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USAID/NEPAL FLOOD RECOVERY PROGRAM

QUARTERLY PERFORMANCE REPORT #6
JANUARY 2010 – MARCH 2010





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COVER PHOTO: LIG participants start up a recently installed irrigation set (shallow tube well with motorized pump) in Haripur VDC, Sunsari district. Another 178 of these sets have been installed in Sunsari district, benefitting more than 900 farmers.

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QUARTERLY REPORT

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SECTION 1: EXECUTIVE SUMMARY

This is the sixth quarterly report for the USAID/Nepal Flood Recovery Program (USAID-NFRP) covering implementation and results for the program's six components per Task Order No. EDHI-04-05-00007-00. The report provides a summary of program activities from January 1, 2010 to March 31, 2010.

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

Project achievements this reporting period include:

- Twelve community infrastructure projects were completed during the quarter, leaving only one left to complete.
- 26,004 days of temporary employment were generated by infrastructure-building activities.
- 10,784 beneficiaries received training across USAID-NFRP's five program components.
- Individuals, communities, local governments and other donors invested \$37,086 in project activities during the quarter.
- Current number of beneficiaries is 384,801, of which 374,017 have been assisted through the infrastructure component, 2,164 through the livelihoods and income generation (LIG) component, 3,061 through the sanitation, health and nutrition (SHN) component, 2,436 through the organizational strengthening component, and 3,123 through the protecting women and children (PWC) component.

Other activities implemented by the team include soil testing of nearly all demonstration sites in the original target zone, and the establishment of a market information system that reports wholesale and retail prices from key Terai markets over radio station Kohalpur FM.

The program's updated performance monitoring plan is attached as an annex to this report. This document and all other project publications are available to USAID through the password-protected USAID-NFRP intranet site: www.fintrac.com/nfrp. A public access Web site is accessible at www.usaid-nfrp.org.

SECTION 2: IMPLEMENTATION

2.1 PROGRAM DESCRIPTION

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

Initially a 24-month activity designed to respond to the 2007 floods, USAID-NFRP received a cost and 10-month time extension from USAID/Nepal on October 21, 2009 to expand program operations to regions affected by the 2008 floods. Activities implemented in 2007 and 2008 flood-affected districts are referred to as Phase I and Phase II, respectively.

USAID-NFRP is implemented by Fintrac Inc. in partnership with Nepal-based METCON Consultants as well as a diverse group of local and national-level NGOs and private contractors.

2.1.1 GEOGRAPHIC FOCUS

As a result of the October extension, USAID-NFRP now operates in eight districts throughout the Terai: Sunsari in the Eastern region; Parsa, Bara and Rautahat in the Central region; and Kanchanpur, Kailali, Bardiya and Banke in the Mid/Far Western regions. Through a comprehensive process of field assessments and data analyses developed in conjunction with USAID, 76 village development committees (VDCs) have been selected for program support based on the severity of flood damage and current levels of vulnerability. Within each VDC, clusters of communities considered most affected (varying in size, population, ethnic and social composition) were prioritized for intervention.

Table 1: Original USAID-NFRP VDCs (Phase I)

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

Table 2: New USAID-NFRP VDCs (Phase II)

Eastern Region	
Sunsari	
Paschim Kasuha	Laukahi
Sripurjabdi	Haripur
Far Western Region	
Kanchanpur	Kailali
Suda	Sadepani
Daijee	Darakh
Jhalari	Pahalmanpur
Pipaladi	Geta
Baisi Bichawa	
Kalika	
Tribhuvanbast	
Parasan	

2.1.2 PERFORMANCE INDICATORS

Phase I – The program has 49 detailed indicators, of which 47 have specifically established targets. Higher level program indicators require that the program will:

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

Phase II – Program indicators for the second phase, which began in November 2009, have been submitted to USAID and are pending approval.

2.2 APPROACH AND METHODOLOGY

Overall Program

USAID-NFRP's top priority is to deliver an integrated package of high quality services, inputs and training opportunities that directly respond to the immediate needs of flood-affected clients (beneficiaries) and that will also strengthen client capacity to manage future physical, economic or social threats. USAID-NFRP uses a participatory approach to program implementation, working directly to build community capacity to coordinate and mobilize and interventions. The program staff is responsible for identifying, competitively hiring, and managing local organizations and companies to implement technical assistance, training and construction activities. By implementing program activities in partnership with these Nepali organizations, many of which are based in or near the targeted VDCs, USAID-NFRP ensures that there is a constant local presence at each program worksite. This ensures more effective interventions from a broader range of community members and provides more opportunities for direct feedback regarding program impact.

USAID-NFRP's strategy for the infrastructure component is to rehabilitate existing small-scale infrastructure or develop new projects (river protections, flood controls, culverts, schools, bathrooms, roads and irrigation systems) that have been identified by a targeted community as the highest priority for their overall well-being. The Phase I target for this component was 150 individual community projects to be built through local subcontractors. These subcontractors were given the scope and responsibility to mobilize and manage each community's counterpart contributions.

USAID-NFRP's approach to livelihoods and income generation (LIG) is to provide intensive, hands-on food production, marketing training and financial assistance to selected small farmers in targeted VDCs for three off-season cropping periods. These small farmers are introduced to new technologies and approaches in crop production and postharvest handling, as well as market price information. After the completion of the 18-month program intervention, each farmer will be capable of sustaining a farm using this new technology and replicating the model within their communities by using their farms as demonstration sites. The program's Phase I objectives are to sustainably increase the production and sales of agriculture crops for a minimum of 1,200 families on 480 hectares of land, resulting in an aggregate increase value of \$820,000 in net sales.

Components 3, 4, and 5 are as follows: sanitation, hygiene and nutrition (SHN); strengthening of local organizations (SLO); and protection of women and children (PWC). These components are implemented by district-based NGOs that carry out capacity-building and awareness training activities in target communities, while the USAID-NFRP personnel serve as technical leaders and managers of these partner subcontractors.

Phase II Adjustments

USAID-NFRP has expanded the delivery of high quality services, inputs and training opportunities that directly respond to the needs of flood-affected communities in Sunsari, Kailali and Kanchanpur districts. This will have a lasting impact on local capacities to effectively manage future physical, economic or social threats.

USAID-NFRP completed detailed field assessments in the districts and found that the flooding and damage levels within each district were very different and required unique responses. The differences require that USAID-NFRP adapt its support to better suit the specific needs of each region.

The well-known Koshi flood (August 2008) in Sunsari was a man-made disaster that destroyed the land and homes of thousands of people and displaced many more for several months. It was one of Nepal's largest humanitarian crises in years, and the recovery process requires committed support and coordination on multiple levels from the Government of Nepal (GoN) and the donor community. So far such support has been significant, albeit poorly coordinated, with noticeable gaps in development assistance. Since many organizations are already providing broad assistance in sanitation, hygiene, youth, protection and gender issues, USAID-NFRP will not implement its social inclusion component in Sunsari. Instead, all resources will be focused on specific economic development activities (infrastructure creation and LIG) that will result in long-term recovery and development for the people and communities most affected.

While Kanchanpur and Kailali also suffered heavy flooding that displaced hundreds of families for weeks and significantly damaged land and infrastructure, this was not a disaster entirely uncommon to the region. In fact it is more comparable to the types of floods seen in USAID-NFRP's 2007 flood-affected areas. Since the damage and need for assistance is less severe in Kailali/ Kanchanpur, USAID-NFRP will allocate only one-third of the program's assistance to that region. USAID-NFRP

will continue to implement an integrated program of infrastructure, livelihoods and social inclusion activities (all six components) in targeted worksites of 12 VDCs.

The infrastructure component in the new areas focuses exclusively on rehabilitating or constructing infrastructures that directly support and complement the economic development efforts of LIG beneficiaries. LIG continues to provide long-term, hands-on agricultural production, postharvest and marketing training by targeting technical and financial assistance to selected producers for three off-season periods. Components 3, 4, and 5 are implementing capacity building and awareness training activities in targeted communities of Kailali/Kanchanpur.

2.3 REPORTING PERIOD ACTIVITIES

Update on Program Expansion

On October 21, 2009, USAID/Nepal authorized a 10-month extension and increased funding for USAID-NFRP to expand operations in the Terai regions most-affected by 2008 floods. New direct funding of \$1,095,735 has been allocated across the five main components to carry out implementation activities in the new worksites of Sunsari, Kanchanpur and Kailali districts:

- Infrastructure (\$720,735)
- Livelihoods and Income Generation (\$290,000)
- Sanitation, Hygiene, Nutrition (\$50,000)
- Strengthening Local Organizations (\$25,000)
- Protection of Women and Children (\$10,000)

Livelihoods & Income Generation: The LIG program has been fully operational in the 32 new program worksites of Sunsari, Kailali and Kanchanpur districts since November. A total of 2,271 flood-affected farmers, including 756 women (33 percent) are participating in the 18-month training program, supporting the enhanced productivity and marketing of high value crops (HVCs) on 490 hectares of demonstration farmland over three crop cycles. Field technicians regularly visit the 348 farmer irrigation clusters to provide hands-on training following the same curriculum and methodology that USAID-NFRP applied to previous worksites. Irrigation supply specialists, seed vendors and agricultural input suppliers selected to support program implementation were all operational by January.

Nursery management, production management and IPM training has been completed for all 2,271 participants. By early January nursery management kits had been distributed to farmers with all nurseries ready for transplanting in early March. The crops selected for the first cycle include wheat, maize, onions, cucumbers, bitter melon, pumpkins, ridge gourd, cowpeas/long beans, okra, chilies, tomatoes, radishes, coriander and sponge gourd. More than 10,706 kilograms of seeds (mostly hybrids) have been distributed to farmers, who shared 15 percent of the cost. Integrated pest management (IPM) kits were also distributed to farmer groups, and trainings were completed by March.

Adequate supply of irrigation equipment remains a priority, as it will enhance sustainable production of high-value crops in the Terai. Of the 348 irrigation clusters formed by USAID-NFRP in the extension areas, 74 percent (257 clusters) have already received shallow tube well installations with motorized pumps. The remaining installations are set to be completed in April.

USAID-NFRP has received excellent cooperation from the local Groundwater Irrigation Board (GIB) in Sunsari district, which is implementing the government's ADB-funded plan to increase the irrigation supply for Koshi flood victims. As of March, the GIB installed 168 irrigation sets for USAID-NFRP beneficiaries and plans to complete an additional 14 installations in April. This amounts to \$110,000 in government contribution. USAID-NFRP installed an additional 10 irrigation sets for producer groups not included in the GIB program, and each group has followed through on its agreement to pay for 25 percent of the installation cost.

Infrastructure: Technical designs and final cost estimates were completed for an initial lot of 22 projects by late January. Construction via subcontracting with local firms started in the first week of February and all projects are on schedule to be completed before the monsoon rains begin in July.

USAID-NFRP is focusing its infrastructure support in the extension areas of productive projects (ex. bridges, roads and irrigation systems) that complement USAID-NFRP's investments in livelihoods and income generation activities. All projects were designed based on the location and markets of the 348 producer groups and the long-term economic benefits that projects can provide. For example, USAID-NFRP is currently building eight bridges and culverts and rehabilitating four local road systems in Sunsari. These projects will directly benefit an estimated 7,364 households and will improve the quality, accessibility and resilience of more than eight kilometers of local roads – equating to a complete rehabilitation of 32 percent of all roads affected by the flood (approx. 25 km).

USAID-NFRP also plans to build six agricultural collection and marketing centers in Sunsari, Kailali and Kanchanpur that will directly facilitate the commercialization efforts of local farmers, with a direct emphasis on LIG participants. Program staff are currently working with farmers and local landowners to determine the location and legal requirements for each market. Construction will begin in June as market management committees are simultaneously organized and trained by USAID-NFRP technicians.

Infrastructure

January marked the successful completion of the 86 infrastructure projects initiated by USAID-NFRP 18 months ago. The projects included 35 culverts, 28 flood control systems, 14 school buildings (also usable as shelters during the monsoon season), four surface water irrigation systems, two road improvements, two school bathrooms and a health post. The final project completed was a small bridge in Janakinagar in Kailali district that directly benefits 2,150 households.

Because of USAID-NFRP support, Terai communities have received \$1,822,777 in rural infrastructure investments. There are 57,541 beneficiary households, and projects have generated 127,219 person-days of temporary employment, amounting to more than Rs. 30 million in paid wages.

Livelihoods and Income Generation

LIG partners FORWARD and MADE concluded the Phase I training program for the third crop cycle in March. Farmers will continue to harvest and market their products through June and USAID-NFRP will monitor their progress directly.

Training and technical assistance activities under Phase II for the first crop cycle started in December, following the same syllabus from Phase I:

- Nursery preparation and management
- High-value crop production

- Integrated pest management (IPM)
- Preharvest management
- Postharvest handling
- Marketing/commercialization

Irrigation: 257 of the target 348 groundwater irrigation sets have been installed throughout the extension districts, with the remaining sets scheduled for completion in April.

Seed & Nursery Management: Nursery management training and seed distribution for the first crop cycle started in January, and were completed for all 2,271 farmers (756 women).

Soil & Production Management: Farmers are being trained in the production and use of organic compost from farm waste and the use of plant nutrients to develop sustainable soil fertility. Field technicians perform regular follow-up visits to reinforce skills in soil preparation and transplanting; application of manure, fertilizers and nutrients; and basic land management techniques.

Integrated Pest Management (IPM): IPM trainings and kit distributions were conducted for all participants in February and March. Field technicians continue to provide technical support on the prevention, control, identification and treatment of pests and diseases.

Marketing: Farmers were provided technical support in forming market linkages and establishing information collection systems disseminated via local FM radio, SMS and local information boards. Strategic market sites were identified and are currently being developed with program support.

Field Monitoring & Crop Assessment: Field technicians have been trained on using different techniques to monitor and assess crop status, farmer performance and field results. Technicians have noted that these techniques are useful in gauging where a farmer may need re-orientation training or reinforcement to continue properly.

Sanitation, Hygiene and Nutrition

The SHN program has concluded in all Phase I worksites, with 249 training events completed, including 120 awareness trainings and 120 refresher trainings for 3,057 adults and children. Major achievements include the independent construction of private toilets by most participants; and the domino effect that the enhanced knowledge of trainees has had on their neighbors. In all 1,229 households have installed improved cooking stoves and 60 training events were conducted on the repair, maintenance and correct operation of the stoves. To ensure sustainability, one person per worksite was trained as a resource person to troubleshoot issues within their communities. Also 1,243 summer and 1,290 winter demonstration kitchen gardens were established.

All SHN activities for Phase II began in March, including sanitation awareness trainings, installation of improved cooking stoves and household kitchen gardening.

Strengthening Local Organizations

60 community-based organizations (CBOs), 60 disaster preparedness and mitigation committees, and 60 youth clubs (YCs) have completed USAID-NFRP's full training program. By January, six district-level workshops were completed for 240 representatives from 120 CBOs and YCs. Each participant was able to share experiences with peers from other program-supported VDCs. Attendees discussed local development challenges, created important linkages and planned future leadership and development activities. USAID-NFRP has supported each group's initiative by providing trainings and promotional materials, and furniture and supplies to set up offices and carry on activities. Some

groups have formally registered their organization with the District Administration Office (DAO) and are organizing community development activities to generate resources.

In February, USAID-NFRP concluded its comprehensive youth leadership program, which supported the development initiatives of 60 YCs throughout flood-affected VDCs in the central and western Terai. From March 2009 to February 2010, 1,218 Terai youths (Madhesi, Tharu and Hills migrants) between the ages of 14 and 24 completed the 14-day training curriculum. Parallel to this program, 1,218 adult CBO members in the same 60 VDCs participated in a similar training tailored to the specific needs and issues of their organizations.

The youth leadership training program emphasized confidence building and the development of communication and conflict resolution skills that can be applied to everyday situations within communities and local governments. Topics included leadership; participation and democracy; networking and collaboration; organizational planning; advocacy and participation in local decision-making; community assessments; the project cycle; and leveraging assistance.

Once the YCs reached the midway point in the training, they qualified for a small donation of materials, supplies and furniture to help support their operations and strengthen each organization's identity and capacity within its VDC. This also facilitated registration with the DAO, thus allowing the youth clubs to formally raise funds and participate in local planning and decision making.

Following USAID-NFRP's learning-by-doing training approach, YC members were given the opportunity to apply their newly developed skills through community support projects that they selected, designed and implemented themselves, with limited technical and financial assistance from the program. Trainees' enthusiasm for this activity was beyond all expectations, as was demonstrated by their ability to collect and contribute significant community resources for the projects. In all, YCs raised \$12,007 (cash and in-kind) in addition to the \$8,000 provided by USAID-NFRP.

The following community support projects were implemented by the 60 youth clubs:

- YC/CBO office construction – 13
- Street maintenance/garbage collection – 13
- Potable water supply – 11
- Libraries and school supplies – 8
- Road improvements/culvert construction – 5
- Public toilet construction – 3
- After school sports programs – 2
- School building improvements – 2
- H1N1 awareness training – 1
- Environmental awareness for adults – 1
- Eye-check/vitamin D distribution camp – 1

In early 2010, USAID-NFRP hosted two regional workshops in Dhangadhi and Birgunj municipalities, bringing together representatives from each of the 60 youth clubs to share their experiences regarding the training program, discuss the future of their organizations, and create

linkages and develop networks among their peers from other VDCs within the same districts and regions. Each group was also able to present the results of its community support project and thus serve as local “experts” for other groups interested in replicating the same activities within their communities. The chief district officers and local development officers, members of the Nepal Red Cross Society, and representatives from UNICEF, WDO, Mercy Corps and Save the Children all attended these workshops.

Protection of Women and Children

The Phase I activities under this component were completed in February, at which point 60 women trainers had participated in four weeks of training-of-trainers sessions to facilitate the implementation and management of 60 Better Life Option (BLOP) centers and 60 REFLECT centers in their respective communities. 4,320 orientation sessions took place for 1,395 adolescent girls in subjects such as personality development, reproductive health, human trafficking and the choice for better futures. Parents of the adolescent girls were also orientated on the various subjects. 1,403 women and 324 men attended REFLECT sessions on gender issues and literacy.

PWC activities in the Phase II worksites began in March with the completion of training-of-trainers programs in Dhangadhi and field surveys throughout beneficiary communities.

2.4 CHALLENGES

Few security concerns and bandhas have occurred this quarter in Terai, and as a result USAID-NFRP staff movements have been largely uninterrupted. Load-shedding of electrical supply, however, has steadily increased since November and will likely worsen through 2010 (up to 20 hours per day). This could cause a hike in the prices of construction materials because of the low productivity levels of local and national industries.

SECTION 3: RESULTS

3.1 PROGRESS TO DATE

Table 3: Progress to Date: Higher Level, Overall Program Indicators

Activity	Target	Achieved to Date	Balance	Completion Rate
Number of direct beneficiaries of USG-funded interventions	486,061	388,185	97,876	80%
Number of community infrastructure projects constructed and/or rehabilitated	121	89	32	74%
Number of individuals who have received USG supported training (all components)	14,544	14,168	376	97%
Number of person-days of temporary employment generated by infrastructure activities	179,219	127,901	51,318	71%
Cost sharing leveraged by individuals, communities, local governments and other donors	\$361,662	\$224,003	\$137,659	62%

By March 2010, 388,185 beneficiaries had received direct benefits from project-funded activities. 374,017 benefited from infrastructure projects, 4,435 benefited from LIG activities, 3,694 benefited from SHN trainings, 2,436 have participated in trainings to strengthen local organizations, and 3,603 were trained under the PWC component. 89 community infrastructure projects were also completed, and 127,901 days of temporary employment were generated by infrastructure component activities. Also, during the first year, total beneficiary investment (cost sharing) in project activities by individuals, communities, local governments and other donors amounted to \$224,003.

3.2 PROGRESS PER PROGRAM OBJECTIVE

3.2.1 INFRASTRUCTURE

USAID-NFRP has committed \$2,609,885 for 112 community infrastructure projects, all of which are complete. This has **directly benefitted 374,017 individuals** from flood-affected communities of Terai and has **generated 127,219 days of paid skilled and unskilled labor**, resulting in a cash injection of more than **\$300,000 into local economies**.

Table 4: Phase I Results of Infrastructure Program

Project Type	No. Projects	No. Complete	Beneficiaries (households)	Employment (person-days)	USAID-NFRP Assistance	Counterpart Contribution
Culverts and Bridges	35	35	44,159	35,468	\$668,896	\$34,077
Flood Controls	28	28	4,822	52,138	\$584,462	\$50,045
Schools	14	14	3,564	30,385	\$448,149	\$46,100
Public Bathrooms	2	2	0	490	\$5,807	\$133
Irrigation Rehab	4	4	209	4233	\$65,951	\$2,882
Road Improvements	2	2	3,369	3,795	\$41,255	\$2,503
Health Post	1	1	1,418	710	\$8,256	\$2,023
TOTAL	86	86	57,541	127,219	\$1,822,777	\$137,763

The second phase of USAID-NFRP's infrastructure program began in the extension areas of Sunsari, Kailali and Kanchanpur districts in January. To date, 22 bridge and road rehabilitation projects have been selected and designed and are now under construction. USAID-NFRP has also made an in-kind provision of essential furniture and supplies to 14 schools throughout the original six Phase I districts.

Table 5: Phase II Status of Infrastructure Program

Project Type	No. Projects	No. Completed	Beneficiaries (households)	Employment (person-days)	USAID-NFRP Assistance	Counterpart Contribution
Bridges and culverts	18	0	28,758	25,196	\$518,436	\$5,624
Road improvements	4	0	10,025	11,168	\$229,802	\$1,249
School desks and equipment	1	0	3,564	1,207	\$24,830	\$0
Phase I improvements	3	3	N/A	682	\$14,040	\$0
TOTAL	26	3	30,492	38,253	\$787,108	\$6,873

By the time it is finished, the infrastructure component will have supported 88,033 beneficiary households – 121 percent more than the target proposed in the approved PMP. This is largely due to the program's emphasis on cost-effective, high-impact projects that addressed common needs of communities and required considerable amounts of unskilled labor. This includes the building of bridges, large culverts, irrigation structures and schools.

Further details of results to date are shown in Table 6, which is an excerpt from USAID-NFRP's Performance Monitoring Plan.

Table 6: Excerpt from Infrastructure PMP

No.	ACTIVITY	COMBINED TARGETS	COMBINED RESULTS	BALANCE	COMPLETED
		May '08 – Mar '11	May '08 – Mar '11		
2	Objective 1: Rehabilitation and Rebuilding of Productive Infrastructure				
2.1	Number of community infrastructures constructed or rehabilitated	121	89	32	74%
2.1.1	Number of classrooms constructed with USG assistance (Program Element IIP – 2.1 Basic Education)	52	52	0	100%
2.1.5	Number of community irrigation systems rehabilitated	4	5	-1	125%
2.1.6	Number of river protection projects (e.g. embankment protections, gabions, spurs, check dams)	29	30	-1	103%
2.1.8	Number of transportation infrastructure projects such as culverts and small bridges constructed or repaired	69	35	34	51%
2.3	Number of people benefiting from USG sponsored transportation infrastructure projects (Program Element EG 4.3 Transport Services)	400,582	308,932	91,650	77%
2.4	Number of households benefited by community infrastructure projects (assumes an average of 150 benefiting HHs per VDC)	72,541	57,541	15,000	79%
2.5	Number of person-days of temporary employment generated by infrastructure activities (estimated at 15% of construction costs)	179,219	127,901	51,318	71%
2.6	Subcontract funds disbursed	\$2,520,735	\$1,768,444	\$752,291	70%
2.7	Cost sharing leveraged from communities, local governments and other donor programs (in USD)	\$195,422	\$137,763	\$57,659	70%

3.2.2 LIVELIHOODS AND INCOME GENERATION

By the end of March, partner subcontractors MADE and FORWARD completed the full set of activities for the third crop cycle for all 2,164 participants under Phase I. USAID-NFRP will continue to monitor the production and sales of each participant during the third cycle and will report the final results in the next quarter.

Incomes: Based on the full results compiled in January for the second crop cycle, USAID-NFRP has generated **more than \$1 million in net sales (incomes) for Terai farmers**. By the end of the third crop cycle, the program estimates more than \$1.5 million in net sales for the 2,164 farmers supported under Phase I.

USAID-NFRP is confident that these figures serve only as a benchmark for what promises to be a significant and sustained increase in small farmer income as a direct result of this program. As commodities are further consolidated and farming and marketing skills improve, net sales figures will be significantly higher than what has been reported to date.

Table 7: Phase I Results for LIG Program

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Long-term participants over 3 crop cycles (18-months)	1,200	2,164	180%
2	Hectares of productive land directly assisted by LIG	480	479	100%
3	Shallow tube wells and motorized pumps installed	300	362	121%
4	Treadle pumps installed	300	240	80%
5	Drip irrigation sets installed	0	25	n/a
6	Net sales for participants in first crop cycle	\$273,333	\$581,756	213%
7	Net sales for participants in second crop cycle	\$273,333	\$438,744	161%
8	Net sales for participants in third crop cycle	\$273,333	TBD	TBD
9	Percentage increase in net sales per hectare of land	300%	409%	136%

In the Phase II districts of Sunsari, Kailali and Kanchanpur, USAID-NFRP is currently working with 2,271 farmers clustered into 348 producer/irrigation groups that cover 490 hectares of demonstration plots. During the past quarter, farmers from each of the 16 targeted VDCs completed on average 75 percent of the first crop cycle's training syllabus. Overall, during each of the three crop cycles supported by USAID-NFRP, farmers will complete six field trainings, attend one field day and receive approximately 20 monitoring visits from LIG technicians.

Table 8: Phase II Progress for LIG Program

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Long-term participants over 3 crop cycles (18-months)	2,200	2,271	103%
2	Hectares of productive land directly assisted by LIG	490	490	100%
3	Shallow tube wells and motorized pumps installed	348	257	74%
4	Net sales for participants in first crop cycle	\$273,333	TBD	TBD
5	Net sales for participants in second crop cycle	\$273,333	TBD	TBD
6	Net sales for participants in third crop cycle	\$273,333	TBD	TBD
7	Percentage increase in net sales per hectare of land	300%	TBD	TBD

3.2.3 SANITATION, HYGIENE AND NUTRITION

SHN activities under Phase I closed in the previous quarter, with 3,061 community beneficiaries trained, including 1,078 women and 1,521 children. USAID-NFRP field technicians are currently

conducting a survey to evaluate the program's impact on engendering positive behavior changes that improve family hygiene and nutrition.

Table 9: Phase I Results for SHN Awareness Trainings

Indicator	Adult			Children		
	Male	Female	Total	Male	Female	Total
Trained participants	462	1,078	1,540	678	843	1,521
Progress in 1st round of training (3 days)	100%			100%		
Progress in 2nd round of training (3 days)	100%			100%		

Phase II training activities began in March for 633 beneficiaries and will continue through August.

Table 10: Phase II Progress for SHN Awareness Trainings

Indicator	Adult			Children		
	Male	Female	Total	Male	Female	Total
Target for trained participants	120	180	300	120	180	300
Results to date	116	206	322	116	195	311
Percent progress	97%	114%	107%	97%	108%	104%

Under Phase I, USAID-NFRP installed 1,229 improved cooking stoves (ICSs) and trained each household in the proper use and maintenance. ICSs have proven highly effective at keeping the house clean and smoke-free; reducing cooking time, and using less firewood/fuel. In certain villages, households not involved in the program have built their own ICSs.

Table 11: Phase I Results in Improved Cooking Stoves

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Community-level promoters trained	60	60	100%
2	Households trained and assisted with ICSs	600	1,229	205%

Under Phase II, 12 community-level promoters have already been trained in ICS construction, operations and maintenance and 649 individuals have initiated training. In the following quarter, USAID-NFRP will install ICSs for a total of 480 households in the 12 VDC worksites.

Table 12: Phase II Progress in Improved Cooking Stoves -

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Community-level promoters trained	12	12	100%
2	Households trained in ICS construction and maintenance	240	649	270%
3	Households assisted with ICSs	240	0	0%

All 1,237 kitchen gardens under Phase I were established in the first quarter of 2009 and USAID-NFRP concluded its oversight and technical assistance in February 2010. Surveys conducted by the social inclusion team indicate that 65 percent of kitchen garden beneficiaries used their entire harvests for household consumption. The remaining 35 percent used the majority of their harvests for consumption and sold the surplus for additional household income.

Table 13: Phase I Results for Kitchen Gardens

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Households assisted and trained during 2 crop cycles	600	1,290	215%
2	Hectares of productive land directly assisted by KG program	20	41	205%
3	% of kitchen garden beneficiaries that continue to eat a minimum of five meals per week with green/leafy vegetables	80%	TBD	TBD

Phase II activities began in March with the establishment of 24 vegetable nurseries in the 12 worksites of Kailali and Kanchanpur. Training activities and transplanting will begin in April, and by May, 480 kitchen gardens will be under production.

Table 14: Phase II Progress for Kitchen Gardens

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Households assisted and trained in kitchen gardening	480	0	0%
2	Community vegetable nurseries established	24	24	100%
3	Hectares of productive land directly assisted by KC program	16	0	0%
4	Percent of kitchen garden beneficiaries that continue to eat a minimum of five meals per week with green/leafy vegetables	80%	TBD	TBD

3.2.4 STRENGTHENING LOCAL ORGANIZATIONS

February marked the end of a comprehensive 10-month training program in community development, youth leadership and disaster preparedness and management for 60 community-based organizations and 60 youth clubs. In total 1,218 adults and 1,218 youths were trained in organizational planning, leadership development, conflict resolution, community planning and assistance leveraging, networking and collaboration skills development, and development of community-based change agents. Sixty community service projects organized by the YCs were also completed. CBOs and YCs were also given basic supplies and equipment to establish offices and prepare for future floods.

Table 15: Phase I Results in Strengthening Local Organizations

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Participants trained in community development program	1,200	1,218	102%
2	Community-based organizations trained and assisted	60	60	100%
3	Participants trained in youth leadership program	1,200	1,218	102%
4	Youth clubs trained and assisted	60	60	100%
5	Community service projects implemented	60	30	50%
6	Participants trained in disaster mgmt/prevention program	1,200	1,227	102%
7	Disaster preparedness/mgmt committees organized	60	60	100%
8	Basic disaster response and first aid supplies distributed	60	60	100%

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

Table 16: Excerpt from NFRP PMP

No.	ACTIVITY	COMBINED TARGETS May '08 – Mar '11	COMBINED RESULTS May '08 – Mar '11	BALANCE	COMPLETED
5	Objective 4: Strengthening Local Organizations (SLO)				
5.2	Number of groups receiving institutional strengthening and organizational development technical assistance and training	120	144	-24	120%
5.3	Number of community members trained	2,916	2,436	480	84%
	Number of women trained	1,511	1,271	240	84%
	Number of youth trained	1,758	1,518	240	86%
5.4	Subcontract funds disbursed	\$175,000	\$136,865	\$38,135	78%

3.2.5 PROTECTION OF WOMEN AND CHILDREN

PWC activities under Phase I concluded in February. Trainings emphasized the promotion of gender rights and equality, and the prevention and control of human trafficking and socially discriminatory practices towards youth, women and vulnerable castes and ethnic groups. The following table highlights the high level of participation.

Table 17: Phase I Results in Protection of Women and Children

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Young women trained in BLOP methodology	1,200	1,395	116%
2	BLOP sessions completed per VDC (average)	72	33	46%
3	Adults trained in REFLECT methodology	1,800	1,728	96%
4	REFLECT sessions completed per VDC (average)	60	28	46%

Phase II training activities initiated in March for 480 young women of the 12 target VDCs in Kailali and Kanchanpur districts. Parents of each trainee were also oriented in the objectives and modalities of the 8-month program.

Table 18: Phase II Progress in Protection of Women and Children

No.	Indicator/Activity	Target	Results To-Date	Completion Rate
1	Young women participating in BLOP methodology	480	480	100%
3	Adults oriented on BLOP contents and objectives	240	240	100%

Further details of results to date are shown in Table 19, which is an excerpt from USAID-NFRP's Performance Monitoring Plan.

Table 19: Excerpt from NFRP PMP

No.	ACTIVITY	COMBINED TARGETS May '08 – Mar '11	COMBINED RESULTS May '08 – Mar '11	BALANCE	COMPLETED
6	Objective 5: Protection of Women and Children				
6.2	Number of women and youth organizations strengthened (assumes one group per VDC)	72	72	0	100%
6.3	Number of people trained in trafficking-in-person-related issues with USG assistance (Program Element PS5.3 – Trafficking-in-Persons and Migrant Smuggling)	3,603	3,603	0	100%
6.4	Subcontract funds disbursed	\$60,000	\$25,479	\$34,521	42%

SECTION 4: PRIORITIES FOR NEXT QUARTER

Program activities will follow USAID-NFRP's FY10 annual work plan. Highlighted activities include:

Phase I Closedown

- Close office in Birgunj and reassign assets to other regional offices.

Infrastructure Component

- Continue Phase II projects currently under construction and initiate final projects by July.
- An estimated 5 projects will be completed in the next quarter.

Livelihood and Income Generation Component

- Continue to support and monitor impact of Phase I farmers.
- Complete final report on Phase I results and lessons learned.
- Initiate the Phase II training program for the second crop cycle in June.

Sanitation, Hygiene and Nutrition

- Complete field survey to evaluate the effectiveness of SHN program on sustainable behavior changes in sanitation, hygiene and nutrition; produce report on lessons learned.
- Continue Phase II training program, including the installation of all ICS and kitchen gardens.

Strengthening Local Organizations

- Initiate Phase II training program for 12 CBOs and 12 YCs.

Protection of Women and Children

- Continue Phase II training program.

SECTION 5: MANAGEMENT REPORT

5.1 PROJECT STAFFING

In March, longtime Fintrac agricultural specialist Dennis Lesnick initiated a 4-week field assessment of USAID-NFRP's agricultural and livelihoods activities in the Terai. During his extensive field visits, Lesnick set out to troubleshoot production and marketing issues and conduct hands-on field trainings for technicians and farmers.

5.2 EXPENDITURES TO DATE

5.3 MANAGEMENT ISSUES

An administrative issue that continues to cause problems is the reimbursements by the Inland Revenue Department for VAT paid to local subcontractors. In some cases, subcontractors have been slow or delinquent in their payments to district tax offices. In others, the district tax offices are withholding the transfers to Kathmandu for questionable reasons. USAID-NFRP is tracking the case of each payment that has not been reimbursed and is actively encouraging subcontractors and tax offices to resolve their issues and accelerate the process.

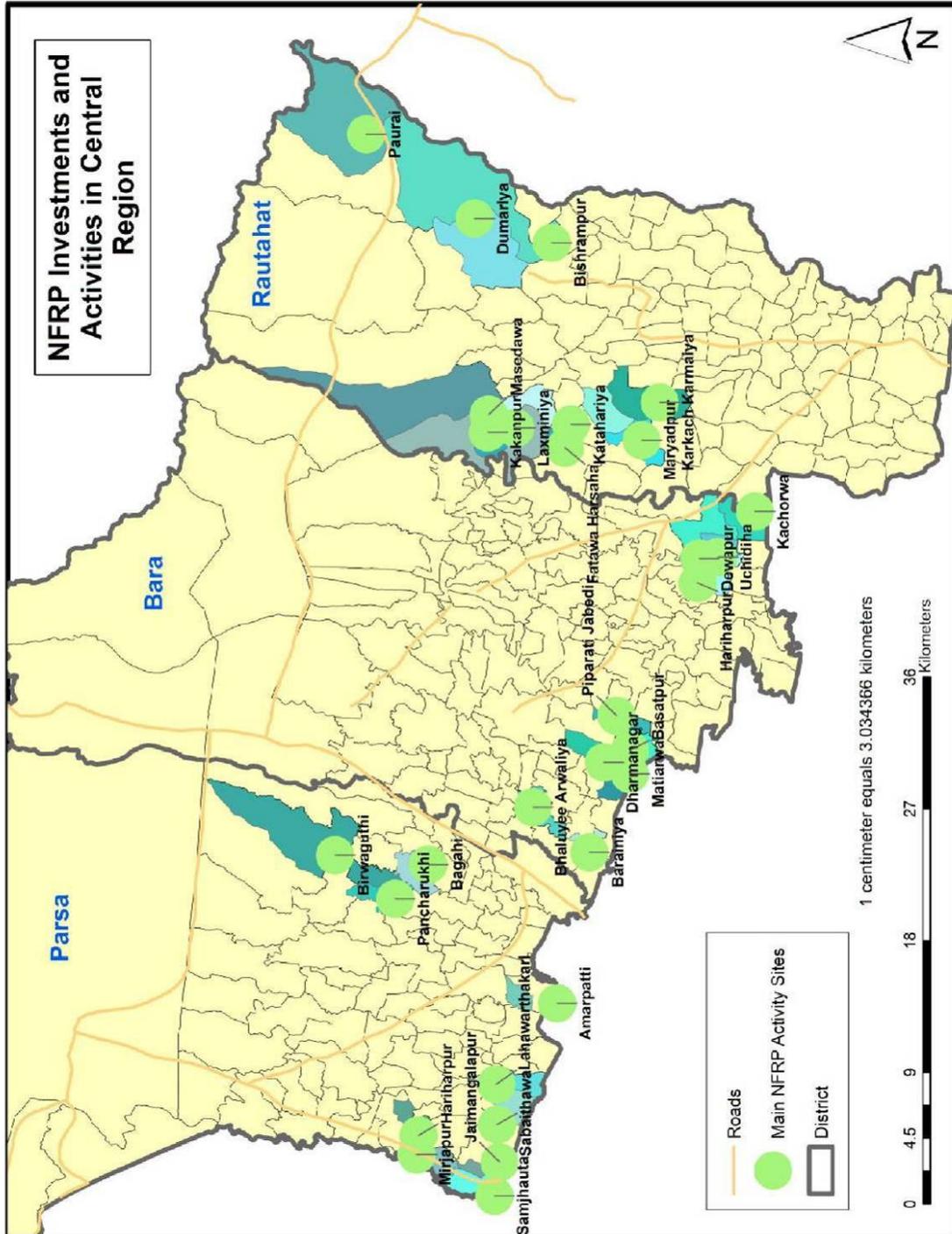
ANNEX I: PERFORMANCE MONITORING PLAN

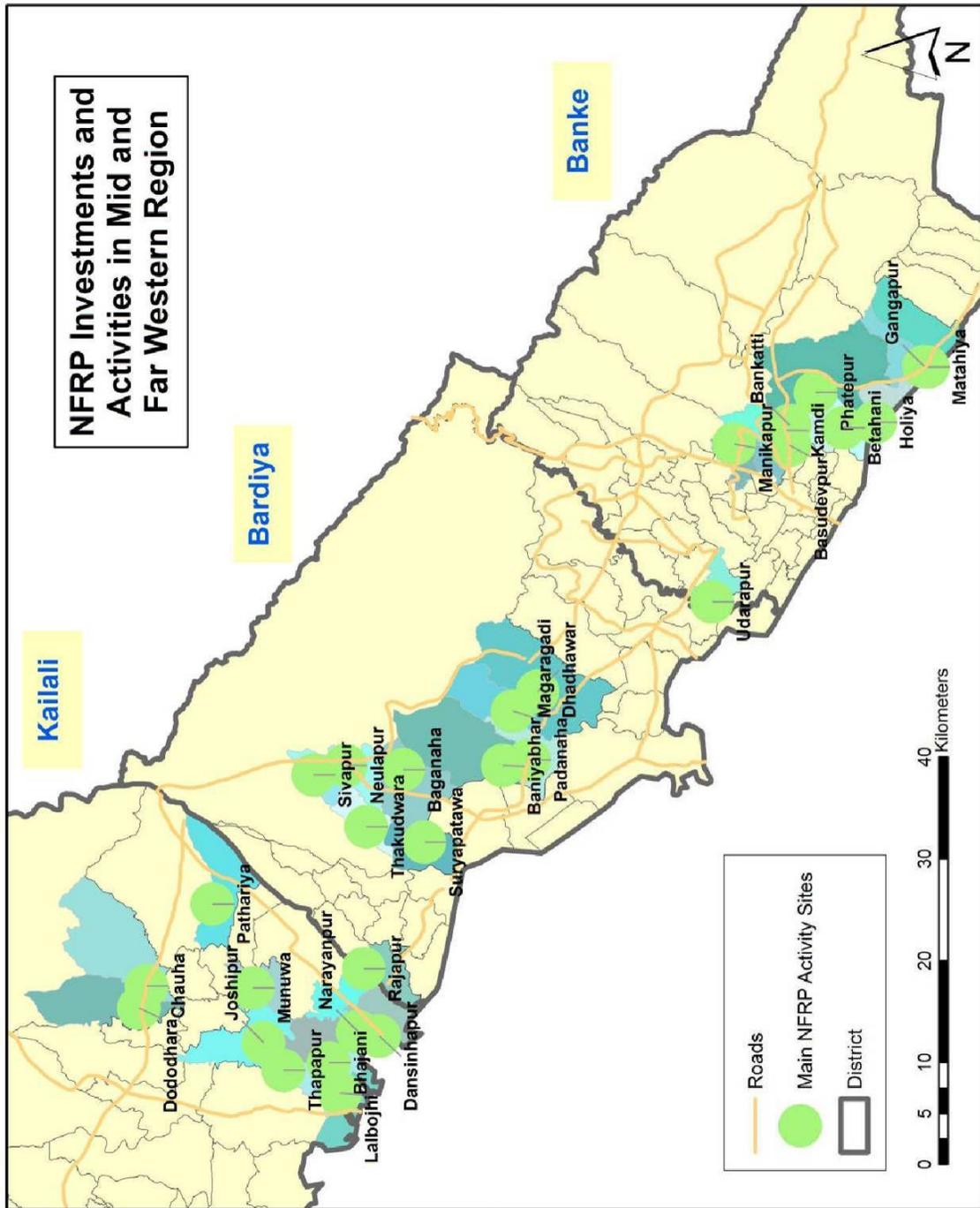
No.	ACTIVITY	PHASE I RESULTS	PHASE II TARGETS	COMBINED TARGETS	PHASE II RESULTS	COMBINED RESULTS	BALANCE	COMPLETED
		May '08 – Dec '09	Jan '10 – Mar '11	May '08 – Mar '11	Jan '10 – Mar '10	May '08 – Mar '11		
1	Program Level Objective							
1.1	Number of beneficiaries assisted by USG-supported protection and solutions activities	384,801	101,260	486,061	3,384	388,185	97,876	80%
2	Objective 1: Rehabilitation and Rebuilding of Productive Infrastructure							
2.1	Number of community infrastructures constructed or rehabilitated	86	35	121	3	89	32	74%
2.1.1	Number of classrooms constructed with USG assistance (Program Element IIP – 2.1 Basic Education)	52	0	52	0	52	0	100%
2.1.2	Number of classrooms repaired with USG assistance (Program Element IIP – 2.1 Basic Education)	4	0	4	0	4	0	100%
2.1.3	Number of model latrines in community schools	2	0	2	0	2	0	100%
2.1.4	Number of drinking water sources installed or improved	0	0	0	0	0	0	N/A
2.1.5	Number of community irrigation systems rehabilitated	4	0	4	1	5	-1	125%
2.1.6	Number of river protection projects (e.g. embankment protections, gabions, spurs, check dams)	28	1	29	2	30	-1	103%
2.1.7	Kilometers of transportation infrastructure constructed or repaired through USG assistance (Program Element EG 4.3 Transport Services)	3	10	13	0	3	10	25%
2.1.8	Number of transportation infrastructure projects such as culverts and small bridges constructed or repaired	35	34	69	0	35	34	51%
2.2	Number of people in target areas with access to improved drinking water supply as a result of USG assistance (Program Element IIP – 1.8 Clean Water and Sanitation Services)	0	0	0	0	0	0	N/A
2.3	Number of people benefiting from USG-sponsored transportation infrastructure projects (Program Element EG 4.3 Transport Services)	308,932	91,650	400,582	0	308,932	91,650	77%
2.4	Number of households benefited by community infrastructure projects (assumes an average of 150 benefiting HHs per VDC)	57,541	15,000	72,541	0	57,541	15,000	79%

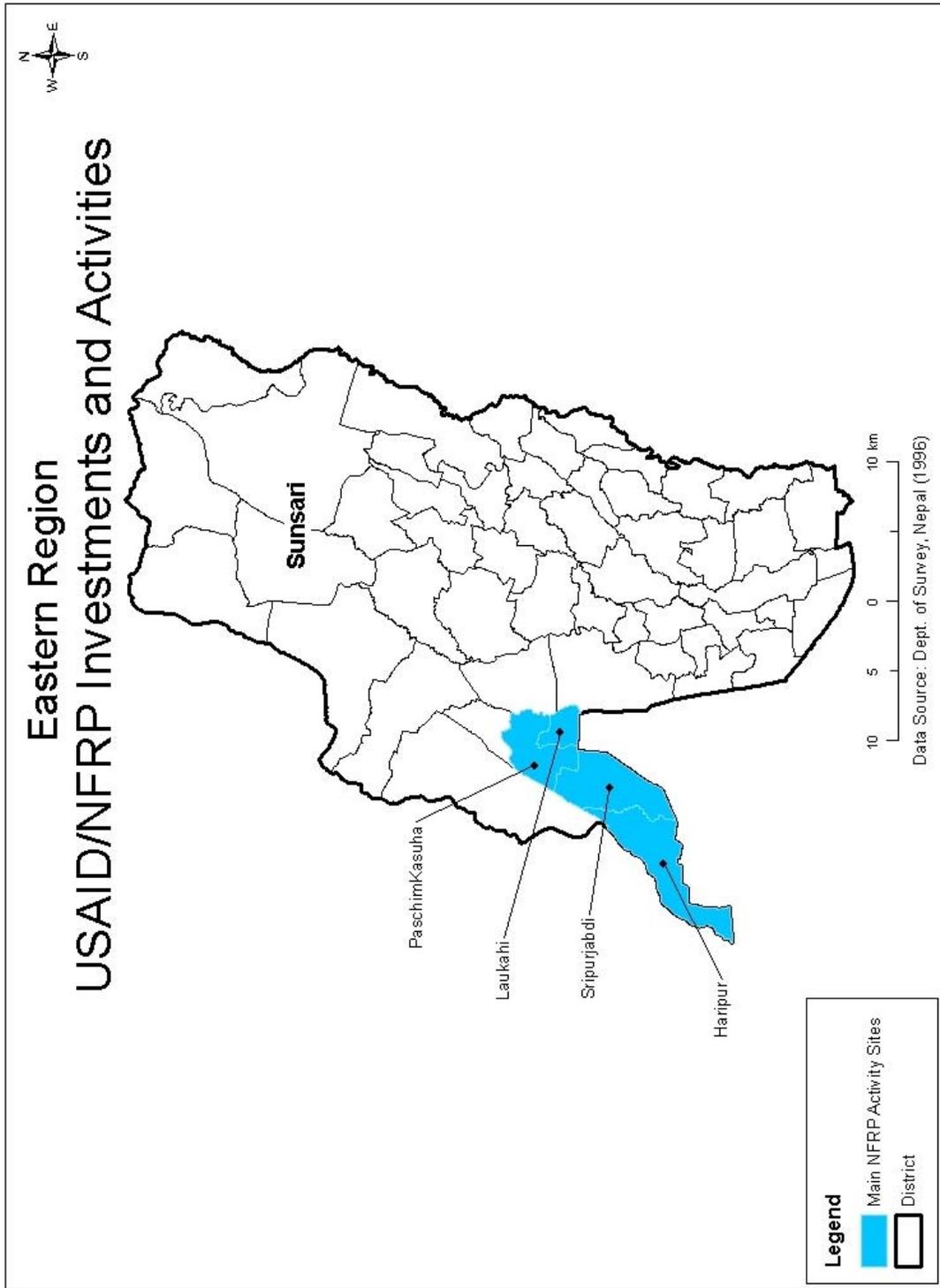
No.	ACTIVITY	PHASE I RESULTS	PHASE II TARGETS	COMBINED TARGETS	PHASE II RESULTS	COMBINED RESULTS	BALANCE	COMPLETED
		May '08 – Dec '09	Jan '10 – Mar '11	May '08 – Mar '11	Jan '10 – Mar '10	May '08 – Mar '11		
2.5	Number of person-days of temporary employment generated by infrastructure activities (estimated at 15% of construction costs)	127,219	52,000	179,219	682	127,901	51,318	71%
2.6	Subcontract funds disbursed	\$1,671,683	\$720,735	\$2,520,735	\$96,761	\$1,768,444	\$752,291	70%
2.7	Cost sharing leveraged from communities, local governments and other donor programs (in USD)	\$137,763	\$57,659	\$195,422	\$0	\$137,763	\$57,659	70%
3	Objective 2: Provision of Income Generation Activities							
3.1	Number of individuals who have received USG supported long term agricultural sector productivity training (EG 5.2 Agricultural Sector Productivity)	2,164	2,200	4,364	2,271	4,435	-71	102%
	Number of women trained	574	660	1,234	756	1,330	-96	108%
3.2	Number of rural households benefiting directly from USG interventions (EG 5.2 Agricultural Sector Productivity)	2,164	2,200	4,364	2,271	4,435	-71	102%
3.3	Number of vulnerable households benefiting directly from USG interventions (EG 5.2 Agricultural Sector Productivity)	1,086	1,100	2,186	1,249	2,335	-149	107%
3.4	Number of producers organizations, water users associations, trade and business associations, and CBOs receiving USG assistance (EG 5.2 Agricultural Sector Productivity)	60	30	90	32	92	-2	102%
3.5	Number of new technologies or management practices made available for transfer as a result of USG assistance (EG 5.2 Agricultural Sector Productivity)	2,164	2,200	4,364	2,271	4,435	-71	102%
3.6	Subcontract funds disbursed	\$301,629	\$290,000	\$740,000	\$94,013	\$395,642	\$344,358	53%
3.7	Cost sharing leveraged by beneficiary farmers	\$49,500	\$55,000	\$104,500	\$0	\$49,500	\$55,000	47%
4	Objective 3: Improved Sanitation, Hygiene and Nutrition (SHN)							
4.1	Number of people in target areas with access to improved sanitation facilities as a result of USG assistance (Program Element IIP – 1.8 Clean Water and Sanitation Services)	1,648	0	1,648	0	1,648	0	100%
4.2	Number of people trained in improved sanitation, hygiene and nutrition	3,061	600	3,661	633	3,694	-33	101%
4.3	Number of households with improved nutrition due to demonstration kitchen gardens	1,290	480	1,770	0	1,290	480	73%
4.4	Number of households with improved sanitation due to improved cooking stoves	1,229	240	1,469	0	1,229	240	84%
4.6	Percent increase in the incidence of hand-washing of SHN trainees	0%	85%	85%	0	0	1	0%

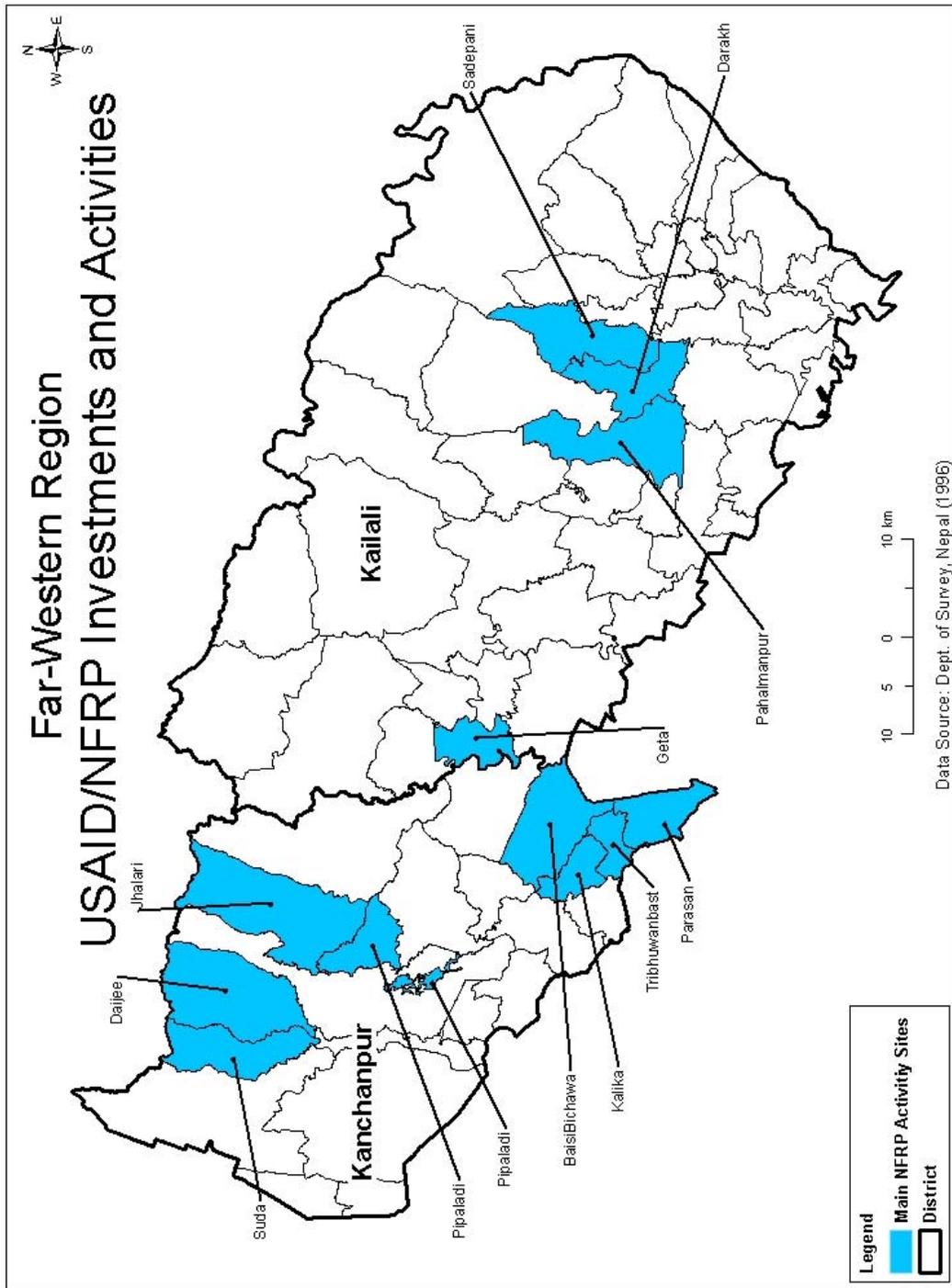
No.	ACTIVITY	PHASE I RESULTS	PHASE II TARGETS	COMBINED TARGETS	PHASE II RESULTS	COMBINED RESULTS	BALANCE	COMPLETED
		May '08 – Dec '09	Jan '10 – Mar '11	May '08 – Mar '11	Jan '10 – Mar '10	May '08 – Mar '11		
4.7	Percent of kitchen garden beneficiaries that continue to eat a minimum of five meals per week with green/leafy vegetables	0%	80%	80%	0	0	1	0%
4.8	Subcontract funds disbursed	\$119,529	\$50,000	\$200,000	\$50,895	\$170,424	\$29,576	85%
4.9	Cost sharing leveraged	\$36,740	\$0	\$36,740	\$0	\$36,740	\$0	100%
5	Objective 4: Strengthening Local Organizations (SLO)							
5.2	Number of groups receiving institutional strengthening and organizational development technical assistance and training	120	0	120	24	144	-24	120%
5.3	Number of community members trained	2,436	480	2,916	633	3,069	-153	105%
	Number of women trained	1,271	240	1,511	401	1,672	-161	111%
	Number of youth trained	1,518	240	1,758	311	1,829	-71	104%
5.4	Subcontract funds disbursed	\$120,881	\$25,000	\$175,000	\$15,984	\$136,865	\$38,135	78%
5.5	Cost sharing leveraged	\$0	\$0	\$15,000	\$0	\$0	\$15,000	0%
6	Objective 5: Protection of Women and Children							
6.1	Number of people trained	3,123	480	3,603	480	3,603	0	100%
	Number of women trained	2,736	360	3,096	480	3,216	-120	104%
	Number of youth trained	1,395	480	1,875	480	1,875	0	100%
6.2	Number of women and youth organizations strengthened (assumes one group per VDC)	60	12	72	12	72	0	100%
6.3	Number of people trained in trafficking-in-person-related issues with USG assistance (Program Element PS5.3 – Trafficking-in-Persons and Migrant Smuggling)	3,123	480	3,603	480	3,603	0	100%
6.4	Subcontract funds disbursed	\$23,763	\$10,000	\$60,000	\$1,716	\$25,479	\$34,521	42%
6.5	Cost sharing leveraged	\$0	\$0	\$5,000	\$0	\$0	\$5,000	0%
7	Objective 6: Windows of Opportunities							
7.1	Number of special studies (Program Design and Learning Element)	0	0	0	0	0	0	N/A
7.2	Number of baseline or feasibility studies (Program Design and Learning Element)	0	0	0	0	0	0	N/A
7.3	Subcontract funds disbursed	\$0	\$50,000	\$50,000	\$0	\$0	\$50,000	0%
7.4	Cost sharing leveraged	\$0	\$5,000	\$5,000	\$0	\$0	\$5,000	0%

ANNEX II: USAID-NFRP CLIENT DISTRIBUTION MAPS BY REGION











USAID/NEPAL FLOOD RECOVERY PROGRAM

QUARTERLY PERFORMANCE REPORT
JANUARY 2010 – MARCH 2010

PHOTO: Young women leaders of Kailali district review results of a local needs assessment for a community support project.