

**Tea and Coffee Global Development Alliance –  
Smallholder Mobilization through Improved Governance  
(TCGDA-SMIG)**

**USAID Cooperative Agreement No. 367-A-00-04-00176-00**

**Project Completion Report  
2007**

**Submitted to  
USAID  
Narayangopal Chowk, Maharajgunj  
Kathmandu**

**Submitted by  
Winrock International  
Bakhundol  
Po. Box 8975  
Lalitpur, Nepal**

**USA Address:  
1621 N. Kent St. Suite 1200  
Arlington, Virginia 22209, USA**

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**Tea and Coffee Global Development Alliance –  
Smallholder Mobilization through Improved Governance**

**Recipient: Winrock International Institute for Agricultural Development  
Cooperative Agreement No: 367-A-00-04-00176-00  
Reporting period: September 28, 2004 – June 30, 2007**

## **1.0 Background**

With USAID support, Winrock established the highly successful **Nepal Tree Crop Global Development Alliance** (NTCGDA, 9/02 – 9/04).<sup>1</sup> Building on the success of the NTCGDA in developing export markets and processing methods for specialty coffee and tea, USAID has supported Winrock to implement the new **Tea and Coffee Global Development Alliance – Smallholder Mobilization through Improved Governance (TCGDA-SMIG)**. This new GDA facilitated rapid expansion of sustainable smallholder production through improved governance of community/producer organizations and apex organizations for tea and coffee development. The NTCGDA facilitated a long-term contract with Holland Coffee to purchase as much specialty coffee as Nepal could produce at premium prices and has facilitated new tea contracts and market links in the U.S. and European markets, setting the stage for TCGDA to expand smallholder production of specialty tea and coffee.<sup>2</sup>

USAID/Nepal extended the Tea and Coffee GDA project by an additional nine months from October 1, 2006 to June 30, 2007. TCGDA-SMIG was in the second term, originally planned to be completed in September, 2006. This extension has built on the success of Nepal Tree Crop-GDA and continues coordinating Alliance partner programs in both Tea and Coffee Sectors, with an increased partnership in the alliance.

The **TCGDA-SMIG** applied two key approaches to the development of the tea and coffee sub-sectors in Nepal, (1) a community mobilization approach, through the improved governance of natural resources, smallholder organizations and apex organizations serving the sectors and (2) a business development services (BDS) approach, to put in place value-chains that support smallholder producers and their organizations.

Under TCGDA-SMIG, the existing alliances for tea and coffee are expanded and mobilized for the new program objectives. The coffee and tea alliance signed constitutions, which specify that partners would coordinate activities through common plans, focused on achieving results that are compatible with USAID Nepal's So1 (increased production and sales of high-value agricultural production) and So7 (strengthened governance of natural resources and selected institutions).

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<sup>1</sup> Cooperative Agreement No: 367-A-00-02-00207-00. Later extended to 3/05.

<sup>2</sup> Unlike standard quality products, specialty coffee and tea from Nepal command high international prices.

The total match committed by the alliance partners in the first phase was US \$ 1 million. Cash match was U.S. \$300,000, resulting in a cash match ratio of 1:1 and an overall match ratio of over 3:1 on a USAID investment of U.S. \$300,000.<sup>3</sup> The alliances include strong links to the U.S. private sector and represent quality specialty products with strong market demand. The match committed by the alliance partners in the extension phase was US \$ 100,000.

The project is being implemented by Winrock International, which is a US-based, non-profit organization, working in agriculture, natural resources management, gender, and renewable energy in Nepal. Winrock has extensive experience in high value agriculture and in establishing development alliances. Winrock's partner for this project is International Development Enterprises (IDE), a US-based INGO with a strong BDS capacity in Nepal.

The program works with the local community as well as regional and national level sectoral organizations, improving their performance by improving organization planning, technical skills, administration, accountability, and transparency. This public private partnership program represents a unique opportunity for a modest USAID investment to leverage a market-led program that will improve the governance of producer organizations and in the long run, will enable over 100,000 poor families to escape poverty, reducing support for the insurgency afflicting Nepal. It will provide examples of national significance, affirming that markets work for smallholders in Nepal and help a vulnerable state during a period of crisis.

### **1.1 Program Objectives**

The overall goal of the project is to alleviate poverty for poor smallholders by developing their as well as apex organizations to expand production of specialty coffee, and tea with a focus on lucrative export markets. Program objectives include:

- Support community mobilization, through improved governance of local, regional, and national organizations supporting tea and coffee development
- Dramatically increase the number of smallholders producing coffee and tea
- Dramatically increase the productivity and incomes of smallholders producing coffee and tea
- Build the capacity of the private sectors to provide commercially viable extension and business services so as to increase smallholders' productivity, expand smallholders' participation in the sectors, and develop export opportunities
- Facilitate the objectives of the program supporting USAID Nepal's SO1 and SO7, thereby decreasing support for the Maoist insurgency and helping a vulnerable state in a period of crises.

### **1.2 Alliance Partners**

The Alliance Partners have been established under tea and coffee sub-sectors to incorporate effective collaboration for implementation of activities planned. The Alliance partners of Tea and Coffee sub-sectors are listed below:

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<sup>3</sup> The stated match is documented with support letters and based on due diligence and careful assessment of partner capabilities.

**Nepal Coffee Alliance Partners**

Winrock International (WI)  
Holland Coffee Inc. (HCI)  
Highland Coffee Promotion Company Limited (HCPCL)  
International Development Enterprises (IDE)  
Coffee Promotion Project/Helvetas Nepal (CoPP/Helvetas)  
Nepal Coffee Producers Association (NCPA)  
National Tea and Coffee Development Board of Nepal (NTCDB)  
Agricultural Enterprises Center (AEC)  
Nepal Agriculture Research Council (NARC)  
Coffee and Tea Development Section (CTDS)

**Nepal Tea Alliance Partners**

Winrock International (WI)  
Specialty Tea Institute (STI)  
Himalayan Orthodox Tea Producers Association (HOTPA)  
GTZ Private Sector Promotion Project (GTZ)  
National Tea and Coffee Development Board of Nepal (NTCDB)  
Agricultural Enterprises Center (AEC)  
Himalayan Marketing Cooperative (HIMCOOP)  
International Development Enterprises (IDE)  
Netherlands Development Organization (SNV)  
Tea Sector Service Center (TEASEC)  
Various Private Tea Buyers

**2.0 Results (Output or Indicators)**

Winrock International/Tea and Coffee Global Development Alliance – Smallholder Mobilization through Improved Governance (TCGDA – SMIG) was responsible for implementing a comprehensive program for achieving quantitative increases in the performance plan output indicators for the production and marketing of orthodox tea and coffee in the project area. The interventions were implemented in two sub-sectors: orthodox tea and coffee. Revised performance indicators and targets established in January 2004 (mentioned in Tables 1 & 2 of TCGDA-SMIG Monitoring and Evaluation Plan 2004) with results are presented in Table 1 below. The expected output is an increase in the indicators to the targets. The planned activities were successfully implemented and in overall the performance indicators results are satisfactory. Despite difficulties in field implementation caused by the conflict, TCGDA-SMIG has had a tremendous impact in its full period of operation.

## Major Accomplishments

- The TCGDA played a key role in supporting the Himalayan Tea Producers Cooperatives (HIMCOOP) – a marketing cooperative established with a grant from RABO bank facilitated by the TCGDA. HIMCOOP and HOTPA have been strengthened to effectively host and participate in tea trade events.
- Worked with government and stakeholders to ensure that restricted pesticides are banned and that farmers are aware of the importance of phytosanitary practices including training.
- Facilitated field visits by major tea, coffee buyers, and industry stakeholders.
- Worked closely with the industry and GTZ for a CoC system that is recognized as a leading approach. TCGDA has implemented an innovative national system to certify social and environmental responsibility and quality standards for the Nepal Orthodox Tea Sector.
- Facilitated Highland Coffee Promotion Company Limited (HCPCL) to export 38.1 tons of coffee to Holland Coffee, USA. Established of a long term partnership with Holland Coffee which has vast potential to purchase and promote Nepal Coffee.
- Provided technical support including from coffee development alliance partners to more than 17,000 coffee farmers covering more than 23 districts; trained farmers in specialty washed processing suitable for international markets. Over 75% of coffee is washed processed now.
- Launched successful semi-wash coffee pilot program in Palpa, Syangja and Lamjung districts in collaboration with HCPCL with financial support from CRRN and Ujyalo Income Generation Program also. HCPCL collected 47 MT of semi wash coffee parchment in 2007. The Holland Coffee Inc., USA found this semi-wash coffee of better quality and shown interest to promote it as specialty coffee.
- Average income increased by more than 94% of 20,880 smallholders growing coffee and coffee.
- Handed over the Tea and Coffee Development Alliance Secretariat to AEC linking with SIMI extension Project (extended to September 2009) after the phase out of TCGDA. The Alliance as well as SIMI extension project will follow-up and continue the good practices developed by the TCGDA.
- Supported selected coffee and tea development alliance partners and other partners in technical and management capacity development.
- FtF Volunteer visited Palpa and Gulmi and trained key staff of government and Projects, and farmers on the management of white stem borer of coffee plants.
- Linked with IPM Collaborative Research Support Program (CRSP) to promote IPM in coffee and tea plants.

Table 1. TCGDA-SMIG Program Performance Indicators, Benchmarks, Targets and Results

| Indicator No. | SO or IR      | Results Statement  | Indicator   | Unit of Measure                                 | Base-line value 2004 | 2005 Target (Cumulative) | 2005 Actual (Cumulative) | 2005 Progress in % Against Target | 2006 Target (Cumulative) | 2006 Actual (Cumulative) | 2006 Progress in % Against Target | 2007 Target (Cumulative) | 2007 Actual (Cumulative) | 2007 Progress in % Against Target | Total Target Change in 3 Yrs | Total Actual Change in 3 Yrs | Total Progress in % Against Total Target |
|---------------|---------------|--|---|---|----------------------|--------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|-----------------------------------|------------------------------|------------------------------|--|
| I             | SOI           | Increased sustainable production and annual sales of high-value sales of forest and high-value agricultural products | Annual sales of high-value agricultural, livestock and forest commodities in target areas | Millions of US Dollar                           | 1.64                 | 2.12                     | 2.02                     | 95.28                             | 2.64                     | 2.77                     | 104.75                            | 3.32                     | 3.57                     | 107.39                            | 1.68                         | 1.93                         | 114.59                                   |
|               |               | Coffee   |   |   | 0.23                 | 0.5                      | 0.51                     | 102                               | 0.78                     | 0.83                     | 106.41                            | 1.07                     | 1.16                     | 108.41                            | 0.84                         | 0.93                         | 110.71                                   |
|               |               | Tea  |   |   | 1.41                 | 1.62                     | 1.51                     | 93.2                              | 1.86                     | 1.94                     | 104.05                            | 2.25                     | 2.41                     | 106.91                            | 0.84                         | 1.00                         | 118.44                                   |
| II            | SO I IR 1.1   | Expanded market participation  | Farm and forest households selling high-value products in target area                     | Number of farm and forest household in thousand | 8.57                 | 11.57                    | 11.75                    | 101.56                            | 14.57                    | 15.97                    | 109.61                            | 19.14                    | 20.88                    | 109.12                            | 10.57                        | 12.31                        | 116.52                                   |
|               |               | Coffee   |   |   | 3.65                 | 6.15                     | 6.38                     | 103.74                            | 8.65                     | 10.00                    | 115.61                            | 12.72                    | 14.34                    | 112.78                            | 9.07                         | 10.69                        | 117.93                                   |
|               |               | Tea  |   |   | 4.92                 | 5.42                     | 5.37                     | 99.08                             | 5.92                     | 5.97                     | 100.84                            | 6.42                     | 6.54                     | 101.87                            | 1.50                         | 1.62                         | 108.00                                   |
| III           | SO I IR 1.1.1 | Increased adoption of improved technology  | Households adopting improved technology   | Number of HH in thousand                        | 7.44                 | 10.44                    | 11.8                     | 113.03                            | 13.44                    | 14.35                    | 106.77                            | 16.26                    | 17.37                    | 106.81                            | 8.82                         | 9.93                         | 112.55                                   |
|               |               | Coffee   |   |   | 3.5                  | 6                        | 7.27                     | 121.17                            | 8.5                      | 9.22                     | 108.47                            | 10.68                    | 11.54                    | 108.03                            | 7.18                         | 8.04                         | 111.94                                   |
|               |               | Tea  |   |   | 3.94                 | 4.44                     | 4.53                     | 102.03                            | 4.94                     | 5.13                     | 103.85                            | 5.58                     | 5.83                     | 104.48                            | 1.64                         | 1.89                         | 115.24                                   |
| IV            | SO I IR 1.1.1 | Expanded access to business service and markets  | Number of HH receiving BDS support  | Thousands of HH                                 | 4.56                 | 7.56                     | 8.07                     | 106.75                            | 10.56                    | 11.48                    | 108.71                            | 14.04                    | 15.87                    | 113.05                            | 9.48                         | 11.31                        | 119.34                                   |
|               |               | Coffee   |   |   | 2.5                  | 5                        | 5.26                     | 105.2                             | 7.5                      | 8.13                     | 108.40                            | 10.28                    | 11.57                    | 112.52                            | 7.78                         | 9.07                         | 116.54                                   |
|               |               | Tea  |   |   | 2.06                 | 2.56                     | 2.81                     | 109.77                            | 3.06                     | 3.35                     | 109.48                            | 3.76                     | 4.30                     | 114.51                            | 1.70                         | 2.24                         | 132.15                                   |
| V             | SO I IR 1.1.2 | Expanded access to business service and markets  | Volume of business activity   | Rs' 000   | 3,718.50             | 5,531.00                 | 5,526.73                 | 99.92                             | 7,343.50                 | 7,633.75                 | 103.95                            | 9,091.52                 | 9,839.88                 | 108.23                            | 5373.02                      | 6121.38                      | 113.93                                   |
|               |               | Coffee   |   |   | 1,750.00             | 3,312.50                 | 3,413.30                 | 103.04                            | 4,875.00                 | 5,103.32                 | 104.68                            | 6,370.84                 | 7,005.34                 | 109.96                            | 4,620.84                     | 5255.34                      | 113.73                                   |
|               |               | Tea  |   |   | 1,968.50             | 2,218.50                 | 2,113.43                 | 95.26                             | 2,468.50                 | 2,530.43                 | 102.51                            | 2,720.68                 | 2,834.54                 | 104.18                            | 752.18                       | 866.04                       | 115.14                                   |
| VI            |               | Increased income from high-value crop sales*   | Income from high-value sales*   | USD per HH                                      | 119.5                | 157.5                    | 155.1                    | 98.48                             | 196.5                    | 201.25                   | 102.42                            | 224.85                   | 232.45                   | 103.38                            | 105.87                       | 112.95                       | 106.69                                   |
|               |               | Coffee   |   |   | 40.4                 | 78.4                     | 81.34                    | 103.75                            | 117.4                    | 123.21                   | 104.95                            | 152.08                   | 163.55                   | 107.54                            | 111.68                       | 123.15                       | 110.27                                   |

| Indicator No. | SO or IR     | Results Statement                  | Indicator  | Unit of Measure      | Base-line value 2004 | 2005 Target (Cumulative) | 2005 Actual (Cumulative) | 2005 Progress in % Against Target | 2006 Target (Cumulative) | 2006 Actual (Cumulative) | 2006 Progress in % Against Target | 2007 Target (Cumulative) | 2007 Actual (Cumulative) | 2007 Progress in % Against Target | Total Target Change in 3 Yrs | Total Actual Change in 3 Yrs | Total Progress in % Against Total Target |
|---------------|--------------|------------------------------------|--|----------------------|----------------------|--------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|-----------------------------------|------------------------------|------------------------------|--|
|               |              | Tea                                |  |                      | 180.2                | 218.2                    | 205.21                   | 94.05                             | 257.2                    | 260.43                   | 101.26                            | 276.41                   | 284.56                   | 102.95                            | 96.21                        | 104.36                       | 108.47                                   |
| VII           | SO1 IR 1.1.3 | Improved policy environment        | Number of policy analysis completed and discussed in wider forum | In Number            | 3                    | 6                        | 7                        | 116.67                            | 9                        | 12                       | 133.33                            | 16                       | 16                       | 100                               | 13                           | 13                           | 100.00                                   |
|               |              | Coffee                             |  |                      | 1                    | 3                        | 3                        | 100                               | 5                        | 6                        | 120.00                            | 8                        | 8                        | 100                               | 7                            | 7                            | 100.00                                   |
|               |              | Tea                                |  |                      | 2                    | 3                        | 4                        | 133.33                            | 4                        | 6                        | 150.00                            | 8                        | 8                        | 100                               | 6                            | 6                            | 100.00                                   |
| VIII          |              | Skills increased through training* | Number of farmers trained*                                       | In Number            | 0                    | 2,025                    | 2,161                    | 106.72                            | 4,173                    | 4,755                    | 113.95                            | 5,090.00                 | 5,231                    | 102.77                            | 5090                         | 5231                         | 102.77                                   |
|               |              | Coffee                             |  |                      | 0                    | 1,500                    | 1,583                    | 105.53                            | 3,000                    | 4,027                    | 134.23                            | 4,252.00                 | 4,353                    | 102.38                            | 4252                         | 4353                         | 102.38                                   |
|               |              | Tea                                |  |                      | 0                    | <b>525</b>               | 578                      | 110.1                             | <b>1,173</b>             | 728                      | 62.06                             | 838.00                   | 878                      | 104.77                            | 838                          | 878                          | 104.77                                   |
| IX            |              | Co-operatives strengthened *       | Formation of co-operatives*                                      | In Number            | 0                    | 8                        | 16                       | 200                               | 15                       | 43                       | 286.67                            | 49                       | 51                       | 104.08                            | 49                           | 51                           | 104.08                                   |
|               |              | Coffee                             |  |                      | 0                    | 5                        | 16                       | 320                               | 10                       | 41                       | 410.00                            | 45                       | 46                       | 102.22                            | 45                           | 46                           | 102.22                                   |
|               |              | Tea                                |  |                      | 0                    | 3                        |                          | 0                                 | 5                        | 2                        | 40.00                             | 4                        | 5                        | 125.00                            | 4                            | 5                            | 125.00                                   |
| X             |              | Farmer groups strengthened         | Formation of farmer* groups                                      | In Number            |                      | 33                       | 22                       | 66.67                             | 70                       | 88                       | 125.71                            | 114                      | 120                      | 105.26                            | 114                          | 120                          | 105.26                                   |
|               |              | Coffee                             |  |                      | 0                    | <b>18</b>                | 20                       | 111.11                            | <b>40</b>                | 74                       | 185.00                            | 94                       | 98                       | 104.26                            | 94                           | 98                           | 104.26                                   |
|               |              | Tea                                |  |                      | 0                    | 15                       | 2                        | 13.33                             | 30                       | 14                       | 46.67                             | 20                       | 22                       | 110.00                            | 20                           | 22                           | 110.00                                   |
| XI            |              | Employment generated*              | Number of jobs created*  | Number in thousand   | 0                    | 18                       | 19                       | 105.06                            | 36                       | 40                       | 111.00                            | 56                       | 62                       | 111.61                            | 56                           | 62                           | 111.61                                   |
|               |              | Coffee                             |  |                      | 0                    | 15                       | 16                       | 103.6                             | 30                       | 33                       | 109.60                            | 46                       | 50                       | 109.45                            | 46                           | 50                           | 109.45                                   |
|               |              | Tea                                |  |                      | 0                    | 3                        | 3                        | 112.33                            | 6                        | 7                        | 118.00                            | 10                       | 12                       | 121.67                            | 10                           | 12                           | 121.67                                   |
| XII           |              | Labor days increased*              | Number of labor days* increased                                  | Men days in thousand | 0                    | 1,080                    | 1124                     | 104.08                            | 2,160                    | 2,376                    | 109.98                            | 3,314                    | 3,612                    | 108.99                            | 3314                         | 3612                         | 108.99                                   |
|               |              | Coffee                             |  |                      | 0                    | 900                      | 938                      | 104.27                            | 1,800                    | 1,990                    | 110.53                            | 2,778                    | 3,036                    | 109.29                            | 2778                         | 3036                         | 109.29                                   |
|               |              | Tea                                |  |                      | 0                    | 180                      | 186                      | 103.09                            | 360                      | 386                      | 107.21                            | 536                      | 576                      | 107.41                            | 536                          | 576                          | 107.41                                   |

\* Additional indicators.

Note: Null in baseline indicates no participants to start and targets with bold face are added later.

The tea sales in 1<sup>st</sup> year and income target achievements were slightly lower due to the tea farmers affected by security situation and WTO reason in India.

The target especially in the third year (9 months) was more dependent on synergy and coordination with alliance partners due to low budget as compared to first and second years.

The following strengthening institutional capacity performance indicators target developed for extension phase are achieved by providing training, advices, visits and counseling on technical and management capacity development through TCGDA-SMIG itself and alliance partners including linking with WI cross agricultural projects.

**Table 2. Strengthening institutional capacity performance indicators**

| Institution           | Technical Capacity Development Target | Management Capacity Development Target | Total Completed |
|-----------------------|---------------------------------------|--|-----------------|
| Tea Board             | 1                                     | 1                                      | 2               |
| HOTPA                 | 1                                     | 1                                      | 2               |
| HIMCOOP               | 1                                     | 1                                      | 2               |
| DOA                   | 1                                     |  | 1               |
| NARC                  | 1                                     |  | 1               |
| NCPA                  | 1                                     | 1                                      | 2               |
| HCPCL                 | 1                                     | 1                                      | 2               |
| PADC                  | 1                                     | 1                                      | 2               |
| Local Tea Partners    | 3                                     | 3                                      | 6               |
| Local Coffee Partners | 3                                     | 3                                      | 6               |
| <b>Total</b>          | <b>14</b>                             | <b>12</b>                              | <b>26</b>       |

### 3.0 Major Activities Leading to the Indicator Targets

#### 3.1 Highlights of Activities from October 1, 2004 – June 30, 2007

##### 3.1.1 Mobilization

Mobilization and recruitment of staff has been completed in first year. The details of staff mobilized by the project are given in Section 6.0 in Administrative Information.

##### 3.1.2 Coffee Sub-sector Activities

**Community social mobilization:** Community was mobilized for the formation of coffee production groups. Trained farmers are benefiting from the production and processing training, soil moisture conservation demonstration/training, bio-fertilizer, pesticide preparation and application training, coffee brewing training, filter coffee making training, coffee production management and post harvest handling training. Other activities such as the mobilization of groups for training on the pruning of old plants and managing steam borer, training on the production to processing to Micro Small Enterprises (MSEs) by Local Resource Person (LRP), LRP/Leader Farmers (LFs) mobilization for coffee cycle training and demonstration on varietal identification, cooperative strengthening and booster fund utilization, cooperative union management and marketing training were also carried out.

Under Apex institutional development, technical support was provided to NTCDB and NCPA, as well as support to HCPCL for organizational development.

**Supply chain development:** Model nurseries for quality sapling production and distribution were established, as well as 27 new nurseries. Also a link was established for the source of quality seeds of identified varieties. A coordination meeting with line agencies like DADO and DCPA was also held. Quality saplings are produced and distributed through the establishment of model nurseries. A training on “Bocasi” vermin composting and bio fertilizers was also carried out.

A MIT, Bio-Fert./Pesticide dealer was also established. There was a parchment drying demonstration as well as the construction and demonstration of a rain water harvest tank in Palpa. There was a pulper repair and maintenance training provided to field technicians and pulper operators. There was a pulper performance evaluation, development and compost-making training done for the pulper operators.

**Market links:** Trainings on communication and quality standards were held. The TCGDA facilitated HCPCL to export 15 mts of washed coffee green beans to HCI on April 27, 2005 and it was transported from Brigunj customs on May 15, 2005 to India port due to container problem, and other 8.1 mts of washed coffee green beans (in container load from Kathmandu) on July 4, 2005 to the same company. The export price was US \$1.45 per lb totaling the value of US \$ 73,843.08 for both lots. Similarly in 2006 the TCGDA facilitated HCPCL to export 15 mts of washed coffee beans to the same company worth of US \$ 47,951.

TCGDA coordinated with the FtF Program to send one kilogram of semi-wash coffee green beans to HCPCL for review as requested by former U.S. FtF Volunteer, with the possibility of importing coffee from Nepal. There were meetings on branding activities, as well as on the Codes of Conduct, the national logo and quality testing, with the joint effort of NTCDB.

The Brand Launching and Cup Tasting Event was held at the Garlic Café, Tripureshwor on March 12, with the joint effort of Winrock International and Highland Coffee Promotion Company Limited (HCPCL). HimCafé was launched in the Nepali market and will be sold in two different forms – semi-washed and fully-washed. The company received technical cooperation from Winrock International /USAID Nepal and has been supporting farmers in 14 districts in western Nepal. An international market link with the Holland Coffee Company in the U.S. has been maintained and will continue.

**Adaptive research and implementation:** There was a development of extension materials, for instance a manual on post-harvest techniques was prepared and distributed.

**Others:** People Awareness and Development Center (PADC) organized a Central Coffee Cooperative Union formation workshop in Damauli, Tanahun district.

A field visit to the Panchkhal Horticulture Farm, Kavre was organized on the 26<sup>th</sup> of August 2006 to see the impact of USAID Coffee program. Representatives from the U.S. Senate, Mr. Jim Kolbe, Mr. Andrew Crenshaw, Mr. Fred Upton, and Mr. Brian Baird along with the U.S.

Ambassador, Mr. James F. Moriarty as well as the USAID country director Mr. Don Clark were taken to visit the coffee farmers and nursery entrepreneurs who have benefited from the program.

A National Coffee Policy Workshop was organized at the Coffee and Tea Development Section CTDS in Kirtipur on September 24-25, 2006. The workshop was jointly organized by CTDS and NCPA, with the support from HCPCL, Nepal Tea and Coffee Development Board NTCDB, Ujyalo, TCGDA/WI and USAID.

Visitors from the UK, Canada and the Central Office including Ms. Linda Maccloed, Mr. Paul Brown, Mr. Harry Olfert, Mr. Agnes Olfert, Mr. Bob Nanes, Ms. Stephanie Cox and Mr. Komal Pradhan visited coffee program areas of Kaski and Syangja district from November 9 to 10, 2006. They also observed pulper machine centers and coffee nurseries.

Members from USAID, Mr. Jason Wolfe and Mr. Sribindu Bajracharya were accompanied by members of IDE and BDS Prime in the field visit to Pokhara and Syangja. They visited Micro Irrigation Technology (MIT) used areas of Kaski, a vegetable collection center, a ginger drier system and the District Coffee Producers Association of Syangja.

A meeting was held between Dr. Luke A. Colavito, Mr. R.B. Shrestha/TCGDA/WI and Mr. Krishna Pathak and Mr. Krishna Ghimire from HCPCL at the SIMI office on February 26 in which the strategies of how to deal with Holland Coffee Inc., USA and the exportation of semi-washed coffee beans was discussed. There were also Coffee Day celebrations. CoPP/Helvetas organized the “Annual Stakeholders Consultative Workshop” in which a report on “The Study Report on Trade Competitiveness of Nepalese Coffee” was presented by AEC.

### 3.1.3 Tea Sub-sector Activities

**Community social mobilization:** Training programs such as field trainings for tea farmers, tea cultivation mobile trainings, composting in tea cultivation trainings, organic tea cultivation trainings and mobile trainings on tea pruning and manure application were carried out. Other activities include demonstrations on soil moisture conservation and trainings at the JTA level, which was conducted by HOTPA at Fikkal, Ilam.

Intern students were hired and mobilized by HOTPA for a baseline survey in the field. The formation of groups (VDC level) and cooperatives (district level) has been ongoing. A field survey was conducted in which data on the formation of the groups and cooperatives was collected. The formations are found to be linked with Asian Development Bank funded program on CADP. Through the media, tea tourism has also been promoted. Tea Buyers visit to Nepal Tea Hills is expected to take place in 2008.

In apex institutional development, skill development trainings as well as tea cultivation technology trainings for tea extension officers were carried out.

The development of the capacity of tea sub-sector service provider was done through an agreement between National Skill Testing Board (NSTB/CTEVT) and Tea Sub-sector Service Center (TSSC) initiated from March 21, 2006 to March 20, 2010. Further strengthening of TEASEC took place with a sub grant program for Codes of Conduct Implementation program commencing Feb 2007 to June 2007.

Under apex institutional development, capacity building of HOTPA through capacity assessment in Codes of Conduct (CoC) was initiated. Good manufacturing practices were conducted. 9 out of 15 Factories are now under going HACCP Certification program.

**Supply chain development:** A BDS/Sub Sector Market Development training was conducted during March 7-10, 2005 focused for the alliance partners of TCGDA. Nursery development training link activities and pesticides awareness campaign are on-going. TCGDA-SMIG/WI/IDE conducted staff orientation and rapid SSA training to the project staffs at Pokhara. An inspection of the tea gardens of Dhankuta district was conducted by Coffee and Tea Development Section (CTDS) and necessary suggestions were provided to the farmers. Similarly, inspections of private tea nurseries were also conducted. Technical CoC training to tea farmers and. internal Control System (ICS) trainings were carried out.

**Market Linkages:** SNV Nepal-Ilam has implemented tea Codes of Conduct (CoC) with the orientation of procedures of Codes of Conduct and binding tea factories to it. The initiation on CoC has been done through its orientation to factory managers and chief and informing about initial technical responsibilities. Similarly, tea farmers were oriented and trained on implementing CoC at their level.

A CoC workshop with a tea alliance meeting was held at the Godavari Village Resort on the 2<sup>nd</sup> of August, 2006. The Tea Industry Stakeholders endorsed the HOTPA CoC. A press conference was organized at the Himalayan Hotel on the 4<sup>th</sup> of August. The HOTPA Code of Conduct 2063 was officially endorsed during this event.

Mr. Chandra Bhushan Subba TL TCGDA attended the International Tea Workshop, “International Capacity Building and Networking Workshop for CSOs and other Stakeholders in the tea sector”, held in Darjeeling to promote the Nepal CoC approach to marketing and certifying specialty tea. Representatives from Nepal, India, Malawi, Indonesia and Sri Lanka participated in the workshop. Delegates from Nepal Tea participated in Tea and Coffee World Cup Hamburg in 2005 and Geneva in June 2007, and World Tea Expo in March 2006 and Atlanta in June 2007 showcasing Nepal CoC Tea.

Independent CoC Inspector visited and observed the CoC implementation at Ilam and Panchthar tea factories and submitted initial CoC report with CoC tea samples. 3 out of 17 signatories of CoC was awarded CoC certificates for 15 invoices of CoC teas wherein CoC certified teas were promoted in the International markets.

In order to garner additional support for the ongoing CoC program, SNV, together with IDE and WI discussed Asia Invest Program Support possibilities for the year 2008 onwards, on March 13. During the meeting, it was agreed in principle that SNV would initiate proposal designing with support from WI, while IDE will take the lead role for the program envisaged thereof.

As a member of the alliance, Mr. Subba visited Guwahiti in South India to gain Indian support of the regional CoC project of Winrock International.

A joint agreement between NTCDB, WI/TCGDA and the Agriculture Product Export Promotion was made; to conduct tea market supervision of internal consumption and export business of Nepal tea.

**Adaptive research and implementation:** Trials on Clonal Selection Scheme are established. Varietal performance process is undergoing. Soil Fertility Analysis has been initiated. Soil of Fikkal, Ilam is now being analyzed to be followed by other pockets of Ilam. Development of extension materials has been made. HOTPA has initiated the publication of Quarterly Technical Bulletin for the farmers.

**Others:** The TAZO group (Starbucks undertaking) from the U.S. visited Nepal and interacted with the processors, farmers and key informants as well as shared experiences about tea production. NTCDB and the Export Promotion Center organized a seminar on the "Opportunity and Challenge in Nepalese Tea and Coffee" on the occasion of the Tea/Coffee Event.

Mr. Tony Barendsz, Consultant, PUM Netherlands as Hazard Analysis and Critical Control Point (HACCP) Expert visited Nepal to analyze hazards related to pesticides use in tea plants. A meeting was held with Mr. Barendsz, discussing the mandatory HACCP certification requirement (since 1996) for Europe tea exports.

As a member from the alliance, Mr. Chandra Bhushan Subba went to Sri Lanka to attend meetings on Technology Transfer Training to be imparted to Mr. Bijaya Gurung; Out Reach Officer of Himalayan Tea Technology Outreach and Extension Program (HIMTEX) of HOTPA, by National Institute of Plantation Management, Sri Lanka.

USAID/Nepal team, including Mr. Don Clark, Mission Director; Mr. Naren Chanmugam, GDO Team Leader; Mr. Sankar Khagi, Aid Development Program Specialist and Mr. Gautam Bajracharya, Aid Development Program Assistant along with Mr. Hans Van Kamper, Team Leader of INFRIN, visited Ilam and Phidim tea areas from June 12-17, 2006.

A Donors/INGOs meeting was held to discuss a significant issue of GDA sustainability. Discussions were made on the capacity building of Himalayan Orthodox Tea Producers Association (HOTPA) by GTZ and SNV and need of JICA to support National Tea and Coffee Development Board (NTCDB). INGOs meeting was held at GTZ to discuss the sustainability of the tea alliance as well as capacity building of HOTPA. It was agreed that WI, together with GTZ and SNV would continue support program for HOTPA and would entrust task of Tea Alliance secretariat to AEC while providing support necessary to run the alliance.

### **3.1.4 Project Monitoring**

Performance Monitoring Plan was submitted to USAID, along with annual workplans and the quarterly reports. Regular formal alliance meetings for tea and coffee were held.

In overall, the TCGDA-SMIG activities implementations during the project period have been found satisfactory. The tea and coffee smallholders, area and production are presented in below table 2 and 3. The planned activities progress (summarized), October 1 - June 30, 2007 is presented in Annex 1.

Table 3. Coffee Growers, Area and Production, 2003/4, 2004/5 and 2005/6

| S.No. | District       | 2003/2004  |           |                       | 2004/2005  |           |                       | 2005/2006  |           |                       |
|-------|----------------|------------|-----------|-----------------------|------------|-----------|-----------------------|------------|-----------|-----------------------|
|       |                | Farmer No. | Area (ha) | Dry Cherry Prod. (mt) | Farmer No. | Area (ha) | Dry Cherry Prod. (mt) | Farmer No. | Area (ha) | Dry Cherry Prod. (mt) |
| 1.    | Palpa          | 2,172      | 174       | 26.1                  |            | 174       | 24                    |            | 140       | 46.7                  |
| 2.    | Kavre          | 1,462      | 110       | 12                    |            | 110       | 11.25                 |            | 115       | 33.5                  |
| 3.    | Gulmi          | 1,007      | 77        | 35                    |            | 87        | 50.4                  |            | 102       | 67.5                  |
| 4.    | Nuwakot        | 10         | 48        | 12                    |            | 48        | 14.4                  |            | 53        | 17                    |
| 5.    | Syangja        | 1,412      | 112       | 25                    |            | 170       | 32                    |            | 195       | 36.1                  |
| 6.    | Sankhuwasabha  | 20         | 40        | 1                     |            | 40        | 4.5                   |            | 18        | 5                     |
| 7.    | Lalitpur       | 430        | 40        | 21                    |            | 40        | 23.5                  |            | 70        | 60.4                  |
| 8.    | Baglung        | 469        | 32.6      | 16.1                  |            | 29        | 8                     |            | 35        | 9.6                   |
| 9.    | Arghakhachi    | 378        | 20        | 7                     |            | 23        | 7.7                   |            | 71        | 8.7                   |
| 10.   | Sindhupalchowk | 645        | 30        | 12                    |            | 30        | 6.5                   |            | 72        | 15.5                  |
| 11.   | Parbat         | 65         | 29        | 5                     |            | 25        | 7.5                   |            | 30        | 7.6                   |
| 12.   | Tanahu         | 199        | 39        | 5.2                   |            | 40        | 7.2                   |            | 45        | 5.8                   |
| 13.   | Lamjung        | 340        | 36        | 10.3                  |            | 49        | 10                    |            | 95        | 10.9                  |
| 14.   | Kaski          | 563        | 35        | 8                     |            | 40        | 9                     |            | 60        | 26.4                  |
| 15.   | Jhapa          | 53         | 12        | 4.5                   |            | 12        | 5                     |            | 2         | 5                     |
| 16.   | Gorkha         | 135        | 26.7      | 5                     |            | 97        | 5.25                  |            | 97        | 5.2                   |
| 17.   | Ilam           | 515        | 25        | 4.4                   |            | 27        | 10.7                  |            | 30        | 13                    |
| 18.   | Dhading        | 11         | 12.5      | 2                     |            | 13        | 5.4                   |            | 16        | 6                     |
| 19.   | Udayapur       | 2          | 2         | 1                     |            | 2         | 1                     |            | 2.5       | 1.1                   |
| 20.   | Myagdi         | 30         | 2.5       | 1                     |            | 1         | 0.64                  |            | 5         | 0.8                   |
| 21.   | Makwanpur      | 82         | 11.6      | 0.5                   |            | 10        | 2                     |            | 11        | 2.4                   |
| 22.   | Panchthar      |            |           |                       |            |           |                       |            | 8         | 2                     |
| 23.   | Khotang        |            |           |                       |            |           |                       |            | 7         | 1.5                   |
| 24.   | Others         |            | 10.3      | 3.5                   |            | 11        | 3.85                  |            | 5.5       | 3.8                   |
|       | <b>Total</b>   | 10,000     | 925.2     | 217.6                 | 12,000     | 1,078     | 249.79                | 15,000     | 1,285     | 391.5                 |

Source: NTCDB.

Note: The coffee growers, area and dry cherry production in 2006/7 are estimated to be respectively 17,424, 1502 ha and 587.25 mt. NTCDB has not published actual data yet.

**Table 4. Orthodox Tea Growers, Area and Production, 2003/4, 2004/5 and 2005/6**

| S. No. | District           | 2003/2004                        |              |                | 2004/2005                        |              |                 | 2005/2006                        |              |              |
|--------|--------------------|----------------------------------|--------------|----------------|----------------------------------|--------------|-----------------|----------------------------------|--------------|--------------|
|        |                    | No. of Farmer                    | Area (ha)    | Prod. (Mt)     | No. of Farmer                    | Area (ha)    | Prod. (Mt)      | No. of Farmer                    | Area (ha)    | Prod. (Mt)   |
| 1.     | Ilam               | 4,330                            | 3,302        | 952.60         | 4,463                            | 3,426        | 959.35          | 4,647                            | 3,469        | 889.35       |
| 2.     | Dhankuta           | 280                              | 107          | 19.91          | 297                              | 129          | 30.88           | 789                              | 425          | 36.33        |
| 3.     | Panchthar          | 783                              | 422          | 66.02          | 786                              | 422          | 94.92           | 297                              | 141          | 119.11       |
| 4.     | Terathum           | 191                              | 96           | 17.50          | 234                              | 113          | 30.41           | 247                              | 123          | 36.33        |
| 5.     | Other              |                                  |              |                | 225                              | 55           | 3.43            | 317                              | 72           | 32           |
|        | Total              | 5584                             | 3,927        | 1,056.03       | 6,005                            | 4,145        | 1,118.99        | 6,297                            | 4,230        | 1,113        |
|        |                    | <b>No. of Private Tea Estate</b> |              |                | <b>No. of Private Tea Estate</b> |              |                 | <b>No. of Private Tea Estate</b> |              |              |
| 1.     | Ilam               | 7                                | 1,329        | 333.37         | 7                                | 1,347        | 336.62          | 7                                | 1,347        | 406.22       |
| 2.     | Dhankuta           | 7                                | 212          | 60             | 7                                | 219          | 62.88           | 7                                | 219          | 46           |
| 3.     | Panchthar          | 3                                | 372          | 103.7          | 3                                | 382          | 104.67          | 3                                | 382          | 80.22        |
| 4.     | Terathum           | 1                                | 15           | 3              | 1                                | 23           | 4.75            | 1                                | 23           | 4.83         |
| 5.     | Sindhupalchok      | 1                                | 150          | 35             | 1                                | 150          | 35              | 1                                |              |              |
| 6.     | Others             | 4                                | 684          |                | 4                                | 684          | 4               | 4                                | 834          | 4.83         |
|        | Total              | 23                               | 2762         | 535.07         | 23                               | 2,805        | 547.92          | 23                               | 2,805        | 542.1        |
|        | <b>Grand Total</b> |                                  | <b>6,689</b> | <b>1,591.1</b> |                                  | <b>6,950</b> | <b>1,666.91</b> |                                  | <b>7,035</b> | <b>1,655</b> |

Source: NTCDB.

Note: The orthodox tea farmers, area and production are estimated to be 6,840, 4,315 ha and 1141.37 mt. NTCDB data not published yet.

**Table 5. Coffee and Tea Exports to Overseas Countries, 2003/2004, 2004/2005 and 2005/2006**

| H.S. Code      | Description/ Commodities/Countries               | FY 2003/04    |                    | FY 2004/2005 |                  | FY 2005/2006 |                  |
|----------------|--|---------------|--------------------|--------------|------------------|--------------|------------------|
|                |  | Qty (mt)      | Value (NRs '000)   | Qty (mt)     | Value (NRs '000) | Qty (mt)     | Value (NRs '000) |
| <b>Ch. 9</b>   | <b>Coffee</b>                                    |               |                    |              |                  |              |                  |
| <b>0901.11</b> | <b>Coffee, neither roasted nor decaffeinated</b> |               |                    | <b>13.3</b>  | <b>4057.7</b>    | <b>31.9</b>  | <b>17,369.46</b> |
|                | Japan  |               |                    | 5.3          | 2236.15          | 26           | 12,825.94        |
|                | U.S.A  |               |                    | 8            | 1821.57          |              |                  |
|                | Germany  |               |                    |              |                  | 4.9          | 3,653            |
|                | Italy  |               |                    |              |                  | 1            | 890.52           |
| <b>0901.12</b> | <b>Coffee, not roasted, decaffeinated</b>        | <b>20.51</b>  | <b>5,316.62</b>    | <b>15.22</b> | <b>4596.84</b>   | <b>12.5</b>  | <b>5,740.5</b>   |
|                | Japan  | 10.788        | 3,099.36           | 9.05         | 1482.1           | 6            | 943.38           |
|                | Egypt  | 0.018         | 12.8               |              |                  |              |                  |
|                | France   |               |                    | 0.05         | 97.5             |              |                  |
|                | Germany  | 0.1           | 3.75               | 1            | 704.1            |              |                  |
|                | U.K.   |               |                    | 5.12         | 2313.14          |              |                  |
|                | Korea DPR  |               |                    |              |                  | 1.5          | 239.97           |
|                | Italy  |               |                    |              |                  | 5            | 4,557.15         |
|                | Czech Republic                                   | 7.6           | 331.82             |              |                  |              |                  |
|                | Switzerland                                      | 2             | 1,868.89           |              |                  |              |                  |
| <b>0901.21</b> | <b>Coffee, roasted, not decaffeinated</b>        |               |                    |              |                  | <b>1.5</b>   | <b>242.91</b>    |
|                | Japan  |               |                    |              |                  | 1.5          | 242.91           |
| <b>0901.90</b> | <b>Coffee</b>                                    | <b>11.83</b>  | <b>2653.72</b>     | <b>6</b>     | <b>1385.73</b>   |              |                  |
|                | Japan  | 3.6           | 595.02             |              |                  |              |                  |
|                | Netherlands                                      |               |                    | 6            | 1385.73          |              |                  |
|                | U.S.A  | 0.18<br>8.04* | 33.90<br>2,037.66* |              |                  |              |                  |
|                | Germany  | 0.01          | 1.35               |              |                  |              |                  |
|                | <b>Coffee total</b>                              | <b>32.34</b>  | <b>7,984.55</b>    | <b>34.52</b> | <b>10,040.27</b> | <b>45.9</b>  | <b>23,352.87</b> |
| <b>Ch. 9</b>   | <b>Tea</b>                                       |               |                    |              |                  |              |                  |

| H.S. Code      | Description/ Commodities/Countries  | FY 2003/04   |                  | FY 2004/2005  |                  | FY 2005/2006 |                  |
|----------------|---|--------------|------------------|---------------|------------------|--------------|------------------|
|                |   | Qty (mt)     | Value (NRs '000) | Qty (mt)      | Value (NRs '000) | Qty (mt)     | Value (NRs '000) |
| <b>0902.10</b> | <b>Green tea not fermented in immediate packing of a content not exceeding 3kg.</b>                       |              |                  | <b>26.21</b>  | <b>4360.13</b>   | <b>88.45</b> | <b>5,807.1</b>   |
|                | U.S.A.  |              |                  | 15.86         | 1476.63          | 8            | 416.96           |
|                | Canada  |              |                  |               |                  | 0.16         | 139.27           |
|                | Germany   |              |                  | 1.08          | 1004.65          | 5.19         | 1,922.32         |
|                | Japan   |              |                  | 0.04          | 67               | 0.28         | 504.94           |
|                | Pakistan  |              |                  |               |                  | 13.72        | 119.66           |
|                | France  |              |                  | 0.35          | 293.93           | 0.04         | 351.08           |
|                | Czech Republic  |              |                  | 7.94          | 1248.6           | 60.55        | 2,331.21         |
|                | Hong Kong   |              |                  | 0.1           | 10.45            | 0.53         | 21.66            |
|                | Ukraine   |              |                  | 0.2           | 24.815           |              |                  |
|                | Hungary   |              |                  | 0.17          | 38.384           |              |                  |
|                | U.K.  |              |                  | 0.002         | 0.566            |              |                  |
|                | Sweden  |              |                  | 0.45          | 163.105          |              |                  |
|                | UAE   |              |                  | 0.02          | 32               |              |                  |
| <b>0902.20</b> | <b>Green tea not fermented</b>  | <b>0.25</b>  | <b>87.72</b>     | <b>132.8</b>  | <b>25728.7</b>   | <b>0.73</b>  | <b>546.24</b>    |
|                | Germany   | 0.07         | 9.5              | 36            | 13059.31         |              |                  |
|                | Austria   | 0.18         | 78.22            |               |                  |              |                  |
|                | USA   |              |                  | 10.88         | 3177.15          | 0.15         | 120.27           |
|                | Australia   |              |                  | 3             | 124.52           |              |                  |
|                | Japan   |              |                  | 0.63          | 402.73           | 0.58         | 425.97           |
|                | Pakistan  |              |                  | 79.71         | 8700             |              |                  |
|                | U.A.E   |              |                  | 2.5           | 158.288          |              |                  |
|                | Canada  |              |                  | 0.135         | 106.68           |              |                  |
| <b>0902.30</b> | <b>Black tea (fermented) and partly fermented tea, in immediate packing of content not exceeding 3kg.</b> | <b>401.9</b> | <b>40,127.13</b> | <b>127.67</b> | <b>15726.63</b>  | <b>220.8</b> | <b>25,282.3</b>  |
|                | Germany   | 26.7         | 8,135.17         | 13.37         | 4443.3           | 3.24         | 2,013.72         |
|                | Pakistan  | 375.2        | 31,991.96        | 25.02         | 2139             | 100.6        | 8,736.3          |
|                | Japan   |              |                  | 0.6           | 168.6            | 3.31         | 894.84           |
|                | Taiwan  |              |                  | 0.003         | 1                | 1.94         | 1,502.68         |

| H.S. Code      | Description/ Commodities/Countries | FY 2003/04    |                  | FY 2004/2005  |                  | FY 2005/2006 |                  |
|----------------|------------------------------------|---------------|------------------|---------------|------------------|--------------|------------------|
|                |                                    | Qty (mt)      | Value (NRs '000) | Qty (mt)      | Value (NRs '000) | Qty (mt)     | Value (NRs '000) |
|                | U.A.E                              |               |                  | 80.3          | 7983.6           | 99.42        | 9,069.2          |
|                | Canada                             |               |                  | 0.173         | 207.83           |              |                  |
|                | Sweden                             |               |                  | 0.008         | 2.72             |              |                  |
|                | U.K.                               |               |                  | 0.4           | 133.5            | 0.03         | 23.01            |
|                | Czech Republic                     |               |                  | 7.6           | 626.13           | 1.19         | 117.95           |
|                | Russia                             |               |                  | 0.05          | 16.13            |              |                  |
|                | New Zealand                        |               |                  | 0.15          | 4.8              |              |                  |
|                | Bangladesh                         |               |                  |               |                  | 4.8          | 40.75            |
|                | Korea R                            |               |                  |               |                  | 0.86         | 16.47            |
|                | USA                                |               |                  |               |                  | 2.83         | 923.96           |
|                | France                             |               |                  |               |                  | 2.34         | 1,916.39         |
|                | Latvia                             |               |                  |               |                  | 0.24         | 27.04            |
| <b>0902.40</b> | <b>Black tea fermented</b>         | <b>590.29</b> | <b>62,760.08</b> | <b>420.54</b> | <b>49793.28</b>  | <b>523.5</b> | <b>67,107.74</b> |
|                | Bangladesh                         | 0.19          | 69.78            |               |                  |              |                  |
|                | China P. R.                        | 0.01          | 4                |               |                  |              |                  |
|                | Hongkong                           | 0.03          | 4.68             |               |                  | 5            | 155.89           |
|                | Japan                              | 6.7           | 2,578.31         | 5.7           | 1914.3           | 2.93         | 803.37           |
|                | Korea R                            | 0.15          | 27.04            | 0.093         | 28               |              |                  |
|                | Pakistan                           | 533.78        | 47,386.3         | 235.27        | 21811.6          | 226.49       | 20,035.95        |
|                | Singapore                          | 0.03          | 10.77            |               |                  |              |                  |
|                | Taiwan                             | 0.06          | 20.53            |               |                  |              |                  |
|                | Thailand                           | 0.01          | 4                |               |                  |              |                  |
|                | U.A.E                              | 0.45          | 172.4            | 26.81         | 2538.13          | 164.84       | 15,918.07        |
|                | Canada                             | 0.26          | 162.8            |               |                  | 0.12         | 54.46            |
|                | U.S.A.                             | 3.79          | 702.27           | 1.36          | 1717.6           |              |                  |
|                | Austria                            | 0.32          | 343.37           | 0.3           | 473.7            |              |                  |
|                | Belgium                            |               |                  | 1.86          | 559.8            |              |                  |
|                | France                             | 0.02          | 5                | 61            | 6165.9           | 0.52         | 970.08           |
|                | Germany                            | 24.28         | 8,979.5          | 24.83         | 10460.28         | 61.93        | 26,795           |
|                | Greece                             |               |                  | 0.045         | 10.5             |              |                  |
|                | Italy                              | 0.09          | 55.12            | 0.03          | 10               | 1.2          | 43.83            |

| H.S. Code | Description/ Commodities/Countries | FY 2003/04     |                   | FY 2004/2005  |                   | FY 2005/2006  |                   |
|-----------|------------------------------------|----------------|-------------------|---------------|-------------------|---------------|-------------------|
|           |                                    | Qty (mt)       | Value (NRs '000)  | Qty (mt)      | Value (NRs '000)  | Qty (mt)      | Value (NRs '000)  |
|           | Luxembourg                         | 0.01           | 6.18              | 0.01          | 3                 |               |                   |
|           | Netherlands                        | 0.06           | 19.5              | 0.53          | 792.6             |               |                   |
|           | Spain                              | 2.05           | 134.31            | 0.045         | 13.7              |               |                   |
|           | Sweden                             | 3.19           | 357.93            |               |                   |               |                   |
|           | U.K.                               | 0.47           | 364.94            | 0.18          | 159               | 0.01          | 2.5               |
|           | Czech Republic                     | 13.89          | 1,092.58          | 62.06         | 3031.7            | 60.48         | 2,328.6           |
|           | Norway                             | 0.11           | 43.96             | 0.022         | 27.7              |               |                   |
|           | Poland                             | 0.14           | 173.6             |               |                   |               |                   |
|           | Switzerland                        | 0.1            | 20.19             | 0.28          | 42.7              |               |                   |
|           | Australia                          | 0.1            | 21.02             | 0.07          | 23                |               |                   |
|           | Ukraine                            |                |                   | 0.016         | 5                 |               |                   |
|           | Yugoslavia                         |                |                   | 0.016         | 5                 |               |                   |
|           | <b>Tea total</b>                   | <b>994.16</b>  | <b>104,859.08</b> | <b>707.22</b> | <b>95,608.74</b>  | <b>833.48</b> | <b>98,743.38</b>  |
|           | <b>Grand total</b>                 | <b>1,026.5</b> | <b>112,843.63</b> | <b>741.74</b> | <b>105,649.01</b> | <b>879.38</b> | <b>122,096.25</b> |

Source: TPC

Note: The coffee green beans export and value in 2006/7 are estimated to be respectively 121.5 mt and NRs 34,506,000 (US \$ 486,000). Similarly, the orthodox tea export and value in the same year is estimated to be 983.51 mt and NRs 116,516,430 (US \$ 1,641,076). TPC data not available yet.

## 4.0 Success Stories

### Coffee Success Story

**Name:** Mr. Man Bahadur Budathoki  
**Address:** Putali Bazar Municipality, Ward No. 11, Rani Thumka, Syangja District  
**Group:** Jagriti Coffee and Fruit Cooperative Ltd.  
**Post:** Chairperson



Mr. Man Bahadur Budathoki, 49, belongs to the Chhetri ethnic group and lives with his wife, three sons and two daughters in a seven-member family at Putali Bazar Municipality ward no. 11, Rani Thumka of Syangja district. Currently he is associated with the Jagriti Coffee and Fruit Cooperative Limited of which, he is the chairperson. He possess a total of 1.22 ha (24 ropani) of land, out of which 10 ropani of land is not suitable for cultivation, and only 0.15 ha (3 ropani) of land is used as *khet land*, where they are growing paddy; the rest, 0.55 ha (11 ropani) of *bari land*, is covered with an orange and coffee orchard.

In terms of food security, their family falls under the food deficit group, as most of their land is not suitable for crop production. In terms of other income and land holdings, they are under medium status family in their community. In *khet land*, they have been growing paddy, wheat and lentils according to the season, and in *bari land* they grew millet and maize previously. The previous year's income was about U.S. \$141 (Rs. 10,000), which could hardly feed their family for about six months.

Now, he has planted 100 orange trees in 0.31 ha (6.25 ropani) of land, 200 coffee plants in approximately 0.20 ha (4 ropani) of land and has 2,400 coffee saplings at nursery. He even possesses a coffee pulping center at home and works as a local resource person (LRP) at the district level trainings. With the help of technical suggestions and ideas provided by the technicians and staff of TCGDA-SMIG/IDE he has managed to make a handsome income of U.S. \$6,053 (Rs. 119,000) in a year through the sale of coffee saplings, parchment coffee, fresh cherry and remuneration as LRP in coffee trainings. This boost in income went towards repairs for the house, maintenance, family healthcare, clothing, education and improvements for the coffee/orange orchard.

His family has benefited in many ways, such as their labor intensive farm work has reduced. He is well-known as a successful coffee farmer across districts. He has gained wide knowledge and skill on pulper repair, maintenance and produce quality parchment. The major source of inspiration for initiating coffee cultivation was from DCPA Syangja, IDE Dutch PRISM and CoPP Helvetas in the beginning. With the intervention of TCGDA-SMIG/IDE, he has received coffee nursery raising training; enhanced knowledge as LRP in conducting trainings, coffee farming and mobilizing field trainings and was updated in the repair and maintenance of the pulper. Therefore he said, "With the guidance of TCGDA-SMIG/IDE program, I have a chance

to introduce myself to other projects i.e.BDS MaPS, and I am presently selling my skills after receiving LRP training, which has significantly contributed in my income. Besides these, I became perfect at repairing wooden pulper through the technical assistance of this project.”

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**Name: Bhakta Bahadur Malla**  
**Address: Barahakot VDC, Ward No. 3,**  
**Syangja District**  
**Post: Social Worker & Coffee**  
**Farmer**



Mr. Bhakta Bahadur Malla is one of the successful farmers of Barahakot VDC, Ward No. 3, Syangja District. His village lies in 1,200 meters from the mean sea level and lives with his three sons and a wife. He is not only involved in coffee and in social service activities in the village but he is also a secretary in the coffee group and a well-known personality of ward no. 3 of Barahkot VDC.

He possesses 7 Ropani of bari land and 8 ropani of khet land, on which orange, 50/60 coffee plants (old plant), 10 new coffee plants and an additional 300 new coffee plants have been cultivated. He has also planted asparagus and some seasonal vegetables. Previously, he use to cultivate millet and maize and the harvest was not sufficient throughout the year. Before, a two-year project by International Development Enterprises (IDE) and now IDE/TCGDA-SMIG has initiated work in this village by forming farmer groups and implementing new farming techniques. He said “I received leadership and technical training, along with my farmer-friends and we hope that one day, we will change the scenario of our village by increasing the income of every farmers through coffee.” He even believed that thenmajority of farmers are lagging behind due to lack of awareness, technical knowledge and skill.

He said that he has planted coffee plants in his land, incorporating the latest coffee technology. He is a main resource person and has become one of the inspiring farmers of his village and loves to present ideas and give advice to other coffee farmers. Vermin compost, E-M technology, liquid manure, organic compost are some of the techniques that he applies to his field to increase productivity. He even argued that organic technology is the best technology that every farmer should follow for sustainable farming. By this year, he has started to harvest coffee but assumes that he will generate double the income from his previous harvest of millet and maize. He is confident that coffee will generate a better income and would continue coffee plantation throughout his life.

## Tea Success Story

**Name:** Mr. Nar Bahadur Tamang  
**Address:** Dharapani, Panchakanya V.D.C.,  
 Ward No. 1, Ilam District  
**Group:** Shree Panchakanya Tea Producers  
 Group  
**Post:** Member



Mr. Nar Bahadur Tamang, 46, lives in a five member family, including one daughter, two sons and a wife at Dharapani village, Panchakanya V.D.C., ward no. 1 of Ilam District. He belongs to a sub-cast *Waiba* of the Tamang ethnic group and is Buddhist. His family has been living the agricultural based life in order to run daily household activities and expenses. According to the income of their family, his family comes under medium type. He owns 2.03 ha of land, upon which he has cultivated tea in 1.51 ha of land, cardamom in 0.25 ha of land and the rest, 0.25 ha, has been left barren as it was a steep field. He is also an active member of Shree Panchakanya Tea Producers Group, Panchakanya V.D.C of Ilam district.

Previously, he use to cultivate potato, maize, millet, wheat and mustard in his field and said that it took a lot of effort and hard work to cultivate them and the return was very low. Now, he has cultivated tea, cardamom, ginger and maize. This year, he made a total income of U.S. \$1,139; U.S. \$903 from tea harvest, U.S. \$125 from cardamom and the rest, U.S. \$111, by selling potato, maize and ginger. The additional income gained has been used for his children's education, household expenses and labor charges in the tea field. This year he is expecting more return than last year, as he is selling tea leaves.

He has brought into practice all the skills and training that he learned from tea technicians. He has received various trainings in tea cultivation, such as tea plantation, nursery management, organic manure application, pruning and tea leaves plucking training. He started the tea plantation by taking a loan from the District Agricultural Development Bank. Experienced tea farmer colleagues, neighbor village, trainings, visits and officers of Himalayan Tea Technology Outreach and Extension Project (HIMTEX) and newly opened processing tea factories were his major sources of inspiration towards practicing new tea farming technology. He said that the fluctuating price of tea leaves during this year has affected all the tea farmers and expressed grief about the state of the country, which has been affecting tea industries due to the frequent blockades and closure of tea processing factories. He further added "I am expecting that the price of tea leaves will go up in the coming season through which tea farmers like me can benefit and pay back our loans."

\*\*\*\*\*

**Name:** Mrs. Nirmala Rai  
**Address:** Murti Danda, Laxmipur V.D.C.,  
 Ward No. 3, Ilam District  
**Group:** NA  
**Post:** NA



Mrs. Nirmala Rai, 40, lives at Murti Danda village, Laxmipur V.D.C., ward no. 3 of Ilam District with her husband and two sons. Their family belongs to a sub-cast *Bantawa* of the Rai ethnic group and are Buddhist. Her two sons are pursuing higher education in a campus, whereas both the husband and wife are involved in farming their own field. The income of their family totally relies on agriculture and farming. She has not been involved in any group, but plans to get involved in a group as she is now well aware about the benefit and facilities that one tea farmers gets when involved in a group. She said that it was rather difficult to tackle the problem personally rather than in a group and it was much easier to boost their income by utilizing the benefits provided by government and other organizations.

Her family possesses 1.53 ha of land, upon which she has planted tea in 1.18 ha of land and rest 0.35 ha of land is left barren. According to the income of their family and land possession, her family comes under medium type. Previously, her family use to cultivate maize, millet, potato and wheat. She remembers that the income from previous agricultural product was very little to run household activities. From 1986 A.D. she started planting tea in her field and from 1990 A.D., they started harvesting tea leaves. In those times, since there were no factories around she uses to sell them to Indian tea factories of Darjeeling through Nepali businessman. In the beginning the tea leaves were sold at the rate of U.S. \$0.07 per kilogram to Indian tea factories and then after 1991 A.D. the tea leaves were sold to Kanyam Tea factory of Ilam at the rate of U.S.\$0.10 per kilogram, through small farmer groups. Now, her family totally relies on tea plantation and besides tea, they have also planted ginger and potato in some part of their field and has reared cows.

This year she made an income of U.S. \$1,271; US. \$750 from tea harvest, U.S. \$139 from ginger, U.S. \$69.5 from potato and US. \$312.5 from selling milk. With this income, it was easier to educate her sons in campus and appoint labors at her field. She remembers getting inspiration from other tea farmers and small tea farmer groups to conduct tea farming at her field. Tea technicians have provided all the necessary guidance and suggestions such as the preparation of soil, the management of a nursery, pruning and leaves plucking techniques and application of organic manure and pesticides. She said “We are very happy now, as technicians of Himalayan Tea Technology Outreach and Extension Project (HIMTEX) is conducting soil test and International Development Enterprises (IDE), Nepal has initiated research like in Small Farmers Irrigation Program by installing drip irrigation and sprinklers equipments to facilitate irrigation in dry tea plantation areas.”

## 5.0 Performance

The TCGDA-SMIG/WI worked closely with all its tea and coffee alliance partners. Activities in mobilization, tea and coffee sub-sectors were implemented according to first, second and third annual work plans approved by USAID.

## 6.0 Statement of Work

The TCGDA-SMIG three annual work plans contained the Project's detailed approach to the contract and target issues. Mobilization and community social mobilization, supply chain development, market linkages, adaptive research and implementation activities in both coffee and tea sub-sector supports USAID/Nepal Strategic Objective 1 (increased production and sales of high-value agricultural production) and So7 (strengthened governance of natural resources and selected institutions). Monitoring and evaluation activities support the measurement of project performance through benchmark and monitoring surveys, mainly through secondary sources, compilation of project implementation activities, and the analysis of monitoring and implementation data.

## 7.0 Administrative Information

The following staffs are working in TCGDA-SMIG:

| <b>Name</b>                  | <b>Position</b>                                | <b>Joined Date</b> |
|------------------------------|--|--------------------|
| Dr. Luke A. Colavito         | Project Co-ordinator (part time)               | October 1, 2004    |
| Mr. Chandra Bhushan Subba    | Team Leader (part time)                        | October 1, 2004    |
| Dr. Bhimendra Bahadur Katwal | Coffee Advisor (part time)*                    | October 1, 2004    |
| Mr. Ratna Bhuban Shrestha    | M &E Team Leader/Coffee Program Coordinator ** | November 17, 2004  |
| Mr. Deepak Bajracharya       | Administrative & Account Assistant             | November 22, 2004  |
| Ms. Surina S. Gurung         | Communication & Documentation Officer          | February 1, 2005   |
| Mr. Prasanna Bajracharya     | M & E Assistant                                | December 1, 2004   |
| Ms. Sony Silwal              | Receptionist***                                | December 1, 2004   |
| Mr. Manoj Rai                | Office Assistant***                            | December 1, 2004   |
| Ms. Sita Mahato              | Cook***  | December 1, 2004   |
| Mr. Dhruva Kumar Paudyal     | Driver   | January 1, 2007    |
| Mr. Ram Narayan Gurung       | Guard***                                       | November 22, 2004  |

\* Till December 31, 2006.

\*\* Full time in TCGDA-SMIG since April 1, 2005 with partly involvement in WI Nepal Agriculture Program and also holding the position of Coffee Program Coordinator effective from September 16.

\*\*\* Half time in each TCGDA-SMIG and Ujyalo.

## 8.0 Financial Information

The total project cost incurred till June 30, 2007 is US \$ 350,000 (Table 5). The TCGDA leverage reached to US \$ 2,042,712 achieving the match target (US \$ 1,105,000) by 184.86% (Table 6).

**Table 6. TCGDA-SMIG Financial Information, June 2007**

| Cost Elements                    | Budget Amount (US \$) | Total Cumulative (US \$) | Amount Remaining (US \$) |
|----------------------------------|-----------------------|--------------------------|--------------------------|
| 1. Direct costs                  | 204,620               | 206,585.82               | (1,965.82)               |
| 2. Sub-contracts                 | 91,000                | 91,058.25                | (58.25)                  |
| 3. Indirect costs                | 54,380                | 52,355.93                | 2,024.47                 |
| <b>Total USAID share</b>         | <b>350,000</b>        | <b>350,000.00</b>        | <b>0.40</b>              |
| <b>B. Cost share</b>             |                       |                          |                          |
| Match                            | 1,005,000             | 2,042,709.42             | (937,709.42)             |
| <b>Total Program Costs (A+B)</b> | <b>1,455,000</b>      | <b>2,392,709.42</b>      | <b>(937,709.42)</b>      |

**Table 7. TCGDA-SMIG Match Progress Report, June 2007**

| Partners               | Match type        | Amount US \$ |
|------------------------|-------------------|--------------|
| <u>Coffee Alliance</u> |                   |              |
| CoPP<br>HCPCL          | Cash              | 219,211.30   |
|                        | Facilitated Sales | 157,059.20   |
|                        | In kind           | 23,511.82    |
|                        | Cash              | 11,469.93    |
| Holland Coffee Inc     | In kind           | 1,200.22     |
| IDE                    | Cash              | 10,992.99    |
|                        | In kind           | 5,230.27     |
|                        | Facilitated sales | 10,676.71    |
| NTCDB                  | In kind           | 28,715.74    |
| NCPA                   | In kind           | 9,910.75     |
| PADC                   | Cash              | 36,371.00    |
| CTDS                   | Cash              | 33,975.93    |
|                        | In kind           | 39,274.12    |

| Partners                         | Match type           | Amount US \$        |
|----------------------------------|----------------------|---------------------|
| Bimala Colavito,<br>WI Volunteer | In kind              | 2,105               |
| Sub-total                        |                      | 589,704.98          |
| <b>Tea Alliance</b>              |                      |                     |
| PSPP/GTZ                         | Cash                 | 123,950.65          |
|                                  | In kind              | 34,672.86           |
| HOTPA                            | Cash                 | 138,675.24          |
|                                  | In kind              | 5,142.88            |
| HIMCOOP                          | Facilitated<br>Sales | 833,791.50          |
|                                  | Cash                 | 129,655.23          |
|                                  | In kind              | 10,838.06           |
| NTCDB                            | In kind              | 122,194.22          |
| Bimala Colavito,<br>WI Volunteer | In kind              | 1,910.00            |
| SNV                              | Cash                 | 16,720.94           |
|                                  | In kind              | 34,875.18           |
| CTDS                             | Cash                 | 580.05              |
| Sub-total                        |                      | 1,453,006.81        |
| <b>Total</b>                     |                      | <b>2,042,711.79</b> |

Note: The match target (\$1,105,000) achieved till June 2007 is 184.86%.

## 9.0 Lessons Learnt

The major lessons learnt during the TCGDA - SMIG implementation are as follows:

- The Stakeholders were able to collaborate and share knowledge and information, which helped on coffee and tea sub-sector development.
- GDA mechanism provided an opportunity whereby a partner took the lead in specific activity on which it had the best expertise. These minimized inefficient overlap in activities.
- Adoption of industry code of conduct (CoC) is possible through an alliance approach. Need to speedup developing a code of conduct program for coffee.
- Coffee and tea garden reduced soil erosion, promoted bio-diversity with no use of pesticides. Found very suitable for poor farmers, grown on steep, marginal and shady land (especially coffee).

- Production and productivity can increase through the prompt and lucrative market services provided to the beneficiaries.
- New processing technology can spread fast when partners collaborate as seen with pulper introduction to facilitate wet and semi-wet processing of coffee and produce specialty grade exportable coffee.
- Need to be realistic and careful about the term and in promoting organic coffee. Coffee is not organic until it is certified and there are costs and challenges to certifying. There is international demand for organic coffee but premiums are modest. Farmers face challenges in organic production, lack of organic matter and manure, and low productivity.
- The TCGDA-SMIG also showed the effectiveness of value chain approaches working under conflict conditions.
- In coffee sub-sector there is a need for increasing the capability and capacity of rural processing units (cooperatives, entrepreneurs, groups, etc) to meet quality standards and demand.
- Effective policy lobbying is possible through the alliance approach.

## 10.0 Conclusions

USAID building on the success of Nepal Tree Crop Global Development Alliance (NTC-GDA, 9/02-9/04), had supported Winrock International to implement the Tea and Coffee Global Development Alliance – Smallholder Mobilization for Improved Governance (TCGDA-SMIG). This program facilitated rapid expansion of sustainable smallholder production through improved governance of community/producer organizations and apex organizations for coffee and tea development. The **TCGDA** increased the incomes of 20,880 households (over 125,000 people) currently producing coffee and tea by 94%, facilitated new production by 8,680 smallholders, and set the stage for over 100,000 households (600,000 people) to become tea and coffee producers over the next 10 years. **It provides strong examples of commercial markets benefiting poor smallholders showing a vision for Nepal's future during this transition period.**

The TCGDA - SMIG like in NTCGDA successfully followed a value chain approach to link coffee and tea smallholders to appropriate production systems and processing technologies. The program also focused on development of high quality specialty tea and coffee for lucrative international export markets. Both Nepal coffee and tea when properly produced, harvested, and processed are of the highest quality and are suitable for international specialty coffee and tea markets. While overproduction of lower quality coffee and tea has resulted in historical low prices in recent years, the markets for specialty coffee and tea are large, growing, and offer very high prices. There is a need to educate farmers on the international coffee marketing systems to avoid confusion. Current farmer prices are high internationally and may go down.

Efficiency in production and processing operations must be improved through business planning, scale up and quality control to improve/maintain margins. Coffee should be in the one village one commodity program.

Major activities included in the TCGDA-SMIG: (1) trained and strengthened smallholder producer groups, cooperatives, and industry organizations, (2) took a value-chain approach to establish input supply chains and market channels that were appropriate for smallholder producers, (3) worked with the industry to meet international standards including a program educate farmers on appropriate use of agricultural chemicals, (4) worked to brand Nepal specialty tea and coffee in international markets including an innovative program **to implement an internationally recognized codes of conduct (CoC) approach to certify quality and social and environmental responsibility in the production and sales of Nepal tea.**

**Annex 1.**  
**Summary of TCGDA-SMIG Activities October 1, 2004 – June 30, 2007**

| S. N.      | COMPONENT/Intervention/Activity                      | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result  | Remarks |       |
|------------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|---|---------|-------|
|            |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |   |         | Total |
|            |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |   |         |       |
| <b>A</b>   | <b>MOBILIZATION</b>                                  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |   |         |       |
| A 1        | Establish Program Office                             | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | WI                 |                       |   |         |       |
| A 2        | Recruit core staff                                   | No.  | 5            | 4                   | 1                  |                     |                    |                      | 5                  | WI                 |                       |   |         |       |
| A 3        | Develop tea and coffee alliance work plan            | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | WI                 |                       |   |         |       |
| A 4        | Establish inter alliance working committee           | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | WI                 |                       |   |         |       |
| A 5        | Submit project work plan to USAID                    | No.  | 1            |                     |                    |                     |                    |                      | 1                  | WI                 |                       |   |         |       |
| A 6        | Sub sector analysis to design alliance interventions | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | WI                 | IDE                   | Alliance Partners understood complete value chain and synergized interventions        |         |       |
| <b>B</b>   | <b>COFFEE SUB - SECTOR ACTIVITY</b>                  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |   |         |       |
| <b>B 1</b> | <b>Community Social Mobilization</b>                 |      |              |                     |                    |                     |                    |                      |                    |                    |                       |   |         |       |
| B 1.1      | Community Mobilization Planning meetings             | No.  | 2            | 2                   |                    |                     |                    |                      | 2                  | CoPP               | WI                    | 30 participants including 8 DCPAs and other stakeholders participated in the meetings |         |       |
| B 1.2      | Training programs                                    |      |              |                     |                    |                     |                    |                      |                    |                    |                       |   |         |       |
|            | Organic coffee garden management training            |      |              |                     |                    | 1                   |                    |                      | 1                  | PADC               |                       |   |         |       |
| B 1.2.2    | Farmers Training (one day)                           | No.  | 79           |                     |                    | 7                   |                    |                      | 7                  | WI                 | IDE                   | 151 farmers including 65 females in 3 districts received training                     |         |       |

| S. N.    | COMPONENT/Intervention/Activity  | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result | Remarks   |  |
|----------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------|---|--|
|          |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                    |   | Total  |
|          |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                    |   |  |
|          | Training on production and processing  |      |              |                     |                    | 8                   |                    |                      |                    | 8                  | WI                    | IDE                | Coffee picking, wet processing, and organic fertilizer management and pruning method at the village level were disseminated | 202 farmers including 80 females were trained  |
| B 1.2.3* | Demo./ Training on Soil moisture Conservation  | No.  | 8            |                     |                    | 1                   | 1                  |                      |                    | 2                  | WI                    | IDE                | Farmers' skills increased on soil moisture conservation   | 192 participants including 76 female took part   |
| B 1.2.4* | Training of Bio-Fertilizer and Pesticide Preparation and application                   | No.  | 7            |                     |                    |                     | 7                  |                      |                    | 7                  | WI                    | IDE                | Different preparation as well as application methods were demonstrated  |  |
| B 1.2.5* | Bio-pesticides/Bio-fertilizer handling training to ISPs and LF Coffee brewing training | No.  | 10           |                     |                    | 2                   | 8                  |                      |                    | 10                 | WI                    | IDE                | Coffee farmers, pulper operators were trained to make filter coffee   | 203 participants including 84 female participated  |
| B 1.2.6* | Filter coffee making training  | No.  | 1            |                     |                    |                     | 1                  |                      |                    | 1                  | WI                    | IDE                | Clean bean preparation from parchment & dry cherry and other methods were demonstrated                                      | 31 participants including 14 female took part  |
| B 1.3    | TOT on production and processing (five days)   | No.  | 2            |                     |                    |                     |                    |                      |                    |                    |                       |                    |   |  |
|          | Selection of leader farmers and coffee ToT training                                    |      |              |                     |                    | 1                   |                    |                      |                    |                    | WI                    | IDE                | 30 coffee leader farmers were selected from Palpa, Ayangja and Kaski district and all of them took part in ToT training     |  |
|          | Local Resource Persons ToT   | No.  |              |                     |                    | 3                   |                    |                      |                    | 3                  | WI                    | IDE                | LRPs were trained   | 30 participants including 9 female took part   |
| B 1.4    | Farmers Training (one day)   | No.  | 100          |                     |                    |                     |                    |                      |                    |                    | WI                    | IDE                |   |  |
|          | Training on coffee production management and post harvest handling                     |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | PADC, WI, DADO        |                    | Coffee production, mgmt and post harvest handling skill enhanced of 26 JTs/JTAs/ Supervisors (one woman)                    | The training was conducted at Tanahu for the technical staff of PADC and DADOs of Tanahu and Lamjung |

| S. N. | COMPONENT/Intervention/Activity                                     | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result | Remarks  |  |
|-------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------|--|--|
|       |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                    |  | Total  |
|       |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                    |  |  |
| B 1.5 | Coffee production and processing training                           | No.  |              |                     | 1                  |                     |                    |                      |                    | 1                  | PADC, WI, DADO        |                    | Training was provided to field technicians of PADC, DADO of Gorkha, DCPA, ACAP, Chess Nepal and Women Development Office of Lamjung                        |  |
|       | Local level organization development (Cooperatives and user groups) |      |              | 5                   | 16                 |                     |                    |                      |                    | 21                 | WI PADC               | IDE                | Monitored and collected information on pulping operation.  |  |
|       | VDC Selection   |      |              |                     | 1                  |                     |                    |                      |                    | 1                  | WI                    | IDE                | Co-operative registered 20 VDCs were selected in three districts   |  |
|       | Cooperative strengthening and booster fund utilization              |      |              |                     |                    | 4                   | 1                  |                      |                    | 5                  | WI                    | IDE                | Development of cooperatives and other topics were discussed  |  |
|       | Cooperative union management and marketing training                 |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | PADC                  |                    |  |  |
|       | Supervision & Monitoring of Horticulture Farms                      |      |              |                     |                    | 1                   | 2                  |                      |                    | 3                  | CTDS                  |                    | Quality farm products were produced  |  |
|       | Inspection & Monitoring of Model Coffee Pocket Areas                |      |              |                     |                    | 2                   | 3                  |                      |                    | 5                  | CTDS                  |                    | Quality coffee were produced   |  |
|       | Inspection & Monitoring of private coffee nurseries                 |      |              |                     |                    | 1                   | 3                  |                      |                    | 4                  | CTDS                  |                    | Quality seedlings were produced  |  |
|       | Field training to coffee farmers                                    |      |              |                     | 1                  | 1                   |                    |                      |                    | 2                  | CTDS                  |                    |  |  |
|       | Inspection and Monitoring of Coffee Processing Factory              |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | CTDS                  |                    | Factory inspected  |  |
|       | Coordination meeting with DCPA                                      |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                |  |  |
|       | Coordination with Line Agencies                                     |      |              |                     |                    | 4                   |                    |                      |                    | 4                  | WI                    | IDE                | Coordination with Partner Line Agencies like DADO, DCPA and Other related in coffee was regular  |  |
|       | Field Supervision/Follow up   |      |              |                     |                    | 2                   |                    |                      |                    | 2                  | WI                    | IDE                |  |  |
|       | Supervision and Follow up   |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                | Supervision and follow up of different Coffee Orchard, Nursery and Pulper Centre has done as per need where necessary in different VDCs of three districts | 121 participants including 64 female took part |

| S. N.      | COMPONENT/Intervention/Activity  | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result | Remarks   |  |
|------------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------|---|--|
|            |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                    |   | Total  |
|            |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                    |   |  |
|            | Interaction Meeting/Workshop with Stakeholders   |      |              |                     |                    | 3                   |                    |                      |                    | 3                  | WI                    | IDE                | The main Objective of the workshop was Experience sharing and discussion on problems of different level           | 108 participants including 6 female participated                               |
|            | Orientation to JT/JTA on wet processing  |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                | DADO field staffs were oriented on existing coffee marketing mechanism, wet processing method and pulping centers | 17 participants were oriented  |
|            | Orientation to LF to conduct field level training  |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                | Training on delivery skills and preparation of field training plan were provided                                  | 14 LFs including 3 female were oriented  |
| B 1.6      | Apex Institutional Development   |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                    |   |  |
| B 1.6.1    | Technical support to NCPA for organizational development   |      |              |                     |                    |                     |                    |                      |                    |                    | CoPP                  | WI, NCPA           |   |  |
|            | Support to HCPCL for Organizational Development  |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | WI                    | WI, BDS-MaPS, IDE  |   |  |
| B 1.6.2    | Technical support to NTCDB to establish separate unit within organization for coffee development |      |              |                     |                    |                     |                    |                      |                    |                    | WI                    | CoPP, NTCDB        | Technical advice provided   | Technical advice on-going but the separate unit within NTCDB yet to be created |
| B 1.8*     | Mobilization of groups for training on pruning of old plants and managing stem borer             | No.  | 8            |                     |                    | 1                   | 7                  |                      |                    | 8                  | WI                    | IDE                | Coffee producer groups were mobilized to train and manage white stem borer of old coffee plant                    | 163 participants including 55 female participated                              |
|            | Training on production to processing to MSEs by LRP  |      |              |                     |                    | 29                  | 37                 |                      |                    | 66                 | WI                    | IDE                | MSEs were trained on coffee plantation, pit preparation and other applications                                    | 1,433 participants including 686 female participated                           |
|            | LRP/LF mobilization for coffee cycle training  |      |              |                     |                    | 1                   | 1                  |                      |                    | 2                  | WI                    | IDE                | Total coffee production packages were highlighted   | 36 participants including 23 female participated                               |
| B 1.10*    | Demo on varietal identification  | No.  | 2            |                     |                    |                     | 2                  |                      |                    | 2                  | WI                    | IDE                | Suitable varieties extended   | 2 participants including 1 female participated                                 |
| <b>B 2</b> | <b>Supply Chain Development</b>  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                    |   |  |
| B 2.1      | Establish model nurseries for quality sapling production and distribution to farmers             | No.  |              | 30                  | 41                 |                     |                    |                      |                    | 71                 | CoPP<br>PADAC         | WI,<br>NCPA        | Model nurseries established   |  |

| S. N.   | COMPONENT/Intervention/Activity  | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result  | Remarks  |   |
|---------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|---------------------|--|---|
|         |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                     |  | Total   |
|         |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                     |  |   |
| B 2.2   | Local home nursery establishment   | No.  | 3            |                     |                    | 3                   |                    |                      |                    | 3                  | WI                    | IDE                 | Quality coffee saplings produced   | 27 participants including 4 female participated                     |
|         | New nursery establishment  | No.  |              |                     |                    | 27                  |                    |                      |                    | 27                 | WI                    | IDE                 | New nurseries were established   | 18 participants including 3 female established nursery              |
| B 2.2   | Establish linkage with source of quality seeds of identified varieties.      | Kg.  | 100          | 108                 |                    |                     |                    |                      |                    | 108                | NCPA, PADC            | CoPP, WI, ECoM Folk | 35 kg seeds imported from El Salvador, 8 kg of Kona Typica from Hawaii/ 65 from other local sources  |   |
| B 2.3   | Business Development Planning – training/workshops                           | No.  | 2            | 1                   |                    |                     |                    |                      |                    | 1                  | WI                    | HCPCL               | HCPCL developed initial draft business plan. Thirty-seven members from two Co-operatives of Lalitpur district received Co-operative training with the support of HCPCL | Three (one female) TCGDA staff received BDS training on March 2005  |
| B 2.4   | Detail Implementation Program Planning                                       |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                 |  |   |
|         | DDC level program orientation/coordination workshop                          |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                 | It was held at Palpa, Syangja and Kaski  | 62 participants including 6 female participated                     |
|         | Coordination meeting with DCPA/stakeholders                                  |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                 | DIP of TCGDA-IDE were discussed  | 22 participants including one female participated                   |
|         | Coordination meeting with DCPAs and Line Agencies                            |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                 |  | DCPA and line agencies helped LRP and found TCGDA program positive  |
| B 2.4   | Agro inputs dealer activities  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                     |  |   |
| B 2.4.1 | Training on “Bocasi”, vermi composting and bio-fertilizers                   | No.  | 2            | 1                   |                    |                     |                    |                      |                    | 1                  | CoPP<br>IDE<br>WI     | DCPAs               | 14 participants received training on vermin compost preparation  |   |
|         | Pulper operators interaction workshop and vermin compost refreshing training |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | DCPA                  | CoPP                |  | 22 participants participated in the workshop and 15 in the training |

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|------------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------|--|--|
|            |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                    |  | Total  |
|            |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                    |  |  |
| B<br>2.4.2 | Micro irrigation   |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                    |  |  |
|            | Establishment of MIT, Bio-Fert./Pesticide dealer               | No.  | 6            |                     |                    |                     | 6                  |                      |                    | 6                  | WI                    | IDE                | MIT, Bio-Fert./Pesticide dealer established                          | 6 participants including 1 female participated   |
|            | Demo on MIT  |      |              |                     |                    |                     | 6                  |                      |                    | 6                  | WI                    | IDE                | MIT were displayed   |  |
| B<br>2.4.3 | Micro irrigation Demonstration                                 | No.  | 2            |                     |                    |                     |                    |                      |                    |                    | IDE                   | WI, CoPP           |  |  |
|            | Exposure visit of Input Service Provider in Commercial Orchard | No.  | 1            |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                |  |  |
|            | Inter district exposure visit on commercial orchards           | No.  |              |                     |                    | 2                   |                    |                      |                    | 2                  | WI                    | IDE                |  |  |
| B<br>2.4.4 | Micro irrigation supply chain coordination                     |      |              |                     |                    |                     |                    |                      |                    |                    | IDE                   | WI, CoPP           |  |  |
|            | Wet/Semi-wet processing  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                    |  |  |
|            | Demonstration of Parchment drying technology                   |      |              |                     |                    | 3                   |                    |                      |                    | 3                  | WI                    | IDE                | Parchment drying technology was demonstrated                         |  |
|            | Parchment moisture testing trial under tunnel dryer            |      |              |                     |                    | 2                   |                    |                      |                    | 2                  | IDE                   | NARC               | Testing of moisture meter under tunnel dryer was done                |  |
|            | Demo. & Construction of rain water harvest tank                |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | WI                    | IDE                | Rainwater harvest tank was demo. & constructed at Palpa              | 6 participants were involved   |
| B<br>2.4.6 | Pulper performance evaluation and development                  | No.  | 3            |                     | 1                  |                     |                    |                      |                    | 1                  | IDE                   | WI, CoPP, HCPCCL   | Information was collected  | Mr. Prachanda Shrestha and Mr. Rakesh Munakarmi of CoPP and Mr. Buddhi Dhakal of TCGDA visited Kavre and Sindhu-palchowk |
|            | Pulper Repair and maintenance training                         | No.  | 3            |                     |                    |                     |                    |                      |                    |                    |                       |                    |  |  |
|            | Pulper Repair and maintenance training to field technicians    |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    | IDE                | Field technicians received training on pulper repair and maintenance | 3 Field technicians participated from field level  |

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|------------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--|---|-------|
|            |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |  |   | Total |
|            |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |  |   |       |
|            | Pulper Repair and maintenance training to pulper operators                                 |      |              |                     |                    |                     |                    |                      |                    | WI                 | IDE                   | The training was focused on Repair and Maintenance of Existing Wooden Pulper Machine and Field Testing of New Wooden Foot Pulper machine which was recently Manufactured | 21 pulper operators including 1 female participated in the training |       |
|            | Training on processing and pulper repair and maintenance                                   |      |              |                     |                    | 3                   |                    |                      | 3                  | WI                 | IDE                   | The training focused on processing methods along with repair and maintenance   | 63 participants including 7 female took part                        |       |
|            | Compost making training using pulp to Pulper Operator                                      | No.  | 3            |                     |                    | 2                   | 1                  |                      | 3                  | WI                 | IDE                   | Pulper operators, on utilization of coffee pulp by making quality compost were trained   |   |       |
|            | Demo. of foot operating pulper machine and grader  | No.  |              |                     |                    |                     | 1                  |                      | 1                  | WI                 | IDE                   | Foot operating pulper was demonstrated   |   |       |
|            | Pulper machine development   | No.  |              |                     |                    | 7                   |                    |                      | 7                  | WI                 | IDE                   | Pulper machines were developed   | 7 participants including 2 female took part in developing pulper    |       |
| <b>B 3</b> | <b>Market Linkages</b>   |      |              |                     |                    |                     |                    |                      |                    |                    |                       |  |   |       |
| B 3.1      | International Market Development – training on communication and quality standards         |      |              | 1                   |                    | 1                   |                    |                      | 2                  | WI                 | CoPP<br>HCPCL         | Communication and quality standards improved.  |   |       |
| B 3.2      | Niche market development – support exporters to identify markets through trade shows-links | No.  | 2            |                     |                    |                     |                    |                      |                    | WI                 | HCPCL<br>NCPA         |  |   |       |
| B 3.3      | Branding activities-develop code of conduct and national logo                              |      |              |                     |                    |                     |                    |                      |                    | WI                 | NTCDB<br>NCPA         |  |   |       |
| B 3.4      | Branding activities-facilitated coffee quality testing facility                            |      |              |                     |                    |                     |                    |                      |                    | WI                 | NTCDB                 |  |   |       |
| B 3.5      | International Market Linkage with Holland Coffee Company, US                               | Mt.  | 70           |                     | 1                  |                     | 1                  |                      | 2                  | WI                 | HCPCL                 | Facilitated export of 30 metric tons of green beans to US  |   |       |
| <b>B 4</b> | <b>Adaptive Research and Implementation</b>  |      |              |                     |                    |                     |                    |                      |                    |                    |                       |  |   |       |
| B 4.1      | Trial plots established  | No.  | 2            |                     |                    |                     |                    |                      |                    | NARC               | WI,<br>CoPP           | Record keeping process on-going of previously established trials   |   |       |

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|---|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--|--|--|
|   |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |  |  | Total  |
|   |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |  |  |  |
| B 4.3                                     | Coffee production group formation                |      |              |                     | 1                  |                     |                    |                      |                    | 1                  | WI                    | IDE  | 9 groups were formed   | There are 227 members including 70 female members<br><br>10 participants including one female participated |
|   | Extension materials developed (on going process) |      |              |                     |                    |                     |                    |                      |                    |                    | CoPP                  | WI, CTDS, NTCDB  |  |  |
|   | <b>Others</b><br>Conflict Management Training    |      |              |                     | 1                  |                     |                    |                      |                    | 1                  | IDE, TCGDA, SIMI      |  |  |  |
|   | Fair Exhibition ( <i>Teej Mela</i> )             |      |              |                     | 1                  |                     |                    |                      |                    | 1                  | SIMI, DADO, Local NGO |  | Coffee manuals and pamphlets were distributed  |  |
|   | VIP visit  |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI, IDE               |  | A VIP Team from UK , Canada and Central Office (Linda Maccloed, Paul Brown, Harry Olfert, Agnes Olfert, Bob Nanes, Stephanie Cox and Komal Pradhan) has done a Field visit in Kaski and Syangja district in Coffee Orchard, Pulper Machine Center and Nursery  |  |
|   |  |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                    |  | 7 members from USAID and WI observed TCGDA/IDE field activities.<br>One team from Ethiopia and Zimbabwe including WI internship fellow observed the field activities   |  |
|   |  |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | WI                    |  | Representatives from the US Senate Mr. Jim Kolbe, Mr. Ander Crenshaw, Mr. Fred Upton, and Mr. Brian Baird along with the US ambassador Mr. James F. Moriarty and the USAID country director Mr. Don Clark visited the coffee farmers and nursery entrepreneurs who have benefited from the program at Panchkhal, Kavre |  |
| Coffee Day Celebration                    |  |      |              |                     | 1                  |                     | 1                  |                      | 2                  | NTCDB, NCPA        | WI, CTDS, CoPP, PADC  | National Coffee Day celebrated   |  |  |
| Annual Stakeholders Consultative Workshop |  |      |              |                     | 1                  |                     | 1                  |                      | 2                  | CoPP               |                       | Progress on coffee activities, problems and opportunities and future plan of action with anticipated source of funding was discussed |  |  |

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|------------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|-----------------------------|--------------------------------------|--|---|-------|
|            |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                             |                                      |  |   | Total |
|            |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                             |                                      |  |   |       |
|            | Presentation on draft report of “The Study Report on Trade Competitiveness of Nepalese Coffee”<br>Central Coffee Cooperative Union formation workshop<br>National Coffee Policy Workshop<br><br>Coordination Meeting<br><br>Agro Expo 2006<br><br>Sample semi washed coffee sent<br><br>Brand Launching and Cup Tasting Event<br>Coffee White Steam Borer meeting |      |              |                     |                    | 1                   |                    |                      | 1                  | AEC                         |                                      | Competitiveness measures of Nepalese coffee shared.  |   |       |
|            |   |      |              |                     |                    | 1                   |                    |                      | 1                  | PADC                        | WI                                   |  |   |       |
|            |   |      |              |                     |                    | 1                   |                    |                      | 1                  | CTDS<br>NCPA                | TCGDA,<br>Ujyalo,<br>NTCDB,<br>HCPCL | Various issues of coffee policy were discussed along with group work and presentations   |   |       |
|            |   |      |              |                     |                    |                     |                    | 1                    | 1                  | CoPP                        |                                      | Stem borer problem in coffee, Coffee Development Alliance MoU, semi-washed coffee, technology support to new coffee expanding area and follow up on organic study were discussed |   |       |
|            |   |      |              |                     |                    |                     |                    | 1                    | 1                  | AEC                         |                                      | Locally manufactured hand coffee pulper and peddle coffee pulper machines were displayed along with samples of wet processed coffee (cherry, parchment and roasted)              | Coffee Agronomy Manual and ground coffee of HCPCL was also exhibited        |       |
|            |   |      |              |                     |                    |                     |                    | 1                    | 1                  | WI                          |                                      | 1kg of semi washed green bean coffee of HCPCL was sent as demanded by former US FtF Volunteer with the possibility of importing coffee from Nepal                                |   |       |
|            |   |      |              |                     |                    |                     |                    | 1                    | 1                  | HCPCL                       | WI                                   | HimCafe was officially launched in the market  |   |       |
|            |   |      |              |                     |                    |                     |                    |                      | 1                  | WI                          |                                      |  |   |       |
| <b>C</b>   | <b>TEA SUB-SECTOR ACTIVITIES</b>  |      |              |                     |                    |                     |                    |                      |                    |                             |                                      |  |   |       |
| <b>C 1</b> | <b>Community Social Mobilization</b>  |      |              |                     |                    |                     |                    |                      |                    |                             |                                      |  |   |       |
| C 1.1      | Community mobilization planning   | No.  |              |                     |                    |                     |                    |                      | 3                  | WI/IDE/<br>HOTPA/<br>TEASEC | TEASEC/<br>HOTPA                     | 3 Farmers District Federation was established in Ilam, Panchthar and Dhankuta  | 2 out of 3 farmers federation have taken Institutional membership of TEASEC |       |

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|---------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|------------------------------|-----------------------------------|---|---|
|         |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                              |                                   |   | Total   |
|         |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                              |                                   |   |   |
| C 1.2   | Training programs                                     |      |              |                     |                    |                     |                    |                      |                    |                    |                              |                                   |   |   |
|         | Field training to tea farmers                         |      |              |                     | 10                 | 10                  | 10                 | 10                   | 10                 | 50                 | TEASEC/HIMTEX/IMTEX/IDE/CTDS | HIMTEX/TEASEC/IDE                 | Farmers trained on tea technology   |   |
|         | Tea cultivation mobile training                       |      |              |                     | 4                  | 4                   | 4                  |                      |                    | 12                 | WI                           | HIMTEX/HOTPA/IDE                  | Tea cultivation mobile training delivered   |   |
|         | Tea cultivation training                              |      |              |                     | 4                  | 4                   | 4                  |                      |                    | 12                 | WI                           | HIMTEX/IDE                        | Tea cultivation training held   |   |
|         | Composting in tea cultivation training                |      |              |                     |                    | 1                   |                    | 1                    |                    | 2                  | WI                           | TEASEC                            | Composting in tea cultivation training held   |   |
|         | Organic tea cultivation training                      |      |              |                     |                    | 1                   |                    |                      |                    | 1                  | WI                           | TEASEC                            | Organic tea cultivation training conducted  |   |
|         | Mobile training for tea training/pruning and manuring |      |              |                     |                    | 12                  |                    |                      |                    | 12                 | WI                           | HIMTEX/TEASEC                     | Mobile training for tea training/pruning and manuring held  | 329 males and 16 females participated in the training |
| C 1.2.1 | Demo/training on soil moisture conservation           | No.  | 4            |                     |                    |                     |                    |                      |                    |                    | WI                           | IDE/HOTPA                         | Soil moisture conservation skills enhanced  |   |
|         | Training of Trainers at JTA level                     |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | HOTPA                        | HOTPA                             | JTAs were trained to provide training to tea farmers  |   |
| C 1.3   | Local level organization development                  |      |              |                     |                    |                     |                    |                      |                    |                    |                              |                                   |   |   |
|         | Inspection of Tea Gardens                             |      |              |                     |                    | 1                   | 2                  |                      |                    | 3                  | CTDS                         |                                   | Tea Gardens were inspected  |   |
|         | Field training to tea farmers                         |      |              |                     |                    | 1                   | 1                  |                      |                    | 2                  | CTDS                         |                                   |   |   |
|         | Inspection of private tea nurseries                   |      |              |                     |                    | 1                   | 2                  |                      |                    | 3                  | CTDS                         |                                   | Private tea nurseries were inspected  |   |
| C 1.3.1 | Tea Farmers Group formation (VDC level)               | No.  | 30           |                     |                    | 1                   |                    |                      |                    | 1                  | WI/RUFFIN                    | WI/RUFFIN, GTZ, NTCDB, HOTPA, IDE | 8 small farmers group formed till date  |   |
|         | Tea farmers group formation                           |      |              |                     |                    | 25                  |                    |                      |                    | 25                 | WI                           | IDE                               |   |   |
| C 1.3.2 | Tea Farmers Cooperatives formation (District level)   | No.  | 5            |                     |                    |                     | 18                 |                      |                    | 18                 | WI/RUFFIN                    | WI/RUFFIN, GTZ, NTCDB, HOTPA, IDE | Tea Farmers Cooperatives formed   | Ongoing   |
| C 1.4   | Media programs  | No.  | As needed    |                     |                    | 2                   | 2                  |                      |                    | 4                  | WI                           | GTZ/HOTPA                         | Nepal Tea promoted through articles published in TeaBits, Stern magazine, Tea Experience Digest™ and Nepali Times |   |

| S. N.      | COMPONENT/Intervention/Activity  | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners   | Description/Result         | Remarks  |       |  |
|------------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-------------------------|----------------------------|--|-------|--|
|            |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                         |                            |  | Total |  |
|            |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                         |                            |  |       |  |
|            | Tourism Program  |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | WI/GTZ                  |                            | Tea tourism was promoted through television show “Ghum Gham” of Kantipur TV  |       |  |
| <b>C 2</b> | <b>Apex Institutional Development</b>                                      |      |              |                     |                    |                     |                    |                      |                    |                    |                         |                            |  |       |  |
| C 2.1      | Skill Development Training for Tea Extension Officers                      | No.  | 15           | 1                   |                    | 1                   |                    | 1                    |                    | 3                  | HOTPA                   | WI, HOTPA, NTCDB           | HOTPA and Tea Board have skilled extension workers   |       |  |
| C 2.2      | Tea Cultivation Technology Training<br>Workshop on Organization Management | No.  | 1            |                     |                    |                     | 13                 |                      | 1                  | 13                 | HOTPA                   |                            | Two out reach officer of HIMTEX of HOTPA trained   |       |  |
| C 2.3      | Design and Preparation of Training and Extension materials                 | No.  | 1            |                     | 1                  |                     |                    |                      | 1                  | 1                  | WI, GTZ                 | SNV                        | HOTPA Organizational Assessment Workshop was conducted by SNV  |       |  |
| C 2.4      | Institutional Capacity Building  | No.  |              |                     |                    |                     | 1                  |                      | 1                  | 1                  | WI                      | SNV                        | TEASEC Organizational Assessment Workshop was conducted by SNV   |       |  |
| C 2.5      | Training on Good Manufacturing Practices                                   | No.  | 2            |                     |                    | 1                   | 2                  | 2                    | 4                  | 9                  | HIM-COOP<br>HOTPA<br>WI | WI HOTPA<br>HIMCOOP<br>GTZ | HACCP Certification Program is ongoing and most of the applicants are expected to get Certification by July 2007                               |       |  |
| C 2.6      | Development of the Capacity of Tea Sector Service Provider                 |      |              | 1                   |                    | 1                   |                    |                      |                    | 2                  | WI                      | WI, NTCDB, GTZ             | Agreement between National Skill Testing Board (NSTB/CTEVT) and Tea Sector Service Center (TSSC) initiated from March 21, 06 to March 20, 2010 |       |  |
|            | TEASEC and CoC   |      |              |                     |                    |                     |                    | 2                    | 5                  | 7                  | WI/SNV<br>/IDE          | WI/SNV<br>/IDE             | SNV adopted TEASEC as Implementing partner for Farmers CoC intervention. TEASEC is involved in CoC implementation                              |       |  |

| S. N. | COMPONENT/Intervention/Activity                          | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency       | Implementing Partners                     | Description/Result   | Remarks |  |
|-------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------------|---|--|---------|--|
|       |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                          |   |  |         | Total  |
|       |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                          |   |  |         |  |
| C 3   | <b>Supply Chain Development</b>                          |      |              |                     |                    |                     |                    |                      |                    |                          |   |  |         |  |
| C 3.1 | BDS Training   | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | IDE                      | IDE<br>WI                                 | TCGDA and partners understood BDS approach and helped in BDS approach program implementation                                 |         |  |
|       | Staff orientation and rapid SSA training                 |      |              |                     | 1                  |                     |                    |                      | 1                  | IDE                      | WI  |  |         |  |
| C 3.2 | Nursery development training linkage activities          | No.  | 2            |                     | 1                  |                     |                    |                      | 1                  | WI                       | IDE WI,<br>HOTPA,<br>NTCDB                | SSA skills enhanced of project staffs  |         |  |
| C 3.3 | Agro input dealer activities                             |      |              |                     |                    |                     |                    |                      |                    |                          |   | Agro inputs suppliers, farmers aware of quality input requirement in order to sell teas overseas                             |         |  |
|       | Pesticides Awareness Campaign                            | No.  | 2            |                     |                    | 2                   | 3                  | 5                    | 10                 | WI                       | WI,<br>NTCDB,<br>GTZ,<br>HOTPA<br>HIMCOOP |  |         |  |
|       | Technical CoC training to farmers                        |      |              |                     |                    | 3                   |                    |                      | 3                  | SNV                      | TEASEC                                    |  |         |  |
|       | CoC Training   |      |              |                     |                    | 1                   |                    |                      | 1                  | WI                       | IDE                                       |  |         |  |
|       | Manuring and Pest management in tea cultivation training |      |              |                     |                    | 1                   |                    |                      | 1                  | WI                       | IDE                                       |  |         |  |
|       | Micro irrigation supply chain co-ordination              | No.  | As needed    |                     |                    |                     |                    |                      |                    | WI                       | IDE<br>HOTPA                              |  |         | Micro irrigation supply chain co-ordination improved |
|       | Processing improvement training                          | No.  | As needed    |                     |                    |                     |                    |                      |                    | WI                       | HOTPA<br>HIMCOOP<br>IDE                   |  |         | Processing of tea improved                           |
|       | Internal Control System (ICS) training                   | No.  |              |                     |                    | 1                   | 1                  |                      |                    | NTCDB,<br>EPC<br>SNV, WI | HOTPA<br>HIMTEX                           | ICS training trained 20 trainees from the farmers group, TEASEC, HOTPA, Tea Board and DDC staffs during the training program |         |  |
| C 4   | <b>Market Development</b>                                |      |              |                     |                    |                     |                    |                      |                    |                          |   |  |         |  |
| C 4.1 | Code of Conduct (CoC) Preparation of CoC Manual          | No.  | 2            |                     |                    |                     |                    |                      | 6                  | WI,<br>GTZ,<br>HOTPA     | WI,<br>GTZ,<br>HIM-<br>COOP,<br>HOTPA     |  |         |  |
|       | • Workshop on CoC  |      |              |                     | 2                  |                     |                    |                      |                    |                          |   |  |         |  |
|       | • Formation of Steering Committee                        |      |              | 1                   | 3                  |                     |                    |                      |                    |                          |   |  |         |  |
|       | • Implementation of CoC                                  |      |              |                     |                    |                     |                    |                      |                    |                          |   |  |         |  |

| S. N. | COMPONENT/Intervention/Activity  | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result       | Remarks  |  |
|-------|--|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------------|--|--|
|       |  |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                          |  | Total  |
|       |  |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                          |  |  |
|       | Endorsement of HOTPA CoC   |      |              |                     |                    |                     | 1                  |                      |                    | 1                  |                       |                          | The Tea Industry Stakeholders endorsed the HOTPA CoC                                     |  |
|       | International Tea Workshop   |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | All partners          | All partners             | A press conference was organized where HOTPA CoC was officially launched                 |  |
|       | CoC orientation & training at farmers level                                |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | SNV/WI/GTZ/HOTPA      | SNV/WI/GTZ/HOTPA         | International Tea Event at Hyatt Regency.<br>Tea farmers oriented on CoC                 |  |
|       | CoC implementation at two factories  |      |              |                     |                    |                     | 1                  |                      | 2                  | 3                  |                       |                          | Factory manager and chief technicians oriented on CoC                                    |  |
| C 4.2 | Quality Logo and Branding Nepal Tea  |      | 4            |                     |                    |                     |                    |                      |                    | 3                  | WI, GTZ               |                          | Nepal logo has been formalized with dual ownership (Govt.+Private)                       |  |
|       | • Formalizing Quality Logo   | No.  |              |                     | 1                  |                     |                    |                      |                    |                    |                       |                          | logo was launched in Tea & Coffee World Cup, Hamburg in Sep. 05                          |  |
|       | • Launching Quality Logo Overseas  | No.  |              |                     | 1                  |                     |                    |                      |                    |                    |                       |                          |  |  |
|       | • Marketing Logo   | No.  |              |                     | 1                  |                     |                    |                      |                    |                    |                       |                          |  |  |
| C 4.3 | Trade Shows Participation  |      |              |                     |                    |                     |                    |                      |                    | 7                  | WI, GTZ, SNV          | WI, HIM-COOP, GTZ, HOTPA |  |  |
|       | • Tea and Coffee World Cup   | No.  | 1            |                     | 1                  |                     |                    |                      |                    | 2                  |                       |                          |  |  |
|       | • Showcasing Nepal Tea: Munich. March 2005                                 | No.  | 1            | 1                   |                    | 1                   |                    |                      |                    | 2                  |                       |                          |  |  |
|       | • World Tea Expo   |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                          |  |  |
|       | Meeting with Finlays Tea (Worldwide reputed tea trading company) in London |      |              |                     |                    |                     |                    |                      |                    | 1                  | WI                    |                          | Nepal tea samples are in the process of quality analysis by Finlays                      |  |
|       | International Visit  | No.  |              |                     |                    |                     |                    | 1                    |                    | 5                  |                       |                          | Linkages were developed for Nepal with tea growing and producing countries of the world. | Key outcomes of the meeting were, a) Nepal tea is now placed in the UN tea producing counties list, and b) Nepal CoC has been recognized by tea producing and consuming countries of the world |

| S. N. | COMPONENT/Intervention/<br>Activity   | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners            | Description/Result   | Remarks   |       |
|-------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|----------------------------------|--|---|-------|
|       |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                                  |  |   | Total |
|       |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                                  |  |   |       |
| C 5   | <i>Regular significant shipments to US markets</i><br><b>Adaptive Research and Implementation</b>                     | No.  | As needed    |                     |                    |                     |                    |                      |                    | WI/ GTZ            | WI/GTZ/<br>HIMCOOP               |  |   |       |
| C 5.1 | Trails established<br>Clone selection Scheme  | No.  | 2            | 1                   |                    |                     |                    |                      | 1                  | WI                 | WI, HOTPA,<br>NTCDB              | HIMTEX has initiated the selection program   | On going  |       |
| C 5.2 | Soil Fertility Analysis<br>Soil Mapping   | No.  | 1            |                     |                    |                     |                    |                      |                    | WI                 | WI,<br>HOTPA,<br>NTCDB           | HIMTEX has analyzed soil of different pockets of Ilam and Panchthar  | On going  |       |
| C 5.3 | Extension material developed (on going process)<br><b>Others</b><br>Meeting with TAZO group<br>TAZO group field visit | No.  | As needed    | 2                   | 2                  | 2                   | 2                  | 2                    | 10                 | HOTPA              | HIMTEX                           | HIMTEX Quarterly Bulletins   | On going  |       |
|       | VIP Visit   | No.  |              |                     |                    |                     | 1                  |                      | 1                  | WI,<br>HOTPA       | WI/<br>HIMCOOP<br>HIMCOOP<br>/WI | TAZO is presently working on developing Nepal product line<br>TAZO is presently working on developing Nepal product line (the TAZO group visited Nirvana Tea Blending Facility, Biratnagar; Guranse Tea Estate, Dhankuta; Kanyam Tea Estate and NESTPROLS Tea Factory, Ilam and Panchakanya Tea Estate, Ilam ) | The team interacted with the processors, farmers and key informants and shared experiences about tea production, processing and marketing |       |
|       | Visitors to Nepal   | No.  |              |                     |                    |                     | 3                  |                      | 3                  | WI                 | WI/<br>HIMCOOP                   | USAID/Nepal Team visited Ilam and Phidim tea estates<br>Mr. Joe Simrany: President of Specialty Tea Institute and Tea Association of USA visited Nepal to observe Nepal CoC during Nov 2006<br>Mr. William Collis, Dr. Piet Joosten and Mr. Tony Barendsz visited Nepal  |   |       |
|       | Seminar on "Opportunity and Challenge in Nepalese Tea and Coffee"   | No.  |              |                     |                    |                     | 1                  |                      | 1                  | NTCDB              | NTCDB/<br>WI                     |  |   |       |

| S. N.    | COMPONENT/Intervention/Activity   | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result           | Remarks   |       |
|----------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|------------------------------|---|-------|
|          |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                              |   | Total |
|          |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                              |   |       |
|          | JICA and HOTPA agreement  |      |              |                     |                    |                     | 1                  |                      |                    | 1                  | JICA/HOTPA            | JICA/HOTPA                   | Agreement between JICA and HOTPA renewed till Feb 2007  |       |
|          | Agreement for Tea Market Supervision of Internal Consumption and Export Business of Nepal Tea |      |              |                     |                    |                     |                    |                      | 1                  | 1                  | WI                    | NTCDB                        | A joint agreement between NTCDB, WI and Agriculture Product Export Promotion was done to conduct tea market supervision of internal consumption and export business |       |
|          | Visit to South India  |      |              |                     |                    |                     |                    |                      | 1                  | 1                  | WI                    |                              | Mr. Subba visited South India for CoC-Indian support to regional CoC project of WI  |       |
|          | INGOs meeting   |      |              |                     |                    |                     |                    |                      | 1                  | 1                  | WI, GTZ, SNV          |                              | INGOs meeting was held to discuss the sustainability of tea alliance and capacity building of HOTPA   |       |
|          | National Tea Day  |      |              |                     | 1                  |                     |                    |                      |                    | 1                  | 2                     | NTCDB                        | National Tea Day was marked with the program organized by NTCDB   |       |
|          | Nepal visit of Executive Director of ITC  |      |              |                     |                    |                     |                    |                      |                    | 1                  | 1                     | WI                           | Executive Director of ITC gathered information about Nepal Tea  |       |
|          | Tea Development Alliance press conference   |      |              |                     |                    |                     |                    |                      |                    | 1                  | 1                     | WI, GTZ, SNV, HOTPA, HIMCOOP | Information about Nepal orthodox tea team taking part in Tea and Coffee World Cup and World Tea Expo was provided to the press                                      |       |
| <b>D</b> | <b>PROJECT MONITORING</b>   |      |              |                     |                    |                     |                    |                      |                    |                    |                       |                              |   |       |
| D 1.1    | Submit Performance Monitoring Plan to USAID   | No.  | 1            | 1                   |                    |                     |                    |                      | 1                  | 2                  | WI                    |                              | M&E plan developed  |       |
| D 1.2    | Quarterly USAID Reports   | No.  | 11           | 1                   | 2                  | 2                   | 2                  | 2                    | 2                  | 11                 | WI                    |                              | Project progress by quarterly documented  |       |
| D 1.3    | Project Completion and Impact Analysis  | No.  | 1            |                     |                    |                     |                    |                      | 1                  | 1                  | WI                    |                              | Overall project activities, progress and impact documented  |       |

| S. N. | COMPONENT/Intervention/<br>Activity                 | Unit | Project Plan | Progress            |                    |                     |                    |                      |                    | Responsible Agency | Implementing Partners | Description/Result | Remarks  |       |
|-------|---|------|--------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|-----------------------|--------------------|--|-------|
|       |   |      |              | Oct 2004 – Sep 2005 |                    | Oct 2005 – Sep 2006 |                    | Oct 2006 – June 2007 |                    |                    |                       |                    |  | Total |
|       |   |      |              | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA  | 2 <sup>nd</sup> SA | 1 <sup>st</sup> SA   | 2 <sup>nd</sup> SA |                    |                       |                    |  |       |
| D 1.4 | Regular formal alliance meetings for tea and coffee | No.  |              | 3                   | 4                  | 3                   | 6                  | 1                    | 2                  | 19                 | WI                    |                    | Progress reviewed and joint planning conducted |       |
| D 1.5 | Inter alliance coordination committee meetings      | No.  |              | 1                   |                    |                     |                    |                      |                    | 1                  | WI                    |                    | Inter-alliance committee coordinated           |       |
| D 1.6 | Regular quarterly alliance progress reports         | No.  | 11           | 1                   | 2                  | 2                   | 2                  | 2                    | 2                  | 11                 | WI                    |                    | Progress of partners by quarterly documented   |       |

Note: - In S.N. column, the jumped S.N. indicates activities not listed because of completed in previous quarters or planned for next quarters.

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## Annex 2. Minutes of Alliance Meeting

### 2.1 Coffee Development Alliance Minute

Date: May 9, 2005  
Time: 2:30 pm  
Venue: TCGDA Building

#### Participants:

1. Mr. Shyam Adhikari, Program Officer, CoPP/Helvetas
2. Mr. Dhakeshwor Ghimire, President, NCPA
3. Mr. Shyam P. Bhandari, Joint Secretary, NCPA
4. Mr. Bhoj Raj Pant, Chairperson, PADC
5. Mr. Dular Chand Sahu Pathik, Executive Director, NARC
6. Mr. Krishna Prasad Dhakal, Executive Director, NTCDB
7. Mr. Harihar Pandey, Member, HCPCL
8. Ms. Sita Bhandari, Office Secretary, HCPCL
9. Mr. Durga Prasad Rijal, Extension Officer, CTDS/DoA
10. Mr. Sribindu Bajracharya, CTO, USAID
11. Mr. Ganesh Ghale, Deputy Team Leader, WI/Ujyalo
12. Mr. Sujan Piya, Agro Enterprise Specialist, WI/Ujyalo
13. Mr. Chandra Bhushan Subba, Team Leader, WI/TCGDA
14. Mr. Ratna Bhuwan Shrestha, M&E Team Leader, WI/TCGDA
15. Mr. Buddhi Raj Dhakal, Coffee Program Specialist, WI/TCGDA
16. Mr. Prasanna Bajracharya, M&E Assistant, WI/TCGDA

#### Agenda:

1. Progress of alliance partners
2. MoU and Statutes amendment
3. Workplan review

#### Event/Activities:

- Introductions were made among the alliance members as representative members were also attending the meeting.
- Mr. Chandra Bhushan Subba, Team Leader, WI/TCGDA welcomed all the alliance partners in the first coffee alliance meeting.
- Mr. Buddhi Raj Dhakal, Coffee Program Specialist, WI/TCGDA gave a brief background about NTCGDA and evolution of TCGDA and highlighted on the activities of coffee sub-sector initiated by TCGDA.
- Mr. Sribindu Bajracharya CTO, USAID clarified the team approach of alliance partners for leverage, linkage building and coordination.
- Mr. Dular Chand Sahu Pathik, Executive Director, NARC shared some failure research projects of agro-industry experiments of groundnut, sunflower and sugarcane. And is very hopeful to work in partnership for the development of coffee sub-sector with WI/TCGDA.

- Mr. Durga Prasad Rijal, Extension Officer, CTDS/DoA agreed on the coordination of activity among the alliance partners.
- Mr. Harihar Pandey, Member, HCPCL said that Nepalese coffee has a good quality in the international market, but to maintain the quality of coffee is very difficult.
- Mr. Dhakeshwor Ghimire, President, NCPA highlighted on difficulties in exporting coffee, price variation causing unhealthy competition among coffee farmers and lack of definite baseline study of organic coffee which is causing misunderstanding in the field.
- Mr. Shyam P. Bhandari, Joint Secretary, NCPA emphasized on establishing a forum to discuss problems related to coffee and work in coordination with various organization to reach to the Agricultural Prospective Plan of Government.
- Mr. Bhoj Raj Pant, Chairperson, PADC gave brief progress of activities in the field and up coming activities to be conducted.
- Mr. Sujan Piya, Agro Enterprise Specialist, WI/Ujyalo gave brief description about WI/Ujyalo. And further highlighted on initiating program of WI/Ujyalo for establishing collection centers according to elevation for quality control of coffee, promotion of semi washed coffee beans and promoting coffee with beekeeping activity. Emphasis was also made on unavailability of such research or baseline study that would indicate as to why the quality of coffee is good in higher elevation.
- Mr. Krishna Prasad Dhakal, Executive Director, NTCDB was very optimistic about the development of coffee in Nepal. Alliance members were informed about the initiation of National Coffee Day in the near future.
- Mr. Ganesh Ghale, Deputy Team Leader, WI/Ujyalo emphasized on streamlining and making certain guidelines for coffee development in Nepal under one umbrella with policy at the apex body.
- Ms. Sita Bhandari also highlighted on the price variation of coffee in the field and demanded uniformity in price allocation of coffee beans.
- Mr. Shyam Adhikari, Program Officer, CoPP/Helvetas, briefed about the programs and activities of CoPP/Helvetas. And further asked about sharing budget of WI/TCGDA along with the workplan with the alliance partners.

**Decisions:**

- Mr. Chandra Bhushan Subba informed all the alliance partners that the quality of coffee has improved with respect to the export of previous year.
- Mr. Krishna Prasad Dhakal informed alliance members that Mr. Shyam P. Bhandari was elected as member representative of NTCDB.
- Regarding MoU, in the Signatures of the Nepal Coffee Global Development Alliance third point that is “share the activity information among the alliance members.” must be added and instead of Georg Webber, Ram Risal must be replaced, as he is the Country Director of Helvetas Nepal.
- The e-copy of coffee MoU will be sent to every alliance member and alliance partners are asked to submit their suggestion/comments within a week to further process the MoU as soon as possible.

- In case of absence of main alliance representative, alliance partners are requested to send their authorized representative member so that there would be representation from every alliance partner in all the alliance meetings.
- The alliance partners are requested to submit their quarterly progress report within the time frame as timely reporting is very important to the donor agency, USAID.
- WI/TCGDA is planning to circulate news about activities to be carried out in every two months to keep updated about the activities of every alliance partners.
- The Inter Alliance Coordination Committee was endorsed consisting of 4 parties: National Tea and Coffee Development Board (NTCDB), Nepal Coffee Producers Association (NCPA), Agro Enterprise Center (AEC) and Winrock International (WI).
- The Chairperson of alliance and Secretariat will be endorsed upon discussion in the next alliance meeting.

Date: June 29, 2005  
Time: 2:30 pm  
Venue: TCGDA-SMIG Building

**Participants:**

1. Mr. Prachanda Shrestha, Team Leader, CoPP, Helvetas
2. Mr. Krishna Prasad Dhakal, Executive Director, NTCDB
3. Mr. Krishna Prasad Pathak, President, HCPCL
4. Mr. Bhoj Raj Pant, Chairperson, PADC
5. Mr. Dhakeshwor Ghimire, President, NCPA
6. Mr. Shyam P. Bhandari, Joint Secretary, NCPA
7. Mr. Bhimendra B. Katwal, Advisor, TCGDA
8. Ms. Nirmala Adhikari, M&E Director, IDE Nepal
9. Mr. Sujan Piya, Agro Enterprise Specialist, WI/Ujyalo
10. Mr. Chandra Bhushan Subba, Team Leader, WI/TCGDA
11. Mr. Ratna Bhuwan Shrestha, M&E Team Leader, WI/TCGDA
12. Mr. Buddhi Raj Dhakal, Coffee Program Specialist, WI/TCGDA
13. Ms. Surina Sunayani Gurung, C&D Officer
14. Mr. Prasanna Bajracharya, M&E Assistant, WI/TCGDA

**Agenda:**

1. Signing of coffee MoU and statutes
2. Workplan and Co-financing

**Program:**

- Mr. Chandra Bhushan Subba. Team Leader, TCGDA-SMIG informed about the progress and ongoing coffee activities.

- Discussion on endorsed coffee MoU and statutes was held with the coffee alliance partners and simultaneously correction and addition was done through the consensus of all alliance partners.
- Alliance partners allocated their tentative cash match figures to be included in coffee MoU.
- The MoU was signed by the respective alliance partners.

**Decisions:**

- All the partner organization will share their workplan.
- It was decided in the cash match format that the sales and investment should be kept separate.
- In the next coffee alliance meeting, alliance partners shall discuss and agree on statutes and share their workplan.
- The next coffee alliance meeting will be held on 25<sup>th</sup> July, 2005, 2:00 PM at TCGDA building.

Date: July 25 2005  
Time: 2:00 pm  
Venue: TCGDA-SMIG/WI Office, Bakhundole, Lalitpur

**Participants:**

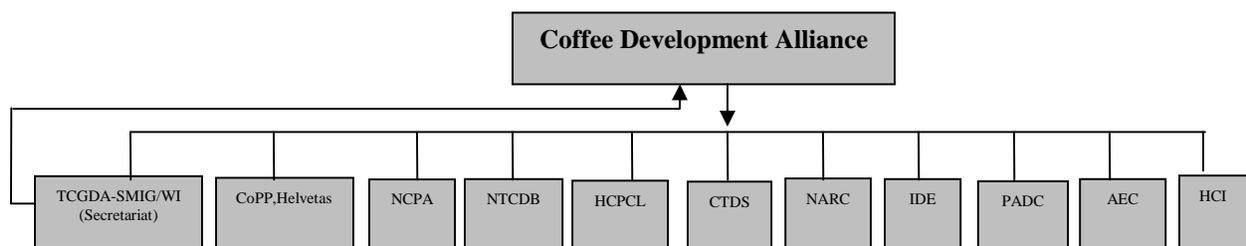
1. Mr. Bhoj Raj Pant, Chairperson, People Awareness and Development Center (PADC)
2. Mr. Dhakeswor Ghimire, President, Nepal Coffee Producers Association (NCPA)
3. Mr. Shyam Adhikari, Program Officer, CoPP, Helvetas
4. Mr. Prachanda Shrestha, Teram Leader, CoPP, Helvetas
5. Mr. Krishna Prasad Pathak, President, Highland Coffee Promotion Company P. Ltd. (HCPCL)
6. Mr. Shyam P. Bhandari, General Secretary, Nepal Coffee Producers Association (NCPA)
7. Dr. Dev Bhakta Shakya, Executive Director, Agro Enterprise Centre/Federation of Nepalese Chambers of Commerce and Industry (AEC/FNCCI)
8. Mr. Subarna L. Bajrachary, Director of Administration and Finance, International Development and Enterprises (IDE)
9. Mr. Krishna Prasad Dhakal, Executive Director, National Tea and Coffee Development Board (NTCDB)
10. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
11. Mr. Ratna Bhuban Shrestha, M&E Team Leader, TCGDA-SMIG/WI
12. Mr. Buddhi Raj Dhakal, Coffee Program Specialist, TCGDA-SMIG/WI

**Agenda:**

1. Objective of the Alliance
2. Uniformity in dissemination of technology jointly accepted by GDA Advisory Board
3. Sharing of information among GDA Advisory Body members
4. Others (if any)

### Discussion/Decisions

- Discussion on the Alliance Objectives based on the past learning experiences took place led by Dr. Dev Bhakta Shakya; M.D. of Agro Enterprise Center (AEC). AEC being an apex private sector body representing agriculture sector in the Federation of Nepalese Chambers of Commerce and Industries does not have specific fund set aside for Coffee and therefore will not be able to provide match fund in advance as compared to other partners in the Alliance, however based on the availability of the resources, the committed funds could be allocated for proposed program through collaboration by alliance partners who will be taking part in any particular program. He emphasized the need for the Alliance to take the role of Apex institution in Coffee sector promotion and that AEC, including Winrock and other partners in the Alliance should be reporting to the Alliance.
- It was agreed that the Alliance structure and roles will be as follows;



**Figure No. 1: Alliance Structure**

The figure above explains that all the partners are in the alliance and that the partners will report to the alliance through the secretariat. TCGDA-SMIG will act as a secretariat and will coordinate and submit proposed program in the alliance for approval. The secretariat will also coordinate activities within the partners in order to seek common activities while backstopping them with necessary available resources within and outside of the secretariat. The secretariat as an alliance partner will also carry out activities individually or with one or more other partners depending on the commonality of the program within the partners.

- Other Partners in the Alliance agreed on above opinion floated by Dr. Dev Bhakta Shakya and suggested on making transparency on overall match along with budget. He suggested that TCGDA-SMIG being the Secretariat must be responsible for compiling all the alliance progress for further dissemination within alliance and norms of alliance activities must be made similar to the extent possible.
- Mr. Dhakeswor Ghimire commented that the responsibility of alliance partners was not clear and suggested for permanent alliance for the overall development of coffee in Nepal.
- It was suggested that Editorial committee needs to be established within alliance for further initiation of Coffee Alliance E-news.
- A separate letter head with the logo of all coffee alliance organizations needs to be prepared and approved through alliance.
- Restructuring of coffee MoU needs to be done and will be approved through alliance.
- The CD Rom for promotion of Nepal coffee was shown by Mr. Krishna P. Dhakal E.D of NCTDB to all alliance partners present in meeting. It was agreed that the CD Rom will be circulated among the alliance partners to collect further comment and suggestion for editing the CD.

Mr. Prachanda informed alliance about a workshop to be held on December 2005 at field level with the Cooperatives, DCPA and NCPA members to promote healthy competition among them.

Date: February 13, 2006  
Time: 2:30 pm  
Venue: National Tea and Coffee Development Board (NTCDB), New Baneshwor.

The alliance meeting started at 2:30 pm in the chairmanship of Mr. Krishna Prasad Dhakal at National Tea and Coffee Development Board (NTCDB), New Baneshwor. The following alliance members and invitees were present in the meeting:

### Members

13. Mr. Krishna Prasad Dhakal, Executive Director, National Tea and Coffee Development Board (NTCDB), Deputy Chairperson
14. Mr. Krishna Prasad Pathak, President, Highland Coffee Promotion Company P. Ltd. (HCPCL), Member
15. Mr. Rishikesh Dhakal (representative), Program Coordinator, Nepal Coffee Producers Association (NCPA), Member
16. Mr. Bhoj Raj Pant, Chairperson, People Awareness and Development Center (PADC), Member
17. Mr. Kashi B. Nepali, Senior Coffee & Tea Development Officer, Coffee and Tea Development Section (CTDS)/DoA, Member
18. Mr. Shambhu Lal Shrestha (representative), Chief, Commercial Crop Division - National Agricultural Research Council, Member
19. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI, Member Secretary

### Special Invitees

1. Dr. Bhimendra B. Katwal, Coffee Advisor, TCGDA-SMIG/WI
2. Mr. Ratna Bhuban Shrestha, M&E Team Leader/Coffee Program Coordinator, TCGDA-SMIG/WI
3. Ms. Surina S. Gurung, Comm. & Doc. Officer, TCGDA-SMIG
4. Mr. Prasanna Bajracharya, M&E Assistant, TCGDA-SMIG

### Agenda

1. Discussion and sign on coffee MoU and Statutes,
2. Coffee Sub-sector study (AEC commencing competitiveness study),
3. Sustainability of Coffee – GDA,
4. Miscellaneous (coffee production systems, cost of production and processing, invitees from Ujyalo, IDE/BDS-MaPS), and
5. Other issues (if any)

### Discussions

- It was explained that it (MOU and constitution) was the renew of agreement with TCGDA-SMIG which was signed in 2003 with Nepal Tree Crop Global Development

Alliance (NTCGDA) and all the members were requested to sign the revised MoU and Statutes as soon as possible.

Previously there was thought of conducting coffee sub-sector study with the involvement of AEC and WI, but due to lack of budget in Ujyalo/WI it is cancelled. Mr. Krishna Prasad Pathak emphasized that there was necessity of sub-sector study beside the coffee competitiveness study undergoing under AEC.

- For the sustainability of coffee GDA, ideas were put forward to make governmental organization as Secretariat, the suggested names were, NTCDB and CTDS/DOA.
- Mr. Pathak informed that cost of production is included in farmers field training manual which need authenticity.
- Ujyalo/IGP and BDS-MaPS being the project of WI were suggested to participate as special invitee in Coffee alliance meeting.
- Coffee research proposal has been sent by NTCDB to NARC where NTCDB has requested for providing land at Research Center, Malepatan, Pokhara for establishing coffee research and trail center.
- Mr. Pathak suggested conducting research on coffee adaptability, productivity and cup tasting. He also suggested in providing information to coffee farmers directly through Agriculture Program which was shown by Nepal Television. Mr. Shambhu Lal Shrestha suggested that this could easily be done by contacting Mr. Bhola Man Basnet, Chief, Communication Department of NARC and also said that the information must be strong. Mr. R.B. Shrestha suggested research could still be done on wet process and semi-wet process for better quality.

### Decisions

- It was agreed that all the alliance partners will sign the revised coffee MoU and Statutes as soon as possible.
- NTCDB will study the costs of coffee production next year. Economic Analysis Division/DoA to be contacted for authentication of study.
- Proposal for the participation of Ujyalo/IGP and BDS-MaPS as special invitee were approved.
- Regarding price fixing study, Mr. R.B. Shrestha will coordinate with CoPP for arranging meeting with selected partners.

Date: May 2, 2006

Time: 12:00 noon

Venue: National Tea and Coffee Development Board (NTCDB), New Baneshwor.

The alliance meeting started at 12:00 pm in the chairmanship of Mr. Krishna Prasad Dhakal at National Tea and Coffee Development Board (NTCDB), New Baneshwor. The following alliance members and invitees were present in the meeting:

## Members

1. Mr. Krishna Prasad Dhakal, Executive Director, National Tea and Coffee Development Board (NTCDB), Deputy Chairperson
2. Mr. Krishna Prasad Pathak, Chief Executive Officer, Highland Coffee Promotion Company P. Ltd. (HCPCL), Member
3. Mr. Rishikesh Dhakal, Section Officer, National Tea and Coffee Development Board (NTCDB)
4. Mr. Bhoj Raj Pant, Chairperson, People Awareness and Development Center (PADC), Member
5. Mr. Kashi B. Nepali, Senior Coffee & Tea Development Officer, Coffee and Tea Development Section (CTDS)/DoA, Member
6. Mr. Shambhu Lal Shrestha (representative), Chief Scientist, Commercial Crop Division - National Agricultural Research Council, Member
7. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI, Member Secretary
8. Dr. Bhimendra B. Katwal, Coffee Advisor, TCGDA-SMIG/WI
9. Mr. Bob Nanes, Country Director, International Development Enterprises (IDE), Member
10. Mr. Shyam Prasad Bhandari, General Secretary, Nepal Coffee Producers Association (NCPA), (representative)
11. Dr. Dev Bhakta Shakya, Executive Director, Agro Enterprise Centre/Federation of Nepalese Chambers of Commerce and Industry (AEC/FNCCI), Member
12. Mr. Prachanda Shrestha, Team Leader, Coffee Promotion Project (CoPP), Helvetas, Member
13. Mr. Pranaya Sharma, Program Officer, Coffee Promotion Project (CoPP), Helvetas

## Special Invitees

1. Dr. Bishwa Mohan Acharya, Director, National Cooperative Development Board (NCDB)
2. Dr. Gopi K. Sedhain, Consultant, People Awareness and Development Center (PADC)
3. Mr. Phul Kumar Lama, Director, Royal Everest Coffee Mill Pvt. Ltd.
4. Mr. Ratna Bhuvan Shrestha, M&E Team Leader/Coffee Program Coordinator, TCGDA-SMIG/WI
5. Ms. Surina S. Gurung, Comm. & Doc. Officer, TCGDA-SMIG
6. Mr. Prasanna Bajracharya, M&E Assistant, TCGDA-SMIG

## Agenda

1. Cooperative federation workshop
2. Coffee policy issues
3. Production data collection
4. Pending issues (coffee production systems, coffee pricing study)
5. Others.

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## Discussions

### Agenda 1:

- Mr. Bhoj Raj Pant briefed about the proposed paper on “Regional Workshop on Future Strategies of Coffee Producer Cooperative Societies” to the alliance members and representatives and said that PADC will organize the workshop. He mentioned that forming national cooperative and establishing coffee processing (hulling) unit under DANIDA's financial support within December 2006 will be the main agenda in the workshop. PADC has met the criteria to form national level cooperative from its working area Gorkha, Tanahu and Lamjung but would like to share with other concerned stakeholders to form and run the national level cooperative. Therefore, he requested Winrock and Helvetas for financial support to organize the regional level workshop.
- Mr. Prachanda Shrestha suggested on taking coffee sub-sector as a whole in this upcoming regional workshop and also to bring together DCPA and Cooperatives for preparing a common modality. Mr. Shrestha also informed availability of experience of Helvetas in cooperative which can be shared. Mr. Sambhu Lal Shrestha suggested consulting the responsible LAs where appropriate.
- Dr. Gopi K. Sedhain stressed that the central cooperative formation proposed by PADC should be discussed in national prospective because the cooperative act doesn't allow forming another similar national coffee cooperative. Dr. Bishwa Mohan Acharya briefed about the concept, types and process of registration of cooperatives. He also mentioned that the National Cooperative Board has some provision of support.
- Mr. Subba raised issues on Sustainability of the Cooperatives.

### Agenda 2:

- Mr. Krishna Prasad Dhakal explained that coffee policy guidelines has been prepared through meeting with concerned stakeholders and has been approved by the Cabinet and is under implementation.
- It was discussed that NCPA was the main organization for implementing coffee policy.
- Dr. Dev Bhakta Shakya said that documentation and database is not enough for advocacy on policy implementation. He advised concerned stakeholders to contact AEC for policy lobby.
- Mr. R.B. Shrestha suggested to address current coffee issues and problems in proposed coffee policy workshop to be organized by NCPA under Ujyalo fund allocated to HCPCL.

### Agenda 3:

- Mr. Prachanda Shrestha said that production data collection was a very complicated process which needs certain guidelines. He suggested that DCPA was an authentic agency to conduct production data collection.

### Agenda 4:

- Dr. Dev Bhakta Shakya said that coffee competitiveness study report is near completion and will be shared with concerned stakeholders while organizing a workshop.
- Organic study report conducted jointly by TCGDA-SMIG and CoPP/Helvetas was also shared among WI, IDE, CoPP and AEC initially which needs to be further discussed and

presented in the next alliance meeting (study report was not shared in the meeting). Since Dr. Govinda couldn't be contacted and Mr. Maheswor has no time for couple of weeks Mr. Prachanda was requested to contact Mr. Bholu Shrestha (one of the study team members) to present summary of the study findings in next alliance meeting for taking further steps. However, Mr. Shrestha suggested that it should be done by Dr. Koirala.

- Mr. Kashi B. Nepali, suggested that world market needs to be understood well when the price issue comes. Mr. R.B. Shrestha circulated draft TOR for pricing study (to selected partners) for comment.
- Mr. Bob Nanes suggested that it's the market that sets the price of coffee and not by any individual or organization. Therefore, Coffee Board should not fix the Coffee Price. Mr. P.K. Lama and Mr. Prachanda Shrestha suggested that necessary background is not ready for NTCDB to abruptly stop the pricing of coffee.

#### **Agenda 5:**

- Mr. Prachanda Shrestha suggested that development of standard coffee resource person is a necessity for overall coffee development in Nepal. So, he further suggested a possibility of collaborating with CTEVT for developing occupational skill standard and to conduct skill test and certify the successful candidates in coffee sub-sector.
- Mr. Rishikesh Dhakal briefed about the development of coffee guidelines and logo.
- Mr. Prachanda Shrestha reminded that CoC draft report has been sent to the sub-committee members six months ago, and has not received any feedback yet.
- Mr. Prachanda Shrestha also reminded the coffee alliance partners that CoPP/Helvetas was organizing a Mid-term Evaluation presentation on May 5 at 4 pm and anyone who has not received the invitation could attend it.

#### **Decisions**

##### **Agenda 1:**

- NTCDB and PADC will sit together to discuss for the workshop. Regional workshop will be conducted after detail homework before conducting national workshop. Concerned stakeholders should be involved in the regional/national cooperative workshop. CoPP could send their participants including LISP Helvetas for experience sharing on their own costs. The PADC besides Winrock was advised to contact National Cooperative Board for financial support. It was also decided that if the PADC doesn't have time they could take decision of forming regional/national level cooperative at regional level cooperative workshop to be organized soon with opening avenues for other primary and district cooperatives to join in future.

##### **Agenda 2:**

- It was agreed that coffee policy guideline is recently published but it has not been implemented yet. The issues related to coffee policy, especially in field implementation will also be addressed in the coffee policy workshop. NCPA will take the lead in organizing this workshop.

**Agenda 3:**

- The issues related to production data collection along with format will be discussed in next meeting.

**Agenda 4:**

- NTCDB, NCPA, CoPP/Helvetas, TCGDA-SMIG together with the concerned organization will sit together to prepare separate program in another meeting to discuss on coffee production system and coffee pricing study.

**Agenda 5:**

- The idea of skill test put forward by Mr. Prachanda Shrestha was well appreciated by all the participants of the meeting. It was agreed that skill test curriculum needs to be prepared by involving CTEVT and coffee related organizations.
- NTCDB will send electronic copy of the coffee guidelines to the coffee alliance partners. It was agreed that sub-committee to prepare coffee logo must be active.
- Feedbacks regarding CoC draft report must be sent as soon as possible for its endorsement and finally implementation.

Date: January 15, 2007  
Time: 11:45 am  
Venue: TCGDA/Ujyalo Building, Lalitpur

**Participants:**

1. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
2. Dr. Bishwa Bandhu Raj Singh, Sr. Program Officer, CoPP/Helvetas
3. Dr. Dev Bhakta Shakya, Executive Director, AEC/FNCCI
4. Mr. Krishna Ghimire, Director, HCPCL
5. Dr. Luke A. Colavito, Agriculture Program Coordinator – South Asia, Winrock
6. Ms. Rabina G. Rasaily, ME&DO, Ujyalo
7. Mr. Gopi Prasad Dhungana, Joint Secretary, NCPA
8. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
9. Mr. Ratna Bhuban Shrestha, M&ETL/Coffee Program Coordinator, TCGDA
10. Mr. Prasanna Bajrachary: Monitoring and Evaluation Assistant

**Agenda:**

1. Signing of revised MoU
2. Review of progress and workplan in brief
3. Study of wash and semi wash process
4. Election of Advisory Committee (Inserted by Prachanda Ji)
5. Other

**Discussions:****Agenda 1& 2:**

- On behalf of AEC Mr. Dev Bhakta Shakya signed on the Alliance MoU. Later Mr. R.B Shrestha briefed the members about the TCGDA progress and workplan. He distributed one page brief on semi-wash pilot coffee program.

**Decision**

- The MoU document will be taken to the remaining alliance partners that have yet to sign and have their signatures taken on it.
- TCGDA will work on semi-wash coffee pilot program/coffee quality management, facilitate quality semi-wash coffee export, support on controlling coffee stem borer, make Coffee Development Alliance sustainable, insist joint study on semi-wash/wash coffee and coordinate with other WI cross project (Ujyalo IGP, BDS MaPS, CRRN and IPM CRSP) coffee activities. Workplans presented during coffee stakeholders (major) workshop at ASC organized by CoPP will be a basis for Coffee Alliance Development/TCGDA workplan.

**Agenda 3:**

- Mr. R.B. Shrestha focused on the need of joint study of semi-washed as well as washed coffee (especially soaking parchment for another 24 hours) to make uniform understanding among concerning stakeholders for extension. Mr. Bhushan Subba added the potentiality of market of semi washed coffee.
- Dr. Bishwa Bandhu suggested about the need of a system to identify the originality of the coffee, i.e. its type, elevation, zone etc.
- Dr. Luke explained semi washed coffee is more suitable than washed coffee as the green beans of the semi washed coffee is more suitable for long shipping time. The beans of the washed coffee bleaches during transportation but not of the semi washed coffee. Also the green beans of the semi washed coffee can be sold immediately. No resting period required in parchment stage.
- Mr. Gopi Dhungana said that there shouldn't be confusion between the farmers in the grass root level about the washed and semi washed process. And also the quality of the coffee should be controlled from the grass root level, as both good and bad quality coffee are mixed together and sold to the buyers.
- Dr. Shakya suggested that the success of the coffee trial pockets should be tested first before going to mass areas. Mr. Bhushan Subba added that after a convincing result from the pilot pockets the alliance should move ahead with a common approach.
- Dr. Luke suggested that a sub committee should be formed for semi-wash/wash coffee study.

**Decision**

- WI will support (for training and monitoring) HCPCL to produce and export one container semi-wash coffee to Holland Coffee Inc as pilot program in selected pockets of Palpa, Syangja, Arghakhanchi and Lamjung districts.
- Sub-committee consisting of TCGDA/WI, CoPP, NARC, CTDS, NTCDB and NCPA will be formed to study on above mentioned semi-wash and wash coffee. Resources

for the study to be shared. This sub committee will do a detail work on relevant coffee processing and quality issues and replies back to the alliance with a result.

**Agenda 4:**

- Mr. Bhushan Subba suggested that either NTCDB or NCPA should chair the alliance committee and AEC would take the secretariat role.

**Decision**

- Date for election of new alliance committee will be notified after consulting with alliance members.

**Agenda 5:**

It was discussed that coffee in East will not be promoted. R.B. Shrestha mentioned that FtF volunteer will also be involved in providing training on coffee stem borer.

**Decision**

To address coffee stem borer problem effectively a sub-committee will be formed consisting of TCGDA/WI, CoPP, NARC, NTCDB, CTDS and NCPA.

**2.2 Tea Development Alliance Minute**

Date: May 11, 2005  
Time: 2:30 pm  
Venue: TCGDA-SMIG/WI Building

**Participants**

1. Mr. Armin Hofmann, Principal Advisor, GTZ
2. Mr. Chandra Bhushan Subba. Team Leader, WI/TCGDA-SMIG
3. Dr. Dev Bhakta Shah, Executive Director, AEC/FNCCI
4. Mr. Dilli R. Baskota, Secretary, HIMCOOP
5. Ms. Elke Shrestha, Coordinator, GTZ/PSP
6. Mr. Krishna Prasad Dhakal, Executive Director, NTCDB
7. Mr. Ratna Bhuwan Shrestha, M&E Team Leader, WI/TCGDA-SMIG
8. Mr. Sribindu Bajracharya, CTO, USAID
9. Mr. Sunim Tamang, Advisor Sub-sector Promotion, GTZ/PSP
10. Mr. Suraj Vaidhya, Vice-Chairman, HOTPA
11. Mr. Udaya Chapagain, Chairman, HIMCOOP

**Agenda**

1. Activities to date
2. Tea and Coffee World Cup 2005, Hamburg
3. CoC

4. Statutes/MoU
5. EU funding for Tea
6. Workplan 05/06
7. Others

**Discussion/Decision:**

- Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG gave away brief introduction on NTCGDA, which phased out on March 2005 and evolution of TCGDA-SMIG to give continuity of NTCGDA goals. Reviews of TCGDA-SMIG activities to date were done.
- The preliminary planning of Tea and Coffee World Cup 2005, Hamburg was discussed among the alliance partners as to how to design the Nepalese stall and make arrangements for better coordination and meeting with the customers, buyers, consulate and press.
- HOTPA and HIMCOOP have decided to contribute \$1000 each for Tea and Coffee World Cup 2005, Hamburg.
- The alliance decided to establish a secretariat to oversee the trade show details. GTZ/PSP agreed to provide the secretariat office space.
- Competent personal to oversee the secretariat will be decided jointly by the sub alliance committee comprising GTZ/WI/HIMCOOP/HOTPA in the following week.
- HIMCOOP will be preparing some special gift pack for the Press Conference and Consulates.
- Ms. Elke Shrestha, Coordinator, GTZ/PSP gave brief description about the Nepal Evening at the Tea and Coffee World Cup 2005, Hamburg program which will be held to promote Nepalese tea and coffee.
- Mr. Chandra Bhushan Subba presented Code of Conduct implementation status to alliance partners. GTZ/PSP together with WI will assign the expert in finalizing CoC Manual. Alliance members agreed on sharing the cost of CoC.
- Asian Development Bank/Manila could be one of the probable new alliance members, which needs to be reached out.
- Simplified budget and programs of GDA will be made in future to present in the upcoming alliance meeting.
- Ms. Elke Shrestha gave brief idea about EU funding for Tea and highlighted on EU rule that there must be involvement of two EU countries partners in funding proposal.
- The need of research center for tea and coffee is felt among the alliance partners for the overall development of tea and coffee.
- The inter alliance co-ordination meeting will be held in near future with the representative members from both tea alliance and coffee alliance partners. HOTPA, AEC and NTCDB will be the representative members from tea alliance.
- The detail list of the registered pesticides by Agriculture and Cooperative Ministry of Nepal were published in HMGN Gazette. TCGDA-SMIG will translate it into English version and circulate it to all the alliance partners.
- Mr. Suraj Vaidhya on behalf of all the alliance partners thanked Elke Shrestha for helping and supporting tea development in Nepal as she is leaving soon for Bangladesh.

- It was agreed that workplan and co-financing activities of GDA would be worked out with partners individually.

Date: February 13, 2006

Time: 11:00 am – 2 pm

Venue: National Tea and Coffee Development Board (NTCDB), New Baneshwor.

### Participants

1. Diana Brandes, Portfolio Strengthening Advisor-East, SNV/Ilam
2. Srijana Rana, P.L-PSD, SNV
3. Helga Duhou, Micro & Small Entrepreneur Development Advisor, SNV
4. Suraj Vaidya, Vice-Chairman, HOTPA
5. Shambhu Lal Shrestha, NARC-CCD Chief, NARC
6. Armin Hofmann, Principal Advisor, GTZ
7. Sunim Tamang, Advisor Sub-sector Promotion, GTZ
8. Dilip Thapa, Assistant Management Program Coordinator, IEDI/REAP
9. Dr. Dev Bhakta Shakya, Executive Director, AEC/FNCCI
10. Krishna Prasad Dhakal, Executive Director, NTCDB
11. Charlotte Gardner, CEO, HIMCOOP
12. Rabindra Raut, Project Coordinator, HOTPA/JICA
13. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG: Winrock
14. Ratna Bhuban Shrestha, M&E Team Leader/ Coffee Program Coordinator, TCGDA-SMIG-Winrock
15. Prasanna Bajracharya, M&E Assistant, TCGDA-SMIG: Winrock
16. Surina S. Gurung, Comm. & Doc. Officer, TCGDA-SMIG: Winrock

### Agenda

1. Tea alliance briefing to SNV members to further formalise cooperation between tea alliance and SNV.
2. Tea alliance activities briefing by partners.

### Discussions

- Mr. Suraj Vaidya briefed about the working strategy of Tea Development Alliance and objective behind formation of GDA, especially in sharing idea and experience among partners and to avoid duplication of activities in the field level.
- Ms. Diana Brandes briefed about exploring possible support activities for tea farmers of Ilam. She emphasized that SNV will be willing to work as a facilitators between Tea Factories and Small farmers and for which a need assessment is required. She also indicated that they will discuss on the proposal submitted by GDA.
- Mr. Dilip Thapa discussed about the activities of IEDI/REAP such as initiating drier, training focusing on technical aspects, interaction between farmers and manufacturers

(business to business interaction) and the requirement of support and collaboration to carry out various activities without duplication.

- Mr. Chandra Bhushan Subba briefed about the members of the alliance, purpose of GDA, and the achievements made till now by GDA such as pesticide banned through HMG, trainings at farmers level, market linkages - initiation of CoC and branding Nepal Tea in the international market.
- Mr. Sunim Tamang said that Nepal tea cannot compete in volume with Darjeeling tea, so at this stage emphasis has been made firstly in quality and secondly in volume. He even emphasized on making a structure to guarantee Nepal Tea Logo in the international market and invited SNV to come up and work at those levels. Mr. Tamang emphasized on SNV taking up a role in the coordination between Farmers groups to implement Codes of Conduct.
- Ms. Srijana Rana said that they work at grass root level and made a query about the responsible agency/committee to represent farmers at the alliance.
- Ms Charlotte Gardner replied the query of Ms. Rana by saying that the small holder farmers are represented by the district level Cooperatives in each district.
- It was informed that on April 28, 2006 “Tea Day” will be celebrated and around 50 farmers will be invited to Kathmandu by the NTCDB.
- Mr. Armin Hofmann explained that tea alliance will takes a lead in taking the higher commodities in the international market through implementation of CoC that will directly provide better income, market and opportunity to farmers.

### Decision

- The tea alliance will share their individual working plans and make a short description in English and Nepali about the involvement of different stakeholders working within the tea alliance. This document should also be sharable in the Eastern region. It should be clear that they whole value chain should be developed by different parties.
- Tea alliance will come up with a general MoU, where SNV can fit the existing MoU for their use by the end of February 2006.
- Tea alliance will come up with a MoU for starting up activities between SNV/East and 2 tea factories and their respective farmer groups in Ilam. The alliance will consider the cost contribution and involvement of the factories for the proposed program for the purpose of selection. Bidding and meeting of factories will take place to select 2 factories (and get their financial, commitment etc.). Terms of references will be formalised before activities will be organized in Kathmandu by the tea alliance around 15th March. SNV/IEDI will be informed regarding the date/time/venue.
- A ToR for a pilot project for SNV/East (including need assessment) will be formulated after the bidding and selection of potential factories; REAP/IEDI activities within this ToR will be specified and coordinated by Ms. Helga Duhou, activities of Eastern portfolio will be coordinated by Ms. Diana Brandes. The tea alliance will come up with a proposal first. For all activities a member of the tea alliance should be involved, so that it's clear to the outside world that the alliance takes the lead.
- Clarification about focal points within SNV
  - a) Ms. Helga Duhou will coordinate REAP involvement within Tea alliance activities.

- b) Ms. Diana Brandes will coordinate on national and regional (East) level activities and coordination with the Tea alliance
  - c) Mr. Amar Thing will be responsible in the East for implementation (via partners) of the activities in Ilam.
  - d) IEDI will be responsible for implementing their activities in the East
- SNV (Ms. Helga Duhou, Ms. Diana Brandes or other representatives) will be members of the regular meetings of the Alliance concerning the pilot project.
  - Next meeting will be held in March 20, 2006 at NTCDB at 10:00 am to share the results of the bidding meeting. May be some farmers linked with the selected factories will be present too.
  - There is a need to prepare 2006 GDA workplan in the form of calendar with respective action plan and responsible agencies.
- Value Chain document will be provided to Mr. Suraj Vaidya by Mr. Sunim Tamang.

Date: March 15, 2006

Time: 2:00 pm

Venue: National Tea and Coffee Development Board (NTCDB), Meeting Hall,  
New Baneshwor

#### **Participants:**

11. Mr. Krishna Prasad Dhakal, Executive Director, NTCDB
12. Ms. Helga Duhou, Micro & Small Entrepreneur Development Advisor, SNV
13. Ms. Diana Brandes, Portfolio Strengthening Advisor-East, SNV/Ilam
14. Mr. Amar Thing (Tamang), SNV/Ilam
15. Mr. Armin Hofmann, Principal Advisor, GTZ
16. Mr. Sunim Tamang, Advisor Sub-sector Promotion, GTZ
17. Mr. Arun Rana, Advisor Sub-sector Promotion, GTZ
18. Mr. Udaya Chapagain, Chairman, Himalayan Tea Producers Cooperative (HIMCOOP)
19. Mr. Bachan Gyawali, Jun Chiya Bari
20. Mr. Kamal Mainali, Director, Himalayan Shangrila Tea Producers Pvt. Ltd.
21. Mr. Som Prasad Gauchan, Advisor, Everest Tea Estate Pvt. Ltd.
22. Mr. Maheswar Ghimire, Consultant, Freelance
23. Ms. Charlotte Gardner, Chief Executive Officer, HIMCOOP
24. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI

#### **Agenda:**

1. SNV-Farmer CoC Implementation with 2 factories TOR and selection
2. Present CoC Status bu Maheshworji
3. The World Tea Expo Visit by HIMCOOP
4. Others

**Discussion:**

- Different organization of the alliance must coordinate and build linkages, for instance GTZ has experiences in value chain and other organizations could have expertise in developing tea sector.
- Today as such there is no monitoring body and laboratory to conduct pesticide residue tasting, so CoC could be an opportunity to develop tea business for producing quality tea and provide good price to the farmers. Another objective to implement CoC is to bring transparency.
- Altogether out of 14 factories, 11 factories have signed MoU and the preference of implementing CoC will go to those factories who have signed.
- Suggestions were made on identifying an independent service provider for quality monitoring and checking proper execution of CoC at field level and question on its sustainability was raised.
- Farmer's commitment to CoC basically deals with pesticides and quality.
- Implementation of CoC must be done through training and education which will increase the awareness about practice of CoC at farmers level through their own initiative.
- Mr. Maheswar Ghimire briefed about the present status of CoC.
- Ms. Charlotte Gardner briefed about representing Nepal tea at the World Tea Expo 2006 which will be held at Las Vegas Nevada, USA. from March 27-30.
- Mr. Ghimire will provide electronic copy of CoC document to the members of SNV for review.
- Tea alliance bid farewell with thanks to Mr. Sunim Tamang and welcomed Mr. Arun Rana, who will take over the responsibilities of Mr. Tamang on behalf of GTZ.

**Decisions:**

- Mr. Ghimire will provide electronic copy of CoC document to the members of SNV for review.
- 2 factories of Mr. Dilip Rai and Mr. Kamal Mainali have been chosen for implementing CoC at farmers level.
- According to Mr. Mainali, decisions have to be taken first at farmers level to agree on CoC implementation, he shall take lead on this process.
- Terms of Reference for SNV-Factory-Farmer CoC implementation will be prepared by Mr. Amar Thing (Tamang)/SNV and Mr. Maheswar Ghimire/Consultant. Meeting on preparing ToR will be held on March 20 at 9:00 am at HIMCOOP, Bakhundole. ToR will then be discussed with farmers. Final endorsement of ToR will be done by the alliance.

Date: July 3, 2006  
Time: 2:30 pm  
Venue: Alliance Secretariat: TCGDA-SMIG/WI, Meeting Hall,  
Bakhundole, Lalitpur

**Participants:**

25. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
26. Mr. Bhawani P. Kharel, Senior Program Officer, IUCN
27. Mr. Prakash K. Karn, Program Officer, IUCN
28. Mr. Khagendra Jabegu, Portfolio Coordinator-East, SNV
29. Ms. Monica Oliveros, Tourism Research Associate/Consultant, SNV
30. Mr. Daniel Bagwitz, Chief Coordinator, GTZ
31. Mr. Arun Rana, Advisor, GTZ
32. Ms. Anupa A. Pant, M&E Advisor, GTZ
33. Mr. Dhruva Raj Bhatta, Plant Protection Officer, PPD, DoA
34. Mr. Tika Ram Mulicha, Program Director, PPD, DoA
35. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
36. Mr. Ratna Bhuban Shrestha, M&E TL/Coffee Program Coordinator, TCGDA-SMIG/WI
37. Ms. Surina Gurung and Mr. Prasanna Bajrachary: Alliance Documentation

**Agenda:**

6. Codes of Conduct Implementation (major pesticides issue)
7. Partners Activities to date
8. Inclusion of new members
9. Revisiting Alliance MOU and statutes
10. Tea Tourism
11. External communication (to newspaper, magazines) about tea alliance related activities and profile of different stakeholders/partner organizations
12. M&E of GTZ

**Discussion****Agenda 1:**

- Tea Development Alliance background and status was briefed to new interested partners with the focus on codes of conduct implementation.
- Significance of local level alliance was proposed with the view of disseminating codes of conduct to all tea farmers especially in eliminating the use of pesticides in tea plants. Local level alliance will also take up the function of Tea Development Alliance at local level.
- MRL of Banned Pesticides on Nepalese Tea has been traced in Germany again this year. Discussions were carried out to nullify the use of such pesticides and to seek provisions of incentives to those tea farmers not using pesticides.
- SNV-Factory-Farmer CoC implementation was briefed to partners; two factories are piloting codes of conduct program with the support of SNV, where farmers were oriented on codes of conduct and inception workshop was organized in Ilam.

**Agenda 2:**

- Alliance partners briefed about their activities to date. Tea board was planning to conduct National Tea Day (previously postponed) with special programs, members from DoA informed about the development of IPM and tea curriculum, members from IUCN was keen to understand latest development of alliance, SNV briefed about working in close cooperation with farmers in Ilam for implementation of codes of conduct. GTZ is working on with HIMCOOP to develop long term marketing strategy for Nepalese Tea. Winrock continues with coordination activities of the alliance.

**Agenda 3:**

- New members from IUCN and PPD/DOA shared their activities and views regarding tea alliance.
- Possible inclusion of Tea Sector Service Center (TEASEC) was also discussed. TEASEC is a newly established private sector service provider for Tea Industry and is presently working in partnership with CTEVT to develop Skill Testing Curricula for Tea Trainers presently involved in training activities in the tea growing region of Nepal.

**Agenda 4:**

- Revision of past Alliance MoU was discussed for Alliance sustainability. Revised MOU will be circulated to the partners for approval.

**Agenda 5:**

- Following Mr. Rana's (GTZ) introduction to the concept of Tea Tourism, Ms. Monica Oliveros (SNV) highlighted on key issues of tea tourism
  - § Competitive advantages of Ilam:
    1. Assess conditions of tourism infrastructure and facilities available in the district (status/identify what is missing/what needs to be improved/developed)
    2. Assess tourism potential of Ilam (attractions; i.e. linking tea and tourism)
  - § Essential market study
  - § Integration of stakeholders from different levels (NTB/DTC/local entrepreneurs/private sector) for planning and development of tourism in Ilam

**Agenda 6:**

- a. Need for highlighting the functions of tea alliance while making external communication (to newspaper, magazines) were discussed. Recognition of partners involved in codes of conduct and preparation of codes of conduct progress was felt necessary for discussion.
- b. Profile of different stakeholders including profile of partner organization was a felt necessary to identify their roles and function.

**Agenda 7:**

- The competitiveness study report prepared by GTZ was discussed among the partners. Need for identification of weaknesses and suggestions in the report from alliance was raised. Monitoring mechanism of the alliance activities was discussed.

**Decisions****Agenda 1:**

- Next tea alliance meeting will be held on July 6, 2006 (proposed) at TCGDA-SMIG/WI at 10:00 am with the main agenda *Codes of Conduct*.
- Tea Alliance meeting will be held on first Wednesdays of every month, and in case of Wednesday being a holiday following date will be considered for the meeting.

**Agenda 2:**

- Members from IUCN agreed on sending representatives for local level alliance in near future in Ilam.
- TEASEC will be invited for the alliance meeting participation in the next alliance meeting.

**Agenda 3:**

- New member (IUCN) will let the alliance know about their participation in the alliance after discussion with their senior members.
- Tea alliance e-news will be sent to new members as soon as possible.

**Agenda 4:**

- Mr. Arun Rana will send out revised MoU to partners for review. Revised MOU will be circulated for approval by the secretariat

**Agenda 5:**

- Decisions still need to be made at higher level for exploring opportunities between GTZ-SNV and other partners for tea tourism.

**Agenda 6:**

- It was agreed that while making external communications with media and publicity houses, functions of tea alliance will be mentioned along with partners involved in specific activities. The Secretariat will develop a Fact-sheet on alliance activities for PR purpose.
- Profile of alliance partners will be prepared by individual partners after codes of conduct program discussion set for July 6, 2006 (proposed) whereupon the profile will be compiled by the secretariat for circulation within alliance partners, media houses, potential donors and new potential partners.

**Agenda 7:**

- Ms. Anupa A. Pant will sit with members of Tea Board to complete the study report on competitive advantage of tea over other industry. Similarly GTZ will take the lead role in developing database on Tea for the purpose of developing a systematic M&E mechanism for Tea alliance activities.

Date: July 19, 2006

Time: 2:30 pm

Venue: Alliance Secretariat: TCGDA-SMIG/WI, Meeting Hall,  
Bakhundole, Lalitpur

**Participants:**

1. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
2. Mr. Bhawani P. Kharel, Senior Program Officer, IUCN
3. Dr. Dev Bhakta Shakya, Executive Director, AEC/FNCCI
4. Mr. Khagendra Jabegu, Portfolio Coordinator-East, SNV Nepal
5. Ms. Araceli Lloret, Portfolio Coordinator, SNV Nepal
6. Mr. Daniel Bagwitz, Chief Coordinator, GTZ
7. Mr. Arun Rana, Advisor, GTZ
8. Mr. Armin Hofmann, GTZ Principle Advisor, GTZ
9. Mr. Deepak P Baskota, Chairman, HOTPA
10. Mr. Kamal Mainali, Director, Himalayan Shangrila Tea Product
11. Mr. Chandra Guragain, Administrator, HOTPA
12. Ms. Sussi Utoft, Development Advisor, SAWTEE
13. Mr. Gyanendra Gurung, Marketing Manager, HIMCOOP
14. Mr. Bed Khatiwada, Program Coordinator, SECARD Nepal
15. Mr. Udaya Chapagain, Chairman, HIMCOOP
16. Mr. Atal Man Rai, Chairman, Sri Antu Tea Industries (P) Ltd
17. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
18. Mr. Ratna Bhuban Shrestha, M&E TL/Coffee Program Coordinator, TCGDA-SMIG/WI
19. Ms. Surina Gurung, Comm. & Doc. Officer, TCGDA-SMIG/WI

**Agenda:**

1. Codes of Conduct
  - 1.1 Logo ownership: registration (National and International)
  - 1.2 Manual Simplification and official endorsement
  - 1.3 Farmers Manual Development and endorsement.
  - 1.4 Compliance Committee: Bylaws-Official endorsement
  - 1.5 Identification and selection of independent Auditors by the Compliance Committee and Official Endorsement.
  - 1.6 Application for CoC and CoC secretariat.
  - 1.7 CoC implementation: Intervention needed by partners in the alliance.
  - 1.8 Others (if any)

**Discussion**

Mr. Deepak Baskota, Chairman HOTPA and Coordinator of Steering Committee of CoC briefed about the status of CoC. Dr. Dev Bhakta Shakya informed about the progress of technical parts of CoC, wherein he mentioned that lawyers have been appointed to prepare Compliance Committee bylaws. The draft document has been submitted to HOTPA. HOTPA, HIMCOOP, Tea Board and AEC are working jointly to finalize components of Bylaws and Standards whereupon Bylaws and Standards will be discussed with stakeholders to get to the consensus.

**Agenda 1.1:**

- It was informed that Nepal Tea Logo - Quality from Himalaya is in the final process of registration at National level. HOTPA needs to submit CoC and Bylaws documents to get the final registration completed.
- GTZ made a commitment to support for registration of Nepal Tea Logo in the International level.

**Agenda 1.2:**

- Mr. Baskota informed that Mr. Maheshwor Ghimire and the team will be finalizing the CoC Manual before the upcoming workshop.

**Agenda 1.3:**

- It was informed that farmers manual is in the process of finalization.

**Agenda 1.4:**

- Bylaws will be completed before forthcoming workshop of August 2<sup>nd</sup> and Official endorsement will take place during the workshop.

**Agenda 1.5:**

- Compliance Committee will identify and select autonomous independent body of experts (legal/auditors). Committee will then make official endorsement of the auditors through HOTPA Board before or after the Workshop.

**Agenda 1.6:**

- a. Regarding CoC Secretariat, HOTPA will be taking the initial step to form CoC Secretariat. Secretariat issue will be discussed during the forthcoming workshop.

**Agenda 1.7:**

- It was discussed that SNV has already started providing trainings and orientations to small farmers regarding CoC in Ilam and that the time has come to officiate CoC Logo certification

procedure so that the factory under CoC implementation could acquire CoC logo for their forthcoming seasonal teas. In the case of delays, both factory and farmers will lose out on prices thereby losing the momentum of CoC implementation.

**Agenda 1.8:**

- The Revised MoU was circulated to the partners for approval during forthcoming Alliance meeting at the workshop.
- Mr. Hofmann presented porcelain tea testing cups with the inscription of Nepal Tea CoC Logo to HIMCOOP for promoting Nepal Tea in the international market.

**Decisions****Agenda 1.1:**

- Announcement of Nepal Tea CoC Logo, its ownership and registration finalization will be made in the upcoming CoC Workshop, which will be held on August 2, 2006.
- Tea Alliance meeting will be held on first Wednesday of every month, and in case of Wednesday being a holiday, immediate day following holiday/s will be considered for the meeting.

**Agenda 1.2:**

- The official endorsement of the CoC Manual will be done in the upcoming workshop.

**Agenda 1.3:**

- The farmers manual will be prepared based on official CoC standard after the workshop.

**Agenda 1.4:**

- The official endorsement of bylaws set by the Compliance Committee will be made in the upcoming workshop.

**Agenda 1.5:**

- The official endorsement of independent auditors will be done in the upcoming workshop by the Compliance Committee.

**Agenda 1.6:**

- It was agreed that CoC Application Form and CoC secretariat roles will be further discussed in the upcoming workshop.

**Agenda 1.7:**

- It was agreed that CoC implementation needs to speed up at the field level as soon as possible.
- Roles and responsibilities of alliance partners needs to be clarified while implementing CoC for better implication.

**Agenda 1.8:**

- The revised MoU will be signed in the next alliance meeting.

The specific agenda of the upcoming Workshop are listed below:

1. HOTPA will officially announce and endorse
  - 1.1 Registered Nepal Tea Logo.
  - 1.2 CoC Technical Manual
  - 1.3 Bylaws and Standards

2. Clarification on the roles and responsibilities of alliance partners with respect to CoC implementation will be prepared during the workshop session.

Date: August 22, 2006  
 Time: 2:30 p.m.  
 Venue: Alliance Secretariat: TCGDA-SMIG/WI, Meeting Hall,  
 Bakhundole, Lalitpur

**Participants:**

1. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
2. Mr. Taranath Sharma, Chairman, TEASEC
3. Mr. Prakash Karn, Program Officer, IUCN-N
4. Ms. Helga Duhou, Enterprise Development Advisor, SNV Nepal
5. Ms. Araceli Lloret, Portfolio Coordinator, SNV Nepal
6. Mr. Chandra Guragain, , HOTPA
7. Mr. Arun Rana, Advisor, GTZ
8. Mr. Lokesh Shrestha, Freelance Consultant
9. Mr. Radha Prasad Acharya, Coordinator, RYFIN/GTZ
10. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
11. Mr. D.P. Baskota, Chairman, HOTPA
12. Mr. Armin Hoffman, Principal Advisor, GTZ
13. Mr. Ratna Bhuban Shrestha, M&E TL/Coffee Program Coordinator, TCGDA-SMIG/WI

**Agenda:**

1. CoC workshop proceeding discussion
2. CoC software
3. Tea tasting and market promotion program
4. Others

**Discussion:**

Mr. Taranath Sharma introduced himself as the chairman of the Tea Sector Service Center. Mr. Chandra Bhushan Subba stated that TEASEC is an NGO presently working in partnership with CTEVT. He explained that TEASEC would provide trainings to farmers and eventually test their skills. This procedure would allow TEASEC to present government approved certificates to the farmers which would enable them to get better access to jobs.

**Agenda 1:**

- It was discussed that the CoC handout needs to be translated in English in order to circulate it to different organizations and proposed support groups.
- Mr. Chandra Bhushan Subba stated that a manual needs to be written which can act as a terms of reference for the farmers. He emphasized that the manual needs to come from the CoC handout and that the Tea Board along with HOTPA and Winrock International will examine the model of the Kanchanjanga Tea Estate. Together these three organizations will carry out field research and work on the manual.
- Ms. Helga Duhou added that although SNV Nepal would not be able to produce the manual, it would give some valuable input. She also stressed on the need to decide on the time frame to produce the manual.

- Mr. D.P. Baskota emphasized on the necessity of tentative dialogues to identify the sectors which need attention. He then explained that identifying the areas would allow all the tea alliance members to decide which sector they could support. He reported that since the last three years the tea farmers have been increasingly positive. According to Mr. D.P. Baskota the tea factories should agree to support the workers as well as keep the quality standard.
- Ms. Helga Duhou stated that SNV Nepal is already providing training regarding the CoC and that the organization is already looking at different activities to provide CoC support. She suggested that similar activities could be carried out by various other organizations. The results could be compared to present a useful guide plan.
- Mr. Chandra Bhushan Subba reported that Winrock is not in the position to support long term projects and that it would be better job for various other bigger organizations. He also added that a broader framework should be adopted.
- Ms. Helga Duhou suggested that other organizations that are not a part of the tea alliance should be contacted to ask for support.

**Agenda 2:**

- Mr. Lokesh Shrestha shared the field research he and his team had carried out in the tea factories of Ilam. He suggested different software options that could be used for CoC monitoring. He claimed that if each factory is able to maintain a computer, a book keeping system could be established and the information could be shared. He commented that using the open source technology would probably be the best option available. Mr. Lokesh Shrestha claimed that this software would be easy to maintain and is widely used.
- Mr. Chandra Bhushan Subba remarked that maintaining a database would allow farmers to develop a system of record keeping which would prove to be beneficial. He also stated that using existing facilities would be a better option than investing on internet facilities at a local level. He suggested that the farmers could be taught to keep log books. The records would be collected and kept within the center in Kathmandu and thus would be accessible internationally.

**Agenda 3:**

- Mr. Armin Hoffman suggested that the tea tasting and market promotion program could take place on the 22<sup>nd</sup> of September. He forwarded his idea to invite 10 leading hotels of Nepal. He claimed that by inviting the general managers and the food and beverage managers of leading hotels, the exclusive event would promote orthodox tea. He stressed that it should be an interactive event which should advance Nepal tea as a product.
- Mr. Chandra Bhushan Subba added that the event should be up to international standards. He further suggested that training should also be provided to the chefs in order to teach them the accurate way to brew tea.
- Ms. Araceli Lloret commented that it was important to differentiate CoC teas and general teas. She claimed that there could be confusion in the marketing process if the distinction is not made.

**Decisions:****Agenda 1:**

- It was agreed that the CoC handout will be circulated in English. Mr. Arun Rana stated that GTZ has hired a professional translator and thus the translated version will be circulated by Monday, 28<sup>th</sup> of September.

- The Tea Alliance members concluded that various potential support organizations will be contacted after the manual is completed. It was decided that the different activities would be clear once the manual is formed and thus it would also be easier for different partners to commit.
- It was decided that the Tea Board, Winrock and TEASEC will sit together and develop modality and the time frame for the manual preparation.

**Agenda 2:**

- Mr. Arun Rana stated that GTZ would bear fifty percent of the total cost of the CoC software implementation and the costs to take the software consultant for field training. However, he clearly stated that the respective tea factories would have to buy their own computers.
- It was decided that GTZ will circulate the CoC software proposal along with the budgetary details to the alliance for seeking supporting partners.

**Agenda 3:**

- It was approved that the tea tasting and market promotion program would be held on the 22<sup>nd</sup> of September. The alliance members decided that the Tea Alliance would be a cosponsor of the event and would also be responsible for displaying good quality tea.

Date: September 4, 2006  
Time: 9:00 a.m  
Venue: Alliance Secretariat: TCGDA-SMIG/WI, Meeting Hall,  
Bakhundole, Lalitpur

**Participants:**

1. Mr. Gyanendra Gurung, Marketing Manager, HIMCOOP
2. Ms. Helga Duhou, Small Enterprise Advisor, SNV
3. Mr. Kiran Raj Pandey, Director, AEC/FNCCI
4. Mr. Udaya Chapagain, Chairman, HIMCOOP
5. Mr. Deepak P. Baskota, Chairman, HOTPA
6. Mr. Narendra Gurung, Senior Program Officer, JICA
7. Mr. Taranath Sharma, Chairman, TEASEC
8. Mr. Arun Rana, Advisor, GTZ
9. Mr. Dilli R. Baskota, General Secretary, HIMCOOP
10. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
11. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
12. Mr. Rabindra Raut, Program Coordinator, JICA/Nepal
13. Mr. Prasanna Bajracharya, M&E Assistant, TCGDA-SMIG/WI
14. Ms. Niyama Rai: GDA Intern

**Agenda:**

1. CoC Timeline
2. Agro Expo 2006
3. Tea Tasting Workshop
4. Others

**Discussion:****Agenda 1:**

- The Tea Development Alliance Priority program was discussed. Mr. Chandra Bhushan Subba explained that the CoC monitoring should end before December when all the factories close down. Stressing on the time constraint, he stated that the farmer's manual needs to be finalized by September 20<sup>th</sup>. He explained that the tea alliance has asked Mr. Ishu S. Shrestha and Mr. Taranath Sharma to work together on the manual.
- Mr. Subba stated that the CoC workshop will be carried out at the field level through the orientation program organized for the managers of Tea Factories. The first training organized for CoC trainers will be held on the 11<sup>th</sup> of September which expects to include staffs of Tea Board, Factories, Teasec, HIMTEX and SNV. Similarly a coordination meeting will be held on the 12<sup>th</sup> of September. He also said that in order to get CoC certification by 2007, it is important to complete activities 2 – 5 within this month (as placed in the timeline doc. Circulated earlier). He informed that SNV together with Winrock is supporting to keep 2 motivators in factories by the 11<sup>th</sup> of September.
- Mr. Chandra Bhushan Subba said that the farmers' group leaders will be trained immediately after the group formation and he also suggested that they be sent to the Kanchanjangha Tea Estate to Observe ICS certification model.
- It was discussed that if the activities are completed by the 20<sup>th</sup> of November CoC can become operational and on this basis CoC could be certified by next year. Mr. Subba added that GTZ could be requested for the international registration of CoC once CoC certified tea is produced.
- The participants were informed about the international workshop on the tea sector being held in Darjeeling, India on the 7 to 9<sup>th</sup> of September 2006 by Mr. Subba. He said that Lotus Opportunities is the only participant from Nepal and stated that there could be a possibility of working with them in the future.
- Mr. Deepak P. Baskota stressed on the importance of finalizing the manual. He commented that he has his reservations about the future. He said that it was important to make sure that the farmers who have CoC certification do not use pesticides. He stated that if this was to occur then Nepal tea will lose its validation in the international market. He thus suggested that there should be an investment into a lab where tea residues could be tested for pesticides and that farmers should be taught to use balanced organic fertilizers.
- Ms. Helga Duhou commented that it was important to finalize an agreement between the factories and the farmers especially in terms of price. She stated that this would provide incentives for farmers to adopt CoC certification. Mr. Chandra Bhushan Subba added that although the factories and the farmers should decide on the price level the responsible organization could facilitate the program
- Ms. Helga Duhou stated that the field work carried out by SNV shows that there is a strong feeling and belief among the farmers about CoC. She added that even the farmers not involved with CoC have given positive feedback and want to know more about it.

**Agenda 2:**

- Mr. Kiran Raj Pandey explained that the 3<sup>rd</sup> Agro Expo 2006 is an event organized by AEC/FNCCI in collaboration with the Ministry of Agriculture and Co-operatives; Ministry of Industry, Commerce and Supplies and Ministry of Forests and Soil Conservation. He added that such an event, conducted every two years, hopes to educate Nepali consumers about different products available in the market and also to share with them the work done within the sector.

- Mr. Subba stated that an email regarding the matter has been circulated and positive feedback has been received. He suggested that a pavilion should be shared among the partners of the tea alliance.
- Mr. Kiran Raj Pandey informed that it would cost Rs.15000 per stall including VAT. He added that there would be 20% discount if a pavilion is hired. He stated that CTC tea has also shown a keen interest in this event.
- Ms. Helga Duhou stressed that it was important to clearly indicate that the tea alliance is only involved with orthodox tea and not CTC tea. She also said that this could be an opportunity to promote CoC tea.

### Agenda 3:

- The details of the tea tasting workshop being held on the 21<sup>st</sup> of September were discussed. Mr. Subba informed the members that the managers and chefs of ten leading hotels will be invited along with diplomats. He said that the event would consist of a presentation on tea, tea tasting program and a tentative training program. GTZ will take the lead and HIMCOOP will be a cosponsor.

### Decisions:

#### Agenda 1:

- It was decided that draft of the CoC farmers manual will be used as further additions will be made. The schedule will be finalized through the meeting held on the 6<sup>th</sup> of September in Ilam. It was concluded that in the next tea alliance meeting it is important to discuss tentative laboratories and organic fertilizers.
- Mr. Subba said that it was important to add activities of computer training and the agreement between factories and farmers into the farmers manual.
- It was decided that based on the existing green tea leaf price in the market, CoC certified tea farmers should be paid an additional premium. This would be decided in the agreement between the factories and the farmers. It was also concluded that the factories should grade the CoC certified tea as number one.
- It was decided that a cost of production study report was very important. Mr. Ishu S. Shrestha informed that he has been working on such a project and that till now he has been able to collect data from Ilam, Dhankuta and Panchthar. He said that he will be able to circulate the report on the cost of production study within 10 days.

#### Agenda 2:

- A committee consisting of Mr. Gyanendra Gurung, Mr. Rabindra Raut and Mr. Prasanna Bajracharya has been formed to look over the details for the preparation of the 3<sup>rd</sup> Agro Expo 2006.
- It was decided that the presentation will include a value chain which will include stages from field work up to marketing. A visual representation of the different alliance members will be made while CoC remains the focus of the value chain. The three member committee will be responsible for stall designs and activity implementation.
- It was decided that Winrock will collect money from the participating tea alliance members or otherwise as decided by the committee.

#### Agenda 3:

- It was decided that the workshop will be an interactive event. Details will be presented later as Mr. Arun Rana: GTZ had to leave the meeting due to some urgent matter.

Date: February 5, 2007  
Time: 10:00 am  
Venue: Himalayan Orthodox Tea Producers Association (HOTPA), Meeting Hall,  
Bakundole, Lalitpur

**Participants:**

38. Mr. Deepak P Baskota, Chairman, HOTPA
39. Mr. Ishu S. Shrestha, Acting Executive Director, NTCDB
40. Ms. Helga Duhou, Micro & Small Entrepreneur Development Advisor, SNV
41. Mr. Maheshwor Gmimire, Organic Inspector/Consultant
42. Mr. Arun Rana, Advisor, GTZ
43. Mr. Rabindra Raut, Project Coordinator, HOTPA/JICA
44. Mr. Gyanendra Gurung, Marketing Manager, HIMCOOP
45. Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI
46. Ms. Surina Gurung, Doc. & Com. Officer, TCGDA-SMIG/WI

**Special Invitee**

47. Dr. Piet Joosten, Consultant for HIMCOOP (The Netherlands)

**Agenda:**

1. Sharing the role of the INGOs in Tea Alliance and proposal to HOTPA/AEC/NTCDB/HIMCOOP
2. Codes of conduct implementation and its development so far.
3. Partners' activities so far
4. HOTPA's activities in the tea sector
5. Others: status of CoC logo

**Discussion**

Mr. Deepak Baskota, Chairman HOTPA as well as Chairman of Compliance Committee of CoC welcomed alliance members at the meeting with a special guest, Dr. Piet Joosten.

**Agenda 1:**

- Roles of national tea alliance partners were briefed.
- It was informed that there is an immediate commitment of SNV, GTZ and Winrock to 1) provide advisory services and 2) finance - maximum 2 full time professionals working within the partner organizations on a cost sharing basis.
- Regarding roles of national tea alliance partners, ideas of preparing policy implementation design or project concept note by HOTPA were discussed.

**Agenda 2:**

- Lack of presence of people working for CoC at grassroots' level was informed.
- It was informed that there is a lack of collection center and transportation system at field level.
- CoC needs to be certified nationally before heeding international certification.

**Agenda 3:**

- Mr. Subba informed about the concept note under consideration by Winrock to Common Fund for Commodities (CFC) on behalf from Nepal, Sri Lanka and Bangladesh. And also informed regarding regional CoC among Nepal Sri Lanka, Bangladesh and India to decide common minimum standard of CoC.
- Mr. Ishu S. Shrestha informed that as per the meeting held at Ministry, there is a good possibility that in the coming year the budget especially for tea and coffee sector, which will be doubled, which will focus towards CoC.
- HIMTEX project of HOTPA funded by JICA will be phased out from February 15, 2007.

**Agenda 4:**

- Mr. Baskota briefed about the activities of HOTPA in the tea sub-sector.

**Agenda 5:**

- Discussions were held on accreditation (official approval) of logo.
- It was discussed that accreditation of logo is necessary in the international market for better price.

**Decisions****Agenda 1:**

- One page basic concept note will be prepared by HOTPA in coordination with NTCDB, HIMCOOP and AEC, which will include roles and responsibility of national tea alliance partners.
- This concept note will be submitted by next week.

**Agenda 2:**

- Two signatories of CoC namely Kanchanjanga Tea Estate and Himalayan Shangrila Tea processing industries will be certified CoC by April 2007. Although under CoC implementation stage is faced with the challenge of green leaf price disagreement with the farmers. SNV will increase effort towards solving the problem thereby bringing NESTPROL under CoC certification.
- There is a need to boost up CoC implementation at field level.
- Compliance committee needs to nominate new inspector.

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### Annex 3: TCGDA-SMIG/WI Activities: at a Glance

#### 4.1 Coffee Sub-sector Photos



**Photo 1: Training of Trainers (ToT) was held at Syangja for five days which was organized by IDE/TCGDA-SMIG. Both theoretical and practical knowledge were provided to 30 participants regarding coffee production and processing techniques.**



**Photo 2: (From left) Mr. Marius Maske, Managing Director, Kjeldsberg; Mr. Frank Dale, Consultant, Folk International; Mr. Dhan K. Rai, Director, Folk International Nepal; Dr. Bhimendra B. Katwal, Coffee Advisor, TCGDA-SMIG/WI; Mr. Chandra B Subba, Team Leader, TCGDA-SMIG/WI and Mr. Jan Magne Moi, Normisjon Representative, Normisjon visited Panchkhal, Kavre on May 14, 2005. The team interacted with farmers and key informants about coffee production, processing and marketing situation.**



**Photo 3: Coffee Day 2005 was celebrated on November 16 at Cooperative Training Center at New Baneshwor with the presence of important personnel of coffee organizations and government officials. Various coffee products were displayed and sold at the venue by different coffee industries of Nepal.**



**Photo 4: On March 25, Mr. David Norman, Vice President of Enterprise and Agriculture Group, WI, U.S.A along with Dr. Luke A. Colavito visited SIMI, BDS MaPS and TCGDA-SMIG/IDE program areas at Kaski and Svangia.**



**Photo 5: A coffee cultivator at Kavre district, one of the coffee-growing districts in Nepal.**



**Photo 6: TCGDA-SMIG/WI supported a National Coffee Policy Workshop on September 24-25, 2006 to mobilize government and to provide critical policy and development support for the growing Nepalese specialty coffee industry.**



**Photo 7: National Coffee Day 2006 was celebrated at AEC/FNCCI building Teku. Recent development such as Coffee Policy 2061, CoC prepared by GDA, market promotion visit to US by Nepalese Coffee Producers and group certification initiated in Gulmi for organic certification of coffee were informed to the participants. Coffee Policy Workshop report was presented along with the coffee logo.**



**Photo 8: Dr. Luke Colavito, officially launching HimCafé at Brand Launching and Cup Tasting Event, Kathmandu, March 12, 2007. This event was held at Garlic Café, Tripureshwor with the joint effort of Winrock International and partner in alliance, Highland Coffee Promotion Company Limited (HCPCL). Various coffee stakeholders, concerned coffee institutions and organizations along with donor agencies were invited in the program.**

## 4.2 Tea Sub-sector Photos



**Photo 1: Welcome gesture put up during the visit of TAZO team to Nepal (June 19-23, 2005) with the theme of “Trip to New Origin”.**



**Photo 2: Members of TAZO team visiting Guranse Tea Estate Pvt. Ltd, Hile, Dhankuta on June 21, 2005. (From left to right) Dr. Luke A. Colavito, Mr. Udaya Chapagain, Mr. Suraj Vaidya, Mr. Steven Smith, Ms. Susan Hauser, Mr. Anthony Tellin, Ms. Dena Chalmers.**



**Photo 3: Mr. Anthony Tellin and Mr. Steven Smith conducting tea tasting at tea tasting lab of Kanyam Tea Estate Pvt. Ltd., Fikkal, Ilam on June 22, 2005. Various teas were tasted in order to identify the best quality tea.**



**Photo 4: Nepal Tea Booth (#1251) at 2005 Tea and Coffee World Cup Exhibition & Symposium, Hamburg was well decorated with ethnic Nepali paper in shades of lemon and orange in which tea leaves had been embedded. The booth was lit up by spotlights strategically placed and a plasma TV, which played a DVD prepared by a Professional in keeping with the set theme for the event.**



**Photo 5: Mr. Joe Simrany (front row, middle), President of the Tea Association of the USA., Inc., visited Nepal from November 8 till 15, 2005. The main objective of Mr. Simrany's visit to Nepal was to promote Nepal Tea and attend meeting with tea stakeholders and to promote CoC developed by Nepal expanding CoC globally while Nepal will be the lead.**



**Photo 6: (left to right) Ms. Charlotte Gardner, Mr. Suraj Vaidya, Ms. Natasha M. Basley, Ambassador James Moriarty, Mrs. Lauren Moriarty, Mr. Joe Simrany and Dr. Luke A. Colavito at Guranse Tea Estate, Dhankuta.**



**Photo 7: USAID/Nepal team including Mr. Don Clark, Mission Director; Mr. Naren Chanmugam, GDO Team Leader; Mr. Sankar Khagi, Aid Development Program Specialist and Mr. Gautam Bajracharya, Aid Development Program Assistant along with Mr. Hans Van Kamper, Team Leader of INFRIN visited Ilam and Phidim tea areas from June 12-17, 2006.**



**Photo 8: (Left to right) Mr. Manuja Vicramadithya Peiris, Executive Director, ITC and Mr. Chandra Bhushan Subba, Team Leader, TCGDA-SMIG/WI, at AEC/FNCCI. Half a day "Nepal Tea Industry Interaction Program" was held at AEC/FNCCI office on April 20, 2007 to provide him information and details about Nepal tea industry and status. He visited Ilam and observed tea estates and tea plantation sites.**