

# Federal, Provincial and Local Structure of Horticulture Development, Its Gaps: Need for Restructuring in the Federal Context of Nepal

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## Abstract

The recent restructuring has posed a number of challenges and gaps. Institutional linkages among federal, provincial and local governments have not yet been developed and the mechanism of retaining experts has been lost. So there is an urgent need to develop a legal mechanism of horizontal and vertical coordination among local governments, provincial governments and the central government. Although NARC has not been restructured in the context of federalization, strengthening of its horticulture wing is necessary. Similarly, strengthening and modernizing facilities and infrastructures in the existing horticulture farms/center are needed. Government horticulture farms may be the effective practical schools for farmers where they can acquire practical knowledge by seeing and doing. Therefore these farms should be looked in this perspective and prioritize them in providing adequate budget and other resources. The ways forward to strengthen linkages among research, extension and education could be (1) joint action plan; (2) recognizing MOALD as the line ministry of AFU; and (3) developing horticultural alliances at provincial level. This paper has made an attempt to address all these gaps and issues through restructuring of existing organograms.

**Keywords:** *Restructuring, Organization, Gap, Linkage*

## BRIEF HISTORY OF GOVERNMENT HORTICULTURE ORGANIZATIONS

In the organizational front, there have been many changes in the past. The creation of a horticulture unit in 1957 BS in Nepal marked the beginning of horticulture related organization in the government sector followed

by the establishment of a number of horticulture stations and centers in different part of the country in the 1960s. Furthermore, the network of horticulture stations expanded after the creation of a separate Department of Horticulture in 1967. However, the department lost its identity in 1972 with the merging of five agriculture related departments to create the Department of Agriculture. Following this, horticulture extension was carried out by the District

Agriculture Development Offices (DADOs). The Fruit and Vegetable Development Divisions, National Commodity Programs for Citrus and Potatoes, and Horticulture Farms were mainly involved in research activities.

Realizing further importance of horticulture, an Assistant Minister was entrusted responsibility to look after horticulture in the Ministry of Agriculture and a post of Deputy Director General was created in the Department of Agriculture in 1982 for implementing horticulture development programs effectively. Such structural arrangements showed the commitment of the then government. This was appreciated by all concern stakeholders.

A separate Department of Horticulture was again created in 1990 under the Ministry of Agriculture. The rationale for this was the need to develop the horticulture subsector in an organized and planned manner. The organizational structure of this department included three Deputy Director Generals (DDGs), one each for fruit, vegetable, and planning and evaluation. District Horticulture Development Offices (DHDOs) were also proposed for all 75 districts of the country, of which 30 DHDOs were established. The remaining 45 DHDOs were in the process of establishment.

Again in 1992, all four departments related to agriculture were merged to create a Department of Agriculture Development (DOAD) with the objective of bringing all programs under one umbrella. Under the new DOAD with the Director General as the head, a provision for seven Directors was made including one for Horticulture. But research function was separated from development and an autonomous institution known as Nepal Agriculture Research Council (NARC) was formed. So NARC is an apex body created by the government of Nepal as per the Agricultural Research Council Act 2048 (1991). At present NARC is involved in research programs on different horticultural

crops with its nationwide network of research stations, farms and outreach sites distributed in different ecological regions. However, horticulture research has not received priority in NARC's budget and programs.

Under the DOAD, Fruit Development Division (FDD), Vegetable Development Division (VDD) and two Commodity Development Programs were restructured. The two divisions were upgraded, while the status of the two National Commodity Programs were degraded placing them under the respective divisions. However, new commodity programs for tea and coffee, cardamom and ginger were initiated. At the same time, a National Tea and Coffee Development Board was formed. Posts for Horticulture Development Officers (HDOs) were also created in all 75 DADOs to deliver extension services effectively as well as extensively.

In 2001, the National Agriculture Research and Development Fund (NARDF) was created for supporting Competitive Grant system (CGS) system in agriculture research and development. One of the priority area for CGS programs of NARDF is horticulture.

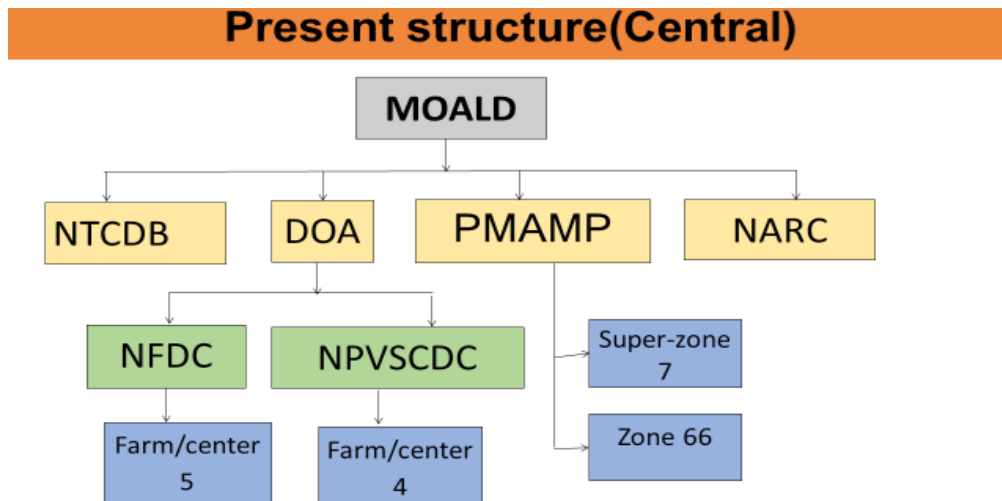
In addition to the above institutions, several other organizations including public agencies, universities, development partners, NGOs/INGOs and private organizations were also involved in the horticultural research and development.

## **Present Public Institutions**

### **1. At the central level**

The organizational support for horticulture research and development programmes is available from different agencies. At the central level, the government is supporting horticulture research and development programs through the National Agriculture Research Council (NARC), Department of Agriculture (DOA), Prime Minister Agriculture Modernization Project

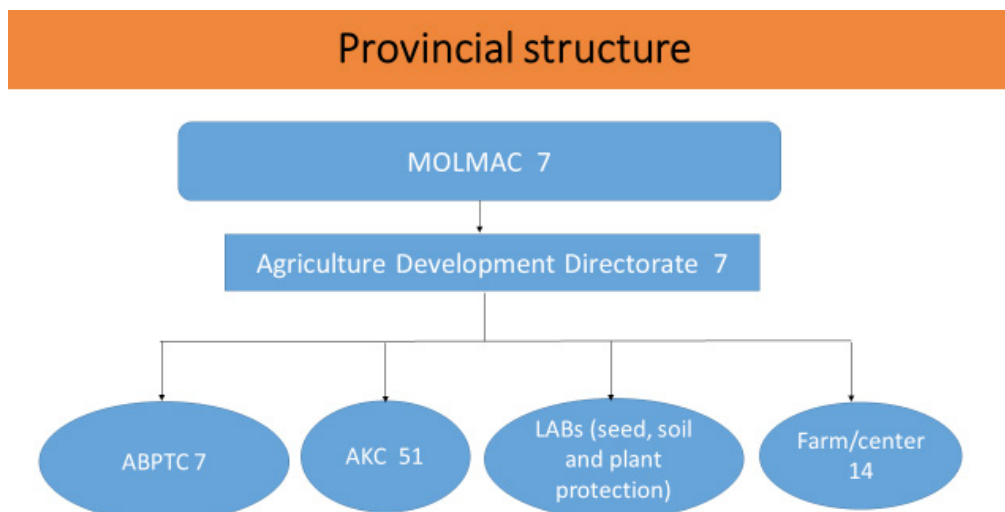
(PMAMP) and National Tea and Coffee Development Board (NTCDB). Details of the Central level organizations under the Ministry of Agriculture and Livestock Development (MOALD) for horticulture research and development are as shown in the following organizational chart:



**Fig 1:** Present federal structure of horticulture development in federal context of Nepal

## 2. At the provincial level

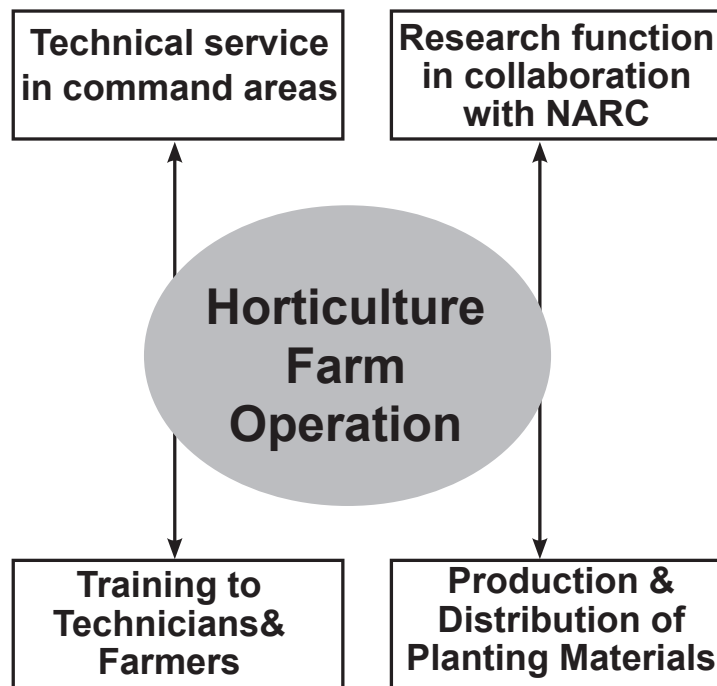
In each province, there is Agriculture Development Directorate (ADD) under Ministry of Land Management, Agriculture and Cooperatives. Provision of Horticulture Development Section in each ADD with 2 HDOs and 1 JT/JTA has also been made where a gazette second class officer from horticulture faculty will be the chief. Similarly, 51 Agriculture Knowledge Centers (AKCs) are being established throughout the countries. Although the chief of the AKC is from non-faculty gazette second class officer from any service group of the agriculture service, there is a provision of a gazette third class officer from horticulture faculty. The given terms of reference of the AKC are better performed by the farms provided they are strengthened accordingly.



**Figure 2:** Organizational structure of horticulture development at province level

But, as in the past, the government horticulture farms are again kept in low profile. So it is suggested to handover the responsibilities of the AKC to the farm in the district where it is located. At present, these farms are managed haphazardly on personal interest of the farm manager. In the present context, each horticulture farm should have four types of functions as shown in the following figure. Service function should have

collaboration with AKCs and NGOs. Training should be collaborated with ABPTC and NGOs. Research providers should be the partners for research function and private sector might be interested to collaborate in production function. The trial and demonstration function of the AKC should be handed over to these farms and each farm should have its command areas for providing technical services.

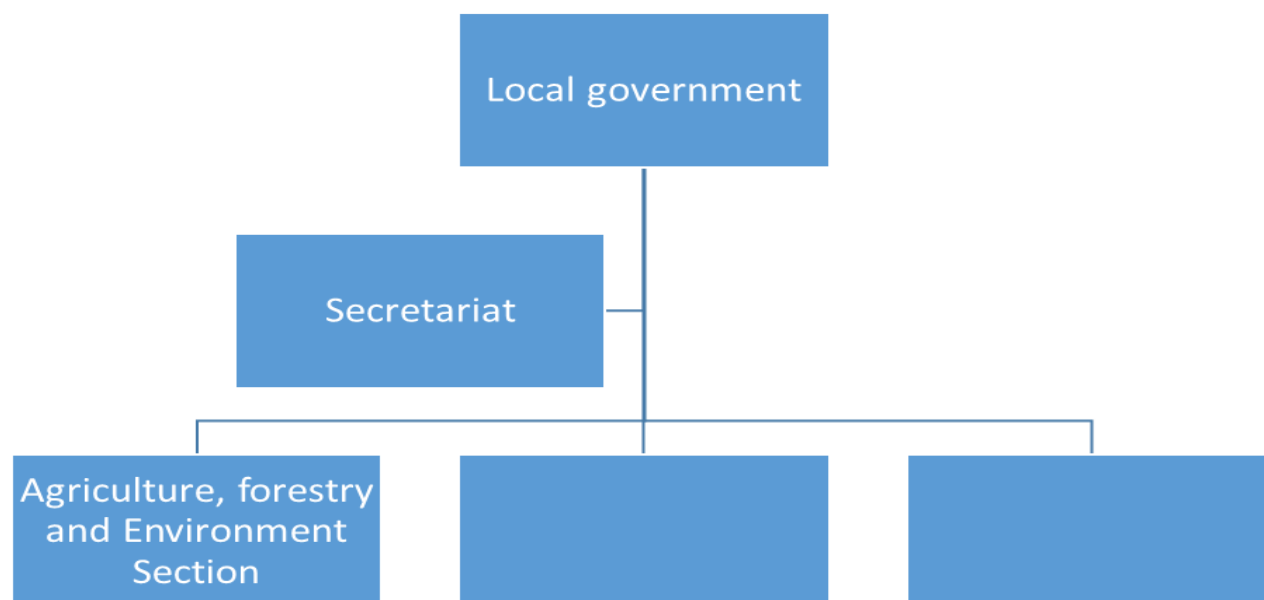


**Figure 3:** Proposed functions of horticulture farms

### 3 At the local level

The Federal Republic Nepal has 6 metropolitan cities, 11 sub-metropolitan cities, 276 municipalities and 460 rural municipalities. So there are 753 local units in totality. Responsibilities over agricultural extension services, local agricultural roads, small irrigation projects, and livestock health services are given to these local units. Considering these responsibilities of the local government, we need a separate Agriculture Development Office in each local government and one Community

Agricultural Service Centers (CASCs) in each ward as proposed by the Agriculture Development Strategy (ADS). But the present arrangement is 1 Gazette class II officer with 2 support staff in the Metro and Sub-metro City Councils, 1 Gazette class III officer with 1 or 2 support staff in municipalities and 1 JT and 1 JTA in each village council. There is no faculty system in the local units. As per the central guidelines and circulation, the structure for each local government should be as shown hereunder. But, most of the local governments have not followed this and they have created their own structure.



**Figure 4:** Structure for local governments

### Major Gaps And Needs Of Further Restructuring

Even after restructuring of agriculture with the promulgation of the Nepal Constitution (2015), there are many organizational anomalies in the horticulture sector. Linkages among NFDC, NPVSDC, Zones and Super-zones are very weak. Horticulture farms/centers under the DOA are underutilized with limited resources. NARC has limited number of horticulture farm/centers for research. Implementing units for zones and super-zones are lacking specialized manpower. Many provincial farms have to provide national level services for a given commodity. More other gaps are as listed hereunder:

- ✦ Institutional linkages among central, federal and local governments have been broken.
- ✦ Gaps in available human resource and requirement particularly at the local level are widening.
- ✦ Extension staffs are responsible to local government but they are to be hired through the Provincial Public Service Commission. This may widen the gap between authority and accountability.

- ✦ Potential disconnect between national horticultural priorities and those of locally elected governments may also slow down the pace of horticulture development.
- ✦ There is a big gap between the capacity and responsibilities of local governments for planning and implementing climate-smart horticultural programs.

### WAYS FORWARD

- 1) In the context of federalization, the marketing of horticultural products has become more complicated both in domestic and international markets. Considering this fact, the upgradation of the existing NTDCB to National Horticulture Development Board (NHDB) with a mandate to promote development of horticulture mainly through marketing and trade including post-harvest management to reduce losses is suggested.
- 2) In the present three-tier system of governance, the issue of coordination has also become complicated. In this context, strong coordinating mechanisms among federal, provincial and local governments, between provincial governments, and across ministries involved in the horticultural sector will be needed for effective delivery

of services. As many agencies are involved, there should be a National Horticulture Coordination Committee (NHCC) with key stakeholders as its members. This committee should be proactive and regular in organizing meeting as and when needed. The decisions of the meeting should be made mandatory for implementation by the concerned agencies. The NHCC will be the national coordination committee of institutions involved in the horticulture R & D and will be under the chairmanship of Director General of DOA.

- 3) At present, the linkages between horticultural research, education and extension are very weak. The ways forward to strengthen linkages among them could be (i) developing mechanism of joint action plan; (ii) recognizing MOALD as the line ministry of AFU; and (iii) developing agricultural alliances at provincial level.
- 4) The concept of Commercial Agriculture Alliance (CAA) was first introduced in Nepal by the Commercial Agriculture Development Project (CADP) during the nineties. This is an initiation of public private partnership in commercialization of agriculture. The Alliance is guided by a self-directed Steering Committee comprised of agri-industry leaders, commercial or semi-commercial farmers, government officials, input providers and all other key value chain partners. The

CAA will perform the following functions:

- ✦ Collection of Commercial Horticulture Fund from different sources. The fund will be used on cost-sharing to develop market infrastructure and promote investment to add value to horticultural products.
  - ✦ Operation of the fund as per the guidelines
  - ✦ Planning the annual program for the province with particular focus on commercialization.
  - ✦ Coordination among the key stakeholders for effective implementation of the program
  - ✦ Information collection and data base preparation
- 5) Regarding restructuring of NARC at the central level, there is a need of establishing National Horticulture Research Institute (NHRI) to make horticulture research system strong.
  - 6) As in the past, the Department of Agriculture should have a Horticulture Division headed by the Deputy Director General.
  - 7) The Fruit and Vegetable Development Directorates have been renamed as National Fruit Development Center (NFDC) and National Potato, Vegetable and Spice Crops Development Center (NPVSDC). Their roles and responsibilities are also reduced considering the federal structure. They need to be restructured as proposed hereunder.

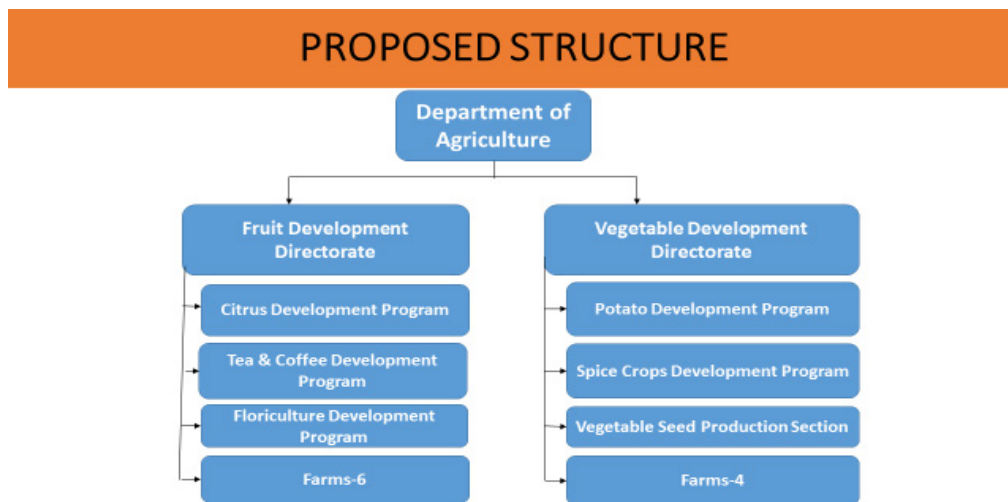


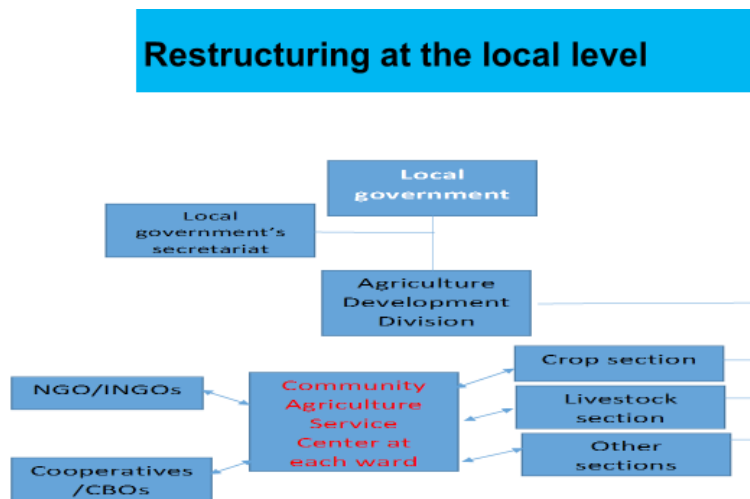
Fig 5: Proposed structure of Department of Agriculture



- 8) A zone or super-zone as a business can enjoy a competitive advantage only when its farm activities and their linkages are efficiently managed. The introduction and use of improved technologies in both production and post-production is particularly important for farmers to raise their competitiveness. For this to happen, the units for super-zones and zones should be headed by the horticulturists having adequate experience.
- 9) Government horticulture farms may be effective practical schools of farmers where they can acquire practical knowledge by seeing and doing. The Government of Nepal should look these farms in this perspective and prioritize them in providing adequate budget and other resources for conducting training programs
- 10) A study on management strategy of the government farms conducted by the APP/ SP in 2006 reported that majority of the farmers wanted government horticulture farms to be service oriented. This is even more relevant in the present context of federalism. So it is suggested that each horticulture farm should go outside the farm for providing technical services to the farmers.
- 11) Nepal has already started to practice pluralistic extension services where the role of private sector organizations,

cooperatives and NGOs has become synergistic to public sector interventions. Public-private partnerships should thus be encouraged to augment the process of technology development, technology transfer and agri-business. In this context, the above model of farm operation should be brought in practice as soon as possible:

- 12) The local governments need to pay special attention to agriculture sector because this sector is different from other institutional setups in that it needs functioning institutions and more competent staff at the bottom to deliver services as per the demands of the farmers. A gazette third class officer may be required to lead agriculture work even at the village council level. Subject matter specialists may also be required. Needless to say, one of the objectives of local level restructuring in agriculture including horticulture is to provide qualitative services to the farmers.
- 13) We need one Community Agricultural Extension Service Center (CAESC) in each ward as proposed by the Agriculture Development Strategy (ADS). The CAESCs will hire their own extension service providers including horticulture as per demand. The suggested structure for the local government is as given below:



**Fig 6:** Proposed structure of agriculture section of the local government

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