

IDE Nepal enables economic opportunities for poor households and promotes rural stability

International Development Enterprises has been working in Nepal since 1992 and has substantially increased the incomes of over 200,000 rural poor households (benefiting over one million people). IDE has developed the PRISM value-chain approach to enable market opportunities based on the comparative advantages of smallholders. The PRISM approach focuses on developing sustainable and profitable enterprises that market appropriate inputs, provide embedded training services, and market outlets. IDE works closely with government agencies in public private partnerships. IDE supports and builds government capacity to implement the value-chain approach and for creating an enabling environment thru provision of public goods including agricultural extension, research, and infrastructure for marketing and small scale water source development. IDE's work is supported by a variety of donors including USAID, the Bill and Melinda Gates Foundation, Misereor, the Dutch Government, Yahoo (employee fund), The State Government of Manitoba (Canada) and by foundations and individuals. IDE has a strategic partnership in Nepal with Winrock International and with national partners CEAPRED, SAPPROS, AEC, and AEC.



Drip user Sobha Bishokarmi earned \$200 in her first season which she used for education of her grand children, Palpa District.

IDE in Nepal and beyond has taken a leading role in the micro irrigation revolution. Over the last 16 years IDE has developed and refined appropriate micro irrigation technologies including drip systems, efficient micro sprinklers, treadle pumps (manual foot pumps), and water storage technologies that are all fully manufactured in Nepal. These micro irrigation technologies are low cost and designed for smallholders; private companies are unable to recapture their returns to design and initial promotion of micro irrigation technologies because of the patent situation. IDE invests in design and promotion enabling private sector partners to establish micro irrigation supply chains. Over 156,000 households have purchased micro irrigation, these households have increased their annual incomes by about 100%. IDE is also making strong contributions in high-value subsectors, including, coffee, tea, non-timber forest products (NTFPs) / essential oils, spices, specialty products, livestock, and fisheries. In Nepal there are tremendous opportunities for poor farmers to rapidly increase their incomes through marketing high-value commodities for domestic, regional and international markets. IDE is also contributing to job creation in rural areas agricultural enterprises manufacturing and marketing inputs, service providers, and for processing and marketing of agricultural products.

Addressing Instability. An important root cause of instability in Nepal is a **lack of economic opportunity and inequality in access to economic opportunities**. The IDE program addresses rural instability by

- **Rapidly increasing incomes** thru high-value commodities for which smallholders have a comparative advantage. Families with good incomes remain whole and contribute to stability. IDE participates in many peace building / governance programs providing an entry point and support for the projects thru increasing incomes and establishing rural economic enterprises and institutions.
- The programs are helping **vulnerable populations including IDPs to earn substantial incomes from very small plots to survive the current transition period.**
- **Women's development and inclusion** thru providing opportunities for women and disadvantaged groups to increase their incomes and to participate in local economic institutions in decision making roles. Over 50% of program trainings are for women, 15% for the Dalits, and 40% for Janajati.
- **Improving the capacity of government to implement value-chain approach programs** and developing public-private partnerships to effectively mobilize public resources.
- The development of **Marketing and Planning Committees to manage community collection centers is dramatically improving economic governance and welfare.** The committees have elected representatives from farmer production groups. The committees perform the key function of aggregating smallholder produce to meet market demand. The committees also provide critical services:
 - **Developing linkages with government and projects advocating for local level development,** and needed policies. At the same time the programs are working to reduce expectations to

realistic levels on government services that are available. Committees advocate for agricultural training, credit access, and infrastructure including agricultural roads, collection centers, and community water systems. Committees also mobilize local resources to match government investment. The committees provide a rational means for government to allocate services.

- **Explaining to rural populations how markets work** and the reasons for price differences between distant markets and increasing local competition by linking to multiple traders
- Develop community **cropping plans** to take advantage of off-season high-value opportunities
- Provisioning linking to inputs, credit, and extension services to farmers.



Multiple use water system (MUS) in Lalitpur District thru the USAID BDS-MaPS project. IDE has pioneered MUS in Nepal, MUS provide sufficient water for domestic use and for

- **The WI/IDE programs are also directly providing mediation / governance training** to farmer groups, marketing and planning committees and other organizations reaching large numbers of households.
- **Programs engage communities in local level planning** for small infrastructure such as water systems, collection centers, and wholesale markets that create social harmony and satisfaction.
- **Broadly the programs are showing how markets are the most powerful tool for poor smallholders to escape poverty providing a powerful vision of the future.**

IDE is an international family of organizations dedicated to enabling markets for poor smallholders including IDE UK, IDE Canada, IDE USA, and IDE International which is formed by the countries to

implement IDE's field programs. IDE International is currently implementing country programs in Nepal, Bangladesh, Cambodia, Vietnam, Zambia, Zimbabwe, Ethiopia, and Nicaragua and has affiliated programs in India and Myanmar. IDE takes a long-term country program approach.

Selected current and recent IDE implemented projects

Project	Years	Donor	Description
Rural Prosperity Initiative (RPI)	2006-2010	Gates Foundation	<ul style="list-style-type: none"> ● Multi country value-chain program to increase incomes through micro irrigation ● RPI is supporting the development micro irrigation and water control technologies
Smallholder Irrigation Market Initiative (SIMI)	2003-2009	USAID / Winrock (Prime)	<ul style="list-style-type: none"> ● Value-chain approach program for high-value commodities ● Focus on micro irrigation promotion (drip, sprinkler, treadle pumps, and lost cost water storage) though development of supply chains for equipment and inputs ● SIMI has assisted over 65,000 HH to increase their incomes by over 100% and has developed agricultural value-chains serving many more in 20 districts.
Education for Income Generation and Conflict Mitigation (EIG-CM)	2008-2013	USAID / Winrock (Prime)	<ul style="list-style-type: none"> ● IDE is implementing the income generation program in high-value commodity subsectors, including a focus on micro irrigation for off-season vegetables ● IDE is developing formal training packages for EIG-CM based on the recent experience of the USAID agriculture projects to institutionalize impacts.
PROOF	2006-2009	Misereor	<ul style="list-style-type: none"> ● The PROOF project is developing farmer market led organizations that are stakeholders in PROOF project intervention design and implementation
Business Dev. Services – Marketing and Prod. Services (BDS- MaPs)	2004-2007	USAID	<ul style="list-style-type: none"> ● The program pioneered the commercialization of Non-timber forest products (NTFPs), essential oils, and specialty herbs/spices for international export. ● Established commercial agricultural production of essential oils linked to commercially financed distillation enterprises in four terai districts. ● Increased the incomes of 24,00 HH
Tea and Coffee Global Development Alliance (TC-GDA)	2004-2007	USAID / Winrock (Prime)	<ul style="list-style-type: none"> ● Public-private partnership program with formal tea development alliances including all major stakeholders ● Established a specialty coffee industry with exports of over \$500,000 in 2007 ● Established a Tea Code of Conduct (CoC) for environmental and social responsibility that has international recognition and has branded Nepal tea
Ujyalo (Light)	2005-2007	USAID / Save (Prime)	<ul style="list-style-type: none"> ● Peace building program linked with agricultural Income generation activities to address root causes of conflict ● Ujyalo project has provided peace building training and increased the incomes of to 14,000 households thru a value-chain approach implemented with local partners.

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