



Food and Agriculture Organization of the United Nations

PROJECT DOCUMENT

Upon request from the Government of Nepal, represented by the Ministry of Agriculture and Livestock Development, the Food and Agriculture Organization of the United Nations (FAO) will provide technical assistance for the following Project:

Project Title:	Improved Food and Nutrition Security through Diversified Income Generation and Empowerment
Project Symbol:	GCP /NEP/086/GAF

Upon signature of this project document by duly authorized representatives of both parties, the project will be implemented in accordance with the provisions of Exchange of Letters between the Government of the Federal Democratic Republic of Nepal and FAO on the establishment of an FAO Representation in Nepal signed on 24 February 1977 and 10 February 1977 respectively, *and* the United Nations Sustainable Development Cooperation Framework 2023-2027 signed between the Government of Nepal and the United Nations in 2023 as well as the project description and management arrangements described herein.

On behalf of:	On behalf of:
The Government of Nepal	The Food and Agriculture Organization of the United Nations
Name:	Name: Ken Shimizu
Title:	Title: FAO Representative for Bhutan and Nepal
Date:	Date:

Project Title:	Improved Food and Nutrition Security through Diversified Income Generation and Empowerment
Project symbol:	GCP /NEP/086/GAF
Recipient Country(ies):	Nepal
Government(s)/other counterpart(s)	Nepal Agriculture Cooperative Central Federation Ltd (NACCFL)
Expected EOD (Starting Date):	01 November 2024
Expected NTE (End Date):	30 November 2028
Contribution to FAOs Strategic Framework:	<p>a. Programme Priority Area(s) (PPA/s):</p> <p><i>Better production</i></p> <ul style="list-style-type: none"> -BP1: Innovation for sustainable agriculture production -BP4: Small-scale producers' equitable access to resources <p><i>Better nutrition</i></p> <ul style="list-style-type: none"> -BN2: Nutrition for the most vulnerable -BN5: Transparent markets and trade <p><i>Better Environment</i></p> <ul style="list-style-type: none"> -BE3: Biodiversity and ecosystem services for food and agriculture <p><i>Better life</i></p> <ul style="list-style-type: none"> -BL1: Gender equality and rural women's empowerment -BL2: Inclusive rural transformation -BL4: Resilient agrifood systems -BL5: Hand-in-Hand (HIH) -BL6: Scaling up investment <p>b. SDG target(s):</p> <p>2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round</p> <p>2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons</p> <p>2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial</p>

	<p>services, markets and opportunities for value addition and non-farm employment</p> <p>2.a Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries</p> <p>2.c Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility</p> <p>c. Country Outcome(s):</p> <p>d. Country Programming Framework(s) Output(s):</p> <p>CPF Priority Area 1: Sustainable agri-food system transformation and inclusive socio-economic development</p> <p><i>Outcome 1.1: Enhanced production and productivity of crops, livestock and fishery through provision of policy support, resilient technologies, capacity building, farm mechanization, production inputs and other support services</i></p> <p><i>Outcome 1.2: Improved agriculture research and extension linkages for efficient delivery and adoption of appropriate technologies, extension and marketing services</i></p> <p>e. Regional Initiative/Priority Area:</p>
Environmental and Social Risk Classification	low risk <input checked="" type="checkbox"/> moderate risk <input type="checkbox"/> high risk <input type="checkbox"/>
Gender Marker	GM 0 <input type="checkbox"/> GM 1 <input checked="" type="checkbox"/> GM 2 <input type="checkbox"/>
Total Budget:	USD 2.45 million
<p>Executive Summary</p> <p>Nepal Agriculture Cooperative Central Federation Ltd (NACCFL) is an apex body of Producer's Organizations (POs)/Agriculture Cooperatives in Nepal. Mainapokhar, Padnaha, Kalika, Deudakala, and Basgadhi are the POs currently producing and marketing agriculture commodities including oil seeds in Bardiya district. Mainapokhar Small Farmer Agriculture Cooperative alone is extracting 80,000 litters mustard oil/year and supplying outside markets since a decade. However, the production volume is very small to meet the market demand. "Kisan Ko Poko" (KKP), an online marketing platform, and Market Information Management System (MIMS) for online retailing and establishment of cooperative-to-cooperative (C2C) marketing, are some of NACCFL's initiatives aimed at helping POs members to market their produce. NACCFL aims to expand/upscale its ongoing activities through the Global Agriculture and Food Security Programme (GAFSP)-funded project with a view to strengthen the legal framework, improve accountability, transparency, and efficiency, ensure compliance with the Cooperative Act, and enforce regulations to contribute to developing sustainable POs. GAFSP has allocated USD 2.45 million for this project, scheduled from November 2024 to November 2028. NACCFL is contributing USD 77 thousands as co-financing for this project.</p>	

The project development objective (PDO) is to “enhance food and nutrition security and livelihood resilience among the most vulnerable and food insecure households in the Bardiya district of Nepal, with a particular focus on gender and social inclusion”. FAO TA will oversee all of the five project component indicators: (i) increased household income (farm and off-farm) , (ii) improved score on the Food Consumption Score (FCS) by direct beneficiaries (gender disaggregated), (iii) improved dietary intake for pregnant and nursing women, and children between 6-and 24-months, (iv) number of people receiving direct benefits (person, disaggregated by number of females), and (v) agricultural/land area where climate resilient or sustainable agriculture practices are implemented (hectare) (PDO 5). The project consists of four interconnected components: (a) increased income through the mustard-based value chain development, (b) diversified and more climate-resilient farming systems, (c) improved nutrition awareness at the household level, and (d) empowered POs for resilient community.

As the project areas have been severely impacted by the COVID-19 pandemic, supply chain disruptions, and food price inflation, this project aims to enhance food and nutrition security and increase the income for vulnerable groups, scale up climate-resilient sustainable agricultural practices, and provide agricultural inputs and services for the 8593 project beneficiaries by placing strong emphasis on supporting female farmers (beneficiaries are 75 percent women and around 55 percent from the indigenous Tharu community). The project targets to increase household income by 25% (farm and off-farm), improve the Food Consumption Score (FCS) of the direct beneficiaries (gender disaggregated) by 45%, and improve dietary intake for pregnant, nursing women and children (6-24 months age) by 35%, compared to the baseline.

FAO's TA will focus on five key areas:

- (a) capacitate NACCFL and POs on good governance, leadership development and inclusion with ensuring quality control in project interventions;
- (b) capacitate NACCFL and POs on developing Mustard-based Value Chain and strengthen the present capacity of their oil mills;
- (c) improve the agriculture extension support services and adoption of climate resilient livestock and crop production technologies through FFS and other educational activities and livelihood support for the POs and their members;
- (d) establish market linkages for smallholder farmers through strengthening the “Kisan ko Poko” (KKP) platform and cooperative-to-cooperative (C2C) marketing model; and
- (e) promote household nutrition through implementing home nutrition gardens, school nutrition garden, nutrition field school (NFS) and other nutritional awareness activities.

These activities aim to enhance project effectiveness, strengthen the capacities of NACCFL/POs as service providers and support POs’ members, as the project beneficiaries. The TA includes mobilization of technical experts, provision of capacity development for facilitators to enhance the efficacy of field-level activities and support to project management and implementation.

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ACRONYMS

ADB	Asian Development Bank
ADS	Agriculture Development Strategy
AGDP	Agriculture Gross Domestic Product
ASDP	Agriculture Sector Development Programme
BCC	Behavioral Change Communication
BE	Better Environment
BH	Budget Holder
BL	Better Life
BN	Better nutrition
BP	Better production
C2C	Cooperative-to-Cooperative
CPF	Country Programming Framework
CSOs	Civil Society Organizations
DPs	Development Partners
EOD	Starting Date
FANSEP	Food and Nutrition Security Enhancement Project
FAO	Food and Agriculture Organization of the United Nations
FCS	Food Consumption Score
FFS	Farmers Field School
FYM	Farm Yard Manure
GAFSF	Global Agriculture and Food Security Programme
GDP	Gross Domestic Product
GESI	Gender Equity and Social Inclusion
GHG	Green House Gas
GIZ	German Agency for International Cooperation
GOE	General Operating Expenses
GoN	Government of Nepal
HACCP	Hazard Analysis Critical Control Points
HH/hh	Household
HNG	Home Nutrition Gardens
HQ	Head quarter
ICT	Information Communication Technology
IEC	Information, Education, and Communication
IFAD	International Fund for Agriculture Development
INGO	International Non-Government Organization
IS	Implementation Support
KKP	<i>Kisan Ko Poko</i> (Bundle of farmer's produces)
LTO	Lead Technical Officer
M&E	Monitoring and Evaluation
MDD	Minimum Dietary Diversity
MIMS	Market Information Management System
MSNP	Multi-Sector Nutrition Programme
MSP	Multi-stakeholder Platform
MTP	Medium Term Plan
NACCFL	Nepal Agriculture Cooperative Central Federation Ltd
NARC	Nepal Agriculture Research Council
NFS	Nutrition Field School
NGO	Non-Government Organization
NLSIP	Nepal Livestock Sector Innovation Project

NTE	End Date
PAD	Project Appraisal Document
PDO	Project Development Objective
PIM	Product Information Management
PMAMP	Prime Minister Agriculture Modernization Project
PMU	Project Management Unit
PO	Producer Organization
PPAs	Programme Priority Areas
PTF	Project Task Force
RAP	FAO Regional Office for Asia and the Pacific
REED	Rural Enterprise and Economic Development Project
SDG	Sustainable Development Goal
SE	Supervising Entity
SKBBL	Sana Kisan Bikas Laghubittiya Sanstha
SNG	School Nutrition Garden
TA	Technical Assistance
TBD	To be Determined
TCP	Technical Cooperation Programme
TL	Team Leader
UN	United Nations
US\$	United State Dollar
UTF	Unilateral Trust Fund

SECTION 1 – RELEVANCE

1.1 Strategic direction of the project

The project is well aligned with the FAO Strategic Framework, the SDGs, country level FAO-Government outcomes, beneficiaries' needs as reflected in the Country Programming Framework (CPF) and it will be able to contribute to the higher-level results.

1.1.1 Alignment to FAO Strategic Framework, SDGs and Country Programming Framework

The project is well aligned with **Programme Priority Area(s)** (PPA/s) focus for *better production* through innovation for sustainable agriculture production (BP1) and small-scale producers' equitable access to resources (BP4); *better nutrition* through nutrition for the most vulnerable (BN2) and transparent markets and trade (BN5); *better environment* through biodiversity and ecosystem services for food and agriculture (BE3); and *better life* through gender equality and rural women's empowerment (BL1); as well as inclusive rural transformation (BL2); resilient agrifood systems (BL4); Hand-in-Hand (HIH) (BL5); and scaling up investment (BL6).

The project is aligned with SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture. It also contributes to SDG 5: Gender Equality with the economic empowerment of women through the targeted outreach. This project will promote climate adaptation with an integrated and diversified farming approach, which aligns with and contributes to SDG 13: Climate Action and the National Adaptation Plan of Nepal. to the project will address the following **SDG targets** : ending hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round by 2030 (SDG target 2.1); end all forms of malnutrition by 2025 achieving the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons by 2030 (2.2); double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment by 2030 (2.3); increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries (2.a); and adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility (2.c)

The project will relate to FAO-government outcomes as reflected in the **Country Programming Framework** (CPF) or other relevant documents specially on sustainable agri-food system transformation and inclusive socio-economic development (CPF Priority Area 1) through the enhanced *production and productivity of crops, livestock and fishery through provision of policy support, resilient technologies, capacity building, farm mechanization, production inputs and other support services* (Outcome 1.1) and *improved agriculture research and extension linkages for efficient delivery and adoption of appropriate technologies, extension and marketing services* (Outcome 1.2).

The project is well aligned to the **Constitution of Nepal** (2015) and the Right to Food and Food Sovereignty Act (2018), which have clearly highlighted the need to step up food production, enhance supply chain and service delivery, target the vulnerable and deprived communities particularly women

and children for recovery and rural economic development. The project aims to increase the access of small holder farmers to agriculture technologies and support services, promotion of agribusiness, increase the percentage of AGDP and GDP, agriculture trade balance, increase the agriculture labour productivity, decreasing the rural poverty and food poverty, and enhance food and nutrition security aligning with the Agriculture Development Strategy 2015- 2030 (ADS). The project is also aligned with the objective of Zero Hunger Challenge National Plan of Action (2016-2025) that aims at ending hunger and malnutrition based on people's access to adequate, nutritious and affordable food all year round. The project considered the country periodic plan (Fifteenth Plan, 2019/20-2023/24) and multi-sector nutrition plan (MSNP, 2018-2022) during its project preparation. It is also in line with the National Commitments on the UN Food Systems Summit 2021 for Transforming Food Systems in Nepal: The Context, Pathways and all 7 Action Tracts¹.

More recently the Government of Nepal has prepared action plans to address the impact of COVID-19 pandemic and price escalation for the short-medium term and long-term period, as outlined below.

Short to medium term activities:

- a) Create an environment of normal transportation for carrying agriculture inputs and products.
- b) Ensure timely availability of improved seeds and fertilizers and supply of irrigation water as per the requirement of crops.
- c) Improve seed replacement rate through distribution of better-quality seeds.
- d) Opening of retail and wholesale fresh markets and no restriction to open inputs supplier shops.
- e) Promotion of short duration farm activities and construction of agriculture infrastructures which create immediate jobs for the most vulnerable rural farmers and agro-based wage labor.
- f) The initiation and functioning of digital marketing along with the virtual service delivery of technologies and inputs will play an important role.
- g) Development of entrepreneurship skills and technological transfer for the rural farmers specifically for youth, women and returnee migrants to increase household incomes through improved market supply chain of farm products.
- h) Initial support with increased investment in agriculture infrastructure e.g., market centres, cold storage, rehabilitation of community managed small irrigation has multiplier positive effects on livelihoods of the rural population along with short term employment.

Long-term activities:

- a) Capacity building of local government and implementation of policy measures to increase production and resilience of farming systems.
- b) Self-sufficiency in basic food grains.
- c) Improve livestock systems through better feeding, breeding, health and market systems.
- d) Use targeted subsidies for specific categories of farmers and farm outputs.
- e) Increase investment in agriculture research and development.
- f) Improve market access and commodity supply chain.
- g) Increase investment in agriculture infrastructures.
- h) Input supply and technical support to increase production and productivity of crops and livestock.
- i) Recovery through fiscal and monetary policies.
- j) Strengthen capacity and ensure effective coordination among government agencies.
- k) Detailed assessment and recovery program.

¹ [230301032250Food Systems Dialogues 2021-Country Report Nepal.pdf \(npc.gov.np\)](https://www.npc.gov.np/publications/230301032250Food%20Systems%20Dialogues%202021-Country%20Report%20Nepal.pdf)

In addition to the above, the Government of Nepal has launched several projects/programs in support of agriculture development, including: the ADB funded Nuts and Fruits in Hilly Areas Project, IFAD's funded Agriculture Sector Development Programme (ASDP), World Bank-funded projects such as the Rural Enterprise and Economic Development Project (REED), Nepal Livestock Sector Innovation Project (NLSIP), and Food and Nutrition Security Enhancement Project (FANSEP), GIZ-funded Green Resilient Agriculture Production Ecosystems Project and GON's Prime Minister Agriculture Modernization Project (PMAMP).

The GAFSP-funded project is aligned to all the above-mentioned Government's projects and initiatives, and it will directly and indirectly contribute to them in synergy with other development partners. This project is also well aligned with the FAO's country priorities, strategic framework and medium-term plan. In particular, the project is well aligned with the indicative priority areas indicated in FAO Nepal's Country Programming Framework (CPF) (2023-2027).

1.1.2 Theory of Change, Problems to be addressed and Expected Results

The most vulnerable and food insecure households in the Badhaiyatal Rural Municipality, Bansgadhi Municipality, and Barbardiya Municipality of Bardiya district in Nepal will have enhanced food and nutrition security and livelihood resilience through the project – "Improved food and nutrition security through diversified income generation and empowerment."

The project primarily targets the most vulnerable and food insecure households, focusing on marginalized, socially, and economically disadvantaged groups, in particular women and indigenous groups. Beneficiaries will include 75% women, around 55 percent from the Tharu community, and 25% youth. Enhanced food and nutrition security and livelihood resilience will be realized through three different PDO level indicators: a) increased household income (farm and off-farm, target -baseline+25%); b) improved Food Consumption Score (FCS) by direct beneficiaries (gender disaggregated) (target - baseline+45%); c) improved dietary intake for pregnant and nursing women, and children between 6-24 months (target - baseline+35%). The impact indicator will be monitored through the baseline, midline, and endline surveys on household income (farm and off farm), FCS, and Minimum Dietary Diversity (MDD) for Women and Children, technical & economic monitoring reports and the progress reports. Related indicators at the PDO level, outcome level, and output level are given in Annex I: Logical Framework. These indicators will be monitored and mentioned through the household survey report, technical & economic monitoring reports and progress reports. The outcomes will be based on the assumption that: a) no extreme natural calamities will occur during project implementation; b) POs encourage women & youth participation; and c) the Project Coordination Committee works effectively.

The project is fully aligned with the scope and objectives of the GAFSP as described in the guidelines of the PO-led Call for Proposals. Overall, the project interventions revolve around all three of the GAFSP's cross-cutting priority themes: addressing climate change, increasing food and nutrition security, and empowering women. In addition, the project also aims to improve the technical, operational, and governance capacities of the POs to better support their members' livelihoods and resilience.

.....

Improved Food and Nutrition Security through Diversified Income Generation and Empowerment

Theory of Change

The most vulnerable and food insecure households in the Badhaiyatal Rural Municipality, Banskadhi Municipality, and Barbardiya Municipality of Bardiya district in Nepal have enhanced food and nutrition security and livelihood resilience.



Figure 1: Theory of Change

1.1.2.1 Impact

1.1.2.2 Outcome(s)

To achieve its PDO, the project will strive to solve the interlinked issues in the project area through coordinated actions with farmers at the core, as well as to ensure that the technology and methods developed and distributed meet farmers' needs and interests. Overall, the project will have the following four outcomes:

Outcome 1 - Improved governance and management capacities of POs to deliver resilient services to its members.

The POs in the project area are facing challenges in terms of compliance with the new cooperative act and financial reporting, as per the regulation and branding/certification of their products. The cooperatives fall under the concurrent jurisdiction of all the three tiers of the governments. The Cooperative Act 2017 has provision to regulate cooperatives through federal, provincial, and local governments for cooperatives promotion, registration and regulation. There are overlapping jurisdictions and conflicting regulations between three tiers of government agencies, creating confusion and complicating the financial reporting and regulation of the cooperatives.

The Cooperative Act of 2017 stipulates that at least 30% of the main transactions of a cooperative should pertain to the primary business for which it was established. It is essential for maintaining the integrity and focus of cooperatives. However, businesses are not registered under the name of a cooperative in Nepal due to other numerous conflicting acts and regulations. This situation presents several challenges and implications for the cooperative sector. Cooperatives faces difficulties in proving compliance with the 30% transaction rule if their business activities are not registered under the cooperative name. In addition, without registration in the cooperative's name, there is confusion about the ownership and management of business activities, and branding/product certification.

The POs are also lagging in terms of using digital technologies, tools, and platforms to improve governance, operation, and management. TA will focus on provision of capacity development in financial literacy, cooperative management, account keeping, business plan, and leadership development. The strengthened POs capacities are expected to ensure sustained and effective support for the POs members. In order to achieve Outcome 1, the following four outputs have been determined:

Output 1.1: POs capacity on governance, cooperative performance, and financial management strengthened.

The project will provide training to the POs on strengthening their governance, PO operations, and financial management. NACCFL has found the weak performance of the POs on financial literacy, cooperative management, account-keeping, and business plan preparation while implementing other projects in Nepal. That is why NACCFL aims to provide training packages to POs on financial literacy, cooperative management, account-keeping, and business plan preparation. The trainings will also focus on building the capacity of the POs on the use of digital technologies, tools, and platforms to improve governance and management. Strengthening POs capacity in governance, cooperative performance, and financial management is essential to empower them to become more effective, sustainable, and resilient. It will enhance their ability to serve their members, promote inclusive economic growth, and contribute to community development.

Activities:

1.1.1 Capacity development training: Capacity development training will be provided for POs on governance, cooperative performance, and financial management. A total of ten events with 25 persons/event, spanning over four days each, is envisioned. Focus will be on curriculum development and conduction of the training. The activities and the role of TA and POs for output 1.1 are given in Table 1.

Table 1: Activities and role and responsibility of TA and POs for output 1.1

SN	Activity/sub-activity	Role of TA	Role of POs
1.1.1	Based on the capacity assessment, provision of capacity development (training modality) for POs on governance, cooperative performance, & financial management (10 events each of 4 days, 25 persons/event)	Curriculum development Resource persons support Facilitation of training	Training conduction with logistic support
	Other activities		
1.1.2	Start Up workshop and formation of Project Steering Committee (5 events, 25-person per event)	Facilitation of the meeting and workshops	Conduction of Workshop Logistic support DCC formation & meeting
1.1.3	Project Closing Workshop (6 events, 100 persons)	Facilitation of the workshops	Conduction of Workshop

Output 1.2: POs capacity on gender & social inclusion strengthened.

Enhancing gender and social inclusion in POs will be another important element of outcome 1, with a view to promote inclusive and sustainable agricultural growth by addressing the gender and social disparities that exist within POs and creating an enabling environment that promotes equality, participation, and inclusion. The project will conduct training for POs to promote gender-sensitive policies and training on leadership and governance for women's groups.

Activities:

1.2.1 Gender and Social inclusion training: Capacity development training on gender and social inclusion will be conducted for the POs. A total 10 events with 25 persons/event for the duration of two days is envisioned. Key elements will include curriculum development/revision, training conduction and reporting.

1.2.2 Leadership training: Leadership training is targeted for the women's group. Ten events are targeted for 25 persons/event (with two-day duration each). Detail of the activities and the role of FAO/TA and POs for this output is specified in Table 2.

Table 2: The activities and the role and responsibility of TA and POs for output 1.2

SN	Activity/sub-activity	Role of TA	Role of POs
1.2.1	Capacity development training of POs on gender and social inclusion (2 days, 10 events, 25 persons/event)	Curriculum development Resource persons support Facilitation of training	Training conduction with logistic support
1.2.2	Leadership training for women's group (2 days, 10 events, 25 persons/event)	Curriculum development Resource persons support Facilitation of training	Training conduction with logistic support

Output 1.3: Business Plan and Market Implementation Guidelines of POs developed

The project will provide support to POs for developing a business plan and market implementation guidelines, which are crucial elements for the success and sustainability of POs. These documents serve

as roadmaps for guiding the strategic direction, operations, and market engagement of POs, ensuring their competitiveness and long-term viability.

Activities:

1.3.1 Preparation of Guidelines: A total of 5 sets Market Implementation Guidelines & Business plan including market component will be prepared. The activities and the role of TA and POs for output 1.3 is given in Table 3.

Table 3: Activities and role and responsibility of TA and POs for output 1.3

SN	Activity/sub-activity	Role of TA	Role of POs
1.3.1	Preparation of Market Implementation Guidelines & Business plan including market component (5 sets)	Preparation of guidelines Verification of business plan	Implementation of the program

Output 1.4: Food safety, food and nutrition security, and market development promoted and advocated through PO led awareness event

PO led community awareness activities (on food safety, food and nutrition security & market development) will be carried out. This awareness event will educate farmers and other stakeholders, raise awareness, and advocate for practices that enhance food safety, ensure nutrition security, and foster market development, thereby contributing to the well-being of producers and consumers.

Activities:

1.4.1 PO led community awareness activities: A total of 25 events, PO led community awareness activities on food safety, food and nutrition security & market development will be conducted. Focus will be on preparation of awareness program, provide technical support to POs and community sensitization. The activities and the role of TA and POs for output 1.4 is given in Table 4.

Table 4: Activities and role and responsibility of TA and POs for output 1.4

SN	Activity/sub-activity	Role of TA	Role of POs
1.4.1	PO led community awareness activities (on food safety, food and nutrition security & market development) (25 events)	Preparation of awareness program Technical support	Community sensitization

Output 1.5: Project management

Project management will encompass the establishment of a Project Steering Committee that will meet regularly; inception workshop; project monitoring, inclusive of baseline survey, mid-term review and rapid impact assessment; documentation and periodic reporting; and project closing/hand over. These activities will be carried out on the basis of FAO/GAFSP provisions on project management. The role of NACCFL will mainly be on field activities and data generation and FAO/TA on technical support, documentation and reporting.

Outcome 2 - Farm productivity, production, and market access of smallholder farmers improved through Mustard-based value chain.

The Outcome 2 will support the PDO by enabling at least 8,593 small-scale producers to increase their revenues from mustard-based value chain. The mustard-based value chain will serve as a stable income generation source for the beneficiaries' households. The strengthening of linkages between already functional mustard processing cooperatives and newly identified cooperatives for mustard production, along with the provision of microfinance, is expected to provide the opportunity for income generation and improved livelihoods for smallholder farmers. In order to achieve Outcome 2, the following three outputs have been determined:

Output 2.1: Mustard processing facility upscaled and upgraded

The project will establish a project-level Multi-stakeholder Dialogue Platform (MSP) comprising key actors, stakeholders, policymakers, and enablers to develop and promote the mustard-based value chain in the project area. The project will support the upscaling of mustard oil processing facilities in Mainapokhar. Mainapokhar Small Farmers Agriculture Cooperative Limited is the name of the PO located in Mainapokhar, Badhaiyatal Rural Municipality. Padnaha, Kalika, Deudakala, and Basgadhi also refers to Small Farmers Agriculture Cooperative (SFACL) at the periphery of Mainapokhar. The project aims to upscale successful activities of the PO which, in; line with the GAFSP 7th Call's requirements. Mainapokhar SFACL produces and sells 80,000 liters of mustard oil from 200 metric tons of mustard seeds annually. Considering more demand for mustard oil in the market, the project was strategically designed to scale up existing oil mill in Mainapokhar SFACL with other components integrated. The scaling up of oil mill in the Mainapokhar SFACL also focused on establishing linkages with other adjacent partner cooperatives (Padnaha, Kalika, Deudakala, and Basgadhi) that will receive supports for the upscaling of mustard production and promotion of mustard-based farming system. The project will also implement the Hazard Analysis Critical Control Points (HACCP) activities in processing, packaging, and marketing to increase the production of quality mustard oil.

Activities:

2.1.1 Equipment distribution: Different equipment needed to POs for the oil mill will be provided, including: oil expeller machine (9bolt, 1unit), drum (2000 litres, 4 units), packaging machine (1 unit), packaging materials (1 time), filter machine (1 unit), lab test equipment with consumables (1set). Existing other machineries including the old oil expeller machine (1 unit 6 bolt), oil expeller machine (28 patri, 1unit), filter machine (2), electric motor (20 HP, 2), mustard seed cleaning machine (1), drum (500 ltr-8, 1000 ltr-1, storage room (500 metric ton) partitioned to store mustard seed and mustard oil both will be upgraded for a single time. Procurement, transportation, installation, Operation & maintenance will be major steps.

2.1.2 Training package for POs: The training package included HACCP implementation (1 unit) with certification and the three-days product packaging, grading, labelling (two times, 15 persons/time) trainings. Preparation of guidelines, manual, monitoring and the field level implementation are the major steps for this activity. The activities and the role of TA and Mainapokhar PO on achieving the output 2.1 is given in Table 5.

Table 5: Activities and role and responsibility of TA and POs for output 2.1

SN	Activity/sub-activity	Role of FAO	Role of PO
2.1.1	Equipment distribution to POs [Oil expeller machine (9bolt, 1unit); Drum (2000 litres, 4 units); Packaging Machine (1 unit); Packaging materials (1 time); Filter machine (1 unit); Lab test equipment, with consumables (1set); and Upgrading existing other machineries (old oil expeller machine (1 unit 6 bolt), oil expeller machine (28 patri, 1unit), filter machine (2), electric motor (20 HP, 2), mustard seed cleaning machine (1), drum (500 ltr-8, 1000 ltr-1, storage room (500 metric ton) will be upgraded for a single time)	Procurement, transportation & installation	Operation & maintenance
2.1.2	Training package for POs: <ul style="list-style-type: none"> • HACCP implementation (1 unit) with certification • Product packaging, grading, labelling (3 days, 2 times, 15 persons/time) 	Preparation of guidelines, manual and M&E	Implementation

Output 2.2: Marketing capacity and market linkages of PO strengthened.

NACCFL's "Kisan ko Poko" will facilitate market linkages for the increased mustard oil production. The project will provide training on market management and promote digital marketing.

2.2.1 Support to marketing & digital solutions: Support to marketing and digital solutions covers provision of audio and video materials (1/1 set, 1 time), digital marketing content development (1 time), marketing software support to link KKP and PO (1 time), website and digital platform of KKP and POs (1 time) and orientation and technical support for branding (1 time, 5 persons, management and marketing personnel of Mainpokhar SFACL). Project will hire marketing professional who will provide technical support for branding the mustard oil produced and then the orientation will be given to the relevant personnel regarding branding by the expert who will provide technical support.

NACCFL/PO doesn't have existing software for KKP. There is a need for developing KKP software and there is also need of training to operate the developed software. The Orientation and technical Support for branding refers to the orientation to the Mainpokhar SFACL.

2.2.2 Multi-stakeholders platform: A multi-stakeholders platform, led by NACCFL, will be established. Periodic consultation meeting of 20 persons/event will be carried out for the discussion and communication between the stakeholders.

2.2.3 Training on marketing management: Training for PO members will be provided on marketing management (2 days, 10 events, 25 persons/event). Detail of the activities and the role of TA and POs on achieving output 2.2 is specified in Table 6.

Table 6: Activities and role and responsibility of TA and POs for output 2.2

SN	Activity/sub-activity	Role of FAO	Role of POs
2.2.1	Support to marketing & digital solution		
2.2.1.1	Provision of audio and video materials (1/1 set, 1 time)	Preparation and broadcasting of audio and video materials	Use of the audio and video materials
2.2.1.2	Digital marketing content development (1 time)	Development of digital marketing content	Use of the digital marketing content
2.2.1.3	Marketing software support to link KKP and PO (1 time)	Software preparation for KKP	Implementation of KKP
2.2.1.4	Upgrade of website and digital platform of KKP and POs (1 time)	Up-grading of website and software to launch e-commerce platform	Use of digital platform
2.2.1.5	Training and technical support for branding (1 time, 5 persons)	Training on branding Technical support on branding	Participation in orientation and training
2.2.2	Multi-stake stake holder's platform's consultation meeting (20 persons/event)	M&E	Encouraging POs in participation Facilitation of meetings Implementation of the decisions
2.2.3	Training on marketing management (2 days, 10 events, 25 persons/event)	Facilitation of Training M&E	Encouraging POs in participation Co-facilitation of trainings

Output 2.3. Mustard-based farming system promoted

Mustard is a major cash crop for farmers in the Bardiya district and is grown in both irrigated and rainfed conditions, with the Paddy-Mustard-Maize cropping pattern. However, there is a need to supply quality improved mustard seeds and other inputs to improve productivity. The project will support smallholder farmers to increase the production and productivity of mustard and other oilseed crops by: (i) supporting implementation of improved Package of Practices (PoP) of mustard; ii) building capacity of farmers on the adoption of mustard base farming; (iii) supporting the provision of improved seeds; and (iv) organising FFS on mustard-based farming. Instead of monocropping and targeting only a single commodity, the project interventions will be directed to mustard-based improved farming system. This approach will contribute to improve production of mustard, provide more stable livelihood for farmers, as well as foster agro-biodiversity and promote scientific nutrient management.

Activities:

2.3.1. Training of Trainers (ToT) on improved mustard-based farming for field staffs, local extension officers and lead farmers: The 5-day ToT aims to equip field staffs under NACCFL, local extension officers, and lead farmers with comprehensive knowledge and practical skills on improved mustard-based farming practices and will equip them to facilitate the FFS and train other farmers in their respective areas. Overall, this training will strengthen a network of 30 field-level extension agents (50% female) and it will equip them to train other farmers and promote sustainable best practices for mustard-based farming. FAO will support the development of a comprehensive curriculum of ToT on mustard-based farming, provide resource persons, and facilitate the training. NACCFL will manage overall logistic for the training and coordinate with the targeted local POs and the local government for the participants.

2.3.2. Field level training: The 3-days field level training aims to ensure that farmers gain practical, hands-on experience and knowledge on best practices of mustard-based farming, helping farmers to enhance their skills and improve mustard productivity and production. FAO will design the training

package, support with resource persons, and facilitate the training. This training will also mobilize the pool of extension agents developed through the ToT on mustard-based farming. NACCFL will manage overall logistics for the training and coordinate with the targeted local POs for the participation of their members. Overall, 50 trainings will be conducted with 10 field-level training in each of five targeted POs. The training will enhance the capacity of 1,250 farmers (50% women).

2.3.3. Input distribution: The input distribution activity aims to enhance agricultural productivity and sustainability by providing essential agricultural inputs and equipment to farmers. The input support package including high-quality mustard seeds/seedlings to 4,675 farming household from marginalized Tharu community and Mukta Kamaiya ensures higher yields and production of mustard. The distribution of 20 units mini hand tractors/power tillers to five targeted Pos, will help POs to operate a machinery rental service to farmers and promote mechanized farming practices. In addition, support of 45 units of small irrigation packages (pipes and hand pump/motor set) to farmer groups in five POs aims to enhance irrigation facilities and water management for small-scale producers. FAO will ensure timely technical verification and efficient procurement processes and transportation to meet distribution timelines. NACCFL in coordination with targeted POs and supervision of FAO will facilitate and ensure input distribution.

2.3.4. Farmer's Field School (Mustard based, Agriculture related trainings, business plan): The Farmer's Field School (FFS) focuses on empowering farmers to improve their farming techniques and adopt best practices in mustard-based farming practices and develop sustainable business plans for better economic outcomes. FAO will design FFS curriculum and training materials for this activity. NACCFL will manage logistics and coordinate FFS in partnership with targeted POs. NACCFL's field-based staffs and pool of capable extension agents from ToT on mustard-based farming system will be mobilized for conducting FFS sessions under the supervision of the FAO. Overall, 45 FFS in five POs will enhance the capacity of 1,125 farmers (50% women). The activities and the role of TA and POs on achieving the output 2.3 are specified in Table 7.

Table 7: Activities and role and responsibility of TA and POs for output 2.3

SN	Activity/sub-activity	Role of TA	Role of POs
2.3.1	ToT on improved mustard-based farming for field staffs, local extension officers, PO members and lead farmers under each POs (5 Days, 1 event, 30 persons)	Curriculum development Resource persons support Facilitation of ToT training	Co-facilitation on ToT training
2.3.2	Field level training (3 days, 50 events, 25 persons/event)	Resource persons support Facilitation of training	Training conduction
2.3.3	Input distribution		
2.3.3.1	Input support packages (seed/seedling, etc) (4675 hhs, 50% Female:)	Technical verification, Procurement & transportation	Distribution of inputs Implementation support
2.3.3.2	Mini Hand Tractor/power triller (for cooperatives) (20 units)	Procurement & transportation of Tractor/power triller	Distribution of Tractor/power triller
2.3.3.3	Pipes, hand pump/motor set (small irrigation support) (45 sets)	Procurement & transportation of materials	Distribution of materials
2.3.4	Farmer's Field School (Mustard based, Agriculture related trainings, business plan) 45 FFS	FFS design, preparation of training materials; Mobilization of the facilitators	Conduction of FFS Logistic management

Outcome 3 - Reduced risk and vulnerability of the most vulnerable and food insecure farmers through an improved climate-resilient farming system.

The Outcome 3 will support the PDO by ensuring that at least 4,675 target farming households (i.e. the most vulnerable and food insecure) are more climate resilient. This will be achieved by promoting integrated and diversified farming as a crucial component of a sustainable and climate-resilient farming system. Diversified farming will include livestock (poultry, pigs, and fish) production, home nutrition gardens, adoption of climate-smart agriculture, and the establishment of a local resource centre. This approach combines different types of crops, kitchen gardens, and livestock to maximize their complementary benefits while minimizing negative impacts on the environment. It is expected that such approach will adequately address food security and increase and diversify farmers' income. In order to achieve Outcome 3, the following three outputs have been determined:

Output 3.1: Improved access to nutrition garden related input and services

The project will establish demonstration farms of home nutrition gardens (HNG) and school nutrition gardens (SNG) for fifty households and five schools, and it will provide HNG package support for farmers. Demonstration of HNG and SNG will focus on the supply of adequate, safe, diversified, and nutrient-rich food all year round, utilizing resources available in farmers' own surrounding. School teachers, students and rural women, will be involved in this program. HNG packages will be massively distributed to 4,675 beneficiaries households (50% Female).

Activities:

3.1.1 ToT training on Nutrition and Nutrition Gardening: PO members, including frontline extension workers of local governments and project technicians, will be provided ToT training. This will equip the POs with the skills and knowledge/methodology for promoting the School and the Home Nutrition Gardening (S/HNG), as well as enhancing household nutrition in the project area.

3.1.2. Home Nutrition Garden (HNG) Demonstration Farms: The Home Nutrition Garden (HNG) demonstration farms initiative aims to establish 50 model gardens that showcase the benefits of growing diverse, nutrient-rich vegetables and fruits at home. These demonstration farms serve as educational sites where local communities can learn how to set up and maintain their own nutrition gardens, thereby improving household food security and nutrition. FAO will build the capacity of field-based staffs under NACCFL, frontline extension workers of local governments, and representatives of POs to support farmers for developing, monitoring, and promoting the HNG. In addition, FAO will develop selection criteria for model garden in consultation with POs and provide technical support for designing HNG and packaging support materials. NACCFL in coordination with POs and under the supervision of FAO will facilitate development of the HNG and track its progress and outputs.

3.1.3. School Nutrition Garden (SNG) Demonstration Farms: The School Nutrition Gardens (SNG) initiative aims to establish demonstration gardens in five schools to promote agricultural education, improve student nutrition, and foster sustainable gardening practices. These gardens will serve as hands-on learning sites where students can engage in growing fruits and vegetables, understanding the importance of nutrition, and learning sustainable gardening practices. FAO will build the capacity of field-based staffs under the NACCFL and school teachers to support schools for developing and monitoring the SNG. In addition, FAO will develop selection criteria for the SNG in consultation with POs and provide technical support for designing the SNG and packaging support materials. NACCFL in coordination with POs and under the supervision of FAO will facilitate development of the SNG and track its progress and outputs.

3.1.4. HNG package distribution to farmers: The HNG package distribution aims to enhance food security and nutrition for 4,675 households (50% female) from marginalized Tharu community and

Mukta Kamaiya, by providing essential gardening inputs and resources. The HNG package will include seeds, seedlings, gardening tools, and educational materials, enabling households to establish and maintain their own nutrition gardens. FAO will assemble comprehensive HNG packages tailored to local agricultural conditions and household needs. FAO will ensure timely technical verification and efficient procurement processes and transportation of the HNG packages to meet distribution timelines. NACCFL in coordination with the partner POs and supervision of FAO will facilitate distribution of the HNG packages and track its progress and outputs. The list of the activities and the roles of TA and POs are provided in Table 8.

Table 8: Activities and role and responsibility of TA and POs for output 3.1

SN	Activity/sub-activity	Role of TA	Role of POs
3.1.1	ToT training of PO members including frontline extension workers and the project technicians on nutrition and Home/School Nutrition Gardening	Curriculum development Resource persons support Facilitation of ToT training	Co-facilitation of ToT training
3.1.2	Home nutrition garden (HNG) demo. farms (50 farms)	Designing HNG, packaging the materials & transportation	Implementation of HNG demonstration farms
3.1.3	School nutrition gardens (SNG) demo. farms (5 schools)	Designing SNG, packaging the materials & transportation	Implementation of SNG demonstration farms
3.1.4	HNG package distribution to farmers (4675 hhs, 50% Female)	Technical verification, procurement of HNG materials, packaging the materials & transportation	Distribution of HNG materials; Implementation of HNG

Output 3.2: Improved access to input and services for enhancing crop and livestock productivity as well as production.

The livestock and crop production system in Bardiya is largely traditional and subsistence oriented. The targeted beneficiaries will be provided with a package of TA services aimed at improving production of pig, backyard poultry, goat fish, cattle/buffalo rearing, and fodder/forage and high value crops (fresh vegetables, root/tuber and legumes). The integrated module that will be offered, will help diversify the farming system as well as income sources of. TA will help replacing traditional mono-cropping, minimize climate and market risks, and optimize resources by reducing the use of chemical fertilizers. Demonstrations of climate-smart and nutrition-sensitive technologies are considered necessary. To this end, the project will promote vermicomposting as a livestock manure management technique for producing quality organic fertilizer that will reduce the dependency on chemical fertilizers. The earthworm production from the vermicomposting will also be used to feed animals, thereby reducing the cost of feed. Farmers Field Schools (FFS) will be implemented as a part of capacity development under this component. In addition, beneficiaries will also be trained on preparing a business plan for access to credit.

Activities:

3.2.1. Conduction of FFS on livestock and crops (fodder and forage) and business plan: This initiative aims to conduct 20 FFS providing comprehensive training to a total of 500 farmers (50% women) on livestock management, crop production focusing on fodder and forage, with guidance on business plan development. The program will enhance farmers' knowledge and skills and promote sustainable and climate-smart livestock management. FAO will design FFS curriculum and training materials for this activity. NACCFL will manage logistics and coordinate FFS in partnership with targeted POs. NACCFL's field-based staffs guided by the FAO and pool of capable extension agents will be mobilized for conducting FFS sessions under the supervision of the FAO.

3.2.2. Climate-smart & nutrition-sensitive technologies resource-centre & demonstration: This initiative will establish one unit of Climate-Smart & Nutrition-Sensitive Technologies Resource Centre and demonstration site in one of the PO to promote the adoption of sustainable agricultural practices that addresses climate change and improve nutritional outcomes. It will serve as hub for education, training, and demonstration of climate-smart and nutrition-sensitive agricultural technologies and practices. FAO will provide technical support for designing the resource centre and build the capacity of POs for its operation. In addition, FAO will provide support for packaging and transportation of materials for demonstration. NACCFL will coordinate and facilitate construction of resource centre. The resource centre operated by the local PO will be a sustainable means of training farmers in the future, even after the project is completed.

3.2.3. Input distribution (livestock and fodder and forage crops) related to activity 2.2.2: In addition to capacity building of farmers on sustainable livestock management through FFS, the farmers will be supported with the necessary inputs. This initiative combines the distribution of essential inputs to 4,675 households (50% female) from marginalized Tharu community and Mukta Kamaiya for livestock and fodder/forage crop production. The input support will cover various packages of livestock productions, including pig, backyard poultry, goat, fish, cattle/buffalo rearing, fodder/forage crops, and vermicomposting for quality organic fertilizer production. FAO will support to assemble customized local input packages, guaranteeing timely technical verification and efficient procurement processes to meet distribution timelines. NACCFL, in collaboration with partner POs and FAO supervision, will manage the distribution of input support and monitor its progress and outputs. Details of the activities and the role of TA and POs under output 3.2 are given in Table 9.

Table 9: Activities and role and responsibility of TA and POs for output 3.2

SN	Activity/sub-activity	Role of TA	Role of POs
3.2.1	Conduction of FFS (livestock & crops training and business plan) (45 FFS)	FFS design, preparation of lesson plan & training materials; Mobilization of facilitators	Conduction of FFS Logistic management
3.2.2	Climate-smart & nutrition-sensitive technologies resource-centres & demonstration (1 unit)	Designing the resource centres; packaging & transportation of materials for demonstration	Implementation of resource centres and demonstration
3.2.3	Input distribution (livestock and other crops) related to activity 2.2.2 (4675 hhs, 50% Female)	Technical verification Procurement & transportation of inputs	Distribution of inputs Implementation support

Output 3.3: Improved access to financial services for better livelihood opportunities for Mukta Kamaiya sub-group.

The revolving fund is a long-term program which will be there even after the completion of this project and will continuously support in socio-economic development of the Mukta Kamaiya group in the targeted area through the POs. NACCFL has experience in managing revolving funds in Nepal under the ARISE-Farmers project, managed by the Asian Farmers' Association for Sustainable Rural Development (AFA). This project is implementing in eight countries of Southeast Asia and East, Central, and South Asia with the funding of IFAD. Under this project, NACCFL established a revolving fund of USD 199,956 for Phase 1, disbursing it to 1,370 beneficiaries (81% women) through 13 PO's and CTCF in Nepal. Phase 2 provided USD 179,260 in 5% loan assistance to 782 beneficiary farmers (80% women) through 8 POs and CTCF. Overall, the project benefited 2,152 smallholder farmers, including marginalized and indigenous members like the landless Tharu community, Chepang, and Bankariyas. Most loans to farmers accounted for vegetable farming, with the remainder used for tea garden management, poultry farming, livestock farming, and beekeeping.

The POs already have the capacity of operating microfinancing services to farmers and provide short term credit for agriculture purposes. There are already existing loan committees and advisory committee in the POs which robustly implement as per the guideline with constant monitoring of the NACCFL and FAO. The POs are also already experienced with operating soft loan program for marginalized groups from Sana Kisan Bikas Laghubitta Bittiyasanstha Ltd. (SKBBL) without any social resistance. Moreover, strengthening of POs is one of the components of this project which will be implemented in the starting phase, and it will further enhance their governance and financial management that will capacitate POs for the operation of the revolving funds among Mukta Kamaiya households.

Activities:

3.3.1. & 3.3.2 Revolving fund support: About 5.5% households in Bardiya have less than 5 kattha of land and others are landless¹. Tharu is the most dominating ethnic group (53.3%) in Bardiya and this project targets 55% Tharu beneficiaries. Every bonded laborer in far-west Nepal is Tharu, generally small land holders or landless and sharecroppers². They are predominantly food and nutrition insecure¹. The set up of a revolving fund will provide them with support/seed money for accessing land for production & sale of high value cash crops or to run the business for income generation.

The revolving fund will be mobilized through the local POs and loan product designed with a specific/detailed operational guideline/document outlining the selection criteria, process, and the timeline. The revolving fund will be based on a rotational system where those who have received loans will not be eligible for the next round, giving others a chance over time. It will be clearly communicated with farmer groups of the POs in time. It involves community members in the decision-making process to foster a sense of ownership and fairness. The POs will also organize community meetings with its farmers groups to clearly communicate the selection criteria and process to all members of the community.

Based on the learning from ARISE-Farmers project, NACCFL aims to provide specific support to the Mukta-Kamaiya - former indentured laborers/slaves of the Tharu indigenous group (50 hhs/year), who are still highly vulnerable to risks and lack access to land and finance. The methodology for the selection of the beneficiary and support distribution will be adopted in line with the ARISE-Farmers project. The steps are the following:

- Preparation of revolving fund implementation guidelines and technical facilitation.
- Identification of households of former bonded laborers, who are still highly vulnerable to risks and lack access to land and finance, during the base line survey.
- Preparation of a priority list/ranking based on the baseline data. 50 hhs of the Mukta-Kamaiya - former indentured laborers/slaves of the Tharu indigenous group for every year.
- Implementation of revolving fund support/seed money for contracting the land for the production-sale of high value cash crops or to run the business for income, on an annual basis.
- Follow-up/monitoring and reporting.

The activities and the role of FAO/TA and POs for this output are given in Table 10.

Table 10: Activities and role and responsibility of TA and POs for output 3.3

SN	Activity/sub-activity	Role of TA	Role of POs
3.3.1	Revolving fund support for land contracting (25hh Mukta-Kamaiya)	Preparation of guidelines Technical facilitation	HH selection Implementation support
3.3.2	Revolving fund for business plan support (25hh Mukta-Kamaiya)	Preparation of guidelines Technical facilitation	HH selection Implementation support

Outcome 4 - Nutrition awareness and services improved at farmers' household level

Outcomes 2 and 3 of the project will help improve household food and nutrition security in a sustainable manner, contributing to an increase and diversification of agricultural production income for targeted beneficiaries. The scaled-up activities under outcomes 2 and 3 will enhance access to adequate, safe, diversified, and nutrient-rich food all year round through the use of resources available in the farmers' surroundings. However, improved household food security may not necessarily also lead to improved household nutrition security, mostly due to current challenges faced by the targeted community such as low literacy rate and lack of awareness of nutrition and health. It is therefore paramount to address these nutrition problems. To this end, outcome 4 focuses on improving the nutritious content and diets of pregnant and lactating women and children, including through increased awareness among the project's direct beneficiaries and their neighbours. Drawing from lessons learned deriving out of the GAFSP-financed FANSEP project, the current project shall increase awareness by establishing nutrition field schools and demonstrating best practices in food preparation, consumption, and sanitation. In order to achieve Outcome 4, the following three outputs have been determined:

Output 4.1: Knowledge and skills of farmers required for preventing nutritional deficiencies, enhanced.

A full-fledged Nutrition Field School will be set-up and implemented based on the lessons learned and validated practices developed by the GAFSP-funded FANSEP project. Nutritionally rich food recipes, cooking techniques, and feeding practices will be introduced through hands-on training and nutrition campaigning.

Activities:

4.1.1. Conduction of NFS: Nutrition Field School (NFS) is a major activity for nutrition education to be done by learning by doing. A total of 45 NFS are targeted. NFS designing, preparation of lesson plan and training materials, facilitators mobilization, logistic management and conduction of NFS are the major steps ahead. The activities and role of FAO/TA and POs are given in Table 11.

Table 11: The activities and the role and responsibility of TA and POs for output 4.1

SN	Activity/sub-activity	Role of TA	Role of POs
4.1.1	Conduction of NFS (45 NFS)	NFS designing, lesson plan preparation & training materials, mobilize facilitators	Conduction of NFS Logistic management

Output 4.2: Improved access to health and nutrition related input and services for pregnant women and their children.

Hence, the project area is dominated by the indigenous Tharu community with poor nutrition with higher children mortality because of mal-nutrition. Several other agencies have been making use of the 1000 days program sponsored by the Government in the past years. Despite that, there is still a high need for this awareness program because of the indigenous rural community and the insufficient coverage of the program, where the project targeted to implement this activity.

¹Bed Prasad Neupane. 2020. *The Status of Foreign Labor Migration of Bardiya District in Nepal. Journal of Population and Development. Page 13*

²Lalit Chaudhary. 2017. *The Landless Sharecroppers of Dumraha Village: A Case Study on Food Sufficiency among Tharu Community. Nepalese Journal of Development and Rural Studies 14(1-2):36*

Activities:

4.2.1. Implementation of Golden 1000 Days program: The targeted five POs are located in Badhaiyatal Rural Municipality, Bansgadhi Municipality and Barbardiya Municipality. Where, a bigger number of underweight children (0-23m) were registered for their growth monitoring in the Nepali fiscal year 2078/79 B.S. (equivalent to July 2021-June 2022). The percentage of underweight children (aged 0-23 months) in these Municipalities of the project area, Badhaiyatal, Bansgadhi and Barbardiya was 5.9, 5.3, and 6.3% respectively (Source: Strengthening Systems for Better Health, USAID). The percentage of underweight children in these local levels was higher than the national average of 3.6 percent and of Lumbini Province's average of 3.5 percent. Considering the higher percentage of underweight children (0-23m) in the project area, the project will make use of the "Golden 1000 Days" awareness program, which will focus on improving nutrition during the critical first 1,000 days of a child's life. By focusing on interventions during this critical period, this program will aim to break the cycle of malnutrition and improve long-term health outcomes. The activity targets 200 persons, including 110 indigenous people and it will focus on providing technical support to POs, preparation/revision of the guideline/manual and implementation. The activities and role of FAO/TA and POs are given in Table 12.

Table 12: The activities and the role and responsibility of TA and POs for output 4.2

SN	Activity/sub-activity	Role of TA	Role of POs
4.2.1	Golden 1000 Days program roll-out (200 persons, 110 indigenous)	Technical support, guideline/manual revision/update.	Implementation of the program

Output 4.3: Food and nutrition-related knowledge, attitude, and behaviour/practices of the farmers enhanced through public awareness campaign.

The project will focus on Behavioral Change Communication (BCC), develop Information, Education and Communication (IEC) material, and conduct campaigns to raise awareness of nutrition in the local community. Public awareness campaigns can play a crucial role in enhancing farmers' food and nutrition-related knowledge, attitudes, and practices. By empowering farmers with the information and skills needed to adopt sustainable and nutritious farming practices, the project will contribute to improved food and nutrition security and overall well-being of farming communities.

Activities:

4.3.1. Behaviour Change Communication (BCC) and IEC materials: BCC materials will be prepared, including radio announcement/jingles (1 set) and awareness video (1 set). One set of IEC material including pamphlets/flyer/posters/charts will be prepared and distributed in the community. FAO will provide technical support for this. These materials will be effective for the community sensitization on nutrition and health.

4.3.2. Nutritional campaign: Nutritional campaigning will be carried out in the local community through 20 events. Key tasks will include designing the campaign, providing technical support on campaigning. Detail of the activities and role of FAO/TA and POs is given in Table 13.

Table 13: Activities and role and responsibility of TA and POs for output 4.3

SN	Activity/sub-activity	Role of TA	Role of POs
4.3.1	BCC & develop IEC material (1 set)	Prepare BCC and IEC materials Provide technical support	Implementation of the program
4.3.1.1	<i>Radio announcement/jingles (1 set)</i>	<i>Production of advertising materials & announcement</i>	<i>Community sensitization</i>
4.3.1.2	<i>Awareness video (1 set)</i>	<i>Preparation of video</i>	<i>Community sensitization</i>
4.3.1.3	<i>Pamphlets/flyer/posters/charts (1 set)</i>	<i>Production of Pamphlets/flyer/posters/charts materials</i>	<i>Community sensitization</i>
4.3.2	Nutritional campaigning in the local community (20 events)	Designing the campaign Technical support	Community campaigning

1.2 Comparative Advantages

1.2.1 FAO's comparative advantages and strengths

FAO has been a long-term partner of the Government of Nepal, and FAO has been considered as one of the key technical agencies in agriculture, food security and nutrition in Nepal. FAO Representative Office in Nepal was established in 1977, and since then, more than 200 agriculture development projects have been completed. As a knowledge organization, FAO's strength is primarily geared for providing technical assistance services. FAO has a proven track record, having implemented numerous projects in Nepal. Since the 1970s, FAO has been assisting the Government of Nepal in a wide range of areas that are directly related to almost all the activities that are being proposed for the "Technical Assistance to Improved food and nutrition security through diversified income generation and empowerment"¹. It will therefore bring the institutional experiences gained over the last four decades for the benefit of the project. On numerous occasions during which FAO has provided TA to investment projects, unforeseen gaps have emerged during the course of their implementation. In such situations, FAO has been able to help from either its own regular resources under its Technical Cooperation Programme (TCP)² or mobilized additional Trust Funds from other donors while providing the initial urgent assistance from its TCP resources³. Such support may be required in the near future as "Improved food and nutrition security through diversified income generation and empowerment implementation" project is yet to begin.

FAO is also uniquely placed to provide a neutral forum to facilitate coordination and cooperation among the various ongoing projects and programs that are being implemented by or with assistance of a variety of development partners in Nepal, bringing the positive multiplier effect that comes to the project districts with such coordination and cooperation among project and programs. FAO is one of a few agencies that can bring global and national experience under one management umbrella with commensurate international technical backstopping and quality control support from its regional office in Bangkok and headquarters in Rome.

1.2.2 Past and Related Work

The project as a whole, and more specific the component on improved nutrition security at the household level, has been built on the lessons learned from the FANSEP/GAFSP's project to increase

² An example is the TA provided by FAO to the "Community Livestock Development Project (UTF/NEP/057/NEP) (CLDP) which was further assisted by FAO through two new TCP projects to fill the gaps identified during implementation of CLDP– (i) "Dairy cattle improvement" (TCP/NEP/3105), implemented between April 2008 and March 2010 and (ii) "Training for the Small-scale Dairy Sector in support of the Community Livestock Development Project" (TCP/NEP/3103), (iii) "Capacity Building for Fodder Oat Technologies in Nepal" (TCP/NEP/2901).

³ An example is the Hills Leasehold Forestry and Livestock Development project funded by IFAD for which FAO provided assistance through a TCP project entitled "Institutional and Technical Capacity Building in Support of Leasehold Forestry" (TCP/NEP/3102) through mobilizing support from the Government of Finland for a trust fund project "Technical Support to the Hills Leasehold Forestry and Livestock Development" (GCP/NEP/062/FIN).

awareness among the target beneficiaries by establishing nutrition field schools and demonstrating best practices in food preparation, consumption, and sanitation.

The Mainapokhar Small Farmer Agriculture Cooperative within the Federation has been successfully producing mustard oil for more than a decade, producing 80,000 liters of mustard oil annually. In 2022, around 350 smallholder farmers in Mainpokhar produced 345 tons of mustard oilseed crop from 338.8 hectares. These producers received improved mustard seeds, technical assistance, and credit from the cooperative to expand and improve their mustard cultivation, however, not at the required scale. The cooperative sells its mustard oil in marketplaces in Kathmandu, Pokhara, Nepalgunj, and Surkhet. These big cities continue to have a strong demand for mustard oil, which the POs are unable to meet. This project will increase the supply of mustard oilseed by establishing connections with other POs that cultivate mustard in the area while also scaling up the existing mustard oil production in Mainapokhar.

To ensure access to markets for the additional production, the project will scale up NACCFL's ongoing and successful "Kisan Ko Poko" (an online marketing platform to market its members' produce), capacity development on marketing, and a cooperative-to-cooperative (C2C) marketing model. NACCFL is currently implementing the project Commercial Agriculture for Smallholders and Agribusiness, under which it is working to improve access to markets for 25 POs in Lumbini Province and Madhesh Province. NACCFL is working to develop a market information management system and establish KKP stores in six POs, with a specific website dedicated to online retailing and e-commerce. Under this project, NACCFL will up-scale the KKP model in the target POs.

NACCFL, as the national federation of the POs, places strong emphasis on good governance and the institutional development of its member POs. Since its establishment, the NACCFL has been continuously working to improve the governance and financial management of POs. The Agriculture Sector Development Program (funded by the Government of Nepal) is being carried out by NACCFL. As part of this program, NACCFL is strengthening 100 rural cooperatives in Karnali province by converting them into sustainable rural financial institutions, thereby ensuring rural producers' access to capital for the development of high agricultural value chains. NACCFL is conducting several training programs (financial literacy training, cooperative management training, replication orientation training, account-keeping training, and business plan preparation training) for these rural cooperatives, thereby building institutional capacity (Table 14). Furthermore, these cooperatives are being linked with financial institutions, transforming them into rural financial institutions able to acquire wholesale credit from respective financial agencies. NACCFL aims to extend and upscale its ongoing work activities through this GAFSP project, to strengthen the legal framework, improve accountability, transparency, and efficiency, ensure compliance with the Cooperative Act, and enforce regulations to contribute to developing sustainable POs.

Table 14: Information regarding the existing or recently closed activities to be scaled up

SN	Project name	Project period	Project area	Objective	Project status	Budget (US\$)	Financing entity
1	Mustard Oil Production	Since last 10 years	Mainapokhar, Bardiya	Preparation of a business plan	The translated business plan has been submitted	76,499	Sana Kisan Bikas Laghubittiya Sanstha
2	Commercial Agriculture for Smallholder & Agribusiness	Sep 2022 to June 2024	Madhesh & Lumbini Provinces	Improving market access for small-scale producers	Project Report available	90,669	Aasaman Nepal
3	Agriculture Sector Development Program	Jan 2022 to Dec 2024	Karnali Province	Capacity building & governance of agri-cooperatives	Project Appraisal document available	480,544	Government of Nepal

1.3 Stakeholders and Context Analysis

1.3.1 Stakeholder Engagement

There are a number of stakeholders participating in project implementation with specific roles and responsibilities. The NACCFL will be the lead implementing agency, and the five POs (Mainapokhar, Padnaha, Kalika, Deudakala, and Basgadhi) from Bardiya will be the implementing partners and the beneficiary itself. NACCFL will be working with these five POs from Bardiya, which are the members of the Federation. NACCFL will lead the overall management of this project; therefore, it will oversee the coordination, control, reporting compliance, communications, and outreach initiatives and supervise personnel, technical experts, and consultants engaged in the project activity implementation, ensuring quality, accountability, and effectiveness. The partner POs in their respective regions from Bardiya will support NACCFL to organize the project activities and facilitate building working relations with the local stakeholders and beneficiaries of the project. The participating women groups in the project area will be actively involved in the conduction of all project activities for their technical, economic and leadership development including the implementation of Home Nutrition Garden (HNG), Nutrition Field School (NFS) and Behavioral Changes Communication (BCC).

FAO will be responsible for technical assistance and implementation of the field-level project activities, as well as the supervising entity. Additionally, collaboration with other UN agencies and development partners including the INGOs working in the project area will be sought with a view to provide synergies towards the achievement of the project outcome.

Partnerships and linkages will be established with the relevant government at the local, provincial, and federal levels. Local Government will support the project in planning, implementation, and monitoring of project activities, in addition to leveraging possible local government funds. Provincial and Federal Government will also be involved on M&E and coordination.

Local-level civil society organizations (CSOs), non-governmental organizations (NGOs), farmer associations, groups, and cooperatives, will also partner on project implementation, where possible. Local schools will be involved in School Nutrition Garden (SNG) for creating nutrition awareness. Private sectors will mainly focus on credit support, inputs supply and market promotion.

Thus, the project will be implemented by a number of collaborating partners. FAO TA has been well embedded in the project to ensure the effective integration and implementation of the activities in a coordinated and harmonised way. At present, the following stakeholders are identified for the project implementation:

- Nepal Agriculture Cooperative Central Federation Ltd. (NACCFL),
- Mainapokhar, Padnaha, Kalika, Deudakala, and Basgadhi POs in Bardiya,
- Women's groups,
- Indigenous groups
- Food and Agriculture Organization of the United Nations,
- Government of Nepal in Federal, Provincial and Municipal/local level,
- Private sectors including the entrepreneurs and business holders,
- Development partners,
- Civil society organizations,
- Community organizations, schools, and
- The CBOs/NGOs

A steering committee will be formed with representatives of Provincial and Local Government, NACCFL, POs, FAO, other development partners, NGO/CBO, Women & indigenous groups. The Chairman of the District Coordination Committee Bardiya will chair the committee and the representative from NACCFL will be the member Secretary of the committee. This committee will hold meetings on a quarterly basis and will monitor the implementation of the activities and review the progress over time.

The description of the nature and context of the stakeholder consultations undertaken and the overall results/findings and details of the Stakeholder Engagement Process to be put in place during the implementation of the project with a complete plan for the Stakeholder Engagement⁴ is given in Annex II.

1.3.2 Grievance Redress Mechanisms

The project will adopt the grievance redress mechanism (GRM) developed by FAO. For this anyone can use any of the below channels free of charge to contact FAO.

Phone:	+977-1-5423239, 5423900
Email:	FAO-NP@fao.org

Their grievance will be handled confidentially by the FAO. In addition, it is expected that all communication and awareness raising material to be distributed will include the necessary information regarding the contacts and the process for filing grievances. To facilitate the project comprehension of any grievance, it is requested to include as much information as possible. For example: what happened, who was involved, when did it happen. The project/FAO will also be responsible for documenting and reporting as part of the safeguards performance monitoring on any grievances received and how they were addressed.

FAO is committed to ensuring that its projects and programs are implemented in accordance with the Organization's environmental and social obligations. Concerns of non-compliance must be addressed at the closest appropriate level, i.e. at the project management/technical level, and if necessary, at the FAO Country Office or Regional Office level. If a concern or grievance cannot be resolved through consultations and measures at the project management/technical level, a grievance requesting a Compliance Review may be filed with the FAO Office of the Inspector General in accordance with the Guidelines for Compliance Reviews Following Grievances Related to the Organization's Environmental and Social Standards. Project Managers will have the responsibility to address concerns brought to the attention of the officially designated project grievance focal point.

The principles to be followed during the grievance resolution process include confidentiality, impartiality, respect for human rights, including those pertaining to indigenous peoples, compliance of national norms, coherence with the norms, equality, transparency, honesty, and mutual respect.

The mechanism includes the following stages:

1. In the instance in which the individual or group have the means to directly file the grievance, he/she has the right to do so, presenting through the indicated channels of the project/office (i.e.: email, mailbox, phone, etc.). The process of filing a grievance will duly consider confidentiality, and if requested by the individual or group bringing the grievance, anonymity as well as any existing traditional or indigenous dispute resolution mechanisms and it will not interfere with the community's self-governance system.
2. The individual or group bringing the grievance files a grievance through one of the channels of the grievance mechanism. This will be sent to the Project or FAO Decentralized / Country Office Grievance focal point to acknowledge and log the grievance, assess whether it is eligible and determine responsibility for attempting to resolve the grievance in line with the processes agreed for the project. The confidentiality of the grievance must be preserved during the process. For every grievance received by the project grievance focal point, written proof will be sent within ten (10)

working days; afterwards, a resolution proposal will be made within thirty (30) working days. The Grievance focal point will also be responsible for recording the grievance and how it has been addressed if a resolution was agreed.

3. If the situation is too complex, or the individual or group bringing the grievance does not accept the proposed resolution, the Grievance focal point must be informed and they must send the grievance to the next highest level, until a solution or acceptance is reached.
4. In compliance with the resolution, the person in charge of dealing with the grievance may interact with the individual or group bringing the grievance, or may call for interviews and meetings, to better understand the reasons.

Resolution

Upon acceptance of a solution by the individual or group bringing the grievance, a confidential record will be maintained.

Review Level	Contact Details
Project Level	Email: FAO-NP@fao.org Phone: +977-1-5423239, 5423900
Next level	Ken Shimizu FAO Representative in Nepal E-mail: ken.shimizu@fao.org
Higher level (only if it's strictly necessary to include a third level)	Jong-Jin Kim, FAO Assistant-Director General and Regional Representative for Asia and the Pacific e-mail: FAO-RAP@fao.org Tel: (+66 2) 697 4000
Office of the Inspector General (OIG)	<p>Contact FAO's independent Office of the Inspector General:</p> <ul style="list-style-type: none"> • To report non-compliance with FAO's environmental and social management guidelines in case your grievance could not be resolved through the previously mentioned channels. • To report non-compliance with FAO's environmental and social management guidelines in case you have a good reason for not approaching the project management (e.g., fears about your safety). • To report possible fraud and other corrupt practices, as well as other misconduct such as sexual exploitation and abuse. <p>By confidential hotline (online form & by phone): fao.ethicspoint.com By e-mail: Investigations-hotline@fao.org or inspector-general-office@fao.org</p> <p>By mail: Office of the Inspector General Food and Agriculture Organization of the United Nations Viale delle Terme di Caracalla 00153 Rome, Italy</p>

1.3.3 Information Disclosure

This project document, and any annexes relevant to environmental and social safeguards, as well as any future safeguards instruments, will be made publicly available through the disclosure portal and website. Disclosure will take place in a manner that is relevant, understandable, accessible, and considered culturally appropriate by the stakeholders. Due attention will be dedicated to the specific needs (e.g., literacy, gender, disabilities, differences in language, accessibility of technical information or connectivity) of every person, irrespective of gender in the community groups affected by project implementation.

1.3.4 Partnerships

Partnerships will be established with NACCFL for the co-funding and project implementation, and with selected POs for project implementation. Additional key partnerships may be established with the value chain actors and suppliers as per the project demand during implementation of the activities.

1.3.5 Knowledge Management, Communication and Visibility

The dedicated Communications Officer in FAO Nepal will be responsible for the project's visibility at national level. Collaborate with the GAFSP communication unit and FAORAP is also envisioned to ensure international visibility for example through the FAO and GAFSP websites, articles and twitter feeds. FAO communication unit will also support NACCFL for the communication with project beneficiaries in the relevant POs.

The Project team will consider sound knowledge management practices throughout the project cycle and will keep in contact with FAO communication unit for the effective visibility of the project. The project reports, publications, videos, presentations, images and all other knowledge materials will be documented by the project will be made available in English and if necessary, in Nepali language too. These materials will be appropriately shared with NACCFL, FAO, GAFSP in accordance with FAO's Rules and Regulations and will be preserved through FAO's repositories/communication unit or other appropriate channels.

The Pamphlets/flyer/posters/charts and other extension/educational materials translated in Nepali language will be distributed to the PO members. At the end of the project the knowledge sharing workshop on the leadership of FAO and Co-leadership of NACCFL/POs will be conducted for the dissemination of knowledge gain by the project. The representatives of federal provincial and local government, representative of NACCFL, POs, FAO, other development partners, NGO/CBO; women & indigenous groups, value chain actors and other relevant stakeholders will participate in the Knowledge sharing workshop in accordance with FAO's Rules and Regulations.

The project activities and results will be made visible directly through the field verification of any changes in PO members knowledge and behavior and their living standards. The results will be documented and will be included in the reports and made available to the concerned stakeholders during the project sharing workshop. The specific visibility arrangements requested by the resource partner(s) will also be addressed in time.

SECTION 2 – FEASIBILITY

2.1 Implementation Arrangements

Upon approval of the contract between the NACCFL and FAO, the recruitment of the technical experts for the TA will be formalized. The technical experts will work closely with the POs and concerned stakeholders. An Inception Report detailing the TA package of services along with the implementation roadmap will be prepared.

The major thrust of FAO TA will be to ensure quality of the project interventions and build the capacity of NACCFL, specially of POs. In addition, the FAO TA will work with all other stakeholders working in the project area. The capacity development support along with the other TA activities will be tailored and adapted to priorities, interests, and existing competency levels. Beneficiaries of the TA project will consist of the core target beneficiary groups of the project, mainly from- rural producers, including smallholder farmers and entrepreneurs, indigenous and women groups, government institutions, local government and the private sector. Flexibility will be maintained throughout implementation of TA

activities and necessary adjustments will be done in close consultation with PMU during the course of project implementation.

The TA will support the project in review, adaptation and development of context-specific technical as well as operational guidelines for quality project interventions. The technical guidelines and training manuals prepared during previous FAO-supported projects will be adapted for this project's purpose. The TA team will also support the project's review and monitoring missions.

The key objective of technical support to NACCFL and its POs, is the effective implementation of the project activities. While the NACCFL will be responsible for timely procurement and delivery of physical inputs and facilities other than those explicitly mentioned for procurement by FAO in this project document, the FAO-recruited and subcontracted personnel will closely work with the NACCFL, and in particular the POs. The FAO-employed technical officers will contribute to developing periodic work plans; to prepare periodic progress reports, identify and provide solutions to any problems or any other technical or operational issues that may arise during project implementation.

The FAO representation, responsible for the implementation of TA, has staff and a pool of experts who are adept in developing curricula, organizing and running Farmers Field Schools (FFS), establishing School Nutrition Gardens (SNG) and promoting the marketing of healthy farm products. Likewise, FAO has wide-ranged experience in implementing nutrition programmes linking with agriculture and food security programmes focussing on women and children especially through Nutrition Field School (NFS).

The FAO regional office (RAP) and FAO Headquarters, through set of experts including from the Investment Centre, will provide expert advice and guidance for the soundness of the project implementation.

2.1.1 Institutional Framework and Coordination

Project Steering Committee (PSC): A steering committee will be formed with representatives of Provincial and Local Government, NACCFL, POs, FAO, Other development partners, NGO/CBO, Women & indigenous groups. The Chairman of the District Coordination Committee Bardiya will chair the committee and the representative from NACCFL will be the member Secretary of the committee. This committee will hold the meeting in quarterly basis, will monitor the implementation of the activities and review the progress in time.

Linkages will be established with the relevant government at the local, provincial, and federal levels and other nationally or locally donor-funded programs as appropriate in the process of project implementation. Additionally, linkages will be established with UN agencies, INGOs, local-level civil society organizations (CSOs), non-governmental organizations (NGOs), farmer associations, groups, and cooperatives, where possible (Figure 2).

Project Task Force (PTF) and Technical Working Group (TWG) in FAO: In this project, FAO as the TA/SE will ensure the quality, holds technical part and act as a Budget Holder (BH). In FAO, there will be a Project Task Force (PTF), which will ensure full technical, operational, and administrative support throughout the duration of the project and will be coordinated by the FAO Representative in Nepal with other members such as the Lead Technical Officer (LTO) and the HQ Technical Officer.

National consultants and the TA team will be recruited by FAO to provide technical assistance to the project. Field level technical human resources will be mobilized by NACCFL. The consultants and NACCFL will carry out necessary tasks with the technical guidance and support of the FAO-RAP and Headquarters, and in close consultation with the FAO Nepal. A Technical Working Group (TWG) will be established to ensure smooth field level implementation. It comprises of Assistant FAO Representative (Programme), representative from NACCFL, FAO National Consultants, other stakeholders as required.

Lead Implementing Agency: NACCFL and five POs (Mainapokhar, Padnaha, Deudakala, Kalika, and Basgadhi) from Baridya will be responsible for the implementation of this project. NACCFL will execute field-level implementation of the project activities. NACCFL will be the lead implementing agency. FAO

will be responsible for advisory service and supporting implementation including technical assistance support and compliance by NACCFL with their obligations and responsibilities for project implementation in accordance with GAFSP's policies and procedures.

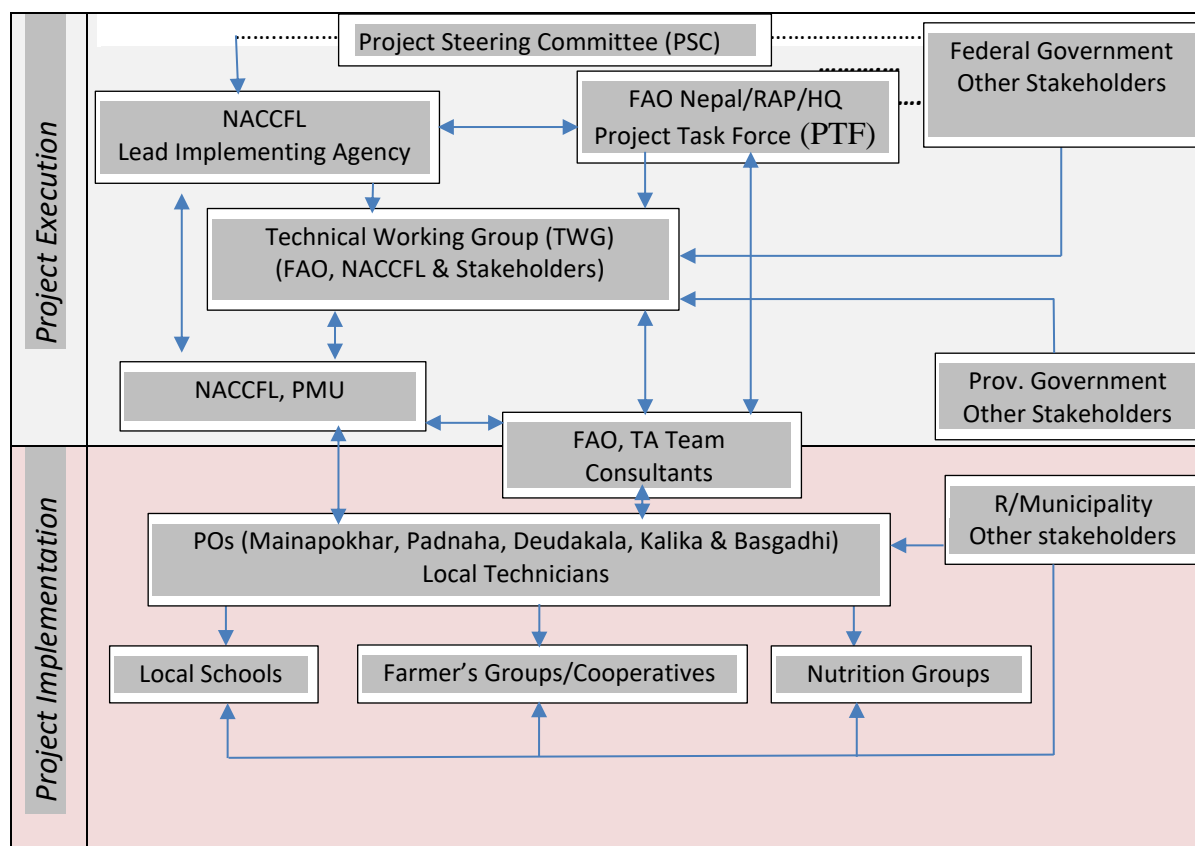


Figure 2. Implementation, coordination and reporting arrangements of FAO TA implementation structure

Project Implementation Team: A Project Management Unit (PMU) will be established at NACCFL to facilitate project implementation.

Financial and Logistic Management: FAO will receive the financial resource (fund) from GAFSP. FAO will prepare a Letter of Agreement (LoA) to channel the funds to NACCFL and POs. The direct procurement of goods will be done by FAO; however, the direct beneficiary grants will be distributed from NACCFL/POs.

2.1.2 Government Inputs

This project will need the support of the local government, as it is critical in regulating and providing service to POs. To ensure this, the project will consult with and involve local government officials in the planning, implementation, and monitoring of project activities, in addition to leveraging possible local government funds.

2.1.3 Resource Partner Inputs (and Project Budget)

NACCFL Inputs

NACCFL and concerned POs will take all the necessary measures to facilitate the execution of the project and to assist the FAO staff in obtaining essential services and facilities as they fulfil their tasks. The extent

and timing of provision of counterpart staffs and of facilities, all equipment and supplies required for carrying out the services and technical support will be managed by NACCFL as agreed upon.

NACCFL will contribute to the TA component of the project by committing suitable office accommodation, access to facilities and staff in specific areas of interventions and thematic technical areas covered by the project as are required to implement the project successfully. NACCFL will facilitate TA technical staffs to access official documents and in meetings with NACCFL officials, the private sector and academia, as required. NACCFL will select PO staffs to receive capacity strengthening in the various fields identified for capacity development, which is the key to the success of the project. Moreover, such NACCFL/POs participants in trainings and workshops (e.g. extension agents, and other) must be allowed to train others within and outside NACCFL organizations.

NACCFL shall ensure timely provision of required inputs and facilities as are required for timely organization of field level activities since the budget for the physical inputs and facilities are provisioned in NACCFL as a part of the project budget.

Development Partners Inputs

A critical concern to the success of this project is the involvement of Development Partners (DPs). The GAFSP will be the source of fund for FAO TA. For the implementation of assigned specific interventions, FAO TA will closely coordinate and collaborate with other development partners working in the project area.

2.1.4 Management and Technical Oversight Arrangements

Technical Support/Linkages

The FAO regional office (RAP) in Bangkok, will allocate a dedicated Lead Technical Officer (LTO) and project task force members to support the project. In addition, FAO headquarters technical officer will be nominated from the concerned technical division to ensure the technical soundness of the project. The LTO with support from other technical officers, including from the Investment Centre, will provide timely guidance through technical back stopping missions and distant support throughout the lifetime of the project for quality delivery of the FAO inputs. The LTO will also review and provide technical clearances to all the reports and technical documents produced by the TA team. The FAO Investment Centre (CFI) will perform oversight functions and assist in complying with GAFSP M&E and reporting requirements.

FAO will mobilize national consultants and national service providers, under the joint supervision of the FAO Representation in Nepal. The members or consultants recommended under TA will be participating in the project inception meeting where the FAO will jointly prepare the PIM with the NACCFL and PO staff. The PIM will detail the project activities and implementation arrangements.

FAO will assess and use the diverse training toolkits and resources as appropriate to optimize FAO's knowledge base and global inventory of resources. The TA will organize review and planning workshops for peer-to peer learning and exchanges of learnt lessons among project beneficiaries and stakeholders to benefit from other's experiences and build linkages.

Reporting mechanism

Reporting will be an important function of FAO in providing technical assistance to this project. The TA will follow FAO internal reporting procedures according to the Transfer Agreement between FAO and the GAFSP. The Project Management Unit (PMU) will prepare regular narrative reports for reporting to NACCFL in compliance with the project framework document and M&E Plan Guidelines. The PMU be responsible for preparation of drafting such reports. These reports will include:

- **Inception Report:** It will be prepared at inception including a detailed work plan with the timing of each activity and modalities of TA execution.
- **Progress Reports:** will be prepared annually and semi-annually to fulfil the reporting requirements of both NACCFL and the Donor - GAFSP. As of GAFSP requirement, the semi-annual narrative reports will be produced and reviewed by CFI to be sent to the GAFSP through their dedicated portal. Such reports will consist of the key elements of project activities, including the extent to which the project's scheduled activities have been carried out, the outputs produced and progress towards objectives realized with suggestions for any corrective actions if need be. A work plan and an expenditure plan will also be included. The PMU will be responsible for reporting to the NACCFL with due technical clearance from the FAO representation office.
- **Final Report:** The PMU/Team Leader of FAO TA will prepare a draft Final Report in accordance with FAO procedures towards the end of the project. This report will contain a complete review of activities undertaken, major results obtained, problems encountered, and lesson learnt, progress towards achieving the specific objectives of the project and impact on the beneficiaries with a special section on recommendation. The PMU/TL will be responsible for all project reporting.
- **Financial Report:** Annual Financial Reports will be submitted according to the format and provisions stipulated in the Transfer Agreement between FAO and the GAFSP.

2.2 Operational Modalities

Management and Operational Support Arrangements

The budget holder for the portion of the FAO TA contract will be the FAO Representative in Nepal, who will oversee operational, financial and management aspects of the project. Financial transactions will be handled according to the FAO rules and procedures, FAO Representative delegation of authority. Where there are similar project activities already underway by other agencies, all efforts will be made to avoid duplication and to cooperate and coordinate activities. The FAO Representative in Nepal will provide overall supervision of the management of the TA. In addition, the FAO Representation will designate the Assistant FAO Representative to provide routine support on programme and administrative matters respectively.

2.3 Statistics

The project implementation team at PO level will be responsible for the collection of the sex-disaggregated progress data at field office and send in time to NACCFL. NACCFL will be responsible for the compilation of the data and handover to concern FAO staff. Concern FAO staff will be responsible for the validation, processing and/or dissemination. Whenever possible, specify if and how the project will contribute to generate and disseminate.

2.4 Information Technology

2.4.1 Communication and information

Efficient communication and visibility are vital elements of the project for communicating on project activities, outcomes, best practices and lessons learnt among the public and private entities. In this aspect, FAO would mobilize its support in incorporating ICT tools to ensure rapid transfer of data for effective communication. The means of communication will be built into the TA design including: (i) organization of workshops; (ii) multi stakeholder field days at local level; (iii) radio, TV and news updates; (iv) communication on FAO web sites. FAO will ensure full visibility of the project through logos, boards,

stickers and publications, and national and international media as appropriate. Towards the end of the project activities, FAO will organize a meeting to present and discuss project achievements and provide suggestions and recommendations for possible follow-up activities and development interventions.

The project targeted to develop the audio and video materials (1/1 set- 1 time), development of digital marketing content (1 time), the marketing software support to link KKP and PO (1 time), develop the website and digital platform of KKP and POs (1 time) and providing technical support for branding (1 time, 50 persons) and digital marketing.

2.5 Risk Management

2.5.1 Potential risks to the project

All the risks associated in project implementation are in low level. The associated risks may be: a) lack of support from the local government, b) weak institutional capacity for implementation, c) impact of climate change and d) economic crisis. However, these risks will be managed during the project implementation (Annex V).

2.5.2 Environmental and social risks from the project

Environmental risks management

The impacts of climate change on the agriculture sector are significant and are likely to become more severe in the coming years. The rising temperature is already affecting agriculture production and productivity with moisture stress, increased pests and diseases, extreme weather events (e.g. floods and droughts etc). There is already a prediction of a weak monsoon this year in India due to the El Nino effect, which will reduce agriculture production. A similar impact can be seen in Nepal, with an additional effect on the import of crops and vegetables from India. This project intends to mitigate the impacts of climate change by building the capacity of smallholder farmers in climate-smart agriculture practices and promoting crop diversification and integrated farming.

Socio-economical risks management

Support from the Local Government: This project will need the support of the local government which is a critical actor on regulating and providing service to POs. To ensure this, the project will consult with and involve local government officials in the planning, implementation, and monitoring of project activities, in addition to leveraging possible local government funds.

Institutional Capacity for Implementation: This project focuses on crop diversification, an integrated farming approach for food and nutrition security, and a climate adaptation strategy. It will target several agriculture commodities, including oil seed crops, vegetables, and livestock within one project, which can add complexity and challenge to the implementation as it requires different technical expertise. To mitigate against this, the project will build on the FAO's expertise as well as the NACCFL's expertise in advisory services and focus on strong and tailored technical support. The project will have an effective and capable institutional arrangement with strong leadership and coordination capacities to achieve the project's objective.

Economic Crisis: In the aftermath of the coronavirus pandemic followed by the Russia-Ukraine war, most countries in the world have been feeling the effect of the economic crisis. Nepal's economy has also started to experience the effects of the global economic slowdown, and it is likely to remain this way for

the coming few years. Due to the increase on prices in the international market, Nepal is forced to import goods (e.g. fuel, agriculture inputs, food, etc.) at a higher price. The project plans to overcome this risk by increasing the capacity of smallholder farmers and facilitating their access to credit. The project will also mitigate the risk by promoting a seed production system within POs, increasing the use of farmyard manure, and using an integrated farming approach to reduce reliance on inorganic fertilizers. Furthermore, the project will also focus on the governance and financial management of POs, which will help build their capacity to cope with the effects of the economic crisis.

Social Resistance to Prioritizing Former Mukta Kamiya (freed bonded labour): A revolving fund will be provided for contracting/leasing farming land for the sale of high value crops or business support for the income generation. The POs has ample experience of already operating soft loan programs for marginalized groups from SKBBL will ensure there is no social resistance to the revolving fund program. However, to counter the risk of social resistance, the methodology specified under the activities 3.3.1 and 3.3.2 will be strictly followed. The implementation guidelines will help avoid any social resistance for prioritizing the former bonded laborers. The household selection will be based on the baseline data that is indicated by the priority list/ranking and will be verified by the concerned POs and the farmers group. All of the Mukta Kamiyas will have equal access on the capacity building programs. However, those not eligible for the revolving fund will also have access on the income-generating activities through mustard-based farming and livestock and can be benefited from other optional loan access. In case of conflict, a resolution will be sought through a joint meeting with representatives of the local government, the field level project implementation team, the PO and NACCFL locally. Moreover, the social resistance insight on the revolving fund distribution and the ways on problem solving is given in Table 15.

Table 15: Social Resistance insight on the revolving fund distribution and solving

SN	Area	Problems	Problem solving
1	HH data collection	Miss information	<ul style="list-style-type: none"> • Data cross check and approval from the PO's farmers group • Strictly follow the guideline procedure
2	HH selection	Huge number of HH	<ul style="list-style-type: none"> • HH ranking for each year
3	Fund distribution	Repetition/overlapping	<ul style="list-style-type: none"> • Record keeping • Strictly follow the guideline procedure
4	Proper use of fund	Misuse of revolving fund	<ul style="list-style-type: none"> • Timely monitoring and follow-up • Transparency as per guideline & group decision • Business plan
5	Fund claim by marginalized /small holder HH members	Difficulty on the decision upon fund distribution	<ul style="list-style-type: none"> • Provide support from other complementary program (mustard-based farming, livestock or access on other form of loan)
6	Conflict on the program	Stagnant fund flow	<ul style="list-style-type: none"> • Resolution sought through a joint meeting with representatives of the local government, the field level project implementation team, the PO and NACCFL locally

2.6 Monitoring, Performance Assessment and Reporting

Monitoring and Performance Assessment

The FAO TA Monitoring and Evaluation Framework will be harmonised and complement the M&E Framework of the GAFSP-funded FANSEP project. The existing M&E System that was adopted in FANSEP

will be fully adopted in this project. The FAO TA will support the base line survey, and it will carry out the technical support and oversight missions for project monitoring and supervision. Implementation Support (IS) Mission will have the combined aims of reviewing the quality of implementation, providing solutions to implementation problems, and assessing the likelihood of achieving the PDO. With the support and oversight of the Investment Centre, the project will carry out an MTR and a rapid impact assessment at the end of the project.

More specifically, during such missions, FAO TA will assist to: (i) review implementation progress of each component, including institutional development aspects; (ii) seek solutions for problems that arise during the implementation; (iii) review the action plans for every six months; (iv) verify the compliance of project activities with environmental and social safeguard policies; (v) review case studies and survey results to measure results indicators to determine progress toward the PDO against the targets set within the Results Framework and the quality of implementation; and (vi) review the quality of capacity-development activities, which are crucial for an effective implementation of the project. Such missions underline the importance of maintaining project flexibility.

Technical support missions from RAP will also provide guidance and technical backup to project team to internalize good practices and to resolve implementation bottlenecks as they are identified during the Implementation Support Missions. FAO TA will assist in conducting the periodic reviews of project implementation through case studies, collection of stories and process documentation. At the end of the project, the FAO TA will organize a technical assistance completion review to assess the success of the TA and draw lessons from its implementation.

Monitoring and Knowledge Sharing

FAO TA will carry out close monitoring of project implementation and progress in coordination with POs. In the first year of project, TA would see more technical support for establishing and operationalizing M&E system, and later the focus would change to more routine monitoring of progress, troubleshooting, and assessments based on the Results Framework. Regular short visits by individual specialists of TA will be done to identify specific thematic issues and to follow up the application of recommendation made by implementation support mission.

The M&E procedures for the project will comply with the FAO internal requirements as well as fulfil the GAFSP requirements, including core indicators for each component. The M&E specialist within the FAO will be deployed to manage the M&E activities of the overall project.

The FAO TA would provide assistance in strengthening and implementing existing M&E system in line with GAFSP requirements to track progress on a continuous basis. Such M&E system will be enabled with the features to capture the implementation process of project interventions. The provision of capturing the qualitative and process-approaches in M&E system would provide evidence and facilitate analysis concerning the level, relevance and application of knowledge, skills and practices developed and applied. Such provisions are necessary to ensure the quality of the project activities and institutionalize the interventions.

The TA support would provide technical backstopping to incorporate the project specific indicators and tools to allow field-level functionaries to collect progress data, documentation and reporting at agreed intervals and track the progress towards achieving the specific milestones as stipulated in the results framework.

In the M&E system, specific studies including assessment at beneficiary level will be commissioned to complement data gathered from the regular monitoring where needed. The TA will assist to measure the impact of capacity development activities, with participatory M&E methods. The TA will ensure that gender and citizen engagement are fully integrated in every aspect of the project implementation and reflected in the in the mid-term and impact assessment studies.

FAO will also provide TA for its integration to overall NACCFL monitoring and evaluation systems including the project evaluation. The result monitoring matrix is developed with the project level indicators, component level indicators, project targets and the data collection instrument (Annex 1).

2.7 Evaluation

The Food and Agriculture Organization of the United Nations (FAO) requires a contribution from every project to support evaluations conducted by the Independent Office of Evaluation (OED) in alignment with priorities for learning and accountability. Unless otherwise stipulated through FAO agreements with donors or by OED, an allocation of 0.8 percent of the total project budget is set aside as a contribution to fund evaluation activities (such as portfolio evaluations) and will be transferred to the OED Trust Fund. For examples of OED's work, please visit fao.org/evaluation.

In line with GAFSP requirements, a baseline survey will be undertaken against which project results will be assessed at mid-term review and at completion through an impact assessment. A midterm review will be organized under the responsibility of the Investment Centre and fully funded by the project. The project outcomes will be assessed at the end of the implementation period, as reflected in the GAFSP Guidelines, which also align with FAO's parameters for this type of project. The results of the impact assessment (endline survey), to take place at project end, will feed into the FAO terminal report, along FAO procedures and will serve to draw lessons on factors contributing to achievements or lack thereof.

SECTION 3 - SUSTAINABILITY

3.1 Capacity Development (including Potential Exit Strategy)

Capacity Development: FAO TA will use different technical guidelines and training manuals for the training of facilitators, FFS/NFS and other capacity building activities. By the end of the project, all the project specific technical guidelines and training materials will be institutionalized into the NACCFL system. FAO TA will utilize the package of technology already developed/tested/validated in the past projects as for example with GAFSP and the Nepal Agriculture Research Council (NARC) for the extension education. The technical human resources and the members of POs will be trained through the FAO TA. The FFS/NFS facilitators and the trained human resources will remain in the POs. The service delivery and supply chain will be strengthened. All these will help to capacitate POs technically and build up the technical sustainability of the project.

Institutional Sustainability: The TA will implement its activities through the existing POs under NACCFL that will enhance the capacity of smallholder farmers, indigenous and women groups and disadvantaged groups, which will ensure the ownership of the project interventions by the community. The institutional sustainability of the project is based on a) developing community-level resource persons such as FFSs and NFSs facilitators, b) building institutional capacity of the NACCFL, c) strengthening POs and the market functionaries, d) strengthening private sector institutions, nongovernmental organizations (NGOs), and e) building institutional capacity of the local government.

Financial Sustainability: Adoption of the participatory approach in the project and the fund sharing with NACCFL and POs will keep the program financially intact in the long run. Hence the income generation from the project will equip the POs to run the business in the long run. However, it is the role of the local Government to undertake the responsibility in the project over time, as they will be involved in the project as a key stakeholder. Knowledge sharing and ties with government will also be an important aspect to ensure continued strengthening of the enabling environment for POs. Moreover, the revolving fund for the landless and financially poor households will also continue in the POs.

Exit strategy: The Project has given adequate importance to sustainability of project interventions after its completion, through the identification of the capacities needed to be strengthened for ensuring proper continuation of activities and due consideration to the economic/financial, institutional, technical, environmental, food and nutrition and GESI sustainability. Key hand over mechanisms for the exit strategy will be identified in consultation with the partners during the capacity development interventions, especially those requiring public sector financing. The exist strategy comprises the following:

- Local institutions like POs, farmers groups, local government, private sector institutions, nongovernmental organizations (NGOs) etc. remain functional with strong ownership on project interventions.
- The strengthened service delivery and supply chain will be functional in the project area with trained human resource persons, in hand technology, technical guidelines, training materials, and market functionaries
- The PO members will be financially capacitating to run the project in project phasing period. However, local Government will take initiation to support the project activities after the project as per the need. The revolving fund for the landless and financially poor household will continue after project closure through the efforts of POs.
- NACCFL will be engaged in documenting experience and learnings from the beginning of the operational phase until project will be over.
- At the end of the project, FAO and NACCFL will jointly organize a knowledge sharing workshop, to share the lessons learnt from the project and as part of hand over phase. At the end the equipment, facilities used in the project and the relevant learning materials will be handed over to POs and the NACCFL so that they can continually support the beneficiary even after the project is over.

3.2 Decent Rural Employment

The current national agriculture investment framework has put strong focus on creating an enabling environment for investment in development of agricultural entrepreneurs by supporting productive activities, decent job creation, creativity and innovation and promotion of micro, small and medium sized enterprises through access to financial services. The project is designed in line with social and environmental guideline of FAO with activities to contribute women economic empowerment. The FAO also will support POs to comply with decent employment rules of the Government. Further, FAO ensure that national and international labour standards, including ILO conventions, are applied for staff hired by this project in the project life cycle. As part of one health agenda, occupational health and safety trainings will be implemented under the FFS. Likewise, all investments supported by FAO do not involve or lead to harmful or exploitative forms of labour and that they do not violate basic principles of non-discrimination, equal opportunities, occupational safety and health, and/or child labour prevention contrary to applicable national employment and labour laws and FAO's Environmental and Social Standards (ESS).

FAO TA is intended to strengthen the producers' organizational capacity, improving the information system for market linkage, and farmers' knowledge and skills through trainings. FAO TA will facilitate in linking project-supported smallholder producers and POs with the national supply chains and local, national markets for market integration. Coordination with local-level municipalities will be further strengthened and continued for leveraging local government funding and encourage the cofounding from the private and community resources too. Links between producers and buyers will be strengthened further to introduce a demand-based production system by bringing the two sides through the multi-stakeholder dialogue platform. The economic/financial sustainability of the project will be through: a) linking farmers to market and input suppliers, b) developing business plans and guidelines

for operating enterprises and c) establishing market centers at local levels; d) increasing the income of the project beneficiaries from upscaling their farm/mill capacity.

Please consider ensuring that the national and international labour standards including ILO conventions are applied for staff hired by the project during the project life cycle. In addition, the project needs to provide information of how to ensure including occupational health and safety training under the FFS.

3.3 Environmental Sustainability

The project will adopt crop diversification and an integrated farming approach that will help farmers adapt to the changing climate and manage the risks associated with farming. Integrated and diversified farming will increase food security by ensuring a diverse range of crops and livestock, improving soil fertility, and reducing the risk of crop failure due to climate variability. Crop diversification will provide opportunities for farmers to generate income from diversified crops and reduce their vulnerability to climate and market shocks. Likewise, integrated farming will incorporate different agricultural practices and components to optimize the use of resources and increase productivity while reducing negative impacts on the environment. Furthermore, it will incorporate climate-smart technologies and practices for integrated livestock and crop production, in particular promoting legume crop rotation for forage production and improving soil fertility. All these considerations will foster environmental sustainability and climate resilience in the project activities.

3.4 Gender Equality

The project targets 75 percent women as the direct beneficiaries. However, all the beneficiaries (200 persons) under the Golden 1000 days program will be mothers in the Tharu community. The nutrition awareness and Behavioral Change Communication program (BCC) will mainly be targeted to women and children. Capacity development training on gender and social inclusion (10 event, 25 persons/event) for PO members is mainly for the women. Leadership training will be delivered to women's groups (2 days, 10 event, 25 persons per event). PO led community awareness activities on food safety, food and nutrition security and market development (25 events) is also targeted to women groups. The majority of the participants on conduction of Home/Nutrition Garden and Nutrition Field School will also be the women farmers. All the activities targeted to women in POs aim to empower them through improving their technical skills, increase their access on resources, increase the resilience, reduce gender gaps and promote gender equality. The project aims to increase the income, food and nutrition availability to women and their children.

3.5 Indigenous Peoples

The TA will implement its activities through the existing POs under NACCFL mainly in the Tharu community (55 percent direct beneficiary), that will enhance the capacity of smallholder Tharu farmers, women groups and disadvantaged groups, which will ensure the ownership of the project interventions by the indigenous community. In addition, the coordination and collaboration with local level government (rural municipalities) will be set-up from the beginning of the project for the collaborative planning, implementing, and monitoring project activities and to explore opportunities to leverage local government funding in the Tharu community. The community-level resource persons such as FFSs and NFSs facilitators will be the indigenous Tharu farmers and POs members, which will enhance the project sustainability.

The project will attempt to improve nutrition outcomes for the target community through a multi-faceted approach which provides sustainability on food and nutrition security in the community. It covers the Home Nutrition Garden (HNG), which encourages on producing nutritious vegetables such as

carrots, pumpkins, turnips, greens, spinach, Swiss chard, lettuce, asparagus, etc. and the backyard poultry/or fish for the complete nutrition of household members. Nutrition Field School (NFS)/School Nutrition Garden (SNG) and Behavioural Changes Communication (BCC) are the approaches for creating nutrition awareness, learning by doing and women's empowerment. NFS participants will be able to identify and try to rule out existing food taboos and be more aware and conscious of nutrition during the golden 1000-day period, as well as create awareness and the importance of health and nutrition services, i.e., immunization, growth monitoring, and positive behaviour change towards nutrition and health in the Tharu community.

3.6 Technical/ technological innovation

The project is designed with innovative technical/technological approaches/methods/tool to convert the most disadvantaged indigenous people (Tharu) and Mukta-Kamaiya (bonded labourers) to entrepreneurs by means of the self-helped agri-business. The project shall be replicable/up-scale in other districts of Nepal having similar socio-economic situation.

Annex I: Logical Framework Matrix

Results chain/Narrative	Indicators	Baseline	Target***	MoV	Assumptions
Impact/PDO*	Increased household income (farm and off-farm) (GAFSP Tier 1)	0	Baseline + 25%	<ul style="list-style-type: none"> Baseline, midline, and endline survey (impact assessment) Technical & economic monitoring reports Progress/annual report 	<ul style="list-style-type: none"> No pandemic Absence of major natural disasters No political or religious/ethnic instability
The most vulnerable and food insecure households in the Badhaiyatal Rural Municipality, Bansgadhi Municipality, and Barbardiya Municipality of Bardiya district in Nepal have enhanced food and nutrition security and livelihood resilience.	Improved score on the Food Consumption Score (FCS) by direct beneficiaries (gender disaggregated)	TBD	Baseline + 45%		
	Improved dietary intake for Pregnant and nursing women, and Children between 6 and 24 months	TBD	Baseline + 35%		
TOTAL PROJECT OUTREACH (GAFSP Tier 2 Indicators)	Number of people receiving direct benefits (person) Of which, number of females (Tier 2 GAFSP Indicator – 1)	0	4675 At least 50% females (2338)	Project M&E System. Resulting from activities 2.3, 3.1, 3.2	.All project beneficiaries benefit from climate resilient and/or sustainable agriculture practices
	[Climate resilient indicator] Number of farmers receiving inputs or service on climate resilient or sustainable agriculture practices (farmer)++ Disaggregation: Of which, female farmers Disaggregation: Of which, number of farmers adopting technologies or practices received (Tier 2 GAFSP Indicator – 13)	0	4675 At least 50% female (2338) Of which 60% adopting the practices received (2805)	Project M&E System. Resulting from activities 2.3, 3.1, 3.2 Impact assessment for adoption	
	Number of producer-based organizations supported (organizations) (Tier 2 GAFSP Indicator – 4)	0	5	Project M&E System	
	Farmers that are supported in accessing improved marketing opportunities (farmer) Of which, the number of females (Tier 2 GAFSP Indicator – 8)		2,000 50% female	Project M&E System	
	Number of policy products completed with project support related to agriculture,		10	Project M&E System. Resulting from activities 1.3 (5 business	

	natural resource management, and food/nutrition security (knowledge product) (Tier 2 GAFSP Indicator – 11).			plans and 5 market implementation guidelines developed)	
	Number of processing, storage, and market facilities constructed and/or rehabilitated (facility) (Tier 2 GAFSP Indicator – 7)		1	Project M&E System. Resulting from activities 2.1, 2.2 Equipment procurement and handover document Technical & economic monitoring Contract with oil processing PO, procurement document, and handover document	
	Persons supported by project in rural areas accessing financial services (person)+++ Disaggregation: Of which, number of females (GAFSP Tier 2 indicator – 5)		50 60% female	Project M&E System. Resulting from activities 3.3 - Mukta Kamaiya community	
	[Nutrition] People receiving improved nutrition services and products (person) Disaggregation: Of which, number of females (GAFSP Tier 2 indicator – 12)		1325 85% women	Project M&E system	
	Persons receiving capacity development support (person): Disaggregation: Of which, number of females (GAFSP Tier 2 Indicator – 10)	0	2500 50% female	Project M&E system Resulting from activities 1.1, 1.2, 2.1, 2.2, 2.3, 3.2	
Outcome 1: Improved governance and management capacities of POs to deliver resilient services to its members.	Institutional capacity of supported organizations (5 POs) measured by capacity index (to be defined by the project) (GAFSP Tier 2.1 Outcome Indicator)	TBD	25% increase	<ul style="list-style-type: none"> • Baseline, midline, and endline assessments • Technical & economic monitoring • Progress/annual report 	The political and economic situation in the country is conducive.
Output 1.1: POs capacity on governance, cooperative performance, and financial management strengthened	<i>(contributes to GAFSP Tier 2 indicators 4 and 10)</i>	0	Already counted		

Output 1.2: POs capacity on gender & social inclusion strengthened	(contributes to GAFSP Tier 2 indicator 10)	0	Already counted		
Output 1.3: Business Plan and Market Implementation Guidelines of POs developed	(contributes to GAFSP Tier 2 indicator 11)	0	Already counted		
Output 1.4: Food safety, food and nutrition security, and market development promoted and advocated through PO led awareness event.	Persons reached by the campaign Disaggregation: Of which, number of females	0	<ul style="list-style-type: none"> 1,250 farmers participated in PO led awareness raising events. (50% female) 	<ul style="list-style-type: none"> Event Report and attendance sheet Photo documentation Progress/annual report 	
Output 1.5: Project management, formation of PSC; inception & closing workshop; project monitoring & evaluation	<ul style="list-style-type: none"> Number PSC meeting Number of reports 	0	<ul style="list-style-type: none"> 11 meetings 15 reports (inception-1, base line-1, midterm review-1, impact assessment-1, periodic progress report-11) 	<ul style="list-style-type: none"> Survey reports Progress/annual report 	
Outcome 2: Farm productivity, production, and market access of smallholder farmers improved through Mustard-based value chain.	Mustard productivity and mustard production	TBD Mustard productivity in Bardiya district is 1.01 ton/hectare	<ul style="list-style-type: none"> Mustard productivity increased to 1.11 ton/hectare Mustard production increased by 25% in 5 POs 	<ul style="list-style-type: none"> Baseline, midline, and endline survey Technical & economic monitoring reports Progress/annual report Annual sales/stock report of POs Contract between POs and oil processing facility 	<ul style="list-style-type: none"> Political and socio-economic situation in the country is conducive and allow farmers to use skills and credit. Unseasonal conditions (drought, flood) and extreme weather events do not adversely affect production. No major pest or disease outbreak in the project area. No influx of cheap and low-quality mustard oil in the market from bordering area.
	Percentage of agricultural production sold on domestic and regional markets (%)	TBD	Sales of mustard seed increased by 50%		
	Increased cropping intensity	TBD	Cropping intensity increased by 25%		

Output 2.1: Mustard processing facility upscaled and upgraded.	<i>(contributes to GAFSP Tier 2 indicators 7 and 10)</i>	0	<i>Already counted</i>		
Output 2.2: Marketing capacity and market linkage of PO strengthened.	<i>(contributes to GAFSP Tier 2 indicators 7, 8 and 10)</i>	0	<i>Already counted</i>		
Output 2.3: Mustard-based farming system promoted	<i>(contributes to GAFSP Tier 2 indicators 1, 10 and 13)</i>	0	<i>Already counted</i>		
Outcome 3: Reduced risk and vulnerability of the most vulnerable and food insecure farmers through an improved climate-resilient farming system	Number of farmers whose livelihood has become more resilient to shocks (farmer)	0	4675 households from Tharu community become more resilient to shocks with improved WFP resilience Capacity Score. 50 Mukta Kamaiya households become more resilient to shocks with improved WFP resilience Capacity Score.	<ul style="list-style-type: none"> Baseline, midline, and endline survey (impact assessment) Technical & economic monitoring reports 	<ul style="list-style-type: none"> Economic environment allows farmers to use skills and credit. Unseasonal conditions (draught, flood) and extreme weather events do not adversely affect production. There is no major pest or disease outbreak in the project area.
	Crop Diversification index	TBD 0	Crop diversification increased by 25%		
Output 3.1: Improved access of farmers to nutrition garden related input and services	<i>(contributes to GAFSP Tier 2 indicators 1 and 13)</i>	0	<i>Already counted</i>		
Output 3.2: Improved access of farmers to input and services for enhancing crop and livestock productivity as well as production	<i>(contributes to GAFSP Tier 2 indicators 1, 10 and 13)</i>	0	<i>Already counted</i>		
Output 3.3: Improved access to financial services for better livelihood opportunities for Mukta Kamaiya	<i>(contributes to GAFSP Tier 2 indicator 5)</i>	0	<i>Already counted</i>		

Outcome 4: Nutrition related awareness and services improved at farmers household level.	Minimum Dietary Diversity GAFSP Tier 1 Indicator	TBD	<ul style="list-style-type: none"> • 25% more than baseline 	<ul style="list-style-type: none"> • Baseline, midline, and endline assessments report • Technical & economic monitoring report • Progress/annual report Beneficiary list 	<ul style="list-style-type: none"> • Socio-economic situation in the country is conducive to allow beneficiaries to use skill and use nutrition products/services. • No famine situation in the region due to natural disaster and climate change.
Output 4.1: Knowledge and skill of farmers required for preventing nutritional deficiencies enhanced.	<i>(contributes to GAFSP Tier 2 indicator 12)</i>	0	<i>Already counted</i>	Nutrition Field School report and attendance sheet	
Output 4.2: Improved access to health and nutrition related input and services for pregnant women and their children.	<i>(contributes to GAFSP Tier 2 indicator 12)</i>	0	<i>Already counted</i>	<ul style="list-style-type: none"> • Golden 1000 days program report and attendance sheet • Beneficiary selection document • Signed Distribution lists/agreements • Technical & economic monitoring report 	
Output 4.3: Food and nutrition-related knowledge, attitude, and behaviour/practices of the farmers enhanced through public awareness campaign.	Persons reached by the campaign/receiving information through various means (person) Disaggregation: Of which, number of females	0	<ul style="list-style-type: none"> • 1,000 farmers sensitized on food and nutrition safety through 20 nutrition sensitization events. • 5,000 people (indirect beneficiaries) sensitized on food and nutrition safety through pamphlets/flyers/posters/charts, radio, and TV. • 2,000 people (indirect beneficiaries) sensitized through social media sites. 	<ul style="list-style-type: none"> • Nutrition sensitization event report • Photo documentation • Recording of Radio program • Awareness video • pamphlets/flyers/posters/charts • Radio frequency and reach report • TV channel rating report • Facebook Insights • Google Analytics 	

Annex II: Stakeholder Engagement and Grievance, Conflict Resolution and Accountability Mechanisms

Methodology specified in the guideline will be strictly followed

HH selection will be based on baseline data and the priority list/ranking, verified by the concerned PO.

1) Stakeholder Engagement Plan

Stakeholder Name	Stakeholder Type	Stakeholder profile	Stakeholder engagement methodology	Consultation Findings (past consultations)	How the findings were incorporated into the project	Expected timing (future consultations)
Mainapokhar, Padnaha, Kalika, Deudakala, and Basgadhi POs in Bardiya	Direct beneficiary	Local community	Program recipient Information feedback	<ul style="list-style-type: none"> •Unclarity on PO's role during project implementation •Social Resistance to Prioritizing Former Mukta Kamiya 	<ul style="list-style-type: none"> •Participation of POs in every step of the project •Provision of the revolving fund with set methodology/guideline •HH selection based on baseline data and the priority list/ranking & verified by the POs. 	Throughout the period
Women's groups	Direct beneficiary	Local community	Program recipient Information feedback	<ul style="list-style-type: none"> •Unclarity on Women group's role during implementation 	<ul style="list-style-type: none"> •Participation of group in project implementation 	Throughout the period
Indigenous groups	Direct beneficiary	Local community	Program recipient Information feedback	<ul style="list-style-type: none"> •Unclarity on Indigenous group's role during implementation 	<ul style="list-style-type: none"> •Participation on project implementation 	Throughout the period
Private sector, including the entrepreneurs and business holders	Indirect beneficiary	Local community School teachers and students	Input supplier	<ul style="list-style-type: none"> •Unavailability of technical inputs •Insufficient marketing 	<ul style="list-style-type: none"> •Input supply •Market support 	Throughout the period
Nepal Agriculture Cooperative Central Federation Ltd. (NACCFL)	Partner	Resource partner	Service provider Co-funding	<ul style="list-style-type: none"> •Unavailability of specific technology •Poor project management 	<ul style="list-style-type: none"> •Provide advisory services •Provision of project management CD 	Throughout the period
Food and Agriculture Organization	Partner	Resource partner	Service provider Budget holder	<ul style="list-style-type: none"> •Need of specific technical expertise 	<ul style="list-style-type: none"> •Utilize expertise for advisory services 	Throughout the period

Agriculture Knowledge Centre, Vet. Hospital, Municipal Agri. Section, Provincial and Federal ministry of Agriculture	Partner	GO institution and Resource partner	Consultations Service provider	•Unavailability of specific technical expertise	•Utilize expertise for advisory services	Frequently
The development partners	Partner	Resource partner	Consultations Service provider	•Unavailability of supportive programs	•Coordination to provide the synergy	Frequently
CBOs/NGOs	Indirect beneficiary	Non-gov. Organization	Consultations Service provider	•Unavailability of technical expertise	•Utilize expertise for advisory services	Early project period
Local Schools, cooperatives & Commodity organizations	Indirect beneficiary	Civil society organizations	Information feedback	•Limitation to nutrition program	•Coordination to provide the synergy	Early project period

2) Grievance Redress Mechanism

1. Main contact details

Anyone having grievance or suggestion about the project “Improved Food and Nutrition Security through Diversified Income Generation and Empowerment” can use any of the below channels free of charge to contact us. Their grievance will be handled confidentially by the Food and Agriculture Organization of the United Nations.

Phone:	+977-1-5423239, 5423900
Email:	FAO-NP@fao.org
WhatsApp (including voice messages):	[include as relevant]
Suggestion box address:	[include as relevant]
Fax:	[include as relevant]

2. Purpose of GRM and guiding principles

This is the Grievance Mechanism for the project “Improved Food and Nutrition Security through Diversified Income Generation and Empowerment”, implemented by the Food and Agriculture Organization of the United Nations and Nepal Agriculture Cooperative Central Federation Ltd (NACCFL) between 01 November 2024 and 30 November 2028 at field level to file grievances related to the project. Contact information and information on the process to file a grievance will be disclosed in all

meetings, workshops, and other related events throughout the duration of the project. In addition, it is expected that all communication and awareness raising material to be distributed will include the necessary information regarding the contacts and the process for filing grievances.

The project/FAO will also be responsible for documenting and reporting as part of the safeguards performance monitoring on any grievances received and how they were addressed.

FAO is committed to ensuring that its projects and programs are implemented in accordance with the Organization's environmental and social obligations. Concerns of non-compliance must be addressed at the closest appropriate level, i.e., at the project management/technical level, and if necessary, at the FAO Country Office or Regional Office level. If a concern or grievance cannot be resolved through consultations and measures at the project management/technical level, a grievance requesting a Compliance Review may be filed with the FAO Office of the Inspector General in accordance with the Guidelines for Compliance Reviews Following Grievances Related to the Organization's Environmental and Social Standards. Project Managers will have the responsibility to address concerns brought to the attention of the officially designated project grievance focal point.

The **principles** to be followed during the grievance resolution process include confidentiality, impartiality, respect for human rights, including those pertaining to indigenous peoples, compliance of national norms, coherence with the norms, equality, transparency, honesty, and mutual respect.

3. Who can file a grievance and how

Anyone can file a grievance or make a suggestion related to the project/office. Your grievance will be handled confidentially.

The project will prepare and present its grievance redress mechanism at the project inception workshop including information on the grievance focal point. Stakeholders will be communicated about it so that people affected by the project can file a complaint in accordance with the established procedure of FAO. Concerns must be addressed at the closest appropriate level, i.e. at the project management/technical level, and if necessary, at the Regional Office level. If a concern or grievance cannot be resolved through consultations and measures at the project management level, a complaint requesting a Compliance Review may be filed with the Office of the Inspector-General (OIG) in accordance with the Guidelines. Program and project managers will have the responsibility to address concerns brought to the attention of the focal point. The project will establish a grievance mechanism at field level to file complaints during project inception phase. Contact information and information on the process to file a complaint will be disclosed in all meetings, workshops, and other related events throughout the life of the project. In addition, it is expected that all awareness raising material to be distributed will include the necessary information regarding the contacts and the process for filing grievances.

The project will also be responsible for documenting and reporting as part of the safeguards performance monitoring on any grievances received and how they were addressed.

4. From grievance to resolution

The mechanism includes the following stages:

1. In the instance in which the individual or group have the means to directly file the grievance, he/she has the right to do so, presenting through the indicated channels of the project/office (i.e.: email, mailbox, phone, etc.). The process of filing a grievance will duly consider confidentiality, and if requested by the individual or group bringing the grievance, anonymity as well as any existing traditional or indigenous dispute resolution mechanisms and it will not interfere with the community's self-governance system.
2. The individual or group bringing the grievance files a grievance through one of the channels of the grievance mechanism. This will be sent to the Project or FAO Decentralized / Country Office Grievance focal point to acknowledge and log the grievance, assess whether it is eligible and determine responsibility for attempting to resolve the grievance in line with the processes agreed for the project. The confidentiality of the grievance must be preserved during the process. For every grievance received by the project grievance focal point, written proof will be sent within ten (10) working days; afterwards, a resolution proposal will be made within thirty (30) working days. The Grievance focal point will also be responsible for recording the grievance and how it has been addressed if a resolution was agreed.
3. If the situation is too complex, or the individual or group bringing the grievance does not accept the proposed resolution, the Grievance focal point must be informed and they must send the grievance to the next highest level, until a solution or acceptance is reached.
4. In compliance with the resolution, the person in charge of dealing with the grievance may interact with the individual or group bringing the grievance, or may call for interviews and meetings, to better understand the reasons.

Resolution

Upon acceptance of a solution by the individual or group bringing the grievance, a confidential record will be maintained.

Review Level	Contact Details
Project Level	Email: FAO-NP@fao.org Phone: +977-1-5423239, 5423900
Next level	Ken Shimizu FAO Representative in Nepal E-mail: ken.shimizu@fao.org
Higher level (only if it's strictly necessary to include a third level)	Jong-Jin Kim, FAO Assistant-Director General and Regional Representative for Asia and the Pacific e-mail: FAO-RAP@fao.org Tel: (+66 2) 697 4000
Office of the Inspector General (OIG)	Contact FAO's independent Office of the Inspector General: <ul style="list-style-type: none">• To report non-compliance with FAO's environmental and social management guidelines in case your grievance could not be resolved through the previously mentioned channels.

- To report non-compliance with FAO's environmental and social management guidelines in case you have a good reason for not approaching the project management (e.g., fears about your safety).
- To report possible **fraud and other corrupt practices, as well as other misconduct such as sexual exploitation and abuse.**

By confidential hotline (online form & by phone): fao.ethicspoint.com

By e-mail: Investigations-hotline@fao.org or inspector-general-office@fao.org

By mail:

Office of the Inspector General

Food and Agriculture Organization of the United Nations

Viale delle Terme di Caracalla

00153 Rome, Italy

Annex III: Workplan

The following work plan is subject to periodic review and updating

Activities/timeline	Q1	Q2	Q3	Q4
Calendar year 2024				
1. INCEPTION PHASE				
1.1 Identification & participatory mapping (geographic & demographic) of the Indigenous Peoples and Women for Free, Prior, and Informed Consent (FPIC)				
1.2 National consultant recruitment, briefing, training and placement				X
1.3 PO-level technical staffs/NACCFL recruitment, briefing, training and placement				X
1.4 Orientation to POs				X
1.5 Assessment of PO-level capacity and HR needs for project implementation				X
1.6 NACCFL/national level workshop (inception)				X
1.7 POs level workshops				X
2. OPERATION PHASE				
2.1 FPIC consultation and participatory project planning and implementation				
2.2 Training needs assessment				X
2.3 Curricula design/update				X
Calendar year 2025				
1. OPERATION PHASE				
2.2 Curricula design/update	X			
2.3 Training of trainers and training of technical staff/facilitators	X	X		
2.4 Support in country training	X	X	X	X
2.5 Support on the participatory implementation of project activities	X	X	X	X
2.6 Support for participatory monitoring, periodic reviews and reporting	X	X	X	X
2. NACCFL TAKEOVER PHASE				
3.1 Documentation of experience and Learnings	X	X	X	X

Calendar year 2026				
2. OPERATION PHASE				
2.4 Support in country training	X	X	X	X
2.5 Support on the participatory implementation of project activities	X	X	X	X
2.6 Support for participatory monitoring, periodic reviews and reporting	X	X	X	X
3. NACCFL TAKEOVER PHASE				
3.1 Documentation of experience and Learnings including FPIC	X	X	X	X
Calendar year 2027				
2. OPERATION PHASE				
2.4 Support in country training	X	X	X	X
2.5 Support on the participatory implementation of project activities	X	X	X	X
2.6 Support for participatory monitoring, periodic reviews and reporting	X	X	X	X
3. NACCFL TAKEOVER PHASE				
3.1 Documentation of experience and Learnings including FPIC	X	X	X	X
Calendar year 2028				
2. OPERATION PHASE				
2.4 Support in country training	X	X	X	
2.5 Support on the participatory implementation of project activities	X	X	X	
2.6 Support for participatory monitoring, periodic reviews and reporting	X	X	X	
3. NACCFL TAKEOVER PHASE				
3.1 Documentation of experience and Learnings including FPIC	X	X	X	X
3.2 Sharing of lessons learnt				X
3.3 Handover of equipment and facilities POs level				X
3.4 Handover of equipment and facilities in NACCFL level				X

Annex IV: Budget

a.

Component	2024	2025	2026	2027	Total
1. Increased income with Mustard based Value chain development	231133	303196	228267	36366	798962
2. Increase and diversified Income and food with integrated and diversified farming	137788	433246	340447	108557	1020038
3. Improve nutrition Security at household level	63390	43555	41055	12000	160000
4. Empower POs for resilient community	66000	24279	74721	5000	170000
Programme Management, Monitoring and evaluation cost (PMMEC)	98558	55747	69570	77125	301000
Grand Total	596869	860023	754060	239048	2450000

FAO Code	Item Description	2024	2025	2026	2027	Total budget
5013	Consultant	32,462	38,510	48,582	26,630	146,184
5014	Contract	326,600	460,100	387,100	57,600	1,231,400
5021	Travel	14,510	9,406	14,950	8,850	47,716
5024	Expendable	141,067	330,840	277,443	96,250	845,600
5025	Non-Expendable	34,500				34,500
5027	TSS	16,268	15,667	20,232	46,070	98,237
5028	GOE	2,695	3,145	2,927	2,078	10,845
5050	GOE Common Services	28,767	2,355	2,826	1,570	35,518
	Total	596,869	860,023	754,060	239,048	2,450,000

Annex V: Risk Management

Risk description	Worst case consequence for the project	Risk Score		Mitigating action	Action owner
		Impact	Likelihood		
The impacts of climate change	Lower agriculture productivity		✓	<ul style="list-style-type: none"> Capacity development for smallholder farmers Adoption of climate-smart agriculture practices Crop diversification and integrated farming 	FAO, NACCFL's and POs PO members/farmers PO members/farmers
Support from the Local Government	Hamper on project sustainability		✓	<ul style="list-style-type: none"> Involvement of local government officials in the planning, implementation, and monitoring of project activities Leveraging possible local government funds 	FAO and POs Local Government
Capacity development of POs on project implementation	Unavailability of technical expertise		✓	<ul style="list-style-type: none"> Utilize FAO's & NACCFL's expertise for advisory services 	FAO's & NACCFL's
Economic crisis from price inflation	Project will hamper to run in full fledge Lower agriculture productivity		✓	<ul style="list-style-type: none"> Increasing the capacity of smallholder farmers and facilitating their access to credit Promoting a seed production system within POs Reduce reliance on inorganic fertilizers from integrated farming approach & use of FYM Project focus on the governance and financial management of POs 	FAO, NACCFL's and POs PO members/farmers PO members/farmers FAO, NACCFL's and POs
Social Resistance to prioritizing Mukta Kamiya (former bonded labour)	Target beneficiaries may not benefit from the project		✓	<ul style="list-style-type: none"> Provision of the revolving fund for land contracting/leasing or for business support for the Mukta Kamiya within the POs HH data cross check and approval from the PO's farmers group Strictly follow the guideline procedure and the business plan HH ranking for each year Record keeping Timely monitoring and fallow-up of the program Paneity on violence as per guideline & group decision 	FAO, NACCFL's and POs

				<ul style="list-style-type: none"> • Provide support to marginalized/small holder other HH from other complementary program (mustard-based farming, livestock or access on other form of loan) • Resolution of conflict sought through a joint meeting with representatives of the local government, the field level project team & PO and NACCFL locally 	
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