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USAID/NEPAL FLOOD RECOVERY PROGRAM

QUARTERLY PERFORMANCE REPORT #3
JANUARY – MARCH 2009





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COVER PHOTO: A USAID-NFRP farmer client shows off his crop to USAID-NFRP LIG Specialist Brahmaram B. Mathema.

Photo taken by USAID-NFRP Monitoring and Outreach Specialist Kamal Shrestha.

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QUARTERLY REPORT

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SECTION 1: EXECUTIVE SUMMARY

This is the third quarterly report for the USAID/Nepal Flood Recovery Program (USAID-NFRP) covering implementation and results for the program's six components per Task Order No. EDHI-04-05-00007-00. The report provides a summary of program activities during the period of January 1, 2009 to March 31, 2009. USAID-NFRP works with flood-affected communities throughout the Terai region to increase farmer productivity and income, rehabilitate and develop small-scale community infrastructure, improve awareness of sanitation, nutrition, gender and protection issues and strengthen local organizations by expanding participation among youth and vulnerable populations.

Project achievements this reporting period include:

- Nine community infrastructure projects were completed during the quarter and 74 others are under way.
- 24 Livelihoods and Income Generation (LIG) partner subcontractor field staff participated in a five-day training-of-trainers event on the production of high value summer crops.
- 240 field-based LIG training interventions reached more than 2,000 selected producers; topics covered included nursery management, field preparation, irrigation installation and management, integrated pest management (IPM) and pre- and post-harvest management.
- 330 production and marketing farmer groups were formed based on their commonalities in crop production, market access, water sources and irrigation distribution.
- 3,826 days of temporary employment were generated by infrastructure component activities.
- Six subcontract agreements were signed with local NGOs – DYV, Sahakarya, IRDC, BASE/Banke, BASE/Bardiya and BASE/Kailali – for the implementation of Strengthening Local Organizations (SLO) and Protection of Women and Children (PWC) component activities.
- 3,000 community members participated in Sanitation, Hygiene and Nutrition (SHN) trainings covering topics such as improved hand-washing and food preparation, disease prevention, drinking water treatment, wastewater management, solid waste management, kitchen gardening and improved cooking stoves.
- Investments of \$73,829 have been made by communities, local governments, partner subcontractors and other donors into Infrastructure, LIG and SHN activities.
- Collaborative agreements were signed with ADRA/WFP, UNDP and EIG (Winrock) to additionally co-invest in Infrastructure and LIG activities in 19 program VDCs.

Updated Performance Monitoring Plan is attached as an annex to this report. This document and all other project publications are available to USAID through the password-protected USAID-NFRP intranet site: www.fintrac.com/nfrp. A public access Web site is accessible at www.usaid-nfrp.org.

SECTION 2: IMPLEMENTATION

2.1 PROGRAM DESCRIPTION

USAID-NFRP works with flood-affected communities and NGOs throughout the Terai region to increase farmer productivity and income, rehabilitate and develop small-scale community infrastructure, improve awareness of sanitation, nutrition, gender and protection issues and strengthen local organizations by expanding participation among youth and vulnerable populations.

This 24-month activity started in June 2008 and is implemented by Fintrac Inc. in partnership with METCON Consultants and a vast group of local NGOs and subcontractors.

2.1.1 GEOGRAPHIC FOCUS

USAID-NFRP is currently operating in the districts of Parsa, Bara and Rautahat in the Central region and in Kailali, Bardiya and Banke districts in the Mid/Far Western regions of the Terai. Through a comprehensive, analytical process, 10 Village Development Committees (VDCs) were selected in each district based on the severity of damage from the 2007 floods and current levels of vulnerability. Within each VDC, clusters of communities considered ‘most affected’ were prioritized for intervention. These clusters are referred to as ‘VDC worksites’ and vary in size, population, ethnic and social composition.

Table 1: USAID-NFRP Program Districts and VDCs

Central Region		
Bara	Parsa	Rautahat
Barainiya	Amarpatti	Masedawa
Basatpur (Basantapur)	Bagahi	Bishrampur
Bhaluhi Bharwaliya	Birwaguthi	Dumariya
Dewapur	Hariharpur	Fatawa Harsaha
Dharmanagar	Jaymanglapur	Kakanpur (Kanakpur)
Hariharpur	Lahawarthakari	Katahariya
Kachorwa	Mirjapur	Karkach Karmaiya
Matiarwa	Pancharukhi	Laxminiya
Uchidiha	Sabaithawa	Maryadpur
Piparati Jabadi	Samjhauta	Purai
Western Region		
Banke	Bardiya	Kailali
Bankatti	Baganaha	Bhajani
Basudevapur	Baniyabhar	Chauha
Betahani	Dhadhawar	Dansinhapur
Gangapur	Magaragadi	Dododhara
Holiya	Neulapur	Joshipur
Kamdi	Padanaha	Lalbojhi
Matahiya	Rajapur	Munuwa
Manikapur	Sivapur	Narayanpur
Phatepur	Suryapatawa	Pathariya
Udarapur	Thakurdwara	Thapapur

The 60 VDC worksites targeted for support constitute 141 individual communities with a total population of 81,054 people.

Table 2 : Population in Program Worksites

Item	Western Region VDCs			Central Region VDCs			Total
	Banke	Bardiya	Kailali	Bara	Parsa	Rautahat	
Men	6,364	4,789	4,367	10,142	9,089	6,096	40,847
Women	5,985	4,819	4,478	9,421	9,977	5,527	40,207
Total Population	12,349	9,608	8,845	19,563	19,066	11,623	81,054
USAID-NFRP Communities	26	26	17	31	25	16	141

2.1.2 PERFORMANCE INDICATORS

Higher level, overall program indicators are to:

- Assist 66,600 beneficiaries
- Build or rehabilitate 150 community infrastructures
- Train 8,100 clients under all program components
- Generate \$820,000 in net sales for beneficiary farmers
- Create 135,000 person-days of temporary employment
- Generate \$367,000 in cost-share investments by communities, local governments and other donors

The program has 49 detailed indicators, of which, 47 have specific established targets. Please note that NFRP is on target or ahead of all the main indicators.

2.2 APPROACH AND METHODOLOGY

USAID-NFRP's top priority is delivering an integrated package of high quality services, inputs and training opportunities that directly respond to the real needs of clients (beneficiaries) and have lasting affects that strengthen client capacity to effectively manage physical, economic or social threats. USAID-NFRP takes a participatory approach to program implementation requiring direct access to communities and the capacity to motivate, mobilize and coordinate interventions. By implementing program activities in partnership with local NGOs, through regionally based subcontractors and with district-based local staff, USAID-NFRP maintains a constant presence in the 60 VDC worksites. This ensures substantial participation from a broader range of community members and provides more opportunities to monitor and evaluate the program's effectiveness.

At the component level, USAID-NFRP's strategy for Infrastructure is to rehabilitate or develop small-scale infrastructures (river protections, flood controls, culverts, schools, bathrooms, roads and irrigation systems) that have been identified by communities as their highest priority for flood recovery and improving overall well-being. The target for this component is 150 individual community projects which are designed and built through local subcontractor organizations that also manage the community mobilization and counterpart contributions.

USAID-NFRP's approach to the second component, Livelihoods and Income Generation, is to provide long-term, hands-on production and marketing training and targeted financial assistance to selected producers for three off season (optimal price) periods. Project clients are introduced to new low-cost technologies and approaches in crop diversification, demand-driven production, high value crops and market price information. After completion of the 18-month program, farmers will be capable of sustaining their new businesses and replicating within their communities the knowledge

and skills they have developed. The program's overall objective is to demonstrate the increased output of quality products and sales for a minimum of 1,200 families on 480 hectares of land with an aggregate value of \$820,000 in net sales.

Components 3, 4, and 5, Sanitation, Hygiene and Nutrition, Strengthening of Local Organizations, and Protection of Women and Children, respectively, are implemented by district-based NGOs that carry out capacity building and awareness training activities in target communities, while the USAID-NFRP staff serve as technical leaders and managers of the partner subcontractors.

2.3 REPORTING PERIOD ACTIVITIES

Progress in Infrastructure

The infrastructure component continues to progress as scheduled, maintaining confidence and a strong degree of collaboration among beneficiary communities. The component fund is now fully committed and all projects are either under construction or already completed. This program is currently on schedule to conclude all field activities in the six districts by December 2009.

As the monsoons approach, partner subcontractors have ramped up operations to ensure they complete construction on time. Projects most affected by seasonal rains will be flood controls, bridges and culverts. Structures such as schools, health posts and latrines can continue construction during the monsoons as long as the foundations have been well established and diversions have been installed to prevent flooding. At the current rate, 78 projects will be completed by July, with the remaining seven projects no later than December 2009.

USAID-NFRP's engineers are encouraging collaboration among 12 partner subcontractors. In January, subcontractors of Banke and Bardiya districts temporarily hired the services of bioengineering specialists from South Consult (Bara) to support the implementation of their river protection projects. Similarly, subcontractors in Kailali have hired specialists from City Engineering (Banke) to design river protection and school projects in their VDCs.

USAID-NFRP continues to be effective in leveraging counterpart contributions from local beneficiaries and others. In March, a high impact transportation project (32 meter vented culvert) that will benefit more than 5,000 households was initiated in Jaymanglapur VDC (Parsa). The cost is \$103,000 and the VDC government has committed to financing at least 12 percent. In Kailali district, USAID-NFRP signed an agreement with the Adventist Development and Relief Agency (ADRA) to coordinate program activities in eight of our 10 program VDCs. Through food resources provided by the World Food Program, ADRA will pay for \$24,165 in unskilled labor for 11 infrastructure projects in eight VDCs. In addition, beneficiary communities will contribute \$7,067 in voluntary labor and local construction materials. A similar arrangement was made with the United Nations Development Program that has paid for 30 percent of a \$13,375 embankment protection project in Bhaluhi-Bharwaliya VDC (Bara).

Local governments and civil society are taking note of the quality and effectiveness of our infrastructure projects. In February, a letter was delivered to our regional office in Nepalgunj from the CDO of Banke district (Hon. Ganesh Bahadur Khatri) requesting an "expansion of the program due to the quality and high standards they establish in Banke district". A similar request was also received from the secretary of Holiya VDC where a large embankment protection project was completed in March. Many neighboring communities are realizing the impact the program is having in their districts and now routinely approach program staff and partner subcontractors to solicit support for

their VDCs. This access and visibility within communities has led to the identification and current implementation of a number of high impact projects.

Progress in Livelihoods & Income Generation

Partner subcontractors FORWARD and MADE have shown good progress in rolling out their programs to the complete target population. As of March, 2,171 farmers on 467 hectares of land are now participating in the LIG training and inputs support program. Before the initiation of the second crop cycle in July, the program will cover the targeted 480 hectares of land with approximately 2,200 participating farmers.

In January, two five-day training-of-trainers events were conducted in Nepalgunj and Birgunj where partner subcontractor field staff were refreshed on the production, management and marketing of high value summer crops.

At the beginning of 2009, USAID-NFRP (Fintrac) signed a memorandum of understanding with USAID/Nepal's EIG program (Winrock) to enhance programmatic collaboration in Banke and Bardiya districts. A number of opportunities exist under this arrangement, where USAID-NFRP could provide subsidized support for productive inputs to successful trainees of EIG's income generation component. A number of Infrastructure projects will also hire EIG masonry trainees through direct agreements with our partner subcontractors. This will offer successful trainees a "kick-start" opportunity to employ the new skills developed in the EIG vocational training program.

The LIG program will complete its first crop cycle early next quarter. An important goal for the second and third cycles is the gradual consolidation of the high value commodities that each farmer is producing. Although a certain degree of diversification is important to resist shocks such as poor productivity or unexpected price drops, farmers of the Terai tend to over-diversify, resulting in the overproduction of less than optimal commodities and lost opportunities for greater incomes. Therefore, the various late-winter and early-summer commodities that were promoted during the first crop cycle will be consolidated into five key commodities by the second cycle: onion, tomato, chilli, cucumber and cauliflower. The following table illustrates the expected returns of each commodity compared to the production costs and gross sales per hectare.

Table 3: Net Return Comparison of Staple Crops vs. Selected HVCs

Commodity	Unit	Gross Sales (per Ha)	Production Costs (per Ha)	Net Returns (per Ha)	% Increase in Income
Rice	NPR	36,000	21,600	14,400	Baseline
Wheat	NPR	37,500	18,750	18,750	30%
Cauliflower	NPR	138,600	43,950	94,650	557%
Cucumber	NPR	159,840	51,550	108,290	652%
Chilli	NPR	220,800	48,750	172,050	1,095%
Tomato	NPR	247,000	55,400	191,600	1,231%
Onion	NPR	630,000	200,000	430,000	2,886%

Progress in Sanitation, Hygiene and Nutrition

USAID-NFRP's five partner subcontractors initiated their field training programs in January after successful completion of regional training-of-trainers events held in December. Subcontractors are now regularly operating in all 60 program VDCs with a total of 3,000 trainees participating in the program, representing 25 adults and 25 children from each VDC worksite. The hands-on, learning-by-doing training program covers topics such as hand-washing, food preparation, disease prevention, water treatments, wastewater and solid waste management, kitchen gardening and improved cooking stoves.

In order to ensure that trainees represent groups and individuals that are in genuine need of assistance, a thorough baseline survey was conducted that assessed candidates' backgrounds, understanding of SHN issues, and capacity to serve as promoters within their communities. The surveys, which were completed in early March, included interviews with 25 additional, randomly selected families from each VDC worksite to serve as a control. Upon completion of the training program in January 2010, the trainees and the impact the SHN program had on them will be assessed.

Installation of the 1,200 kitchen gardens (KCs) and 1,200 improved cooking stoves (ICSs) began in February and is on schedule to finish in the following quarter. Partner subcontractors have recognized the superior expertise our partner in Bara and Parsa (RRAFDC) has in implementing ICS training and installation programs. In order to ensure that the program maintains that same quality across the six districts, USAID-NFRP is facilitating technical transfers and onsite trainings between specialist staff of RRAFDC and those of the other four partners.

Initiation of Strengthening Local Organizational / Protection of Women and Children

Partner subcontractors for SLO and PWC components were selected in March after completion of a competitive screening and evaluation process in the six districts. Because the terms of reference for these two components requires organizations with similar skills and expertise, one subcontractor per district was selected to implement both components in 10 VDCs, as detailed in the following table.

Table 4: USAID-NFRP Partner Subcontractors for SHN Implementation

Region	District	Partner Subcontractors
Central	Parsa	Divya Yuwa Club
	Bara	Sahakarya
	Rautahat	Integrated Rural Development Centre
Western	Banke	BASE/Banke
	Bardiya	BASE/Bardiya
	Kailali	BASE/Kailali

Each partner subcontractor will provide five field specialists and two technical leaders in each district to implement a comprehensive training program that covers a range of subjects that are of critical importance to long-term community development, security and local stability. The SLO and PWC components are being implemented over a nine-month period starting in April 2009 and are expected to be completed by January 2010. [The original approved work-plan stated that the training programs would be completed by June 2009; however, due to delays in the selection of subcontractors and other factors, the training programs will instead be implemented during the period of April 2009 – January 2010].

The Strengthening Local Organizations and Protection of Women and Children components will train a total of 5,400 people across the 60 program VDCs as detailed per the following subcomponents:

- Community development and management – 600 women, 600 men
- Disaster preparedness and management – same as above
- Youth leadership – 600 girls, 600 boys
- Basic life options – 1,200 adolescent girls
- REFLECT concept – 1,200 women, 600 men

2.4 CHALLENGES

To date, this reporting period has seen the highest degree of activity in terms of political unrest, serious security incidents and threats of violence and *bandhas*. The program, in general, has not been

seriously affected by this situation, although activities are occasionally hampered in terms of timing, cost and movement by the frequent stoppage of transportation on main roads and highways. USAID-NFRP staff and partner subcontractors have been effective in maintaining strong relationships with communities and in preventing the influence and obstruction of local political factors.

Heavy load shedding persisted as well (16 hours per day), although staff and subcontractors have taken the necessary measures to prevent it from slowing operations. The prices of construction materials have also increased due to the low productivity levels of local and national industries.

The greatest challenge to the Infrastructure component has been the constant striking and obstructions to local, regional and national transportation. *Bandhas* directly affect access to and supply of important construction materials and supplies. By blocking imports and local trade, they have not only made it difficult to do business but they have also raised cost of it. Prices on many supplies have increased, at least temporarily, by up to 40 percent. USAID-NFRP has been able to circumvent most of these complications by authorizing the procurement of all materials at the initiation of each project, so as to avoid future scarcities and price hikes. Upon delivery to the worksites, subcontractors are immediately paid their first installments under fixed price arrangements so as to ensure they have an adequate amount of operational capital during construction.

SECTION 3: RESULTS

3.1 PROGRESS TO DATE AT-A-GLANCE

Table 5: Progress to date: Higher level, Overall Program Indicators

Activity	Target	Achieved to Date	Balance	Completion Rate
Number of beneficiaries assisted or received direct benefits from USG-funded interventions	66,600	26,355	40,245	40%
Number of community infrastructure projects constructed and/or rehabilitated	150	11	139	7%
Number of individuals who have received USG supported training (all components)	8,100	5,471	2,629	68%
Number of person-days of temporary employment generated by infrastructure activities	135,000	6,596	128,404	5%
Cost sharing leveraged by individuals, communities, local governments and/or other donors	\$367,000	\$78,293	\$288,707	21%

During the reporting period, 20,536 new beneficiaries were assisted or received direct benefits from project-funded protection and solution activities. This brings the current number of beneficiaries to 26,355, of which, 20,884 are under the Infrastructure component, 2,171 are under LIG, 3,000 under SHN, and 300 are under the Organizational Strengthening component.

Nine community infrastructure projects were completed and 3,826 days of temporary employment were generated by infrastructure component activities.

During this quarter, 3,359 received training. Program wide, 5,471 have now been trained with USAID-NFRP program funds.

Total investment (cost-shared) into project activities by individuals, communities, local governments and/or other donors amounted to \$73,829 during the quarter.

3.2 PROGRESS TO DATE PER PROGRAM OBJECTIVE

3.2.1 INFRASTRUCTURE

By the end of March, 97 percent of the component's \$1.8 million were committed for a total of 85 community infrastructure projects, 11 of which are completed and 74 are currently under construction, as detailed in the following table.

Table 6: Current USAID-NFRP Commitments in Infrastructure

Project Type	No. Projects	Beneficiaries (Households)	Current Commitment	Community Contribution	Status	
					Ongoing	Completed
Culverts and Bridges	34	10,605	\$633,625	\$32,650	28	6
Flood Controls	28	5,079	\$565,096	\$49,248	25	3
Schools	14	4,013	\$430,929	44,326	14	
Public Bathrooms	2	463	\$5,584	\$128	2	
Irrigation Rehab	4	179	\$61,908	\$2,787	3	1
Road Improvements	2	2,777	\$39,669	\$2,407	1	1
Health Post	1	1,352	\$7,939	\$1,946	1	
TOTAL	85	24,468	\$1,744,749	\$133,491	74	11

Based on these current commitments, our projections for infrastructure beneficiaries (24,468 households) are more than 272 percent higher than the number of households proposed in the approved Performance Monitoring Plan (PMP). This is largely due to the program's emphasis on cost-effective, high impact projects that serve the common interests of communities and require considerable amounts of unskilled labor.

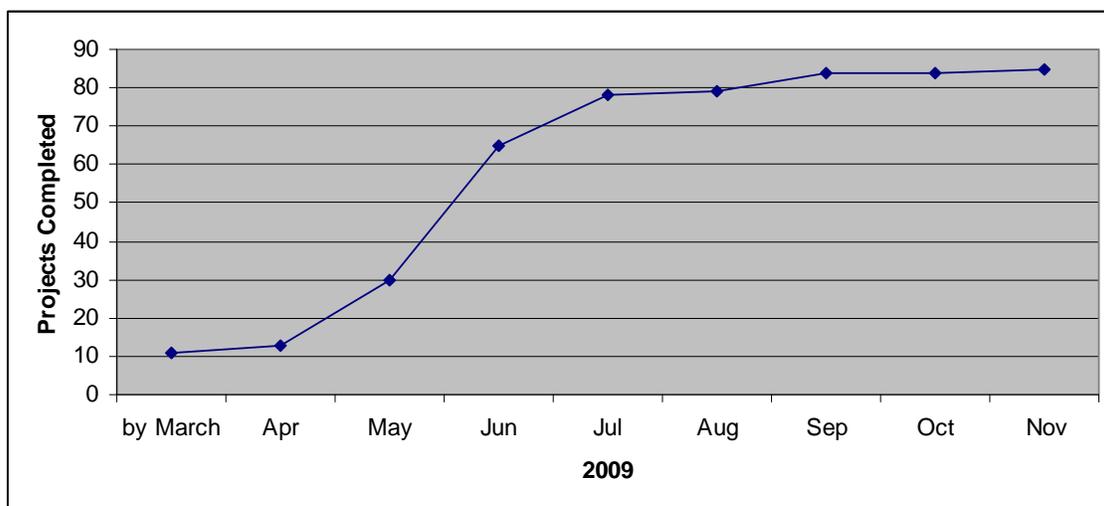
The 11 projects that have been completed directly benefit 2,888 households in 10 VDCs of four districts and have generated 6,595 days of paid unskilled labor, as detailed below.

Table 7: Infrastructure projects completed to-date

No.	VDC	Project Type	Beneficiaries (Households)	Short-term Labor (person-days)
Rautahat				
1	Fatawa Harsaha	Small Culvert	105	87
2	Laxminiya	Small Culvert	135	95
3	Karkach Karmaiya	Large Pipe Culvert	1,027	962
4	Masedawa	RCC Slab Culvert	246	362
Parsa				
5	Barainiya	River Protection & Embankment Repair	245	1,200
6	Bhaluhi Bharwaliya	River Protection & Embankment Repair	250	1,570
Banke				
7	Holiya	River Protection & Embankment Repair	196	556
8	Manikapur	RCC Slab Culvert	281	546
9	Manikapur	Road Protection & Improvement	133	241
Bardiya				
10	Rajapur	Rehabilitation of Irrigation Aqueduct	20	397
11	Baganaha	RCC Slab Culvert	250	580
TOTAL			2,888	6,596

We estimate that all 85 infrastructure projects will be completed by December 2009. The large majority of projects (78, including those already complete) are currently programmed to finish by the end of July in anticipation of the monsoon rains, as represented in the following graph.

Graph 1: Projected Completion Schedule for Infrastructure Program



3.2.2 LIVELIHOODS AND INCOME GENERATION

Partner subcontractors FORWARD and MADE completed more than 240 field-based trainings during the reporting period covering topics such as nursery management, field preparation, irrigation installation and management, integrated pest management (IPM) and pre- and post-harvest management. All 2,171 traditional staple crop farmers that are participating in the LIG program have completed nursery production and have transplanted their winter and summer crops to a total of 467 hectares of land. The following table details the number of farmers that have completed each of the six LIG training components.

Table 8: Progress of LIG trainings

No.	Training Type	No. of Trainees			Total
		Jan	Feb	Mar	
1	Nursery preparation and management	1,877			1,877
2a	Crop production management (winter crops)		1,144		1,144
2b	Crop production management (summer crops)		1,780		1,780
2c	Crop production management (NTFPs)		86		86
3	Integrated Pest Management		2,052		2,052
4	Pre-harvest management			950	950
5	Post-harvest management			980	980
6	Marketing/Commercialization				0

Substantial progress has also been made in the distribution and application of LIG inputs such as hybrid seeds, nursery management kits and IPM kits.

Table 9: Distribution of LIG Inputs

No.	Input Type	Unit	Previous	Jan	Feb	Mar	Total	% Progress
1	HVC/NTFP Seeds (hybrid varieties)	kg	0	674	5,046	114	5,834	100%
2	Nursery Management	kit	617	617	1,080	474	2,171	100%
3	Integrated Pest Management	kit	0	0	318	498	816	38%

Irrigation sources have been identified and the appropriate technologies for small to medium irrigation systems have been developed for each program site. Most farmers have requested group-managed shallow tube wells with motorized pumps, others requested individual treadle pumps. All beneficiaries have agreed to share 25 percent of the cost for irrigation inputs. Well drilling started in early December and a total of 239 shallow tube wells and 170 treadle pumps were installed by late March. Partner subcontractors are committed to completing the remaining installations by no later than mid April.

Table 10: Distribution of Irrigation Sets

No.	Irrigation Type	Jan	Feb	Mar	Remaining	Total	% Progress
1	Shallow Tube Wells	120	58	61	91	330	72%
2	Treadle Pumps	25	76	69	114	284	60%

Further details of results to date are shown in the table below, which is an excerpt from USAID-NFRP's Performance Monitoring Plan.

Table 11: Income Generation Activities

3 Objective 2: Provision of Income Generation Activities					
No.	Activity	Target	Achieved to Date	Balance	Completion Rate
3.2	Number of rural households benefiting directly from USG interventions (EG 5.2 Agricultural Sector Productivity)	1,200	2,171	-971	181%
3.4	Number of producers organizations, water users associations, trade and business associations, and community based organizations (CBOs) receiving USG assistance (EG 5.2 Agricultural Sector Productivity)	60	60	0	100%
3.5	Number of new technologies or management practices made available for transfer as a result of USG assistance (EG 5.2 Agricultural Sector Productivity)	1,200	1,537	-337	128%
3.6	Implementation funds disbursed (in USD)	\$450,000	\$154,741	\$295,259	34%
3.7	Cost sharing leveraged by beneficiary farmers (25% of in-kind investment)	\$49,500	\$35,141	\$14,352	71%

3.2.3 SANITATION, HYGIENE AND NUTRITION

The SHN partner subcontractors initiated their training programs for all 3,000 targeted individuals this reporting period. Beneficiaries began courses on improved hand washing and food preparation, disease prevention, drinking water treatment, wastewater management, solid waste management, kitchen gardening and improved cooking stoves. Kitchen gardens for all 1,200 targeted beneficiaries have been established and first harvests will be completed by early May. Improved cooking stoves for the 1,200 target families are expected to be established and functioning by the end of the next quarter.

Table 12: Sanitation, Hygiene and Nutrition Activities

4 Objective 2: Provision of Income Generation Activities					
No.	Activity	Target	Achieved to Date	Balance	Completion Rate
4.2	Number of people trained in improved sanitation, hygiene and nutrition	3,000	3,000	0	100%
4.3	Number of households with improved nutrition due to demonstration kitchen gardens	600	1,200	-600	200%
4.4	Number of households with improved sanitation due to improved cooking stoves	600	60	540	10%
4.8	Implementation funds disbursed (in USD)	\$150,000	\$3,445	\$146,555	2%
4.9	Cost sharing leveraged by beneficiary farmers (25% of in-kind investment)	\$22,500	\$36,740	-\$14,240	163%

3.3 PUBLIC/PRIVATE PARTNERSHIPS

USAID-NFRP continues to actively seek opportunities to collaborate with local and international organizations interested in supporting flood recovery in the Terai. In January, USAID-NFRP's COP met with representatives of the Chamber of Nepali Industries/Young Entrepreneurs Fund to discuss possible collaboration opportunities in Sunsari district where the 2008 Koshi barrage disaster has devastated the lives of more than 7,500 families. If USAID-NFRP is requested by USAID to expand its operations into the Koshi flood-affected areas, this collaborative opportunity will be pursued to co-finance infrastructure and livelihoods activities in the region.

SECTION 4: PRIORITY ACTIVITIES FOR NEXT QUARTER

Program activities will follow USAID-NFRP's annual work plan schedule. Highlighted activities include:

Infrastructure Component

- Completion of an estimated 67 infrastructure projects by the end of July (11 were completed in March); only seven projects will be remaining.
- Program staff will investigate opportunities for reforestation in areas of completed projects to stabilize land and prevent erosion.

Livelihood and Income Generation Component

- Initiation of the 6-day LIG training program for the second crop cycle.
- Completion of the targeted coverage of 480 hectares.
- Fintrac's Agribusiness specialist, Dr. Richard Pluke, will visit the program in mid May to assess the current LIG program and make recommendation for enhancing its effectiveness for program beneficiaries and communities.

Sanitation, Hygiene and Nutrition

- The first harvests from the kitchen gardens will be completed in June.
- 1,140 improved cooking stoves will be installed by July.

Organizational Strengthening / Protection of Women and Children

- Training-of-trainers will be conducted in April with five participants from each district-based partner subcontractor (30 participants in total).
- Capacity building and awareness training program will be initiated in all program VDCs by late April.

SECTION 5: MANAGEMENT REPORT

5.1 PROJECT STAFFING

Geeta Lama, NFRP's Social Inclusion Specialist, left the program on March 31, 2009. Her technical oversight responsibilities have been temporarily reassigned to both regional coordinators, Ram Gupta and Shiv Narayan Tharu, in their respective districts.

Krishna Prasad Pandey and Om Prakash Jayswal were both hired as junior engineers in January to assist with the Infrastructure component engineering activities.

USAID-NFRP also welcomed two additional drivers to the team, Basanta Chaudhary and Jay Ram Das. The project now has a total of three drivers.

Fintrac Technical Support

In January, Fintrac facilitated a *pro bono* technical assistance assignment of an in-house Monitoring and Evaluation (M&E) specialist to further train USAID-NFRP staff in the corporate methodology and systems for M&E, data collection, interpretation and reporting.

5.2 EXPENDITURES TO DATE

ANNEX I: PERFORMANCE MONITORING PLAN

No.	Activity	Target	Result to Date	Balance	Completion Rate
1	Program Level Objective				
1.1	Number of beneficiaries assisted by USG-supported protection and solutions activities	66,600	26,355	40,245	40%
2	Objective 1: Rehabilitation and Rebuilding of Productive Infrastructure				
2.1	Number of community infrastructures constructed a/o rehabilitated	150	11	139	7%
2.1.1	Number of classrooms constructed with USG assistance (Program Element IIP – 2.1 Basic Education)	20	0	20	0%
2.1.2	Number of classrooms repaired with USG assistance (Program Element IIP – 2.1 Basic Education)	15	0	15	0%
2.1.3	Number of model latrines in community schools	30	0	30	0%
2.1.4	Number of drinking water sources installed or improved	20	0	20	0%
2.1.5	Number of community irrigation systems rehabilitated	4	1	3	25%
2.1.6	Number of river protection projects (e.g. embankment protections, gabions, spurs, check dams)	32	3	29	9%
2.1.7	Kilometers of transportation infrastructure constructed or repaired through USG assistance (Program Element EG 4.3 Transport Services)	4	0	4	0%
2.1.8	Number of transportation infrastructure projects such as culverts and small bridges constructed or repaired	25	7	18	28%
2.2	Number of people in target areas with access to improved drinking water supply as a result of USG assistance (Program Element IIP – 1.8 Clean Water and Sanitation Services)	3,900	0	3,900	0%
2.3	Number of people benefiting from USG sponsored transportation infrastructure projects (Program Element EG 4.3 Transport Services)	24,375	14,151	10,225	58%
2.4	Number of households benefited by community infrastructure projects (assumes an average of 150 benefiting HHs per VDC)	9,000	2,888	6,112	32%
2.5	Number of person-days of temporary employment generated by infrastructure activities (estimated at 15% of construction costs)	135,000	6,596	128,404	5%
2.6	Subcontract funds disbursed (in USD)	\$1,800,000	\$172,097	\$1,627,903	10%
2.7	Cost sharing leveraged from communities, local governments a/o other donor programs (in USD)	\$270,000	\$6,405	\$263,595	2%
3	Objective 2: Provision of Income Generation Activities				
3.1	Number of individuals who have received USG supported long term agricultural sector productivity training (EG 5.2 Agricultural Sector Productivity)	1,200	2,171	-971	181%
	Number of women trained	360	574	-214	159%
3.2	Number of rural households benefiting directly from USG interventions (EG 5.2 Agricultural Sector Productivity)	1,200	2,171	-971	181%

3.3	Number of vulnerable households benefiting directly from USG interventions (EG 5.2 Agricultural Sector Productivity)	600	1,086	-486	181%
3.4	Number of producers organizations, water users associations, trade and business associations, and community based organizations (CBOs) receiving USG assistance (EG 5.2 Agricultural Sector Productivity)	60	60	0	100%
3.5	Number of new technologies or management practices made available for transfer as a result of USG assistance (EG 5.2 Agricultural Sector Productivity)	1,200	1,537	-337	128%
3.6	Implementation funds disbursed (in USD)	\$450,000	\$154,741	\$295,259	34%
3.7	Cost sharing leveraged by beneficiary farmers (25% of in-kind investment)	\$49,500	\$35,148	\$14,352	71%
4	Objective 3: Improved Sanitation, Hygiene and Nutrition (SHN)				
4.1	Number of people in target areas with access to improved sanitation facilities as a result of USG assistance (Program Element IIP – 1.8 Clean Water and Sanitation Services)	1,500	0	1,500	0%
4.2	Number of people trained in improved sanitation, hygiene and nutrition	3,000	3,000	0	100%
4.3	Number of households with improved nutrition due to demonstration kitchen gardens	600	1,200	-600	200%
4.4	Number of households with improved sanitation due to improved cooking stoves	600	60	540	10%
4.6	% increase in the incidence of hand-washing of SHN trainees	1	0	1	0%
4.7	% of kitchen garden beneficiaries that continue to eat a minimum of five meals per week with green/leafy vegetables	1	0	1	0%
4.8	Subcontract funds disbursed (in USD)	\$150,000	\$3,445	\$146,555	2%
4.9	Cost sharing leveraged (15% minimum, in USD)	\$22,500	\$36,740	-\$14,240	163%
5	Objective 4: Strengthening of Local Peace Committees or Other Local Groups				
5.2	Number of groups receiving institutional strengthening and organizational development technical assistance and training	60	60	0	100%
5.3	Number of community members trained	1,500	300	1,200	20%
	Number of women trained	900	180	720	20%
	Number of youth trained	750	300	450	40%
5.4	Subcontract funds disbursed (in USD)	\$150,000	\$20,355	\$129,645	14%
5.5	Cost sharing leveraged (10% minimum, in USD)	\$15,000	\$0	\$15,000	0%
6	Objective 5: Protection of Women and Children				
6.1	Number of people trained	2,400	0	2,400	0%
	Number of women trained	1,200	0	1,200	0%
	Number of youth trained	600	0	600	0%
6.2	Number of women and youth organizations strengthened (assumes one group per VDC)	60	0	60	0%
6.3	Number of people trained in Trafficking-in-person related issues with USG assistance (Program Element PS5.3 – Trafficking-in-Persons and Migrant Smuggling)	2,400	0	2,400	0%
6.4	Subcontract funds disbursed (in USD)	\$50,000	\$0	\$50,000	0%
6.5	Cost sharing leveraged (10% minimum, in USD)	\$5,000	\$0	\$5,000	0%
7	Objective 6: Windows of Opportunities				
7.1	Number of special studies (Program Design and Learning Element)	0	0	0	N/A
7.2	Number of Baseline or Feasibility Studies (Program Design and Learning Element)	0	0	0	N/A

7.3	Subcontract funds disbursed	\$50,000	\$0	\$50,000	0%
7.4	10% cost sharing target (in USD)	\$5,000	\$0	\$5,000	0%

ANNEX II: MONTHLY REPORTS



Monthly Update – January 2009

USAID/Nepal Flood Recovery Program

Build Back Better

USAID-NFRP works with flood-affected communities and NGOs throughout the Terai to increase farmer productivity and income, rehabilitate and develop small-scale community infrastructure, improve awareness of sanitation, nutrition, gender and protection issues and strengthen local organizational capacities through enhanced participation of youth and vulnerable populations. This 24-month activity started in June 2008 and is implemented by Fintrac Inc., a US agribusiness firm, in partnership with METCON Consultants and a vast group of local NGOs and subcontractors.

Visit www.usaid-nfrp.org for more information.

INFRASTRUCTURE

The infrastructure component continued activities in January, getting ahead on 25 community projects that were previously identified, designed and negotiated. Another 19 project subcontracts were negotiated and finalized with various local firms and NGOs.

AGRICULTURE

Twenty-four field personnel from the two implementing partners (FORWARD and MADE) and eight other individuals were trained in two training of trainer activities for summer crops. Each of the three, day-long training activities covered important aspects of summer vegetable production including nursery management, IPM, postharvest handling and marketing. Crops included cucumber, bitter melon, bottle gourd, sponge gourd, pumpkin, melon, okra, and long beans (also known as asparagus bean).

USAID-NFRP also installed 120 shallow tube-wells and 25 treadle pumps on beneficiaries' plots, 68 of them in Central Terai and the rest in Mid/Far West Terai. All recipients cost-shared at least 25 percent of the irrigation systems and in cases where costs exceeded estimates, farmers paid additional costs.

Also in January, 1,877 producers received training in nursery establishment and management of summer crops. Beneficiaries also received nursery management kits with sprayers, watering cans, plastic sheeting, poly bags and fungicides.



Photos by Fintrac Inc.

A USAID-NFRP client surveys her nursery.

INFRASTRUCTURE PROJECTS AT A GLANCE

Project Type	Phase I	Phase II	Phase III
Culverts	0	26	0
Flood Control	14	8	2
Schools	2	11	0
School Bathrooms	0	2	0
Irrigation Rehab	0	2	0
Road Improvements	0	2	0
Health Post	0	1	0
TOTAL	16	53	2

Phase I: Engineering design and community mobilization in process (construction initiated by Feb/March); Phase II: Construction underway; Phase III: Project completed.

This report is made possible by the support of the American People through the United States Agency for International Development (USAID). The contents of this report are the sole responsibility of Fintrac and do not necessarily reflect the views of USAID or the United States Government.



USAID-NFRP also gave participating producers hybrid seeds, enough to plant a total of 470 hectares (234 hectares in the Central Terai and 236 hectares in the Mid/Far West Terai).

FORWARD, a USAID-NFRP partner NGO for the Mid/Far West Terai, also carried out a participatory market chain analysis involving vegetable traders, leading producers and other players in the vegetable sector.

SANITATION, HYGIENE & NUTRITION

SHN partner NGOs carried out baseline surveys of 75 families in each VDC in six districts to assess existing sanitation, health and nutrition situations among USAID-NFRP selected communities. All six subcontractors completed the task of collecting the data from the communities. The surveys included data from:

- Parents of 25 school children (11 to 16 years) in grades 6 to 10;
- 25 adults interested and able to participate in the 12-month SHN training program; and
- 25 household members of community volunteers who participated in the SHN Training of Trainers.

Twenty potential kitchen garden implementers who are interested and are already doing some form of kitchen garden and already have the prerequisite land were selected to participate.

LOCAL ORGANIZATIONS / WOMEN & CHILDREN

Competitive selection of partner subcontractors is underway and is expected to be completed in March.



SHN partner NGO representative collecting baseline data.



A USAID-NFRP producer receives a seed kit.

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Monthly Update – February 2009

USAID/Nepal Flood Recovery Program

Build Back Better

USAID-NFRP works with flood-affected communities and NGOs throughout the Terai to increase farmer productivity and income, rehabilitate and develop small-scale community infrastructure, improve awareness of sanitation, nutrition, gender and protection issues and strengthen local organizational capacities through enhanced participation of youth and vulnerable populations. This 24-month activity started in June 2008 and is implemented by Fintrac Inc., a US agribusiness firm in partnership with METCON Consultants and a vast group of local NGOs and subcontractors.

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USAID/NEPAL MISSION DIRECTOR VISITS USAID-NFRP WORKSITES

High level USAID/Nepal officials including Mission Director Beth Page, Contracting Officer Patrick Wilson and Cognizant Technical Officer Shankar Khagi visited USAID-NFRP sites on February 24 and 25. The visits ended with a Quarterly Contractor and Grantee Meeting at Nepalgunj on February 26.

During the USAID-NFRP site visit in Patharahiya VDC, Kailali district, the first stop was for a quick inspection of the VDC's main flood control infrastructure project: 60 linear meters of rock-cage gabions with four layers of gabion boxes (4 meters high, 2.5 meters base, with 3 meters of launching). The next stops were at two trainings taking place that morning: sanitation, health and nutrition, and livelihood and income generation. The group also made a stop at fields with established nurseries, irrigation systems and demonstration plots set-up and financed by USAID-NFRP.

INFRASTRUCTURE

By the end February, the number of ongoing community infrastructure projects reached 52 (Phase II). The table on the right shows the break down of project type. Additionally, engineering design, cost estimates and community mobilization was completed for 21 other projects.

A major highlight of the infrastructure component was that subcontractor UNYC finished construction on a 31-meter irrigation aqueduct in Rajapur VDC, Bardiya district.



Photos by Fintrac Inc.

A USAID-NFRP demonstration farmer in Bara district shows off his cauliflower during a technical assistance visit.

INFRASTRUCTURE PROJECTS AT A GLANCE

Project Type	Phase I	Phase II	Phase III
Culverts	3	26	0
Flood Control	15	8	2
Schools	3	11	0
Schools Bathrooms	0	2	0
Irrigation Rehab	0	2	1
Road Improvements	0	2	0
Health Post	0	1	0
TOTAL	21	52	3

Phase I: Engineering design and community mobilization in process (construction initiated by March); Phase II: Construction underway; Phase III: Project completed.

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AGRICULTURE

2,131 rural households are currently enrolled in USAID-NFRP-supported income generation agriculture activities. In the Central Terai, our NGO partner MADE is helping 1,031 households grow 15 high value crops on a total of 232.64 hectares. In the Mid/Far-West Terai, our NGO partner FORWARD is helping 1,100 households grow 12 high value crops on 234 hectares.

FORWARD installed 46 shallow tube well (STW) irrigation units for farmer groups during February and six treadle-pumps (TP) for individual farmers. MADE installed 12 STW irrigation units and 70 TPs in February. As of the end of February 178 STWs and 101 TPs have been funded and installed in the six USAID-NFRP supported districts.

2,783 people attended 106 field-based trainings put on in February by both implementing partners: 41 trainings (1,144 attendees) in production management of winter, high value crops; 31 trainings (501 attendees) in production management of summer HVCs; 31 trainings (1,052 attendees) in integrated pest management; and 3 trainings (86 attendees) on Mentha production.

Sixty-four households in Central Terai have reported local market sales of sweet peas, cauliflower, radishes, French beans, and greens. Sales at markets such as Haat Bazars reached \$2,631.

USAID-NFRP distributed 318 integrated pest management (IPM) kits to farmers during February. 120 were distributed in Mid/Far West Terai and 198 were distributed in Central Terai. Kits of seven summer season seeds were also distributed to cover 23.7 hectares.

SANITATION, HYGIENE & NUTRITION

During the reporting period the five subcontractors implementing the activities under this component finalized the selection of target trainees and training schedules and started awareness training in each VDC.

Kitchen Gardens activities started with a general orientation and demonstration on land preparation, seed distribution and nursery establishment. The program's implementing subcontractors also started the selection and training of promoters for the "Improved Cooking Stoves" activities.

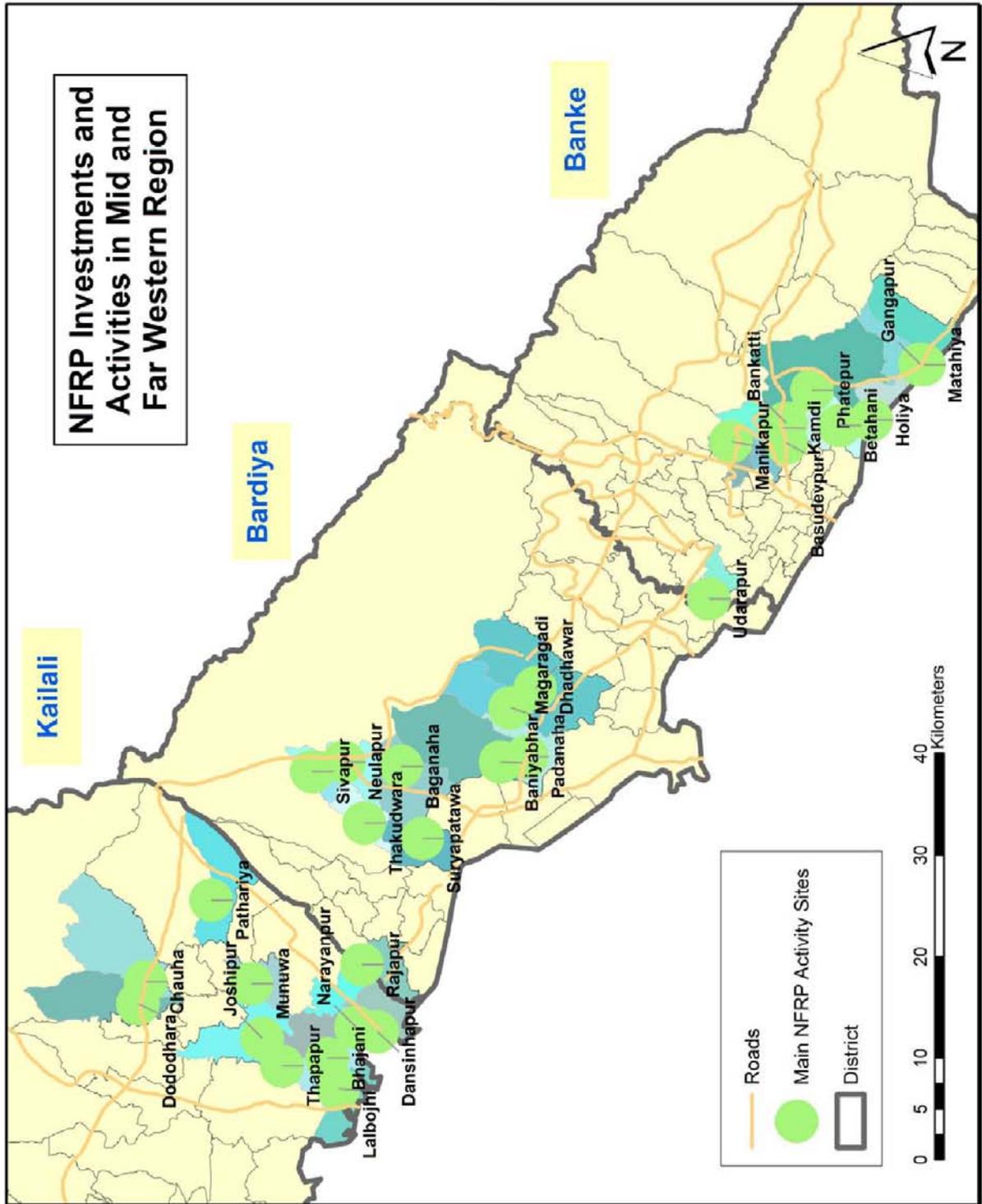


Villagers in Banke walk across a bridge built with USAID-NFRP support.



USAID/Nepal Mission Director Beth Paige, Program Contracting Officer Patrick Wilson, CTO Shankar Khagi and USAID-NFRP LIG Specialist BB Mathema listen during a training of demonstration farmers in Pathraiya VDC, Kailali.

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USAID/NEPAL FLOOD RECOVERY PROGRAM

QUARTERLY PERFORMANCE REPORT #3 JANUARY – MARCH 2009

PHOTO: Villagers walk across a bridge in Rautahat that was built with the support of USAID-NFRP.

Photo taken by USAID-NFRP Monitoring and Outreach Specialist Kamal Shrestha.

BACK COVER: A woman surveys a cucumber crop in Bara District.

Photo taken by Fintrac Senior Agronomist Richard Pluke.



USAID/Nepal Flood Recovery Program

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