy Corps has initiated procurement of computer equipment, office supplies, furniture, and support services continued throughout Quarter II. The PAHAL team also began researching the market and identifying options to purchase 4x4 vehicles and motorcycles for the PAHAL program.

iDE has begun procurement, while Plan does not foresee initiating procurement until the next quarter. The Nepali NGOs (national- and local-level partners) have not yet been engaged on a full-time basis, and so they also haven't begun their procurement.

### ***PAHAL Program Kick-Off***

The Mercy Corps team coordinated with iDE and Plan-USA to organize the program 'kick-off' event, which was designed to include a review of the approved proposal, the planning of activities for Quarter II, III and IV, the defining of operational norms and protocols, and the formal establishment of the PAHAL Consortium.

The PAHAL 'Kick-Off' Workshop was held from 14-16 January at The Summit Hotel, and proved a great success for all partners.



### ***Program Name***

During the 'Kick-Off' Workshop partners were informed they would need to identify a new program name. The partners nominated a number of candidate names and ultimately voted for the new program name of **PAHAL – Promoting Agriculture, Health and Alternative Livelihoods**, for the Community Resilience Program led by Mercy Corps. The PAHAL name was subsequently approved by USAID.

### ***Program Logo***

During the Kick-Off Workshop partners also designed a logo for PAHAL:



### ***Monitoring and Evaluation Plan***

Subsequent to the PAHAL 'Kick-Off' Workshop the team began reviewing and revising its Theory of Change, Logical Framework and IPTT. Over the course of the second quarter partners meet repeatedly to review and revise important program documents. At the end of the quarter they were finalized and ultimately submitted to USAID/FFP for final review.

### ***National Partners***

The PAHAL team met on a number of occasions with the Nepali NGOs proposed as partners in the consortium: RIMS, Rupantaran, SAPPROS and NTAG. The aim of the meetings was to identify the likely roles for the national partners, and initiate planning of key activities to be launched in Quarter III. The national partners will also play a key role in identifying district-level NGOs who will lead on program implementation.

### ***Coordination with USAID Programs***

The COP met at minimum monthly with COP of SABAL, the fellow USAID Nepal 'Community Resilience Program' (CRP) led by Save The Children, to further coordination and cross-learning between the two programs.

In February the PAHAL partners also met twice with SUSAHARA to learn more about their program, and to begin to discuss ways to coordinate in the field. As PAHAL will be building on SUSAHARA activities, ensuring complementarity between the two will be key to their mutual success.

The COP met with the new COP of KISAN, the Feed the Future program also working in the agriculture sector in the Mid-Western and Far-Western Regions. While the two programs have only limited district-level overlap, it will be important to coordinate and build complementary activities where possible.

In Quarter II the COP had multiple meetings with the Director of *innovATE*, (Innovation for Agricultural Training and Education), with the aim of possibly engaging them to support PAHAL's training and vocational education activities.

### ***Coordination with the Government of Nepal***

In January partners from across the PAHAL consortium completed visits to all 14 target districts and finished collecting all of the signed 'Pre-Consensus Letters', wherein the District Development Committees have formally approved the implementation of the PAHAL Program in their respective areas. This was an important first step for PAHAL in order to formalize relationships with local government, and begin identifying and building local partnerships. These letters are also required for PAHAL's formal registration with the Social Welfare Council (SWC), the government body under which all international non-governmental organizations operating in Nepal must register.

#### ***Kathmandu Level GoN Coordination Meetings:***

1. MoAD (with Joint-Secretary Dr. Adhikari) – Introduction of PAHAL and SABAL (CRP) Programs to MoAD: 9<sup>th</sup> February
2. NPC (with Dr. Karki) – Introduction of PAHAL and SABAL (CRP) Programs to NPC: 24<sup>th</sup> February
3. NPC/NNFSS Technical Coordination Meeting - Presentation on PAHAL Progress: 18<sup>th</sup> March
4. MoHP (with Dr. Upreti) - Introduction of PAHAL and SABAL (CRP) Programs to MoHP: 23<sup>rd</sup> March

**Other Program Activities**

PAHAL submitted the revised IEE to USAID in early March.

**Selection of PAHAL Program Intervention Areas**

After multiple field visits and consultations with the GoN, in March the PAHAL team also finalized selection of 167 village development committees (VDCs) across the 14 districts, and these VDCs will be the primary areas of intervention for PAHAL activities. (See attached document for the full list of PAHAL VDCs.)

The criteria for this selection process were provided by the GoN and USAID, with a focus on identifying communities that were both poor and remote, and generally not served by other development programs. This prolonged field-based exercise was designed transparently and undertaken in collaboration with the 14 District Development Committees and the GoN.

| <b>VDC Selection Criteria</b> |                                |
|-------------------------------|--------------------------------|
| 1.                            | Non-KISAN Status (USAID)       |
| 2.                            | Non-AFSP Status (USAID)        |
| 3.                            | Active SUAAHARA Status (USAID) |
| 4.                            | Modified DAG Score (GoN)       |
| 5.                            | Food Insecurity Status (GoN)   |
| 6.                            | Poverty Level (GoN)            |
| 7.                            | Modified DPRP Rating (GoN)     |
| 8.                            | Contiguous VDCs (MC)           |

The criteria used for the VDC selection by design lead to the selection of communities that were in the more remote areas of target districts. While the PAHAL team, as far as possible, did endeavor to cluster VDCs in order to facilitate coordination and program implementation, it was not always possible. As a result, a good number of VDCs will be challenging to access, requiring 2-3 days travel, (often on foot), from district-level headquarters – or 4-5 days from Kathmandu – each way. Approximately one-third of selected VDCs will prove challenging to access, particularly during the monsoon season.

It is also important to note that a preliminary review of the census data reveals that the 167 VDCs selected do not actually contain 200,000 households or 1,000,000 people, which were the targets outlined in the proposal. As a result the PAHAL team will need to verify census data at the district level in order to confirm the population figures in each VDC. To follow, it is likely that the population targets for PAHAL will need to be adjusted and shared with USAID for review.

### ***Quarter II – Key Program Events***

PAHAL consortium members participated in the following meetings and events:

1. USAID Nepal Introductory/CRP Orientation Meeting (Kathmandu): January
2. FANTA M&E Workshop #1 (Kathmandu): 28 -29 January
3. FANTA M&E Workshop #2 (Kathmandu): 30 January, and 2-3 February
4. FANTA M&E Workshop #3 (Kathmandu): 6 February
5. FFP Baseline Planning Workshop (Kathmandu): 23-25 March
6. FSN Asia Network Knowledge Sharing Meeting (Dhaka): 3-5 March
7. USAID Nepal Partner's Meeting (Kathmandu): 31 March
8. Mercy Corps' USAID Compliance Workshop (Kathmandu): 30-31 March, and 1 April

### **Quarter III (FY15) – April, May & June**

In Quarter III the PAHAL Program anticipates undertaking the following key activities and participating in the events outlined.

#### ***Key Activities Planned***

1. Finalize recruitment of Key Personnel: M&E Manager
2. Finalize recruitment of senior technical staff: Sub-Awards and Compliance Manager
3. Initiate recruitment of Program and Operations Staff for the regional field offices, e.g. Nepalgunj and Dadeldhura
4. Initiate procurement for regional field offices, (computers, printers, furniture)
5. Set-up and operationalize regional field offices, (turn on water and electricity, install internet and phone lines, engage security firms, etc.)
6. Collate documentation and finalize PAHAL application for registration with the GoN's Social Welfare Council (SWC).

7. Schedule and participate in coordination meetings with the GoN at Ministry, Regional and District levels.
8. Initiate identification and vetting of potential local partners at the district-level for all 14 districts.
9. Submit final iterations of PAHAL's Theory of Change, Logical Framework and Indicator Performance Tracking Table for review and final approval. Participate in additional USAID planning and coordination events, per FFP and USAID Nepal's request.
10. Implement PAHAL STRESS Test – Field Work, (May)

### ***Key Events Planned***

1. Mercy Corps' USAID Rules/Regulations Compliance Training Workshop (April)
2. MOAD Steering Committee Meeting: KISAN, SABAL & PAHAL (April)
3. TSU/PAHAL STRESS Test – Concepts and Framework Workshop, (early April)
4. TSU/PAHAL STRESS Test – Tools and Methods Training Workshop, (late April)
5. Resilience Indicator Contextualization Exercise (RICE) – with TANGO (April)
6. STRESS Test – Analysis Workshop (June)
7. USAID's Official Launch of Community Resilience Programs (CRP), (May)
8. TOPS Nepal M&E Planning Workshop (May)
9. Mercy Corps Finance Training (June)
10. PAHAL and SABAL formal launch with MoAD
11. Field support to FFP's Baseline Survey

### **Financial Report**

The PAHAL financial report for Quarter II (Q2, FY15) has been submitted to USAID separately.