

Data Sheet

USAID Mission:	Nepal
Program Title:	Sustainable Forest and Agricultural Products
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	367-001
Status:	Continuing
Planned FY 2006 Obligation:	\$1,485,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$0
Year of Initial Obligation:	1997
Estimated Year of Final Obligation:	2006

Summary: USAID's agricultural productivity program helps protect the livelihoods of poor and marginalized populations under extreme stress due to the Maoist conflict. This successful program is increasing rural incomes, alleviating poverty, and stabilizing conflict zones in Nepal, where 80% of the population lives in rural areas. USAID plans to increase household income and food security in the conflict-affected West and Mid-West regions by promoting high-value crops, expanding market participation, improving management of productive resources, facilitating policy dialogue between the Government of Nepal and agricultural producers, and improving the policy environment for international trade. Program activities include: support for government agencies working in agriculture; promotion of microirrigation technologies; development of small-scale agricultural enterprises; assistance to farmers in producing and marketing high-value forest and farm crops; research on policy impediments to improved agricultural growth and trade; and initiation of private-public partnerships to access new technologies and markets.

Inputs, Outputs, Activities:

FY 2006 Program:

Increase Agricultural Sector Productivity (\$1,485,000 DA). USAID is augmenting incomes of over 55,000 rural households by increasing production of high-value agricultural and forest commodities, including non-timber forest products, herbs, spices, vegetables, fruit, tea, and coffee. Activities promote the use and adoption of improved agricultural technologies, which allow farmers to produce marketable products and respond to proven demand. USAID is increasing the use of microirrigation technology to access off-season markets in the hill areas and establishing private sector microirrigation supply chains. In addition, USAID is reaching agreements with drinking water and watershed management programs to enhance the flow and availability of point sources for microirrigation. Program activities are ensuring participation of women and marginalized community groups who are particularly vulnerable to the propaganda of Maoists and the depredations of human traffickers. Principal Implementer: Winrock International.

FY 2007 Program:

Increase Agricultural Sector Productivity. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Performance and Results: USAID's economic growth program met all performance targets in FY 2005. The program supported over 56,000 small farm and forest households (52% women-headed and 15% disadvantaged groups). Agricultural sales of \$8.21 million exceeded the target of \$6.0 million by 37%. A total of 18,227 microirrigation systems (6,926 drip, sprinkler, and water tanks and 11,301 treadle pumps) were adopted by 27,580 households resulting in \$5.52 million sales of high-value vegetables, exceeding the target by 41%. Small scale irrigation activities helped increase annual household income by \$419 per household. Public-private partnerships resulted in the certification of 24 forest products and eight forest-based enterprises by the Forest Stewardship Council, organic product certification of 44 crude herbs and 17 essential oil products, and adoption of key policy reforms, such as reduced import duties on electric vehicles. Export of non-timber forest products generated \$808,335, providing employment to 1,282 persons. Codes of conduct for Nepalese Tea were adopted by the Tea Association of USA, and 23.10 tons of green coffee beans were exported for the first time to Holland Coffee Company in the United

States. USAID training contributed to the formulation of a three year action plan on Customs Reform and Modernization, including a Customs Reforms Profile. The ultimate goal of USAID's Sustainable Forest and Agriculture program is to alleviate poverty and protect the livelihoods of the poor farmers in the rural areas by increasing incomes through the sustainable production and sale of forest and high-value agricultural products. By the end of the program in FY 2006, USAID will successfully achieve this result by promoting improved agricultural technologies, expanding market participation, improving management of productive resources, and facilitating policy dialogue between the Government of Nepal, producers, and traders.

US Financing in Thousands of Dollars

Nepal

367-001 Sustainable Forest and Agricultural Products	CSH	DA
Through September 30, 2004		
Obligations	200	25,949
Expenditures	177	23,965
Unliquidated	23	1,984
Fiscal Year 2005		
Obligations	0	2,637
Expenditures	23	3,058
Through September 30, 2005		
Obligations	200	28,586
Expenditures	200	27,023
Unliquidated	0	1,563
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2006 NOA		
Obligations	0	1,485
Total Planned Fiscal Year 2006		
Obligations	0	1,485
Proposed Fiscal Year 2007 NOA		
Obligations	0	0
Future Obligations	0	0
Est. Total Cost	200	30,071