



SAHAJ

NEPAL AGRICULTURAL MARKET DEVELOPMENT PROGRAMME

Phase-1: March 2016 - December 2019

OUR PROJECT

Sahaj, also known as the Nepal Agricultural Market Development Programme (NAMDP), aims to facilitate increased engagement of smallholder farmers, especially women-led production units and people from disadvantaged backgrounds, in commercial agriculture. The project does this by making markets more accessible to smallholders, which allows them to improve their competitiveness and income from farming. It adopts an 'Inclusive Markets' approach. Sahaj partners with different market actors and enables them to take the lead in co-designing innovative business models and implementing activities that increase farm-productivity and boost the marketing potential of the crops or livestock supplied by the poor farmers.

Sahaj is a joint initiative of the Government of Nepal and the Government of Switzerland. It is mandated by the Swiss Agency for Development and Cooperation (SDC) and is designed as a 12-year programme with three consecutive phases. The first phase of the programme started from March 2016 and will continue until December 2019. Sahaj is jointly implemented by Swisscontact as the lead agency, and the Center for Environmental and Agricultural Policy Research, Extension and Development (CEAPRED).

OUR PORTFOLIO

The first phase of the programme works in three core sectors – goat, maize and vegetable – and two cross-sectors – crop protection and post-harvest. The cross-sectors, which focus on reducing crop-loss and adding value after production, have an impact across the Sahaj core sectors as well as other relevant agricultural sectors. The sectors were selected based on their growth opportunities, potential to increase income of the poor farmers and feasibility of conducting systemic interventions.

Gender Equality and Social Inclusion (GESI) is a cross-cutting theme across the programme, which focuses on creating opportunities for women and poor farmers from disadvantaged groups. Another cross-cutting theme includes Sahaj's work in enabling agri-business environment with the national and sub-national level governments, public agencies and business platforms.

Sahaj, in partnership with different market actors, analyses the constraints facing the poor farmers and addresses the root-causes of the constraints in these sectors with targeted interventions. The programme interventions tap into pro-poor growth opportunities in the sectors. To facilitate sustainable change, Sahaj adopts an indirect approach to implementing interventions where the market actors take the lead. The key interventions across the five sectors facilitate systemic changes in the agro-input markets, knowledge and extension services and in markets for the end products. Agro-input markets concern the lack of access to quality materials like seeds or breeds of goats. Knowledge and extension services relates to the limited use of good farm-practices



or herd management. Markets for the end products concerns addressing challenges in market linkage; for example, few smallholder farmers have links with high value markets for their produce.

OUR APPROACH

Sahaj takes a view of wider market systems and identifies the underlying causes influencing constraints in the market. This gives a broader understanding of the challenges and opportunities in the market systems and the roles played by each stakeholder or market participant.

Once the underlying causes of constraints in the market systems have been identified, Sahaj analyses which market actors have incentives to address those problems and why those market actors are not already addressing those underlying causes.

Sahaj then develops partnerships with willing and capable market actors, often from the private sector, to capacitate them to address those underlying causes. Those partners co-invest and lead in designing and implementing innovative business models and interventions which address the constraints of the poor farmers. These interventions could include offering affordable agro-inputs and services, providing embedded extension services and knowledge, expanding distribution and supply chains, or offering improved access to markets for end products to the poor farmers. These interventions may also work in partnership with public-sector actors, who formulate rules and regulation and can take the role of a service provider.

This approach results in an accessible and more profitable market for the concerned stakeholders because each participant has an incentive to cooperate: The private sector companies expand into new market segments, earn more profit, and build increased capacity; intermediary actors such as collectors and distributors get a greater market share; the public-sector actors perform better in implementing their mandates; smallholder farmers get a higher income because of improved access to good farming knowledge and practices, agro-inputs and markets for their produce. Since majority of the activities become a part of the business models of the private sector partners, the impact of the interventions is sustainable. This means that the beneficiaries will continue to gain long after Sahaj's exit from the interventions.

WHERE WE WORK

Sahaj, during the first half of Phase 1, focused on two clusters in Nepal: one in the Eastern/Central region and the other in the Western region. During the second half of Phase 1, the programme has adopted a national mandate and has gradually been expanding to other road corridors, including the Terai region, depending on the pro-poor market potential of selected sectors. Sahaj has been significantly increasing its focus on the mid-Hill and *Terai* districts of Province 1. As the programme grows during the subsequent phases, Sahaj will maintain a national mandate, with a specific focus on Province 1.

