

iDE NEPAL: COMMERCIAL POCKET APPROACH AND CLIMATE CHANGE ADAPTION PROGRAM



iDE नेपाल
Nepal

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Introduction of iDE Nepal

- iDE based from US, UK, Canada working in 11 countries
- Working continuously in Nepal from 1992
- Known in Nepal for developing micro irrigation technologies and supply chains
- In recent years a focus on smallholder commercialization and climate change adaptation
- Vegetable subsector is our largest area of work
- Focus on IPM/plant protection, implementing USAID IPM Innovation Lab Program in Nepal and Cambodia
- Program for Multiple Use Water Systems
- Nepal program supported primarily by USAID, UKAID, the EU and Foundations

Weak Market Context

- Nepal agriculture is highly subsistence, only 13% of agricultural produce is marketed
- Private sector present mostly in district capitals
- Most private companies in agriculture are small, lack technical capacity, and function as distributors of imported inputs
- Nepal has **good markets** but there is a basic market failure constraining private investment:
 - **Free rider problem:** company A organizes, invests and trains smallholders, but companies B,C,D reap the returns

Commercial Pocket Approach

- Over the last 10 years iDE has developed an approach to commercialize smallholder agriculture
- Key features are creating sufficient volume of production in a rural community to establish:

- A community managed collection center for market access and services, including development of detailed crop calendars
- Community based local private sector marketing inputs, equipment, and providing embedded training
- iDE has developed more than 200 commercial pockets serving over 150,000 HHs
- Approach is mainstreamed with GON/donors, and expanding
- HH-level and community-level resilience technologies are made possible by commercial pockets
- 250,000 Micro Irrigation Systems Sold under USAID Initiative for Climate Change Adaptation (ICCA) project. Drip saves water and increases yields

Multiple Use Water Systems (MUS)

1. MUS provide for domestic and agriculture
2. 300 MUS developed by iDE for 60,000 people
3. IWMI 2015 shows MUS are sustainable with a Benefit-Cost of 11 to 1
4. Working with IWMI and GON to institutionalize and scale MUS
5. International MUS Workshop Feb 2016 formed Nepal MUS network (www.musgroup.net)
6. Padam Rana, Bgau, Bageshwori VDC of Banke is Community Business Facilitator (CBF). He has earned Rs. 150,000 marketing IPM/agri inputs and provides technical support to customers. iDE has established 100+ CBFs.

Climate Change Adaption

Commercial pocket farmer organization:

- Allows local assessment of climate change impacts and enables farmers to seek solutions
- Facilitates Local Adaption Plans of Action (**LAPA**)
- Promotes resilient practices through crop calendars
- Provides mechanism for pest/disease management
- Facilitates/provides access to finance and insurance
- Reduces transaction costs for reaching smallholders with information
 - Piloting use of collection centres using SMS/ICT to provide actionable information to their members

Way Forward!

- Scale and institutionalise linkage of the smallholder commercial pocket approach to climate change adaption thru Public Private Partnership
- Through DFID Anukulan-BRACED, USAID PAHAL, and EU IAPAC projects iDE will reach more than 300,000 HHs in the next 3 years scaling the commercial pocket approach
- MUS is a key to horticulture development and climate change adaptation and is important to institutionalize
 - We will be facilitating over 400 MUS serving nearly 100,000 people in the next few years.
 - Working to support Nepal MUS network