PROMOTING LOCAL VEGETABLE MARKET IN KARNALI FLOOD PLAINS OF NEPAL

Key Facts and Figures

The project has trained 666 farmers (80 per cent women) from 43 Farmers Field School (FFS) (within April of 2018) amongst which 79.4 per cent of the participants are already practicing improved vegetable farming. These farmers in general are small holders with average land holding of about 0.169 ha per household. Seasonal vegetables like chilli, cauliflower, cabbage, tomato, cucumber, potato, beans, bitter gourd, among others are cultivated adhering to respective crop calendar which are mainly sold in local and nearby market centres after harvest.

After shifting from subsistence to commercial vegetable farming, substantial increment in farmers’ income has been reported. Data shows that the average annual income of a household has increased by about NPR 72,560 (£ 500). In total, 41 farmers from 5 FFS have started engagement in saving and credit activities. Since last 9 months, they have deposited NPR 481,007 (£ 3,325) as personal and group savings in financial institutions and cooperatives. During the same period, total loan acquisition for vegetable farming and related activities is amounted NPR 1,203,000 (£ 8,317).

“Primarily, Tharu community is sceptic towards loan culture as they fear that they might be wedged in debt forever. But after attending financial literacy classes run by Practical Action, their stereotype regarding financial services is gradually changing as they became aware on its importance to scale up their business. As a result, 24 farmers have associated with our bank for savings and loan services since nine months, which is expected to rise in the days to come. Among the loan acquired, encouragingly, 95 per cent are paying EMI on time.”

Devi Ram Parajuli, Nirdhan Utthan Bank- Rajapur

Author
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Summary
With an objective to improve flood resilience of vulnerable households and communities economically, Practical Action has promoted commercial vegetable farming and market linkage development in lower Karnali Basin. The developed intervention is executed in collaboration with related service providers and market actors from Bardia and Kailali Districts.
Vegetable Farming and Market Linkage Development

Pre-crisis Market Analysis (PCMA) of Vegetable Production, 2016 and Assessment of Community Access to Finance, 2016 studies in the project area remained instrumental to uncover and understand the role played by market systems in building resilience against flood hazard. Building on these two assessments, Practical Action developed and implemented vegetable production and market linkage development model (Figure 1) to support livelihood and local economic cycle. The developed model has been found effective to increase economic resilience, that enables lead farmers to cope against shocks arising at all stages of flood preparedness and emergency response.

Correspondingly, farmers from Kailali also accessed grants from Rani Jamara Kularia Irrigation Project through their own effort by replicating the success in Bardiya.

After harvesting vegetables, farmers either supply it to local traders or sell it to local market or nearby market centres by themselves. Generally the farmers (mainly women) transport the harvested vegetables carrying on their back in bamboo baskets and sacks. In case of traders, motorbikes or small vehicles are used for transferring collected vegetables. Disregarding outliers, all transaction during the process occurs in cash. Chisapani, Tikapur, Lamki and Rajapur are the main market centres where the produced vegetables are supplied.

The developed model is found pivotal for enhancing economic status of farmers to support resilience building. With increase in income, expenditure in basic needs and amenities at household level has

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1 Rani Jamara Kularia Irrigation Scheme is a project implemented in Kailali District by Department of Irrigation, (Government of Nepal) with financial assistance from the World Bank. It has been supporting local farmers under one of its project theme-agriculture extension, research and support activities.
amplified. Recent research by Practical Action shows that healthcare, education, savings, personal safety, safe housing, savings for emergency and sanitation are within the top 10 priority areas of investment for increasing household resilience. Not only financial gains, the intervention has also proved to bridge linkage gap amongst farmers and market actors, financial institutions and cooperatives, agrovets, vegetable traders including resellers and others for unleashing existing opportunities.

“After being facilitated by Practical Action, the farmers have become more aware on the technical aspect and commercialisation of vegetable farming. Nowadays they visit my shop without hesitation, before planting and whenever they encounter any technical problem. They ask numerous questions regarding the inputs and available range of options for overcoming those. Commercialisation of vegetable farming has not only increased their economic status but also boosted their self esteem and confidence.”

Tulasi Poudel, Bageswori Agrovet, Kailali

Way Forward

To sustain the current initiative and scale it further, few areas of improvement have been identified under farmers’ capacity and supply channels. Major recommendations under the mentioned themes are:

- Facilitate farmers for keeping proper farm economics’ records which will help them find ways to increase profitability.
- Provide technical knowledge on crop varieties and plantation calendar time to create trivial early or delay harvest for better returns.
- Facilitate farmers to understand the business processes and pricing structures when sales are performed through different channels.
- Conduct market competitiveness study to assess the viability for establishment and operation of collection/aggregation centres.

References
