



Joint Review of Prayas

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The Joint Review Team

Acronyms

ASDP	Agriculture Sector Development Programme
ADS	Agriculture Development Strategy
AKC	Agriculture Knowledge Centre
AFEC	Agriculture, Forest and Environment Committee
ARS	Agriculture Research Station
CAO	Chief Administrative Officer
CARD	Contribution to Agriculture and Rural Development
DCC	District Coordination Committee
DDC	District Development Committee
DESTEP	Decentralised Science Technology and Education Programme
DP	Development Partner
HRBA	Human Rights Based Approach
ICSFP	Interim Capacity Support for Federalism Project
IFAD	International Fund for Agricultural Development
JR	Joint Review
JT	Junior Technician
JTA	Junior Technical Assistant
LARP	Local Agriculture Resource Person
LGOA	Local Government Operation Act 2017
LISA	Local Government Institutional Self-Assessment
LMBIS	Line Ministry Budget Information System
LSGA	Local Self-Governance Act 1999
MoALD	Federal Ministry of Agriculture and Livestock Development
MoF	Federal Ministry of Finance
MoFAGA	Federal Ministry of Federal Affairs and General Administration
MoLMAC	State Ministry of Land Management, Agriculture and Cooperatives
MoU	Memorandum of Understanding
MuAN	Municipal Association of Nepal
NAGI	Nepal Agriculture Growth Initiative
NAMDP	Nepal Agricultural Market Development Programme
NARC	Nepal Agricultural Research Council
NARMIN	National Association for Rural Municipalities in Nepal
NARS	National Agricultural Research System
NASDP	Nepal Agriculture Services Development Programme
PADC	Palika Agriculture Development Committee
PEDC	Palika Economic Development Committee
PLGSP	Provincial Local Governance Support Programme
PMAMP	PM Agriculture Modernisation Programme
PSC	Programme Steering Committee
RARS	Regional Agriculture Research Station
RAS	Rural Advisory Services
SaMi	Safer Migration Project
SDC	Swiss Agency for Development and Cooperation
SSMP	Sustainable Soil Management Programme
SuTRA	Sub-national Treasury Regulatory Application
TCC	Technical Coordination Committee
VHLESC	Veterinary Hospital and Livestock Expert Service Centre
WUA	Water Users Association
YPO	Yearly Plan of Operation

Table of Contents

Acknowledgements.....	i
Acronyms	ii
Executive summary.....	v
1. Introduction	1
1.1 Background to Joint Review	1
1.2 Methodology and report structure	2
1.3 National context	3
1.4 SDC context.....	6
1.5 Project context	8
2. Relevance	9
2.1 Prayas relevance to federal Nepal	9
2.2 Relevance of programme objectives	10
2.3 Relevance to SDC and Helvetas.....	11
3. Effectiveness	11
3.1 Outcome-level effectiveness	12
3.2 Pathways to impact.....	16
3.2.1 Local government agriculture sector development	17
3.2.2 State engagement (output 1.5, 1.4, 2.4, 2.5)	27
3.2.3 Federal engagement - partnerships for innovation and national agriculture research system (Outputs 1.2, 1.5, 2.4 and 2.5)	28
3.2.4 Prayas monitoring	29
3.2.5 Reach to disadvantaged groups.....	29
4. Efficiency	30
4.1 Efficiency of budget use.....	30
4.1.1 Budget expenditure	30
4.1.2 Palika resource mobilisation.....	31
4.1.3 Factors affecting efficiency	32
4.1.4 Staff changes	33
4.1.5 Maintaining shared understanding between project staff	34
4.2 Steering mechanisms	35
4.3 Positioning of Prayas with respect to other projects in agriculture sector.....	35
5. Impact	36
6. Sustainability	37
6.1 Sustainability of services	37
6.2 Research system.....	37
6.3 Human Rights Based Approach (HRBA)	38
6.4 Learning for improving current interventions & developing new phase 38	
7. Outlook: options to capitalise on Prayas experience for Phase 2.....	40
7.1 Actions to end of Phase 1	41
7.1.1 Specific recommendations for IFAD-ASDP	41
7.1.2 What needs to be achieved in state 1 to secure the investment made?	42
7.2 Future directions for Phase 2.....	44
8. Conclusions.....	45

Bibliography	47
Annex 1: Terms of Reference for Joint Review	48
Annex 2: Fieldwork Key Questions	59
Annex 3: Joint review process and itinerary.....	65
Annex 4: Summary of Recommendations.....	74
Annex 5: Palika progress assessment	82
Annex 6: Contribution of Prayas to the SCS domain outcomes.....	103
Annex 7: Changing Organograms	106
Annex 8: Learning and Documentation.....	108

Executive summary

The Nepal Agricultural Services Development Programme (NASDP) - Prayas is a bilateral programme of the Government of Nepal and the Government of Switzerland, funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by Helvetas Nepal. The original project document for Prayas envisioned a programme for the duration of 12 years, under SDC's Nepal Agriculture Growth Initiative (NAGI). This Joint Review covers the first phase of four years (from January 2016 to December 2019). Prayas currently operates in three states (1, 3 and 6) and in 31 palikas. This includes technical assistance support from 2018 to the IFAD-Agriculture Sector Development Programme (ASDP)), which will expand over time to an additional 60 local governments.

The Joint Review (JR) had dual summative and formative purposes, focused on the identification of key areas of learning and achievements to support systems for agriculture sector development in local government. Based on these learnings, the JR team provides recommendations for the completion of phase 1 and design of the next phase of the project both for technical assistance support to the IFAD Agricultural Sector Development Programme (ASDP) in Karnali State (formerly known as State 6) as well as for supporting state authorities in State 1 and Karnali State to 'unlock the potential of agriculture as a driver of development' (see TORs Annex 1). The Joint Review team was composed of members drawn from SDC, Helvetas, IFAD ASDP and an external moderator.

The Joint Review was conducted over a period of 17 days in Nepal. It included a series of focused interviews and group-based discussions with 7 palikas – their elected representatives and staff, agriculture development committees, farmers' groups and individual farmers and private companies in state 1. In addition, discussions were held with state 1 Finance Minister, Ministry of Agriculture, and with federal government staff, NARC and bilateral and multilateral development partners. Further in-depth sessions were held with Prayas staff, with two debriefing presentations and discussions with SDC staff.

Main conclusions

Prayas is a relevant and cutting-edge project. To the knowledge of the JR team there are no other DP programmes providing this type of support to develop local governments' capabilities to manage a sector for service provision and redefine the relationships between public and private sectors.

The first phase of Prayas can be characterised as a period of extraordinary external and internal change, dominated by the change from a unitary to federal system of government. This was accompanied by major changes in strategic direction for SDC, expressed through the new Swiss Cooperation Strategy (2018-2021), which led to major changes in strategic direction and geographical focus for Prayas. Prayas has responded by fundamentally changing its strategy, structures, staffing, shared understanding, and the palikas it works with to meet the demands of the external context. It has successfully adapted to the new political system and developed an approach to sector development within local government. This, during a period of major transition for the new local governments, with much uncertainty about the nature of inter-governmental fiscal relationships for agriculture, functional relationships between the spheres of government, and the institutional capabilities of local governments to implement their functions.

It is early days in the provision of the institutional support to local governments to develop appropriate systems for decision-making as well as support to developing networks of advisory services within palikas. There is also still much to do to support work with state governments to define their sectoral mandates and to clarify the boundaries between state and local government concurrent and exclusive functions. The JR team considers that there is insufficient time to

achieve what is needed to institutionalise systems for local and state governments by the end of 2019 and recommends options for extension of Phase 1.

Main recommendations

Detailed operational recommendations are made in the text to support Prayas to capitalise on its emerging experience. These include recommendations to improve progress on its two outcomes and focus on learning for transference and upscaling to other palikas and to Karnali state. For a summary of the detailed recommendations, prioritisation and lead responsibility see Table E.1, at the end of this executive summary. A summary of findings is provided for each of the review criteria used.

Relevance

Based on the alignment of Prayas to the federal systems of Nepal and support to agriculture sector development in local governments, the relevance is high to GoN, SDC and Helvetas priorities. Prayas has shown high levels of adaptation to externally induced changes, including to the new political system, maintaining its relevance and building learning. It has made a major shift from its original design to now support the federalisation of the agriculture sector in local governments. Prayas is a pioneer both for agriculture and more widely for other local government sectors. It provides important lessons and learning to be capitalised on both by other programmes supporting the agriculture sector within local governments, and also more widely for other sectors such as health and education, and for other programmes supporting local governance systems.

Effectiveness

The JR team considers that Prayas is an effective project, in particular its focus on supporting institutional strengthening of **local governments**. Prayas focuses support on building the mechanisms for effective political decision-making for the agriculture sector. It works across the political and administrative processes to strengthen and build the necessary planning, budget resource allocation processes, committees for sector management and organisation, and systems for financial management and procurement that facilitate the development of standard norms and the emergence of a network of service providers that cover technical advice, inputs and access to finance. It strengthens the technical competencies of the local government agriculture units to act both as technical advisers to the palika decision-making mechanisms, as well as providers of technical advice and linkage to farmers.

Planning and resource allocation is all without purpose unless there are mechanisms for service delivery. In some palikas there are the beginnings of a network of service provision with diverse actors, approaches and financing sources, with increased outreach to farmers and farmer groups through Local Agriculture Resource Persons (LARPs), and the development of farmer-led Agriculture Learning Centres, a highly cost-efficient model for service delivery. However, these networks are at an early stage of development, and weakly institutionalised. More needs to be done to support palikas to clarify public and private sector roles.

State government: Support to local governments as the key arena for services cannot be done in isolation from engagement with the state government, particularly for sectors with high degrees of concurrence, such as agriculture. Prayas has already initiated engagement with the state government through an agreement with the State 1 Ministry of Land Management, Agriculture and Cooperatives to support agriculture sector strategic planning for the state. This includes clarifying mandates for the state and mechanisms for operation. The boundaries between state and local governments, especially in the provision of services, are critical areas still to be explored by Prayas with the relevant state institutions.

Federal government: Prayas was designed to strengthen the research-education-extension linkages through support to innovation and through NARC. There is no clear pathway defined to federalise the research sector, rather NARC will remain as an autonomous federal institution and retain its unitary structures for research. It is as yet unclear how the concurrent responsibilities for

research between federal and state governments will be resolved. Given this lack of clarity, progress with this element of Prayas has been much more limited to date.

In this current phase, Prayas needs to further explore the relationships for research between federal and state governments, and state and local governments focusing on state 1. This could include assessment of the opportunities in state 1 for linking universities, private sector for action research to palikas. This would also provide the basis for transferring understanding to Karnali state IFAD-ASDP and its planned multi-stakeholder mechanisms.

Opening up space with federal government to test new approaches to fiscal federalisation for DP fund flows has been an important demonstration for inter-governmental fiscal transfer for development partner funds. It has also led to policy change for DP conditional grants, with the successful lobbying by local governments, supported by Prayas and SDC, to remove detailed conditions from the grant. The grant is effectively a discretionary fund, within a conditional framework, under the broad-heading of rural advisory services. This sets an interesting precedent for future agriculture sector inter-governmental fiscal transfers to local governments., as well as demonstrating an approach to sector governance.

Prayas monitoring – capturing change

Prayas has now moved away from its original project monitoring system, as it was designed to fit the unitary system and does not fit the federal systems of support. Although there is evidence of progress towards both outcomes with clear pathways now in place, neither the outcome statements nor indicators fully capture the local government systems changes that Prayas is supporting. Prayas is doing far more than the outcomes describe to develop and institutionalise systems for local government sector development and establishment of networks for service provision. Major changes to the project monitoring system are needed to align with the new institutional systems of support, to be able to assess change as a result of the TA support to the palikas, and in particular to monitor with the palikas the changes in the quality of decision-making as a result of the systems development.

Reach to disadvantaged groups

Prayas can no longer directly demonstrate its reach to disadvantaged groups; assessment must now be based on how well the palikas are reaching these groups, through the institutionalised systems supported by Prayas. There are areas where Prayas could encourage palikas to improve their reach to disadvantaged groups. These include support to ward members, building their capabilities as representatives of these groups in key decision-making structures; and ensuring that decisions are informed by consultation, data and knowledge of the needs of poorer and disadvantaged households.

Efficiency

The efficiency of the project has been affected by a range of external and internal factors. Now that there are three spheres of government to engage with, geographical focus has changed, as have fund flow systems, and project staffing. The effects of these changes are reflected in low rates of budget disbursement for many outputs, although since 2018 there is a clear upward trend for most outputs.

The regular changes to geographical intervention have also meant that there have been short periods between entry and exit for some palikas. These changes have been inefficient in terms of the use of TA, use of project funds and the overall institutionalisation of systems. There have been high levels of staff turnover including leadership instability, making it difficult to maintain strategic direction. High levels of change in the 3 years of implementation have led to high transaction costs in terms of building understanding with each new staff member of the purpose of Prayas and the necessary actions to drive forward achievement of results. It requires repeated investment in orientation and building understanding and time to build trusted relationships with the palikas.

Despite all these changes, Prayas has been able to adapt and respond, and has built a model where TA and programme funds can be used efficiently. The model of technical assistance through accompaniment builds the potential for institutionalised systems for local government. The funds spent on technical assistance will leave behind systems that local governments can take forward, as this support is focused on developing the capabilities of both the political and administrative elements of the palika. Prayas now needs to assess the costs of TA and the support time required to institutionalise systems. It also needs to assess the cost-efficiency of the model of advisory services.

Use of external project funds to leverage palika sectoral funds: As a response to the support from Prayas to build the agriculture sector there are appreciable changes in palika budget allocations. Although this could be considered an indicator of success, it also needs to be verified against those palikas where there is no support to the agriculture sector. In addition, it should be compared to palikas where Prayas provides only TA support and no external funds (e.g. IFAD-ASDP for 2019-2020). There remains an important question to be answered of whether external funds (CHF 45,080 to each palika in the first year of support) are a catalyst or distort palika decision-making. Interviews with palika representatives gave mixed feedback in this regard. Prayas needs to assess the effects of these funds and address the viewpoints that: DP funds are not necessary, as local governments have sufficient budgets to fulfil their mandates; the funds prevent local governments from mobilising their own source revenues where there is insufficient finance to support priorities; and the funds potentially force the prioritisation of one sector and budget allocation at the expense of others that do not receive external funds.

Positioning of Prayas with respect to other projects in agriculture sector

Prayas is uniquely positioned amongst other projects operating in the agriculture sector in its focus on building the institutional systems for the palikas to develop the agriculture sector and advisory services. It has much to share in terms of experience, both with other agriculture projects and also with projects that are supporting the development of local government systems more widely. The provision of TA support to IFAD-ASDP which is closely aligned in terms of purpose provides an important opportunity to expand the local government systems that Prayas is supporting in state 1.

It is less clear how coherence and synergy has been developed between Prayas and other SDC funded agriculture projects, despite the attempts through NAGI to build coordination mechanisms between Prayas, SIP and NAMDP. In the end, it is inherently difficult to build coherence between separately designed and implemented projects. Rather, coherence has to be developed through the initial conceptual framing as appropriate to the arena of implementation. The site for coherence for agriculture advisory services is the palika, the need is to step back and consider what a palika needs to deliver on its mandates, and what types of advisory services are needed by the diversity of farmers within a palika. These may include basic and specialist services, public and private sector provision, management and development of small irrigation, market linkages, for example. Separating these processes into different projects and ways of working neither builds coherence in the palika nor leads to efficient support to them.

The Phase 2 design of Prayas should build on the initial learning from these attempts to build coordination across projects. It should consider how to build coherence through the local government model for agriculture sector development and advisory services to include:

- support systems for identification and management of data for decision-making
- support to strategic level sector planning including local economic development and irrigated water management planning, operations and maintenance;
- embed the advisory networks and links to the private sector, to markets and to specialised services further down the value chain

- clarifying the role of the state government and how it opens up the opportunities for agriculture within the state, its role in facilitation of provision of specialised advisory services, linked into research, and
- clearly delineating the roles of public and private sector for service provision within the state and local government arenas.

Sustainability

It is very early to assess sustainability of the services, given also the current political context in which each year the palikas face changes in inter-governmental fiscal transfer systems, directives and guidelines, and are at an early stage of their own institutionalisation. It is possible to comment on whether the pathways being followed by the project will lead to sustainable outcomes or not over time. There are already clear indications that the support to the institutional systems for local government sector development are likely to be sustained if sufficient support time is provided to the palikas to embed the systems and practices. Sustainability of these institutional mechanisms also requires clarity in the mandates of both state and federal governments. The risks to sustaining local government changes emanate from federal and state governments operating within palika jurisdictions with competing (sometimes conflicting) policies and systems of staffing and finance. Equally, risks remain from donors operating parallel systems (fund-flow and technical assistance) with little connection to the palikas. Prayas initial engagement with the state to support clarification of its mandates for agriculture is an important first step towards mitigating some of the risks of overlapping and competing mandates. The areas where there is less certainty of sustained pathways to change are those concerning the agricultural research system.

Learning for improving current interventions and developing a new phase

One of the core elements of Prayas' work, as the only project working on the development of the agriculture sector in local governments in Nepal, is the use of evidence to inform other local governments, state governments, federal government and DPs of the approaches and systems developed. This is an increasingly urgent and important area of work for Prayas. Significant work is required before the end of this phase to translate operational experience into programmatic learning, to identify what works, what does not and why, what is replicable in different contexts and what is context specific. This includes documenting the processes needed to support the institutionalisation of the key elements for local government, as well as assessment criteria to indicate when the palika has sufficiently institutionalised the systems for agriculture sector management and its role in support of the network for advisory services.

Helvetas Nepal also has an important opportunity to build a coherent model for local government and sector support consolidating its work in different arenas: Prayas support to the agriculture sector in local government, ICSFP and support to all local government systems, ELAM and its support to value chains, SaMi and its focus on safer migration and returnee migrants and their families, and ENSSURE and EFSR in their support for vocational education. This work will provide the foundation for SDC to facilitate a discussion across the agriculture portfolio on how the sector is best supported through local and state governments: to include the role of the private sector, fostering economic development, the mechanisms for small-scale irrigation to be inbuilt into palika consolidated agriculture sector planning, and the mechanisms to build institutional support to local governments.

Options to capitalise on Prayas experience for Phase 2

The JR team considers that Prayas has achieved much since the middle of 2018. However, to leave an institutionalised model scaled across state 1, much still needs to be done to further develop, test and embed the systems for the local government agriculture sector. In state 1, work has only just started in 20 new palikas. Although it will be easier to provide support to systems development now that much of the process has been developed, it still takes time to develop the capabilities of staff and build trusted relationships with palikas. By the end of 2019 there will not have been sufficient time to build the systems needed and the required understanding across both elected representatives and the administration. There are substantial risks of leaving too

soon from state 1. Poor capitalisation of investment in palikas as a result of the incomplete operationalisation of the model, leads to a reputational risk for SDC that it has removed support from palikas before they are ready. It risks the sustainability of the systems that have been supported. Gains made in terms of providing access to services to those who normally do not receive them will be lost. And finally, the opportunity to build on progress already made in state 1 and fully complete the processes of support to ensure there is a mature model for sharing with Karnali state would also be lost.

To address these risks and to position Prayas for a possible Phase 2, The JR have provided three options for moving forward from Phase 1 to Phase 2, all of which focus on embedding institutionalised change within the palikas supported by Prayas in state 1. For all three options, the JR considers an extension to Phase 1 is required. The difference between the options is based on an assessment of how long it realistically takes to embed the systems for operation and management of the agricultural sector within local and state governments, optimising the transfer of experience from a more mature model in 26 palikas in state 1 to Karnali state, and building the mechanisms for upscaling in state 1.

Future directions for Phase 2

Learning from Phase 1 has shown that it is possible to support local governments to develop the institutional systems for sector management and operation, and to develop a network of advisory services. Phase 2 should have its primary focus on Karnali state to upscale the model of local government supported by continued engagement in state 1 for testing a new model of support to local governments (without additional fund transfers) that expands beyond Prayas to support a coherent model for local government support and agriculture sectoral development (drawing on the combined experience of ICSFP, Prayas, SaMi, ELAM, NAMDP, SIP). In addition, support to the state government will need to be continued to clarify agriculture sector mandates, mechanisms for inter-governmental coordination for the resolution of concurrent and exclusive functions as well as research-extension linkages. A key element for Phase 2 will be the building of evidence and its proactive use to widen and deepen influence and understanding of approaches to the agriculture sector, through strategic engagement with the federal government, other key sector actors and with other development partners.

Impact

It is early in the project to be assessing impact, particularly in a context of so much change. The pathways supported by Prayas are likely to lead to the expected impacts. Already there are documented changes in the lives of those who have been supported by the palikas, but Prayas can no longer link directly the effectiveness of its support to changes in outcomes of farmers' livelihoods, as this is now dependent on the effectiveness of palika facilitation and provision of agriculture sector services.

Full delivery of the systems for sector implementation by local governments are unlikely to be in place in more than 6 palikas and will be at the very early stages of development in the remaining 20 new palikas in state 1 by the end of Phase 1. Terminating support at this stage risks leaving very little behind. To institutionalise a federalised agriculture sector both within local and state governments, long term support is needed. It is expected that pathways to impact will be much more secure once there is full engagement with the state government to: 1) clarify its mandates and boundaries for agriculture and 2) develop the coordination and cooperation mechanisms to deal with issues of concurrence between state and local governments.

In summary, the main pathways - supporting the development of the seven key elements¹ (see Section 3.1) for sector management and implementation in local government - remains valid, as

¹ 1) legal and policy process; 2) institutional mechanisms; 3) resource mobilisation; 4) planning; 5) effective service delivery; 6) fiscal system governance; 7) monitoring and reporting; and the provision of feedback mechanisms

does the support for building a network of advisory services within the palika to meet the diverse needs of farmers. The focus on building the institutional systems for the agriculture sector means that Prayas support to these palikas has the potential to be sustained long beyond Prayas and will ensure these palikas continue to support the diverse needs of farmers within their jurisdiction.

Table E.1: Recommendations, priority and lead responsibility

Recommendation priority will need to be reassessed once a decision has been taken on which of the three options for the future of Prayas will be pursued.

No.	Recommendation Description	Priority High=next three months Medium= next six months Low = before end of phase	Lead Responsibility
Relevance			
R1	Phase 2 design issues – building clear linkages and a conceptual model for local government institutional support for sector development and provision of diverse advisory services, including linkages to employment, business and market development	High	Prayas with Helvetas and SDC
Effectiveness			
R2	Phase 2 design preparation – revisit logframe indicators and outputs (see R25) and Buipa commitments, SDC decision	High	Prayas
R3	Policy and legal process: Process documentation of how to develop Operational Guidelines for Agriculture	Medium	Prayas
R4	Targeting and subsidy policies: Prayas to support actions with local, state and federal governments to clarify use of subsidies for what, for whom, for how long	High	Prayas
R5	Institutional mechanisms: development of code of conduct for PADC to resolve conflict of interest issues; development of transparent recruitment systems; support only development of PADCs and not ward-agriculture committees	High	Prayas
R6	Sector strategic planning support	High	Prayas
R7	High level engagement with DPs: to build understanding of palika as arena for sectoral coherence	High	SDC with Prayas
R8	Resource mobilisation: evidence building on effects of Prayas funds and decision-making; testing model of no external DP fund flow to palikas for agriculture in Karnali state; support to systematised data collection on external resources; support to internal revenue raising	High	Prayas

R9	Fiscal system governance: Prayas with ICSFP build a shared process of support for financial and procurement management systems	Medium	Prayas
R10	Monitoring, reporting and data: Prayas to review the functioning of the Monitoring and Supervision Committees and the effects of introducing agriculture sector interest groups; review methods to improve monitoring of the agriculture sector to include review of the Local Government Institutional Self-Assessment (LISA) guidelines; assess data needs for decision-making and data management	Medium	Prayas
R11	Effective Service Delivery: systematisation of mapping of service providers in each palika and consolidation of roster; document process for development of standard norms; develop accountability measures between service providers and clients; explore how to build more effective private sector engagement	Medium	Prayas
R12	Feedback: support development of feedback mechanisms on quality of service provision from farmers to the palikas	High	Prayas
R13	Contribute to state agriculture system development, especially in clarifying the scope and mandate for agriculture and the role of AKCs/Vet hospital and livestock; also explore opportunities for linking universities, private sector for action research	Medium	Prayas
R14	Federal engagement for research systems: work with NARC and state level institutions to explore research coordination functions with mandate and authority to link to federal and local governments	Medium	Prayas
R15	Prayas monitoring: build and implement the framework for palika assessment to include assessment of the quality of political decision-making for the agriculture sector	High	Prayas
R16	Reach to disadvantaged groups: further develop and embed within all systems the mechanisms to ensure palika processes reach women and disadvantage groups	Medium	Prayas
Efficiency			
R17	Analysis of palika budgets - generation, allocation, expenditure, system coherence	High	Prayas
R18	Review of risks of external support to a sector and potential for distortion to political decision-making for resource allocation	High	Helvetas
R19	Cost efficiency of services: calculate costs of TA support to accompany a palika until systems for sector development and advisory services are institutionalised.	High	Prayas
R20	Strategic stability for Prayas: ensure stability of direction until end of Phase 1	High	SDC with Prayas

R21	Shared understanding: ensure sufficient staff time programme to build shared understanding across teams working in state 1 and Karnali state	Medium	Prayas with state managers
R22	Steering mechanisms: Phase 2 consideration to be given to steering mechanisms in the state to ensure strategic contextual direction and better representation from state and local governments	Medium	Prayas
R23	Positioning of Prayas: support to coherence of state and local government agriculture sector	Medium/high	SDC
R24	Communication and upscaling: strategy to be developed using different channels to upscale support to sector development within local government outside the Prayas supported palikas, including inter-palika sharing and learning	Medium	Prayas with Helvetas
Actions to end of Phase 1			
R25	Revisit Prayas TOC to consolidate learning and to start phase 2 design thinking	Medium/high	Prayas
R26	Options for phase 1 and phase 2 to be discussed between Helvetas and SDC	High	SDC with HELVETAS
Future directions for Phase 2			
R27	Initiation of design process to include process documentation of support for sector federalisation, review of JR proposals for Phase 2, action plan for completion of necessary activities before end of Phase 2 (including actions on recommendations R1-26)	High	SDC, HELVETAS and Prayas

1. Introduction

1.1 Background to Joint Review

The Nepal Agricultural Services Development Programme (NASDP), hereafter known as Prayas, is a bilateral programme of the Government of Nepal and the Government of Switzerland represented by the Swiss Agency for Development and Cooperation (SDC) and implemented by Helvetas Nepal. The fund commitment is: Government of Switzerland CHF 9.1 million and Government of Nepal CHF 2.1 million (in kind). It currently operates in three states (1, 3 and 6) and in 31 local governments, to expand over time to an additional 60 local governments in Karnali state from 2019 onwards through technical assistance to the IFAD-Agriculture Sector Development Programme (IFAD-ASDP).

This first phase of Prayas (January 2016 – December 2019), covers a period of major change in Nepal's whole political and administrative structures. As of December 2017, Nepal became a federal republic with democratically elected representatives in all three spheres of government: federal, state, and local (rural and urban municipalities or *gaun- and nagarpalikas*, hereafter referred to as palikas or local governments). The Constitution and the Local Government Operation Act (2017) sets out the key areas of rights and responsibilities for local government and the other two spheres. Agriculture sector development is both an exclusive and concurrent function between governments. However, there are clearly defined exclusive functions for agricultural extension mandated to local governments (Schedule 8). Responsibility for agricultural research is shared between the state and federal governments.

Prayas was designed during the unitary government although immediately after the promulgation of the Constitution of Nepal in 2015. The inception of the project in such a transitional phase led to a series of major changes to align the project interventions with the political and administrative transformation of the nation.

The Prayas goal states that farming households, especially female-headed households and farmers from disadvantaged groups increase their farm income, food security, resilience and social inclusiveness. To support the achievement of this goal, Prayas has two outcomes that sit in a hierarchy, with outcome 2 necessary to support the achievement of outcome 1.

- **Outcome 1:** Farmers use relevant knowledge, information and technology to sustainably increase their productivity
- **Outcome 2:** A decentralized and pluralistic research and extension system provides technologies and services as demanded and needed by farmers

The lead federal ministry for Prayas is the Ministry of Agriculture and Livestock Development (MoALD). However, Prayas now also works with state governments and local governments, each with their own mandates and functions. Prayas also provides support to the national research system through the Nepal Agriculture Research Council.

Prayas key areas of support focus on local government for development of their agricultural mandates: 1) policy development and implementation; supporting mechanisms for accountability; 2) support to institutionalisation and strengthening of systems for the agriculture sector, including financing; support to networks of diverse service provision; strengthening farmer-centred agricultural innovation and research; and 3) increasing capabilities of farmers and farmer groups to articulate their demand for inclusive services and to improve feedback mechanisms. This support is provided by Prayas through technical assistance to local governments to develop and institutionalise their systems. Prayas is also now providing technical assistance to the IFAD-Agriculture Sector Development Programme in Karnali state. This support will be provided in the first instance for one year (2018-2019).

This is a **Joint** review between SDC, Helvetas, IFAD-ASDP, with an external moderator to facilitate the process, and ensure focus on learning and team consensus on the key elements of learning. It has the following objectives that are both summative and formative²:

- **Learning** focused, construction of local governance model for agriculture sector
- **Key elements and recommendations** - for state 1 and Karnali state (IFAD-ASDP) to end of Phase 1
- **Project adaptability**: assessment of capability of project to **adapt** to changes that occurred in its lifetime
- **Design options for Phase 2**: recommendations for design of next phase building on lessons learnt etc

The review is guided by assessment of several key evaluation criteria (and key questions see TORs Annex 1):

- **Relevance**: assessment of the wider relevance in context to Nepal, and the continued relevance of the components used by Prayas
- **Effectiveness**: review of progress towards the expected outcomes and assessment of the effectiveness of project approaches.
- **Efficiency**: assessment of cost-efficiency, structures and steering of Prayas
- **Impact**: assessment of pathways to impact
- **Sustainability**: an assessment of what is likely to be sustained

Based on this joint review recommendations are made for improvements for the remaining period of Phase 1, as well as design ideas to be explored for Phase 2.

1.2 Methodology and report structure

In assessing project progress, the Joint Review team, comprising members from SDC, Helvetas (in country and HQ), IFAD ASDP and Prayas team members and moderated by an external team member³, drew on a range of contemporary experience from Nepal, both from the agricultural sector as well as from support to local governments within the new federal system. In particular, the team has extensive experience of the new federal system in Nepal, local governance and the role of local governments for sector development, agricultural advisory services, as well as understanding of approaches to support/accompany local governments to develop their systems for sector development.

This background was enhanced through a review of key project documents and other materials, which are drawn on in this report, and informed the development of key questions to guide the field mission. Data used in this report cover the period from the start of the project in January 2016 to April 2019. The review was guided by a set of key questions described in the ToRs (Annex 1) based on the OECD DAC Criteria for Evaluating Development Assistance, and further refined for the field work (Annex 2).

Prior to the joint review, the Helvetas Back-stopper, Esther Haldimann, conducted a mission to identify key areas for capitalisation for scaling-up and for influencing activities in Karnali state through the IFAD-ASDP. The joint review builds on this work and on these recommendations. The joint review was conducted over a 17-day period in Nepal, which included one five-day field mission to states 1 and 3, visiting 7 palikas. The JR also drew on an earlier preparatory field mission which provided additional insights from other palikas. In total, the review draws on detailed fieldwork conducted in 8 palikas.⁴

² See Annex 1 for the joint review ToRs

³ Mary Hobley (External Moderator), Esther Haldimann (Backstopper Helvetas HO), Yamuna Ghale (SDC Agriculture Portfolio responsible), Sudha Khadka (Prayas Team Leader), Shiva Shrestha (Prayas State 1 Manager), Bishnu BK (TA Prayas TA Manager for ASDP/IFAD), Dipak Sharma (IFAD ASDP Deputy Director), Jane Carter (Helvetas International Programme Adviser).

⁴ Marin, Kamalamai, Khadadevi, Sunkoshi, Siddhicharan, Halesi Tuwachung, Triyuga, Belaka

Prayas has been implemented for varying amounts of time in each palika. In each palika the team met with the Executive, including mayors/chairs, deputy mayors/chairs, CAOs and palika agriculture technical staff. Separately discussions were held with the Palika Agriculture Development Committees (PADCs), with a range of advisory service providers, farmer groups and individual farmers.

Discussions were held at the federal level with: MoALD and the Department of Agriculture, National Planning Commission, NARC; with bilateral and multilateral development partners (USAID and EU) and IFAD. At state-level discussions were held in State 1 with the Finance Minister and staff of the Ministry for Land Management, Agriculture and Cooperatives, as well as training and NARC research establishments.

In addition, detailed discussions were held with team members to further develop and systematise the model of support to sector development in local government. Presentation of preliminary findings to the Ambassador to discuss the high-level strategic findings and potential options was followed by a final debriefing to SDC programme staff. Both presentations allowed a further deepening of the Joint Review team's understanding (see Annex 2 for further detail on joint review approach).

The report is structured in 8 sections. Section 1 provides an introduction to the programme context, objectives and methods used. Section 2 reviews the relevance of Prayas. Section 3 reviews the achievements and challenges and provides operational recommendations for change for the remainder of the phase. Section 4 reviews the efficiency of the programme and makes recommendations for short-term changes to position the programme well for its second phase of implementation. Section 5 briefly assesses progress to impact and Section 6 considers issues of sustainability. Section 7 reviews the possible options for a further phase and Section 8 concludes the review.

1.3 National context

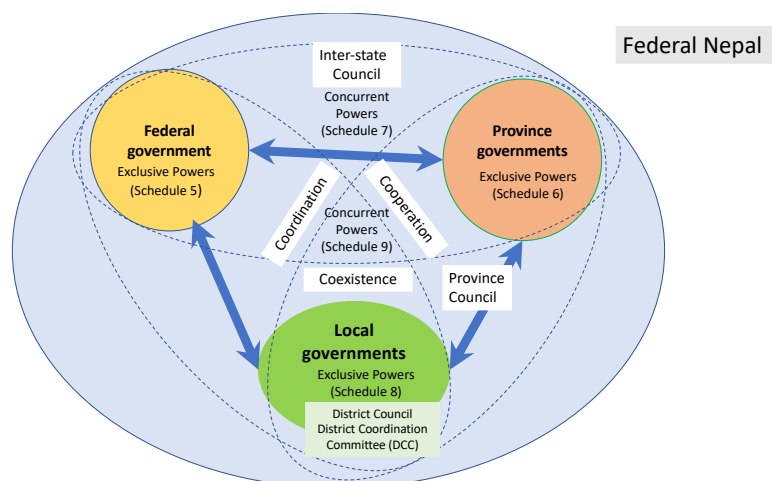
Prayas and its effectiveness is determined by the context in which it operates. There have been profound changes both in the external and internal context for the project, most particularly the major political change from a unitary government to a federal system in 2017.

Following the promulgation of the Constitution in 2015, the historic elections of 2017 led to Nepal becoming a federal republic, with three spheres of governments – federal, state and local. There are now seven states (provinces) and 753 local governments (ranging from major metropolitans to small rural local governments). Over 35,000 representatives are elected to local government, of which 41% are women and 20% Dalits. Women also comprise 33% of elected representatives in the federal and state assemblies. This is an unprecedented moment for the growth of democratic processes, the development of systems for political decision-making that support resource allocation to ensure services reach the citizenry of Nepal for their inclusive development. The Constitution has been accompanied by major legislation covering the relationships and functions of the spheres of government, and the coordination mechanisms for cooperation to enable coexistence.

The implications for the agriculture sector are still emerging, and as Figure 1 and Table 1 illustrate there is much potential for confusion due to the high degree of concurrence between the spheres of government for different areas of competence. For each sphere of government there is still considerable work to be done to both clarify their exclusive areas of competence and build appropriate systems for their implementation, as well as to build the mechanisms to manage areas of concurrence.

This is a radical shift from a central unitary government where the sub-national unelected levels were agents of central government to implement the programmes designed at national level and implemented across the country. Under the federal system the different spheres of government have autonomy to decide what they prioritise and how and where they allocate resources and execute their functions. The federal system relies on mechanisms for cooperation and coordination, all of which are emerging.

Figure 1: Spheres of government and areas of concurrence and exclusive powers



Local governments, according to the Constitution and the Local Government Operation Act, have the central responsibility for service delivery in key areas, including agriculture services. They provide the primary arena for delivery of services and are the first point at which citizens experience the new political system. Local governments have “full authority to develop their local policy, law, criteria, and involvement in planning and implementation and regulations related to agriculture and animal husbandry production, management and agricultural extension” (Kyle 2016) as well as small irrigation. This is a major reason for ensuring that the development of the sectors for services is well supported to deliver inclusive development and ensure the fundamental building blocks for the federal system are well in place. For agriculture this is now no longer a question of how to **decentralise** a sector, as was previously the case under the unitary government, but rather how to **federalise** the sector within and between the three spheres of government.

For both state and local governments as new arenas for political decision-making there is much still to be put in place in terms of systems for government and the staffing necessary to implement the decisions of government. Both state and local governments remain under-staffed in key areas of responsibility. This is particularly acute for local governments and for agriculture in particular. Most of the palikas to which Prayas provides support remain severely understaffed. Civil service adjustment is currently ongoing, but it is expected that there will remain staff limitations for the foreseeable future. Federal and state governments are also facing high levels of staffing instability as the staff adjustment continues.

Table 1: Schedule of powers across spheres of government for the agriculture sector

Powers of governments	Concurrent and/or exclusive	Sphere of government
Regulatory services: food safety	Concurrent	Federal and State
Plant quarantine and livestock quarantine	Exclusive	Federal
Research and development	Concurrent	Federal and State
Agriculture and livestock extension service	Exclusive	Local
Environment, protection and conservation: soil health, forest, water use	Concurrent	Federal, State and Local
Land use, land tenure, land reform	Concurrent	Federal, State and Local
Irrigation	Concurrent	Federal, State and Local
Rural infrastructure	Concurrent	Federal, State and Local
Agricultural education	Unspecified	
Seed safety	Unspecified	
Source: adapted from presentation from DP Food Security/Agriculture Group to Federalism Working Group (March 7 2019)		

The guiding policy frameworks for agriculture are also now in a state of flux. The major framework was designed prior to the federal system. In 2015, the Government of Nepal approved the Agriculture

Development Strategy (ADS) with a roadmap to achieve higher productivity, competitiveness, inclusiveness, and sustainability in the agriculture sector over the next 20 years. The ADS responded directly to the Local Self-Government Support Act (LSGA) of 1999 which identified agriculture as one of four sectors to be decentralised under the unitary government. The Decentralised Science, Technology and Education Programme (DESTEP) was the ADS programme to operationalise the intentions of the LSGA and aimed to support the decentralisation of the extension and research system to enhance responsiveness to farmers' and agro-enterprise needs. Prayas was designed to support this flagship programme of the ADS. Although there is a clear need to federalise the ADS, currently it is proposed each state will agree how it can contribute within the state context to the key indicators within the strategy. However, the large (EUR 40 million) EU-supported CARD project (Contribution to Agriculture and Rural Development in Nepal) was designed to play a significant role in the implementation of the ADS. Announced in July 2018⁵, this project is now just commencing.

Commitment to support to the agriculture sector remains clear: reflected both by the Prime Minister's Agriculture Modernisation Programme (PMAMP) and from the recent draft Approach paper⁶ to the 15th five-year plan (2019/20-2023/24). In the draft there is an expectation that agriculture can be a major driver of growth (expectations of growth of 5.6% per annum). By 2023-24 it is projected that the agriculture sector will contribute 22.1% of GDP. What is not clear is how this is to be achieved, and the degree to which the different governments will be able to steer agriculture as a driver of growth within their own political contexts. This priority for agriculture is also reflected by state 1.

Agricultural research within the federal system: research is a concurrent function of both federal and state governments, providing an opportunity to redefine the relationships between research, education and extension within the different spheres of government, and between key actors including the private sector. To date, research has been led by NARC, there remains a lack of clarity as to how the system for research linked to extension will be developed within the federal structures and with other key actors.

This confusion over sector mandates and boundaries is further noted for state governments. The recent establishment of Agriculture Knowledge Centres (an apparent repurposing of the previous District Agriculture offices) funded by state governments poses another potential problem of mandate conflict between local and state governments. Although there are clear TORs for the AKCs, implementation has been less clear with several immediate consequences:

- 1) Some agriculture staff assigned to local governments have chosen to be assigned to the AKCs and other spheres of government, removing valuable technical staff from local government
- 2) AKCs are seen as the implementing arm by the state and are strongly involved in calls for proposal led by this sphere.
- 3) AKCs are being used to provide generalised extension services in direct competition to local government and in contravention of the constitution and the exclusive assignment of extension functions to local government. This appears to be part of a worrying trend to move away from the federalisation of sectors to a reconcentration of functions in districts.

Inter-governmental fiscal transfers and the changes over the last two financial years have also been a source of considerable confusion, particularly for the four devolved sectors. For local governments in the first financial year (2017/2018) there was a confusion between what was to be funded through the equalisation and conditional grants. Funds supposedly earmarked for agriculture, in the equalisation grant, were considered to be discretionary funds for use by the local governments to meet their priorities. This led to funds for agriculture being diverted to other areas such as infrastructure.

⁵ https://eeas.europa.eu/delegations/nepal/48304/european-union-first-partner-directly-support-government-nepals-agriculture-development_en

⁶ "Approach paper draft of 15th five-year plan okayed" Himalayan Times Friday April 5th 2019

In the second financial year (2018/2019) agriculture was funded through the conditional grant with a high degree of specificity of activities, removing discretion from local governments to prioritise funds according to the identified priorities for agriculture within their palikas. As will be discussed later, this also had serious consequences for the conditional grant provided by Prayas (Section 3.2.1). It is not yet clear for the next financial year (2019/2020) whether agriculture will be funded through the conditional grant or equalisation grant. This may again necessitate further adaptation by both the palikas and Prayas to respond to new fiscal conditions. State governments are also now providing inter-governmental fiscal transfers to local government, again adding potential for confusion.

Migration continues to be a major driver of change and opportunity for growth in Nepal. Over 28% of the workforce is now employed outside Nepal. This has continued impacts on rural areas with shortages of labour leading to changes in agricultural practices, including the feminisation of agriculture, and changes in social structures. It is also driving increased demand for high value agriculture products (Piya and Joshi 2018). Migration is a transformative change opening opportunity for the private sector, for aggregation and leasing of land to create larger farms, for returnee migrants to use their entrepreneurship as commercial farmers, providing further opportunities for employment and growth. Prayas has recognised this opportunity and has specifically raised palika awareness of the potential of returnee migrants to become leading innovators in agriculture. Relatively small palika subsidies to such individuals have shown potential for dynamic effect.

Opening space for the private sector: as Piya and Joshi (2018) describe, there is a major need to mobilise private sector investment to speed up the pace of agricultural commercialisation. However, this requires a business enabling environment within all three spheres of government, as well as public sector investment on capital formation – road infrastructure and connectivity and market integration, and access to finance for rural agribusiness for a diverse range of products.

Summary:

- Federal systems are emerging and changing, requiring a high degree of adaptation by programmes supporting the development of institutions of governments.
- Strategic frameworks for the agriculture sector were designed under a unitary government and still steer policy frameworks in the absence of state or local governments frameworks.
- Major federal government programmes for agriculture such as the Prime Minister's Agriculture Modernisation Programme pose risks to the federalisation of agriculture, as the programme operates in a very 'centralist government approach' with its own federal staff and decision-making with little or no connection to states or local governments in whose jurisdictions it operates.⁷
- The state support to the repurposed district agriculture offices as Agriculture Knowledge Centres is causing confusion and conflict between local and state governments over roles for agricultural advisory services and requires support to state governments to clarify their mandates and role for agriculture development within their states.
- The lack of developed mechanisms for coordination and cooperation mechanisms to manage the relationships between exclusive and concurrent functions between federal, state and local governments continues to make sector federalisation difficult and contested.
- The slow progress on federalisation of agricultural research makes it difficult to build the necessary state level relationships between universities, private sector, civil society and federal research stations.

1.4 SDC context

Over the period of Prayas implementation there have been several major changes to the wider SDC context for the programme. The most significant of these occurred in 2018 framing the future direction for Prayas. The key events in 2018 included:

⁷ "Federalism Working Group meeting minutes, March 7th 2019"; discussions with local governments during JR field visit

1. SDC committed to support the IFAD Agriculture Sector Development Programme, with technical assistance provision from Helvetas to ASDP through Prayas. This was made in recognition of the importance of the Prayas institutional support work to local governments and expertise related to rural advisory services, and the opportunity to scale-up these approaches through ASDP across Karnali State.
2. The new Swiss Cooperation Strategy – with a focus on federal state building, state 1 (July)
3. SDC Framework for Economic Transformation in Agriculture (October)
4. SDC Agricultural Framework – Management Response (October)
5. Letter from SDC to Helvetas on future of Nepal Agricultural Service (November)

The new Swiss Cooperation Strategy (SCS) 2018-2021 has the overall goal that: “women and men benefit from equitable socio-economic development and exercise their rights and responsibilities in an inclusive federal state”. This goal is pursued through three integrated domains of intervention: 1) federal state building; 2) employment and income; and 3) migration. The impact hypothesis underlying the strategy is that the federal state programmes contribute to the achievement of the outcomes under the other two domains.

The SCS was explicit in its recommendations to Prayas which meant a shift to ‘focus on changes at the systems level’ (SCS 2018:13). In response to the SCS, which indicates a geographical concentration of the Swiss programme in state 1, Prayas has focused its support to state 1 government and to selected local governments, with a phased exit from states 3 and 7⁸. The Prayas project document was amended in August 2018 to reflect these decisions.

The state transformation process has changed the political context for the Swiss-funded agriculture projects hosted under the Nepal Agriculture Growth Initiative (NAGI). These projects include: Prayas, the Nepal Agriculture Market Development Programme/Sahaj, and the Small Irrigation Programme (SIP). NAGI was introduced as a means to build cooperation and coordination across the agriculture projects, to promote coherence (see Section 4.4). A recent review of the effectiveness of NAGI, as part of the development of a new SDC Framework for Economic Transformation in Agriculture (2018), showed that there was limited progress in building synergies across the projects. It has been recommended that the NAGI framework is phased out at the end of the phase of all three projects. To a large extent the need for coherence across the projects is now replaced by the **political coherence** to be developed through support to both local and state governments for the agriculture sector, as well as building the role of the private sector.

The SDC Framework for Economic Transformation in Agriculture indicated a shift for Prayas and for the agriculture portfolio more widely. Only those recommendations directly related to Prayas are reported here:

- Prayas should continue to the end of its current phase without change, ‘the end of phase review will provide the key recommendations for the design alterations of the subsequent phase’
- Any new investments and new phases of projects should have the state level as an entry point for institutional strengthening and capacity building to support the establishment of a coherent policy and regulatory framework
- The current phase of Prayas should continue to work towards establishment of a decentralised and demand driven research and extension system at local level. The new phase will be replicated by relevant authorities with their own appropriation funds.

These recommendations led to an SDC management response (29.10 2018) with major consequences for Prayas and a letter to Helvetas further defining the changes required of Prayas:

⁸ See SDC note (May 2018) as input to state 1 Buipa workshop documenting the changes Prayas would pursue in its support to federal, state and local governments

- Prayas will be redesigned and scaled down to focus only on TA for ASDP/IFAD in state 6, implementation of Prayas in state 1 will end in December 2019
- Prayas work and SDC historical work in extension systems will be embedded within the ASDP/IFAD project
- No research will be funded in the Nepal Agriculture Research Council (NARC), applied and action research will continue to be embedded in value chain analysis by Sahaj - (NAMDP).

The response to these decisions is discussed in Section 7.

1.5 Project context

The first phase of Prayas can be characterised as a period of extraordinary external and internal change. As the previous sections have shown, there are many implications for Prayas. It has had to respond by fundamentally changing its strategy, structures, staffing, shared understanding, and the palikas it works with to meet the demands of the external context. Changes have been imposed from the changed political context as well as changes as a result of SDC shifts in strategic direction (Annex 2 describes the timeline of the changes).

This first phase of Prayas, of a proposed 12-year period of support, was designed drawing on the lessons from SSMP. This included the central focus on providing support to local institutions for decision-making at the district, VDC and ward levels under the unitary government. This was linked to the key district structures for advisory services provided through the district agriculture and livestock offices. The first 10 months of implementation in 2016 built on the initial design of Prayas and led to finalisation of the project document and the launching of the programme in October 2016. Selection of working areas in 7 districts and start of work in 40 VDCs commenced in January 2017.

In May 2017, following local government elections, the entire political and institutional framework changed. The unitary government started to transition to a federal system. The previous institutional framework for the project changed – no longer did the District Development Committees have a key role in the implementation of the project from selection of the focal VDCs, to management of programme funds through the District Development Fund (DDF), to support to VDCs for establishment and institutionalisation of the Agriculture, Forestry and Environment Committees (AFEC) (NASDP Programme Document 2016 p.52). Instead, the local governments (palikas) are now the key locus for decision-making for the agriculture sector provision of advisory services. The local governments are responsible for budget allocation decisions across services and infrastructures, with agriculture being one of the four key sectors for service delivery. Agriculture is now a devolved sector to local governments, the district structures for advisory services are no longer in place, with the palikas being solely responsible for advisory services.

Prayas changed its model of support to working with local governments to develop the institutional systems necessary for agriculture sector operation and management, working in four states and 31 palikas⁹. These changes were also based on the recognition that: ‘implementation of the constitution is a gradual process of legitimate state building starting from the bottom-up’ (SCS 2018:17). Building the institutions for legitimate decision-making and effective service delivery within local governments will take time¹⁰, and therefore the investment by Prayas to shift to systems support for service delivery was worthwhile given that the second phase could build on the initial work started in phase 1. These changes in strategic direction had particular effects on the length of time Prayas could provide support to the palikas (the list below indicates months of support from May 2017 to date), although in some palikas Prayas had been present through initial support to VDCs, and in some cases support during SSMP:

State 1: 6 palikas from the start of the project (21 months)

⁹ The working palikas have changed over project implementation

¹⁰ See also Priya and Joshi (2018) review which states: ‘local bodies have the opportunity to develop extension models...it takes to develop the required skills and institutional maturity to deliver extension services at the municipality level’ (p.15)

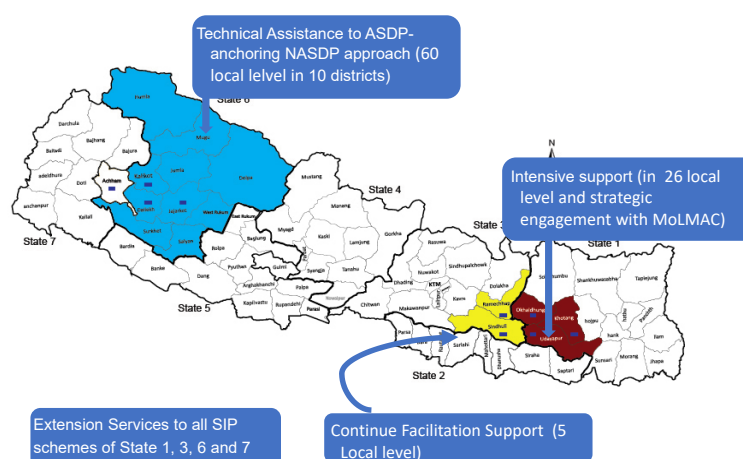
State 1:	4 out of 20 new palikas initiated from July 2018 with intense support, remaining 16 palikas support from March 2019 to end December 2019 (10 months)
State 3:	5 palikas phase out support by end of 2019 (21 months – with limited support from 1 cluster coordinator since July 2018)
State 6:	6 palikas from the start, support put on hold in 2018, as a response to the focus on state 1 (12 months). Restart of support in 2019 with start of IFAD-ASDP
State 7:	2 palikas support ended in 2018 (12 months)

In 2018, Prayas changed its staffing structures, the palikas with which it works, exited from some states and palikas, upscaled its work in state 1, recruited new staff, and identified new palikas to engage with on the assumption this work would continue into phase 2. It is now having to plan how to exit from the new palikas that it has only just started to engage with.

Prayas has also faced a series of major internal staffing changes over its implementation period which are discussed in Section 4.1.3. Together the internal and external changes have meant that the project has not had a period of stability longer than 5 months. Further discussion of the effects of the external and internal changes and Prayas responses are provided in the sections on effectiveness and efficiency (Sections 3 and 4).

Figure 2 illustrates where Prayas is now working (since the middle of 2018) either directly through its TA in state 1 and state 3, through indirect support to all SIP schemes in states 1, 3, 6 and 7 and through TA to IFAD-ASDP in Karnali State.

Figure 2: Geographical coverage and focus of Prayas support



2. Relevance

Summary: Based on the alignment of Prayas to the federal systems of Nepal and support to agriculture sector development in local governments, the relevance is high. Prayas remains highly relevant to GoN, SDC and Helvetas priorities. Regarding federal, state and local governments – Prayas is supporting the operationalisation of the Constitution and the LGOA. Since Prayas' original design the political context has changed requiring a complete reorientation of the project to support the development of the necessary systems for local government agriculture sector development.

2.1 Prayas relevance to federal Nepal

Prayas is a highly relevant project within the context of federal Nepal. Agriculture is seen as a priority sector for all governments. As discussed in Section 2, this is a critical time to provide support to the federalisation of agriculture, in particular for local and state governments. It is particularly critical to support local governments, as the primary arena for service provision, to help develop the institutions

necessary for political decision making for resource allocation, prioritisation, planning of sectoral development and services.

Prayas has shown high levels of adaptation to externally induced changes, including to the new political system, maintaining its relevance and building learning. It has made a major shift from its original design to now support the federalisation of the agriculture sector in local governments. Its focus on operationalising local government systems for sectoral political decision-making, its contribution to other key necessary processes e.g. law-making, procurement, setting of standard norms and quality standards all provide important lessons and learning. These should be capitalised both for other programmes supporting the agriculture sector within local governments, and also more widely for other sectors such as health and education, and for other programmes supporting local governance systems.

Where 66% of the population still depends on mainly small-scale agriculture, in a context where outreach of advisory services to farmers lies at only 18%, there is much to be done. Through its support to palikas to facilitate networks of diverse (public/private) advisory services, Prayas provides a model of how different types of farmers, farmer groups and agri-businesses can be reached through a diversity of service providers.

Although Prayas is highly relevant it is at the early stages of supporting the development of the local government agriculture sector and services - systems support for local government sector development and advisory service provision. Prayas is a pioneer both for agriculture and more widely for other local government sectors (e.g. health, education). It is very important that the initial lessons learned from support to local governments are shared widely. Much needs to be done to upscale this support and in particular to transfer the models of support to other local governments and states. See Section 7 for recommendations.

2.2 Relevance of programme objectives

The two programme objectives sit in a hierarchy where outcome 2 must be achieved in order for outcome 1 to be achieved. The logic underlying this remains valid, particularly in the new federal system where local governments have the primary responsibility for service delivery for agriculture and livestock sector services.

Outcome 1: Farmers use relevant knowledge, information and technology to sustainably increase their productivity. However, for farmers to be able to use relevant knowledge, information and technology there needs to be a fundamental change in how services are provided. This is tackled through **Outcome 2: A decentralised and pluralistic extension and research system provide technologies and services as demanded and needed by farmers.**

The focus of outcome 2 is on local and state governments, with some work with federal government and the Nepal Agriculture Research Council. The original intention of the design was to support the linkages between research, education and extension. This outcome now is more centrally focused on ensuring there are the systems and mechanisms to effectively organise and manage the agriculture sector (for state and local governments) and advisory services. It is achieved through project support to systems and capacity development for local governments and testing of a model of a network of diverse service delivery for agricultural services. Outcome 2 remains relevant but needs to be reworded to fully capture the changed federal system. It should now relate to the federalisation (and not decentralisation) of the agriculture sector within state and local governments, as provided for in the Constitution and the LGOA. At this stage of the phase, it is not appropriate to change the wording of the outcome, but for Phase 2 it needs to be redesigned to have a clear focus on federalisation of agriculture for state and local governments.

Outcome 2 is critical to the institutional sustainability for local government agricultural services beyond the life of Prayas and will remain an important focus for the project both in this phase and Phase 2. The work with the State 1 government is highly relevant and important both in terms of supporting clarity in

state mandates for the agriculture sector, as well as supporting mechanisms for coordination between state and local governments.

Outcome 1 in its intention also remains relevant as it contains elements of the institutional support to developing networks of diverse service providers, as well as mechanisms to ensure that farmers are in a position to access knowledge, information and technologies.

Contribution of outputs and activities:

Discussions with key stakeholders confirmed the relevance of the support that Prayas is providing to local governments and to the state government through its outputs and activities. However, the current framing of outputs that were designed primarily to meet the needs of the unitary government does not fit well with the work that Prayas is currently supporting with local governments and state 1 government (see Section 3.2.1), activities and outputs have effectively been redesigned over time, although not reflected in a total redesign of the logframe.

2.3 Relevance to SDC and Helvetas

Inclusive federal state building is a central focus for both SDC and Helvetas, seen as an underpinning to the transparent operation and development of a market-responsive private sector, with space for civil society to have an effective voice. The development of democratic governance systems is at the centre of Helvetas Nepal's country strategy (Helvetas 2019) with a strong focus on local governments. Through the Interim CSFP, Helvetas is testing models for local government institutional support across all dimensions, but without the particular sectoral focus that Prayas brings.

The SCS emphasises a focus on 'inclusive institution building...through the capacity strengthening of elected representatives and civil servants; and governance systems that ensure the devolution and exercise of power' (SCS 2018:14). These are key areas of focus for Prayas in their support to local government sectoral development, contributing in particular to Domain 1 federal state building outcome of inclusive, resilient and accountable development. Domain 2 of the SCS, focused on employment and income, has three major foci which includes the expansion of agricultural markets, and demand for skilled labour through the actions of sub-national governments and private institutions, improvements in land and labour productivity and that discriminated groups influence sectoral investment decision and sectoral services by local governments. All three elements of this domain are supported by the work of Prayas. In addition, under Domain 3 – migration, Prayas' work to support returnee migrants develop agricultural businesses contributes to the outcome focused on increasing the economic benefits from migration for women and men, particularly from disadvantaged groups. For a detailed assessment of Prayas contributions to the SCS see Annex 6 Table A.6.

Through the Safer Migration project (SaMi) Helvetas is supporting local government capabilities to provide services for safer migration, and has programmes of support to returnee migrants, again offering clear opportunities to provide linkage between SaMi and Prayas. Similarly, Helvetas' Elam project, focused on market systems development and micro-entrepreneurship, provides other important areas of learning that could be built together with Prayas to deepen the model of advisory services.

R1: Phase 2 design issues – building clear linkages and a conceptual model between local government institutional support for sector development and provision of diverse advisory services: *Helvetas should draw on existing learning from SaMi, Elam, ICSFP and Prayas to build a model of support to local government and agricultural advisory services that moves beyond institutional systems development (including advisory systems development), to include linkages to employment, business and market development. (see also recommendation R23)*

3. Effectiveness

Summary: *the JR team considers that Prayas is an effective project, in particular its focus on supporting institutional strengthening of local governments. It is however, early days in the implementation of support to the local governments. Support to state government 1 is also at an early stage of development, Prayas*

needs to define how it is going to support the state ministry in the development of its mandate and relationships with local governments.

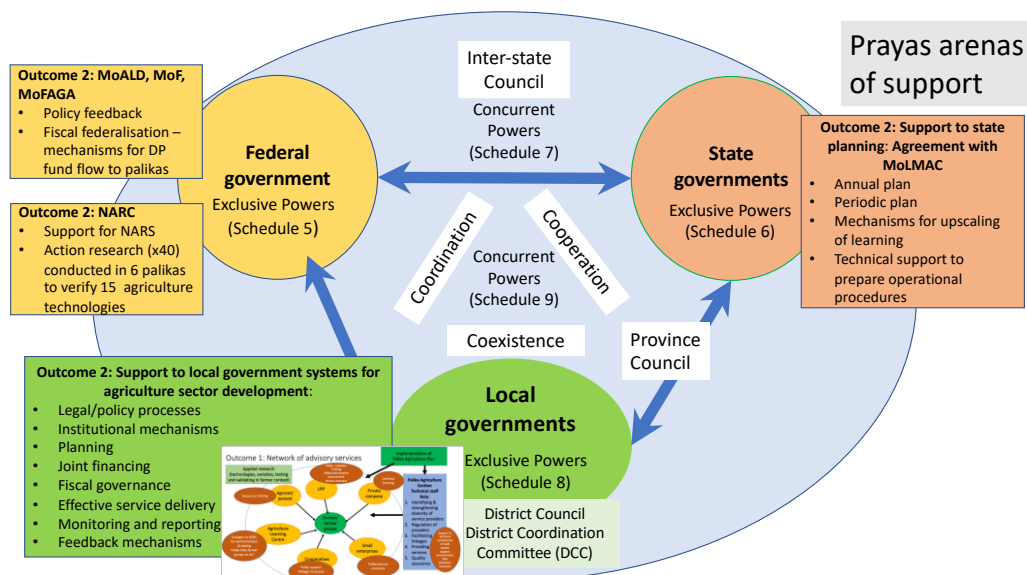
To complement the JR findings Prayas needs to rigorously assess the progress within each palika to determine what support is most effective and what are key enabling factors as the basis for the design of Phase 2.

This section reviews the achievements of Prayas to date and the effectiveness of the processes used. The JR focused on tracking pathways and progress to achieve the intended outcomes. A summary of palika-wise progress is presented in Annex 5.

3.1 Outcome-level effectiveness

Since the decision from SDC guiding projects to focus on support to institutional systems for inclusive federal state building rather than the targets described in their logframes¹¹, the focus of this review is an assessment of the effectiveness of the overall model for sector development within local governments.

Figure 3: The three spheres of Prayas engagement



The JR team has worked with the Prayas team to identify the key arenas of support and used this framework to provide the basis for the qualitative assessment of effectiveness. This uses the JR team's judgement as well as drawing on discussions with stakeholders and beneficiaries. Figure 3 illustrates the arenas in which Prayas now operates. The main focus of Prayas engagement:

- 1) Development of institutional systems for local government sector organisation and management (outcome 2) including the development of a network of diverse advisory services for agriculture supporting farmers and farmer groups with knowledge, information and technologies (outcome 1)
- 2) Support to state governments to develop agriculture sector organisation and mechanisms for coordination between state and local governments (outcome 2)

The third area of Prayas focus - National Agricultural Research Systems (NARS) has had limited results and is discussed in Section 3.2.3.

¹¹ NAGI 3rd Technical Backstopping Mission Aide-Memoire 2017: "...supporting the federalisation process takes precedence over achieving the previously set targets in the respective ProDocs and YPOs" (p.3 para 12)

Outcome 2: A decentralised and pluralistic research and extension system provides technologies and services as demanded and needed by farmers

Outcome 2 provides the foundation for the achievements under outcome 1. This outcome requires actions with the federal, state and local governments, as Figure 3 illustrates.

To fully understand the work that Prayas has been supporting with local governments under outcome 2, the JR team refined the model (Figure 4) based on work already identified by Prayas staff. Figure 4 describes the overall system support that Prayas is providing to local governments to enable their development of the agriculture sector (outcome 2). This institutional support then facilitates the development of a diverse system for agricultural service provision in terms of actors, approaches and financing, where the palika provides a facilitating linking role. This diverse network of services will in its turn contribute to outcome 1 ensuring farmers have access to knowledge, information and technology where the palika and its staff is just one of many actors.

Figure 4: Systems for agriculture sector development in local government

Results – elements for development of sector in Local Government system: agriculture

Elements		RESULTS
Key elements of local government system using agriculture as entry-point Palikas at different stages in model	1 Legal/Policy process	Legal process to develop legal instruments - Palika local agriculture sector operation and management guideline - guides decision making & resource allocation
	2 Institutional Mechanisms	Established and strengthened Palika Agriculture Development Committee – inter-committee functioning, ensure political accountability
	3 Resource Mobilisation	Mobilisation of internal & external fund sources for agriculture sector
	4 Planning	- Data for decision-making - Sector strategic plan - Annual Agriculture consolidated plan
	5 Effective service delivery	- Mapping service providers - Agreed standard norms, developing regulatory functions - Procurement systems - Building a broad-based & diverse network of service provision (information, inputs, technical advice, training/coaching, finance, technologies, market link)
	6 Fiscal system governance	Palika strengthened in understanding & operationalisation of fiscal system - governance, fiduciary risk management, financial reporting
	7 Monitoring & reporting	Monitoring and reporting system of annual plan – database management and reporting, development of quality standards

State government: In addition, the work initiated with state 1 government to support the development of the agriculture sector plan, provides an important early opportunity to operationalise what a sector can do within the state and in particular how to resolve the boundaries between state and local governments. This is an important area to continue for the rest of Phase 1, with a focus on clarifying the role of the AKCs.

Federal government: Opening up space with federal government to test new approaches to fiscal federalisation for DP fund flows has been an important demonstration for inter-governmental fiscal transfer for development partner funds. It has also led to policy change for DP conditional grants, with the successful lobbying by local governments, supported by Prayas and SDC, to remove detailed conditions from the grant, leaving the grant as a discretionary fund for rural advisory services. This sets an interesting precedent for future agriculture sector inter-governmental fiscal transfers to local governments. The other major element of the work with federal government has been through support to NARC and the development of research-extension-education linkages. Progress with this element of Prayas has been much more limited.

Outcome 1: Farmers use relevant knowledge, information and technology to sustainably increase their productivity

Since Outcome 1 is dependent on progress in outcome 2, progress is necessarily slower. Some key pathways are being put in place under outcome 2 as described in the summary assessment of progress

in Table 3 to ensure that the results expected under outcome 1 are achieved. As can be seen from the quantitative assessment, already a significant number of farming households have been reached.

Summary of quantitative results

The JR team has not used the approved logframe, outcome statements and outcome indicators as benchmarks for the assessment of effectiveness, although we have summarised the quantitative results for outcomes 1 and 2 (Table 2) and provided a commentary on the indicators to help the Prayas team to plan the YPO until the end of 2019. This quantitative summary (derived from Prayas reporting Annual Report 2018) gives only a limited view of the work that Prayas has been supporting but does illustrate the reach of the support in terms of numbers of farming households and the potential for long-term sustainability of this reach through the systems support to local governments.

Table 2: Summary assessment of outcomes 1 and outcome 2

Outcome and indicators	Results achieved	JR comments and recommendations
Outcome 1: Farmers use relevant knowledge, information and technology to sustainably increase their productivity		
25,000 households – of which 15,000 from disadvantaged group and 2,500 are female-headed households – receive agriculture services through Palika Agriculture, Livestock and Cooperative Section	End of June 2018 • 41% of phase target achieved End of June 2019 • expected to reach 100% of target	<i>These results now need to reflect not just service provision from the palika, but service provision from the network of providers (facilitated by the palika)</i>
5,000 households of which 3,000 from disadvantaged group and 500 are female-headed households – gainfully employed and generate income through agricultural enterprise	End of June 2018 • 12% of phase target achieved End of June 2019 • 100% of phase target	<i>The pathway to deliver this target is clearly developed in 31 palikas with budget allocations and consolidated plans in place to support over 43,000 farmers, including returnee migrants. Disaggregated figures have not been produced, so it is not possible to judge the degree to which disadvantaged households have been reached</i>
Households in SIP small irrigation schemes record a 50% increase in productivity	End of June 2018 • 62% of phase target achieved End of June 2019 • 80% of phase target	<i>This target needs to be adjusted to include those palikas where there is no SIP, but the palikas have included budgets for small irrigation in the consolidated annual plan. Prayas through its systems support for sector planning and management supports the palikas to plan across infrastructure (small irrigation) and the productive sector (agriculture)</i>
Outcome 2: A decentralised and pluralistic research and extension system provides technologies and services as demanded and needed by farmers		
JR comment: Outcome statement needs to be revised to reflect the federal system e.g.: Local and state governments have systems for the agriculture sector in place to meet the diverse requirements for technologies, information and services from farmers		
80% of NASDP intervention palika allocate	End of June 2018 • 36% of phase target achieved	<i>This target is on track to be partially achieved (allocation of sectoral budgets), with the 20 new palikas starting support only this FY it will be</i>

sectoral budget to agriculture and spend 80%	End of June 2019 • 85% of phase target	more difficult to ensure the high level of budgetary expenditure, as the systems for planning, budget allocation, capacity support to palika sectoral staff will all be at the initial stages compared to the palikas with longer support The JR team recommends that Prayas test a model of support to local governments in state 6 whereby no additional fiscal transfer is provided by Prayas, but TA support alone is provided (see Section 7).
52 palika established institutional mechanisms such as Palika ADC and Ward ADC for operation, management and regulation of agriculture extension system at local level	End of June 2018 • 15% of phase target End of June 2019 • 85% of phase target	JR comment: It is likely that this target will be partially achieved in terms of numbers. Since most of the palikas in state 1 are new, Prayas will only just be starting its support to them. The initial support will need to focus on the legal processes to develop the Local Level Agriculture Operation and Management Guideline. It is less likely that all PADCs will be fully functional in terms of sectoral planning by the end of June 2019. The JR team recommends that Prayas does not support the development of ward agriculture development committees (see Section 3.2.1 institutional mechanisms for further discussion) The JR team recommends that Prayas conducts a rigorous assessment of progress in each palika to assess progress and areas of further support to institutionalise the systems needed by the palika for management and operation of the agriculture sector (see Section 6.4 for further discussion)
50% of sampled clients in NASDP intervention area (palika) are satisfied with the services received	End of June 2018 • 14% of phase target End of June 2019 • 100% of phase target	To date there has been no survey of client satisfaction. This is to be undertaken in conjunction with ICSFP in this current FY. This indicator needs to clarify from where the services are received since this will include a multiplicity of different providers – including the palika technical staff, LARPs and ALCs, as well as embedded services from private providers.
5 relevant technologies addressing the challenges of climate change and the consequences of migration are developed by the research system	End of June 2018 • 20% of phase target End of June 2019 • 80% of phase target	Progress with NARC has been slow it is unclear that the phase target will be met.

As can be seen from the summary assessment the outcome indicators do not fully capture Prayas results. This is mainly due to an overall problem with the logframe whereby the revisions made in August 2018 were insufficient to reflect the changed context in which Prayas is operating and the degree of change to

Prayas' support work. The assumptions in the logframe also do not reflect the current political context and need substantial revision. At this stage of Phase 1 (six months remaining until the end of the phase), the JR team do not recommend any substantial change to the outcomes or indicators, but for Phase 2 the outcome statements need to be revisited.

In summary, overall there is evidence of progress towards both outcomes with clear pathways now in place as shown by Figure 1. But neither the outcome statements nor indicators fully capture the support to building local government systems that Prayas is providing. Prayas is doing far more than the outcomes describe to develop and institutionalise systems for local government sector development and to support the establishment of networks for service provision.

R2: Phase 2 design preparation: as part of the design of Phase 2 the logframe and the TOC need to be revised to reflect the institutional support focus of Prayas to federalise the agriculture sector within state and local governments and develop networks of diverse advisory service providers. Prior to the end of phase 1, and as part of the design for phase 2, it is recommended that the team revisit the theory of change for Prayas and adjust its logframe indicators and explanation of outputs. It is recommended that the outputs for outcome 2 focus on the work with local government and in harmonising with state government to cover the seven key elements of sector development in local government. Indicators need to provide quality assessment of progress made to institutionalise each of these elements. This will require additional work to clarify the activities to be conducted under these outputs to contribute to their achievement.

3.2 Pathways to impact

In this section the JR considers the effectiveness of the pathways for impact, using the combined assessment of outputs under both outcomes to inform the discussion. Since August 2018 Prayas is designed to strengthen local governments to be able to implement their agriculture sector functions, to facilitate diverse networks of advisory service providers to ensure that farmers have the access they need to knowledge, information, skills, technologies and finance. These two elements (expressed as outcomes 1 and 2) of the programme work together to contribute to the expected impact. Table 3 describes the actors in the three spheres of the federal system with whom Prayas engages. The major level of effort, as already discussed, has been provision of support to the local governments.

Table 3: Prayas support in three spheres of government

Sphere	Actors
Local	Gaun and Nagarpalikas: - Legislative body: Mayor/Chair, Deputy Mayor/Chair, Ward Chairs - Economic Development Committee - Agriculture Development Committee - Administration: CAO, Finance Section, Agriculture Section Private sector, farmer organisations, ALCs, LARPs
State	MoLMAC: - Directorate of Agriculture - Directorate of Livestock and Fisheries Agriculture Knowledge Centres (x14) Veterinary Hospital and Livestock Expert Service Centres (14) Agri-Business Promotion and Training Centre Regional Agriculture Research Station, Agriculture Research Stations (x4) and farms Private sector
Federal	MoALD (Planning Section, Budget, Monitoring and Policy) Department of Agriculture and Department of Livestock Services (DG and DDG) NARC: Planning and Outreach Division MoF: Foreign Aid Division, Budget and Programme Section

The pathways for each sphere include:

Local government

1. Development of institutional systems for agriculture sector in local government
2. Development of a diverse network of advisory service provision
3. Supporting farmers to develop the capability to access relevant services that increase their productivity

State government

1. Clarification of mandates and roles for agriculture sector in the state

Federal government

1. Policy engagement on federalisation of sector including inter-governmental fiscal transfers for DP conditional grants
2. NARC research-education-extension linkages

The key pathways to impact are focused on local and to a certain extent, state governments. Prayas has less engagement with the federal government but works with SDC to influence sector and fiscal federalisation. Prayas' major area of focus in the federal sphere is to support the building of a national agriculture research system through NARC.

3.2.1 Local government agriculture sector development

A summary of the status of progress for the palikas is provided in Table 4. This shows the different levels of maturity of systems development in each palika, assessed against a set of criteria defined by the Prayas team (see Annex 5 for details). Support to the palikas is both driven by the history of Prayas and the original selection of VDCs in which to operate as well as, more recently, by the demands articulated by the palikas for support. Twelve palikas have had support dating back to the SSMP period in some of their wards (former VDCs). Unsurprisingly those palikas with longer periods of support appear to be making more progress (including those from SSMP period, which may be attributed to the relationships of trust and local competencies built during that time).

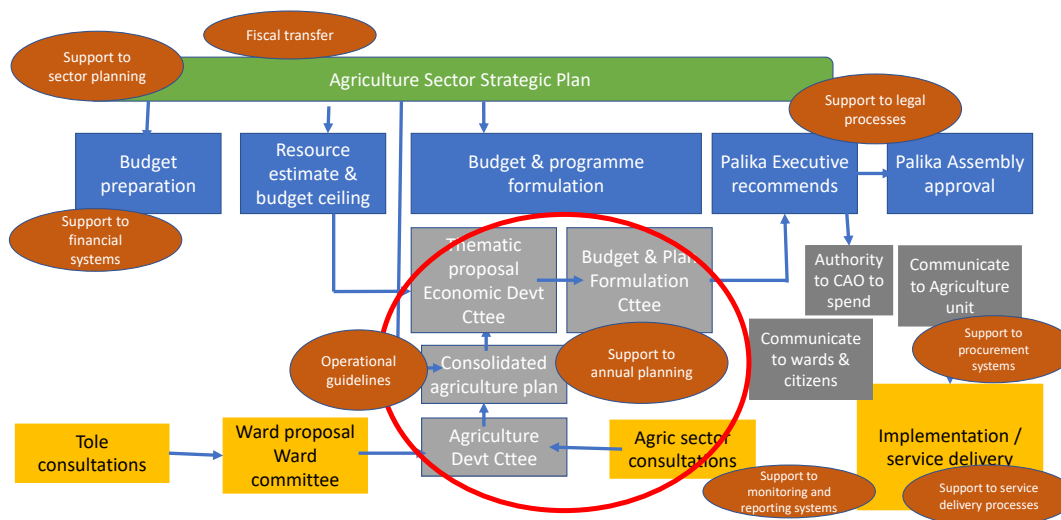
Figure 5 illustrates the major areas of Prayas intervention to support the development of the key elements for sector development in local government. The support from Prayas follows the Constitutional and legal frameworks for local government and supports the local government to put the appropriate systems in place. For each of the seven elements of system support, the JR provides a review of effectiveness and areas for improvement.

Table 4: Period of support and palika progress

Table 4: Period of support and palika progress				
Period of support	Type of palika	Number of palikas and stage of progress		
		High	Medium	Initial
State 1				
From 2017 – 21 months	Nagar palikas	2	1	
	Gaun Palikas	1	2	
From 2018 – 9 months	Nagar palikas	1	1	
				2
From 2019 – 2 months	Nagar palikas		1	2
	Gaun palikas		3	11
State 3				
From 2017 – 21 months	Nagar palikas	1		
	Gaun Palikas	4		
State 6				
From 2017-2018 – 12 months	Nagarpalika	1		
	Gaunpalika	2		2
Total		12	8	17

Prayas support is centrally focused on building the mechanisms for effective political decision-making. It works across the political and administrative processes to strengthen and build the necessary planning, budget resource allocation processes and committees for sector management. It strengthens the technical competencies of the local government agriculture units to act both as technical advisers to the planning committees, as well as providers of technical advice and linkage to farmers. Importantly it focuses on the elected representatives to embed understanding with them of the processes. This is already mitigating the risks that are experienced of frequent transfer of the CAOs; elected representatives are now in a position to be as knowledgeable about process and procedures as the CAOs.

Figure 5: Model for local government planning and budgeting systems for the agriculture sector



Policy and legal process (output 2.1)

Development of Operational Guidelines

Prayas technical assistance is currently supporting 31 palikas to build the competence necessary to draft and enact guidelines and procedures. In this case, it is the development of operational guidelines and procedures to manage the agriculture sector (Local Agriculture Development Programme Operation and Management procedure). These Guidelines, derived through extensive consultation with key experts, federal ministries and internally in SDC, set the rules of the game as agreed by both political representatives and bureaucrats. The guidelines provide clear terms of reference for the sector committee and the roles, responsibilities of the members, and provide the framework for effective sector planning, implementation and budget utilisation.

R3: Policy and legal process: Prayas clarifies and codifies the processes to develop the Guidelines, so that each local government (irrespective of whether there is external support) can develop guidelines to fit their context, in addition to providing a model guideline. This process support should be developed with ASDP.

Targeting policy

As part of the policy process, palikas define whether and how targeting is to be used. Palikas through their services are reaching women and disadvantaged households, although mechanisms to track this are still to be developed (R10). Palikas are also working through different mechanisms to reach different groups – encouraging cooperatives and local banks to improve accessibility to affordable loans, building a diversity of service providers e.g. 163 LRPs are women, 256 are men (2018 project monitoring data).

"We want to make our farmers' understand/learn that subsidy is not the solution, therefore would like to put clear policy in place - subsidy for what and to whom" Chair, Marin

Targeting policies also includes decisions on the use of subsidies. The 'distribution culture' surrounding subsidies remains a major barrier to change, reinforcing patronage relationships. There is a strong expectation from farmers that this culture will continue under the local governments. For the elected representatives in local governments, there is a high risk that they will continue to provide subsidies, as part of political patronage, continuing the legacy of the past favouring the few

and not reaching the poor.

Prayas has been working with palikas to support their policy decision making on subsidies. Already there are examples from local governments of different approaches to subsidy, using a variation in subsidy level to match levels of disadvantage. However, even where local governments are able to implement improved subsidy policies these are undermined by the continued old subsidy practices of federal and state government programmes operating in local government jurisdictions.

R4: Targeting and subsidy

- Prayas to support palikas to develop a clear subsidy policy indicating for what, for how long and for whom.
- Prayas to work with state government to clarify their policies for the sector, including review of the use of subsidies and the associated market distortion effects, as well as avoiding conflict with palika policies on subsidy.
- Prayas to provide evidence to SDC of the effects of subsidy policy from federal government to inform federal dialogues including relevant donor working groups
- Prayas to continue to support palikas to embed mechanisms to reach diverse groups with services suited to their needs

Institutional mechanisms (output 2.1, output 1.1)

Operationalising the decision-making mechanisms for the sector is a key element of the Prayas support to palikas. Framed by the policy guidelines, the formation of the Palika Agriculture Development Committee under the thematic committee for economic development has provided a sectoral mechanism that can bring together strategic planning for the sector with demand-based interests emerging from the annual planning processes. It has institutionalised the sectoral budget and planning process within the overall planning processes. The technical section head provides the secretarial coordination and is responsible for providing data for decision-making and bringing together the sector annual plan recommendations.

The PADC has clarified and strengthened the linkages between sectoral and economic development planning and the overall plan and budget formulation process for the palika. Importantly, the sectoral committee provides an opportunity to build the understanding of elected representatives for informed (use of data) sectoral decision-making. The existence of different palika sector committees creates healthy competition for budget allocation between sectors and strengthens the voice of the sector in the overall budget discussions. This is a necessary change, particularly where local government budget expenditure tends to be overly focused on infrastructure development rather than services. There is already evidence of response to women's different interests and needs in agriculture, with separate budgets targeted to their interests.

From the Local Government Operation Act we had the overview of what committees and procedures should be established, but Prayas helped us put this into practice; it facilitated our whole strategic planning and management/ legal processes...."
Ward Chair & Agriculture Development Committee Member, Belaka Nagarpalika

The PADC membership comprises a mix of elected and non-elected representatives, drawing on wider expertise within the palika and ensuring a mix of interests are involved in the committee. In all cases, the committee is chaired by an elected representative, in most cases a ward chair or ward member. There are issues emerging in some palikas about separation of powers, with an urgent need to clarify the criteria for

selection of the PADC coordinator. There is some poor practice where the mayor chairs multiple committees outside constituted mandates. A Mayor as chair of the PADC undermines the authority of the thematic committee lead of the Economic Development Committee and cannot then play an objective role in the final discussions and recommendations for the overall programme and budget.

The PADC is a mixed political and interest group committee. This brings its own challenges particularly in terms of who is selected as a member of the committee, and the interests they represent. Currently the process is unclear, and most farmers lack any knowledge of the role and outcomes from the PADCs and how their interests are represented. Prayas needs to respond to this with support to the local governments to ensure there are transparent processes widely publicised for selection of members, as well as clear communication channels to share information from the PADCs with farmers across the palika. In the absence of any processes to manage conflicts of interest there are high risks that these PADCs will become committees to serve the interests of their members only - providing access to information that the members use to further their own interests rather than those they represent. For non-elected members, this is a particular problem as there are no accountability mechanisms.

In some local governments, ward-level agriculture committees have also been formed. It is unclear what the purpose of these committees is, and in some cases, it appears to be a legacy from the previous VDC AFEC. It is important for Prayas to continue to support the development of the whole local government and ensure that decision-making remains focused at the palika-level for the strategic development of the palika agriculture sector overall.

To date 20 palikas have formed PADCs, but only 6 palikas have had full financial year experience of planning and budgeting processes. It is very early days in terms of institutionalising these decision-making processes.

R5: Institutional mechanisms

- Prayas to support the palika to develop a **code of conduct** for PADC functioning (first checking whether the palika has already developed a code of conduct); this could include fixed tenure membership of the committee, to encourage new members, and mechanisms to manage and resolve conflicts of interest.
- Prayas to support the palika to develop **transparent systems** for recruitment of members to the committee and mechanisms to ensure that other interested members of the public can attend the committee meetings to voice their opinions and listen to the deliberations.
- Prayas to only support **palika-level agriculture committees**. It should not provide support for the establishment of ward-level agriculture committees with potential to dis-enable the whole palika decision-making process by supporting mechanisms that only make decisions for their wards.

Resource Mobilisation (output 2.2)

Fiscal federalisation is as important as political federalisation, each needs the other to function. Support to the local governments over the last two financial years has helped to develop their understanding of fiscal federalisation and inter-governmental fiscal transfers and to clarify understanding of the purpose of the transfers to support the functions of local government.

Prayas support to palikas to bring together internal and external resource mobilisation is an important precursor to the consolidated planning process. Mapping of existing DP programmes and federal and state programmes and the conditional and equalisation resources available is a necessary step in setting budget ceilings for the sector and determining priorities for allocation of funds from own source revenue. Missing from most palikas is the ability to raise their own source revenues, increasing their reliance on inter-governmental fiscal transfers. The funds provided by Prayas to the palikas has been an important catalyst to developing a coordinated approach to resource mobilisation and has helped to build the palika competence to focus on how external DP funds can be brought into their overall budgeting and planning processes (see Section 4.1.2 for further discussion).

“Last year no money at all was allocated to agriculture. When Prayas came, they provided a small budget with which we could try some activities. So, this year we allocated a much larger budget through the palika” Ward Chair and Agriculture Development Committee Chair

Prayas from the original design has provided funds to local governments, initially to the DDC and VDCs, and now through a conditional grant to the elected local governments. The purpose of the fiscal transfer was not just as a conditional grant to force focus and prioritisation to the agriculture sector, but also to demonstrate that it is possible to place DP funds through the inter-governmental fiscal transfer system, to strengthen local government processes for resource allocation, to build financial management capacity and put the systems in place for fiscal governance. In all these aims,

Prayas has been successful. It has supported the development of a fiscal transfer system for DP funds to local governments; this system is now tested, demonstrated and is available for uptake by other donors. Section 4.1.2 looks at the changes in agricultural sector budget allocation as a result of Prayas support.

In the first year (2017/18), there was confusion over the difference between equalisation and conditional grants, and the need to provide for services from the equalisation grant. In those palikas where Prayas engaged, funds intended for agriculture and assigned to other sectors were brought back to agriculture. In the second year (2018/2019), as a result of the first-year experience with the equalisation grant, agriculture became a highly conditional grant with detailed activities that were applied nationally irrespective of whether it made sense in the particular local government context. This same high level of conditionality was applied to the grant from Prayas. This led to a successful claim by local governments to their exclusive mandate, with the federal government agreeing to remove the detailed conditionality from the Prayas grant, since it is intended only for rural advisory services.

Prayas played an important mediating role between MoALD and Ministry of Finance to support this change to the grant. However, the conditional grant from the federal government still remains highly conditional for agriculture, mostly focused on irrigation and crop protection. This potentially limits the links to working further along the value chain for processing, marketing and commercialisation.

There is also a major question to be addressed as to whether providing additional external funds to local government is appropriate or indeed necessary. Support to systems development for decision-making is a key area, and clearly the Prayas support enables a clearer focus on agriculture and the role of the palika. External funds have provided an entry-point for Prayas and initially provided an incentive to local governments to focus on agriculture as a sector. As the quotes show, the funds have had important other benefits to the local government, perhaps the most important of which is the ability for local governments to demonstrate to other DPs that there is a reliable means through which to provide direct funds to a local government.

This is again providing another mechanism for coherence where the palika is in control of external funds and planning for these funds.

“Fund is not important but the establishment of systems for development partner money is. No-one else has put money in our funds, it is a sign of trust. I am planning to use this as a case to negotiate with other Development Partners” Mayor, Belaka

The other side to the argument is that these external DP funds are not necessary, local governments have sufficient budgets to fulfil their mandates, the funds prevent local governments from mobilising their own source revenues where there is insufficient finance to support priorities and are forcing prioritisation of one sector and budget allocation at the expense of others that are not provided with external

funds. These are all important arguments and need to be addressed through a tested comparison of models with and without funds. The opinion of Prayas staff was that the external DP funds are a good catalyst for first engagement with palikas, but cease to be necessary once the project has demonstrated its value as provider of TA and when there has been sufficient time to build a relationship of trust.

R6: Resource Mobilisation

- **Evidence-building:** *Prayas builds the evidence for the effects of these funds on how palikas make decisions about agriculture by comparing decision-making and resource allocation in local governments where Prayas is not working.*
- **Advocacy:** *Prayas supports the palikas to continue their advocacy with federal government to remove detailed activities from the inter-governmental fiscal transfers for agriculture and replace with broad heading e.g. agriculture advisory services – to allow contextualised response to agriculture sector needs for each palika*
- **Testing model of no fund flow:** *Prayas takes advantage of the first year of IFAD-ASDP implementation where there is no fund flow to local governments to test support to sectoral development in local government without external funds.*
- **Systematic data collection on external resources and revenue improvement actions:** *Prayas to support the systematisation of data collection on external resources for the agriculture sector; Prayas to explore learning from ICSFP on revenue improvement actions and build into support to the palikas resource mobilisation efforts*

Planning (output 1.1 and 2.2)

Palikas are the arenas for sectoral coherence, bringing together internal and external resources to support a sector, reducing duplication and increasing synergy between different interventions. This also means there is no longer need for DPs to engage in coordination outside the local governments, but instead to support palika-led coherence where the palika ensures there is avoidance of duplication and builds potential synergies. This also potentially increases the accountability of DPs to the local governments and to their population.

Through the development of strategic sectoral plans as part of the periodic planning process as well as the consolidated annual planning process there are now clear processes and mechanisms for sectoral planning which steers and frames the demand-based planning processes. Sectoral priorities and resource allocations are set by the strategic or periodic plans, where they are in place, and the annual sectoral planning is guided by these strategic sector plans. For agriculture a key area for coherence is with the infrastructure planning processes, both for small scale irrigation and for roads for market linkages. To date, it is not clear how well these integrated sectoral planning processes have been established, particularly as the Thematic Committees for physical infrastructure and for economic development are separate. Without a clear strategic plan overarching the sector, there remains a risk that sectoral planning is divorced from the infrastructure required to support the sector.

The fund consolidation mechanism brings together all the external funds into one consolidated plan with the palika's own funds from internal revenue, as well as from the equalisation grant and the conditional grants. The importance of the consolidated plan process driven by a sectoral committee is that it can take an overview of what the whole palika requires determined by the sectoral priorities, laid out in the periodic plan. This can help to avoid the pressures on the palika to distribute resources equally to wards, rather than allocating through a palika-level process based on priorities.

"Prayas support is instrumental to prepare our consolidated plan; from FY 2019/20 onwards, we will not allow any organisation to work in our geographical territory who does not put their programme and funds into our planning and basket of funds "

Despite the progress with sectoral consolidated planning and the determination by local governments to enforce their authority over external actors operating within their jurisdictions, it is still very difficult for the local governments to get development partner buy-in to work through the programme basket developed through the planning and budgeting processes of the palika. At best, DPs are prepared to coordinate their programmes with the palikas but are not prepared to accept that coherence for a sector should be

determined by the palika, and that external programmes should be supporting these priorities with funds transferred through the inter-governmental mechanisms. For federal programmes such as the PMAMP with their own staffing and funds, it is even more difficult to bring these programmes into the local government processes.

Communication is again a key area for improvement, there is an absence of communication mechanisms for the plan to inform farmers, investors, other government spheres and DPs, what the local government intends to do in the agricultural sector on a longer term and annual basis. Prayas should support the local governments to develop multiple channels for communication to reach different target audiences.

R7: Sector strategic planning support: *there is a real urgency for Prayas to support the development of sector strategic plans within the periodic planning process, to set priorities and to steer the strategic allocation of resources to the sector, including building the mechanisms to bring agriculture-related infrastructure requirements into the strategic planning process. Strategic planning is an essential steering mechanism for annual sector planning, reducing the risk of annual plans being driven by a demand-based bottom-up annual planning process. Where possible Prayas should identify support to facilitate local governments to develop their strategic plans. Prayas should also continue to support the powers of the local governments to be in charge of their territories steering actions within their jurisdiction.*

R8: High-level engagement with DPs: *SDC should continue its higher-level engagement with other DPs to share the experience of local government sectoral support and build understanding of the importance of seeing the palikas as the site of coherence for the sector. This should include sharing experience with the Food Security Working Group and the Federalism Working Group*

Fiscal system governance (output 2.1)

The Prayas conditional grant, apart from having the unintended consequence of empowering local governments to claim their mandates from federal government, also provided an opening to support the palikas to develop their financial management capacity and systems, including financial reporting and development of procurement systems for contracting services. This has included significant work to clarify the fund transfer processes, reporting and audit functions. It has allowed Prayas to support the finance section of the palika to develop their systems for financial management including fund-flow management and governance¹². There are still many gaps that need to be resolved, including the fact that in many palikas there are no functional account committees. For many, SuTRA remains unusable with no internet access or reliable electricity supply, meaning that staff rely on manual systems for financial recording and reporting. The second key element of governance that is missing in most of the palikas is the Good Governance Committee of the legislature that should have main oversight of the financial governance processes.

There is significantly more work to be done to link financial management into the decision-making processes for resource allocation, as well as further developing the procurement systems for advisory services. These building blocks for fiscal governance are at an early stage of development.

R9: Financial management systems, procurement systems and their governance are central to the effective functioning of local government. This is an area of systems development necessary for sectoral development but with wider implications, it is recommended that Prayas with ICSFP build a shared process support system for financial and procurement management systems, bringing together the best elements of Prayas and ICSFP work.

Monitoring and reporting (output 2.1)

Palikas cannot function effectively without a monitoring and reporting system, supporting decision-making with data and analysis to be able change services based on assessment of what is working. Prayas is supporting two key elements of this system: 1) the technical staff responsible for monitoring

¹² Prayas has assessed the financial governance of 5 palikas and developed financial improvement plans to guide their support to these palikas. Elite Technologies 2018 Technical assistance for strengthening financial governance of 5 palikas of Khotang, Okhaldhunga and Udayapur. Report for NASDP

and reporting for agriculture; and 2) the political decision-making structures – the Monitoring and Supervision Committee – that is responsible for oversight of palika implementation of services and capital development. Prayas is supporting the technical staff to define what and how to monitor the implementation of the sector plans – strategic and the annual consolidated agriculture plan (including the development of monitoring and reporting formats), and in particular how to use the recently issued federal government reporting formats (Form 113). Prayas provides support to the Monitoring and Supervision Committee, chaired by the Deputy Mayor/Vice-Chair in their trimester periodic and review planning meetings. On the basis of this review, budgets are released for the next trimester. Support to the committee includes support to the technical section in its secretariat duties to the committee, compiling information and data, consulting with farmer groups, and inviting other DPs and service providers to report progress to the committee. Prayas has also encouraged the expansion of membership of the Monitoring and Supervision Committee, beyond the LGOA provision of three elected representatives, to include members drawn from farmers, media and the private sector. As with the PADC – the effects of including interest groups in this monitoring committee need to be assessed, particularly as the committee needs to work across all sectors and is not just to be focused on agriculture.

This support has facilitated and strengthened often very weak or non-existent palika monitoring and reporting systems. It has supported the development of TOR for the committee and helped to build the competence of the monitoring and supervision committee to execute its responsibilities. It has supported the periodic review and planning meeting processes and initiated development of feedback systems to the wider planning and budget process. Finally, the support has developed the capabilities of sector technical staff to monitor and report on sector service delivery across a range of actors. This has also been facilitated, at the request of the technical staff, by the initiation of quality standards for service provision.

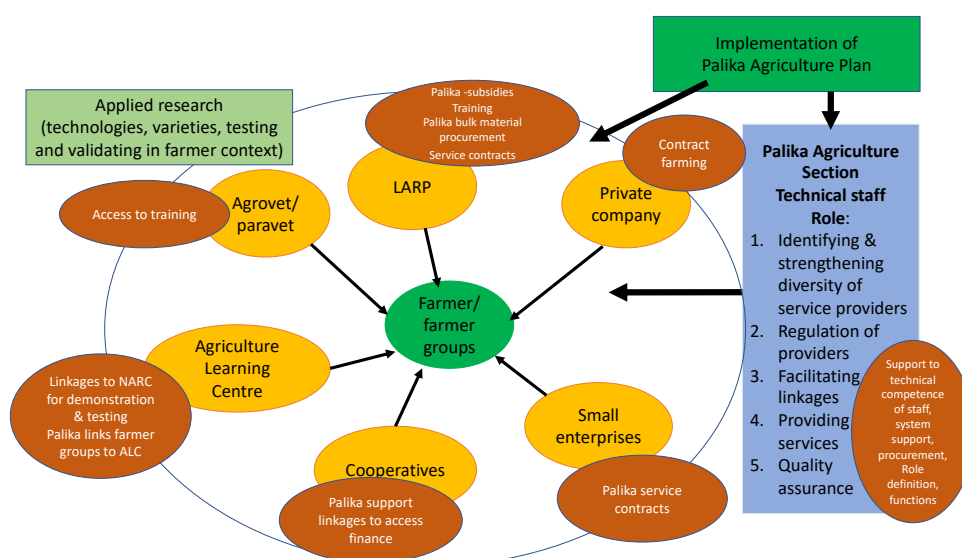
R10: Monitoring and Reporting

- *Prayas to review the functioning of the Monitoring and Supervision Committee and the effects of introducing agriculture sector interest groups;*
- *Prayas to support the palika to determine the data and data management needs for decision-making*
- *Prayas based on this review, to discuss with ICSFP and other local government support programmes to assess how best to develop monitoring mechanisms for the agriculture sector. This could also include review of the Local Government Self- Assessment guidelines (LISA) particularly Section 5 – service delivery and feedback to MoFAGA through PSC on areas to strengthen for agriculture sector*

Effective service delivery (output 1.1, 1.2, 1.3, 1.5, 2.2)

Planning, resource allocation is all without purpose unless there are mechanisms for service delivery. Prayas has supported palikas to start to put in place networks of advisory services (Figure 6) that cover technical advice, inputs and access to finance. The development of this network emerges from the institutional support to the palikas to develop the agriculture sector, as described in previous sections, in particular the development of the sectoral planning and budget allocation processes, systems for procurement that facilitate the emergence of a network of service providers, and the development of standard norms.

Figure 6: Network of rural advisory services

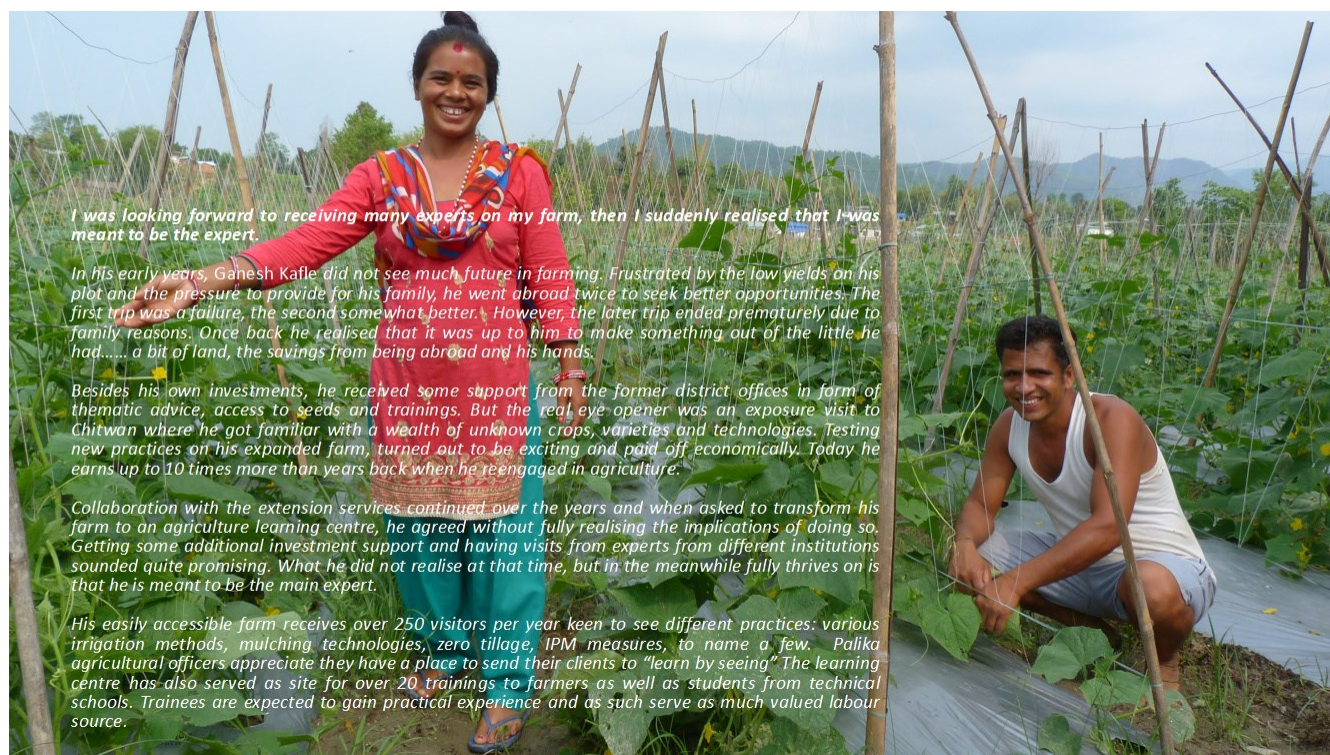


To guide the provision of services, palikas have also had to develop standard norms. In the unitary government standard norms were available with the district offices for subsidies, training, input supplies etc. At the start of the federal system none of these basic elements were in place to guide service provision. This led to elected representatives promising services without proper processes and no norms to guide what was provided to one person as to another. Prayas has supported the development of a process to determine standard norms; as each palika has the authority to set its own norms, they are contextually appropriate, with the ability to target particular groups with different norms and incentives. However, palika technical staff have limited experience to set these norms, so a process was needed to develop them. The PADC has a central role to provide norms for specific commodities and services, through a review of existing norms, and information on local level rates for inputs. This led to the establishment of agreed norms across the range of services (e.g. the hourly or daily rate for a LARP for specialised or generic services), circulated to all ward chairs, service providers and to the public.

Despite Prayas focus on building private sector engagement this to date has been mainly restricted to the roles of the LARPs and input provision; there is very limited presence of the private sector beyond agrovets. However, there also remains a culture from the palikas of wanting to control all the responsibilities for advisory services, where it is clear that other actors would be better positioned to take on these roles (e.g. collection centres, provision of loans). There are cases where palikas have been able to establish relations with a range of private and public sector actors, leveraging considerable external resources for their jurisdiction, but this is still limited in the palikas where Prayas is working. There is evidence of increasing recognition by palikas of the importance of positioning the palika as the facilitator of rural advisory services and not the sole provider. To enable this understanding, Prayas has supported some initial mapping and development of a roster of service providers. In some palikas, there is the emergence of a network of diverse service provision with diverse actors, approaches and financing sources, with increased outreach to farmers and farmer groups through Local Agriculture Resource Persons, and the development of farmer-led Agriculture Learning Centres, a highly cost-efficient model for service delivery. Prayas has also supported the agriculture technical section to define their roles as identifiers of a diversity of service providers, assurers of quality of service provision, facilitator of linkages between farmers and providers, as well as providing services.

Local Agriculture Resource Persons (LARPs) have been recognised by palikas as a means to increase outreach to farmers and to strengthen agriculture sector development in their territory. Some palikas have been effective in identifying and mobilising LARPs, others have started to map available persons and their competences. In many cases, training is required to develop their skills. Although basic modules exist, these now need to be adapted to address palika's need for specialised services. Most LARPs are generalists, due to the limited number of commodity-specific training modules (e.g. riverbed farming and

coffee), but also because development initiatives have focused on aspects of production. There is a dire lack of services further along the value chain (eg. collection, processing and market linkages).



Farmer-led Agriculture Learning Centres (ALCs) are another important source of accessible advisory services. This provides an interesting model, often led by dynamic returnee migrants who have seen the opportunities that exist within agriculture, have funds to invest, capitalising on entrepreneurship, vision, skills and resources for commercial farming. In some cases, palikas have provided matching funds to the migrant returnees to build their farms as ALCs.

It is already clear that this model provides a good mechanism for knowledge transfer to other farmers and is a source of local job creation (e.g one ALC potato farmer employs 10 local people). ALCs serve multiple purposes from practical training sites for farmers and students, demonstration plots for new crops, varieties and technologies to provision of technical advice and inputs. Palika agricultural staff appreciate that they have a place where farmers can see the technologies/practices that the palika staff are promoting. Discussions with research institutions to establish field trials in ALCs are also underway.

R11: Effective service delivery

- Prayas to support the systematisation of mapping of service providers in each palika, and support the development of palika databases for service providers
- Prayas to document the process to develop standard norms to make available for use by other palikas
- Prayas to develop measures to ensure that service providers are accountable to their clients (farmers) /deliver high quality services: e.g. feedback mechanisms, performance-based indicators, use of vouchers for poor farmers, transfer of funds for TA to farmer groups etc.
- Prayas: to continuously challenge & support palika to clarify public & private sector roles (e.g. cold storage, collection centres, loans, processing, marketing and commercialisation activities)
- Prayas to explore private sector engagement: to build entrepreneurial capacities of farmers, to explore opportunities for embedded services and contract farming; to build a better understanding of barriers to the private sector and create an enabling environment for private sector activities, working with ELAM and NAMDP to jointly build understanding of the institutional roles of the palika and how palikas can enable the private sector to operate effectively.

Feedback (output 1.3)

An essential part of effective local government service provision are the mechanisms for feedback and social accountability. This is at an early stage of development. In all the palikas supported by Prayas there are public hearings conducted and citizen charters for service provision (see Section 6.3). The citizen charters are not adapted to indicate what levels of service provision a citizen could expect from the agriculture sector. There are also no clear mechanisms for farmer feedback on services provided by the range of different providers. These need to be developed and linked to the monitoring and supervision committee, as well as to the PADC.

R12: Feedback

Prayas to support the development of feedback mechanisms on the quality of service provision from clients to the palikas, to enable the palikas to review the quality of the different providers. To include a citizen satisfaction survey in selected palikas together with ICSFP.

3.2.2 State engagement (output 1.5, 1.4, 2.4, 2.5)

Support to local governments as the key arena for services cannot be done in isolation from engagement with the state, particularly for sectors with high degrees of concurrence, such as agriculture. Prayas has already initiated engagement with the state government through an agreement with the state 1 Ministry of Land Management, Agriculture and Cooperatives. The Prayas state team is directly interacting and supporting the Directorates for Agriculture and Livestock, to support agriculture sector strategic planning for the state. This includes clarifying mandates for the state and mechanisms for operation.

Critical areas still to be explored by Prayas with the state institutions concern the boundaries between state and local governments and the provision of services. Currently the newly formed Agriculture Knowledge Centres, funded by state governments, are both attracting staff from local governments and in some cases also assuming the basic service provision mandates of local government, creating arenas for potential conflict between state and local governments.

Prayas is also exploring the potential role of the state to support the coordination of learning exchange between palikas concerning palika processes for agricultural sector development. Potentially this is a difficult area for state engagement, as each sphere of government is autonomous, and no one sphere is in a hierarchical relationship with another. This means that local government is responsible for its own learning and exchange - horizontal learning remains the responsibility of the palikas, and any intervention to support this exchange must be within the sphere of local government.

The only potential government forum within the state for this exchange is the Provincial Coordination Council, but according to the LGOA this type of exchange is not within its functions - which are mainly related to 'maintaining coordination between the province and local level on issues of policy adjustment in areas of provincial and local governance, strategic partnership and guidelines in plan management, exercise of common/concurrent jurisdiction, utilisation and sharing of natural resources' (LGOA, chap 15, para 105).

R13: State engagement

- *Prayas has already started support to the state ministry, this requires focus in this FY to enable the state to clarify the scope and mandate for agriculture and ensure that local governments' jurisdiction for rural advisory services is respected. This definition of mandates should be linked to building the research-education-extension linkages (R.14)*
- *Prayas to explore mechanisms to facilitate upscaling of learning from local government agriculture sector support, this is not a state responsibility to upscale learning from local governments, so will require Prayas to explore the potential role of other mechanisms including for example local government associations and when it comes on stream the Provincial Local Governance Support Programme (PLGSP).*
- *Prayas to work with state 1 to help to clarify AKC role as providers of specialised services and training - not providers of basic services or implementing arm for the state government.*

3.2.3 Federal engagement - partnerships for innovation and national agriculture research system (Outputs 1.2, 1.5, 2.4 and 2.5)

Prayas was designed to strengthen the research-education-extension linkages through support to innovation and through NARC. Agricultural research is very low priority nationally commanding only 0.2% out of the total agriculture budget. However, NARC lacks the mechanisms to partner with other (research) actors and has a rather conventional way of doing research. There is no clear pathway defined to federalise the research sector, rather NARC will remain as an autonomous federal institution and retain its unitary structures for research. It is as yet unclear how the concurrent responsibilities for research between federal and state governments will be resolved. However, there is some exploration of the possibility to transform one regional agricultural research station (per state) to state research stations with a role to coordinate all research activities in the state.

Box 1: Ghanashyam Bastola's Goat Farm – Betini

Ghanashyam is a returnee migrant – he spent five years in Malaysia, working in a bakery, and says that he dreamed of raising goats once he returned. He has now established a very impressive goat farm on his family land, also buying neighbouring land so that now he owns 21 ropanis. Fodder became a major issue early on – the goats were too numerous and started destroying the ground with their hooves, so he had to employ a Tamang to take them to another pasture.

Through Prayas, Ghanashyam was linked to NARC, and went to visit research stations with different types of fodder. He has been on a variety of exposure visits, each time bringing back seeds of different varieties to try out. Thus, he now has whole terraces under oats and vetch, and trial plots with *Desmodium*, *Lucaena* spp. (two species), *Stylosanthes*, Amrisso, Napier grass and others.

Source: JR field notes 2019

For Prayas, it was a design mistake to have a separate research component only funded through NARC. Channelling all funds through NARC limited opportunities to establish linkages with a plurality of actors for applied research and to respond to the changed context in the federal system. NARC was given the leadership role to use funds provided through Prayas to partner with other action research actors; this was not delivered.

When exploring opportunities for collaboration, at times administrative demands appeared to have more importance than research activities. As for other project activities, focus was diverted due to the frequent adaptation required by the evolving federalisation context.

Despite all these challenges there has been some progress in the relationship with NARC, demonstrating increased awareness of the linkages between education-extension-research, but still a

lack of clarity of how these relationships are to be built within the federal system. There is also evidence of response from NARC to local governments, with local governments setting demand-based research agendas (e.g. citrus) and farmer field trials to validate varieties and technologies (e.g. zero tillage garlic, fodder crops - Box 1). Opportunities for collaboration regarding the feminisation of agriculture as a result of migration are currently being identified. Overall, however, progress has been limited in view of the time and resources expended by Prayas.

There has been no progress on developing innovation platforms to link across private sector, universities and civil society for action research within state 1. This is an area to be developed further under IFAD-ASDP mandate.

R14: Federal engagement for research systems: the JR agrees with the SDC decision to not to continue to fund NARC in phase 2 of Prayas. The JR recommends that Prayas in this current phase further explores the relationships for research between federal and state governments, and state government and local governments focusing on State 1. This could include: 1) NARC-state level institution research coordination functions with mandate and authority to link to federal and local governments, focusing on the AKCs as specialised providers of services and research; 2) explore the opportunities in state 1 for linking universities, private sector for action research to palikas, to also provide the basis for transferring understanding to Karnali state IFAD-ASDP and its planned multi-stakeholder mechanisms.

3.2.4 Prayas monitoring

Prayas has now moved away from its original project monitoring system, as it was designed to fit the unitary system and does not now reflect the federal systems of support. This system focused mainly on household reporting and does not monitor the institutional changes in the palikas – both for systems development as well as the effectiveness of the networks for advisory service provision.

There needs to be significant change to the project monitoring system to align with the new institutional systems of support, to be able to assess change as a result of the TA support to the palikas, and in particular to monitor with the palikas the changes in the quality of decision-making as a result of the systems development. This should include an assessment of the changes in key actors as a result of Prayas actions. This needs to be developed as part of a project monitoring system to track changes across individuals and institutions.

R15: Prayas monitoring: *Prayas to build on the framework for palika assessment derived during the JR and use this as a baseline against which to assess change. The new monitoring system also needs to include assessment of the quality of decision-making, the JR recommends that Prayas discuss with ICSFP how they are monitoring change as well as with IDEA to consider their monitoring systems based on assessment of the quality of deliberation¹³.*

3.2.5 Reach to disadvantaged groups

Prayas can no longer directly demonstrate its reach to disadvantaged groups; assessment is now on the basis of how well the palikas are reaching these groups, through the institutionalised systems supported by Prayas. There are several mechanisms embedded in the palika processes to reach women and disadvantaged groups. These include:

1. **Policy processes** where targeting mechanisms are built into policy decisions, subsidy policy differentiated to different groups
2. **Institutional mechanisms:** PADC where membership is built to ensure representation of different interests, encouraging chairing of committees by ward members (women, Dalits and Janajatis)
3. **Planning processes:** strategic sectoral planning identification of priority groups
4. **Advisory service provision:** focus on identification of women and men as potential Local Agricultural Resource People; localised outreach particularly to poorer farmer groups
5. **Monitoring:** data systems under development to show where services are reaching and to which groups
6. **Feedback mechanisms:** still at an early stage of development- requires support to ensure that voices of women and disadvantaged farmers are heard through these mechanisms.

There are areas where Prayas could encourage palikas to improve their reach to disadvantaged groups, in particular through support to ward members and building their capabilities as representatives of these groups in key decision-making structures. Further work is needed to improve the representation of interests within the PADC by ensuring that members draw on knowledge of the needs of different groups, particularly poorer and less advantaged households. Prayas should also support the communication of decisions across the palika, ensuring it reaches those from disadvantaged groups who tend to have weaker access to information networks. Improving the quality of data available for decision-making to cover who is receiving services and which groups are not being served by the palika or the network of service providers is another pro-poor mechanism. (See R4 – targeting and Section 6.3 HRBA).

¹³ Elements of deliberative political decision-making: Formal, Collective, Inclusive, Capable, Reasoned, Informed (IDEA 2019)

R16: Reach to disadvantaged groups. Further develop mechanisms to ensure palika processes reach women and disadvantage groups

4. Efficiency

4.1 Efficiency of budget use

This section considers the efficiency of budget use, the factors affecting efficiency and the cost-efficiency of Prayas actions.

4.1.1 Budget expenditure

The major proportion of Prayas budgets, to the end of 2018, have been spent on outcome 1 (CHF 970,000) compared to outcome 2 (CHF 497,000) although much of the costs for outcome 2 are TA and therefore included under the overall programme costs. The major centres for fund transfer are NARC, the State Treasury and the Local Treasuries for palikas.

Figure 7: Output expenditure against planned budgets: 2016-2018

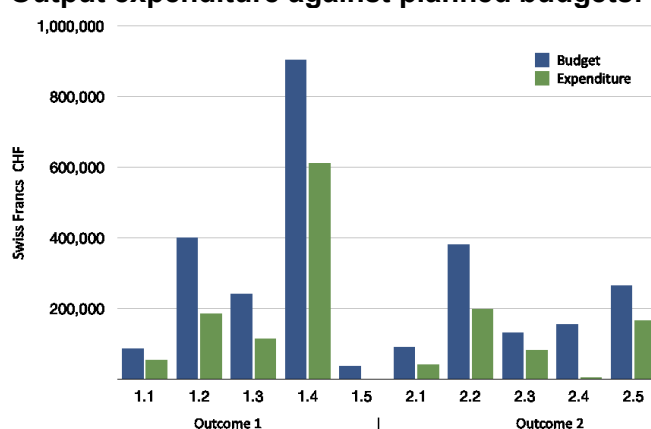


Figure 7 describes the cumulative output expenditure against the planned budget for each outcome (2016-18). The apparent imbalance between outcomes 1 and 2 is due to the relatively high allocation and expenditure of budgets on agricultural research (outputs 1.2, 1.4 and 2.5). There is a low rate of expenditure since 2016, compared to the planned budget, for all except the NARC-related outputs. Table 5 shows the percentage of budget spent is particularly low for outputs 1.5 and 2.4 relating to the innovation partnerships. Further discussion on the reasons for low levels of expenditure for particular outputs is provided in Section 3 on effectiveness.

Figure 8 illustrates the trend in expenditure over time. In all cases (except output 1.5 innovation platforms and output 2.4 innovation partnership), there is an upward trend in spending over the years, from a very low base in 2017 where there was little expenditure (except for agriculture) due to the major transitions the project was going through in response to the federal system.

Figure 8: Output expenditure trend (Y1 2016-Y3 2018)

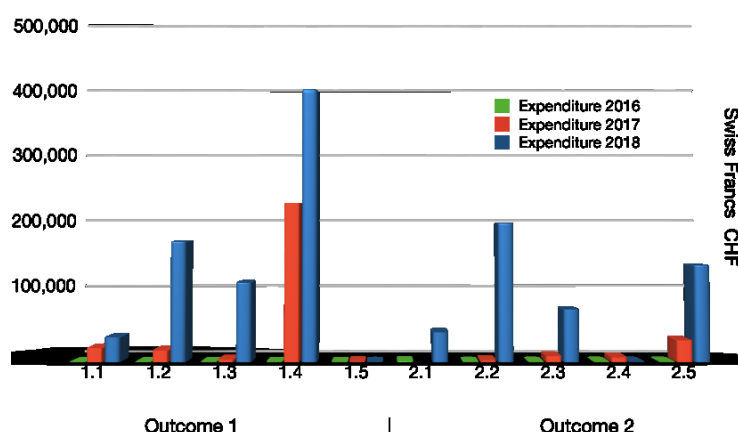


Table 5: Output budget and expenditure 2016-2018

Output	Budget	Expenditure	% of budget spent	Proportion of total outcome budget	Proportion of total outcome expenditure
1.1	86,352	54,598	63%	5%	6%
1.2	400,903	186,683	47%	24%	19%
1.3	241,716	115,608	48%	14%	12%
1.4	904,400	612,375	68%	54%	63%
1.5	37,485	552	1%	2%	0%
Outcome 1 total	1,670,856	969,816	58%	100%	100%
2.1	91,464	42,687	47%	9%	9%
2.2	383,183	198,827	52%	37%	40%
2.3	132,547	82,473	62%	13%	17%
2.4	157,198	6,374	4%	15%	1%
2.5	265,932	167,257	63%	26%	34%
Outcome 2 total	1,030,324	497,618	48%	100%	100%
Outcomes Total	2,701,180	1,467,434	54%		

4.1.2 Palika resource mobilisation

As a response to the support from Prayas to build the agriculture sector there are appreciable changes in palika budget allocations. Although this could be considered an indicator of success, it also needs to be verified against those palikas where there is no support to the agriculture sector, and also compared to palikas where Prayas provide only TA support and no external funds (e.g. IFAD-ASDP for 2019-2020). There remains an important question to be answered for Phase 2 design of whether these external funds (CHF 45,080) to each palika in the first year of support) are a catalyst or distort palika decision-making as discussed in Section 3.2.1 resource mobilisation recommendation R8. It could be argued that this input leverages larger funds for agriculture. Sector allocation to agriculture, in palikas supported by Prayas, ranges from 6% of the total budget down to 0.5%, with the average allocation of 3% (this includes the grant from Prayas). This includes budget allocation from equalisation grants, where palikas are

making discretionary choices on sectoral allocations. In some cases, these allocations amount to nearly 8% of the total equalisation budget. This adds to the wider questions of whether support to just one sector in the local government system can lead to distortionary practice both in terms of decision-making and resource allocation.

R17: Analysis of palika budgets Prayas need to carry out an analysis of palika agriculture budgets to assess what the budgets are allocated to, the contribution from the conditional grant and equalisation grants, the rate of expenditure and on what areas

R18: Review of risks of distortion to political decision-making it is imperative that Helvetas bring together its programmes of support to local government: ICSFP, Prayas, SaMI to review the risks of external support to a particular sector potentially distorting political decision-making for resource allocation, and the mitigation measures needed.

4.1.3 Factors affecting efficiency

Efficiency of implementation has been affected by several factors:

1. The external political changes from unitary to federal system of government
2. Changes in strategic direction as a result of the new Swiss Cooperation Strategy
3. Changes as a result of SDC management decisions following the new Framework for Economic Transformation in Agriculture
4. Internal staffing changes in Prayas

Table 6 describes the effects of the first three external changes and decisions that have led to a series of changes for Prayas in terms of geographical focus, fund systems, and staffing. This has had several consequences including: only 4-5 months over the project period where there has been a stable vision and processes, and much time spent on developing new systems to support palikas, relocating staff and building new mandates, as well as developing new fund mechanisms.

Table 6: External and internal changes and effects on Prayas

Year	External changes	SDC changes	Prayas changes
2016	Unitary government	First NAGI mission to bring coherence in agricultural programme	Geographical Focus: District and VDC Fund system: Fund flow DDF Staffing 1 st organigram change
2017	Federal system: Palika, provincial and federal elections Federal projects: PMAMP started	Decision to cover all SIP schemes (increase in palikas...) Driven by scheme not by local government demand	Geographical Focus: expansion Palikas in State 1, 3, 6 and 7 Fund system: Fund flow local treasury Staffing: TL left, interim and new TL
2018	Contest to federal system: Ministry imposed conditions on SDC grant Revival and repackaging of District services as AKCs	Country Strategy (2018 -21) focus on State-1 (May) Phase out State-1 (end 2019) Provide TA to ASDP in State 6 (November)	Geographical Focus: Prodoc amendment - focus State 1 and expansion, exit from State 7, and phase out from State 3 Fund system: imposition of conditions by MoAgric. Staffing: TL left, interim and new TL 2 nd Organigram change 3 rd Organigram change Geographical focus: State 6 - ASDP launched Staffing: Staff recruitment for state 1 and state 6 (49 total)
2019	State allocates funds for agriculture	Joint review SDC/Helvetas	Staffing: Staff induction for 20 new palikas State 1 Geographical focus: exit from 26 palikas State 1

This means that Prayas is still in the early stages of supporting the systems for local government sector development. The regular changes to geographical intervention have also meant that there have been short periods between entry and exit for palikas in states 7 and 3; support placed on hold for palikas in state 6, until ASDP was agreed, and with only 9 months to the end of the project, staff and support to 20 new palikas in state 1 has been fully initiated (Sections 1.4 and 1.5). These changes have been inefficient in terms of use of TA, use of project funds and the overall institutionalisation of systems.

Despite these changes, Prayas has been able to adapt and respond, and has built a model whereby TA and programme funds can be used efficiently. The model of technical assistance through accompaniment builds the potential for institutionalised systems for local government. The funds spent on technical assistance will leave behind systems that local governments can take forward, as this support is focused on developing the capabilities of both the political and administrative elements of the palika. In an ideal situation allowing a clear exit route from TA as local governments build their competence to manage their agriculture sector and the facilitation of advisory services.

Technical assistance support to palikas: As part of the Joint Review a very rough first assessment of the monthly costs to support the palikas has been developed. This includes estimation of external consultant support for particular areas of technical advice e.g. for financial management systems review, support to strategic planning. It is also based on a rough assessment of how much support time it requires to institutionalise systems and Prayas can exit from a palika.

Cost-efficiency of services: It is difficult to assess cost-efficiency of individual elements of the services provided as a result of the support from Prayas. Any assessment would need to include the costs of running the palika agriculture sector (to cover all the systems for decision-making (committees), operations (technical section) and provision of services. Currently there are no data available that would allow a costing of advisory services through for example LARPs, and Agriculture Learning Centres. It is early days to be able to provide such assessment and should be considered as work to be commissioned during phase 2.

R19: Cost efficiency of TA support: *Prayas needs to assemble the basic data to assess the costs of TA support to accompany a palika until the systems for sector development and advisory services are institutionalised.*

4.1.4 Staff changes

In response to the major strategic changes facing the project there have been three complete redesigns of the organogram, with staff changing positions and geographical locations (Annex 7). Perhaps unsurprisingly there has been a high level of staffing instability, including at leadership level, across the Prayas team over the programme period (Table 7). This has made it difficult to maintain strategic direction. Only four senior staff have been in post since the start of the programme. There have been three team leaders over the last three years. 2017-2018 was a particularly high period of change with 13 staff leaving. This placed increased pressure on those staff who remained to take on additional roles and mandates, during a period of rapid change and learning to build a new model of support in the federal system. In one case a Cluster Coordinator is attempting to support 5 palikas, over very large physical distances.

For those staff supporting the palikas, only five out of a total 24 staff have been working in the project for more than two years. Of these, 19 staff have only just been recruited, received their induction and started to work in the new palikas in state 1 until the end of 2019. Such high levels of change in 3 years of implementation lead to high levels of transaction costs in terms of building understanding with each new staff member about the purpose of Prayas and the necessary actions to drive forward achievement of results. It requires repeated investment in orientation and building understanding and time to build trusted relationships with the palikas. This increases the pressure on those few staff who have remained with the project from the start. It also appears highly inefficient to invest large amounts of staff time to induct new staff for state 1 when the decision was already taken to end Prayas direct support to state 1.

R20: Strategic stability to the end of Phase 1: *It will be important to ensure that there is stability in direction for the remaining period of Phase 1 so that Prayas can focus on supporting the institutional development of the systems for local government agriculture sector and service provision, and further the development of the more mature model in state 1 to transfer experience to Karnali state.*

Table 7: Staff changes during Phase 1

Position	2016	2017	2018	2019
Team Leader	13 months			
Team Leader		7 months		
Team leader			18 months	
Agriculture Extension Specialist (now State Manager 1)	4 years			
Monitoring and evaluation specialist (now State Manager 6)	4 years			
Cluster coordinator (Programme Coordinator State 1)	4 years			
Agriculture Research Specialist (now Agriculture Research Coordinator)	4 years			
District programme coordinator (now Local agriculture coordinator)		3 years		
District project coordinator x3 (now Local agriculture coordinator)			2 years	
District programme officer (now Local agriculture coordinator)		3 years		
Local agriculture coordinator x12				9 months
Local agriculture coordinator x4				10 months
Cluster coordinator				12 months
Programme coordinator				11 months
District project coordinator			5 month	
District project coordinator (Local agriculture coordinator)		14 months		
District programme officer		12 months		
District programme officer		6 months		
District programme coordinator		14 months		
District programme coordinator		10 months		
District programme coordinator		19 months		
Cluster coordinator	2 years			
Policy and Stakeholder Relationships Adviser	2 years			
Monitoring and Knowledge Management Coordinator				12 months
Senior finance and admin officer				12 months
Administrative Finance Manager		3 months		
Finance and Administrative Specialist	15 months			
Finance and Administration Manager			2 years	
Administration and Human Resource Management Specialist (Manager)	4 years			

4.1.5 Maintaining shared understanding between project staff

The joint review highlighted the importance of building shared understanding between all Prayas staff. The codification of processes of support to local governments is critical to building understanding and ensuring that staff are able to effectively accompany local governments. This is particularly important at

this critical stage when there is limited time for new staff to build the skills and understanding necessary to become immediately effective in supporting the new palikas in state 1.

Prayas senior management are aware of the need to continue to provide on-the-job coaching to their staff. This will require them to programme time for this support. However, since high levels of adaptation to different contexts is required, it will also be necessary to ensure there is adequate time to bring the field staff together to reflect on the work they are doing and help plan for future support. This will also aid the learning processes and facilitate exchange of experiences between staff in state 1 and Karnali state. Prayas needs to build in the time for systematic reflection as a team on what has worked and how to improve practice, how to best build on the competencies within the team, the use of data to assess performance and adjust practice. This will take significant amounts of senior staff time and will have implications for other areas of work that require strategic steering – in particular working with the state 1 government.

R21: To build shared understanding across teams working in state 1 and Karnali state: to ensure effective testing of the support provided Prayas needs to programme senior staff time to coach, team-build and support the two-way transfer of experience between the two states.

4.2 Steering mechanisms

Steering mechanisms operate at federal level through the Technical Coordination Committee and Programme Steering Committee (PSC). The PSC provides a joint steering mechanism for Prayas and Sahaj (NAMDP) with the intention of building strategic steering across these two programmes. Although membership of these committees draws together the key federal government actors in the sector, due to frequent staff changes there is limited continuity of membership and therefore the development of longer-term institutional understanding. There is no membership in either of these committees from the state or local governments, and there are no steering mechanisms at state-level that could bring more contextually useful inputs to the programme.

Overall these mechanisms respond to some elements of project needs, including as mechanisms to resolve high-level policy issues, for example discussions between federal ministries on fund mechanisms, but do not provide the level of peer engagement that could support the strategic direction and provide a challenge function for the project.

R22: State steering committee: for Phase 2 consideration should be given to steering mechanisms in the state where the project is working, to ensure strategic contextual direction can be provided, and to enable better representation from key actors from local as well as state governments

4.3 Positioning of Prayas with respect to other projects in agriculture sector

Prayas is uniquely positioned amongst other projects operating in the agriculture sector in terms of its focus on building the institutional systems for the palikas to develop the agriculture sector and advisory services. It has much to share in terms of experience, both with other agriculture projects and also with projects that are supporting the development of local government systems more widely. The provision of TA support to IFAD-ASDP, which is closely aligned in terms of purpose, provides an important opportunity to expand the local government systems that Prayas is supporting in state 1.

However, it is less clear how coherence and synergy has been developed between Prayas and other SDC funded agriculture projects, despite the attempts through NAGI to build coordination mechanisms, including joint working with NAMDP on a roster of service providers. In the end, coherence cannot be built between projects, rather coherence has to be developed through the initial conceptual framing and building coherence in the arena where it is mandated. The site for coherence for advisory services is the palika, the need is to step back and consider what a palika needs to deliver on its mandates, and what types of advisory services are needed by the diversity of farmers within a palika - basic and specialist services, public and private sector provision. From this analysis, it is possible to bring together the key elements required to support local government. To date this is what Prayas has been initiating through its focus on institutional systems for decision-making, building the competence of the palika to develop a

sectoral focus to agriculture, bringing together the core elements of the sector, including the necessary infrastructure, roads and small irrigation.

From the early stages of Prayas implementation there has been an attempt to build coordination between the Small Irrigation project (SIP) and Prayas, both through NAGI and the support to the projects to look for means to align work and through a strategic set of decisions for Prayas to provide the institutional support to palikas and to water user associations. SDC in consultation with Helvetas Nepal agreed to extend the agriculture extension services in all completed SIP schemes of 80 palikas (54 additional palikas beyond Prayas working palikas) in 9 working districts of states 1,3,6 and 7. Prior to the federal system (2016-17), Prayas provided support to 40 VDCs with 151 completed irrigation schemes, and worked with water user associations (WUA) in 41 SIP schemes to develop crop calendars, agricultural development plans, and develop LARPs identified and selected from the WUAs. Following the transition to the federal system, Prayas no longer provides direct TA support but focuses on institutional development of systems for palikas to build advisory networks and integrate across small irrigation and other elements of the agriculture sector. This required Prayas to identify different mechanisms through which to integrate support to SIP. One option was to work through outsourced competent service providers at national and local level (National Federation of Irrigation Water Users' Association). This did not fit with the model of support to institutionalise the agriculture sector including all the necessary elements for small irrigation planning, development and management with local governments, rather than using the single-entry point of irrigation. Prayas then sought to mobilise resources through the palikas. However, Ministry of Finance instructions that DPs cannot provide additional funds to palikas, if they are not already reflected in the LMBIS, meant that this mechanism also could not be used.

This experience underlines the importance of building a coherent framework for support to local government covering all aspects of the agriculture sector from management of the sector by the palika, to the facilitation of a diverse network of advisory services to planning, management and development of small irrigation. Separating these processes into different projects and ways of working does not meet the need to support the building of coherence in the palika and does not lead to efficient support to the palikas.

As described in Sections 1.4 and 6.4 and recommendation R1, Phase 2 design of Prayas should build on the initial learning from these attempts to build coordination across projects. It should consider how to build coherence through the local government model for agriculture sector development and advisory service to include: support systems for identification and management of data for decision-making, support to strategic level sector planning including irrigated water management planning, operations and maintenance and local economic development; embed the advisory networks and links to the private sector, to markets and to specialised services further down the value chain; clarifying the role of the state government and how it opens up the opportunities for agriculture within the state, its role in facilitation of provision of specialised advisory services, linked into research, and clearly delineating the roles of public and private sector for service provision within the state and local government arenas.

5. Impact

It is early in the project to be assessing impact, particularly in a context of so much change; instead the JR has focused on whether the pathways followed by Prayas are likely to lead to the expected impacts. As already discussed in detail, these pathways appear robust and will lead to impact. Already there are clear changes in the lives of those who have been supported by the palikas, but as noted in Section 3.2.4, Prayas can no longer link directly the effectiveness of its support to changes in outcomes of farmers' livelihoods, as this is now dependent on the effectiveness of palika provision of agriculture sector services.

Full delivery of the systems for sector implementation by local governments are unlikely to be in place in more than 6 palikas and will be at the very early stages of development in the remaining 20 new palikas in state 1 by the end of Phase 1. This will need continued support in Phase 2, to fully institutionalise a

federalised agriculture sector both within local and state governments. It is expected that pathways to impact will be much more secure once there is full engagement with the state government to: 1) clarify its mandates and boundaries for agriculture and 2) to develop the coordination and cooperation mechanisms to deal with issues of concurrence between state and local governments.

In summary, the main pathways - supporting the development of the seven key elements for sector management and implementation in local government - remains valid, as does the support to building a network of advisory services within the palika to meet diverse needs of farmers. The focus on building the institutional systems for the agriculture sector means that potentially Prayas support to these palikas will be sustained long beyond Prayas and will ensure these palikas continue to support the diverse needs of farmers within their jurisdiction.

6. Sustainability

6.1 Sustainability of services

It is early to be assessing sustainability of the services, given also the current political context where each year the palikas face changes in inter-governmental fiscal transfer systems. Palika directives and guidelines are at an early stage of their own institutionalisation, but it is possible to comment on whether the pathways being followed by the project will lead to sustainable outcomes or not over time. There are already clear indications that the support to the institutional systems for local government sector development is likely to be sustained if the palikas receive adequate support time to embed the systems and practices in a way that they can withstand any changes resulting from the next elections. At the same time, the sustainability of these institutional mechanisms also requires clarity in the mandates of both state and federal governments. The risks to sustaining local government changes emanate from federal and state governments operating within palika jurisdictions with competing policies and systems of staffing and finance. Equally, risks remain from donors also operating parallel systems (fund-flow and technical assistance) supporting donor agendas with local governments as agents to implement these agendas. Prayas initial engagement with the state to support clarification of its mandates for agriculture is an important step towards mitigating some of the risks of overlapping and competing mandates.

Risks to sustaining change also emanate from the palikas themselves, with palikas searching for credibility by continuing with the distribution culture, a particular and increasing risk in the run up to elections. Similarly, the high ambitions of the palika combined with citizen expectations means that there is a risk that rather than facilitating the network of service providers, the palika attempts to deliver all services itself. There is a substantial risk of failure, particularly in conditions where palikas have limited capability in their agriculture technical sections, making it difficult to deliver on the ambition of their political decisions. Overall, Prayas has supported the palikas to start to put in place the right pathways for both sector management and a diverse network of service providers, but there is much more to do to embed the networks and link to the private sector, to markets and to specialised services further down the value chain.

6.2 Research system

The areas where there is less certainty of sustained pathways to change are those concerning changes to the agricultural research system. Change in reform processes for agricultural research have been slow in many other countries (Haldimann 2018). Any donor supporting the NARC reform process should be prepared for a long-term journey and would need a mandated authority to support a change process. The research extension link remains the largest challenge if it is not a clear mandate within the research system. This requires staff to have incentives to form close linkages between research and extension through institutional mechanisms or mandated job requirements (IFPRI, 2016). In all countries that have federalised research, it is necessary to build networks of research partners that reach across spheres of government and engages the private sector, to serve public needs. All of this takes substantial time, leadership commitment to change, and sustained change management support. For Prayas this level of ambition is not possible to achieve.

6.3 Human Rights Based Approach (HRBA)

Prayas in 2016 became a pilot for HRBA. This included an analysis of the existing agricultural legal framework and an actor mapping. For the duty bearers, a capacity gap assessment was made, and the accountability chain developed to improve extension services for the farmers. From these initial assessments, it became clear that Prayas was already well aligned with the HRBA. It had a focus on **inclusion** of disadvantaged groups, worked with both **right holders** (farmers/farmers groups) and **duty bearers** (local authorities, but also other spheres of government) and invested significant resources in strengthening capacities. Prayas had, from its outset, adhered to the key principles of HRBA, i.e. non-discrimination and equality, accountability and rule of law, as well as participation and inclusion.

In terms of expected outcomes, both right holders, i.e. *farmers using relevant knowledge, information and technology to sustainably increase their productivity* and duty bearers i.e. *decentralized and pluralistic extension system providing technologies and services as demanded by farmers* were adequately reflected. At the **output** level the emphasis lay in **strengthening capacities** of right holders to **claim rights and participate** “farmers have increased capacity to participate and articulate their needs and demands in the planning and feedback processes at district and local levels” and **duty bearers to fulfil their mandate** “public authorities have increased capacity for extension and research policy formulation, reform and implementation”.

According to the Hanoi Declaration (the original guiding conceptual framework for Prayas), besides enabling frame conditions, the success of pluralistic extension services depends on rights holders being able to ask for the appropriate services and duty bearers being able to provide them. Prayas has responded directly to this through their support to palikas, in particular through support to their planning processes (now more inclusive, whilst maintaining a strategic vision); the identification of complementary service providers, strengthened through trainings, exposures and other means, linking them to the clients and ensuring quality of services; through the establishment of accountability mechanisms (e.g. citizen charters, notice boards, information sessions at ward levels); and through policy processes to consciously target and benefit disadvantaged groups.

Prayas has also been instrumental in increasing capacities of farmers/farmer groups to effectively articulate their demand for services. As already discussed in Section 3.2.1 (feedback) there has been least progress in the development of systematic provision of feedback to continuously improve quality of services in terms of specialisation, gender responsiveness, timeliness, accessibility and relevance (see R12 for actions to improve feedback through a client satisfaction survey and building representative voice of the elected ward members R16).

It can be concluded that the HRBA did not substantially change the content of Prayas work, but it did provide an interesting and internationally recognised framework for the team to guide duty bearers in assuming their mandate, strengthen farmers’ voices and promote social inclusion.

6.4 Learning for improving current interventions & developing new phase

One of the core elements of Prayas’ work, as the only project working on the development of the agriculture sector in local governments in Nepal, is the use of evidence to inform other local governments, state governments, federal government and DPs of the approaches and systems developed. This is an increasingly urgent and important area of work for Prayas; it is of significant importance both in terms of sharing the experience to date of supporting local governments for sector development and service delivery, and also to be able to transfer this experience to ASDP in Karnali state.

Given the high degree of instability in the programme, with constant change, there has been limited progress to consolidate learning from support to palikas in state 1. Now, with stability, experience and sufficient learning, it is time to codify the learning and provide process materials to guide implementation for the remaining period in state 1 and also to transfer experience to Karnali state.

Box 2: Review of programme processes

- Effectiveness of systems development for the agriculture sector in local government
- Effectiveness of palika facilitation of service provision and broadening network of service provision
- Effectiveness of Palika in targeting
- Review of programme structures and ways to improve harmonisation of understanding and learning across teams within and between states
- Effectiveness of capacity building approaches – accompaniment model, what works, what types of staffing (numbers and skills) required for effective coaching to the palikas
- Review of data collection needs and what is needed to demonstrate effectiveness of the Prayas model (qualitative and quantitative)

Significant work is required before the end of this phase to translate operational experience into programmatic learning, to identify what works, what does not and why, what is replicable in different contexts and what is context specific (see Annex 8).

There are two key strands of learning to be addressed during the final period of Phase 1 to feed into the design of the new phase: 1) review of local government institutional processes (and their effectiveness) supported by Prayas and 2) review of intervention experience i.e. the model of accompaniment (Box 2 provides some suggested areas of focus, and R19 on determining costs of TA support to local governments). From this review, it will be possible to build a consolidated model for local governments as a key task for the remainder of this phase. This moves beyond just looking at the development of a sector within local government to include the work that Helvetas has been supporting through ICSFP, SaMI and Elam. The initial work developed during the Joint Review provides the basis for this, but now requires detailed work by the Prayas team to

develop the process materials necessary to guide Prayas staff and others in how to support and accompany local governments to develop the agriculture sector and advisory services within the palika.

“We discuss a lot within the [agriculture] committee, with other palikas, and also with agriculture university professors. We are exchanging documents and sharing experiences with Sunkosi and Kamala Mai palikas...We are learning all the time.”
Agriculture Development Committee,
Chair, Marin

As has already been discussed in Section 2.3, Helvetas now has an important opportunity to build a **coherent model for local government and sector support** consolidating its work in different arenas: Prayas support to the agriculture sector in local government, ICSFP and support to all local government systems, ELAM and its support to value chains, SaMI and its focus on safer migration and returnee migrants and their families (see recommendation R1).

There are also many opportunities for palikas to learn from each other, especially where they share common boundaries. This is something that Prayas has encouraged, and which is important to continue to foster in future.

It is also suggested that SDC facilitate a discussion across the agriculture portfolio on how the sector is best supported for local and state governments: to include the role of the private sector, to promote economic development, the mechanisms for small-scale irrigation to be inbuilt into palika consolidated agriculture sector planning, and the mechanisms to build institutional support to local governments (based on the model to be developed by Helvetas).

Box 3: Principles: support to inclusive federal state-building through the agriculture sector

- **Accompaniment** not substitution
- Facilitating **political decision-making** processes
- Facilitating **role clarity between private and public sector**
- Palika as site for sectoral **coherence**
- Support **local government systems** (including financial, legal, procurement, monitoring and reporting), not imposing project systems
- Support whole **palika** for strategic coherence not focusing ward by ward
- Ensure engagement with **other spheres** of government (State, Federal) does not undermine mandates of local government
- **Diversity** of service provision – actors, approaches, financing
- Support to **inter-governmental mechanisms**

government

Key strategic donor groups: Influencing and informing key strategic donor groups such as the Food Security Group and the Federalism Working Group

Peer learning: proactive engagement with other SDC projects and linked initiatives such as the State Support Programme, NAMDP, SIP, and with GiZ and Coherence Programme (IDEA)

Process documentation of learning from support to sector development within local government so it can be shared with other local governments

Other publications to share experience widely through briefing notes, blogs etc

As part of the transfer of experience and approach, Prayas has developed a series of **principles for support to inclusive federal state building** through the agriculture sector (Box 3). These principles can be used to guide work in Karnali state and more generally to be shared with others working to support local governments.

It is also urgent to develop a clear **strategy for scale-up** that focuses on how the processes supported by Prayas and other Helvetas projects can be scaled up beyond the project working areas. Potential opportunities include:

Other programmes: PLGSP for uptake of a support model to local government including how to support sectors within local government.

Local Government Associations: Exploring linkages with MuAN and NARMIN as a mechanism for exchange to other palikas

Other DP coordination mechanisms: Building linkages with DFID/SDC Province Coherence Unit (Karnali state) to share approaches to sectoral coherence within local

R23: Support to coherence for state and local government agriculture sector: Building on the Helvetas work to develop a coherent model of support to local government (R1), SDC to facilitate a discussion across the agriculture portfolio on how the agriculture sector is best developed by local and state governments: to include the role of the private sector, promote local economic development, the mechanisms for small-scale irrigation to be inbuilt into palika consolidated agriculture sector planning, and the mechanisms to build institutional support to local governments

R24: Communication and upscaling: Prayas and Helvetas need to build a strategy for communication and upscaling of support to sector development within local government using different channels within the state, at federal level and tailored to different actors. This communication should include mechanisms for inter-palika exchange and learning.

7. Outlook: options to capitalise on Prayas experience for Phase 2

The Joint Review assessed future options for sustaining Prayas work beyond Phase 1. Three elements were used to inform the assessment:

1. The actions needed in Phase 1 to position Prayas for Phase 2 (Recommendations 1-26) and to transfer experience to IFAD-ASDP in Karnali state (Section 7.1.1);
2. The decisions taken by SDC to end Prayas direct support to local governments in state 1; and
3. Consideration of the focus of Phase 2 to ensure by the end of Phase 2 that Prayas has delivered a model that is institutionalised and used across Nepal to support agriculture sector development in local and state (province) governments.

The JR team found that Prayas has achieved a lot in a short amount of time since the middle of 2018. However, to leave an institutionalised model scaled across state 1 there is still much to be done to further develop, test and institutionalise the systems for local government agriculture sector. In state 1, work has only just started in 20 new palikas, and although it is the case that it will be easier to provide support to systems development as much of the process has been developed, it still takes time to develop the capabilities of staff to support the process. It also takes time to build trusted relationships with palikas and for the palikas to have the confidence to build the necessary systems. The JR considers that by the end of 2019 there will not have been sufficient time for support to the new palikas to build the systems needed and to build understanding across both elected representatives and the administration. It also takes time to change the understanding of farmers and service providers of the change in types of advisory services and the actors involved.

There are substantial risks of leaving too soon from state 1. Poor capitalisation of investment in palikas as a result of the incomplete operationalisation of the model, leads to a reputational risk for SDC that it has removed support from palikas before they are ready. It risks the sustainability of the systems that have been supported, and a major risk that the palikas return to giving very low or no priority to agriculture and funding the services. Gains made in terms of providing access to services to those who normally do not receive them will be lost. And finally, the opportunity to build on progress already made in state 1 and fully complete the processes of support to ensure there is a mature model for sharing with Karnali state would also be lost.

7.1 Actions to end of Phase 1

To prepare for Phase 2 recommendations 1-24 need to be addressed. There is still much work to be done particularly around building the evidence to show effectiveness of Prayas' support to local governments. This includes documenting the processes needed to support the institutionalisation of the key elements for local government, as well as assessment criteria to indicate when the palika has sufficiently institutionalised the systems for agriculture sector management and its role in support of the network for advisory services.

7.1.1 Specific recommendations for IFAD-ASDP

For IFAD-ASDP there are a set of specific **recommendations**:

1. Prayas to review with the ASDP team the lessons learned from the JR to build the lessons into the operational practice of ASDP. Any strategic level changes to ASDP should be discussed with the IFAD country review mission (starting at the end of May 2019)
2. Prayas to offer to present the overview findings from the JR to the IFAD country review mission, as the lessons from the support to institutional systems for sector development will be relevant to the review mission
3. Prayas to transfer the principles for inclusive federal state building to guide TA support to ASDP
4. GoN and Helvetas MoU: after 1 year of IFAD-ASDP implementation, the joint review mechanism should be used to adapt future implementation modalities, where needed, and to review and revise the MOU to fit with what has been learned after one year of implementation and shared experience between state 1 direct Prayas support and Karnali state
5. TA support for ASDP – importance of multi-disciplinarity of TA, needs to combine technical expertise in agriculture advisory services with understanding of federal systems and local government system support processes
6. Prayas and ASDP to jointly develop understanding of the model of systems and support processes for the seven key elements of sector development and advisory services within local government
7. Fund flow – with and without: learn from two support models in state 1 and Karnali state, state 1 with funds transferred to palikas for agriculture, and Karnali state without project funds
8. State-level engagement in both state 1 and Karnali state to support clarification of state mandates, understand role of Provincial Coordination Council for resolution of concurrent functions between state and palika

9. Federal-level engagement: support to clarification of federal mandates for concurrent functions
10. Ensure close collaboration and exchange between the teams responsible for the different outcomes (rural advisory services, value chain development) to provide coherent and comprehensive support to the palikas in their agricultural sector development.

Work to further test and consolidate the model for sector development within local government both for supporting the work of ASDP in Karnali state as well as in state 1 will take time to deliver, given the early stages of development in most of the Prayas supported palikas.

R25: Revisit the Prayas theory of change to consolidate learning, and to start Phase 2 design thinking. It is recommended that Prayas revisit the theory of change underlying the reformulated project and build a new TOC to reflect the learning from the support to the palikas and the state government to strengthen the models for support to a federalised agriculture sector within palikas and state governments, and agree on a vision for 2022 and beyond (the next election period) and what can be achieved by Prayas in the next phase. This will also help contribute to building a clear explanation of Prayas' approach for sharing learning more widely on how to support sector federalisation.

7.1.2 What needs to be achieved in state 1 to secure the investment made?

The JR team have assessed what needs to be achieved in state 1 to secure the investment already made and to ensure the most effective transfer of experience between state 1 and Karnali state IFAD-ASDP. This is based on the assumption that Prayas ends its direct TA support to state 1 by the end of Phase 1. The elements that should be in place by the end of Phase 1 include:

For state 1:

- 20 new palikas with sufficient period of support to ensure the basic elements for sectoral development will be in place (assessment on the basis of criteria to be further developed by Prayas)
- 6 palikas that have had longer term support from Prayas with a fully tested system of support to sectoral development in place and the key elements of a network for advisory support
- State Ministry for Land Management, Agriculture and Cooperatives with clarity on mandates, developed an agriculture sector plan, initiated state-level actions for research-extension linkages, and initiated work to build Agricultural Knowledge Centres as centres for specialist services
- Mechanism for scaling-up the approaches to other palikas in state 1 (possible options include – PLGSP, State Support Programme)

For Karnali state:

- A 'no-fund transfer' model for palikas will have been tested in the first FY of implementation, where TA only is provided to the palikas to support the development of the systems needed for agriculture sector development. The learning from this model will be used to input into the design of Phase 2 of Prayas
- Transfer of learning from state 1 to Karnali state to support the initial development of local government agriculture sector

The following considerations have been taken into account for the proposed options (Table 8):

1. The first phase of ASDP is five years (2018-2023/2024)
2. The next elections for local government are in 2022
3. 15th Five Year Plan (2019/2020-2023/2024)
4. Full staff adjustment to local governments is expected to take another two years
5. PLGSP should be in implementation in 2019 or 2020 at the latest
6. SDC State Support Programme should start from 2019

The JR team considers that the achievements of all these elements cannot be delivered by the end of 2019, all three options recommend an extension of between 6-18 months. Options 1 and 2 focus phase 2 on Karnali state only; option 3 retains TA support to state 1 and Karnali state.

Table 8: Options for future support

Option 1 Phase 1: no-cost extension (+ 6 months) 2019/2020 Phase 2: from FY 2020/2021, with Prayas exiting from state 1 direct TA support at end of Phase 1	
Timing for phase 2: starts from FY 2020/2021 Focus for phase 2: Karnali state only Advantages • State 1: 20 new palikas - allows complete FY cycle to be completed with state 1 20 new palikas • State 1: 6 old palikas – complete testing in first 'normal' FY • ASDP: One year complete overlap with ASDP - opportunity for peer exchange, transfer of lessons • Design of phase 2: build on lessons from tested model in 6 palikas	Issues • Minimum to leave behind anything meaningful in 20 new palikas (if Prayas is exiting from state 1 direct TA support) • Elements of system in place but not institutionalised • Unlikely PLGSP in position to take learning and upscale • Limited time for transfer of lessons between state 1 and Karnali state • Additional 6 months insufficient to help clarify roles, mandates between palika and state and deal with other major risks
Option 2: Phase 1: extension 18 months to cover 2 financial years - 2019/2020 and 2020/2021 Phase 2: from FY 2021/2022, with Prayas exiting from state 1 direct TA support at end of Phase 1	
Timing for Phase 2: starts from FY 2021/2022 Focus for phase 2: Karnali state only Advantages Palika institutionalisation: • Higher chance to leave institutionalised approach to local government systems for sector and service delivery in palikas in state 1 (26 palikas) - 2 full financial years • Potential to demonstrate change away from distribution culture • Covers period of major government staff adjustment and transition Use of electoral cycle: • Making optimal use of political space prior to next election State engagement, clarifying mandates (state-palika): • Time to work with state mandates, sectoral planning, research-extension linkages Upscaling: • Bridging gap to start of PLGSP, provision of support to roster of service providers for PLGSP for transfer of experience of accompaniment for local government sector development	• ASDP: Quality of TA provision improved based on mature model experience Positioning • Contributes to SDC positioning as thought leader on operationalisation of sector federalisation in state 1 – chance to develop mechanisms for sectoral coherence within palika, within state and between state and palika Risk mitigation • Not all “eggs in one ASDP basket” • Time to build lessons from state 1 into ASDP and lessons from ‘no-fund’ model to practice in state 1 • Challenge function maintained from Prayas direct TA support in state 1 to TA support through ASDP Phase 2 design • Build on fully tested models in both state 1 and state 6 TA support Testing of no fund model in state 1 in second FY of support
Option 3: Phase 1: no-cost extension (+ 6 months) 2019/2020 Phase 2: from FY 2020/2021 with focus on Karnali state and continued support in state 1 to develop and institutionalise systems for local government agriculture sector	
Phase 2: starts from FY 2020/2021 Focus for phase 2: Karnali state and state 1 (existing 26 palikas)	Electoral cycle: Allows full testing of model for complete electoral cycle plus one year into new electoral cycle

Advantages: Design of phase 2: early opportunity to ensure design of phase 2 focused on ASDP and use of state 1 experience to support ASDP, new design based on learning from Phase 1 since federal system in place with relevant TOC, outcomes, outputs. Design to include mechanisms for upscaling in state 1, based on new model to be developed through work with Helvetas and SDC. Advantages of Option 2 inbuilt into new Phase design ASDP: Prayas Phase 2 overlap of three years with ASDP phase 1 Source of lessons and challenge: Continued engagement in state 1 for 3 years provides source of mature lessons to transfer into Karnali state, including experience of engagement with state 1 government	Upscale: Karnali state: Prayas main focus on Karnali state with potential to upscale support to local governments across 60 palikas; State 1: Prayas team can work with PLGSP and with the State Support Programme to build the mechanisms for upscaling beyond palikas in which working Influence: capability to use experience from state 1 to influence direction of support to palikas and state government through IFAD-ASDP Issues: Risk that new phase will require competitive tendering, potential to lose current TA associated with state 1 and knowledge it has built in how to support local governments and what to support
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R26: Options for phase 1 and phase 2: the JR team has put forward a series of options for how best to deliver results for Phase 1. These options now need to be further explored and discussed between Helvetas and SDC, taking into consideration the effects on IFAD-ASDP.

7.2 Future directions for Phase 2

Learning from Phase 1 has shown that it is possible to support local governments to develop the institutional systems for sector management and operation, and to develop a network of advisory services. As indicated in the options discussion there is much still to be done to consolidate these processes of support and systems development. Phase 2 should have its primary focus on Karnali state to upscale the model of local government supported by continued engagement in state 1 for testing a new model of support to local governments (without additional fund transfers) that expands beyond Prayas to support a coherent model for local government support and agriculture sectoral development (drawing on the combined experience of ICSFP, Prayas, SaMi, ELAM, NAMDP, SIP). Table 9 provides some initial thoughts on the scope and mandate of Phase 2.

Table 9: Features of new phase for Prayas

Key elements of programme	Specific detail
Geographical focus and purpose of Phase 2	- Focus on Karnali state and upscaling model of support to local government - State 1: consolidation and expansion of model of support to local governments to take the support to scale across the state; and to test proposed model of institutional support without additional finance from SDC to the palikas.
Building on strengths of Prayas in Phase 1	Expand and deepen model of Prayas support to agriculture sector development in local governments in state 1 and Karnali state (through IFAD ASDP) built on a coherent model for local government support and sectoral development (drawing on ICSFP, Prayas, SaMi, ELAM, NAMDP, SIP)
Local government support to agriculture sector development	Support mechanism for upscaling (through PLGSP, SDC State Support Programme)
Building the networks of advisory service providers	Support the development of networks of advisory service providers to include specialised services, integrating WUAs into these networks,

	clarity on public private sector roles, private sector provision of services with embedded advisory services
Building credibility of model	• Demonstration of consolidated model in existing palikas • Phased expansion to new palikas with no SDC conditional grants to the palikas
Supporting state government definition of mandates and functions for agriculture sector	• Agriculture sector mandate clarification, plan and implementation • Research mandates and modalities for research-extension linkages
Supporting state-local government coordination mechanisms for clarification of mandates between concurrent and exclusive functions	• Support to mechanisms for inter-governmental coordination/resolution of concurrent and exclusive functions (state-palika) • Support to palika-palika coordination mechanisms for cross palika management of natural resources (water for irrigation), advisory services etc.
Evidence to inform other key actors of approaches to sector development and network of advisory services	• Building on evidence from implementation to widen and deepen influence and understanding of approaches to agriculture sector, through strategic engagements with federal government, DPs

R27: Initiation of design process for Phase 2 to include codification of the processes of support for sector federalisation Prayas with support from HELVETAS and SDC should initiate a process of discussions within Prayas and then with IFAD-ASDP for the future design of Phase 2, to include discussion of proposals by Joint Review, and an action plan indicating the phasing of actions needed to be completed prior to the end of Phase 1 to position Prayas for Phase 2, to include process documentation of the systems for sector development in local governments.

8. Conclusions

Prayas is a highly relevant and cutting-edge project. To the knowledge of the JR team there are no other DP programmes providing this type of support to develop local governments' capabilities to manage a sector and redefine the relationships between public and private sectors.

Prayas, despite the challenges it has faced, has managed to successfully adapt to the new political system and develop an approach to sector development within local government. This, during a period of major transition for the new local governments, with much uncertainty about the nature of inter-governmental fiscal relationships for agriculture, functional relationships between the spheres of government, and the institutional capabilities of local governments to implement their functions. It is, however, early days both in terms of the institutional support to local governments to develop appropriate systems for decision-making as well as support to developing networks of advisory services within and between palikas. There is still much to do to support work with state governments to define their sectoral mandates and to clarify the boundaries between state and local government concurrent and exclusive functions. Capturing the learning and communicating to upscale the approaches remains key and needs to be a major focus to end of this phase.

Prayas has developed the ingredients for change, although all at an early stage of development:

- It has focused on developing the local government systems for a sector, building the mechanisms for political decision-making, jointly developed with palikas (not driven by external experts), with a much higher potential for institutionalisation.
- It has supported the development of clarity and understanding of what a palika can and should do, as well as supporting the development of complementary roles of other actors (through the network of service providers), meeting a diversity of needs with tailored responses, and thus helping to ensure farmers have access to knowledge, information and technology
- It has developed and demonstrated a fiscal transfer system for DP funds, which is now available for uptake by other donors, as well as a consolidated resource mobilisation and planning process. Through these mechanisms it has helped to develop the palika as the arena for coherence, and not just one where coordination happens.
- It is supporting local government policy dialogue on subsidies and the distribution culture and put in place systems to reduce the potential for patronage through focus on strategic decisions for sectoral priorities, informed by data and consultations.
- Palikas are gaining clarity over their boundaries between concurrent and exclusive powers, and becoming increasingly empowered to protect their mandates and jurisdictions, even though the wider context challenges these boundaries.

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Annex 1: Terms of Reference for Joint Review

Terms of Reference: Joint Phase Review of Nepal Agricultural Services Development Programme (NASDP) - Prayas

Background

The Nepal Agricultural Services Development Programme (NASDP) known henceforward as Prayas is mandated to support Government of Nepal (GoN) in facilitating a decentralised and pluralistic agricultural extension and research system in Nepal. It is a bilateral programme of the Government of Nepal and the Government of Switzerland represented by Swiss Agency for Development and Cooperation (SDC), implemented by Helvetas Nepal. The goal of the project is to improve the livelihood of farming households (HH) especially female headed HHs and farmers from disadvantaged groups by increasing their farm income, food security, resilience and social inclusion.

The current phase covers 2016 – 2019, a period of major change in Nepal's whole administrative and political structure. As of December 2017, Nepal became a federal republic with democratically elected representatives in all three spheres of government: federal, state, and local (rural and urban municipalities or *gaun- and nagarpalikas*). The Local Government Act (2017) sets out the key areas of rights and responsibilities for these three spheres. Agriculture sector development in general is under the shared principles of execution, however rights and responsibilities for agricultural extension is clearly mandated to the local level (schedule 8). Responsibility for agricultural research is shared between the (seven) state and federal governments.

Prayas came in existence immediately after the promulgation of constitution of Nepal in 2015. The inception of the project in such a transitional phase, lead to a series of changes to better align the project interventions with the political and administrative transformation of the nation. Soon after it had started, and as a consequence of the reduction of SDC funding, Prayas had to adapt to a budget reduction.

Significant changes in administration of agriculture sector such as confinement of the federal Ministry in policy formulation and national/international facilitation, dismissal of then Village Development Committee and its Agriculture, Forest and Environment Committee (AFEC), the District Agriculture Development Office (DADO), the District Livestock Service Office (DLSO), and emergence of State Ministry, Directorates and Agriculture Knowledge Centres (AKCs) as state entities and assignment of exclusive rights related to agriculture sector to the local governments, have made the considerable adaptation to the institutional structures, steering and fund flow mechanism of Prayas inevitable. As a result, a project addendum dated 28.08.2018 reoriented the role of Prayas in relation with all three spheres. Though the project goal is to contribute state building in all three spheres, the emphasis of Prayas is to work primarily with local municipalities, focusing on those in State 1 as per the orientation of Swiss Cooperation Strategy (2018-21). The project as well provides support services to the Agriculture Sector Development Programme in State 6 and support the provision of agriculture extension services to the the irrigation schemes and Water User Associations (WUA) and of the SDC funded Small Irrigation Program (SIP).

In 2018, SDC has approved its new Swiss Country Strategy (SCS) 2018-2021 for Nepal. The new SCS defines a more focused country programme. This implies an exit from area where Switzerland had a long engagement and a strategic re-organisation of SDC portfolio. The rural portfolio is significantly downsized, and the agriculture programmes are streamlined to focus on change at the systems level and their contribution to employment and income. During this strategy period, federal state building is the key to overcome political fragility and to address the root causes of persisting conflicts related to inequality, identity, geography, religion, gender discrimination and social exclusion. In this next 3 years, SDC will orient its funding on fostering employment and supporting income opportunities reflecting the needs generated by rapid urbanisation and demographic transition. At the end of 2018, a visioning workshop was held to draft a new strategic framework for SDC engagement in agriculture. Following, this visioning

workshop and in line with the new SCS, it has been decided that Prayas will be redesigned, it will terminate its activities at local level in State 1 and focus its effort on Technical Assistance for ASDP/IFAD project in State 6 capitalising on lessons learnt during SDC historical engagement in agriculture over the last three decades. A review was then planned for early 2019, key elements of Prayas success and challenges and define entry points at state level and recommend activities for institutional strengthening in state 1 and 6.

The project has two outcomes:

- Outcome 1: Farmers use relevant knowledge, information and technology to sustainably increase their productivity
- Outcome 2: A decentralised and pluralistic extension and research system provides technologies and services as demanded and needed by farmers

Purpose of the joint review

The joint review has summative and formative elements.

Summative: The review process will;

1. Document key learnings and success elements;
2. Reflect on Prayas achievements that have potential to be transferred, in terms of knowledge and skills - describing processes, the innovative approaches for delivery, results achieved, keys to success or major challenges;
3. Identify the opportunities/challenges and the extent to which the project was adaptive and responsive to the changes that occurred over its lifetime;
4. Document lessons learned in the application of the Human Rights Based Approach (HRBA) in project operationalisation.

Formative: the review process will:

1. Document, if any, Prayas engagements at state level, and
2. Provide recommendations to design the next phase of the project in relation to
 - scaling up through Technical Assistance to the IFAD/NASDP project and
 - supporting provincial authorities in State 1 and 6 to unlock the potential of agriculture as a driver of development.

Key aspects of the review

The review will be a participatory process, involving the implementing agency (Helvetas) and the project team as well as an external consultant and a member of ASDP staff. The team will consult with all stakeholders at federal, state and local spheres. Particular consideration will be given to consultation with IFAD and the ASDP team to ensure that the understanding and recommendations will be useful for the design of next phase.

1.1 Context, relevance, effectiveness, efficiency, sustainability and impact

3.1.1 Context:

The implementation of federalisation represents a major change in context. The review should consider

- ✓ The consequences of federalisation for the agriculture sector in specific of research and extension, and the scope for and efforts of Prayas to respond to this new situation.
- ✓ Interventions that are not aligned/weaken the federalisation process and should be avoided in the next phase

3.1.2 Relevance:

- ✓ Are the activities and outputs of the program consistent with the overall goal and the attainment of its objectives?
- ✓ Are the activities and outputs of the program consistent with the intended impacts?

- ✓ To what extent the program made itself relevant in the changed context of federalism?
- ✓ To what extent Prayas experience and lessons are relevant for other sectors?

3.1.3 Effectiveness:

- ✓ To what extent are the outcomes and outputs as specified in the Project Document are effective?
- ✓ What were the major factors influencing the achievements or unattainability of the outcomes and outputs?
- ✓ What is the quality of the services provided? How has Prayas adjusted its monitoring system and how does Prayas use the monitoring information to improve quality?
- ✓ What have been advantages and disadvantages of working at state as well as at municipal level?
- ✓ With the strong focus on alignment with the Government, did Prayas sufficiently strengthen other actors that are crucial for pluralistic advisory services?
- ✓ How has the collaboration with development partners including other Swiss-funded projects contributed to project effectiveness, and in what way?
- ✓ What specific attempts were made by Prayas to reach the target group – ie, DAGs – and to what extent were these effective?
- ✓ What attempts were made to strengthen the interface between research, education and extension, and to what extent were these successful?

3.1.4 Efficiency:

- ✓ To what extent were the activities carried out by Prayas cost-efficient?
- ✓ How is Prayas positioned in relation to a variety of other projects working on agriculture sector, both those supported by SDC and by other agencies? Is there clear coherence and synergy?
- ✓ What are the achievements, challenges and gaps of the steering mechanisms?
- ✓ What are the project's achievements, challenges and gaps in its collaboration with government stakeholders (federal, state and federal) and partner organizations and its management of partner organizations?

3.1.5 Impact:

- ✓ What are the real differences that the project has made on the lives of the targeted beneficiaries?
- ✓ What results not mentioned in the Project Document were achieved?

3.1.6 Sustainability: focus on system elements?

- ✓ How was HRBA incorporated into Prayas activities, and to what extent is this sustainable?
- ✓ What changes that Prayas brought about in agriculture research and extension services are likely to be sustained?
- ✓ What services that Prayas has provided are likely to be sustained?
- ✓ What were the major factors that influenced the achievement or non-achievement of the sustainability of the program activities?
- ✓ How has the project been able to influence the policy related to agriculture services?
- ✓ Has, and if how has Prayas contributed to strengthening the linkages between the three levels?
- ✓ How are the lessons learned from Prayas being shared, both within Nepal and at international level for replication and scale up?

1.2 Recommendations for the design of the next project phase

- What are the lessons learned from the current phase of Prayas?
- What are the recommendations for incorporating the lessons of Prayas into the TA provided to ASDP in Karnali (State 6)?
- What is the need and scope for SDC support to agriculture in State 1?

Proposed Methodology (Process)

The review team is expected to consider the following steps while preparing the review methodology. Key questions to be posed to different stakeholder groups are outlined in annex.

4.1 Document Review

The review team will consult the relevant legal and policy documents of the Government of Nepal including the constitution, operational act/plan, project document, annual and semi-annual reports, mission reports and other documents developed by the project.

4.2 Consultation workshop with Prayas team

The project team has 3 years of implementation experience and has detail knowledge on the issues and challenges related with various mechanisms of the project. The team will share those experiences with review team, which will help the review team to get clearer idea about different aspects of the project implementation.

4.3 Field Visits and stakeholder consultation

The review team will determine the field sites to be visited in consultation with the Prayas team. The main objective of the field visit is to comprehend the successful/unsuccessful practices of the project and to interact with the stakeholders, gaining their perspective regarding the endeavour of the project. Some of this field work will be conducted in advance of the main review mission, to gain preliminary insights and case material.

The field visits will include focused group discussions with the key stakeholders. The interaction will be with the lead farmers (Agriculture Learning Centres), resource centres, research centres, cooperatives, local government representatives, state government representatives, federal government representatives and migrant returnees involved in farming.

4.4 Consultation workshop in State 6

The review team will travel to Surkhet to share their findings with the ASDP/Prayas team and seek their observations and feedback on the relevance of their observations for State 6.

4.5 Debriefing

The review team will make debriefing to SDC, Helvetas, Prayas, and other relevant stakeholders as necessary.

The Review team and Moderator

The review team comprises of six members that include the representatives from SDC (Yamuna Ghale), HELVETAS Swiss Intercooperation Country Office (Jane Carter), Head office (Esther Haldimann), Prayas (Sudha Khadka), Project Coordinator of Agriculture Sector Development Programme (ASDP/IFAD) (Rajendra Bhari-when relevant) led and moderated by Mary Hobley. The explicit roles of review team are highlighted in the table below:

Members	Roles
Moderator (Dr. Mary Hobley) 28 days	S/he will act as an external convener of stakeholders. The moderator will facilitate/ lead the review and learning process and prepare the review report. She will also ensure that the Prayas and ASDP team members are properly consulted as resource persons throughout the review process.
SDC, Focal Person (Ms. Yamuna Ghale)	She will review the project from SDC perspective and ensure that the findings of the review are taken up by SDC management. She will contribute to an institutional memory, bringing to the review the past and present SDC strategies regarding agriculture and support for federalization, and how these have influenced the project's orientation and field activities.
Back-stopper from Head Office (Ms. Esther Haldimann)	She will review the project with thematic (International perspective on agriculture extension

18 days	& research, State of the Art concepts & experiences from other countries) and ensure the link to the backstopping on identifying key areas and frame for learning. She will also reflect on how HRBA approaches have been incorporated into Prayas.
International Advisor (Dr Jane Carter) 12 days	She will bring to the review an institutional memory of Swiss support for agricultural extension services in Nepal. Her main responsibility will be for Knowledge Management - specifically coordinating and drafting, with inputs from others, eventual publications.
Project Coordinator, ASDP (Mr. Rajendra Bhari) 10 days	He will bring insights of scope and relevancy into ASDP and will facilitate the transfer of learnings from Prayas into ASDP.
Team Leader - Prayas (Ms Sudha Khadka) On-going as part of her duties	She will provide insights into project management, the challenges of responding to federalization, and practical project experiences. She will also ensure that the Prayas and ASDP team members are fully engaged as resource persons in the consultation process.

Expected competencies for the Moderator

The Moderator is an international consultant who knows the context of Nepal well, is well respected, and has experience with government processes and administration. She has experience in facilitating reviews and evaluations of government and donor funded projects. The Moderator will be hired for a total of 28 working days (3 days for preparation, 17 days in country, 2 days travel, 4 days report writing, 2 days follow up editing, clarifications, discussions). SDC will be responsible for hiring and mobilizing the Moderator.

Deliverable

The review team shall submit a final report of **maximum 35 pages including an executive summary (4-5 pages)**. Besides, the review team is expected to suggest appropriate numbers of **blogs, Briefing Notes** and possibly a **Learning Series document**; these will be produced along an appropriate timeframe separate to that of the review reporting, up to the end of 2019.

The Embassy in Nepal reserves the right to request changes in the report or additional information.

The report shall be written in English. A first draft report shall be delivered to the Swiss Cooperation office not later than 1 May 2019. The final report revised based on comments and remarks of the Swiss Cooperation Office shall be submitted on 15 May 2019.

Support from Project

The review team will be provided the relevant documents for comprehending the project's intervention. Besides, the project will arrange field visits, meetings with the stakeholders and team members.

Timeframe

The time frame is from January to May 2019.

Sn.	Activity	Month	By whom
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1.	Team Formation for Joint Review	January 3 rd week	Review team
2.	Drafting and Finalizing ToR	January 3 rd and 4 th week	Review team
3.	Conference call with Review Team (most members) and SDC	13 February	SDC, Mary, Sudha, Jane
4.	Field visit to collect case material first-hand information etc	25 – 28 February	Sudha, Jane
5.	Consultation with other Swiss projects	February and March, as feasible	Sudha, Jane
6.	Document Review by moderator	March	Before mission
Review mission 26 March – 12 April			
7.	Briefing with the Ambassador	27 March	Moderator, some team members
8.	Team assembles in Kathmandu	28 March	Moderator, review team members
9.	Meeting with federal stakeholders: Steering and Technical Committee members, donor partners	29 March	Full review team Federal stakeholders
10.	Field Visit to State 1	30 March – 4 April	Full review team
11.	Review of findings, preliminary report writing, workshop preparation	5 – 7 April	Moderator and team members as necessary
12.	Travel to Surkhet Consultative Workshop in Surkhet	8 April 9 April	Full review team
13.	Return to Kathmandu; report writing	10 April 10 – 12 April	Moderator and team members as necessary
14.	Debriefing with SDC and other relevant stakeholders	12 April	Full review team
15.	Submission of draft report	1 May	Moderator
16.	Response of Helvetas and SDC	7 May	Helvetas and SDC
17.	Finalization of the report	15 May	Moderator

Reference documents

- ADS
- LGOA and Unbundling report 2017
- PRODOC and addendums
- NASDP Research Study, workshop reports
- All YPOs and annual reports
- All study reports
- Mission Reports of Back-stoppers (Peter Schmidt, Hans Schaltenbrand, Stefanie Kaegi, Esther Haldimann)
- NAGI Mission report
- ASDP project document
- Swiss Country Strategy (2018-2021)
- SDC Workforce Diversity Policy (WFD) policy
- SDC Framework for Economic Transformation in Agriculture
- SDC document on Assessment of agriculture development issues in federal structure

Annex: Key questions to stakeholders

The questions below are formulated as a checklist for informal (qualitative) discussions with the different stakeholders, capturing any particularly interesting quotes or stories to inform the review. They are **not** intended as a basis for a quantitative analysis.

Key question	Farmers women & men	Municipal technical staff	Municipal elected representatives	Local service providers (LRPs, learning centre farmers, etc), NGOs	State officials (AKC, MoLAC, Directorate)	Federal officials, (members of steering committee, NARC officials, academic institutions)	Donor community as appropriate (IFAD, etc)	Prayas Project staff	When
Context									
What have been the main challenges in providing agriculture extension services (AES) in the new federal context?		x	x	x					Review mission
How have you experienced the changes in AES in the new federal context?	x	x	x	x	x			x	Prior to & during review mission
What institutional developments (planned or actual) are perceived as supporting the federalisation process, and what (if any) are perceived as potentially undermining it?		x	x	x	x		x	x	Review mission
Relevance									

What do you consider to be the main achievements of Prayas?	x	x	x	x	x	x	x	x	Prior to & during review mission
What do you consider to be the main failings of Prayas?	x	x	x	x	x	x		x	Prior to & during review mission
Could you name some specific successful adaptations that Prayas made in the context of federalisation?		x	x	x				x	Especially prior (collecting case studies) to but also during review mission
Effectiveness									
How do you rate the quality of the services provided by Prayas?	x	x	x						Prior to & during review mission
How has the collaboration with development partners including other Swiss-funded projects (eg. SaMi, ENSSURE) contributed to project effectiveness, and in what way?	x	x	x	x				x	Prior to review mission in interviews with other Swiss-funded projects Also to be covered during mission.
What attempts were made to strengthen the interface between research, education and extension, and to what extent were these successful?	x	x	x			x		x	Prior to & during review mission
Efficiency									
How is Prayas positioned in relation to a variety of other projects working on agriculture sector, both those supported by SDC and by other agencies? Is	x	x	x	x		x	x	x	Review mission

there clear coherence and synergy?									
What are the project's achievements, challenges and gaps in its collaboration with government stakeholders (federal, state and federal)		x	x	x	x	x		x	Review mission
Did Prayas sufficiently strengthen non-government actors that are crucial for pluralistic advisory services?	x	x	x	x				x	Review mission
What specific attempts were made by Prayas to reach the target group – ie, DAGs – and to what extent were these effective?	x	x	x	x				x	Especially prior to but also during review mission
Impact									
What are the real differences that the project has made to the lives of the targeted beneficiaries?	x	x	x	x				x	Especially prior to but also during review mission
Where some targeted beneficiaries missed out from Prayas service? If so, why?	x	x	x	x				x	Especially prior to but also during review mission
Were there any unintended consequences of Prayas activities? If so, what?	x	x	x	x				x	Especially prior to but also during review mission
Sustainability									
How was HRBA incorporated into Prayas								x	Review mission

activities, and to what extent is this sustainable?									
Has the project been able to influence the policy related to agriculture services?					x	x	x	x	Review mission

A special focus should be given on the key institutions, the key functions and processes in order to synthesize a maximum of key element of “models” which can be transferred to State 6 ASDP:

Some incomplete examples:

- Agricultural Committees
 - What to promote, what to avoid for establishing functional and representative (in terms of gender and diversity) agricultural committees ?
 - HRBA : Which strategies have worked for small farmers (and other stakeholders) to claim their rights and b. for (selected) duty bearers (e.g. elected representatives, local administration...) to adapt a changed attitude towards their duties?
- Norms and standard for extension services
 - Which is the minimal “model ToR” to be scaled up for ensuring tasks and responsibilities for small irrigation on palika level (technical level and governance of small irrigation)
 - What’s the “basic packages” for facilitating the building up of functional governance and technical capacities for palikas to carry out their function for small irrigation?
- Pluralistic extension services
 - What have been proven processes in palikas to define, which rural advisory service can be provided by the palika and which one from private service providers?
- Fund Flow mechanism
 - Which are the necessary processes for ownership, and the most important institutional and technical capacities for palikas to establish fund flow mechanisms aligned to local priorities and ensuring delivery of quality public services by palikas?
- Planning – Monitoring – Reporting.
- Nutrition: Lessons learnt from Home Garden
 - Which strategies and processes (which stakeholders need to be involved) can ensure sustainable and effective home garden technical, advice and policies for home / nutrition garden promotion on local level?
- Scaling up strategies
 - Which are successful strategies for scaling up planning processes and institutional capacity building Prayas has tested?

State level

- How can palikas influence the ToR and operational plans of Agricultural Knowledge Centers so that the AKC address the palikas needs and priorities??
- What is the role of the states for agriculture?

Annex 2: Fieldwork Key Questions

The team derived detailed key fieldwork questions for each stakeholder group to ensure that there was uniformity in the evidence collected by the two field teams.

Farmers - women & men

Context
How long has the farmer's group been established Why was it established How many members are there? What is the mix of men and women members? How do you decide who should be members? How do you decide on priorities for what the group does? What activities do you undertake? Before the palika where did you get extension services from?
Relevance
What has changed in agricultural extension services since the palika was established?
What are the priorities from your point of view in the agricultural sector
Do you know about Prayas? If you do
What do you consider to be the main achievements of Prayas
What things do you think Prayas should do differently?
Effectiveness
How is the palika supporting agriculture? Who are the main people you engage with in the palika? Are you a member of the agriculture development committee? If so, what is your role, and what does the committee do?
How well does the palikas respond to your demands? Does the palika have a citizens charter and what does it say about agricultural service provision? Does the palika hold public audits and what are the results?
What agricultural services have you accessed? Does everyone have access to services they need? What types of services are needed for women farmers? What types of services are provided for disadvantaged groups?
How do you rate the quality of the services and who are they provided by? What services are missing? What suggestions do you have for improving palika support to agriculture?
Efficiency
What other projects are providing you with services, and what are they, and how are they different? (not just agriculture) What services do you have to pay for and how much do you pay?
Impact
What changes have happened to your livelihoods since the palikas were elected? (please probe whether there were any positive or negative unintended consequences of Prayas' work)

Palika technical staff

Context

Before the palikas what was your job? How long have you been working in this palika? What is your job? What are the main changes in agricultural extension services in the new federal context? What have been the main challenges in providing agricultural extension services in the palika context?
Relevance
What are the main sources of livelihood in your palika? (probe for how important agriculture is) What importance is given to agriculture from the palika? What are the priorities from your point of view in the agricultural sector
How has Prayas been working with you? What do you consider to be the main achievements of Prayas Could you name some specific changes that Prayas has made since they have been working in the palika?
What do you consider to be the main failings of Prayas
Effectiveness
How is the palika supporting agriculture? How is agriculture funded in the palika? What is your role in agricultural extension? For which services do you mobilise other service providers? How do you rate the quality of agricultural services and who are they provided by? What services are missing? Does everyone have access to services they need? What types of services are needed for women farmers? What types of services are provided for disadvantaged groups? How do you engage with palika decision-making for the agriculture sector? Is there an agriculture development committee? What does it do? What role do you have in the agriculture development committee? How do farmers learn about new practices? Are you doing any research activities in the palika? What suggestions do you have for improving palika support to agriculture? How effective has the support from Prayas been to the palika, what would you change? How effective has the collaboration been with private sector and non-government organisations? And what has been Prayas role?
Efficiency
What other projects are providing you with support, and what support do they provide to you? How do these projects work together? What services should farmers pay for and what should be covered by public funds?
Impact
What has changed in the palika's geographical area, agriculture sector and your job, since the palikas were elected? What policies has been developed by the palika for agriculture, and how was this supported? Has Prayas strengthened the linkages between palika, province and federal, in what ways? What real difference has Prayas made to the lives of farmers? (please probe whether there were any positive or negative unintended consequences of Prayas' work)

Palika elected representatives

Context
Before you were elected what were you doing? What are the major successes of the palika? What are the main challenges? What are the main changes in agricultural extension services in the new federal context? What have been the main challenges in providing agricultural extension services in the palika context?
Relevance
What are the main sources of livelihood in your palika? (probe for how important agriculture is) What are the major priorities for the palika for the next three years? What are the priorities from your point of view in the agricultural sector How has Prayas been working with you? What do you consider to be the main achievements of Prayas? Could you name some specific changes that Prayas has made since they have been working in the palika?
Effectiveness
Do you have a strategic periodic plan for the palikas - does this include agriculture? How do you prioritise between sectors? What support is the palikas providing for agriculture? How is agriculture funded in the palika? What is your role for provision of agricultural extension services? For which services do you mobilise other service providers? How do you rate the quality of agricultural services and who are they provided by? What services are missing? Does everyone have access to services/support they need? What types of services/support are needed for women farmers? What types of services/support are provided for disadvantaged groups? How is palika decision-making taking place for the agriculture sector? How do you decide on what the budget for agriculture should be spent on? Do you have thematic committees for all sectors? Who sits on these committees? What guidelines, policies do you have to guide the work of the palika in particular for agriculture development? How do you use your policies and guidelines? Is there an agriculture development committee? What does it do? What role do you have in the agriculture development committee? Are there ward agriculture committees? What do they do? What relationships do you have with the State and Federal government? What role does the DCC have? How do farmers learn about new practices? Are you doing any research activities in the palika?

What suggestions do you have for improving palika support to agriculture?

What has Prayas done to support the palika processes?

How effective has the support from Prayas been to the palika, what would you change?

How effective has the collaboration been with private sector and non-government organisations?
And what has been Prayas role?

Efficiency

What other projects are providing you with support, and what support do they provide to you?
How do these projects work together?

What are you doing differently since the first year you were elected?

What changes have there been in federal government funding mechanisms and how has this affected your decision-making about agriculture

Do you have own-source revenue, and if yes, from where?

What services should farmers pay for and what should be covered by public funds?

Impact

What has changed in the palika's geographical area, agriculture sector since the palikas were elected?

What policies have been developed by the palika for agriculture, and how was this supported?

Has Prayas strengthened the linkages between palika, province and federal, in what ways?

What real difference has there been to the lives of farmers, since you were elected? (check Prayas role)

(please probe whether there were any positive or negative unintended consequences of Prayas' work)

Palika Agriculture Development Committee

Context

Before you were elected what were you doing?

What are the major successes of the palika?

What are the main challenges?

What are the main changes in agricultural extension services in the new federal context?

What have been the main challenges in providing agricultural extension services in the palika context?

Relevance

What are the main sources of livelihood in your palika? (probe for how important agriculture is)

What are the major priorities for the palika for the next three years?

What are the priorities from your point of view in the agricultural sector

How has Prayas been working with you?

What do you consider to be the main achievements of Prayas?

Could you name some specific changes that Prayas has made since they have been working in the palika?

Effectiveness

Do you have a strategic periodic plan for the palikas - does this include agriculture? Were you involved in developing the plan?

What support is the palika providing for agriculture?

How is agriculture funded in the palika?

What sector committees does the palika have?

How long has the agriculture development committee been established

Why was it established?

Who are the members, how were they chosen?

What is the mix of men and women members?

What relationships does the committee with other palika committees, palika staff and other elected representatives?

What is the role of the committee?

How often does it meet?

How do you decide on priorities for what the committee does?

Is there data available to inform your decision-making? How do you use it?

What activities do you undertake?

Do you plan across all agricultural activities and projects? If so, how?

How do you exchange with other sector committees and executive committees?

Are there ward agriculture committees? What do they do and how do you work with them?

How do you know what budget is available to plan against?

How do you ensure that interests are represented (particularly disadvantaged groups)?

How do you develop the agriculture plan?

What guidelines, policies do you have to guide the work of the palika in particular for agriculture development?

How do you use your policies and guidelines?

How do you monitor the planned activities have been achieved?

How do you inform the population of what you are planning and what has been achieved?

What achievements are you proud of?

What challenges have you faced?

What changes do you think are needed in the role, composition of the Committee and why?

How do you rate the quality of agricultural services and who are they provided by?

What services are missing?

Does everyone have access to services/support they need?

What types of services/support are needed for women farmers?

What types of services/support are provided for disadvantaged groups?

How do farmers learn about new practices?

Are you doing any research activities in the palika?

What suggestions do you have for improving palika support to agriculture?

What has Prayas done to support the palika processes and your committee?

How effective has the support from Prayas been to the palikas and to your committee, what would you change?

How effective has the collaboration been with private sector and non-government organisations?

And what has been Prayas role?

Efficiency

What are you doing differently since the first year you were elected?

What services should farmers pay for and what should be covered by public funds?

Impact
What has changed in the palika's geographical area, agriculture sector since the palikas were elected? What policies have been developed by the palika for agriculture, and how was this supported? What real difference has there been to the lives of farmers, since you were elected? (check Prayas role) (please probe whether there were any positive or negative unintended consequences of Prayas' work)

Local service providers (LRPs, Learning Centres, local NGOs, private sector providers, agrovets..)

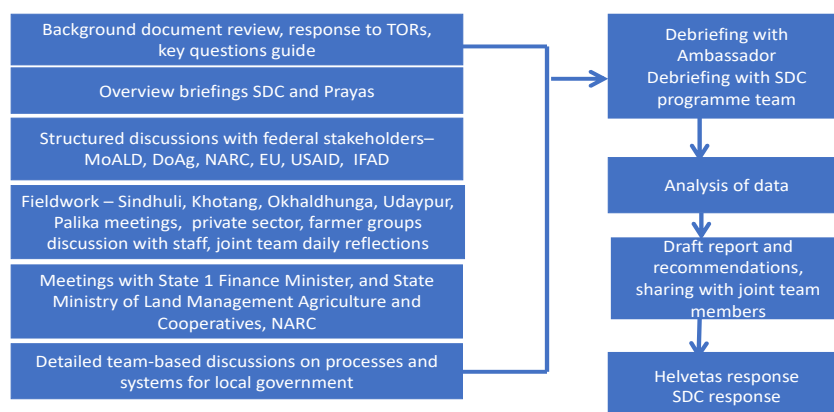
Context
Tell us your story about how you became engaged in agriculture How long have you been providing services, and for what - advice, inputs, training, contacts (market), technologies? What is your interest/motivation to share knowledge with, provide services to other farmers? To whom do you provide services? What other service providers are there in the palika? What types of farmers are there in this palikas?
Relevance
What are the priorities from your point of view in the agricultural sector? What has changed in agricultural extension services since the palika was established?
Do you know about Prayas? If you do What do you consider to be the main achievements of Prayas
What things do you think Prayas should do differently?
Effectiveness
How is the palika supporting agriculture? What is your relationship with the Palika? Who are the main people you engage with in the palika? How well does the palika respond to farmers' demands? What agricultural services have you accessed? Does everyone have access to services they need? What types of services are needed for women farmers? What types of services are provided for disadvantaged groups? How do you rate the quality of the services and who are they provided by? What services are missing? What suggestions do you have for improving palika support to agriculture? What other relationships do you have with other agricultural service providers What other relationships do you have with research?
Efficiency
Are you paid for any of your services and who pays? What do you do to improve your services? Do you get feedback from farmers on your services?
Impact
What changes have happened to farmers' livelihoods since the palikas were elected? (please probe whether there were any positive or negative unintended consequences of Prayas' work)

Annex 3: Joint review process and itinerary

A3.1 Joint review methods

The review focused on the three spheres of government to ensure understanding of how the agriculture sector is responding to the federal system. Interviews were held with federal, state and local government actors. Figure A3.1 illustrates the review steps.

Figure A3.1 Review process



The review team started its work by constructing a detailed timeline of the external and internal changes the project had to respond to since January 2016 (Table A3.1). This helped to frame the JR understanding of the context in which the project had to work and enabled an assessment of the adaptability of the project to the changing contexts.

Table A3.1: External change and timeline of Prayas actions from 2016-2019

	Unitary govt.		Federal system of govt.					
Year	2016		2017		2018		2019	
Programme actions	Jan-Jun e	July-Dec	Jan - June	July-Dec	Jan-June	July-Dec	Jan-June	July-Dec
<i>Preparation</i>								
<i>Launch activities</i>								
<i>Start of programme in selected VDCs</i>								
<i>Support to 7 district DADOs and DLSOs</i>								
Transition to federal system								
Local government elections								
<i>Initiation of work with palikas in States 1,3,6,7 (from 50 VDCs to 26 palikas)</i>								
State and Federal government elections								

Declaration of Swiss Cooperation Strategy (2018-21)					
Buipa workshop – note outlining how SDC agriculture projects to respond to federal state-building			May		
Amendment of Prayas Pro Doc to fit with SCS				August	
<i>State 1 focus: existing 6 palikas + 20 new palikas</i>					
<i>State 1: engagement with state government to define state agriculture sector</i>					
<i>State 3 exit from 5 palikas</i>					December exit
<i>State 6 Prayas support to x palikas ended until ASDP start up</i>				July support on-hold	
<i>State 7 exit from 2 palikas</i>				July exit	
Visioning workshop on perspectives of Nepal agriculture				September	
SDC decision to end Prayas support to palikas in State 1 by end 2019				November	
<i>State 1 focus: existing 6 palikas + 20 new palikas, exit end 2019</i>					December exit
<i>Agreement between MoALD and Helvetas for TA support to IFAD ASDP Karnali State for 12 months</i>				December	
<i>ASDP launched - TA support to Karnali State</i>					

Review of key documents prior to the start of the review helped identify the structured questions to be used during the review mission (annexes 1 and 2). Fieldwork prior to the mission provided additional insight of progress in 3 palikas: Khadadevi, Siddicharan and Sunkoshi.

As part of the joint review field work was carried out in a range of palikas: from those where Prayas had worked since 2016 to those where work has only just begun.

State	District	Palika	Prayas support
1	Okhaldhunga	Sunkoshi Gaunpalika	Initiated in FY 2016/17
		Siddicharan Nagarpalika	Initiated in FY 2018/19
	Khotang	Halesi Tuwangchung Nagarpalika	Initiated in FY 2018/19
	Udaypur	Triyuga Nagarpalika	Initiated in FY 2016/17
		Belaka Nagarpalika	Initiated in FY 2018/19

3	Ramechhap	Khadadevi Gaunpalika	Initiated in FY 2016/17, exiting in 2018/19
	Sindhuli	Kamalamai Nagarpalika	Initiated in FY 2016/17, exiting in 2018/19

The JR fieldwork was guided by a set of structured questions that each team asked to the different groups met. The JR team split into two teams to enable wider and deeper coverage in terms of number of palikas visited and focus group discussions held. This enabled the teams to meet a range of beneficiaries and stakeholders, and to look in detail at the operation of the emerging model for agriculture sector development within local government. Interviews and focus group discussions were held to understand the effects of Prayas and to explore future directions. At the end of each day a detailed reflection was held by each team recording key elements of the lessons learnt against the main criteria for the review: context, relevance, effectiveness, efficiency, impact and recommendations for ASDP in Karnali Pradesh. These lessons informed the JR and its recommendations.

Detailed discussions with Prayas staff further built understanding of the effectiveness of approaches used by Prayas. Efficiency questions were also explored through detailed discussions with key Prayas staff and with HELVETAS and SDC.

Discussions were held with federal government – Secretary of the Ministry for Agriculture and Land Development, the Director General for the Department of Agriculture, multilateral and bilateral development partners – EU, USAID and more detailed discussions held with IFAD country manager and also with the IFAD country programme review team. The aim of these discussions was to identify areas of synergy, to help to test the approaches used by Prayas to institutionalising support through local government and to understand future areas of engagement with these actors.

Part way through the mission, immediately after the fieldwork, the joint review team held a preliminary debriefing with the Ambassador of Switzerland, to present the high-level strategic findings and to outline the potential future directions for the project beyond December 2019. This was followed by detailed discussions with Prayas staff to unpack the approaches to building the different systems for local government and focused on developing the processes for how to provide this support, as part of the transfer of their knowledge both to IFAD ASDP and to new staff beginning their work in State 1.

Since this was a joint review, representing Prayas, Helvetas and SDC – the two key debriefing presentations were developed and agreed jointly, representing the Joint Review team's views. A final debriefing was provided to SDC programme staff to check our understanding and review our findings and recommendations.

A3.2 Joint Review itinerary in Nepal

Date	Activity
Monday 25 March	Depart UK for Nepal
Tuesday 26 March	Arrive Kathmandu
Wednesday 27 March	Review team meeting and preparatory discussions Briefing from Ambassador Elisabeth von Capeller Meeting with Mr Bashu Aryal, Nepal Representative, IFAD Meeting with NAMDP
Thursday 28 March	Meeting with Uddhav Adhikary, Chairperson, National Farmers' Group Federation Meeting with NARC: Dr Dhurba Bhattarai, Chief Outreach Research Division Consultative workshop with Prayas team: development of timeline

Friday 29 March	Meeting with EU, Planning Director, NARC ICSFP team meeting
Saturday 30 March	Prepared fieldwork guide
Sunday 31 March	Field visit to States 3 and 1
Monday 1 April	
Tuesday 2 April	
Wednesday 3 April	
Thursday 4 April	Return from Biratnagar
Friday 5 April	Preparation of joint review high-level findings Presentation to Ambassador of initial findings
Saturday 6 April	Preparation of detailed presentation and findings for report
Sunday 7 April	Preparation of detailed presentation and findings for report Departure of Esther Haldimann
Monday 8 April	Detailed team discussions to build process documentation
Tuesday 9 April	Detailed team discussions to build process documentation
Wednesday 10 April	Meeting with USAID Meeting with DG Dept of Agriculture Meeting with SIP Meeting with IFAD country mission
Thursday 11 April	Joint review team finalisation of presentation
Friday 12 April	Debriefing with SDC, depart evening for UK
Saturday 13 April	Arrive UK

A3.3 People met

Name	Position	Organisation	Remarks
Dr. Yubak Dhowj G.C	Secretary - Agriculture	Ministry of Agriculture and Livestock Development	Chairperson/ PSC
Shankar Sapkota	Under Secretary	MoALD	Focal Person - PSC
Surya Prakash Poudel	Director General	Department of Agriculture	Member PSC/ Chairperson TCCA
Ram Chandra Adhikari	Planning Director	NARC	PSC and TC Member
Dr. Dhruba Bhattra	Chief	Outreach Research Division, NARC	PSC and TC Member
Arjun Paudel	Scientist and Focal Person	Outreach Research Division, NARC	
Mahesh Kharel	Coordinator - Agriculture and Forestry	NPC- Agriculture and Forestry Division	PSC and TC Member
Uddhav Adhikari	Chairperson	National Farmer's Group Federation (NFGF), Nepal	
Navraj Neupane	Secretary	National Farmer's Group Federation (NFGF), Nepal	
Bashu Aryal	Country Representative	IFAD	
Navin Hada	ID Project Development	USAID	

	Specialist/ Agriculture		
		EU	
Suvash Dhakal	Executive Director	NEPC	Service Provider
GB Banjara	Team leader	SAHAJ/NAMDP - Swiss Contact	SDC projects
Mujibul Hasan	Deputy Team Leader	SAHAJ/NAMDP - Swiss Contact	SDC projects
Padam L. Bhandari	Senior Manager	SAHAJ/NAMDP - Swiss Contact	SDC projects
Tulsi Nepal	Team leader	SIP	SDC projects
Arya Gautam	M and E coordinator	SIP	SDC projects
Badri Manandhar	Team leader	ICSFP	SDC projects
Rajendra Bhari	Project Coordinator	ASDP	
Dipak Sharma	Deputy Project Coordinator	ASDP	
Liz Kiff	Consultant	IFAD country review team	
Narul Alam	Consultant	IFAD country review team	

State 1		
Name	Position	Organisation
Honourable Minister Indra Bahadur Angbalo	Finance Minister	Ministry of Finance, Province-1
Mr. Tika Ram Chapagain	Regional Director	Regional Agriculture Research Station (RARS), Tarhara, Sunsari
Dr. Rajendra Upreti	Chief	Regional Agriculture Training Centre, Jhumka, Sunsari
Mr. Hasta Bahadur Bist	Secretary	Ministry of Land Management, Cooperative and Agriculture, Province -1
Mr. Benup Prasai	Director	Agriculture Development Directorate, Province -1
Mr. Harihar Poudel	Section Chief	Economic Affair Section, Ministry of Finance, Province -1
Mr. Birendra Basnet	Minister's Personal Secretary	Ministry of Finance, Province -1
AKC		
Name	Position	Organisation
Mr. Deepak Adhikari	Programme Chief	Orange Zone Development Programme – Agriculture Knowledge Centre, Udayapur
Mr. Basudev Dhungana	Plant Protection Officer	Agriculture Knowledge Centre, Udaypur
Ms. Pabitra Sapkota	Programme Officer	Agriculture Knowledge Centre, Sindhuli
Mr. Debes Rai	Agriculture Officer	Agriculture Knowledge Centre, Okhaldhunga
Palika (Belaka, Triyuga, Marin, Kamalamai, Siddhicharan and Halesi Tuwachung)		
Name	Position	Organisation
Mr. Bal Dev Chaudhary	Mayor	Triyuga Municipality, Udayapur

Mr. Nathu Ram Chaudhary	Chief	Agriculture Development Section of Triyuga Municipality
Mr. Ek Bahadur Raut	Chief Administrative Officer	Office of Triyuga Municipality
Mr. Ghaman Singh Karki	Chairperson	Ward No. -2, Triyuga Municipality Coordinator of Economic Development Committee of Triyuga Municipality
Ms. Pashupati Chaudhary	Coordinator	Palika Agriculture Development Committee (PADC)
Mr. Prashuram Adhikari	Technical Assistance	Agriculture Development Section of Triyuga Municipality
Ms. Bimala Rai	Deputy Mayor	Halesi Tuwachung Municipality
Mr. Rajkurmar Rai	Chief Administrative Officer	Municipality Office of Halesi Tuwachung
Mr. Ramesh Raut	Ward Chairperson	Ward Number – 6, Halesi Tuwachung Municipality
Mr. Prithivi Raj Rai	Ward Chairperson	Ward Number – 8, Halesi Tuwachung Municipality
Mr. Ramesh Tiwari	Ward Chairperson	Ward Number – 5, Halesi Tuwachung Municipality
Mr. Kasi Raj Rai	Ward Chairperson	Ward Number – 9, Halesi Tuwachung Municipality
Mr. Santosh Khatri	Ward Chairperson	Ward Number – 11, Halesi Tuwachung Municipality
Mr. Bhala Raj Rai	Ward Chairperson	Ward Number – 3, Halesi Tuwachung Municipality
Mr. Nupa Dhwoj B.K.	Executive Member	Halesi Tuwachung Municipality
Mr. Deepak Rawapal	Executive Member	Halesi Tuwachung Municipality
Mr. Krishna Dhakal	Section Officer	Halesi Tuwachung Municipality
Mr. Shekhar Dhakal	Accountant	Halesi Tuwachung Municipality
Mr. Bishnu Prasad Kafle	Section Officer	Agriculture Development Section Halesi Tuwachung Municipality
Ms. Sarita Shrestha	Agriculture Technician	Agriculture Development and Livestock Services Section, Halesi Tuwachung Municipality
Mr. Sajan Rai	Agriculture Technician	Agriculture Development and Livestock Services Section, Halesi Tuwachung Municipality
Mr. Deepak Rai	Veterinary Technician	Agriculture Development and Livestock Services Section, Halesi Tuwachung Municipality
Ms. Kabita Karki	Agriculture Technician	Agriculture Development and Livestock Services Section, Halesi Tuwachung Municipality
Mr. Sudarshan Karki	Agriculture Technician	Agriculture Development and Livestock Services Section, Halesi Tuwachung Municipality
Mr. Jal Bahadur Pariyar	Executive Member	Halesi Tuwachung Municipality

Mr. Durga Kumar Thapa	Mayor	Belaka Municipality, Udayapur
Mr. Raj Kumari Chaudhary	Deputy Mayor	Belaka Municipality, Udayapur
Mr. Bharat Darlami	Chairperson	Ward Number -3, Belaka Municipality, Udayapur
Mr. Bichari Sarkee	Member:	Ward Number -3, Belaka Municipality, Udayapur
Mr. Surendra Rai	Chairperson	Ward Number – 7, Belaka Municipality, Udayapur
Mr. Basanta Magar	Chairperson	Ward Number -6, Belaka Municipality, Udayapur
Mr. Dinesh Chaudhary	Chairperson	Ward Number – 1, Belaka Municipality, Udayapur
Mr. Govinda Khadka	Chairperson	Ward Number -5, Belaka Municipality, Udayapur
Mr. Deepak Dangal	Chairperson	Ward Number -4, Belaka Municipality, Udayapur
Mr. Mohan P. Ghimire	Chairperson	Ward Number -9, Belaka Municipality, Udayapur
Ms. Gita Niraula	Member:	Ward Number -9, Belaka Municipality, Udayapur
Mr. Puskar Bhattarai	Chief Administrative Officer:	Belaka Municipality, Udayapur
Ms. Razia Chaudhary	Planning & Admin Officer:	Office of Belaka Municipality, Udayapur
Mr. Buddhinath Timsina	Agriculture Engineer:	Office of Belaka Municipality, Udayapur
Mr. Naranath Regmi	Agriculture Technician:	Office of Belaka Municipality, Udayapur
Mr. Birinchi P. Yadav	Livestock Technician:	Office of Belaka Municipality, Udayapur
Mr. Sharan Sharma	One Village One Tech:	Office of Belaka Municipality, Udayapur
Mr. Jeera Chamling Rai	Enterprise Development Officer:	Office of Belaka Municipality, Udayapur
Mr. Paniraj Bamjan	Chairperson	Marin Rural Municipality
Mr. Rajan Thapa	Coordinator	Palika Agriculture Development Committee, Marin Rural Municipality
Mr. Tarjan Kumar Limbu	Chief Administration Officer	Marin Rural Municipality Office
Ms. Dipa Majhi	Member- PADC	Palika Agriculture Development Committee, Marin Rural Municipality
Ms. Sita Baraili	Member- PADC	Palika Agriculture Development Committee, Marin Rural Municipality
Mr. Gopilal Majhi	Member- PADC	Palika Agriculture Development Committee, Marin Rural Municipality
Mr. Dil Bahadur Thapa	Member- PADC	Palika Agriculture Development Committee, Marin Rural Municipality
Mr. Padam Bahadur Shrestha	Agrovet Owner	Marin Rural Municipality

Ms. Sabita Thapa	Junior Technician Agriculture	Agriculture and Livestock Development Section of Marin Rural Municipality
Mr. Hem Baraili	Junior Technician Livestock	Agriculture and Livestock Development Section of Marin Rural Municipality
Mr. Sudip K.C.	Officer	Marin Rural Municipality Office
Ms. Janimaya Majhi	Lead farmer	Marin Rural Municipality Office
Mr. Tara Bahadur Thapa	Lead farmer/IPM facilitator	Marin Rural Municipality Office
Ms. Manju Devkota	Deputy Mayor/Coordinator of PADC	Kamalamai Municipality, Sindhuli
Mr. Ram Bahadur Thing	Member- PADC	Palika Agriculture Development Committee, Kamalamai Municipality,
Mr. Subodh Adhikari	Member- PADC	Palika Agriculture Development Committee, Kamalamai Municipality,
Mr. Purushottam Subedi	Member- PADC	Palika Agriculture Development Committee, Kamalamai Municipality
Ms. Menuka Timilsina	Member- PADC	Palika Agriculture Development Committee, Kamalamai Municipality
Mr. Harihar Lamichhane	Veterinary Doctor	Agriculture and Livestock Development Section, Kamalamai Municipality
Mr. Devi Prasad Sapkota	Junior Agriculture Technician	Agriculture and Livestock Development Section, Kamalamai Municipality
Mr. Lal bahadur Gole	Ward Chairperson	Majhuwa, Sindhuli Member of Salleri Agriculture cooperative
Mr. Mohan Kumar Shrestha	Mayor	Siddicharan Municipality, Okhaldhunga
Mr. Ichchha Kumari Gurung	Deputy Mayor	Siddicharan Municipality, Okhaldhunga
Mr. Bhoj Raj Khatiwada	Chief Administrative Officer	Office of Siddhicharan Municipality, Okhaldhunga
Mr. Narendra Raj Rai	Administrative Officer	Office of Siddhicharan Municipality, Okhaldhunga
Mr. Buddhi Narayan Shrestha	Chief	Planning Section, Siddhicharan Municipality
Mr. Hari Kumar Shrestha	Chief	Agriculture Development and Livestock Services Section, , Siddhicharan Municipality
Mr. Krishna Bahadur Karki	Coordinator	Palika Agriculture Development Committee, Siddhicharan Municipality
Ms. Anita Gurung	Member	Palika Agriculture Development Committee, Siddhicharan Municipality
Ms. Sunita Nepali	Member	Palika Agriculture Development Committee, Siddhicharan Municipality
Ms. Doma Sherpa	Member	Palika Agriculture Development Committee, Siddhicharan Municipality
Ms. Sharmila Katwal	Member	Palika Agriculture Development Committee, Siddhicharan Municipality
Mr. Dhan Bahadur Rai	Member	Palika Agriculture Development Committee, Siddhicharan Municipality
Mr. Bhim Nepali	Agriculture Technician	Agriculture Development and Livestock Services Section of Siddhicharan Municipality
Mr. Umesh Karki	Staff	Law Section, Siddhicharan Municipality
Mr. Bishnu Bhattarai	Accountant	Siddhicharan Municipality Office

Annex 4: Summary of Recommendations

For ease of reference the recommendations are all listed in this Annex. At the end Table A4.1 indicates priority and lead responsibility for each recommendation.

Relevance

2.3 Relevance to SDC and HELVETAS

R1: Phase 2 design issues – building clear linkages and a conceptual model between local government institutional support for sector development and provision of diverse advisory services: Helvetas should draw on existing learning from SaMi, Elam, ICSFP and Prayas to build a model of support to local government and agricultural advisory services that moves beyond institutional systems development (including advisory systems development), to include linkages to employment, business and market development. (see also recommendation R23)

3.1 Outcome effectiveness

R2: Phase 2 design preparation: as part of the design of Phase 2 the logframe and the TOC need to be revised to reflect the institutional support focus of Prayas to federalise the agriculture sector within state and local governments and develop networks of diverse advisory service providers. Prior to the end of phase 1, and as part of the design for phase 2, it is recommended that the team should revisit the theory of change for Prayas and adjust its logframe indicators and explanation of outputs. It is recommended that the outputs for outcome 2 focus on the work with state government and separately support to local government, to cover the seven key elements of sector development in local government. Indicators need to provide quality assessment of progress made to institutionalise each of these elements. This will require additional work to clarify the activities to be conducted under these outputs to contribute to their achievement.

3.2.1 Local government agriculture sector development

R3: Policy and legal process: Prayas clarify and codify the processes to develop the Guidelines, so that each local government (irrespective of whether there is external support) can develop guidelines to fit their context, rather than adopting them as a model guideline. This process support should be developed with ASDP.

R4: Targeting and subsidy

- Prayas support palikas to develop clear subsidy policy indicating for what, for how long and for whom.
- Prayas to work with state government to clarify their policies for the sector to include review of the use of subsidies and the market distortion effects this has, as well as conflicting with palika policies on subsidy.
- Prayas to provide evidence to SDC of the effects of subsidy policy from federal government to inform federal dialogues including relevant donor working groups
- Prayas to continue to support palikas to embed mechanisms to reach diverse groups with services suited to their needs

R5: Institutional mechanisms

- Prayas to support the palika to develop a **code of conduct** for PADC functioning (check whether the palika has already developed a code of conduct), this could include fixed tenure membership of the committee, to encourage new members, and put in place mechanisms to manage and resolve conflicts of interest.
- Prayas to support the palika to develop **transparent systems** for recruitment of members to the committee and mechanisms to ensure that other interested public can attend the committee meetings to voice their opinions and listen to the deliberations.

- Prayas to only support **palika-level agriculture committees**. Not to provide support to the establishment of ward-level agriculture committees with potential to dis-enable the whole palika decision-making process by supporting mechanisms that only make decisions for their wards.

R6: Resource Mobilisation

- **Evidence-building:** Prayas builds the evidence for the effects of these funds on how palikas make decisions about agriculture by comparing decision-making and resource allocation in local governments where Prayas is not working.
- **Advocacy:** Prayas supports the palikas to continue their advocacy with federal government to remove detailed activities from the inter-governmental fiscal transfers for agriculture and replace with broad heading e.g. agriculture advisory services – to allow contextualised response to agriculture sector needs for each palika
- **Testing model of no fund flow:** Prayas takes advantage of the first year of IFAD-ASDP implementation where there is no fund flow to local governments to test support to sectoral development in local government without external funds.
- **Systematic data collection on external resources and revenue improvement actions:** Prayas to support the systematisation of data collection on external resources for the agriculture sector; Prayas to explore learning from ICSFP on revenue improvement actions and build into support to the palikas resource mobilisation efforts

R7: Sector strategic planning support: there is a real urgency for Prayas to support the development of sector strategic plans within the periodic planning process, to set priorities and to steer the strategic allocation of resources to the sector, including building the mechanisms to bring agriculture-related infrastructure requirements into the strategic planning process. Strategic planning is an essential steering mechanism for annual sector planning reducing the risk of annual plans being driven by a demand-based bottom-up annual planning process. Where possible Prayas should identify support to facilitate local governments to develop their strategic plans. Prayas should also continue to support the powers of the local governments to be in charge of their territories steering actions within their jurisdiction.

R8: High-level engagement with DPs: SDC should continue its higher-level engagement with other DPs to share the experience of local government sectoral support and build understanding of the importance of seeing the palikas as the site of coherence for the sector. This should include sharing experience with the Food Security Working Group and the Federalism Working Group

R9: Fiscal Governance: Financial management systems, procurement systems and their governance are central to the effective functioning of local government. This is an area of systems development necessary for sectoral development but with wider implications, it is recommended that Prayas with ICSFP build a shared process support system for financial management systems, bringing together the best elements of Prayas and ICSFP work.

R10: Monitoring and reporting

- Prayas to review the functioning of the Monitoring and Supervision Committee and the effects of introducing agriculture sector interest groups;
- Prayas to support the palika to determine the data and data management needs for decision-making
- Prayas based on this review, to discuss with ICSFP and other local government support programmes to assess how best to develop monitoring mechanisms for the agriculture sector. This could also include review of the Local Government Self- Assessment guidelines (LISA) particularly Section 5 – service delivery and feedback to MoFAGA through PSC on areas to strengthen for agriculture sector

R11: Effective service delivery

- Prayas to support the systematisation of mapping of service providers in each palika, and support the development of palika databases for service providers
- Prayas to document the process to develop standard norms to make available for use by other palikas
- Prayas to develop measures to ensure that service providers are accountable to their clients (farmers) /deliver high quality services: e.g. feedback mechanisms, performance-based indicators, use of vouchers for poor farmers, transfer of funds for TA to farmer groups etc.
- Prayas to continuously challenge & support palika to clarify public & private sector roles (e.g. cold storage, collection centres, loans, commercialisation activities)
- Prayas to explore private sector engagement: to explore opportunities for embedded services and contract farming; to build a better understanding of barriers to enabling environment for private sector, working with ELAM and NAMDP to jointly build understanding of the institutional roles of the palika and how palikas can enable the private sector as well as to understand the constraints to private sector operation within rural palikas.

R12: Feedback

Prayas to support the development of feedback mechanisms on the quality of service provision from clients to the palikas, to enable the palikas to review the quality of the different providers. To include a citizen satisfaction survey in selected palikas together with ICSFP.

3.2.2 State engagement**R13: State engagement**

- Prayas has already started support to the state ministry, this requires focus in this FY to enable the state to clarify the scope and mandate for agriculture and ensure local governments' jurisdiction for rural advisory services is respected. This definition of mandates should be linked to building the research-education-extension linkages (R14)
- Prayas to explore mechanisms to facilitate upscaling of learning from local government agriculture sector support, this is not a state responsibility to upscale learning from local governments, so will require Prayas to explore the potential role of other mechanisms including for example local government associations and when it comes on stream the Provincial Local Governance Support Programme (PLGSP).
- Prayas to work with state 1 to help to clarify AKC role as providers of specialised services, training, not providers of basic services or implementing arm for the state government

3.2.3 Federal engagement – partnerships for research and innovation

R14: Federal engagement for research systems: the JR agrees with the SDC decision to not to continue to fund NARC in phase 2 of Prayas. The JR recommends that Prayas in this current phase further explores the relationships for research between federal and state governments, and state government and local governments focusing on State 1. This could include: 1) NARC-state level institution research coordination functions with mandate and authority to link to federal and local governments, focusing on the AKCs as specialised providers of services and research; 2) explore the opportunities in state 1 for linking universities, private sector for action research to palikas, to also provide the basis for transferring understanding to Karnali State IFAD-ASDP and its planned multi-stakeholder mechanisms.

3.2.4 Prayas monitoring

R15: Prayas monitoring: Prayas build on the framework for palika assessment derived during the JR and use this as a baseline against which to assess change. The new monitoring system also needs to include assessment of the quality of decision-making, the JR recommends that Prayas discuss with ICSFP how they are monitoring change as well as with IDEA to consider their monitoring systems based on assessment of the quality of deliberation¹⁴.

3.2.5 Reach to disadvantaged groups

R16: Reach to disadvantaged groups. Further develop and embed within all systems the mechanisms to ensure palika processes reach women and disadvantaged groups

4. Efficiency

4.1.1 Palika resource mobilisation

R17: Analysis of palika budgets R17: **Analysis of palika budgets** Prayas need to carry out an analysis of palika agriculture budgets to assess what the budgets are allocated to, the contribution from the conditional grant and equalisation grants, the rate of expenditure and on what areas

R18: Review of risks of distortion to political decision-making it is imperative that Helvetas bring together its programmes of support to local government: ICSFP, Prayas, SaMI to review the risks of external support to a particular sector distorting political decision-making for resource allocation, and the mitigation measures needed

4.1.2 Factors affecting efficiency

R19: Cost efficiency of services: Prayas needs to assemble the basic data to assess the costs of TA support to accompany a palika until the systems for sector development and advisory services are institutionalised.

4.1.3 Staff changes

R20: Strategic stability to the end of Phase 1: It will be important to ensure that there is stability in direction for the remaining period of Phase 1 so that Prayas can focus on supporting the institutional development of the systems for local government agriculture sector and service provision, and further the development of the more mature model in State 1 to transfer experience to Karnali State.

4.1.4 Maintaining shared understanding

R21: To build shared understanding across teams working in State 1 and Karnali State: to ensure effective testing of the support provided Prayas needs to programme senior staff time to coach, team-build and support the two-way transfer of experience between the two states.

4.3 Steering mechanisms

R22: State steering committee: for phase 2 consideration should be given to steering mechanisms in the state where the project is working, to ensure strategic contextual direction can be provided, and to enable better representation from key actors from local as well as state governments

6.4 Learning for improving current interventions and developing new phase

R23: Support to coherence for state and local government agriculture sector: Building on the Helvetas work to develop a coherent model of support to local government (R1), SDC to facilitate a discussion across the agriculture portfolio on how the agriculture sector is best

¹⁴ Elements of deliberative political decision-making: Formal, Collective, Inclusive, Capable, Reasoned, Informed

developed by local and state governments: to include the role of the private sector, promote local economic development, the mechanisms for small-scale irrigation to be inbuilt into palika consolidated agriculture sector planning, and the mechanisms to build institutional support to local governments

R24: Communication and upscaling: Prayas and Helvetas need to build a strategy for communication and upscaling of support to sector development within local government using different channels within the state, at federal level and tailored to different actors. This communication should include mechanisms for inter-palika exchange and learning.

7.1 Actions to end of Phase 1

R25: Revisit Prayas theory of change to consolidate learning, and to start Phase 2 design thinking. It is recommended that Prayas revisit the theory of change underlying the reformulated project and build a new TOC to reflect the learning from the support to the palikas and the state government to strengthen the models for support to a federalised agriculture sector within palikas and state governments, and agree on a vision for 2022 and beyond (the next election period) and what can be achieved by Prayas in the next phase. This will also help contribute to building a clear explanation of Prayas' approach for sharing learning more widely on how to support sector federalisation.

R26: Options for phase 1 and phase 2: the JR team has put forward a series of options for how best to deliver results for Phase 1. These options now need to be further explored and discussed between Helvetas and SDC, taking into consideration the effects on IFAD-ASDP.

7.2 Future directions for Phase 2

R27: Initiation of design process for Phase 2 to include codification of the processes of support for sector federalisation: Prayas with support from HELVETAS and SDC should initiate a process of discussions within Prayas and then with IFAD-ASDP for the future design of Phase 2, to include discussion of proposals by Joint Review, and an action plan indicating the phasing of actions needed to be completed prior to the end of Phase 1 to position Prayas for Phase 2, to include process documentation of the systems for sector development in local governments

Table E.1: Recommendations, priority and lead responsibility

Recommendation priority will need to be reassessed once a decision has been taken on which of the three options for the future of Prayas will be pursued.

No.	Recommendation Description	Priority High=next three months Medium= next six months Low = before end of phase	Lead Responsibility
Relevance			
R1	Phase 2 design issues – building clear linkages and a conceptual model for local government institutional support for sector development and provision of diverse advisory services, including linkages to employment, business and market development	High	Prayas with Helvetas and SDC
Effectiveness			
R2	Phase 2 design preparation – revisit logframe indicators and outputs (see R25) and Buipa commitments, SDC decision	High	Prayas
R3	Policy and legal process: Process documentation of how to develop Operational Guidelines for Agriculture	Medium	Prayas
R4	Targeting and subsidy policies: Prayas to support actions with local, state and federal governments to clarify use of subsidies for what, for whom, for how long	High	Prayas
R5	Institutional mechanisms: development of code of conduct for PADC to resolve conflict of interest issues; development of transparent recruitment systems; support only development of PADCs and not ward-agriculture committees	High	Prayas
R6	Sector strategic planning support	High	Prayas
R7	High level engagement with DPs: to build understanding of palika as arena for sectoral coherence	High	SDC with Prayas
R8	Resource mobilisation: evidence building on effects of Prayas funds and decision-making; testing model of no external DP fund flow to palikas for agriculture in Karnali state; support to systematised data collection on external resources; support to internal revenue raising	High	Prayas
R9	Fiscal system governance: Prayas with ICSFP build a shared process of support for financial and procurement management systems	Medium	Prayas

R10	Monitoring, reporting and data: Prayas to review the functioning of the Monitoring and Supervision Committees and the effects of introducing agriculture sector interest groups; review methods to improve monitoring of the agriculture sector to include review of the Local Government Institutional Self-Assessment (LISA) guidelines; assess data needs for decision-making and data management	Medium	Prayas
R11	Effective Service Delivery: systematisation of mapping of service providers in each palika and consolidation of roster; document process for development of standard norms; develop accountability measures between service providers and clients; explore how to build more effective private sector engagement	Medium	Prayas
R12	Feedback: support development of feedback mechanisms on quality of service provision from farmers to the palikas	High	Prayas
R13	Contribute to state agriculture system development, especially in clarifying the scope and mandate for agriculture and the role of AKCs/Vet hospital and livestock; also explore opportunities for linking universities, private sector for action research	Medium	Prayas
R14	Federal engagement for research systems: work with NARC and state level institutions to explore research coordination functions with mandate and authority to link to federal and local governments	Medium	Prayas
R15	Prayas monitoring: build and implement the framework for palika assessment to include assessment of the quality of political decision-making for the agriculture sector	High	Prayas
R16	Reach to disadvantaged groups: further develop and embed within all systems the mechanisms to ensure palika processes reach women and disadvantage groups	Medium	Prayas
Efficiency			
R17	Analysis of palika budgets - generation, allocation, expenditure, system coherence	High	Prayas
R18	Review of risks of external support to a sector and potential for distortion to political decision-making for resource allocation	High	Helvetas
R19	Cost efficiency of services: calculate costs of TA support to accompany a palika until systems for sector development and advisory services are institutionalised.	High	Prayas
R20	Strategic stability for Prayas: ensure stability of direction until end of Phase 1	High	SDC with Prayas
R21	Shared understanding: ensure sufficient staff time programme to build shared understanding across teams working in state 1 and Karnali state	Medium	Prayas with state managers
R22	Steering mechanisms: Phase 2 consideration to be given to steering mechanisms in the state to ensure strategic contextual direction and better representation from state and local governments	Medium	Prayas

R23	Positioning of Prayas: support to coherence of state and local government agriculture sector	Medium/high	SDC
R24	Communication and upscaling: strategy to be developed using different channels to upscale support to sector development within local government outside the Prayas supported palikas, including inter-palika sharing and learning	Medium	Prayas with Helvetas
Actions to end of Phase 1			
R25	Revisit Prayas TOC to consolidate learning and to start phase 2 design thinking	Medium/high	Prayas
R26	Options for phase 1 and phase 2 to be discussed between Helvetas and SDC	High	SDC with HELVETAS
Future directions for Phase 2			
R27	Initiation of design process to include process documentation of support for sector federalisation, review of JR proposals for Phase 2, action plan for completion of necessary activities before end of Phase 2 (including actions on recommendations R1-26)	High	SDC, HELVETAS and Prayas

Annex 5: Palika progress assessment

Progress assessment against 7 elements of local government sector development carried out by Prayas team.

State 1	
District: Udaypur	
Palika name	Period of support from May 2017 Assessment of progress
Belaka Nagarpalika Other SDC projects: SIP, NAMDP Other projects: UN Habitat, SABAL, CARE Nepal, SAMRIDDHI, FAO, LiBIRD	Period of support – from July 2018 Progress: High
Legal and policy process: • Development and endorsement of Agriculture Act • Local Agriculture & Livestock Programme Operation & Management Procedure • Cooperative Operation Act • Agriculture Business Promotion Act • Land Consolidation Guideline • Agriculture Mechanization Guideline • Targeted intervention policy – ultra poor households, dalit, women, poor and disadvantaged groups Institutional mechanisms: • Palika Agriculture Development Committee • Monitoring and Evaluation Committee • Agriculture, Livestock and Mechanisation Section established - staffed 2 OJT students, 3 paid Agriculture Volunteers, Local Agriculture Resource Persons and 7 regular staff (1 Agriculture Engineer, 3 Agriculture and 3 Livestock staff) Resource mobilisation: • Projects from federal and state governments, UN agencies, I/NGOs, financial institutions (local bank and cooperatives) •% of total equalization budget is allocated to agriculture sector. (Data not available) • 6% of total budget is allocated for agriculture sector Planning: • Consolidated Agriculture Annual Plan • Integrated Periodic plan (on going) • Five Year Business Strategic Plan	Fiscal System Governance • Internal audit conducted by District Treasury officer Monitoring and reporting: • Regular monitoring and data management process on-going Effective service delivery - network of advisory services: • Development of standard norms • Procurement systems • Established Agriculture Learning Centre/ALC, • Collection Centre & Cold Storage work ongoing • Conducted regular hatbazar in different places • Block Production Area established as chaklabandi (land consolidation) for maize, mustard, potato and wheat farming • Pocket areas for commodities like maize, mustard, potato, wheat & vegetables have been identified • Riverbed farming • Mushroom farming Feedback mechanisms • Trimester wise public hearing conducted • Citizen charter for service provision

Triyuga Nagarpalika (former nagarpalika under unitary government) Other SDC projects: SIP, SaMI Other projects: SABAL, SAMRIDDHI	Period of support: Prayas has been providing support since 2016 one of the VDCs in the former <i>nagarpalika</i> Progress: High
Legal and policy process: - Local Agriculture Programme Operation & Management procedure - Agriculture Business promotion act - Criteria set for tailoring support to Dalit, women and poor and disadvantaged groups Institutional mechanisms: - Palika Agriculture Development Committee - Agriculture Section established with 3 staff ('One Village One Technician', 2 Agriculture Technicians (permanent staff), 4 staff deputed for livestock) Resource mobilisation: 2.4 % of total equalization budget is allocated to agriculture sector. 1.5% of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan - Periodic plan completed Fiscal System Governance - Internal audit in place	<i>Lekha</i> (public accounts) committee formed Monitoring and reporting: - Regular monitoring and data management process on-going - Internal audit conducted through District Treasury officer Effective service delivery - network of advisory services: - Development of standard norms - Two commercial farms and one cooperative linked to farmer groups - Three pocket areas for vegetable, potato, maize identified - Collection Centre established - Conducted regular hatbazar - Agriculture Learning Centre - Riverbed farming Feedback mechanisms - Trimester wise public hearing conducted Citizen charter for service provision
Chaudandigadhi Nagarpalika ICSFP to be initiated Other SDC projects: SIP, SaMI Other projects: OXFAM, SABAL, FAO, SAMRIDDHI	Period of support: Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Support to palika: 21 months Progress: Moderate
Legal and policy process: - Local Agriculture Programme Operation & Management Procedure - Cooperative Operation Act - Agriculture Business promotion act - Targeted support to Dalit, women, poor and disadvantaged groups. Institutional mechanisms: - Formed PADC - Established palika Agriculture & livestock Section (4 OJT students, 3 paid Agriculture volunteer & 5 regular staff (Agriculture & Livestock)). Resource mobilisation:	Fiscal System governance - Internal audit conducted through DTO Effective service delivery - Standard norms defined - NGOs, Cooperatives & Agro-vets are fully mobilized, supporting farmer and farmer groups - Collection centre - hat bazar stall - pocket areas (Ginger/turmeric, vegetable, pulses, riverbed farming) are identified. - Riverbed farming Monitoring and reporting

1.29 % of total equalization budget is allocated to agriculture sector. 2 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan (on going)	- Data (unanalysed) are available and used - Regular field monitoring conducted by staff and elected members. Feedback mechanisms - Trimester wise public hearing conducted - Citizen charter for service provision
Rautamai Gaunpalika Other SDC projects: SIP Other projects: FAO, SABAL, WORLD VISION, NESPEC	Period of support: From July 2018 (9 months) Progress Early stage
Legal and policy process: - Local Agriculture Programme Operation & Management procedure - Agriculture Business promotion acts - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - Formed PADC - Established palika Agriculture & livestock Section (3 One Village One Technician for Agriculture , 2 Agriculture Technician Assistant , 4 One Village One Technician for Livestock). Resource mobilisation: 3.2 % of total equalization budget is allocated to agriculture sector. 1.28 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan (on going)	Fiscal System governance - Internal audit conducted through DTO Effective service delivery - Standard norms defined - NGOs, Cooperatives & Agro-vets are fully mobilized, supporting farmer and farmer groups - Collection centre - hat bazar developed - pocket areas in the process of identification Monitoring and reporting - Data (unanalysed) are available and used - Regular field monitoring conducted by staff and elected members. Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Limchungbung gaunpalika	Period of support: From March 2019 (2 months) Progress: Early stage
Legal and policy process: - Local Agriculture programme operation & Management procedure - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - Formed PADC - Established palika Agriculture & livestock Section (5 staff- 'One Village One	Fiscal System governance - Internal audit is conducted Effective service delivery - Standard norms defined - Local Agriculture Resource Persons, Agro-vets mobilized, supporting farmer and farmer groups - AKC also operating in palika - Pocket areas in the process of identification

Technician' in agriculture, 2 'One Village One Technician' for livestock sector). Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 2 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan (on going)	Monitoring and reporting - Data (unanalysed) are available and used - Regular field monitoring conducted by staff and elected members Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Udayapurgadhi gaunpalika	Period of support: From March 2019 (2 months) Progress: Moderate
Legal and policy process: - Local Agriculture Programme Operation & Management Procedure ongoing - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - Formed PADC - Established palika Agriculture & Livestock Section (1 Animal Technician from palika as well as 1 volunteer in agriculture). Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (Data not available here) 3 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan (on going)	Fiscal System governance - Lekha (public accounts) committee formed Effective service delivery - Standard norms in process of definition - Local Agriculture Resource Persons, Agro-vets, nurseries, cooperatives, Chamber of Commerce & Industries mobilized, supporting farmer and farmer groups - AKC also operating in palika Monitoring and reporting - Data (unanalysed) are available and used Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Katari Nagarpalika Other SDC Projects – SIP and Anti Gender Based Violence related project	Period of support: March 2019 (2 months) Progress: Early stage
Legal and policy process: - Local Agriculture programme operation & Management procedure - Agriculture Business Promotion Act - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC under formation	Fiscal System governance - Lekha (public accounts) committee formed Effective service delivery - Standard norms in process of definition - Linkages facilitated by palika - Agriculture Development Bank, FAO

- Established palika Agriculture & livestock Section (4 staffs for Agriculture (Crop) and 4 for Livestock). Resource mobilisation: 5.1% of total equalization budget is allocated to agriculture sector. 3.7% of total budget is allocated for agriculture - project budgets, conditional and equalisation grants (including conditional NASDP and palika sectoral contribution) Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan (on going)	(Food and Agriculture Organization of United Nations), Cooperatives, Chamber of Commerce Agro-vets, Agriculture Knowledge Centre - Major Pocket areas for fruit and vegetables, goats and livestock are specified and synchronized with annual agriculture plan 2075/76. - Two high tech nurseries will be launched in two wards of the palika. Monitoring and reporting - Data (unanalysed) are available and used Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Tapli Gaunpalika Other SDC Projects – SIP and Anti Gender Based Violence related project	Period of support: March 2019 (2 months) Progress: Early stage
Legal and policy process: - Local Agriculture programme operation & Management procedure - Agriculture Business Promotion Act - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC under formation - Established palika Agriculture & livestock Section (3 staff for Agriculture (Crop) and 2 for Livestock). Resource mobilisation: 7.8 % of total equalization budget is allocated to agriculture sector by palika. 3.1 % of total budget is allocated for agriculture Planning: - Consolidated plan prepared. - Periodic plan (not yet formulated)	Fiscal System governance - Lekha (public accounts) committee formed Effective service delivery - Standard norms in process of definition - Linkages facilitated by palika under development - Major Pocket areas are specified and synchronized with annual agriculture plan 2075/76. - Developing collection centre - Local hat bazaar developed Monitoring and reporting - Data (unanalysed) are available and used Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Khotang District	
Halesi Nagarpalika Other SDC projects: SIP, Good governance project (ISCFP) EF and SaMi Other projects: Prime Minister Agriculture Modernization Project	Period of support: March 2019 (2 months) Progress: Moderate
Legal and policy process: Endorsement of Local Agriculture Programme Operation and Management Procedure	Fiscal System governance Lekha (public accounts) committee formed

- Fertilizer Supply and Distribution Procedure - Slaughter House Management Procedure under preparation - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC formed - Established palika Agriculture & Livestock Section (Livestock -7 staff, agriculture 6 staff. Only one is permanent remaining are OJTs) - Monitoring Committee formed Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 5.4 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan under formulation	- Internal audit - SuTRA is not being used Effective service delivery - Linkages facilitated by palika with Nutrition Project (managed by a local NGO) and with Small Irrigation Project (SIP) and NGO called Navaran Kiran Sewa Samaj Nepal. Youth Self-Employment Fund – identified 10 potential migrant returnees as part of farmer advisory network - Two Agriculture Learning Centres under establishment - Pocket areas for chilli, peanut, banana and vegetable established - Two collection centres established for two types of vegetables Monitoring and reporting - Data (unanalysed) are available and used, but no database system in place Feedback mechanisms - Public hearing conducted - Citizen charter for service provision
Jantedhunga Gaunpalika Other SDC projects: SIP Other projects: SABAL	Period of support: March 2019 (2 months) Progress: Moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Agriculture Business Promotion Acts - No specific targeting mechanism Institutional mechanisms: - PADC in process of formation - Established palika Agriculture & Livestock Section (Livestock - permanent -1, One Village One Technicians - 4, 2 staff on contract) - Monitoring Committee formed Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 5.5 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated	Fiscal System governance - Internal audit Effective service delivery - Standard norms - Linkages facilitated by palika with Sabal and Poverty Alleviation Fund - No other linkages made with agrovets or cooperatives in the palika - Pocket areas for fruit, vegetables, goat and other livestock identified but no formal agreement - Two collection centres established for two types of vegetables Monitoring and reporting - No systematic data management system in place - No monitoring committee formed Feedback mechanisms Public hearing conducted

Periodic plan not yet developed		
Barahapokhari Gaunpalika Other SDC projects: SIP Other projects: SABAL		Period of support: From March 2019 (2 months) Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure drafted - Agriculture Business Promotion Act drafted - No specific targeting mechanism Institutional mechanisms: - PADC in process of formation - Established palika Agriculture & Livestock Section (low levels of staff available, and none of them permanent: Livestock /OVOT -3; Agriculture/OVOT -4) - Monitoring Committee formed Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 3.5 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan not yet developed		Fiscal System governance - Internal audit Effective service delivery - Standard norms drafted - Linkages facilitated by palika with Sabal and Poverty Alleviation Fund - No other linkages made with agrovets or cooperatives in the palika - Pocket areas for fruit, vegetables, goat and other livestock identified but no formal agreement - Two collection centres established for two types of vegetables Monitoring and reporting - No systematic data management system in place - No monitoring committee formed Feedback mechanisms - Public hearing conducted
Diktal Rupakot Majhuwadadi Nagarpalika (former nagarpalika under unitary govt and district HQ) ICSFP to initiate support SSMP previously supported VDCs Other SDC projects: SIP, EF, SaMi	Other projects: SABAL, PMAMP AKC present in palika Results: Nearly more than 2200 beneficiaries have benefited from the agriculture programme of which 65 % were women, 14 % were Dalit and 46 % were Janjati	Period of support: Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Period of support from May 2017: 21 months High
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Cooperative Operation and Management Act - Agriculture Business Promotion Act drafted - Criteria set to target Dalit, women, poor and disadvantaged group.		- Shangrila software used for financial reporting Effective service delivery - Standard norms in place - Linkages facilitated by palika with Sabal, cooperatives, chamber of commerce, agro-vets and nurseries - No other linkages made with agrovets or cooperatives in the palika

Institutional mechanisms: - PADC formed - Established palika Agriculture & Livestock Section (7 agriculture technicians, 6 livestock technicians for different wards of Palika) - Monitoring Committee formed Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 1.7 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in place Fiscal System governance		9 pocket areas identified for fruit and vegetable - Development of two trout fisheries - Organic pocket development - Support to returnee migrants for commercial agriculture - Provision of extension advice – crop diseases/pests - Agriculture Learning Centre established - Hat bazaar developed Monitoring and reporting - Raw material data are available but the system is not in place. Feedback mechanisms - Public hearing conducted
Sakela Gaunpalika ISCFP support Other SDC projects: SIP	Other projects: SABAL	Period of support: From March 2019 – 2 months Progress Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Agriculture Business Promotion Act drafted - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC under formation - Established palika Agriculture & Livestock Section (5 staff - OVOT) - Monitoring Committee formed Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 4.8 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in process		- Profile in process Fiscal System governance - Internal audit system - Financial reporting on excel sheets Effective service delivery - Standard norms under formulation - Linkages facilitated by palika with cooperatives, local NGOs, and agrovets - Support to returnee migrants (in 5 wards) Monitoring and reporting - Raw data is available but the system is not in place. Feedback mechanisms - Public hearing in preparation
Diprung Gaunpalika ICSFP support Previously one VDC supported by SSMP	Other projects: SABAL Results: 464 beneficiaries have directly benefited from the agriculture	Period of support Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i>

Other SDC projects: SIP, Good governance project and EF	program in which 31 % of female were included. Similarly, 9 % Dalit and 45 % of Janjati have also been supported from the agriculture program	Period of support from May 2017: 21 months Progress: High
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Agriculture Business Promotion Act - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (1 Livestock permanent staff, 7 permanent positions vacant (Crop and livestock), 4 staff in agriculture and 1 in livestock hired on contract) Resource mobilisation: % of total equalization budget is allocated to agriculture sector. (data not available) 4.3 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in process - Profile in process Fiscal System governance		- Internal audit system is in place Effective service delivery - Standard norms under formulation - Linkages facilitated by palika with cooperatives, local NGOs, and agrovets - Pocket programme focused on poor and women to increase agriculture and livestock production and productivity through use of appropriate technology - Pocket areas of fruit, vegetables, goat and livestock identified and programmes operating - Organic pocket established - Nursery established - Vegetable collection centre in operation - Hat bazaar established - Returnee migrant support for development of commercial farms - Advisory services for livestock health and soil testing Monitoring and reporting - No system for data management in place Feedback mechanisms Public hearing conducted
Khotelang Gaunpalika Other SDC projects: SIP, EF and SaMi	Other projects: SABAL	Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Agriculture Business Promotion Act - Criteria set to target Dalit, women, poor and disadvantaged group. Institutional mechanisms: - PADC formed - Established palika Agriculture & Livestock Section (1- Crop, 1- Livestock permanent staff and 3 positions still vacant in palika, 1 OVOT in crop and 4 OVOT in livestock working in wards) Resource mobilisation:		- Palika profile not yet completed Fiscal System governance - Internal audit system is in place Effective service delivery - Standard norms under formulation - Linkages facilitated by palika with cooperatives, local NGOs - Pocket programme focused on poor and women to increase agriculture and livestock production and productivity through use of appropriate technology - Pocket areas of fruit, vegetables, goat and livestock identified, and

.....% of total equalization budget is allocated to agriculture sector. (data not available) 4.7 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in process	programmes planned for implementation Monitoring and reporting Raw data is available, but the system is not in place. Feedback mechanisms Public hearing conducted
Rawabesi Gaunpalika Other SDC projects: SIP and EF	Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Criteria set to target Dalit, women, poor and disadvantaged group Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (livestock -2, Agriculture -4 of which there are two permanent staff (1 Livestock and 1 Agriculture). All are technicians Resource mobilisation: % of total equalisation budget is allocated to agriculture sector. (data not available) 6 % of total budget, (conditional, NASDP budget and palika sectoral contribution from equalisation) Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in process - Palika profile in process	Fiscal System governance - Internal audit system - Financial reporting on excel sheets Effective service delivery - Standard norms under formulation - Linkages facilitated by palika with cooperatives 12 Local Agriculture Resource Persons identified and supported Monitoring and reporting - No system for data management in place Feedback mechanisms - Public hearing conducted
Aiselukharka Gaunpalika Other SDC projects: SIP	Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section - In total 7 staffs (3 in agriculture and 4 in livestock). Among them 4 are permanent and 3 are on contract basis.	Fiscal System governance - Internal audit takes place at the end of Fiscal year and audit by District Treasury Office is also conducted. Effective service delivery - PADC formed - Pocket area developed in all (7) wards. - Upgrading of Cardamom nursery

Resource mobilisation: % of total equalization budget is allocated to agriculture sector. 3.4 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan is being prepared. - Palika profile is being prepared.		- Hatbazar developed Monitoring and reporting - Raw data is available but there is lack of system to analyse and disseminate Feedback mechanisms - Public hearing is conducted in every trimester - There is placement of Citizen chart
Kepilashgadhi Gaunpalika Other SDC projects: SIP and SaMI		Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure Institutional mechanisms: - PADC - Palika agriculture and livestock section – In total 8 staffs (5 for agriculture and 3 for livestock). 3 are permanent and 5 are on contract basis. Resource mobilisation: % of total equalization budget is allocated to agriculture sector. 2.8 % of total budget is allocated for agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated		- Periodic plan is being prepared. - Palika profile is being prepared. Fiscal System governance - Internal audit is done by District Treasury Office - SuTRA is being applied. Effective service delivery - Pocket area of five commodities (vegetable and fruits) developed. - Kiwi nursery is being developed. Monitoring and reporting - Raw data is available, but the system is not developed. Feedback mechanisms Public hearing takes place twice in a year. Citizen charter has been placed.
District: Okhaldhunga		
Siddicharan Nagarpalika (former nagarpalika and district HQ under unitary govt) ICSFP support to local mediators' training	Other SDC projects: Employment fund Skill for Reconstruction (EFSR), SIP, NAMDP	Period of support: From July 2018 Progress: Moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Criteria for targeting defined on programme basis Institutional mechanisms: - PADC		- Internal audit conducted - SuTRA is being applied Effective service delivery - Standard norms? - Palika facilitated linkages with cooperatives for production and markets - Network of advisory services in place – including LARPs (4) supported to

- Established palika Agriculture & Livestock Section (4 staff for livestock and agriculture are from OJT) Resource mobilisation: % of total equalization budget is allocated to agriculture sector. 2.5 % of total budget, Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan - about to be finalised - Palika profile under development Fiscal System governance	develop nurseries, Rastriya Krishak Samuha Mahasangh (NGO), 2 Cooperatives - Agricultural hat bazaar developed - Agri- collection centre functioning - Organic Pocket area under development 5 migrant returnees supported to develop farms with advice from LARPs - Agriculture Learning Centres (goat farms) Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted Citizen charter for service provision
Likhu Gaunpalika Other SDC projects: Employment fund Skill for Reconstruction (EFSR), SIP	Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Criteria for targeting defined on programme basis Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (In total 6 staffs deputed – 4 for agriculture and 2 for livestock. Among them 3 are permanent and 3 are on contract basis.) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 3 % of total budget Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan is being prepared - Palika profile is being prepared	Fiscal System governance - Internal audit conducted - SuTRA not functioning for financial reporting Effective service delivery - Standard norms for agriculture and livestock services - Palika facilitated linkages with cooperatives, NGOs and nurseries, private company - migrant returnees supported to develop farms Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted - Citizen charter for service provision
Champadevi Gaunpalika Other SDC projects: Employment fund Skill for Reconstruction (EFSR), SIP Other projects: SABAL	Period of support: from March 2019 – 2 months Progress: Early stage
Legal and policy process:	Fiscal System governance

- Local Agriculture Programme Operation and Management Procedure - Criteria for targeting defined on programme basis Institutional mechanisms: - PADC formed - Established palika Agriculture & Livestock Section (In total 6 staffs have been deputed on contract basis) Resource mobilisation: 4.5 % of total equalization budget is allocated to agriculture sector 3.03 % of total budget Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan is being prepared. - Palika profile is being prepared.	- Internal audit conducted - SUTRA used for financial reporting Effective service delivery - Standard norms for the delivery of agriculture services prepared. - Palika facilitated linkages with cooperatives, NGOs and nurseries - Palika facilitated linkages with financial institutions - Migrant returnees supported to develop farms Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted - Citizen charter is placed
Sunkoshi Gaunpalika ICSFP support SSMP previously supported one VDC Other SDC projects: Employment fund Skill for Reconstruction, SIP Other projects: Nepal Farmers Group Federation	Period of support from May 2017: 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Criteria for targeting defined on programme basis Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (no details provided) Resource mobilisation: 5.5% of total equalization budget is allocated to agriculture sector 3.57% of total budget Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan and vision mapping in process - Palika profile in process	Fiscal System governance - Internal audit conducted Effective service delivery - Standard norms for agriculture and livestock service delivery - Palika facilitated linkages with cooperatives, NGOs and nurseries - Palika facilitated linkages with financial institutions - Haat bazaar and collection centre established - Organic pockets identified and developed - Migrant returnees supported to develop farms Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted Citizen charter for service provision

Manebhanjyang Gaunpalika Period of support: 24 months ICSFP support SSMP previously supported one VDC	Period of support from May 2017: 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Cooperative Operation Act - Agriculture Business Promotion Act - Cooperative Operation and Management Act - Criteria for targeting defined – focused on dalit, women, poor and disadvantaged groups Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (8 staff deputed – 4 for agriculture and 4 for livestock. 6 are permanent and 2 are on contract basis) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 2.6 % of total budget Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan and vision mapping in process - Palika profile in process	Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - Standard norms for service - Palika facilitated linkages with cooperatives, chamber of commerce, NGOs, agrovets and nurseries - Palika facilitated linkages with financial institutions - Hat bazaar in process - Collection centre established - Organic pockets identified and developed - Migrant returnees supported to develop farms Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted Citizen charter for service provision
Chisankhugadi Gaunpalika Helvetas ICSFP	Period of support: From July 2018 Progress: moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Cooperative Operation Act - Agriculture Business Promotion Act - Cooperative Operation and Management Act - Criteria for targeting defined – focused on dalit, women, poor and disadvantaged groups Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (In total 7 staffs – 5 for agriculture	Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - Standard norms - Palika facilitated linkages with cooperatives, NGOs, agrovets - Palika facilitated linkages with financial institutions - Hat bazaar in process - Pocket areas identified Monitoring and reporting

and 2 for livestock, 3 are permanent and 4 are on contract basis) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 2.7 % of total budget Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan and vision mapping in process - Palika profile is being prepared	- Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted - Citizen charter for service provision
Molung Gaunpalika Helvetas ICSFP	Period of support: From March 2019 – 2 months Progress: moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Cooperative Operation Act - Agriculture Business Promotion Act - Cooperative Operation and Management Act - Criteria for targeting defined – focused on dalit, women, poor and disadvantaged groups Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (Total 9 staff – 5 for agriculture and 4 for livestock - 3 permanent and 6 on contract basis) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 1.5 % of total budget allocated to agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in process - Palika profile in process	Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - Standard norms for training delivery - Palika facilitated linkages with cooperatives, NGOs, agrovets, chamber of commerce - Palika facilitated linkages with financial institutions - Hat bazaar in process - Pocket areas identified for different commodities - Expression of Intent has been announced from migrant returnees for entrepreneurship development. Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted - Citizen charter for service provision
Khijidemba Gaunpalika Employment Fund, Sabal	Period of support: from March 2019 – 2 months Progress: moderate
Legal and policy process: - Local Agriculture Programme Operation and Management Procedure - Cooperative Operation Act - Agriculture Business Promotion Act	- Palika profile prepared Fiscal System governance - Internal audit conducted

- Cooperative Operation and Management Act - Criteria for targeting defined – focused on dalit, women, poor and disadvantaged groups Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (Total 7 staff – 4 for agriculture and 3 for livestock – 5 permanent and 2 are on contract basis) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 4.21 % of total budget allocated to agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan in the process	- Lekha (public accounts) committee formed Effective service delivery - Standard norms - Palika facilitated linkages with cooperatives, NGOs, agrovets - Palika facilitated linkages with financial institutions - Pocket areas identified for different commodities Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms - Public audit conducted - Citizen charter for service provision
State 3	
Sindhuli District	
Kamalamai Nagarpalika	Period of support: since May 2017 - 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: High
Legal and policy process: - Agriculture profile - Agriculture Act - Local Agriculture Programme Operation and Management Procedure - Criteria for targeting defined Institutional mechanisms: - PADC - Established palika Agriculture & Livestock Section (1 JTA -palika, 3 Livestock staff and one JTA in every ward) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 2 % of total budget allocated to agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan prepared	- Palika profile is on the process Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - Standard norms - Palika facilitated linkages with 3 cooperatives, service provider managed value chain development programme - Palika facilitated linkages with financial institutions - Pocket areas for junar, potato and pineapple developed Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms

	• Trimester public audit conducted • Citizen charter for service provision
Marin Gaunpalika	Period of support: since May 2017 - 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: high
Legal and policy process: • Agriculture profile • Agriculture Act • Local Agriculture Programme Operation and Management Procedure • Criteria for targeting defined Institutional mechanisms: • PADC • Established palika Agriculture & Livestock Section (1 JTA, 2 Livestock staff. No staff deputed at ward level) Resource mobilisation: • % of total equalization budget is allocated to agriculture sector • 4 % of total budget allocated to agriculture sector Planning: • Consolidated Agriculture Annual Plan formulated • Integrated Periodic plan prepared	• Palika profile being prepared Fiscal System governance • Internal audit conducted • Lekha (public accounts) committee formed Effective service delivery • Standard norms • Palika facilitated linkages agriculture college (affiliated to Agriculture and Forestry University) • Developed 6 model farms • Collection centre for vegetables under development Monitoring and reporting • Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms Annual public hearing conducted
Sunkoshi Gaunpalika	Period of support: since May 2017 - 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: high
Legal and policy process: • Endorsement of Agriculture Act and Local Agriculture Programme Operation and Management Procedure, Institutional mechanisms: • PADC formed • Established palika Agriculture & Livestock Section 2 JTA, 2 Livestock related staffs have been deputed in palika. No staff deputed at ward level. Resource mobilisation: • % of total equalization budget is allocated to agriculture sector • 0.52 % of total budget allocated to agriculture sector	Fiscal System governance • Internal audit conducted • Lekha (public accounts) committee formed Effective service delivery • Standard norms for training delivery prepared • Developed 6 model farms • 20 model farms have been developed • Cooperatives, farmers groups developed • LRPs developed and certified by CTEVT Monitoring and reporting

Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan prepared - Palika profile on the process.	Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms Annual public hearing conducted
District: Ramechhap	
Khandadevi Gaunpalika	Period of support: since May 2017 - 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: high
Legal and policy process: - Endorsement of Agriculture Act and Local Agriculture Programme Operation and Management Procedure Institutional mechanisms: - PADC formed - Established palika Agriculture & Livestock Section 2 JTA, 2 Livestock related staffs have been deputed in palika. No staff deputed at ward level. Resource mobilisation: % of total equalization budget is allocated to agriculture sector 3.4 % of total budget allocated to agriculture sector Planning: - Consolidated Agriculture Annual Plan formulated - Periodic plan prepared - Palika profile on the process.	Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - Standard norms for training delivery prepared 20 model farms have been developed - Cooperatives, farmers groups developed - LRPs developed and certified by CTEVT Monitoring and reporting - Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms Annual public hearing conducted
Gokulganga Gaunpalika	Period of support: since May 2017 - 21 months Prayas has been providing support since 2016 to one of the VDCs in the former <i>nagarpalika</i> Progress: high
Legal and policy process: - Endorsement of Local Agriculture Programme Operational and Management Procedure Institutional mechanisms: - PADC formed - Total 3 (Livestock -2, agriculture -1) Resource mobilisation: % of total equalization budget is allocated to agriculture sector 5.15 % of total budget allocated to agriculture sector Planning:	Fiscal System governance - Internal audit conducted - Lekha (public accounts) committee formed Effective service delivery - PADC formed - Pocket or 4 commodities identified - Value chain of high value crops such as kiwi, potato, <i>Akabare</i> chilly, citrus fruit and vegetable developed. Monitoring and reporting

- Consolidated Agriculture Annual Plan formulated - Periodic plan prepared - Palika profile on the process.	Raw data available, but unanalysed - lack of system to process and systematize database Feedback mechanisms Annual public hearing conducted
State 6	
District:	
Dungeshor Gaunpalika Results: agricultural services provided to 1900 farming households in 80 farmer groups (FY 2017/18) Other SDC projects: Good Governance, SIP Other projects; IFAD-Asha, Suaahara	Period of support: 12 months (2017/18) Progress: high
Legal and policy process: - Agriculture and Livestock Program Operation Procedure – 2075 - Cooperative Act – 2075 - Agribusiness Promotion Act -2075 - Livestock Farmers Farm Registration Procedure – 2075 - Livestock slaughtering and Meat Inspection Act- 2075 Institutional mechanisms: - Economic Development Committee formed - Ward Agriculture Development Committees (in all 6 wards) - Livestock and Agriculture section unit exist with 4 staff, 2 for each section Resource mobilisation:	% of total equalization budget is allocated to agriculture sector 4 % of total budget allocated to agriculture sector Planning: - Consolidated Agriculture Annual Plan Fiscal System governance - Internal audit is conducted. - Audit by District Treasury Office is carried out. Effective service delivery - Standard norms for training delivery and agriculture service delivery have been prepared. - Partnerships with local service providers and LARPs for service delivery Identification and implementation of pocket areas – vegetables, cereals, goats, fruit, cardamom
BhagawatiMai Gaunpalika Results: palika provision of agricultural services to 1100 farming households from 50 farmer groups (FY 2017/18)	Other SDC projects: Good Governance, SIP Other projects: RVWRMP, IFAD-Asha Period of support: 12 months (2017/18) Progress: early stage
Legal and policy process: - Agriculture and Livestock Program Operation Procedure – 2075 Institutional mechanisms: - Palika Agriculture Development Committee - Ward Agriculture Development Committees Resource mobilisation:	Fiscal System governance - Audit by District Treasury Office is conducted Effective service delivery - Partnerships with local service providers and LARPs for service delivery - Identification and implementation of pocket areas – vegetables, cereals, goats, fruit, cardamom

• % of total equalization budget is allocated to agriculture sector • 2.37% of total budget allocated to agriculture sector Planning: • Consolidated Agriculture Annual Plan	Monitoring and reporting • Raw data is recorded Feedback Public hearing conducted
Raskot Nagarpalika Results: palika provision of agricultural services to 400 farming households from 20 farmer groups (FY 2017/18) Other SDC projects: Good Governance, SIP	Period of support: 12 months (2017/18) Progress: high
Legal and policy process: • Agriculture Programme Management Procedure prepared and endorsed. • Agriculture Business Promotion Act formulated and endorsed Institutional mechanisms: • Palika Agriculture Development Committee formed • Palika Agriculture Development Branch and Livestock Service Branch exists with total 8 staffs 4 in each branch and 2 officer level Technical Assistant and 6 Junior Technical Assistant 3 in each branch. • 30 Agriculture Resource Persons are trained and functioning. Resource mobilisation: • 3.32 % of total equalization budget is allocated to agriculture sector • 3.52% of total budget allocated to agriculture sector from NASDP and Palika budget.	Planning: • Consolidated Agriculture Annual Plan is prepared. • Irrigation, Agriculture road is included in Integrated Periodic Plan. Fiscal System governance • Internal audit is conducted by Municipal internal <i>Lekha</i> committee and District Treasurer Office. • <i>Lekha</i> Committee is formed and functional. Effective service delivery • Standard norms are formed and functional • Procurement system is followed by Municipality. • Partnerships with local service providers and LARPs for service delivery Identification and implementation of pocket areas –upper belt is for apple, middle belt is for citrus mainly for orange and lime, lemon and Kiwi and lower belt is identified for banana, water melon
Narharinath Gaunpalika Results: palika provision of agricultural services to 480 farming households from 21 farmer groups (FY 2017/18) Other SDC projects: Good Governance, SIP	Period of support: 12 months (2017/18) Progress: moderate
Legal and policy process: • Local Agriculture & Livestock Programme Operation & Management Procedure • Agriculture Business Promotion Act Institutional mechanisms: • Agriculture and livestock Development Committee • Ward agriculture Development committee • Agriculture, Livestock and Mechanisation Section established - staffed 4 OJT students, Local Agriculture Resource Persons and 2 regular staff	Fiscal System Governance • Internal audit conducted by Internal Audit Section of Palika Monitoring and reporting: • Regular monitoring and data management process on-going Effective service delivery - network of advisory services: • Development of standard norms • Procurement systems

Resource mobilisation: • ----equalization related data not available • 3.2 % of total budget has been allocated for agriculture Planning: • Consolidated Agriculture Annual Plan prepared • Integrated Periodic plan preparation is undergoing	• Collection Centre work ongoing • Pocket areas for commodities like apple, walnut, orange, onion and vegetable have been identified • Mushroom farming Feedback mechanisms • Trimester wise public hearing conducted
Shivalaya Gaunpalika Results: palika provision of agricultural services to 550 farming households from 25 farmer groups (FY 2017/18) Other SDC projects: Good Governance, SIP	Period of support: 12 months (2017/18) Progress: Moderate
Legal and policy process: • Local Agriculture Programme Operation and Management Procedure • Agriculture Business Promotion Act Institutional mechanisms: • Palika Agriculture Development Committee formed Resource mobilisation: • % of total equalization budget is allocated to agriculture sector (data not available) • 3.18 % of total budget allocated to agriculture sector Planning: • Consolidated Agriculture Annual Plan	Fiscal System governance • Internal audit is conducted Effective service delivery • Standard norms for service delivery • Partnerships with local service providers and LARPs for service delivery • Identification and implementation of pocket areas – vegetables, cereals, fruit Monitoring and reporting • System is yet to be built Feedback ????
State 7	Exited from support to two palikas 2018

Annex 6: Contribution of Prayas to the SCS domain outcomes

Outcomes	Indicators	Contribution of Prayas
Domain: Federal state building: citizens at subnational level build an inclusive and accountable federal state		
The federal state provides political stability, social inclusion and economic prosperity	# of persons (Male (M)/Female (F)/Disadvantaged Groups (DAGs)) or households (hh) benefitting from programmes to reduce discrimination, marginalisation and exclusion in Swiss intervention areas.	Local government support: Legal and policy processes of palikas • Definition of targeting policy Institutional mechanisms • Palika Agriculture Development Committees – inclusion of representatives of interest groups Planning systems • Strategic sectoral planning
Subnational governments ensure inclusive, resilient and accountable development	Influence exercised by women and discriminated group members elected at the local level in Swiss intervention areas.	Local government support: Building capacity of women and discriminated group elected representatives: • Chairing and/or membership of sectoral committees by ward members
	% of citizens (M/F/DAGs) satisfied with the public services provided by the local governments in Swiss intervention areas.	Local government support: • Feedback mechanisms from farmers on quality of network of advisory services, provision of technical services from palika • Citizen charters to identify service standards for agriculture
	Efficiency and effectiveness of public spending at the local level (quantitative and qualitative assessment).	Local government support: • Resource mobilization: internal and external sources • Fiscal governance - support to public accounts committee – tracking of budget allocations to agriculture, financial reporting systems
Citizens, especially women, discriminated groups and migrants, influence the functioning and the decisions of the state	% of citizens (M/F/DAGs/migrants and migrants families) surveyed agreeing that the local budget is meeting local priorities.	Prayas will contribute to this outcome through the work it does to support local government systems through: • Transparent planning mechanisms for strategic and annual planning for agriculture • Communication on budget allocations, prioritisation to farmer

		groups through Palika Agriculture Development Committee • Feedback mechanisms for advisory services
	# of citizens (M/F) from discriminated groups empowered to participate in relevant peace, development and political processes in Swiss intervention areas.	Prayas will contribute to this outcome through the work it does to support local government systems through Institutional mechanisms • Palika Agriculture Development Committees – inclusion of representatives of interest groups • Chairing and membership of key sector committees by elected reps from discriminated groups
Domain: Employment and Income: women and men, especially from disadvantaged groups (DAGs) find employment and increase their income		
Subnational governments and private institutions expand agricultural markets and increase the demand for skilled labour in rural and urban areas (through better connectivity and commercialisation of agriculture products)	No indicator to reflect the subnational government institutional systems necessary to facilitate the expansion of markets through connectivity etc	Local government support: • Effective service delivery through linkage with diverse service providers • More effective budget allocations against prioritized sector plans – integrating necessary infrastructure for agriculture (small scale irrigation, intra-palika roads) with agricultural services
Farmers and workers especially from DAGs, improve land and labour productivity in rural and urban areas (through better skills and technologies)	% annual yield increase in maize and vegetables (kg/hectare) in Swiss intervention areas	Local government support: • Support to network of advisory services – LARPs training to farmers, ALCs as centres of learning and training Linkages of NARC to farmers • Provision of technologies and skills
	Time savings (hours) (M/F/children) due to labour saving technologies in agriculture and better connectivity	Local government support: • More effective budget allocations against prioritized sector plans – integrating necessary infrastructure for agriculture (small scale irrigation, intra-palika roads) with agricultural services • Provision of advisory services tailored to particular groups and close to home NARC • Development of appropriate technologies and adoption by farmers

Discriminated groups influence the sectoral investment decisions and the provision of sectoral services by local governments in their favour	These indicators all need adjustment to fit with the federal system. Currently there are no prescribed % budget allocations for particular groups These indicators need to capture the systems that have embedded processes to ensure inclusion and appropriate targeting of investments to particular groups	Local government support: Legal and policy processes of palikas • Definition of targeting policy Institutional mechanisms • Palika Agriculture Development Committees – inclusion of representatives of interest groups • Chairing and membership of key sector committees by elected reps from discriminated groups Planning systems • Strategic sectoral planning Monitoring and reporting • Assessment of which groups are being served by the advisory services, and those excluded Feedback mechanisms • Farmer group surveys
Domain: Migration: migrants (M/F/DAGs) and their families are better protected by democratic institutions in Nepal and benefit from decent work conditions abroad		
Women and men, particularly from DAGs, have increased the economic benefit from migration	Need an indicator to capture the work supported by Prayas to help returnee migrants develop agribusinesses: <i>No. of returnee migrants with economically viable farm-businesses</i>	Local government support Effective service delivery • Support to returnee migrants to develop farms as Agriculture Learning Centres – selling expertise to other farmers

Annex 7: Changing Organograms

1st Organogram - Project document

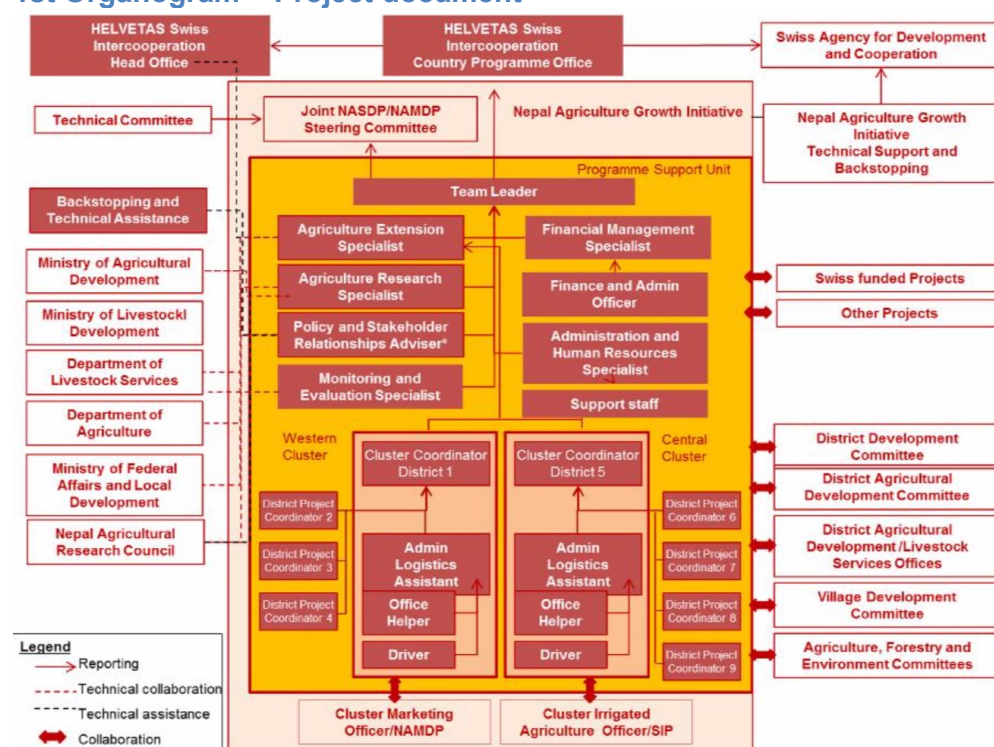
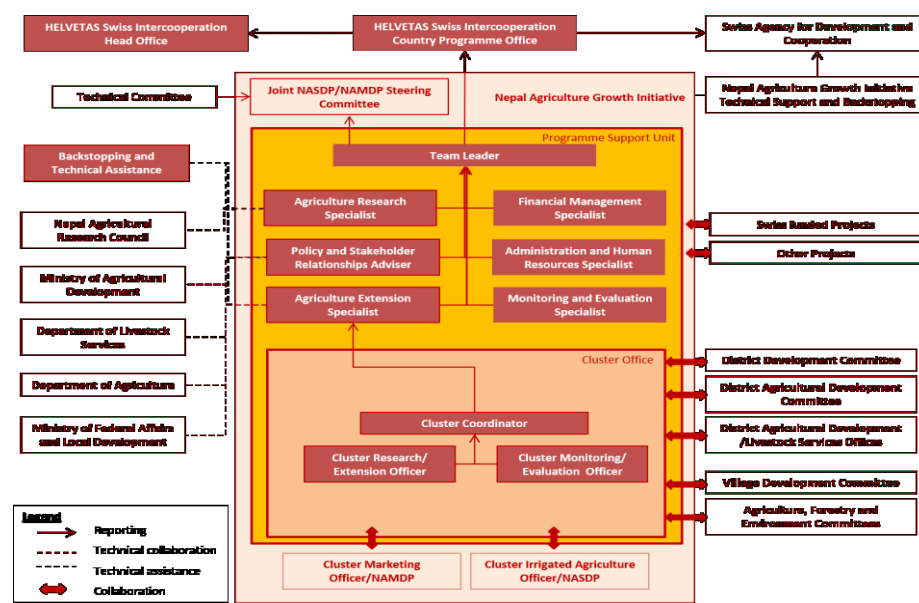


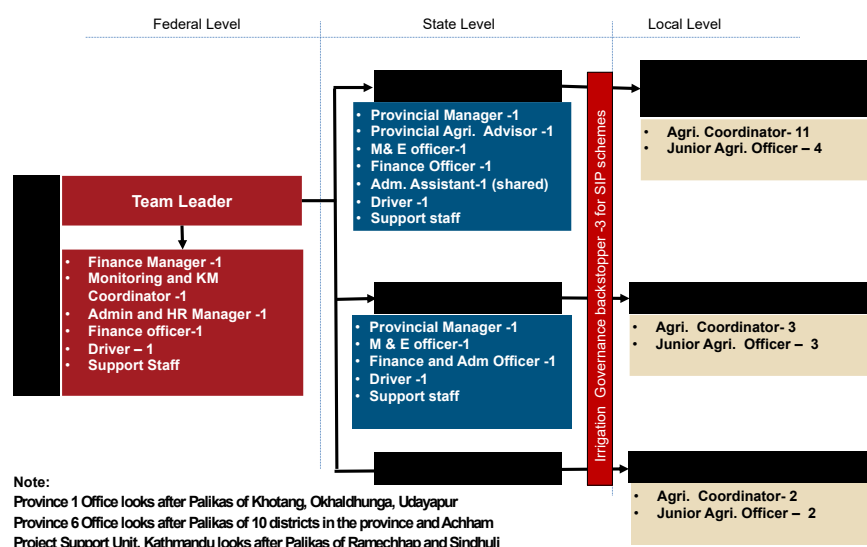
Figure 16: Governance of NASDP Phase 1 (2016-2019)

2nd Organogram: First Prayas Implemented Organogram 2016-2017

Based on unitary government with larger programme support unit in Kathmandu to match central government and cluster offices to match the district structures.



3rd Organogram discussed but not implemented: 2017-2018



Organogram not implemented as decisions taken to focus Prayas support in State 1 and provide TA support to IFAD ASDP in State 6:

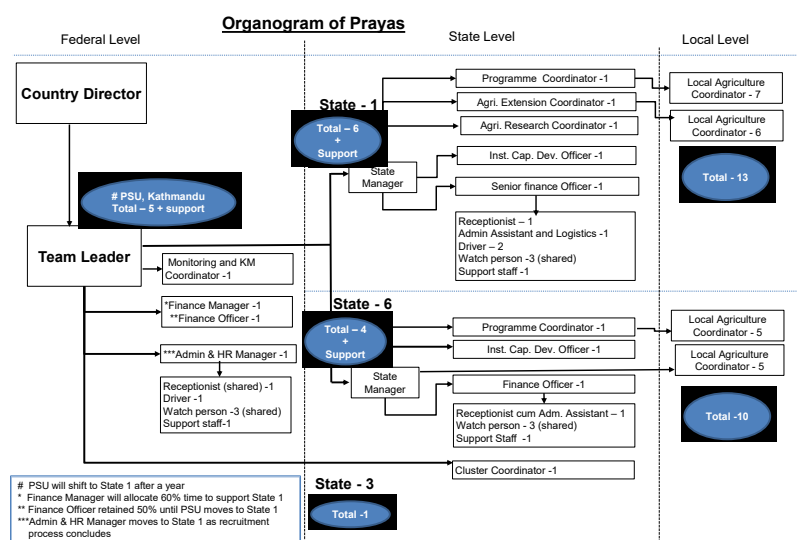
1. State 6 to hand-over support to palikas to ASDP and Helvetas TA
2. State 7 exit completely from palikas in Achham
3. State 3 scale-back and exit from palikas supported in Sindhuli and Ramechhap

4th and current Organogram August 2018-December 2019

Designed to meet SDC country strategy decision to focus actions in State 1, withdraw from State 3 and build TA support to ASDP in State 6.

Implications:

1. Slimmed down presence in Kathmandu – strategic steering and engagement with federal government with intention to move PSU completely to State 1
2. Focus in States 1 and 6 – state government support and support to local governments
3. Managed exit process from State 3



Annex 8: Learning and Documentation

Communication of learning is absolutely key to building wider understanding with different audiences. The major audiences for Prayas to communicate with and influence:

1. **Prayas State 1:** Prayas team in State 1, particularly the new staff
2. **IFAD-ASDP Karnali State:** The IFAD-ASDP TA team in Karnali State and the wider ASDP team
3. **Helvetas:** Within Helvetas and across the different Helvetas supported projects
4. **SDC:** Within SDC and across other agriculture sector projects and more widely across the portfolio
5. **Development Partners:** Other DPs engaged in the agriculture sector, other sectors and also those supporting federal state building
6. **Local government associations** (MuAN and NARMIN): to build understanding of support mechanisms to sector development in local government (potential for LGAs to share across other palikas)
7. **State governments:** to build understanding of approaches to sector development in local government and the implications for state government support within the state for the agriculture sector
8. **Federal government:** to build understanding of approaches to sector development in local and state government and the implications for state government support within the state for the agriculture sector

The JR team reviewed the areas for learning recommended by Esther Haldimann during the backstopper mission in December 2018. The learning frame described in this Annex should be used by Prayas with support from Helvetas to develop the different communication channels, processes to develop the materials and the key learning products.

On the basis of the JR team learning and an assessment of priorities the team have outlined the following key areas as priority, indicating what products should be developed for whom and the process through which to develop them:

1. **What: process documentation for how to support local government sectoral development, with supporting operational guidelines**
Who: palikas, projects supporting palikas
How: build together with other Helvetas supported projects, facilitated by Helvetas
2. **What: local government and sectoral support approach (high level strategic presentation)**
Who: strategic donor groups
How: based on work by Helvetas to build coherent model across key Helvetas projects (Prayas, ICSFP, Elam, SaMi)
3. **What: learning series – telling the story of how agricultural sectoral support within local government has developed**
Who: development practitioners
How: draw on palika experiences, facilitated by Prayas with Helvetas