

## Adapting Local Agricultural Services to Federalized Nepal: 1



## Fit for Purpose: An Overview of Swiss Support for Nepal's Agricultural Services, 2016 - 2020

In establishing three spheres of governance – local, provincial and federal - Nepal's 2015 Constitution set out the framework for a federalized political and administrative system. This radically altered the way in which government line services are delivered, including agriculture. Prior to Nepal's federalization, District Agriculture Development Offices (DADOs) and District Livestock Services Offices (DLSOs) provided agriculture and livestock advisory services to those farmers that they could reach. With federalization, exclusive responsibility for agriculture extension was devolved to local governments (municipalities and rural municipalities – henceforward collectively *palikas*), to be closer to farmers. Responsibilities for certain other agriculture-related services are shared between two or all three of the government tiers; legal provisions sometimes overlap and are taking time to define exactly.

This set of Briefing Notes draws on the experiences of the Nepal Agriculture Services Development Programme or Prayas (January 2016 - November 2020), a bilateral initiative of the Governments of Nepal and Switzerland (Swiss Agency for Development and Cooperation, SDC) with technical support from Helvetas Nepal. Prayas was designed and began implementation before federalization came into effect in 2017, and initially focused

on supporting the development of a wide range of agricultural services at local level – giving farmers choice. However, federalization required a complete re-thinking of the project approach. It demanded close collaboration with provincial and local governments – especially the latter - in building their **agriculture sector service system**. The project eventually covered 61 selected *palikas* of provinces 1, 3 (Bagmati) and 6 (Karnali). In Karnali, SDC collaborated with the Government of Nepal and International Fund for Agriculture Development, IFAD, to provide technical support through Helvetas Nepal to the Agriculture Sector Development Project, ASDP.

## Seven key areas of support

Prayas worked with all three spheres of government in supporting the federalization of the agriculture sector. However, as the exclusive legal mandate (responsibility for agriculture extension) was clearest for *palikas*, and because the project sought to operate as closely as possible with farmers, in practice most activities focused on *palikas*. Here, most newly elected representatives had a limited understanding of the agriculture sector and tended (at least at the beginning) to give it little priority – preferring to focus on infrastructure projects. In addition, there were many delays in the placement of government agriculture staff, meaning that most *palikas* had little technical support. The project identified seven areas of support required by *palikas*, as summarized in the diagram further below.

In general, support to the *palikas* was designed in three phases. The preparatory phase included detailed discussions with elected representatives and technical staff, building common understanding on the support required and agreeing a mutual coordination mechanism. An MoU was drawn up, which included the selection and placement of local agriculture coordinators to work closely with the *palika*. This was followed by a gap and needs assessment, structured according to the seven areas of system support. Drawing on the outcomes of this assessment, Prayas entered the phase of technical support. This included capacity building, orientation and the sensitization to both elected and non-elected officials to system building, and the visioning of a diverse range of service provisions and providers. Prayas then started working with the *palikas* to strengthen the seven key areas outlined in the diagram; however, the order of activity varied according to context as all seven areas are interwoven and overlapping.



## Other key actors in agriculture

Although *palikas* have exclusive responsibility for agriculture extension within their territory, they nevertheless need to operate in harmony with other agricultural interventions supported through other spheres of government, according to the principles of coexistence, cooperation and coordination. Most notable are the Prime Minister's Agriculture Modernization Project (PMAMP), (under federal organization), and Agriculture Knowledge Centres (AKCs) and Veterinary Hospital and Livestock Service Expert Centres (VHLSECs), both of which are managed by provinces. The bilateral European Union and Government of Nepal project, Contribution to Agriculture and Rural Development (CARD), also operates at national and provincial level.

The PMAMP is organized according to the ecozones suitable for specific crops that the federal government seeks to promote; regions are divided into zones and smaller blocks. In 2017, *palikas* falling within blocks designated for a given crop received some funds through the PMAMP; in 2018 and 2019 they did not, but in 2020 such conditional grants were reinstated. The AKCs and VHLSECs have evolved out of the former DADOs and DLSOs. These federal and provincial services have tended to attract the most highly trained technical staff and overall, there has been a marked delay in the placement of staff in *palikas*. AKCs and VHLSEs can play an important role in specialised and expert services, including laboratory testing and pest management. Prayas has sought to promote this being conducted in cooperation with *palikas* rather than generating a form of competition, as can be perceived by *palika* authorities.

## Summary of lessons learned

Whilst project experiences in each of the seven areas of support are outlined in separate briefing notes, the lessons learned from Prayas experience overall are outlined below.

**A system approach results in a greater outreach:** Facilitating the *palikas* in building their system of agriculture extension has enabled the project to have a far wider and potentially more sustainable impact than would have been the case through a direct implementation modality. The original 2016 Prayas project document had the goal of reaching 25,000 farming households; working with *palikas*, and including the additional area covered through ASDP, over 171,400 farming households have been reached.

**Both *palika* elects and staff need to be involved to build trust and ownership:** Constructive engagement, building trust with both *palika* elected representatives and staff, is essential for any project seeking to work with local government. Sometimes this can entail playing the role of "honest broker" if there are misunderstandings between different actors – smoothing communication and finding compromises. Trust also entails placing *palika* ownership at the fore - respecting and facilitating their role as lead and adapting to their needs and context.

**A sound legal and policy framework is the foundation for political commitment and accountability:**

Time spent in facilitating *palikas* to develop their legal and policy framework for agriculture (or any other sector) is time well spent. This generates ownership, understanding, and accountability for service delivery - as well as establishing a system for the future that covers sectoral prioritization, planning, resource allocation and implementation. Depending on their need and time availability, some *palikas* have enacted their own Agriculture Development Act, while others have formulated a Local Agriculture Development Programme Operation and Management Procedure (LADPOMP) with associated guidelines, norms and standards.

**A pro-poor, gender responsive approach can be built into *palika* systems:** In developing their agriculture extension system, all the *palikas* have realized the need to make specific provisions supporting women and disadvantaged households in farming. They have duly incorporated such provisions in their policies and planning processes.

**Dedicated agriculture committees are only effective if they have authority and capacity:** An important coordination mechanism foreseen within *palikas* is the *Palika* Agriculture Development Committee (PADC), led by a *palika* elect. However, the PADC can only be effective in promoting inter-sectoral coherence if its members have appropriate knowledge, experience of committee procedures, and the political authority for their recommendations to be heard.

**Engaging with diverse actors promotes the shift in *palika* mindset from provider to facilitator of services:** There is a strong traditional mindset that the role of government is to distribute support. As resources are always limited, this results in selective distribution which is subject to political interference. Prayas has always sought to promote a pluralistic mechanism of service delivery through trained Local Agriculture Resource Persons (LARPs) and Agriculture Learning Centers (ALCs). *Palikas* have now realized that working with diverse actors is necessary of effective service delivery. Furthermore, as the coordinating government agency, they have an important role in building the capacities of these diverse actors and fostering linkages between them.

**Returnee migrants are important potential actors in agriculture development:** Returnee migrants often bring external ideas and savings that they seek to invest in an interesting enterprise. *Palikas* have recognized this and have developed special initiatives encouraging such returnees to invest in agriculture. There is also political capital in so doing, as such individuals can reach many farmers, including those who are resource-poor and who represent a voting bank for the next local elections.

**A *palika* monitoring system is crucial for learning:** Although monitoring is generally not a priority for *palika* authorities, they do develop and implement monitoring systems if supported and sensitized to the importance of so doing. Sound monitoring data can provide many insights into aspects such as the quality of service delivery by different providers, positive or negative changes in farmers' satisfaction level, and overall efficiency and effectiveness. The findings can also be shared with other *palikas* for mutual learning.

**Improved agriculture sector fiscal governance contributes to improvements in other sectors:** Prayas support for strengthening the participating *palika*'s fiscal governance system was focused on the agriculture sector. However, working with the concerned *palika* staff to identify gaps and develop and implement a detailed improvement plan contributed to improving fiscal governance in all sectors.

**Fund flow mechanisms should support federalism:** Prayas experience has shown that direct fund flow from development partners to *palikas* through the government fiscal transfer system is both possible and desirable. This helps to avoid duplication of service provisions, build synergies and enhance the accountability of development partners to the *palikas* and their citizens. Unfortunately, some development partners continue to view the channelling of funds through any government entity with suspicion. Yet working within the *palika* system is a clear mechanism by which federalism can be supported.

**Continued support is needed:** Prayas has left behind established systems on which the concerned *palikas* can build and which provide lessons for others. However, these systems are not yet robust. Challenges for the agriculture sector include the lack of a clear delineation of concurrent functions among the local, provincial and federal governments; high staff turnover; inadequate numbers of staff; and capacity limitations. Meanwhile, there is an obvious need for inter-governmental sectoral coordination mechanisms to avoid overlapping activities and promote the delivery of the required advisory services through the appropriate body (such as specialized services through AKCs, serving many *palikas*).

Photo:

(first page) Kabita Chaudhary, Hariyali krishak samuha was supported in Triyuga *nagarpalika* to conduct riverbed farming on land that was flooded and rendered otherwise unproductive due to extensive sand deposits.