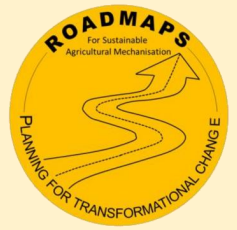




SRFSI Working Paper



Understanding Agricultural Institutional Structures in Province 1 and 2, Nepal





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Table of Contents

1. Abbreviation	2
2. Executive Summary	3
3. Background	4
4. Methodology and Objective	5
5. Section 1: Institutional Analysis	6
<ul style="list-style-type: none"> a. Institutional Analysis b. Ministry of Agriculture and Livestock Development (MoALD) c. Organizational Structure of MoALD d. Department of Agriculture (DoA) e. Organizational Structure of DoA f. Nepal Agricultural Research Centre (NARC) g. Organizational Structure of NARC h. Ministry of Land Management, Agriculture and Cooperatives (MoLMAC) i. Organizational Structure of MoLMAC j. Directorates of Agriculture Development (DoAD) k. Organizational Structure of DoAD 	
6. Section 2: Provincial Overviews	18
<ul style="list-style-type: none"> a. Provincial Overview Chart b. National Policies and Priorities c. National Policy Context 	
7. Section 3: Province 1	23
<ul style="list-style-type: none"> a. General Overview of Province 1 b. Institutional Arrangement of Agriculture in Province 1 c. Map of Institutions 	
8. Section 4: Province 2	28
<ul style="list-style-type: none"> a. General Overview of Province 2 b. Institutional Arrangement of Agriculture in Province 2 c. Map of Institutions 	
9. Section 5: Conclusion	32
10. References	35
11. Annexes	36

Abbreviations

ABPSTC	Agriculture Business Promotion Support and Training Center
ACIAR	Australian Center for International Agricultural Research
ADB	Asian Development Bank
ADS	Agricultural Development Strategy
AED	Agricultural Engineering Division
AKC	Agriculture Knowledge Center
CA	Conservation Agriculture
CASI	Conservation Agriculture based Sustainable Intensification
CHC	Custom Hiring Center
CIMMYT	International Maize and Wheat Improvement Center
DADO	District Agriculture Development Office
DFAT	Department of Foreign Affairs and Trade
DoAD	Directorate of Agriculture Development
ED	Executive Director
GDP	Gross Domestic Product
MoALD	Ministry of Agriculture and Livestock Development
MoLMAC	Ministry of Land Management, Agriculture and Cooperatives
NARC	Nepal Agricultural Research Council
P1	Province 1
P2	Province 2
PMAMP	Prime Minister's Agriculture Modernization Project
ZT- MCP	Zero Tillage- Multi Crop Planter

Executive Summary

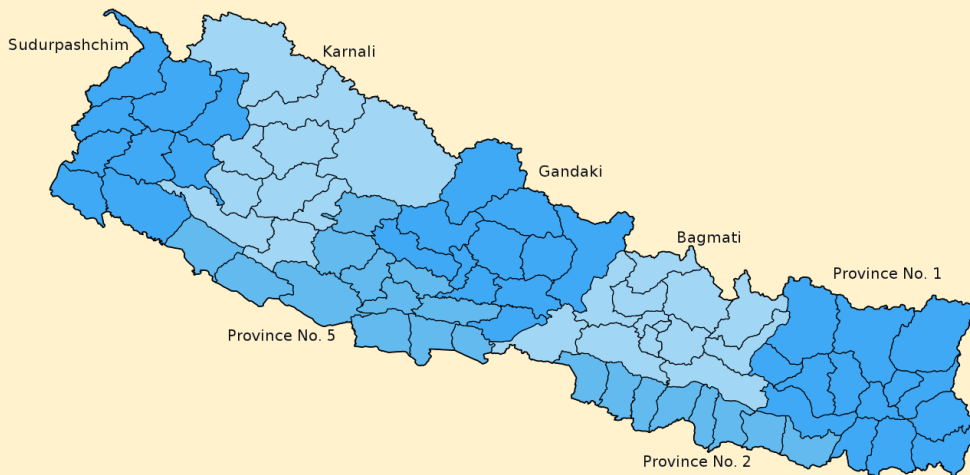
Nepal has witnessed a structural transformation from unitary system to three-tier government that includes 753 local, seven provincial and a federal government unit with authority and decision-making power in the hands of all the 3 tiers. Following the successful election of all three levels; these political institutions have been set in all levels, but the administrative restructuring has not been accomplished so far. The provincial governments are motivated and are committed for developing sustainable agriculture system in respective areas. However, each province has their own strength and weaknesses and as they move into full scale federalism. With this, the interdependency among the provinces and between tiers of government is likely to deepen much.

Provinces are facing challenges of a lack of efficient and skillful human resources as most of the promoted officers are often the chiefs of various branches and divisions of provincial government and have not yet reported the duty stations. There is still much to evolve around the structures and personnel that will eventually become fully functioning institutions that will support agricultural transformation in their respective provinces. Yet this is still ongoing.

Although all positions are not fulfilled, and the mandates are not fully fledged, the restructuring process provides a unique opportunity to address existing weaknesses in order to improve the enabling environment for agricultural policy planning and implementation for creating sustainable agriculture mechanization in both provinces. In addition, the restructuring process enhances service delivery for Nepali citizens, who depend on the agricultural sector for their livelihoods by providing legitimate powers to the local level government for exercising and contributing to the development of their community/municipality. Therefore, working with the provincial government bodies along with other private sector stakeholders and building their capacity for sustainable agriculture mechanization would be seen as one of the crucial steps for development.

This report aims to provide an understanding and insights into the structures emerging in the two recently establish provincial institutional structures and identify further opportunities for improvement in this structure. It is noteworthy that in the duration of compiling this report, mass changes or personal and further structural adjustment has occurred. This highlights both the fluid situation and the nature of this report as providing a snapshot in time of the current yet evolving situation.

Background



Following, the successful completion of the election of three spheres of government in 2017, Nepal entered into building a strong federal democratic system. Thus, it laid down the foundation of new political structure and administrative operation. The constitution has clearly structured the power and functions of the three layers of government in its schedule. Replacing an earlier system where Nepal was divided into administrative zones, development regions and districts, 7 provinces are formed by grouping existing districts; two districts namely Nawalparasi and Rukum are split between two provinces, adding up to 77 districts in total and 753 local units including six metropolises, 11 sub-metropolises, 276 municipal councils and 460 village councils.

Mandates pertaining to agriculture and allied sectors have been largely delegated to the provincial and local governments, increasing their decision-making powers and responsibilities for effective delivery of public goods and services. However, there are overlaps in the functioning of agriculture sector authorities at the three levels of the government: (i) Ministry of Agriculture and Livestock Development (MOALD) at the federal level; (ii) Ministry of Land Management, Agriculture, and Cooperatives (MOLMAC) in the provinces; and (iii) local level (Subedi, 2020).

After federalization of the nation, it is the local, provincial as well as the federal government who are accountable to strengthen agricultural development. Despite this mandate, many laws and bi-laws are yet to be formulated by the federal and provincial assembly to formalize their relation with both federal government and local governments. The provincial governments are in operation, yet they are still facing challenges of policies and public service delivery. This analysis provides an overview of the major dimensions that are at the frontier of the provincial government's structure. The report reviewed existing structural arrangement, formulated policies and gaps in the implementation to identify its implications in agricultural mechanization in Nepal, Province 1 and 2 in particular.

Methodology and Objective

The report is based on contents from field trips, face to face meetings with key informants and a desk-based review of legal frameworks and institutional maps of the sectoral decision-making set up. This analysis includes information on how roles has been allocated amongst various levels of government, federal, provincial, and local level for coherent implementation of Roadmaps activities. This analysis follows an iterative process rather than a step-by-step approach. The main objective of the analysis is to analyze the scope of agricultural development in the context of new government structure. However, the specific objectives of the analysis are to:

1. Map and understand the institutional landscape at provincial level;
2. Understand the institutional arrangement of agriculture sector in line with the new structure of government;
3. Assess the human resources in different level and divisions of Agriculture sector in province 1 and 2; and
4. Identify gaps and bottlenecks existing in the system.



Section: Institutional Analysis



Institutional Analysis

This section analyzes overall set up and provides an overview of decision-making landscapes and identifies the relevant government agencies in charge for agriculture development and mechanization in Nepal for Province 1 and 2. The overall analysis includes each agency's formal mandate, responsibility, tasks and actual role in agriculture development and management. Constitutionally agriculture is more state matters although it has also been the concurrent function of all central, state, and local government. The authority of agriculture extension lies with local and state while regulatory and policy are the central matters (Department of Agriculture, 2018). The constitutional provisions for agriculture sector are listed in annex 1, 2 &3.



The institutional analysis covers the following government agencies:

- The **Federal** Ministry of Agriculture and Livestock Development (MoAD)
- The **Provincial** Ministry for Land Management, Agriculture Development and Cooperatives (MoLMAC)
- The **Local** Directorate of Agriculture Development
 - Agribusiness Promotions and Training Center
 - Agriculture Knowledge Centers (AKC)
 - Farm Centers and Laboratories
- The **Federal** Nepal Agricultural Research Council (NARC)

Ministry of Agriculture and Livestock Development (MoALD)



The Ministry of Agriculture and Livestock Development is the central apex body of Government of Nepal tasked with agriculture and allied fields. The Government of Nepal established the early form of this ministry, the Department of Agriculture, in 1952, dissolving the Agricultural Council, which was the highest governing body until that time.

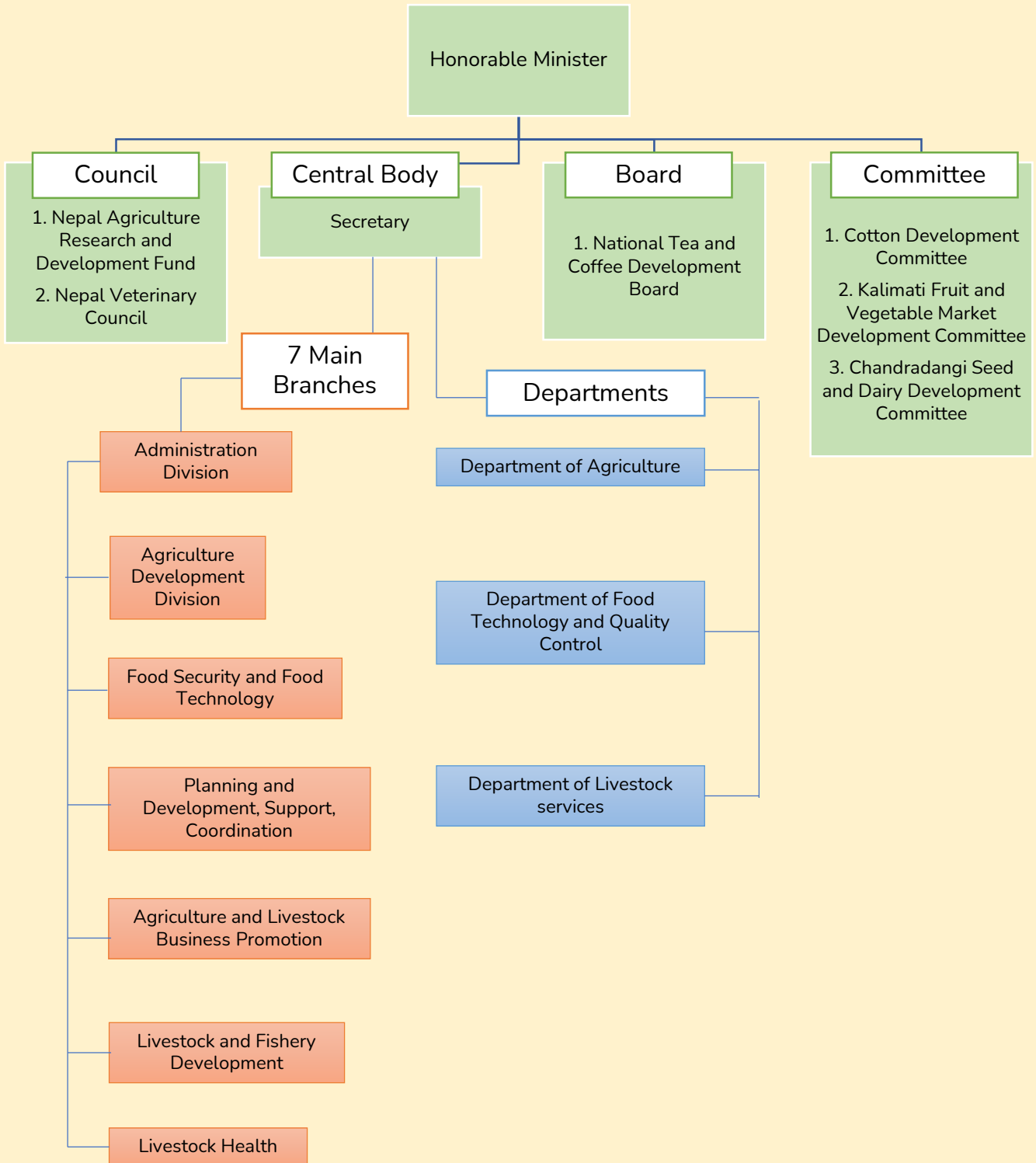
After many changes and restructures throughout the years (i.e. the addition and removal of the portfolio of *Irrigation* and inclusion of *Cooperatives*), in 2018 the portfolio of the ministry was enlarged, and the portfolio of *Land Management* was added to the then Ministry of Agricultural Development. Later in 2018, the ministry's portfolio was adjusted again, the Ministry of Land Management, Cooperatives and Poverty Alleviation was reopened while the agriculture-related portfolio was changed to Ministry of Agriculture and Livestock Development.

Agriculture is a major sector of the Nepalese economy. It provides employment to about 65 percent of the total population and contributes about 27% to GDP. Therefore, the development of the agricultural sector is important for the development of the national economy. The Ministry bears the entire responsibility for the development and prosperity of the agriculture and livestock development sector. With the main objective of formulating and implementing agricultural development policy in line with the needs and potential of the country, the Ministry aims to contribute to food security and poverty alleviation by achieving high and sustainable economic growth through commercial and competitive agricultural system. (MoALD, n.d)

Organizational Structure of the MoALD

Tier: Federal

Mandate: The Ministry bears the entire responsibility for the development and prosperity of the agriculture and livestock development sector.



Department of Agriculture

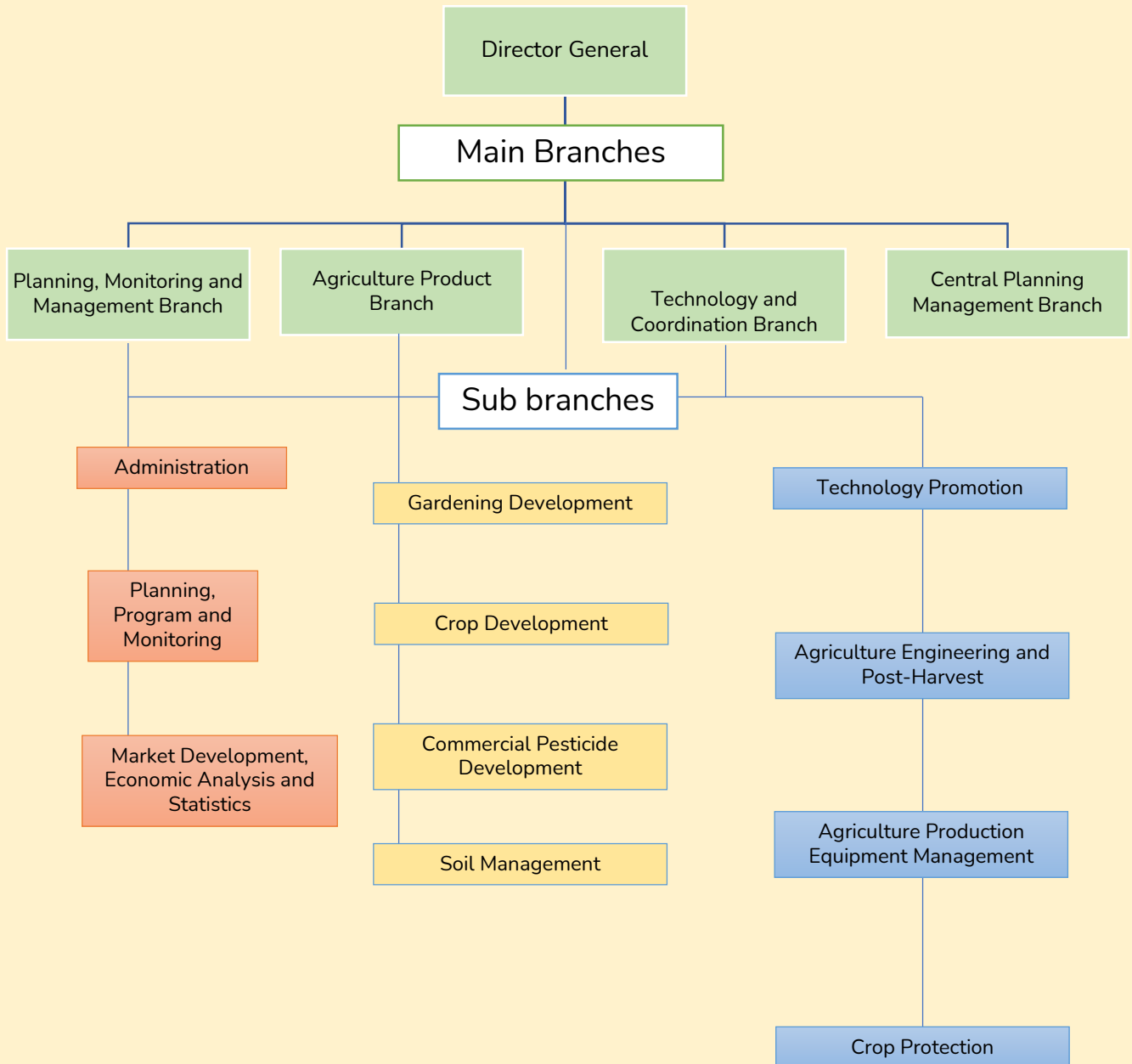
The Department of Agriculture (DoA) was established in 2008 B.S. and re-established in 2029 B.S. by merging all the five departments, (Department of Agricultural Extension, Fisheries, Horticulture, Animal Health, and Agricultural Education and Research). In 2052 B.S., DoA was reorganized, and three different departments were set up (Department of Agriculture, the Department of Animal Services and the Central Food Research Laboratory of Agriculture). In 2057 B.S., 11 technical divisions under the Department of Agriculture were changed to 12 Program Directorates. Accordingly, the Government of Nepal has already approved the administrative restructuring of all the three levels, the organizational structure at the federal, state and local levels and the manpower. To adapt to the new federal organizational structure, the past role of the department has changed, and eleven branches were established in addition to the Director-General and four Deputy Director General. District Agriculture Development Offices and Agricultural Service Centers in each district have been dismantled after federalization. The goal is to ensure food security and contribute to poverty reduction by diversifying agriculture into commercialization and the specific objectives are:

- To increase production and productivity to meet the growing internal and external demand for agricultural commodities.
 - To increase the production and productivity of raw materials required by agro-based industries.
 - To contribute to the reduction of poverty by conducting productive and employment-oriented programs for small, marginal and women farmers.
 - To run sustainable agriculture development program by maintaining balance between agriculture development and environment protection.
- (Agriculture, n.d.)

Organizational Structure of DoA

Tier: Federal

Mandate: The Ministry bears the entire responsibility for the development and prosperity of the agriculture and livestock development sector.



Nepal Agricultural Research Center (NARC)

One of the main government agricultural research and development agencies in Nepal is Nepal Agricultural Research Council (NARC) which is institutionally under the Department of Ministry of Agriculture and Livestock Development (MoALD). The main objectives are to conduct qualitative studies and researches on different aspects of agriculture; identify the existing problems in agriculture and find out the solution and assist government in formulation of agricultural policies and strategies. (NARC, n.d) Throughout the country, NARC has several national and regional research centers in all except two provinces, for which NARC is planning to establish offices in near future. Now in the new constitution, all these structures have to align with constitutional provision since both federal and province government hold the responsibility for research and development. Under NARC, there are 15 divisions, two national research institutes, 14 commodity programmes, four regional agriculture research centers and 18 agriculture research stations. (Food and Agriculture Organization, 2010)

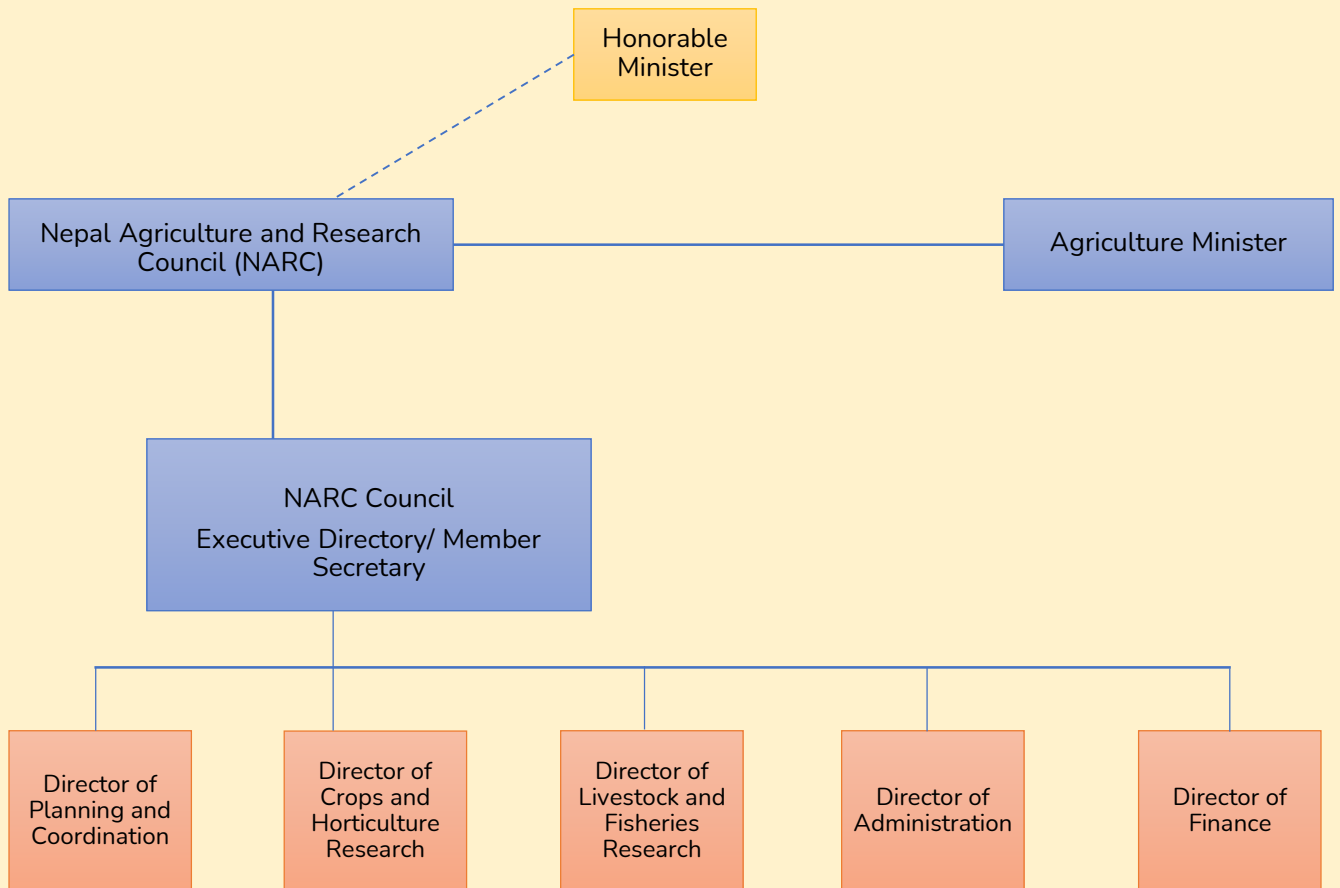
To strengthen agricultural mechanization under NARC, Agricultural Engineering Division (AED) is a focal point of Regional Network for Sustainable Agricultural Mechanization. The main goal of this division is to enhance the livelihood/socioeconomic status of farmers with the increase in production and productivity in agriculture through the adoption of environment friendly, cost effective, efficient, and appropriate agricultural mechanization tools. AED has adopted some major strategies to conduct research on agricultural mechanization in Terai, agricultural mechanization in mid hills, conservation agriculture, water management to enhance water productivity etc. NARC has also recommended agricultural technologies like Zero/ minimum tillage technologies for wheat, rice and lentil, Water management technology for early rice, wheat and maize, Rice Weeder, Rice seed dryer etc. (NARC, n.d)

In terms of coordination, the most important aspect that needs to be considered is the way to improve synergies between research and extension services. Due to some interaction gaps, findings on the latest technologies or improved farm practices are not being communicated to farmers in a timely manner. Even after the distribution of agricultural tools to farmers, proper follow up has not been conducted which caused a negative impact on scaling up of agricultural mechanization. The head of the council board is the Minister of the Ministry of Agriculture and Livestock Development and the head of the executive board is the Executive Director (ED). The main task of the council is to Formulate policy under the National Agricultural Policy for study and research on agriculture and provide necessary directions to Executive Board. The council meeting is conducted once/twice yearly with the respective board members and the agriculture minister. The Executive board key responsibility is to conduct studies and research on agriculture under the direction of the Council and oversee the overall management.

Organizational Structure of NARC

Tier: Federal

Mandate: The Ministry bears the entire responsibility for the development and prosperity of the agriculture and livestock development sector.



Ministry of Land Management, Agriculture and Cooperatives (MoLMAC)

In 2015, a new constitution was promulgated to establish Nepal as a federal state with three levels of government; federal, provincial, and local; that are empowered to enact laws, prepare budgets, and mobilize their own resources. After the federalization, MOLMAC is the major institution for agriculture policy formation, international cooperation in agricultural sector and administrating its central projects and institutions for achieving national targets of food security and food sovereignty mostly located in the capitals for each province.

The ministry promotes the sustainable and equitable economic social development of the state by developing and expanding the cooperative-based production, enterprise, and service business by promoting the principles and values of the cooperative, increasing the use of sustainable technology to promote livestock and agriculture production. The ministry aims for sustainable agricultural development by transforming agriculture system through mechanization, competitive markets, agricultural credit and commercialization for improving the living standards of the people.

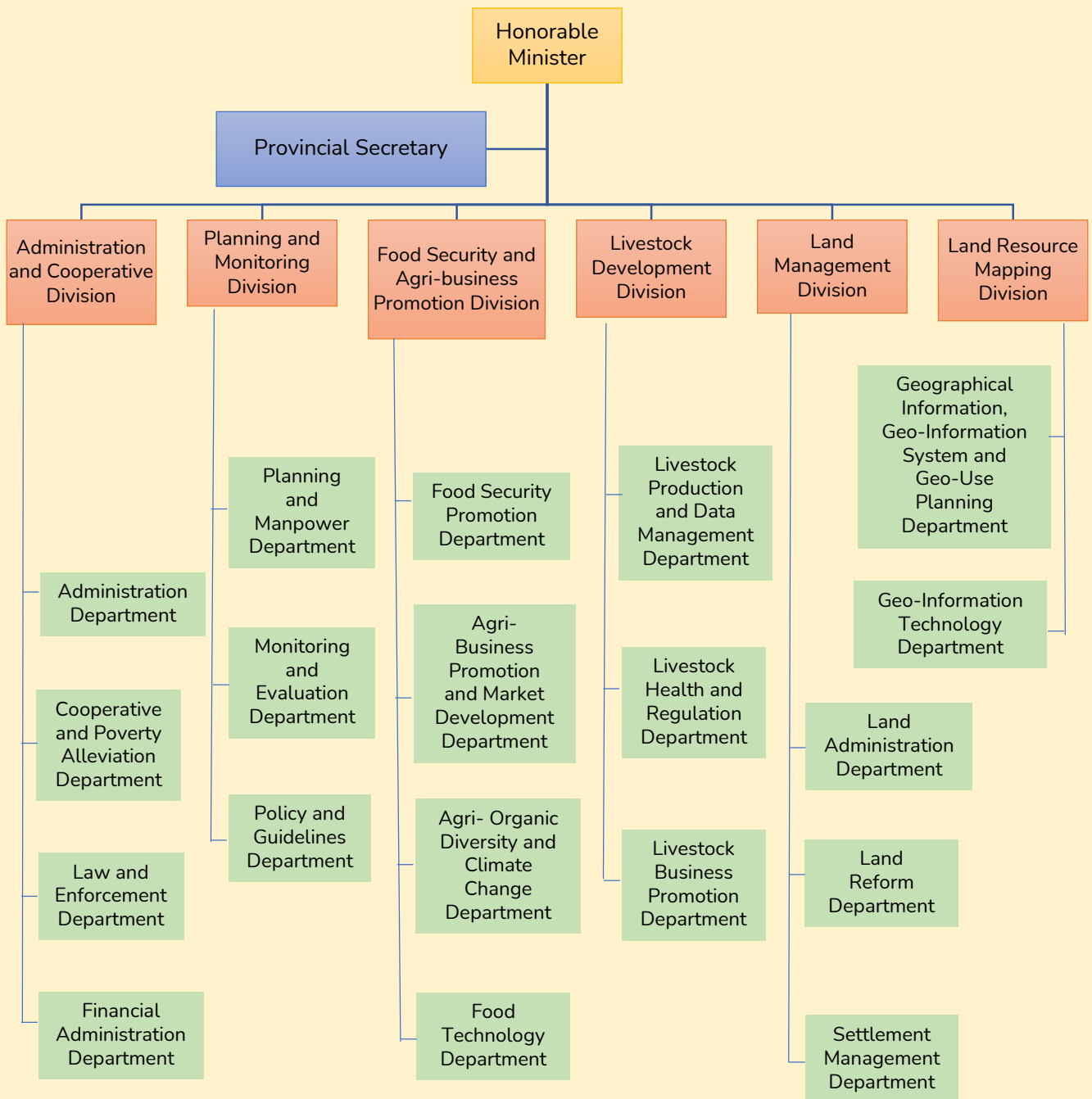
Each province has their own priorities and have formulated plans and strategies accordingly however has legitimate powers to formulate provincial policy, law, standards, planning, implementation, and regulation relating to agriculture, livestock development and food nutrition. Some of the powers exercised by the provincial government are stated in annex 2.



Organizational Structure of the MoLMAC

Tier: Provincial

Mandate: promotes the sustainable and equitable economic social development of the state



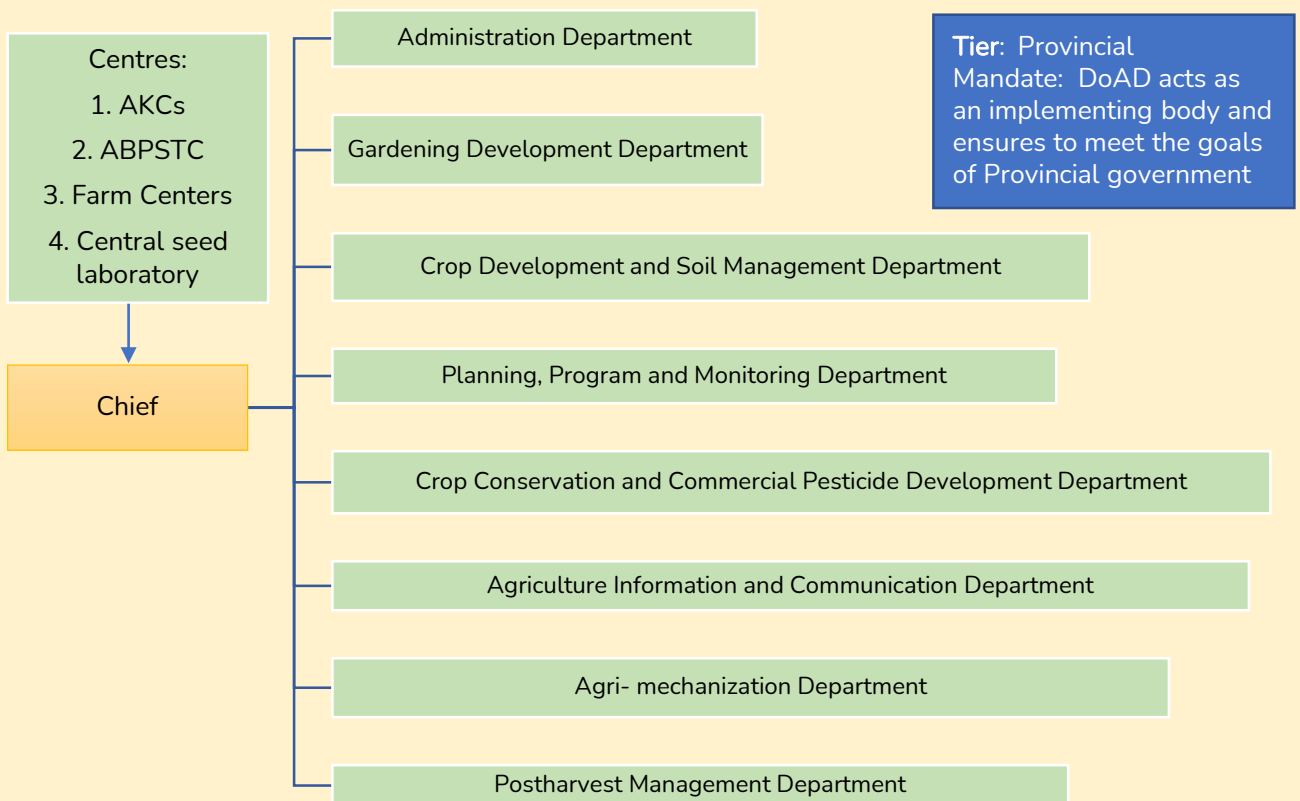
Directorates of Agriculture Development (DoAD)

Article 302 (1) of the Constitution of Nepal 2072 B.S provides that the Government of Nepal may make necessary arrangements for the provision of services at the state and local level. Based on the elaboration of the list of rights at the province level, the Ministry of Land Management, Agriculture and Cooperatives of the State Government with approval by the Council of Ministers of the Government of Nepal established an organization structure body mostly named as Directorate of Agriculture Development as an implementation body. It works closely with MoLMAC of their respective province and contributes to achieving high and sustainable economic growth through competitive agricultural system. The Agriculture Knowledge Centers (AKCs) and farm centers in provinces along with Agriculture Business Promotion Support and Training Center (ABPSTC) implement the central and provincial policies through appropriate budgeting and program. The main objectives of DoAD are:

- To become self-reliant in agricultural production by increasing agricultural production and productivity.
- To transform the subsistence farming system into a for-profit, sustainable and commercial system.
- To increase employment and income by developing agro-based industries.
- To support the national economy by increasing the competitiveness of the agricultural sector. (Government of Nepal, 2018)



Organizational Structure of DoAD



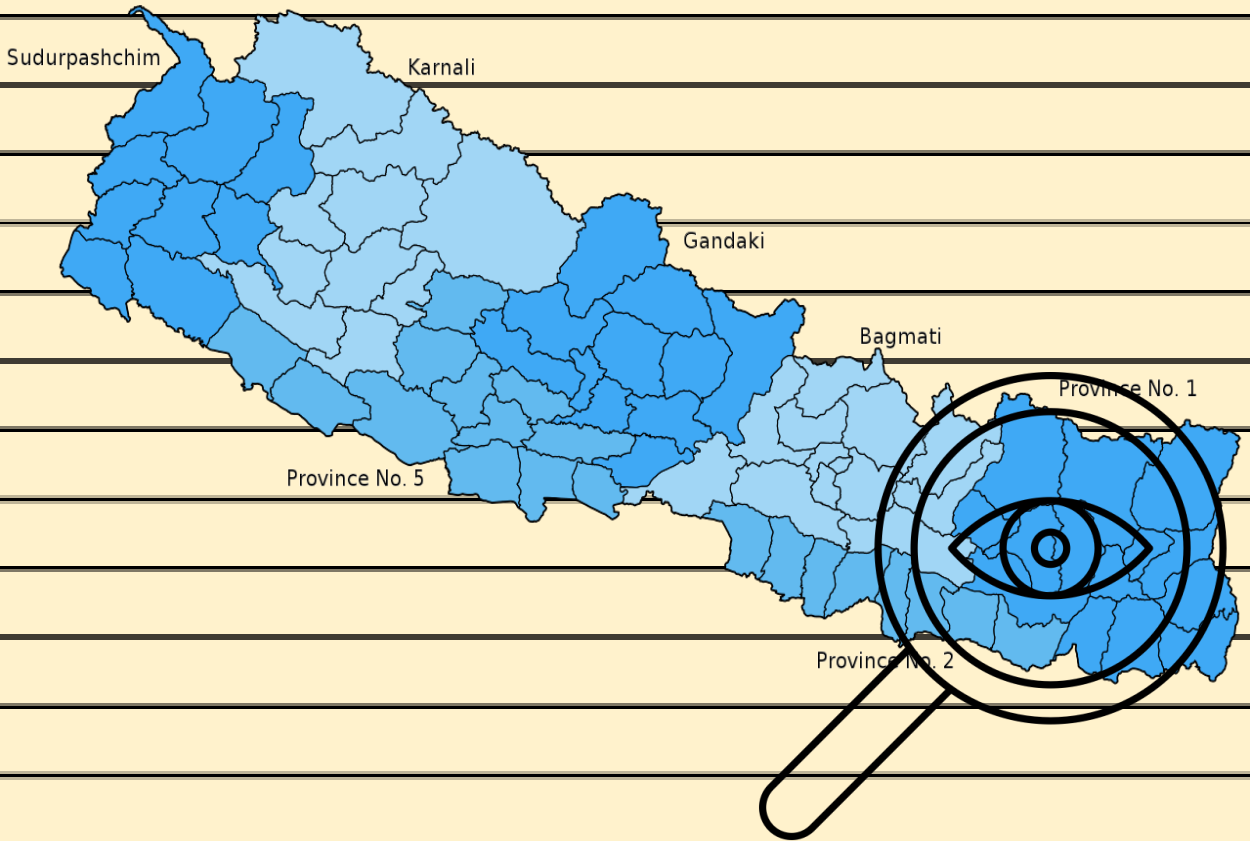
Agriculture Business Promotion Support and Training Center:

Agriculture Business Promotion Support and Training Center (ABPSTC) is an implementing body in each province and serves as a one-stop where a range of service offerings are provided to new, budding and established entrepreneurs. Entrepreneurs can access training, mentoring and coaching services, facilities, market research and linkages, financing and government, industry, and donor networks. The center aims to provide mentorship and relevant business training programs thus building the capacity and skills and supporting to achieve sustainable and commercial farming systems.

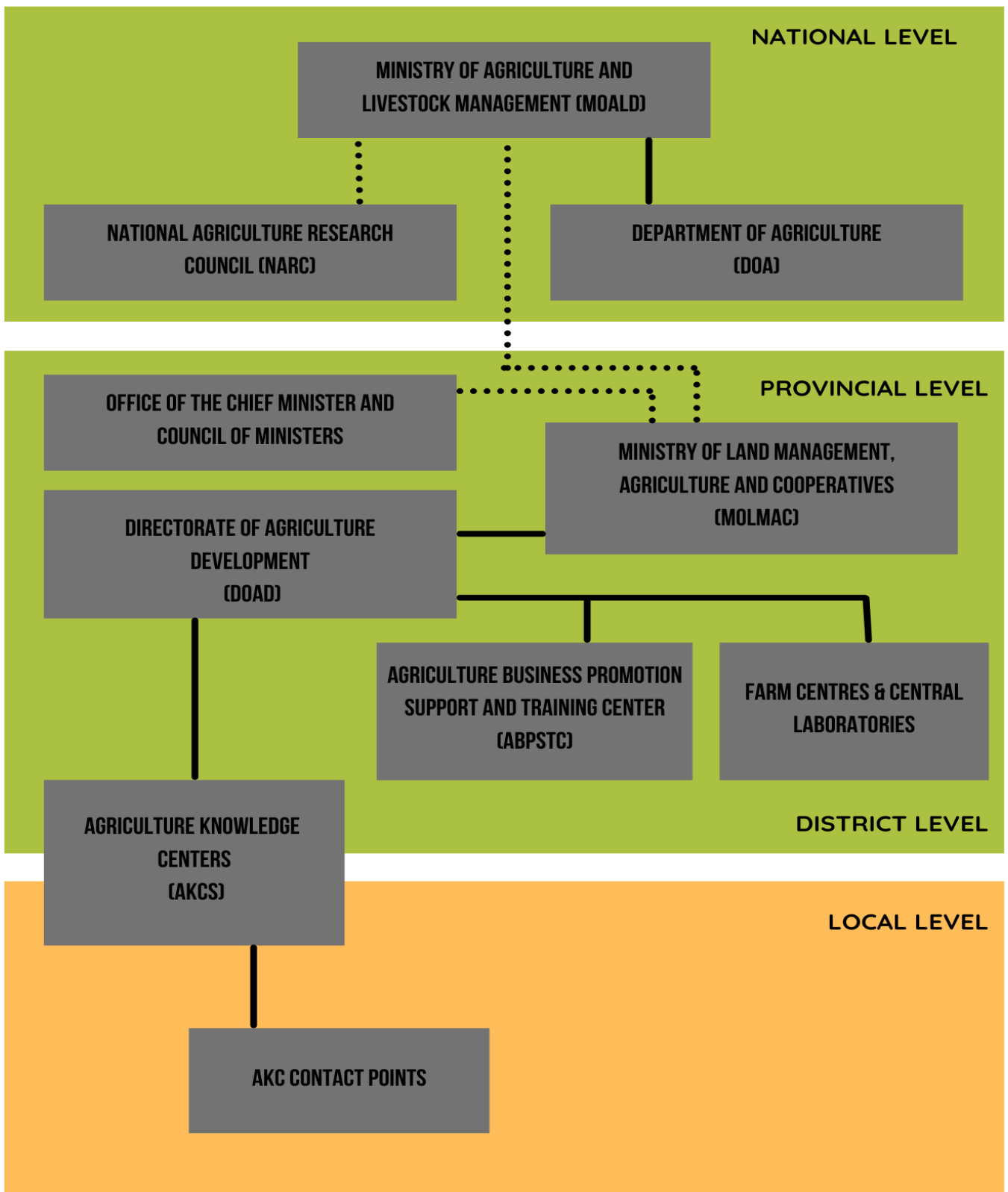
Agriculture Knowledge Center:

Agriculture Knowledge Center (AKC) is developed as a coordinating body to lead and backstop the agriculture functions to achieve national priority and works in close collaboration with DoAD and ABSTC in their respective province. The Center was established by renaming the District Agriculture Development Office with extended areas of intervention but reduced number of staff. The AKC works as a liaison between farmers and suppliers in providing any inputs, feedbacks, and information relevant to agricultural practices. Farmers can submit their needs and demands and AKC works as a medium to convey the farmer's requests as well as is accountable for dissemination of knowledge and technologies developed by the national agricultural research systems.

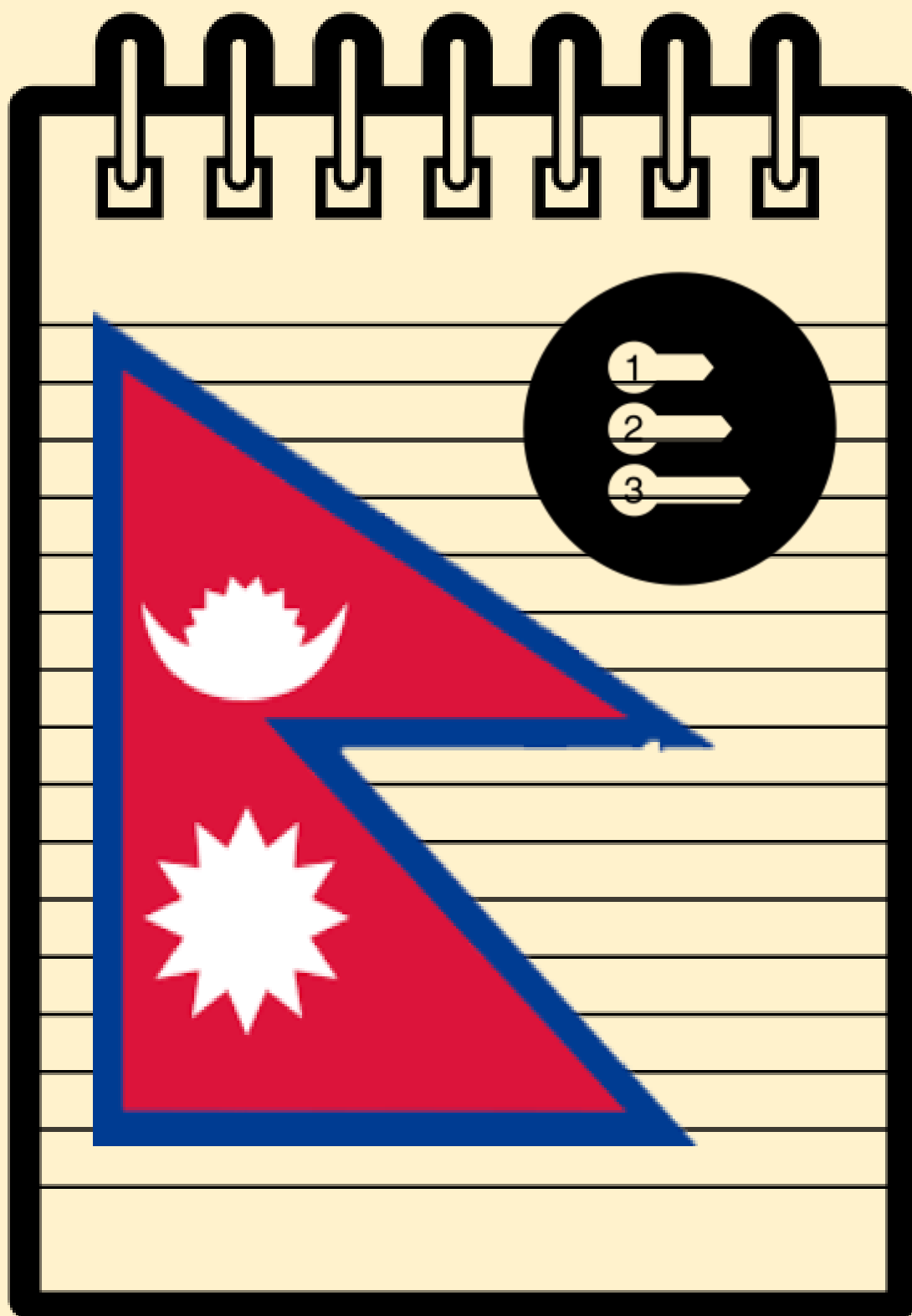
Section: Provincial Overviews



Provincial Overview Chart



National Policies and Priorities



National Policy Context

The absence of clear procedures and standards associated with the devolution, and the lack of technical and human resource capacity of the nascent provincial and local governments present acute challenges for agriculture sector performance. Previously adopted national policies and the ADB-assisted Agricultural Development Strategy (ADS) are yet to be fully adapted to the subnational context new regulations need to be formulated, and newly inaugurated offices require institution building and capacity development. The ADS, a twenty-year vision for agriculture development in Nepal, is expected to accelerate agricultural growth through four strategic components related to commercialization, productivity, competitiveness, and governance while promoting inclusiveness and sustainability. Therefore, ADS remains a major policy guideline which is intended to provide direction within the sector for the next two decades and streamlines subsequent major strategies, policies, periodic plans and programs in the country.

Along with ADS, there are also several cross-ministerial policies and strategies intended to achieve food security more broadly, including the Multi-Sector Nutritional Plan, the Food Security Action Plan, and the Zero Hunger Challenge Initiative 2025. Some of the national policies that forms the base for agriculture in Nepal and guides other policies formulated at the provincial level are:

- i. **NATIONAL AGRO-BIODIVERSITY POLICY 2007** (2063 BS): This policy vision is to conserve and sustainable use of agricultural genetic resources / materials and associated traditional knowledge with the participation of concerned stakeholders for present and future generations.
- ii. **NATIONAL AGRICULTURE POLICY, 2004** (2061) The policy aims at increasing productivity and promoting natural resources to utilize them in the interest of farmers. It emphasizes competitiveness of agriculture sector encouraging farmers to go for commercial production.
- iii. **NATIONAL SEED POLICY, 2000** (2056 B.S.) The main aim of formulating this policy is to effectively manage production, processing and testing of high quality seeds and their timely availability to the farmers.
- iv. **NATIONAL FERTILIZER POLICY, 2002** (2058 B.S.) This Fertilizer Policy is sub-component of the Government's broad National Agriculture Policy as set out in the Agriculture Perspective Plan (1995- 2015). The aim of this policy is to enhance agricultural productivity through improvement in soil fertility and thereby contribute to the national goal of poverty alleviation.

National Policy Context

v. **IRRIGATION POLICY, 2014 (2070 B.S.)** The policy aims to develop irrigation facility for the achievement of the objectives related to the climate change, to avail round the year irrigation facility through effective management of existing water resources; develop institutional capacity of water users for sustainable management of existing systems; and enhance knowledge, skills and institutional working capability of technical human resources, water users and NGOs relating to development of irrigation sector.

vi. **AGRICULTURAL MECHANIZATION PROMOTION POLICY, 2014** The policy's salient features include, increasing competitiveness, modernizing and commercializing Nepalese agriculture through appropriate mechanization, and focusing on environment, women and youth farmer-friendly agricultural mechanization. It also imparts dignity to farm work and makes farming attractive to educated rural youth.(Thakur, 2018)



Section: Province 1



General Overview of Province 1



Province No. 1

Province 1 lies in the easternmost part of Nepal surrounded by Tibet in the North, Sikkim to the north east, West Bengal to the east and Bihar to the South. Provinces 3 and 2 of Nepal are positioned to the West. This Province is comprised of 14 districts which covers three Terai districts, one inner Terai and 10 hills and high hills districts. The economy of this province is mainly based on agriculture and tourism. The total area covered by Province 1 is 25,905 square km.

The Capital of Province 1 is Biratnagar. It has one metropolitan and two sub-metropolitan cities. Agriculture is focused around tea, cardamom, paddy, maize, wheat, potato, and millet. crops. Jhapa, Morang and Sunsari district of Terai and Udayapur of Inner Terai have fertile land for farming paddy, wheat, sugarcane, maize, millet and jute. Farmers of terai region also produce fruits like mango, litchi and banana. Tea, cardamom and ginger are main crops in hilly region. Ilam and Jhapa are the main districts for the production of tea although Panchthar, Dhankuta, Bhojpur and Solukhumbu are emerging regions intensifying tea production. Different fruits like citrus and Kiwi fruit, as well as vegetables and spices like Cardamom and ginger are commercially grown in this region. Chhurpi, a type of cheese produced from yak in some hilly and mountainous region of Province No. 1 is important product and has high demand in the other parts of country (Department of Agriculture, 2018).

Institutional Arrangement for Agriculture in Province 1



In Province one, the head body is the MoLMAC that formulates policies, planning and budgeting programs relevant to agriculture. Under this body, there are several divisions of which the Directorate of Agriculture Development carries out activities related to agriculture development in the province.

The Directorate of Agriculture Development is the implementing body and governs the tasks of Agriculture Business Promotion and Training Center, Agriculture Knowledge Center (AKC) and Farm Centers and Laboratories. This Directorate under P-1 consists of the Agribusiness Promotion Assistance and Training Center (1), Agricultural Knowledge Center (AKC; 11) and Farm / Center / Laboratory (8) to provide services related to commercialization, mechanization, modernization and marketing of agriculture to the farmers of 14 districts (Directorate of agriculture development, n.d).

MoLMAC plans to establish AKC in all 14 districts (see for existing AKCs) as well as implementing some structural changes in the future. The AKC provides technical support and information to the municipal level contact points but there is no reporting mechanisms as yet.

The Agriculture Business Promotion and Training Center based in Jhumka implements the capacity building trainings and provides technical inputs as required. In addition, there are several Farm Centers and Laboratories; there are 6 sub-divisions such as Seed Laboratories in Jhumka, Soil and Fertilizer Laboratories in Jhumka and Surunga, Crop Experiment Laboratories in Biratnagar, Silk Center in Dhankuta, and Nursery Centers in Solukhumbu and Jaubari. They assist the Ministries in policy matters, bringing in their operational knowledge and implementation experiences.

In addition, MoLMAC uses the platform of District Coordination Committee to coordinate with the bodies at the municipal and local level for implementing any activities.

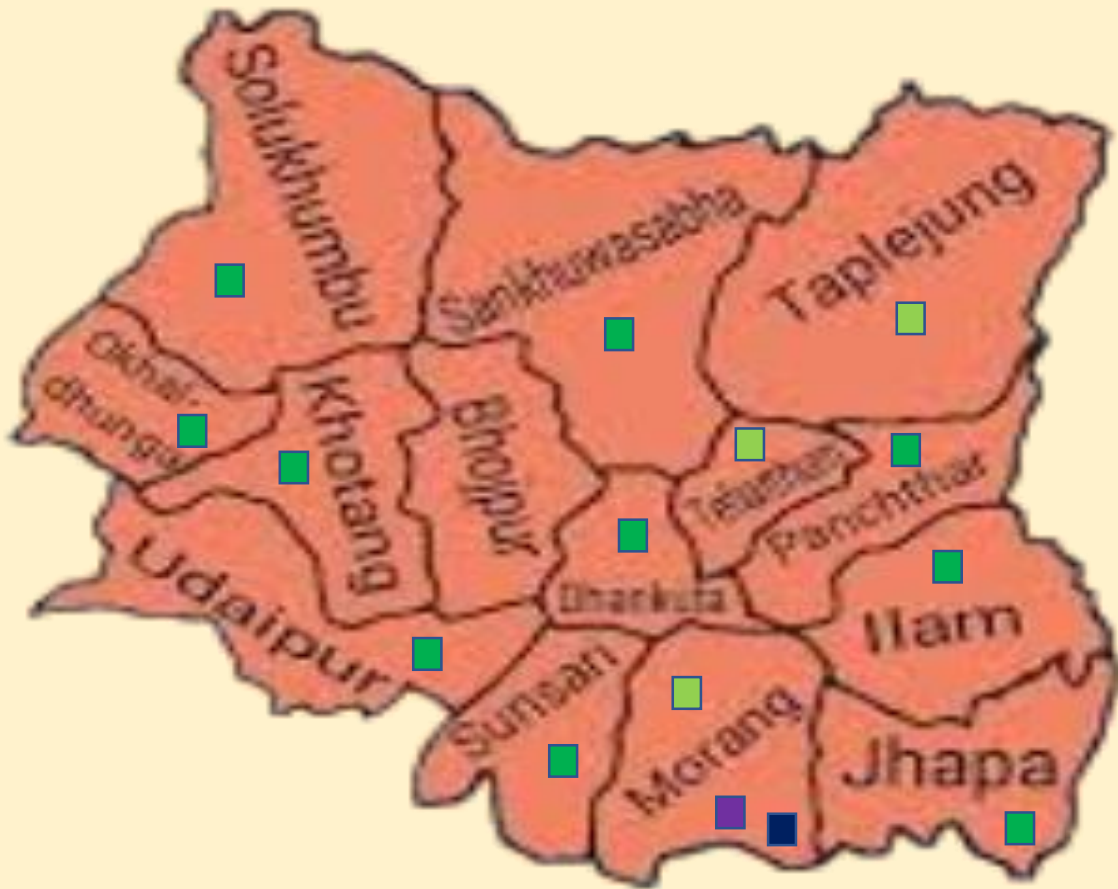
The Provincial government has a substantial budget to invest on Agriculture development including mechanization. The office premises in Province 1 were scattered and not situated in the same location. The provincial government are developing their own policy at the provincial level for implementing their activities. A policy on establishing Custom Hiring Centers for agriculture mechanization is under process and they also have plans to formulate some reporting mechanisms between the local level contact centers and the AKCs in the province. Most of the positions were fulfilled but some were yet to be filled and the recruitment of new staff were still in process.





The main objectives of P-1 are:

- To increase agricultural production and productivity.
- Develop the bases of commercial and competitive agricultural credit and make it competitive with national, regional, and international markets.
- To conserve and utilize natural resources, environment, and biodiversity.



Map of Institutions

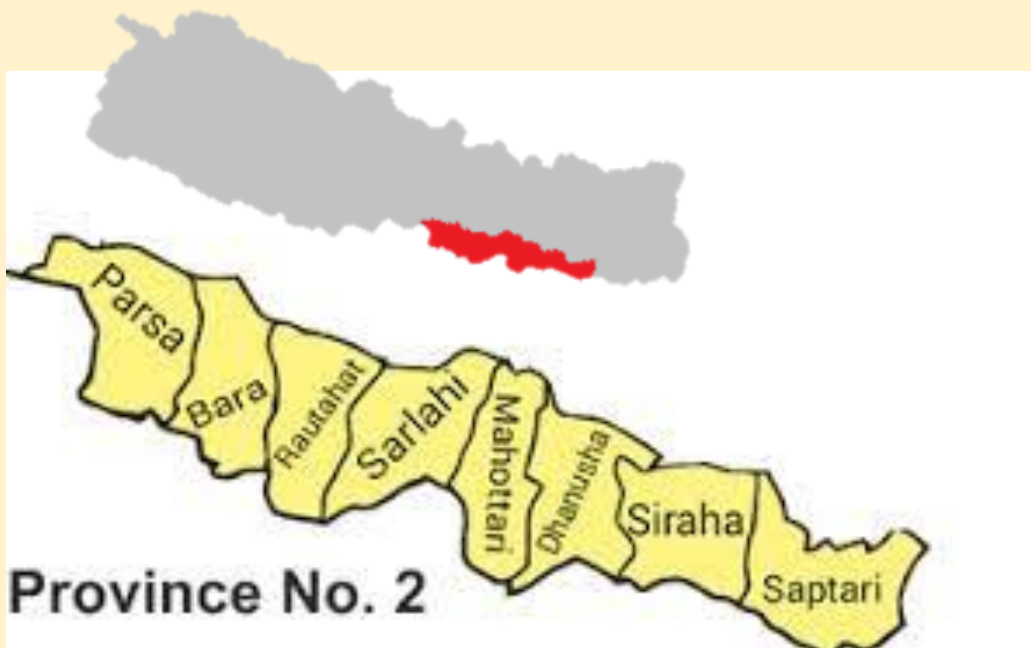


-  Ministry of Land Management and Cooperatives
-  Directorate of Agriculture Development
-  Agriculture Knowledge Centers
-  Agriculture Knowledge Contact Points

Section: Province 2



General Overview of Province 2



Province 2 lies in the southeastern region of Nepal, is the smallest province in terms of area coverage. It is surrounded by Province 3 to the North and West, Province 1 to the East, and the Bihar Province of India to the South. This province belongs to one of the most densely populated states of the country with a total population of 5.4 million. It's size is 9,661 sq km (NRB, 2075).

The province is dominated by the Terai region of Nepal and comprises the major eight Terai districts from east to west namely Bara, Dhanusha, Mahottari, Parsa, Rautahat, Saptati, Sarlahi and Siraha. The capital of the province 2 is Janakpur which is also an important religious and cultural location. It has one metropolitan and three sub-metropolitan cities. The province is very important from the perspectives of agriculture, industry, and tourism with the least possibility of hydro-electricity development. The large section of southern part bordering with India, provides big business corridor and around 40% of tariffs collection is from the border points located in this province. The province is totally located on a flat plain land which is also called the Terai and thus have quite easy terrain with greater opportunity for agriculture production where surface irrigation is the easiest; however, the floods during rainy season poses dangers equally. The region produces a variety of crops including rice, wheat, maize, sugarcane, jute and vegetables and are highly commercialized. Likewise, fish farming is also major source of income of the people of this province. Almost 50% of total fish production in the country, comes from this province. (Department of Agriculture, 2018)

Institutional Arrangement for Agriculture in Province 2

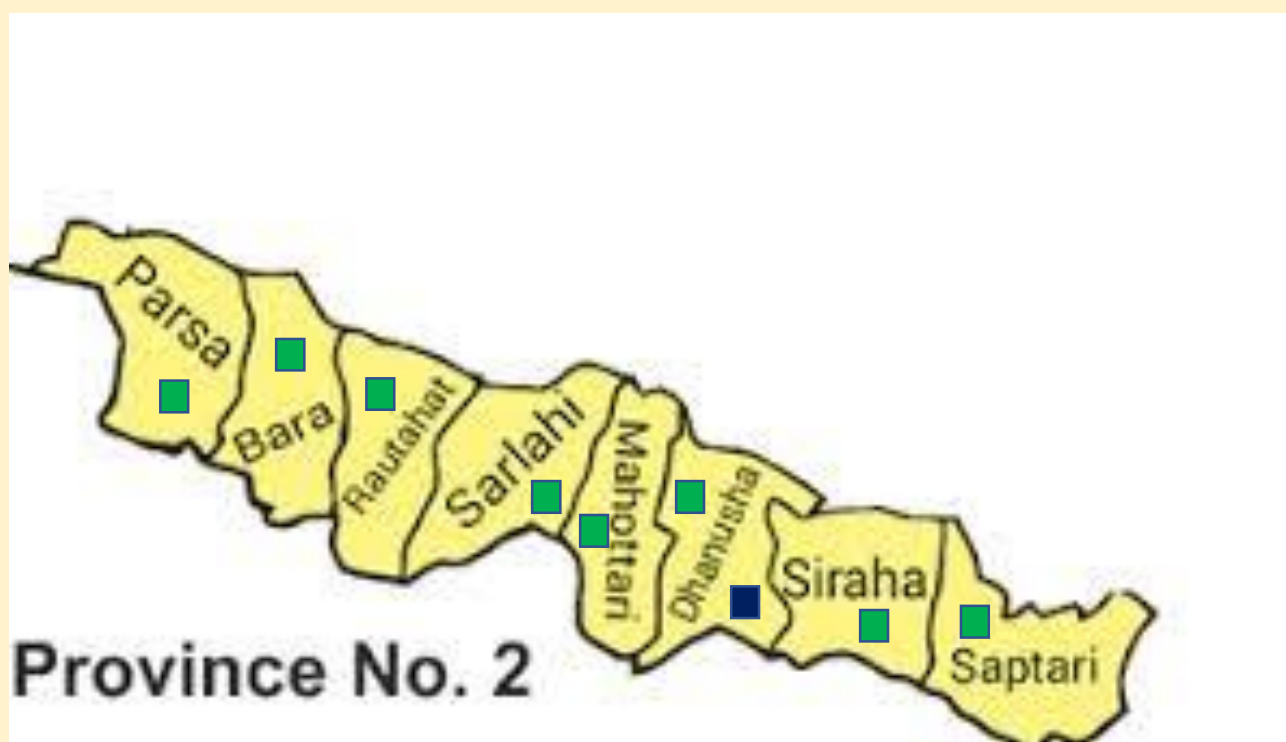
According to the new structure, there is the Ministry of Land Management Agriculture and Cooperatives (MoLMAC) that formulates policies, planning and budgeting programs relevant to agriculture in Province 2. There are two divisions in MOLMAC: Directorate of Agriculture Development and Directorate of Livestock and Fisheries Development.


The Directorate of Agriculture Development manages three other departments- Agriculture Knowledge Center (AKC), Agriculture Business Promotion and Training Center, and Farm Centers and Laboratories. There is total 6 AKCs and 1 contact point for disseminating information and implementing agriculture relevant activities in this province. Under the Farm Center and laboratories, there is 1 Agriculture conservation laboratory, 1 seed laboratory and 1 Soil and fertilizer laboratory in existence. Similarly, there are several divisions under the Directorate of livestock and fisheries development as well.


The offices in Province 2 are closely situated, Janakpur being the hub for provincial ministries and then the directorate and ABPSTC along with other agriculture mechanization project offices in Naktajhij. They have plans to make farmer's adopt agriculture mechanization for better production and economic growth. Most of the positions including the appointed Chief were vacant because some of the office infrastructure was not established yet and people were reluctant to get transferred in that particular province.



Map of Institutions



 Agriculture Machinery Testing and Research Centre

 Agriculture Knowledge Centers

Section: Conclusion



Conclusion



In the new structure, the Government's priority is on effective management of local governance system. For effective governance and development, the existing four ministries have been merged into one as the Ministry of Agriculture, Land Management and Cooperatives.

At federal and local levels, the provinces have established their own governing and administrative structures. Widespread tasks regarding public services, planning, implementation, agriculture, livestock, and social development are transferred to the ward level structures. Policies are being formulated by the Provinces to promote agricultural mechanization and subsidies in machinery including CASI technology such as ZT-MCP. However, this has remained limited to the document but not in practice.

According to the policy, adequate human resources positions have been allocated, some are fulfilled, and some are still on the process of getting the positions fulfilled in both Provinces. However even in the fulfilled positions, few executives have not reached to the duty station yet due to various reasons like, being on a long study leave (about a year or more), nearing the retirement age, work location (preferred to be home-based) etc.

Women representation in the staff employment in both Provinces are found to be nominal. The finding generated from the interactions with current employee of concerned department and divisions who believed that women are less interested in agriculture sector.

Infrastructure within agriculture division in Province 1 is well established. However, few agriculture divisions in Province 2 are either still under construction or not set up at all. Some of the assigned senior staff are not motivated to take the responsibility in their respective Province due to their personal interest. Consequently, there is a gap in managerial position in the provinces where subordinate (junior staff) are taking over the responsibilities.

Conclusion

Since the restructuring system as a whole in Nepal is still in the initial stage, the level of confusion and ambiguity among the staff and elected bodies is high mainly about their roles and responsibilities and the scope of work. This might also be one of the reasons behind the gap in coordination or communication among the stakeholders. To minimize this gap, capacity building training to elected bodies and local staff can be organized.

Adequate funds for promoting agriculture mechanization are available at the provincial level. Due to the lack of subjective knowledge, planning and proper design, only limited activities has been accomplished. Trainings to planners (including elected bodies and staff both technical and non-technical) can help local government to plan and implement agriculture mechanization activities.

Besides, the newly formed institutional arrangement of the local government in Nepal is deeply flawed. There is a huge gap in terms of knowledge, skills, and mainly power structure between central government and local government staff. The positive part is that the provincial ministries have shown their interest in working towards agricultural mechanization and have allocated budget as well. They are looking forward to work and invest budget, even approach the office of the chief minister and their councils for support in the field of Agricultural Mechanization. CIMMYT has already started communicating with the focal persons in MoLMAC for implementing the activities of the Roadmaps project.

Along with the allocation of the budget for agricultural mechanization, focus on climate smart agriculture and ensuring the supply of major inputs like fertilizers and seeds for increased productivity, coordinating with national projects like Prime Ministers Agriculture Modernization Project, Livestock Innovation Project and upcoming Agriculture Food Security Project; and collaborating with prioritized program of provincial government are equally crucial. At the same time, there is a lack of institutional clarity within provinces and confusion over the roles and responsibilities among government agencies also persist. This can be a big challenge in the path of implementation because the responsibility of actual implementation lies with local institutions. Currently, the agriculture sector is devolved in theory but not in practice, with appointed bodies rather than elected local government bodies exercising relatively little authority over many aspects of budgeting and employment. Although the constitution lists out the concurrent powers at the federal, provincial, and local levels however, exactly how and over which domains authority will be devolved remains unresolved, as —agriculture has been listed as a synchronized function across all tiers of government in the Constitution. The main challenges is insufficient human capacity and the gap in the expertise within the organization between highly experienced staff nearing to their retirement and fresh recruits.

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Annexes

Annex 1: Constitutional provisions for agriculture sector

Article	Constitutional provision
25.4 right to property	State has right to use public property for land productivity, agriculture modernization and commercialization, environment protection under the provision of law
36 Food related rights	<ul style="list-style-type: none"> -Each citizen have right to food -Each citizen have right against food deficiency -Each citizen have right to food sovereignty under law
42. right to social justice	-each farmers have right to access to land for farming and have right to use indigenous and local seed and variety and their protection
51.e land and land management policy	<ul style="list-style-type: none"> -scientific land management for the benefits of farmers and to avoid dual ownership - Discourage absentee landlordism and fragmentation to increase production and productivity - Implement land use policy to protect peasants rights and for land management, and agriculture commercialization, industrialization, diversification and modernization - Regulation, management and judicious use of land to achieve land productivity, through balance in nature and environment - Management of agriculture inputs, ensure appropriate product pricing and increase farmers' access to market
51.j civil fundamental needs related policy	- Encourage production based on suitable climatic and soil condition and enhance investment in agriculture sector in accordance with food sovereignty to ensure sustainable production, supply, storage, secured and effective distribution system
57. Distribution of state power in three level of governments	<p>Annex 5. Absolute central function</p> <ol style="list-style-type: none"> 1. Central Projects related to agriculture (Appendix 5, S.N. 5) 2. International treaty and agreement related to agriculture (Appendix 5, S.N 7) 3. Central Statistics related to agriculture (National and international indicators and quality) Appendix 5, S.N. 13 4. Quality control and monitoring (Appendix 5, S.N 16 and 13) 5. International Trade related to Agriculture (Appendix 5, S.N. 18) 6. Quarantine (Appendix 5, S.N 18) 7. Intellectual Property Rights, Patent (Appendix 5, S.N 24) 8. International Climate Management (Appendix 5, S.N 27) 9. Insurance Policy (Appendix 5, S.N. 28) 10. Land use policy, climate resilience (Appendix 5, S.N 29) 11. National commission, Farmers commission being formulated (Appendix 5, S.N. 33) 12. Social Security and Poverty alleviation (Appendix 5, S.N. 32) 13. Those issues not listed in exclusive functions of central, state and local government or concurrent functions. <p>Annex 6: Absolute province function</p> <ol style="list-style-type: none"> 1. State statistics (Appendix 6, S.N. 6) 2. State trade (Appendix 6, S.N 11) 3. State Research (Appendix 6, S.N 13) 4. Land Management (Appendix 6, S.N. 16) 5. State level environment management (Appendix 6, S.N. 19)

Source: Constitution of Nepal, 2072

Annexes

Annex 2: Exclusive Powers of Federation on Agriculture (Schedule 5 of the Constitution)

1	National policy, law and standardization and regulation relating to agriculture
2	National policy and standardization and regulation relating to biological diversity and biological technology
3	Relation and coordination with multilateral and bilateral agencies and organizations relating to agriculture
4	Statistic system of national standard, study, research, resource protection, development and expansion relating to agriculture
5	Development and management of international accreditation relating to agriculture and food
6	International trade facilitation and regulation relating to agriculture and food
7	Coordination and regulation relating to imported fertilizer supply
8	International epidemic control of agriculture and livestock
9	National policy, standardization relating to veterinary
10	Registration, permission, renew, dismissal and regulation of veterinary doctor
11	Inter-state development and promotion of agriculture, industrialization, livestock industry business
12	Determination of national quality and regulation relating to seed and breeding
13	Policy, law, and regulation relating to inland pasture land and barren land
14	National food security, food rights and food sovereignty
15	Policy, law, standards, implementation and regulation relating to quality of food stuffs quarantine and hygienic food
16	Policy, law, standards, implementation, and regulation relating to animal and botanical quarantine
17	Policy, laws, standards, planning and regulation relating to use of land
18	Food security, food rights and food sovereignty
19	Federal food nutrition policy formulation and monitoring
20	Agriculture and livestock relating drugs and pesticides
20.1	Policy, law, standards and regulation relating to agriculture and livestock relating drugs, utilization and management of micro nutritional and pesticides
20.2	Information collection and information delivery of permitted and restricted pesticides in international level
20.3	Relation, coordination and cooperation with international organizations relating to pesticide control and management
20.4	Import permission and regulation of drugs and pesticides

Annexes

Annex 3: Exclusive Powers of Province on Agriculture

1	Provincial policy, law, standards, planning, implementation and regulation relating to agriculture, livestock development and food nutrition
2	Agriculture and livestock related diseases, insects and epidemic control
3	Matters relating to agricultural industrialization, development of livestock related industry occupation and promotion
4	Matters relating to agriculture and livestock mechanization and development of developed equipment and expansion
5	Registration, permission, renewal, dismissal and regulation of para vet according to national policy and state
6	Management and regulation of curing laboratory for agriculture and livestock diseases
7	Quality determination and regulation of agriculture product, livestock, livestock related materials
8	Affiliation, standardization, determination of quality and certification of agricultural materials, services and technology
9	Quality control and regulation relating to seed and breeding
10	Provincial policy, law, and regulation relating to grazing land and barren field
11	Matters relating to provincial food security, food rights and food sovereignty
12	Matters relating to agriculture related provincial statistic system, study, research, source protection, development and expansion and common agriculture system
13	Study, research, development and promotion relating to agriculture, and livestock related and food technology
14	Matters relating to agriculture fertilizer, seeds and pesticides supply management and regulation
15	Development and management of provincial laboratory relating to agriculture livestock and food
16	Matters relating to agriculture extension, farmer training and capacity development and empowerment
17	Minimum price implementation of agricultural products
18	Planning and implementation relating to agriculture and livestock insurance
19	Matters relating to agriculture market and infrastructure development and operation
20	Development and management of agriculture firm Centre
21	Provincial policy, law, standards, implementation and regulation relating to use of drugs and pesticides
22	Permission and regulation relating of sale and distribution according to the pesticides standards
23	Standard implementation of agriculture related micro nutritional goods and pesticides
24	Production and regulation of livestock medicine
25	Monitoring and control of production, sale and use of pesticides

Annexes

Annex 4: Constitutional rights related to food security

Article	Constitutional provision
25.4 right to property	State has right to use public property for land productivity, agriculture modernization and commercialization, environment protection under the provision of law
36 Food related rights	-Each citizen have right to food -Each citizen have right against food deficiency -Each citizen have right to food sovereignty under law
42. right to social justice	-each farmers have right to access to land for farming and have right to use indigenous and local seed and variety and their protection
51.e land and land management policy	-scientific land management for the benefits of farmers and to avoid dual ownership - Discourage absentee landlordism and fragmentation to increase production and productivity - Implement land use policy to protect peasants rights and for land management, and agriculture commercialization, industrialization, diversification and modernization - Regulation, management and judicious use of land to achieve land productivity, through balance in nature and environment - Management of agriculture inputs, ensure appropriate product pricing and increase farmers' access to market
51.j civil fundamental needs related policy	- Encourage production based on suitable climatic and soil condition and enhance investment in agriculture sector in accordance with food sovereignty to ensure sustainable production, supply, storage, secured and effective distribution system
57. Distribution of state power in three level of governments	Annex 5. Absolute central function 1. Central Projects related to agriculture (Appendix 5, S.N. 5) 2. International treaty and agreement related to agriculture (Appendix 5, S.N 7) 3. Central Statistics related to agriculture (National and international indicators and quality) Appendix 5, S.N. 13

Annexes

Annex 5: Contact list of Province 1 & 2

See here:

https://cimmyt-my.sharepoint.com/:w:/g/personal/b_brown_cimmyt_org/EQ5Zzehho75MvtZuHDynfh0BtDLGsfpXZegnYeaPLRlmvg?e=l8S6S8



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