Samarth-NMDP, addressing systemic changes to enable vegetable export

December, 2016
Samarth-NMDP

Nepal Market Development Programme

5-year UK aid funded programme (Mar2012 - Mar2017)

One year no-cost extension to Mar 2018 post earthquake/blockade (under discussion)

Portfolios: Agriculture | Tourism & Media

Approach: Market Systems Development (MSD)

Objective: To increasing the incomes of 300,000 smallholder farmers and small scale entrepreneurs
Portfolio

Crop Protection Inputs
Dairy
Fish
Ginger
Livestock feed

Mechanization
Media
Pig
Tourism
Vegetables
Samarth Products and Services

Analysis and research to identify market failures and weaknesses

1. Capacity building
   - Technical assistance/experts
   - Broker market linkages
   - Business environment reform/advocacy

2. Cost sharing and co investment in businesses
Approach: Markets Systems Development (MSD)

**MSD Approach**

- Poverty reduction
- Improved enterprise performance
- Market system change

**Input**

**Outcome**

**Impact**

*Direct responses miss this link...*  
... and provide inputs, services, funds, and infrastructure **directly** to the beneficiaries to improve performance.
Vegetable statistics

- 40% increase in vegetable cultivation (MOAD, 2015)

- Vegetable sector has high commercialization rates 30-50% higher than maize and fruits

- Vegetable farmers already sell 61% of the produce (HVAP, 2011)

- High cost benefit ratio 1:3 than cereals 1:1.5 (Bhandari, Bhattarai and Aryal 2015)
Vegetables

Samarth is currently working on **market access, post-harvest loss reduction** and **branding of vegetables**

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<tr>
<th>Market creation for quality vegetables</th>
<th>Working with the private sector to market integrated Pest Management (IPM) branded vegetables.</th>
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<td>N-Agro is the first pvt. Sector to implement the green book and market IPM branded vegetables.</td>
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<th>Post harvest loss reduction</th>
<th>Samarth is working on the development of the reference guide for quality standard to reduce post harvest loss.</th>
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<td>FEVEN has agreed to adopt and implement the standard.</td>
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Vegetables

Market Access to smallholder farmers in most rural areas

Developed a feasible business model for private sector to develop new vegetable pocket areas. In Doti, Dadeldhura and Baitadi.

Research shows that 93% of farmers (554 household) increased their income by more than Rs. 15972 per year.

Currently working in 6 districts with 3 partners

By Mar 2016, 29,650 farmers increased their yearly profit by GBP 28 each
Need for multi-stakeholder effort

Issue: High cost of production, aggregation and branding

• 15-30% post harvest loss

• Fragmented supply chain and logistic system

• Lack of facilities to adequately support quarantine, pest risk and SPS measures

• Lack of incentives for private investments in developing marketing infrastructures/formalizing trade
Thank you