

## FTF-India: Expanding Nepal's Business Access to Improved Technologies for Agriculture (ENBAITA, 2015-2018)

USAID through the India partnerships program is supporting iDE Nepal to implement the ENBAITA project, with the goal of reducing poverty for smallholders in Nepal through expanded access to agricultural technologies from India. Major objectives:

1. To develop private sector last mile supply chains for agricultural technologies.
2. Sustainably increase agricultural incomes of 50,000 poor and marginal smallholder households by \$250 / year.

ENBAITA is developing last mile supply chains in 8 districts serving as hubs to expand access to Indian agro technologies supporting USAID's Feed the Future Initiative (FTF) and GON development goals.

### Transforming Subsistence to Commercial Agriculture in Nepal

Nepal has strong market opportunities in many high value subsectors with unmet domestic demand, large regional demand in South Asia, and overseas opportunities. Yet Nepal agriculture remains largely subsistence with the agro private sector largely absent from rural areas and mainly located in district capitals.

This stems from market failures related to the high transaction costs of working with smallholder farmers and the weak business environment including the free rider problem. For example, company A is reluctant to invest in smallholders because companies B, C, and D that didn't invest will be able to capture the investment returns. Over 15 years iDE, supported primarily by USAID, UKAID, and the EU working closely with

Government and the private sector, has developed the public private *Commercial Pocket Approach*. ENBAITA represents key USAID support to scale this approach in the vegetable subsector developing sufficient volume to:

- **Supply Chain.** Establish private extension last mile supply chains for agricultural technologies through Community Business Facilitators (CBFs). CBFs are entrepreneurial farmers based in rural communities who receive training and commissions on the sales of agricultural products from district based agro-vets. CBFs provide training and support to their customers.
- **Market Access and Information.** Develop community managed collection centers supported by government for market access and services including climate smart crop calendars. Collection centers are run by Marketing and Planning Committees (MPC) elected by members, run by entrepreneurs; and many become cooperatives.



ENBAITA farmer Laxmi Devi Poudel, Nigali Kailali is monitoring the Tuta tomato pest which arrived in 2016 and if untreated devastates tomatoes. Devi earned over NRs 30,000 (\$300) in the last year, this is her family's main source of income. ENBAITA has facilitated over 16,000 Smallholders to access safe IPM Tuta control technologies.



ENBAITA collection center at Pumdri Bhumdi Kaski gives women leadership and economic opportunities.

- **Cross Cutting:** (1) Extend Climate Smart Agriculture by supporting local adaptation plans, (2) Facilitate investments for irrigation / Multiple Use Water Systems (3) Foster Gender and Social Inclusion through representation in MPCs, entrepreneurial opportunities, access to services. (4) Enable IPM through local monitoring (5) Enable ICT as trusted local information (5) Improve nutrition through own production and increased incomes to access nutritious foods and healthcare (6) Multiply impacts of government research and extension investments.

ENBAITA works in Kaski, Syangja, Palpa, Rupendehi, Banke, Surkhet, Dadhaldura, and Kailali through 8 district NGOs developing supply chains hubs in Pokhara, Bhairawa, Nepalgang, and Dhangadhi. ENBAITA is developing supply chains from Indian manufacturers, to national importers, regional wholesalers, district dealers, to CBFs providing smallholders access to the complementing technologies. ENBAITA also works with Indian companies to build the technical capacity of Nepal partners. Key technologies manufactured in India include:

- Improved vegetable seeds including hybrids from Namdhari and others.
- Safe IPM products pheromone traps, botanicals, bio agents, netting material, and more. Including special pheromone traps and technologies to safely control the Tuta tomato pest. From PCI, T Stanes, and others.
- Low cost, high quality drip irrigation manufactured by Harvel Azud.
- The cost effective Sunflower Solar pump manufactured by joint venture Future Pump.
- Additional products including agricultural plastic for tunnels, seed trays, and much more.



*Devi Malla is an ENBAITA Community Business Facilitator (CBF) in Palpa districts. She markets agro technologies and provides training to 320 smallholder customers; she earns about \$100 per month.*

### Key Progress (Updated June 2018, will be finalized using project end line survey):

- Increased the annual income of 51,515 smallholders (73% female participants, 20% women headed HHs, 60% disadvantaged, 25% youths (below 30) by \$225 above baseline. Total annual farmer income increased in year 3 is \$13 million.
- 3-year Project Period Cost benefit 13.59 to 1 in terms of project cost to smallholder income increased.
- Strengthened 70 agro companies (national importers 5, regional distributors 4, district wholesalers 8, community level retailers 53). Developed 84 Nursery growers and 156 last mile CBFs (41% female). Avg. CBF monthly income is \$76. ENBAITA has developed the first last mile private extension designed for poor, marginal, and remote smallholders.
- Facilitated sales over 23,000 drip systems (primarily Harvel Azud) (5,054 to ENBAITA HHs and 18,000 to non-ENBAITA HHs through ENBAITA private partners).
- ENBAITA farmers invested over \$700,000 in improved Indian agriculture technologies.
- Played key role in helping Nepal cope with the Tuta tomato pest (arrived 2016). Working with the USAID IPM Innovation Lab, monitoring Tuta spread, training private sector, developing supply chains. Over 46,500 lures sold, over 25,000 smallholders reached with Tuta IPM technologies.



*USAID visits ENBAITA Sunflower Solar Pump site Kailali District. The Sunflower can lift water about 10 meters irrigating 1,700 sq.-meters enabling a farmer to earn over \$2,000 in one year. The Sunflower after the government solar subsidy costs about \$300.*

**Photos by Bimala Rai Colavito**