

Nepalese Farmers Expand Marketing Reach

Challenge

Nearly 80 percent of Nepal's people rely on agriculture for their livelihoods. Historically, low-value crops such as rice, wheat, and maize have dominated Nepal's agriculture. Weak export demand for these commodities has kept profit margins low. Although Nepal has the potential to produce large quantities of high-value commodities, most imports are from neighboring countries, resulting in an unfavorable trade balance and sluggish economic growth.



Photo: John Woods

Farmers share marketing ideas.

Initiative

USAID taught Nepalese farmers how to make better use of labor, seeds, marketing, and production technology in order to stimulate the production and trade of high-value commodities such as vegetables, fruits, seeds, and honey.

This \$3.6 million project focused on four areas: promoting market growth, improving technology and agricultural extension services, building capacity for agricultural planning and policy reform, and enhancing the nutritional value of rural diets to combat a high incidence of night blindness among pregnant women.

The program also helped farmers establish rural markets and forge agreements with traders for seed production and marketing. The farmers were taught how to expand and reinforce market linkages to help ensure sustainability. As production increased, families learned how to incorporate nutrient-rich foods into their diets, especially foods rich in vitamin A, and to observe better sanitation and hygiene practices.

Results

New technologies and hands-on training improved the output and marketing capabilities of farmers as well as their post-harvest handling and processing skills. Nearly 40,000 farm families produced high-value agricultural products in the targeted zones. Several new local marketing centers were established to sell high value agricultural products in conflict-prone Western and Mid-Western Nepal.

In the areas where the project worked, the incomes of farmers increased 10 to 20 fold. The total sale of vegetable crops increased from \$0.63 million in 1998 to \$2.99 million in 2002. In addition, during this period, the level of nutrition knowledge increased from 23% to 80.6%, and the incidence of night blindness decreased from 14.7% to 5.1%.