



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
FOOD AND NUTRITION SECURITY ENHANCEMENT PROJECT
APPROVED ON SEPTEMBER 25, 2018
TO
NEPAL

AGRICULTURE AND FOOD

SOUTH ASIA

Regional Vice President:	Hartwig Schafer
Country Director:	Faris H. Hadad-Zervos
Regional Director:	John A. Roome
Practice Manager/Manager:	Loraine Ronchi
Task Team Leader(s):	Karishma Wasti



ABBREVIATIONS AND ACRONYMS

FANSEP	Food and Nutrition Security Enhancement Project
FAO	Food and Agriculture Organization
FAO-TA	Food and Agriculture Organization- Technical Assistance
MnE	Monitoring and Evaluation
MTR	Mid-Term Review
NARC	Nepal Agricultural Research Council
PCU	Project Cluster Unit
PDO	Project Development Objective
PMU	Project Management Unit
WB	World Bank
SRR	Seed Replacement Rate



BASIC DATA

Product Information

Project ID P164319	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 25-Sep-2018	Current Closing Date 30-Jun-2023

Organizations

Borrower Nepal	Responsible Agency Ministry of Agriculture and Livestock Development (MoALD)
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Project Development Objective (PDO)

Original PDO

The Project Development Objective (PDO) is to enhance climate resilience, improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A8013	25-Sep-2018	14-Nov-2018	14-Nov-2018	30-Jun-2023	22.70	10.52	12.18

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Introduction

This Project Paper seeks approval of the Country Director to restructure the Food and Nutrition Security Enhancement Project (FANSEP) to make changes in definition and targets for select indicators and minor amendments to the financing agreement (detailed in subsequent sections) agreed with the Government of Nepal during the wrap up meeting on November 16, 2021, at the Ministry of Agriculture and Livestock Development.

B. Project Development Objective

The PDO is to enhance climate resilience, improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal.

C. Project Status and Rationale for Restructuring

A mid-term review (MTR) of FANSEP was carried out in November 2021. The review noted good progress in implementation despite multiple lockdowns due to the COVID pandemic. Based on the findings of the MTR, progress towards achievement of PDO, implementation performance, financial management and monitoring and evaluation (M&E) have been rated as moderately satisfactory, while project management, procurement, counterpart funding and safeguards remain satisfactory. Component-wise progress is briefly presented below:

Component A: Climate and Nutrition Smart Agriculture Technology Adaptation and Dissemination. The main objective of this component is to increase productivity through distribution of improved seeds, adoption of climate smart agricultural practices, postharvest support and demand-based extension and outreach services. By MTR, the project had distributed a total of: (i) 103.59 tons improved seeds of rice, wheat, maize, lentil and minor crops, (ii) 3.5 tons of summer and winter vegetables and (iii) 151.5 tons of seed potato in addition to supporting 31 local seed producer groups from the project target with the purpose of improving seed replacement rate (SRR). Through 312 farmer field schools and demonstrations, about 22,000 farmers are already adopting climate smart agricultural practices and technologies against end of the project target of 31,800. Of the 22,000 farmers supported through these activities, 69 percent are women. In collaboration with the Nepal Agriculture Research Council (NARC) 379 trials have been implemented to validate new technologies and varieties. Under livestock development, eight Boer goat multiplier herds have been established, 16 pure-bred Boer bucks were provided to the multiplier groups and four artificial insemination units have been identified and supported. The MTR observed that SRR for rice at 29 percent is rather high. This needs to be brought down to a more realistic target. Similarly, target of 40 percent productivity increase for meat (PDO indicator 2) would need to be revised to 25 percent as this target does not seem achievable due to the lack of required breeds and time lost due to COVID-19 pandemic. Similarly, the target of reaching 65,000 farmers under intermediate results Indicator A3 will need to be revised to 45,000 to include only direct beneficiaries.

The project has not been able to supply Boer goats as planned due to their unavailability in the market. To overcome this, the MTR recommended the use of other improved goats breed that are locally available. Similarly, project support to poultry farming revealed that Giriraja to be more preferred over other poultry breeds and therefore it is recommended that Giriraja be included as one of the breeds. Also, considering the negative impacts



of COVID-19 on already vulnerable and marginalized community of targeted project beneficiaries, it was agreed to provide 100 percent subsidy in vegetable and forage seeds/sets/saplings to be distributed to the farmers and farmer's groups. With savings on exchange rate, it is possible to increase the subsidy, in addition to providing funds for rehabilitation of an additional 570 irrigation schemes giving a total of 678 schemes.

Component B: Income generation and diversification. This component aims to strengthen the producer groups and support market linkages between the producers and buyers through formation of productive alliances (PA). The project mobilized 1,025 producer groups, 64 percent of the achievement over the end of the year target of 1,590 groups. Under the PA arrangement, 146 business proposals have already been funded accounting to 35 percent of the targeted 448 matching grants by the end of the project. Twenty-five producer organizations and government officials have been trained on farm businesses. 16 multi-Stakeholder dialogue platforms have been established to facilitate the producer-buyer alliance in each project implemented Rural Municipalities (RMs). Since the project is operating in areas that have some of the poorest communities with very low demand yet for processing facilities, there has been very low demand for rehabilitation and expansion facilities. Thus, the MTR recommended to reduce the target for processing facilities from 184 post-harvest facilities to 80. Similarly, with savings from exchange rate, MTR recommended to increase the number of matching grants from 448 to 710.

Component C: Improving nutrition security. This component aims to address the underlying causes of malnutrition by making the food system responsive to these causes to provide adequate, safe, diversified and nutrition rich food. By MTR, 156 proposals had already been funded accounting to 30 percent of the targeted 504 small grants by the end of the project. Due to savings from exchange rate of USD and considering the per unit ceiling (NPR 500,000) of small grants, the MTR recommended to increase the number of small grants from 504 to 580 and incorporate this sub-indicator into the Project Result Framework. As in the case of Component A, the target of reaching 57,500 direct and indirect beneficiaries is to be revised to 21,000 direct beneficiaries under component C.

Rationale for restructuring: During the MTR in November 2021, the Bank task team and the client agreed to change targets for some indicators resulting from COVID-19 induced lockdowns, provide clarity to some indicators, introduce additional indicators corresponding to activities that directly contribute to the PDO.

II. DESCRIPTION OF PROPOSED CHANGES

Revision to Existing Indicators:

PDO indicator 2: Due to the unavailability of pure breed of Boer bucks and restrictions on transportation/importation of live animals following COVID-19 pandemic and subsequent loss of time the project will not be able to meet the target of 40 percent increase in meat productivity. Thus, this target is proposed to be reduced from 40 percent to 25 percent to align with the ground realities.

PDO indicator 4: It was agreed that the indicator definition will be revised to track the FIES score over time, calculating the actual value and not percentage progress over time. Considering the high baseline value of -8.6, the end line target of -9 has been proposed. Similarly, the indicator should be applicable to the population in aggregate and its reporting by gender would add little value. Hence, the second part of the indicator is proposed to be removed.



Intermediate Results Indicator A.3: The target of reaching 65,000 farmers covered both direct and indirect beneficiaries. This target is proposed to be revised to 45,000 to record only the direct beneficiaries reached.

Intermediate Results Indicator B.2: The target for indicator IRI B.2 is to be reduced from 184 to 80 due to low demand for processing facilities and market structures in the project area.

Intermediate Result Indicator B3: Due to high demand from the project beneficiaries for matching grant support and given their impact on rural communities, the target of 448 matching grants is proposed to be increased to 710.

Intermediate Results Indicator C.1: As in the case of indicator A3 above, the beneficiary target is proposed to be reduced from 57,500 which covers both direct and indirect beneficiaries to 21,000 direct recipients (from 840 nutrition groups with 25 members each) of nutrition support under the project.

New Indicators proposed:

Intermediate Result (Component A): Area covered by small irrigation schemes supported by project. Small irrigation support in addition to micro-irrigation directly contributes to the PDO indicator on productivity, in addition to supporting income generation and climate adaptation. With about 678 irrigation schemes, the project aims to bring 1,250 hectares under irrigation.

Intermediate Result (Component C): Number of small grant-financed subprojects (business plans). This indicator is proposed to capture performance relating to the 580 groups that are to be supported by the end of the project.

While there are no cost implications or within category reallocation required due to the abovementioned changes to the indicators and hence the activities, details for changes in the activities and rationale is presented in Annex I.

Changes to the Grant Agreement:

Submission of audited financial reports Section II, B.3: As per the agreement, the audited Financial Statements currently require to be furnished to the World Bank no later than six months. The review team suggests revising this period to nine months to allow sufficient time to prepare the report and maintain uniformity among reporting period of all WB funded projects.

Definition of beneficiaries in Appendix 1: The definition confines beneficiaries to cooperatives and groups receiving grant support from the project. Since the project activities go beyond beneficiaries beyond the recipient of grant support the definition is to be broadened to include other beneficiaries receiving other forms of support from the project.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Implementing Agency		✓



DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)



Results framework

COUNTRY: Nepal

Food and Nutrition Security Enhancement Project

Project Development Objectives(s)

The Project Development Objective (PDO) is to enhance climate resilience, improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Enhanced Climate Resilience								
Farmers adopting improved agricultural technology (CRI, Number)		0.00	0.00	6,000.00	16,000.00	28,000.00	31,800.00	31,800.00
Farmers adopting improved agricultural technology - Female (CRI, Number)		0.00	3,900.00	6,000.00	10,400.00	18,200.00		20,670.00
Farmers adopting improved agricultural technology - male (CRI, Number)		0.00	0.00	2,100.00	5,600.00	9,800.00		11,130.00
Improved Agriculture Productivity								
Increased crop and animal productivity by direct beneficiaries (Percentage)		0.00						28.00
<i>Action: This indicator has been Revised</i>								



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Crops (food grains) (Percentage)		0.00	0.00	10.00	15.00	25.00		25.00
Crops (vegetables) (Percentage)		0.00	15.00	20.00	30.00			30.00
Livestock (meat) (Percentage)		0.00	5.00	5.00	15.00			25.00
Livestock (milk) (Percentage)		0.00	5.00	15.00	25.00			35.00
Increased Household income (farm and off-farm) (Percentage)		0.00	10.00	10.00				25.00
Female Headed Households (Percentage)		0.00	10.00					25.00
Improved Nutrition Practices								
Improved score on the Food Insecurity Experience Scale (FIES) by direct beneficiaries (Text)		-8.60	-8.60					-9.00
Action: This indicator has been Revised	<p>Rationale: <i>The indicator definition and unit of measurement to be revised to track the FIES score over time, calculating the actual value and not percentage progress. Considering the high baseline value of -8.6, the end line target of -9 has been proposed. since the indicator is measured on random sampling basis during the baseline, midline and endline survey, it was not possible to ensure 65% female HHs participation during the surveys. Hence, the second part of the indicator is to be removed.</i></p>							
Improved Dietary intake (% over baseline) (Percentage)		0.00	10.00					20.00



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Pregnant and nursing women (Minimum Dietary Diversity Score for Women, MDD-W) (Percentage)		0.00	10.00					20.00
Children between 6-24 months (Percentage)		0.00	10.00					20.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Intermediate Result (Component A) – Climate and Nutrition Smart Technology Adaptation and Disseminat							
Promising CSA and nutrition sensitive technologies validated through on-farm adaptation trials (Number)		0.00	0.00	5.00	15.00	20.00	20.00
Farmers accessing technology dissemination services delivered by the project. (Number)		0.00	5,000.00	15,000.00	25,000.00	35,000.00	39,750.00
Farmers accessing technology dissemination services delivered by the project-Female (Number)		0.00	3,250.00	9,750.00	16,250.00	22,750.00	25,838.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Improved seed replacement rate (Percentage)		0.00	12.00				25.00
Farmers reached with agricultural assets or services (CRI, Number)		0.00	5,000.00	15,000.00	20,000.00	30,000.00	45,000.00
Action: This indicator has been Revised	<p>Rationale: <i>The MTR suggested revising the end of project target for clarity. Instead of reporting 65,000 farmers who might have directly or indirectly received relevant interventions, it is suggested to revise the eop target to 45,000 so as to record only direct beneficiaries for realistic assessment and accurate reporting. The Project, through the related interventions will eventually cover around 39,750 producers through groups (assuming 25 members in 1,590 producer group), and additional 5,000 farmers through interventions targeted towards individuals outside the groups. The change has no implications on the cost and ambition of relevant activities.</i></p>						
Farmers reached with agricultural assets or services - Female (CRI, Number)		0.00	3,250.00	9,750.00	13,500.00	19,500.00	29,250.00
Action: This indicator has been Revised	<p>Rationale: <i>The MTR suggests revising the end of project target for clarity. Instead of reporting 65,000 farmers who might have directly or indirectly received relevant interventions, it is suggested to revise the eop target to 45,000 so as to record only direct beneficiaries for realistic assessment and accurate reporting. The Project, through the related interventions will eventually cover around 39,750 producers through groups (assuming 25 members in 1,590 producer group), and additional 5,000 farmers through interventions targeted towards individuals outside the groups. The change has no implications on the cost and ambition of relevant activities. The female share remains 65% of the eop target.</i></p>						
Area covered under irrigation schemes (Hectare(Ha))		0.00					1,250.00
Action: This indicator is New	<p>Rationale:</p>						



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<p><i>Area covered by small irrigation schemes supported by project. Small irrigation support in addition to micro-irrigation directly contributes to the PDO indicator on productivity, in addition to supporting income generation and climate sensitivity, hence the indicator has been added. The activity is expected to benefit around 678 farmer (with approx. 25 members each) groups by the end of the project.</i></p>							
Intermediate Result (Component B) – Income Generation and Diversification							
Number of producer-based organizations supported (number)-GAFSP core indicator (Number)		0.00	200.00	600.00	1,000.00	1,400.00	1,590.00
Number of post-harvest facilities constructed and/or rehabilitated-GAFSP core indicator (Number)		0.00	20.00	20.00	20.00	50.00	80.00
Action: This indicator has been Revised	<p>Rationale: <i>Project has supported only one infrastructure (agri produce collection and marketing Centre cum postharvest facilities) at Inrawati RM-4, Sindhupalchowk. The original eop target for this indicator was supposed to also count the facilities funded under the matching grant schemes, which had created confusion for reporting. Hence, the target has been reduced to only capture facilities such as seed processing units construction and market rehabilitation as per the demand of the local government and the beneficiaries. The number of facilities supported via matching grants has not been counted yet. The revised target is 80.</i></p>						
Household income (farm and off-farm), increase over baseline (Percentage)		0.00					25.00
Number of sub-projects (business plans) financed by the project on a matching grant basis (Number)		0.00	0.00	100.00	250.00	406.00	710.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Action: This indicator has been Revised	<p>Rationale: <i>Due to exchange rate savings, there is an opportunity to add 49 matching grants (MGs). Since there are 1590 Producer Groups (PGs) under component B and 661 MGs are planned, the addition of 49 MGs will take the total to 710. The revised total budget for matching grants is 426,000.</i></p>						
Improving Nutrition Security							
People receiving improved nutrition services and products -GAFSP core indicator (Number)	0.00	5,000.00	15,000.00	10,000.00	17,000.00	21,000.00	
Action: This indicator has been Revised	<p>Rationale: <i>For clarity, technical scrutiny and accurateness in field reporting, the MTR suggests revising the target from 57,500 people which potentially covers both direct and indirect beneficiaries to 21,000 direct recipients (from 840 nutrition groups with 25 members each) of nutrition services from the project. The change has no implication on the cost and ambition of the planned interventions. to capture the increase in the number of people who directly access the defined basic package of nutrition services as a result of project investment .</i></p>						
Household Dietary diversity score including nursing mothers and children under two years (1000 day mother target) (Percentage)	0.00	10.00				20.00	
Number of subprojects (business plans) financed by the project on a small grant basish (Number)	0.00	100.00	300.00			580.00	
Action: This indicator is New							
Project management, communication and M&E							



The World Bank

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Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Grievances registered addressed within the delay set by the project GRM (Percentage)		0.00	85.00	60.00	75.00	85.00	95.00
Periodic reports submitted on time (Number)		0.00	3.00	5.00	8.00	10.00	13.00



ANNEX I

Annex I: Revised List of Activities

Based on the MTR discussions and decisions regarding the detailed Cost Table and project component wise progress, it was agreed to revise the following major activities under component A, B and C from the annex 7.1 (activity, cost & action plan) of Project Implementation Manual (PIM). The tabulated target and budget below are only for the targets that are revised as per the discussion. The changes have no implication on the original cost allocation for each of the components and/or the project as a whole.

1. Major Activities to be revised in Component A:

1.1 List of activities to be reduced/removed from component A: *Budget in thousands (NPR).*

S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Change in budget	Remarks
1.1 to 1.2	Validation trials of crops and livestock	Number	28 (505) (477)	1400	The total number of validation trials allocated in cost tab was 505, and agreement of only 477 validation trials were made with NARC so the difference of 28 no of trials has been deducted. The revised total budget is 23,850.
4.1.2	Training for technicians on AI (2 weeks)	Number	1 (4) (3)	1000	The target for 3 rd year is deleted and target of 2 nd year is reallocated for 5 th year to implement the AI training. The total number of AI training target is revised to 3, and the total revised budget to 3000.
8	Technical assistance service from FAO-TA	Lumpsum		60000	

1.2 Activities to increase the target/add in component A:

Budget in thousands (NPR).

S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Change in budget	Remarks
3.2.1 2	Crop cutting	Number	1200 (800) (2000)	720	To calculate the productivity of crops in project implemented RMs it was agreed to increase the number of crop-cutting exercises by 1200 nos. in year 5 taking the total target to 2000, and revised total budget to 1200



5.5	Group Support for drudgery reduction on farm machineries and equipment	Number	170 (160) (330)	11900	This program is in demand from female beneficiaries and also mentioned in PAD to overcome the drudgery. Through the savings due to USD exchange rate, the budget can be allocated for additional 170 number of farm machineries and the revised total target for this activity becomes 330, and revised total budget is 23,100.
5.6	Support for small irrigation programs	Number	570 (108) (678)	85500	This activity directly supports the PDO by increasing the productivity of crops in project areas and was a highly demanded activity from the FFS trainings and was found to be more feasible compared to micro-irrigation. Due to lack of funding, adequate budget was not allocated in the cost tab earlier. Due to exchange rate savings, budget can be allocated for additional 570 number of small irrigation program taking total target of this activity to 678, with revised total budget of 101,700 under component A.
6.4	Adoption support for poly-house farming system in hills	Number	300 (300) (600)	6800	To support the vegetable farmers, the project has requested an increase in the target for this activity which was proposed in the PAD and highly demanded by the farmers during FFS.. Due to lack of funding only 100 number of poly houses were targeted in the cost tab for year 5. Due to exchange rate savings, budget can be allocated for additional 300 number of poly houses in hills taking the total project target of this activity to 600, and the revised total budget is 10,200.

2. Major Activities to be revised in Component B:

2.1 Activities to decrease the target/ delete from component B:

Budget in thousands (NPR).



S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Change in budget	Remarks
5.1	Support to village markets, collection centers, Haat Bazar infrastructure rehabilitation/improvement	Number	8 (40) (32)	8000	The guidelines have been prepared, the market inventory has been completed, demand from farmer and PCUs has been identified, and the targets as per Result framework have been discussed at MTR. It was agreed to decrease 8 number of market structures and 14 number of processing & handling structures from cost tab. The revised total target for market structures is 32 with budget 32,000, and 48 for processing and handling structures with budget 72,000.
5.2	Support to establish handling and processing structures	Number	14 (62) (48)	21000	
5.4	International exposure visit to expand knowledge on productive alliances and market management	Number	1	9800	Due to the emergence of two cycles of COVID-19 pandemic the international exposure visits targeted for 3 rd year of project could not be carried out as international mobility was restricted due to national as well as international health protocols. The revised total target for this activity is 1, and the revised total budget is 12,000.

2.2 Activities to increase the target/add in Component B:

Budget in thousands (NPR).

S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Per unit budget	Change in budget	Remarks
1.10	Implementation of Farm Business School (FBS)	Number	32 (16) (48)	300	9600	During the fourth Review significant number of short-term training were deducted from cost tab as most of the target of 2 nd and 3 rd year could not be carried out due to COVID-19. These training have been incorporated into the FBS. Similarly, the project had initial target of 16 FBS to be implemented in the 16 RMs. It was agreed to increase the number of FBS by 32 taking the total target to 48 to be implemented by PCUs. Also, it was agreed that FAO-TA will



S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Per unit budget	Change in budget	Remarks
						further provide 1 TOF for technicians and 2 TOF for farmer facilitators to facilitate the 32 FBS. The budget has been reallocated through the deletion of the international exposure visit. The revised budget for total 48 FBS is 14,400.
4.4	Provision of matching grant to fund BPs	Number	49 (448) (661) (710)	600	29400	Due to exchange rate savings, there is an opportunity to add 49 matching grants (MGs). Since there are 1590 Producer Groups (PGs) under component B and 661 MGs are planned, the addition of 49 MGs will take the total to 710. The revised total budget for matching grants is 426,000.
2.8	Field verification for screening of matching grants	Number	48 (64) (112)	30	1440	This activity has been added in year 5 to effectively monitor and screen matching grants (MGs). The revised total target is 112.
8	Technical assistance service from FAO-TA	Lumpsum		60000		

3. Activities to be revised in Component C:

3.1 Activities to decrease the target/ delete from component C:

Budget in thousands (NPR).

S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Change in Budget	Remarks
1.3	Training to public outreach services for understanding of local nutrition impact pathways and to delineate respective roles and responsibilities (women's group, mother's group, influencers/change agents, FCHVs, social mobilizers,	Number	48 (144) (96)	1920	These activities were not completed as allocated in 2 nd and 3 rd year due to COVID-19 pandemic and various restrictions regarding health, mass gathering and mobility by GON amid COVID. It was agreed during the MTR to decrease the total 84 number of targets of these all activities from cost table. The revised total target for activity 1.3



S.N. of cost tab	Activities	Unit	Change in target (old) (new)	Change in Budget	Remarks
	Junior Technicians) (RM level) (1 day)				is 96 with a budget of 3,840; for activity 1.7 is 116 with a budget of 5,800; and for activity 1.8 it is 136 with a budget 4,080.
1.7	Training/orientation to local school teachers on importance of locally produced seasonal foods, vegetables, fruits and animal products consumption (RM level) (1 day)	Number	12 (128) (116)	600	
1.8	Orientation to school students on importance of locally produced seasonal foods, vegetables, fruits and animal products consumption (1 day)	Number	24 (160) (136)	720	
1.4	Qualitative assessment of local dietary practices by DFTQC.			1200	DFTQC completed this activity with budget 1200 out of 2400 allocated. So, the remaining 1200 is agreed for deletion during MTR. The revised budget is 1200.
1.5	Development and analysis of food recipes by DFTQC (complementary food based on local dietary habits, food environment, and energy needs)	Number	8	800	This activity was not completed by DFTQC in last fiscal year and PMU has thus made provision to complete this activity through its own budget. So, this activity is agreed to be deleted during MTR.

3.2 Activities to increase the target/add in component C:

Budget in thousands (NPR).

S.N.	Activities	Unit	Change in target (old) (new)	Per unit budget	Change in budget	Remarks
2.5	Providing small grants	Number	31 (549) (580)	500	15500	Due to exchange rate savings, there is an opportunity to add 31 small grants under component C. Since there are 840 mother/nutrition Groups under component C and 549 small grants are



						planned, the addition of 31 Small grants to make it total of 580. The revised total budget for small grants is 290,000.
2.8	Field verification for screening of small grants	Number	48 (64) (112)	30	1440	This activity has been added in year 5 to effectively monitor and screen small grants. The revised total target for this activity is 112, and budget is 3,360.
3.7	Distribution of nutritious fruit saplings	Number	61500 (60000) (121500)	.08	4920	There has been some saving under component C through reduction of some activities. Since providing fruit saplings will provide sustainable return to the beneficiaries, it was agreed to provide an additional 61,500 nutrition fruit saplings. The revised total target is 121,500, with a total revised budget of 9,720.

Note: All the activities proposed for revision are within their own component and within their same budget range as discussed and agreed in MTR. Based on the discussions held during MTR among PMU, WB, NARC, FAO, FAO-TA and PCUs, project will revise its annex 7.1 (activity, cost & action plan) of PIM in relation to the above table.