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Support to Rural Livelihoods and Climate Change
Adaptation in Himalayas (Himalica)

ANNUAL INTERIM PROGRESS REPORT 2016

International Center for Integrated Mountain Development (ICIMOD)
Kathmandu, Nepal



ICIMOD

Table of Contents

Table of Contents	1
Executive Summary.....	1
1. Detailed Narrative Progress as per Log-frame	4
Activity 1. Develop Capability to Adapt Policy:.....	4
Activity 2. Knowledge Management:	6
Activity 3. Collaborative Action Research:	10
Activity 4. Pilot Projects:	14
Activity 5. Capacity Building:	27
2. Programme Management	29
a) Interlinkages and Synergies	29
b) Partnership Development.....	29
c) Operational Management.....	30
3. Constraints and challenges	31
a) Security concerns and restrictions on visits to pilot sites:.....	31
b) Delays in release of funds to Partners due to stricter financial procedures:.....	31
c) Unforeseen externalities:.....	32
4. Lessons Learnt	32
a) Lessons for uptake and scaling up	32
b) Lessons in Project implementation	33
5. Fund Utilization	34
6. Plan for the next reporting period	34
7. Risk assessment and mitigation measures	34
8. Major deviations from 2015 plan	35
9. Tabular Progress Report	36
10. Annexes	56
Annex 1: Financial Statement	
Annex 2: Logical Framework (Himalica-addendum)	
Annex 3: List of Partners	
Annex 4: Minutes of the 4th Programme Steering Committee (PSC) Meeting	

Executive Summary

The Himalica programme has made considerable progress in 2016 with all round efforts stimulating a significant increase in activities across components, locations and scales. With the surge in the volume and scope of activities during the reporting year coupled with concerted efforts in streamlining implementation efforts, significant progress has been made in laying down a strong foundation for meeting the primary objectives outlined in the Programme's results framework. The enlistment of 32 strategic, implementing and network partners in 5 member countries - Bangladesh, Bhutan, Myanmar, Nepal and Pakistan – has helped in paving the way for a strong regional cooperation aimed at building capacities of national and regional stakeholders to deal with livelihood development and protection of the environment while diversifying livelihood opportunities through the promotion of innovative approaches and thereby, contributing towards achievement of the overall goal of the Programme. Building on the interventions of previous years and drawing lessons from, and in close coordination with other initiatives under Regional Programme on Adaptation to Change (HICAP and AdaptHimal), Himalica in 2016, has made considerable efforts to consolidate and maximize the result orientation of the programme by strengthening capacities of national and regional stakeholders, developing innovative livelihood options for rural communities and strengthening regional cooperation for the facilitation of approaches towards sustainable mountain development.

Implementation efforts undertaken during the year have resulted in significant achievements being attained at the community level through the ongoing pilots, with early results indicating increase in incomes of farmers and enhanced abilities of community groups in harnessing funds from local agencies for implementation of activities identified through micro-planning processes initiated earlier in the year. Interventions promoting sustainable ecosystem management have also started to yield tangible results. Consequent to the ecosystem management action research interventions in Nepal, concrete results are emerging in regard to soil erosion control approaches having co-benefits for livelihoods which are appreciated both by the communities as well as local agencies. In Myanmar, the promotion of rooftop rainwater harvesting – at the individual household and community level – together with the renovation of water harvesting ponds have enhanced water holding capacities and promise to potentially meet 20% of the water demand during the winter months, thus significantly easing the critical issue of water scarcity during the season and contributing to drudgery reduction for women and children. These encouraging results have been noted and appreciated by government agencies leading to an increased level of support and ownership of such interventions by the agencies. Encouraged by the positive results demonstrated by pilot interventions in Nepal, the authorities have established an Advisory Committee, chaired by the Director General, Ministry of Agriculture to facilitate the adoption and mainstreaming of interventions at the district and national level, thus laying the foundations for the scaling up of interventions and approaches promoted by Himalica. The highlights of achievements under each component during the reporting year are summarized in the following paragraphs.

Develop capability to adapt policy

Following the successful engagement of the Himalica team with national stakeholders in developing the Myanmar Ecotourism Policy and Management Strategy, the continued efforts of the team to engage national stakeholders in other countries for developing capabilities to adapt policy that impact mountain livelihoods in the context of climate change finally fructified in Nepal with the Ministry of Population and Environment (MoPE), Government of Nepal – the focal ministry anchoring the process of NAPs development in Nepal – entering into an MoU with ICIMOD in 2016 for providing technical expertise and support for the process of developing Nepal's NAPs. With this MoU, ICIMOD will provide technical expertise and support for the NAPs development process for four of the nine identified working groups. ICIMOD's engagement in Nepal's NAPs process will focus on the work streams of Forest, Biodiversity, Water, Energy, Livelihoods, Governance, Gender and Social Inclusion. Following the signing of the MoU, ICIMOD has already supported several workshops for each of these Working

Groups and provided technical support in identifying indicators for each themes. Although similar efforts were also made in Bhutan with the National Environment Council, the latter is yet to initiate concrete steps to harness ICIMOD's support for the country's NAPs process despite their initial requests. The Ministry of Agriculture and Forests of the Royal Government of Bhutan has, however, sought ICIMOD's support in reappraising the country's approach for the promotion of Organic Agriculture. With the signing of a Letter of Intent (LoI) with MoAF, Himalica has already engaged an external consultant for conducting an assessment of the existing policy and guidelines and will, in close collaboration with the National Organic Programme, support a consultative process for developing a roadmap for the country's Organic Agriculture Policy.

Collaborative action research

During the reporting year, the Himalica team also continued with their efforts to strengthen collaborative action research, consolidating activities initiated in previous years in the fields of management of ecosystem services, strengthening agricultural extension services, migration and adaptation and responsible tourism development. In addition to strengthening collaboration among research teams in each of these thematic areas, efforts in 2016 focused on building partnerships with relevant local government agencies and harnessing the participation and active support of the latter as co-actors in the adoption and scaling of the different action research interventions and approaches introduced through Himalica. Significant among these emerging collaborative partnerships are the, national recognition of ecosystem management action research of the Dumri Thumka Women's Group by the Ministry of Forest and Soil Conservation, Nepal, the development of a Position paper on Migration and Adaptation prepared by the Ministry of Population and Environment of the Government of Nepal based on the action research conducted by Himalica and the adoption of the recommendations from the Destination Management Plan for Inle Lake, Myanmar by the Shan State Department of Tourism, drawing on the action research on promotion of responsible tourism conducted through Himalica. In addition, the Pakistan Academy of Rural Development invited AKRSP, Himalica's partner for the action research on pollination services to share the findings of the research in the Farmers' Convention held at Peshawar, with the intention of initiating new partnerships to scale out the approach.

Pilot activities

Significant progress has also been made during the reporting year in pilot activities aimed at strengthening resilience of mountain communities and harnessing new livelihood opportunities. Subsequent to the trainings conducted in previous years on participatory micro planning, villagers in almost all project villages in the pilot areas across five countries developed micro plans incorporating critical needs identified through these exercises. Local committees and producers groups have been established in most of these villages and with the capacities of these groups becoming enhanced through mobilization and trainings, they have been successful in harnessing local funds to initiate activities addressing several of the identified needs. These developments have improved access and availability of clean water, the adoption of simple, low cost but effective resource management practices and improved access to input resources, especially seeds. With the strengthening of value chain activities across pilot areas – whether it is the ginger and bamboo value chains in Myanmar, the vegetable value chain in Nepal, or the handloom yarn banks in Bangladesh - encouraging results have also started to emerge indicating the gradual transition of producers into effective actors in the value chain, the opening up of new livelihood opportunities, the initiation of micro-enterprises and strengthened linkages with markets and the private sector, all contributing towards increased incomes and diversification of livelihood options.

The encouraging results emerging in different pilot sites have also helped in creating ownership of Himalica interventions by national institutions and out/upscaling of technologies and innovative approaches introduced by Himalica. As mentioned above, the government of Nepal has set up an Advisory Committee under the stewardship of the Director General, Department of Agriculture to

mainstream approaches introduced by Himalica while the Forest Department of Shan state, Myanmar responded to the request of villagers of the pilot areas for guidance on contour farming by installing 7.75 acres of contour farming in three villages, and supporting the setting up of nurseries in project villages. The Government of Nepal and IFAD supported High Value Agriculture project and the Royal Government of Bhutan and SDC supported Rural Livelihood Project have expressed keen interest for capacity building of the respective project teams and the project communities in 'climate resilient value chain development approach', opening up potential avenues for further scaling up of Himalica approaches.

Capacity building

The achievements highlighted in the preceding section were made possible because of the numerous capacity building events – trainings, peer learning events and exposure visits – conducted by the Himalica team and partners at the local, national and regional levels. Capacity building efforts in 2016 have been defined by needs evolving out of the pilot and action research plans and interventions. In 2016, capacities of 5,600 women and men were enhanced to adopt pilot innovations and scale up best practices for improved resilience to climate change. The results of training, exposure and capacity building measures have translated to an encouraging uptake of climate resilient technologies and practices. For example in Myanmar, following the capacity building events conducted by the pilot team and the subsequent adoption of rooftop rainwater harvesting structures, water holding capacities has been enhanced considerably, contributing significantly to the reduction of women's drudgery in carrying water from distances, especially for younger women and children, who spend substantial time and energy in fetching water during the dry season. Trainings and exposure visits focusing on the adoption of improved natural resource management practices in agriculture, ecosystem management approaches and skill development for value addition and diversification of products have brought about desired changes resulting in improved production, new products and resource management. These trainings have also helped in opening up options for diversification of livelihood portfolios, thereby contributing to vulnerability and risk reduction inherent otherwise in prevalent dependencies on single crops.

Knowledge Management

With activities in action research and pilots attaining an advanced stage of maturity, several knowledge products have also started to emerge during the past year. During the reporting period, six knowledge products were developed and published to create awareness on multidimensional poverty situation in the HKH and to facilitate replication and scaling up of demonstrated climate resilient practices for improved livelihoods and ecosystem management. In addition, 14 knowledge products are in publication process and these include ecosystem assessment reports, micro-planning manual, climate resilient related package of practices, process documentation of Destination of Management plan for Inle Lake, Myanmar among others. It is encouraging to note that there is a high appreciation and growing demand for these publications. For example, the farmer's resource book on cardamom printed as joint publication of Department of Agriculture/GoN, ICIMOD and local partner received very good recognition, and interest has been expressed by private Bank to print more copies of the book for dissemination to the farmers in Sikkim, India. In an effort to strengthen regional collaboration and peer learning, web-based platforms have also been created, which included face book and twitter accounts for Bandarban: People & Nature in Harmony (<https://www.facebook.com/bandarbantravel/?fref=hovercard>; <https://twitter.com/visitbandarban>), and bees and pollination portal (<http://www.icimod.org/?q=22366>). These interactive mediums help bring partners together to post/discuss issues and share experiences/good practices.

1. Detailed Narrative Progress as per Log-frame

The Support to Rural Livelihoods and Climate Change Adaptation in the Himalaya (Himalica) is one of three initiatives contributing to the aims of the ICIMOD Regional Programme on Adaptation to Change (RP1). The overall objective of the RP1 is to enhance resilience and to support adaptation by vulnerable mountain communities and ecosystems. The programme develops adaptation mechanisms and works with partners to promote them. In addition to the Himalica, RP1 is anchored by two major initiatives, the Himalayan Climate Change Adaptation Programme (HICAP), and Improving Livelihoods and Enhancing Resilience of the Rural Poor in the Hindu Kush Himalayas to Environmental and Socioeconomic Changes (AdaptHimal).

In line with ICIMOD's overall framework and EU contract (ASIE/2012/292-464), Himalica aims at supporting vulnerable mountain communities in the HKH region in mitigating and adapting to climate and socio-economic change. The final beneficiaries of the programme are mountain communities. These are groups that are in most cases economically active or can potentially become so with access to appropriate technical support. The expected results of Himalica programme are as below:

2. The capacity of national and regional stakeholders in dealing with livelihood development, more sustainable and efficient use of natural resources and the protection of the environment in the HKH region is enhanced.
3. Poverty among mountain people is reduced through increased resilience and the unlocking of new livelihood opportunities, and through the promotion of more equitable approaches.

Result 1: The capacity of national and regional stakeholders to deal with livelihood development and the protection of the environment in the HKH region is enhanced.

Activity 1. Develop Capability to Adapt Policy:

Increase the national and regional collaborative capacity to develop adapted policies impacting on mountain rural livelihoods, taking socio-economic and climate change into account.

Over the last years, regular engagements with national stakeholders, including the relevant ministries in member countries, helped to identify gaps and weaknesses in existing policies influencing climate change adaptation. On request from the national stakeholders, especially the concerned ministries, the Himalica team had been supporting the appraisals and knowledge generation to bridge these gaps. The team supported the development of the Eco-tourism policy and management strategy in Myanmar which culminated in the launching of the policy in 2015. In 2016, two supporting documents were drafted: (i) A Status Report on Designated Ecotourism Sites, and (ii) Guidelines for Developing Eco-lodges in Myanmar to facilitate implementation of the policy. The Destination Management Plan for Inle Region, Myanmar, supported under Himalica during 2014-15 as part of this support is now used as implementation guideline in MOHT state offices for the GIZ-supported Sustainable Tourism Project started in 2016. Moreover, the DMP-aligned GIZ Strategy paper for Tourism pillar of the proposed extension of the GIZ Inle programme was approved in July 2016. Building on experiences of Himalica from Myanmar, the 'Destination Management Plan (DMP)' for sustainable and inclusive tourism in Bandarban, Bangladesh has been drafted through a multi-stakeholder consultative process. The presentation of the draft DMP to stakeholders for soliciting their comments and inputs and to draw up a roadmap for its implementation is slated to take place in early 2017.

The Poverty and Vulnerability assessment for selected districts of Chin and Shan state, Myanmar has been completed during the reporting year. This assessment, covering over 4290 households in the two states provides a clear indication of the pockets of poverty and vulnerability as well as the deprivations that drive poverty in these areas. Multi-dimensional poverty indices have also been constructed

through this exercise and the results provide an excellent basis to national stakeholders for strengthening their National Adaptation Plans and can potentially contribute substantially in drawing up strategies that will help Myanmar to meet the 2030 SDGs. The PVA survey in Bhutan is underway and once completed, should provide similar inputs for developing Bhutan's next Five Year Plans, the NAPs and strategies for addressing the 2030 SDGs. In Nepal, support was extended for roundtables and bilateral meetings for the development of the draft strategy paper on Climate Change and Migration by the Ministry of Population and Environment drawing on the findings of assessments conducted in previous years under Himalica and other Initiatives under the Regional Programme. The document has been finalized and awaits Cabinet approval. The Himalica team, as part of the activities under this component, also drafted the following documents based on the ecosystem assessments conducted in 2014 under Himalica:

- A multi-dimensional assessment of ecosystem and their services in Inle Lake, Myanmar;
- Ecosystem Services Assessment for Human Development in Barshong, Tsirang, Bhutan; and
- Linking Ecosystem Services for better livelihood and environment management in Rauta, Udaypur, Nepal

The Himalica team has, till date, appraised strategies and approaches in the areas of responsible tourism development, migration and climate change, poverty and vulnerability and ecosystem services management in the context of climate change adaptation and provided support to national stakeholders for formulation of action points in narrowing the identified gaps.

During the reporting year, the Himalica team has also made efforts to engage with national stakeholders for building capacities of relevant agencies in preparing their National Adaptation Plans. These efforts have yielded concrete results in Nepal with the Ministry of Population and Environment (MoPE), the national nodal ministry for NAPs formulation in Nepal entering into an agreement soliciting ICIMOD's support and technical expertise in the NAPs formulation process. Himalica is engaged in 4 out of 9 thematic sectors: Forest and Biodiversity, Water and Energy Resources, Gender and Social Inclusion, Livelihood and Governance. Beside the support with technical knowledge, Himalica is specifically supporting the consultative process and capacity building. During the reporting period, Himalica has supported the inception meeting between the TWGs and ICIMOD, held in Kathmandu in August 2016, and the Forest and Biodiversity TWG meeting, held in Kathmandu in September, 2016. In addition, ICIMOD participated in several TWG meetings to provide input in the NAP process. Similar request was also received from the National Environment Council, the Royal Government of Bhutan (the nodal agency for the NAPs formulation process for the country), but the progress has been slow and a concrete support plan is yet to emerge from the NEC despite efforts from the Himalica team. In Myanmar, regular discussions with MCCA and ECD, MoNREC has resulted in areas being identified for ICIMOD's support to the country's NAPs formulation process. The draft Climate Change Adaptation Plan and Strategy in Myanmar lacks an upland and mountain focus. To rectify the same and strengthen Myanmar's NAPs, the Himalica team will provide input and support for conducting a vulnerability assessment of selected upland and mountain areas while developing capacities in country to apply the methodology for such assessments across the mountainous regions of the country. The results of PVA will also feed into the NAPs formulation process.

In addition to the support for NAPs in different countries, the Himalica team will also support the Royal Government of Bhutan in reappraising the existing Organic Agriculture policy in the country. On request of the Ministry of Agriculture and Forests, Royal Government of Bhutan, ICIMOD, through the Himalica programme will support in reappraising the National Organic Agriculture approach and help the government in refining and strengthening the Organic Agriculture policy for the country. An agreement has already been entered into and ICIMOD has started providing support to the National Organic Agriculture Programme under the Ministry to carry forward the process which will include stakeholder consultations and field level assessments across selected areas in the country. With this initiative, Himalica programme support for building capacities to adapt policies covers three national policy arenas across different countries – tourism development, agriculture and climate change and migration – in addition to the support being extended for the NAPs formulation process.

In addition to the assessment of policies influencing climate change adaptation, and the support for national strategies or policies influencing climate change adaptation described above, the Himalica programme also provided support to national stakeholders to engage and participate in international events on climate change adaptation. As part of the programme's efforts to support member countries to engage in international climate change events, Himalica supported the participation of officials and community members in two global events. - Project findings were shared by project partners and Himalica team members at the COP22 in Morocco and the 5th Asia-Pacific Climate Change Adaptation (APAN) Forum 2016 in Sri Lanka to draw the attention of policy makers, donors, scientists, government and civil society to a range of climate change-related issues and their impact on the ecosystem of the Hindu Kush Himalayan region. Himalica supported the participation of officials from MoPE at COP 22. It also supported the joint exhibition booth (ICIMOD/MoPE) at the NAP exhibition at COP 22, Morocco (7-18 November) which included several initiatives on climate change in Nepal. The side event



Figure 1 COP22 Side event in Morocco

("Experiences sharing on Nepal's NAP formulation process and approach") was jointly organized by MoPE, ICIMOD and Action on Climate Today (ACT) and included a panel discussion drawing panelists from the HKH countries. The panel also included the Executive Director of the National Environment Council of Bhutan. The side event showcased Nepal's leadership on NAP formulation process and provided a platform for RMC members to share experiences and lessons on the NAPs formulation process.

Himalica together with UNEP Asia Pacific Office also organized a session on "Enhancing gender responsive adaptive capacity in communities" in Sri Lanka in October 2016. The APAN session in Sri Lanka gathered a spectrum of expertise like community leaders, researchers, experts and donors that lend insight into gender and adaptation strategies. Mainstreaming of gendered adaptation needs was the key message of this interaction. There was participation from a diverse group of professionals spanning various I/NGOs and community groups. From ICIMOD, 3 professionals participated in the event. The ICIMOD team also participated in Lima Adaptation Knowledge Initiative (LAKI) Priority Setting Workshop on Adaptation Knowledge Gaps in the Hindu Kush Himalayas held in Sri Lanka (20-22 October, 2016).

Activity 2. Knowledge Management:

Raising awareness and disseminating knowledge on the effects of climate change and adaptation responses in the HKH region;

With activities under the Collaborative Action Research and Pilots attaining a substantial degree of maturity, the programme has seen a considerable generation of information and knowledge ready for packaging into knowledge products. The Himalica team identified priority needs and produced several knowledge products during the reporting year. The following section highlights a few of the important knowledge products brought out during 2016:

Operation Guidelines for Pro-poor and Climate Resilient Value Chain Development: The document provides the key principles, strategies, and approaches for value chain development of mountain products and services in the HKH region. The approach emphasizes inclusiveness, mountain specificities, and climate change perspectives to achieve a balance between the pro-poor and pro-growth aspects of the value chain. The four key principles suggested in the guideline are 1) ensuring sustainable management of farm and off-farm based resources, 2) equitable benefits, 3) do-no-harm, and 4) valuing traditional knowledge. This was disseminated to RMCs and beyond, as an open-access ICIMOD Working Paper, and is expected to enable farmers and development workers to understand the entire market system and identify leverage points for economic gains. The publication is well received by development partners, and request came for training with interest to apply 'pro-poor and climate resilient VCD approach' by the IFAD supported High Value Agriculture Project/Govt. of Nepal and SDC supported Rural Livelihood Project, Bhutan.

Farmers Resource Book: A Resource Book 'Climate-smart Practices for Sustainability of Cardamom Production' has been developed and disseminated to enable farmers to make use of simple and affordable practices to manage risks induced by climate change. The resource book received good response from cardamom farmers, field workers and extension agents. And, there is an interest by private bank to reproduce manual and disseminate to farmers in Sikkim, India as part of its corporate social responsibility. The Nepali version is published as joint publication of Department of Agriculture/GoN, ICIMOD and ECDF, and is being used as extension materials by the Department.



Figure 2 Resource book for cardamom farmers

Package of practices for climate resilient value chain: For reducing effect of climatic and non-climatic changes the pilot team has been preparing package of practices (POP) and resource book for each of the value chain. The draft POP for cardamom has already been developed and submitted for internal ICIMOD review /to POUT, after reviewing by the team members. Similarly, the POP on (i) fresh vegetables in Udayapur, (ii) off-season vegetables and ginger in Bhutan, and (iii) yak and sea buckthorn in Pakistan are reviewed by the team and expert of respective subject.

Ecosystem services assessment: Building on the ecosystem assessment initiated in 2014, the following 5 knowledge products (3 ICIMOD publications and 2 peer revised journal articles) are at the final stage of publication:

- A multi-dimensional assessment of ecosystem and their services in Inle Lake, Myanmar;
- Ecosystem Services Assessment for Human Development in Barshong, Tsirang, Bhutan; and
- Linking Ecosystem Services for better livelihood and environment management in Rauta, Udaypur, Nepal
- Impact of land use land cover change on ecosystem services: A comparative analysis on observed and people's perception in Inle Lake, Myanmar
- Understanding social-ecological interdependencies through ecosystem services value perspectives in Bhutan, Eastern Himalaya

Destination management plan and protocol: In order to contribute to strengthening institutional capacity in inclusive and responsible tourism in regional member countries with a DMP protocol, documentation of the Inle.

During 2016, Himalica also intensified its effort to facilitate regional learning and experience sharing through exposure visits, both within a country and across the region. As a result number of good practices have been adopted from one country to other. The bio-digester 'Jholmal' (cow urine+plant based formulation), which was tested and widely adopted in Kavre under HICAP initiative, is now being

established in Himalica pilot sites (mainly in Udayapur, Taplejung and Bhutan). Similarly, after the visit of coffee farm in Nepal, the farmers in Bangladesh started to grow nurseries and better manage their orchard. The bio-briquette making technology from ICIMOD knowledge Park in Nepal is disseminated to pilot site in Myanmar. The following exposure visits have been facilitated in 2016:

Peer learning and exposure visit to RMV Kavre, Nepal

Keeping in view the diverse experience of implementing partners, the regional workshop was organized with objective to provide a platform to the partners (Bangladesh, Bhutan, Myanmar, Nepal (2) and Pakistan) for sharing and learning from each other's programme implementation experiences, and develop a mechanism for monitoring and evaluation of the progress. The main aim of the workshop was to build better understanding of on-going interventions related to climate change adaptation and livelihoods in pilot sites, and to provide an opportunity for sharing the previous year's progress and refinement of the current year's action plan with the ICIMOD team to make it in line with the broader objective of the Himalica programme, and the Regional Programme 1 – Adaptation to Change.

As a part of workshop, an exposure visits was organized to 'Resilient Mountain Village -RMV' in Kavre, where ICIMOD through its HICAP initiative in partnership with CEAPRED is demonstrating number of practices, and many of which have been tried in other pilot sites with response from communities.

Exposure visit to India CSV

To get deeper understanding of climate smart practices an exposure visit was organized for Himalica partner – CEAPRED, Senior Agriculture Development Officers of District Agriculture Development Offices and staff of concerned line departments to Haryana, India. The participants visited the site, where the Consultative Group on International Agriculture Research (CGIAR) under their global research programme on Climate Change, Agriculture and Food Security (CCAFS), is implementing interventions to establish climate smart villages by adopting smart practices on 1) water management, 2) reducing carbon emissions, 3) energy efficiency, 4) managing agriculture nutrients, and 5) weather adaptive technologies using ICTs.

Exposure visit for sustainable land management

26 farmers of Barshong gewog was taken to Salamjee to look at the sustainable land management practices and interact with the farmers of the village. Salamjee is one of the most successful villages where sustainable land management practices have been practiced. Of the twenty six farmers, 11 were women and 15 were men.

Exposure visit to successful beekeeping enterprises in Nepal

Exposure visit for the participants from Bhutan and Nepal (Udaypur and Tapljang) organized to successful beekeeping enterprises in Kaski, Palpa and Lumbini in Nepal, to facilitate experience sharing and learning.

Exposure visit for high-level delegation of Bangladesh to Nepal on tourism

Mr. R.A.M. Obaidul Moktadir Chowdhury, MP, Hon'ble Chairman, Parliamentary Standing Committee on Ministry of Chittagong Hill Tracts Affairs and Mr. Naba Bikram Kishore Tripura, Chair ICIMOD Board of Governors and Secretary, Ministry of Chittagong Hill Tracts Affairs along with 4 other participants visited Nepal from 15-20 September 2016. ICIMOD Directorate as well as Embassy of Bangladesh were involving to manage their visit in Kathmandu, Lumbini and Chitwan. The main objective of their visit was to see development activities around heritage and ecotourism.

In addition to publications and exposure visits for knowledge dissemination and peer learning highlighted above, the Himalica team also organized several knowledge sharing and peer learning events during the year. Sharing events were also organized jointly with other Initiatives within the Regional Programme. Himalica together with AdaptHimal organized a Regional Workshop on

Managing Transformations in Shifting Cultivation in Imphal, Manipur (3-7 October 2016) for strengthening regional learning on managing transformations in shifting cultivation and fostering regional cooperation in experience and knowledge sharing on the issue. Participants for the workshop were drawn from Bhutan, Bangladesh, Myanmar and India and consisted of mid-level and senior bureaucrats drawn from these countries (national and provincial levels). The experience of ICIMOD on cardamom-alder agroforestry system was also shared with the participants in SAARC Regional Inception Meeting, which was jointly organized by the MOAD/GoN, ICRAF, SAARC-SAC and ANSAB. While listing all the knowledge sharing events conducted during the year is cumbersome, the following table summarizes the major events that were organized by Himalica, or the programme supported the participation of national stakeholders. Findings from Himalica's action research, pilots and assessments were shared during these events:

Name of events/workshop	Objective	Participation
COP 22, Morocco (7-18 November)	The main purpose of COP 22 participation for ICIMOD was to draw attention to a range of climate change-related issues and their impact on the ecosystem of the Hindu Kush Himalayan region.	Himalica supported participation of 3 people (2 from MoPE and 1 from ICIMOD)
COP 22 side event (17 November)	Experiences sharing on Nepal's NAP formulation process and approach	Jointly organized by MoPE, ICIMOD and Action on Climate Today (ACT); participants drawn from HKH countries
Regional Workshop on Managing Transformations in Shifting Cultivation in Manipur, India (3-7 October).	Strengthening regional learning and cooperation.	Co-organized by AdaptHimal and Himalica. Participants for the workshop are drawn from Bhutan, Bangladesh, Myanmar and India and consist of mid-level and senior bureaucrats drawn from national and provincial level.
APAN Session on Enhancing gender responsive adaptive capacity in communities in Sri Lanka.	Mainstreaming of gendered adaptation needs was the key message of this interaction.	ICIMOD Himalica initiative joined hands with UNEP Asia Pacific Office to co-organize a session. There was participation from a diverse group of professionals spanning various I/NGOs and community groups.
Lima Adaptation Knowledge Initiative (LAKI) Priority Setting Workshop in Sri Lanka (20-22 October).	Understanding adaptation Knowledge Gaps in the Hindu Kush Himalayas	Organised jointly by ICIMOD, UNEP and UNFCCC; participants drawn from 7 HKH countries.
International Mountain Day (11 December)	To raise awareness on mountain issues, and familiarize mountain products and services	ICIMOD (Himalica and KMC) supported partner in Bhutan and Bangladesh to put stall for exhibition of posters/ outreach materials, and high value niche products during IMD

A national workshop on Agri-extension Action Research in Nepal (22-24 Aug)	Sharing of findings on agri extension action research with senior government officials from MoAD in Nepal	31 participants, including DG and DDG of DoA, Regional Directors and DADOs participated
A national workshop on CCA Action Research in Bhutan (30 August)	To share the project learnings with stakeholders and offer reward to the model Geog, which adopted climate resilient technologies.	CNR organized the workshop
Farmer's convention in Peshawar, Pakistan (27 April)	Sharing the finding of pollination action research conducted by AKRSP under Himalica	Pakistan Academy for Rural Development organized the event; over 200 stakeholders (25% women) participated.

Activity 3. Collaborative Action Research:

Strengthening collaborative action research in the region in relation to mountain livelihoods and eco-systems, generating evidence-based knowledge on adaptation and mitigation to climate change in the HKH region;

Further to the analysis of 10 high value products value chains and identification of leverage points in 2015, the focus in 2016 has been to support partners to make interventions for further strengthening/up gradation of value chain. The results of VCA of honey in Chittagong Hill Tracts, conducted in 2015, were shared to high level meeting of government, non-government organizations in Bangladesh and ICIMOD during ICIMOD-Bangladesh Day in January 2016. During the year, Himalica, in partnership with AdaptHimal, initiated the development of a Sustainability Framework for Value chains in the HKH. Value chain development focuses on the economic feasibility of a particular value chain but often ignores or overlooks the importance of environmental sustainability as well as aspects of social inclusion. The proposed Framework builds on the three pillars of sustainability – economic, environmental and social – and attempts to develop indicators that can be used by development practitioners to ensure long-term sustainability of the value chains being promoted by them. After a series of internal brainstorming and peer interactions during which sets of indicators for each pillar were developed, the team commissioned experts to undertake assessments of selected value chains in three countries to field test the indicators and also incorporate additional dimensions for each pillar identified in the field that required inclusion. Field assessments have been completed and the finalization of the Framework is expected to be completed in early 2017.

The collaborative action research on ecosystem management initiated in 2015 subsequent to the ecosystem services assessment, has been taken very positively by the MoFSC and other stakeholders and has been appreciated as one of the best examples of short but promising action research. This was acknowledged in a half day sharing workshop led by the Ministry of Forest and Soil Conservation (MoFSC), Government of Nepal, Bird Conservation Nepal and ICIMOD on 26th December 2016. During the same month, as an out-scaling exercise, a cross learning visit of the various community forest users group to see the action research on ecosystem management in Udaypur, Nepal was conducted. The visit provided an opportunity for representatives of nearby Community Forest User Groups (CFUGs) to learn, exchange knowledge, ideas and information with each other, and to discuss on the possibilities to adapt the ongoing activities in Dumrithumka Community Forest.

Following the completion of the tourism action research in Myanmar, followed by the infusion of learnings thereof in Bangladesh where the process of development of a Destination Management Plan for Bandarban Hill District was initiated stakeholder consultations have also been initiated in Nepal to begin a new tourism action research project for the promotion of Spice Farm tourism aimed at increasing access to and enhance livelihood opportunities of the marginalized mountain communities of Taplejung area via ICT assisted tourism.



Figure 3 Community perception mapping on ecosystem services

Focusing on migration and remittance, the ongoing action research in Udayapur district, Nepal has continued activities

supporting extension services on financial literacy, flood preparedness, and livelihood diversification, providing regular backstopping to women members of migrant-sending households with the aim of building adaptive capacity of the household. A key learning is that knowledge-based interventions on household level financial management or DRR practices that aim to change household behavior should be connected with income generation practices of the household. Besides, the learning among participants can be reinforced and interest of beneficiaries over a two year research period could be maintained through a peer-driven process, audio-visual means of communication and exposure to the outcomes of best practices as well as lack of practice in other communities. Based on this learning two additional interventions were introduced: (1) A group of female beneficiaries was taken to the earthquake affected villages of Barpak and Laprak in Gorkha district of Nepal to understand the implications of lack of household level preparedness during a major disaster. Even though earthquake is a geological hazard, the focus of this exposure visit was on the lack of household level preparedness in context of an extreme event. Since the 2015 earthquake had left an indelible impact in the national discourse in Nepal, it forms a relevant counter-factual for disaster preparedness. Another group of female beneficiaries was taken to a village in Udayapur district where a Himalica pilot is supporting the local community to build resilience in their farming practices. This facilitated an exchange of knowledge between the female participants of action research and participants of the pilot. (2) The journey of the female beneficiaries from Udayapur to the earthquake affected villages in Gorkha district had been recorded in the form of a short documentary. This short documentary was screened in all the research villages and an interaction between the travelers and rest of the participants about the learning from the Gorkha visit was facilitated. In a similar action research in Pakistan's Hunza and Nagar districts, training and extension service on financial literacy and flood preparedness have been provided to women members of migrant-sending households.

Following the encouraging results from pollination action research, and indications that pollination services through beekeeping could emerge as an innovative livelihood opportunity bringing benefits to the beekeepers as well as orchard owners, beekeeping has been integrated as one of the livelihoods diversification activity in pilots in Barshong in Bhutan, and Taplejung, and Udayapur in Nepal. Beekeeping was short-listed among the probable livelihood diversification strategies for the action research in Gilgit, Pakistan in collaboration with WWF and AKRSP. The results of pollination action research were shared at a "Farmers convention to discuss issues related to agriculture sector based on the suggestions from farmers as well as concerned organizations" held in Peshawar from 26-28 April 2016. Given the potential of beekeeping as livelihood strategy and its proven positive ecological externalities, an interactive web portal on bees and pollination was launched by ICIMOD to engage larger number of practitioners in the region.



Figure 4 Integration of beekeeping for income diversification and pollination services

In Nepal, the Randomized Control Trial (RCT) methodology related interventions linked to action research on agri-extension services were completed. This AR is examining whether agri-extension services can be enhanced in a cost-effective manner through an incentive-based system that will encourage active involvement of peer and lead farmers from the community. Through its collaboration with the Department of Agriculture, Govt. of Nepal, the AR is contributing to the building of institutional capacity in the government for conduct of RCT-based interventions. The second follow-up survey in the 10 study districts was completed during Jan-Feb 2016. During the period 10 Feb – 15 March 2016, based on analysis of on-farm monitoring of uptake of knowledge (related to maize-intercropping technology), recipients of incentive (in the form of a toolkit) were identified and the first round of incentive distribution was completed. This round of incentive distribution was combined with a refresher training on the inter-cropping technology. Again, during the period 12 Sept – 23 Oct 2016, based on analysis of on-farm monitoring of adoption of the maize-intercropping technology, the second round of incentive recipients were identified and the incentive distribution was completed across 10 districts in 5 workshops all of which were attended by high-level extension officials of the Ministry of Agriculture, Govt. of Nepal. More than 2989 household have participated during the multiple rounds of survey. Out of the total household surveyed, 150 lead farmer households and 135 peer farmer households were trained on improved agriculture practices from 120 wards. Out of the total 285 lead and peer farmers 192 farmers were eligible for incentives of which 75% received both fixed and performance based incentives.



Figure 5 Performance based incentive distribution by Director Agri extension division

For only the performance based incentives, 59% lead farmers and 40% peer farmers received incentives out of 51 eligible lead farmers and 41 peer farmers, providing us an indication of uptake.

There is strong interest from the highest levels in this AR (the Department of Agriculture /DoA), GoN and ownership regarding the study, and there is an expectation that the study results will feed into

the policy measures for strengthening of agri-extension system in Nepal. Following the completion of the first round of incentive distribution, it was suggested by the DoA to hold a national level workshop on the preliminary findings of the action research. Accordingly, a workshop was organized in Sauraha, Chitwan (Nepal) on 23 and 24 August 2016 with participation of all collaborating partners. The Director General of Department of Agriculture gave significant time for this workshop along with all the regional directors from five development regions of Nepal. The DG appreciated and acknowledged ICIMOD's contribution to conduct this action research for last two years. He expressed the views that the action research carries a national value to incorporate changes in the agriculture extension policy later at national level. This is already an indication of policy influence from this action research.

In Bhutan, the capacity building interventions on rural livelihoods and climate change adaptation in select Geogs through College of Natural Resources (CNR), Royal University of Bhutan was completed. The capacity building activities started with district level government officials and went down to Geog level officials and leader farmers. The CNR conducted baseline survey, midline survey and the final survey in those Geogs to track down the progress made in regard to climate change adaptation after capacity building programmes. Finally, they declared one of the Geogs as the model Geog based on surveys they conducted and the quality of innovative projects implemented by the Geogs. Already the geog identified has become a model for other areas for upscaling. All of these activities were implemented within the time frame set during the planning stage of this project. In August 2016, the CNR organized the final workshop in the same Geog premise which has been selected as the best Geog among eight Geogs they worked over last two years. The workshop was attended by the Dasho Dzungda (District Head) and other senior district officials.

The Himalica team had initiated the action research on migration and remittances as a gender sensitive package to leverage remittances for poverty reduction and food security. The team had added value chain development – focusing on a product/activity that could be taken up during the season(s) between flood inundations to enhance income opportunities and risk reduction – together with the ongoing activities on financial literacy, savings and flood preparedness. This package, undertaken in Udaypur district, Nepal selected the pea value chain as a test case. The pea value chain analysis has been developed and the interventions related to its promotion and marketing in the local and regional markets are customized to meet the needs of women farmers (in migrant-sending households). To promote peas cultivation, the action research made available a 40% subsidy for acquiring pea seeds. Since the farmers are all women, the action research made available one junior agriculture technical assistant (JTA) to regularly visit the study site and provide technical assistance as well as information on pea cultivation. To examine uptake of new farm technology, a biochar preparation training was provided to the lead women farmers as well as the village coordinator who then trained other women farmers in all six villages. Moreover, a training on enterprise development and business planning was provided to 20 women entrepreneurs who expressed interest to start their own business. Lessons learnt from this livelihood diversification intervention that is also designed as a gender sensitive package are: (a) for women farmers to diversify into new crops it is important to have easy access to technological support and some amount of handholding; (b) identification of the seeds suitable to local climatic conditions is crucial and these seeds need to be locally available; and (c) the women farmers, even after training on biochar, need time to adopt a technological innovation – role of lead farmers can be facilitative in this regard. From the action research studies on agri-extension, ecosystem management, and migrant remittances, it is being clearly established that women have the potential and can be enabled to play leading roles in their own communities for uptake of new knowledge and technology that contributes to improved livelihoods.

Result 2: Poverty among mountain men and women in the HKH region is reduced through increased resilience and the unlocking of new livelihood opportunities, and through the promotion of more equitable approaches.

Activity 4. Pilot Projects:

Conduct pilot activities in a collaborative manner in vulnerable areas that strengthen the resilience of mountain men and women through delivery of services and products that will improve livelihood opportunities and ensure the sustainable management of natural resources;

Pilot activities under the Himalica programme were initiated in 2013 with activities commencing in Myanmar and Bangladesh focusing on Inclusive Tourism development. Although tourism development was the main focus in both areas, activities also covered natural resource management, agriculture, access to water and value chain development of selected commodities holding high potential for diversifying livelihood opportunities and income enhancement. In the following years, pilots have been initiated in Bhutan, Nepal and Pakistan to improve livelihood opportunities and ensure sustainable management of natural resources thereby strengthening resilience of upland communities. Till date, a total of six pilots are under implementation through collaborative partnerships with the following organisations:

- Ministry of Chittagong Hill Tracts Affairs – Bangladesh
- The Ministry of Agriculture and Forests – Bhutan
- Myanmar Institute for Integrated Development – Myanmar
- Centre for Environmental and Agricultural Policy Research - Nepal
- Environment Conservation and Development Forum – Nepal
- Aga Khan Rural Support Program – Pakistan

The pilot interventions are designed with an aim to reduce poverty among mountain people through increased resilience and the unlocking of new livelihood opportunities, and through the promotion of more equitable approaches. Though the local context of each pilot site is different and opportunities vary significantly, there are some common challenges – e.g. production fluctuation and price volatility; unattended exploitation of resources; climate & socio-economic changes impacting on farming practices; increased competition in market places; changes in consumption trends and raising concerns about food safety. It is in this context, pilot projects are developed to capitalize on opportunities offered by the diversity and niche potential of mountain products and address vulnerabilities.

Subsequent to the mobilization of communities in the pilot areas and the Training of Trainers on Micro Planning process, in 2015, a total of 20 community led micro plans were developed during the reporting period by the communities of pilot sites in Bangladesh, Bhutan, Myanmar, Nepal and Pakistan as an integral part of the pilot activities. A total of 20 micro-plans are already in place (10 in Nepal /Taplejung, 5 in Myanmar, and 5 in Bhutan). These plans were developed by the villagers with the support of the local partners to visualize the effects of both climatic and non-climatic changes in their context, and to plan for sustainable management of available resources by making effective use of their current capacities and leveraging resources from government department and development agencies. For example, communities in Taplejung, Nepal have been able to harness around NPR 130,000 (NPR 100,000 from Sikaicha VDC and NPR 30,000 from Furumbu VDC) to fund some of the activities they had identified during the micro-planning exercise. In Myanmar, following the preparation of the P3DM, funds have been harnessed from the Shan State Directorate of Rural Development to implement a water supply scheme benefitting five of the project villages.

The initial results from pilot sites show clear indication of increased household income, up-take of technologies by communities, and synergy with and ownership of national programmes. The description of progress during the reporting year (2016) in all six pilot projects, is elaborated country-wise in the following sections:

Bangladesh

The pilot project in Bangladesh focuses on promoting new and diverse tourism destination and activities, implemented through multi-stakeholders collaborations and active involvement of diverse ethnic groups. In 2016, a good progress has been made in offering diversified tourism products and services that have been identified, prioritized, and implemented at various nodes of tourism value chain (<https://www.tourism-watch.de/node/2489>). Some of the successes achieved to date include: i) Improvement of tourism facilities such as toilets, seating and viewing points, ii) Provision of a boat for community-operated river trips, iii) Erecting welcome signs and maps of the area at main entry points, iv) Training of tour guides in Ruma, v) Establishing and financing a yarn bank for production of cloth and garments products, vi) Exposing local coffee growers to best practices coffee production and supporting them in planting coffee, vii) Laying out hiking trails leading to main attractions, and viii) Consulting with local villages on what they could do to develop tourism. In addition, drinking water management-related issues in the Pilot communities have been identified, and feasibility assessment for solutions through solar pump piping have been explored, with recommendations and cost estimates for these interventions identified and shared with BHDC.

Destination marketing and promotion of diversified tourism products and services

To improve participation in tourism value chain and enhance livelihood opportunities of the target communities new destinations have been identified and promoted through use of different means including social media, erecting welcome signs, and maps of the area at main entry points, and supporting communities to improve their offerings to the visitors. For example, a support provided to the community residing near water fall is providing multiple functions that can generate value transporting tourists to the waterfall and local produce to Ruma market. All the promotional activities are supported under the banner **‘Bandarban – people & nature in harmony’**. (<https://www.facebook.com/bandarbantravel/?fref=hovercard>; <https://twitter.com/visitbandarban>).



Figure 6 Promotion of tourism destinations and products in Bandarban

Promotion of Local Cuisine

Following the preparation of inventory of all traditional food item, the menu has been designed highlighting unique attributes both in terms of food values (health benefits) and production techniques. The project then organized BANDARBAN FOOD FESTIVAL on 18th November, 2016. BHDC

chairman has honored the festival as chief guest and Police superintendent, Deputy District Commissioner and other high ranking government officers and tourism stakeholders attended the fair. Guests and visitors from different places in Bandarban and outside has enjoyed the food and preparation took place in the festival. The Vice President and Treasurer of Bangladesh Culinary Association have also attended the festival to know more about the culture and food, and showed interest in a meeting with Himalica team to further develop the food and hospitality management industry in respect to tourism in Bandarban.



Figure 7 Bandarban local food festival: Promotion of local cuisine

Strengthening Supply Chain Linkages

For improving community participation in tourism through supply chain linkages, the following value chains¹ were selected:

Coffee: An exposure visit was organized for a group of coffee producers to Nepal. Inspired from the visit, a number of entrepreneurs have started coffee sapling business and now selling sapling to other coffee producers. Each coffee sapling is now being sold at 20 taka, and coffee plantation is spreading over in other areas of Ruma. The team has also made good progress in developing forward and backward business linkages. The NORTH END COFFEE Roaster agreed to sign MoU with Himalica to work together for the coffee sector development. On the other hand, to improve production system and promote climate smart agricultural practices on-the-field training was organized for coffee producers. Recognizing long experience of Helvetas Nepal in development of coffee sector, the Team Leader of Coffee Programme was invited to visit pilot site and provide training and hand-holding support. A three day training programme has been arranged in November, which was attended by coffee producers and local Agricultural Officer.

¹ Four value chains (coffee, handloom, mango and orange) were prioritized based on comprehensive study conducted in 2015



Mr. Immanuel Bawm is a father of two kids and lives at Bethel Para, Ruma Sadar Union of Ruma Upazila, Bandarban. He has only a small homestead plot. As a support to growing coffee saplings, Himalica arranged an exposure visit for him to Nepal for gaining a hands-on experience on the subject. His short stay (24-29 March 2016) there exposed him to many ideas on developing Coffee Nursery, planning and preparing beds, means of preservation and cultivation, mature seed collection, pulping and roasting.

On his return home, he started preparing coffee saplings in 8,000 polythene bags in his homestead plot. He spent TK 3,000, which also included the labour cost involved. The saplings were put on sale online on Twitter and Facebook accounts run by Himalica Pilot Project. Buyers from different destinations made contacts. He has now sold 4,000 saplings in this way to the Bandarban Hill District Council and 1,000 saplings to Agriculture Department of Rangamati at Taka 15 each and he has **already earned Taka 75,000 from the sale.**

Report by PMU, Bangladesh

Handlooms/handicrafts: Bandarban has high potential to offer beautifully crafted handlooms to the visitors. It has unique patterns, artisan craftsmanship and so on. There are two more constraints that pose difficulty in harnessing potential: a competitive design with changing market dynamics and unavailability of quality raw materials. To address these constraints, number of activities were accomplished, including:

- 3 yarn bank developed, and yarn bank committee has been in place with constitution and bank account
- Training conducted to customize products as per market needs with basic skills of crafting, measurement, and techniques.
- Handicrafts producers attended mountain fair and got success over there.
- Parmeeda.com an online store already established business relationship with Bethel Para handicrafts community.
- A label has been established and supplied to producers and they are using it to their own product.

Mango: Mango is probably the fastest expanding crop in Bandarban and more and more farmers are now coming into mango cultivation. One of the most critical constraint for mango value chain is the market linkage. With a view to that, we have communicated with Ispahani Agro Ltd and they have agreed to sign a MoU with Himalica. Activities being conducted on raising awareness, training and handholding to produce safe mango.

Cashew nut: This is one of the highest value crops available in Bangladesh market selling at 800-1000 taka per kg as peeled/processed form. Bandarban and Rangamati hill districts are only two districts where cashew nuts are grown mostly naturally in Bangladesh. The primary constraint is identified as lack of processing tools and knowledge primarily for shelling the nuts. The project explored different options for adding value and identified Basecamp as promising partner to support community based businesses with provision of shelling machine.

Bhutan

The pilot activities in Tsirang, Bhutan focuses on enhancing income of target communities in Barshong through promoting vegetables including onion and goat value chains and building resilience by improving skills and institutional capacity. The key achievements include the following:

Formation of farmers groups for collective marketing and improved access: The interested farmers (a total of 123 farmers) in the Chiwogs were trained on formation of the groups in all chiwogs of Barshong. One gewog level federate group was also formed. All the groups have started group savings

accounts to initiate viable economic activities, and have plan to make collective deal with the traders for supply of farm produce in bulk.

In an effort to increase market access and reduce women's drudgery, the pilot team also mobilized community members to improve farm road with cost sharing mechanism. The collection points were identified in road head to enable farmers to bulk-up their produce and make deal with traders who now come there with transport facilities. The community members have saved time and labour (earlier they used to carry loads of farm produce on their back for up to 4 hours) after having access to road.

Transfer of knowledge and skills on sustainable agriculture production

A number of training and exposure visits were conducted, and on-the-site demonstration carried out to facilitate transfer of knowledge and skills for sustainable agriculture production and business linkages. A team of ten people including District Governor (Dasho Dzongda) and Chief District Agriculture Office visited agriculturally important places in Assam, Meghalaya, and Nagaland in North East India. The team observed organic agriculture fields, parks, gardens, museums, protected forest systems, water harvesting ponds, weaving hand looms, farmers' homes, and Bee Research Centre, and found many interesting technologies/practices that can be promoted in pilot site. To facilitate knowledge and experience sharing on farm technologies, the PMU created an interactive platform 'Agriculture Movers in

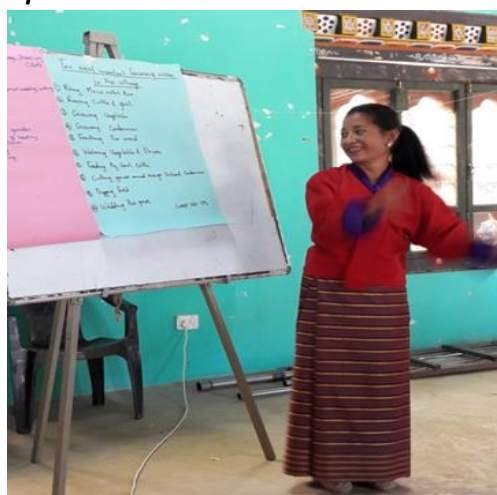


Figure 8 Workshop to promote gender in value chain

Bhutan' (<https://www.facebook.com/profile.php?id=474423742592565>) that helps farmers to post their concerns and seek suggestions from peers and experts.

For facilitating peer learning 26 farmers of Barshong gewog were taken to Salamjee to look at the sustainable land management practices and interact with the farmers of the village. Salamjee is one of the most successful villages where sustainable land management practices have been practiced. Of the twenty six farmers, 11 were women and 15 were men. Similarly, to raise awareness about various aspects of soil and its management for sustainable agriculture production the 'World Soil Day' was celebrated in Damphu. 173 farmers from 12 gewogs of Tsirang dzongkhag including 36 farmers from Barshong gewog participated in the celebration. The District Sector Heads, the Regional Heads, about 450 student scouts, and teachers also participated in the celebration. The best three adopters of sustainable land management practices (SLMP) in Barshong gewog were awarded prizes in order to encourage participating farmers as well as other farmers to adopt sustainable land management practices. To meet the increased need for feed and fodder, 67 farmers were trained on the development of pasture. This will help not only to have better health of stall-fed goats, but also reduce work-load of women.

Hand-holding and provision of inputs for value chain promotion

One of the intervention areas identified for value chain promotion is to reduce cost of production and promote climate smart agricultural practices to reduce risks of production fluctuation. For this purpose, two manuals: a resource book for farmers and package of practices for selected vegetables are being produced. As part of promoting climate smart practices, for formulation of bio-pesticides eight interested farmers were selected by the chiwog level group for construction of the bio-digester package. The package consists of cow shed, bio-digester unit and manure pit. With an objective to produce quality seedlings and off-season vegetables, 48 white silpaulin sheets of 120 GSM were delivered to the gewog. Demonstration to install poly/green house was conducted in Chuniyikhang chiwog. 44 farmers have been selected by the chiwog level groups to install the improvised poly/green houses. Similarly, to enhance water availability for vegetable production especially in autumn and winter season (manage risk in case of drought) support provided for pond water harvesting by tapping from perennial water source or collecting roof top rain water during summer. 20 pieces of 8x6m 300GSM silpaulin sheets and 20 pieces of 6x4m 300 GSM silpaulin sheets were procured and delivered to the gewog. At least six farmers are preparing the ponds to lay out silpaulin sheets. Eleven people have dug the ponds while seven more will start digging the ponds very soon.



Figure 9 Retention of water for vegetables: simple affordable technologies

A team comprising of a Senior Soil Evaluator, Senior Soil Researcher, Gewog Administrative Officer (GAO), and two Agriculture Extension Supervisors assessed the adoption of sustainable soil management practices in Barshong gewog. The assessment was to find the early and good adopters of sustainable land management practices and also to find out the needs for follow-up activities in the fields where SLMP have been taken up.

Myanmar

The major activities undertaken in 2016 fall into the three categories of agricultural improvements, value chain linkages, forestry management and water and land management strategies.

Improvements in Agricultural Production Systems:

Monthly Farmer Field School sessions aim to share experiences among farmers and technicians, to troubleshoot seasonal farming problems, and to educate farmers in new

Collective selling of 155 metric tons of ginger with purchase value of USD 41,282

With the establishment of Seed Banks and Collection Centers in the pilot villages, aggregation of agricultural products – in particular, ginger – has been initiated, facilitating linkage with traders. This has led to the trader coming to the collection centers in the villages and a resultant procurement of 155 metric tons of ginger (purchase value of 41,282USD) from project farmers at a rate 10 kyats per kg more than the price at the market at Heho. Considering the saving in transportation and other expenses they used to incur earlier, the farmers already see an increase in their income which is much higher than just the immediate increase in price. Satisfied with the arrangements, the trader has offered to procure other agricultural produces from the villages through this mechanism, thus paving the way for better marketing of produces from the pilot villages.

techniques through practical learning tools and demonstration plots. FFS sessions happened each month (except April) and total attendance during this period was 895 (482 male, 413 female). After interviews with farmers in May, MIID noted that the most-adopted and useful topics covered during the eleven sessions were the rice seed selection using salt water, making compost with local materials, natural methods of pest control, Fish Amino Acid (FAA) and fermented fruit juice as foliar fertilizers, mulching, Bordeaux mixture as a natural fungicide, the diagonal planting pattern for ginger growing intercropped with sugar snap pea and sharing knowledge that got from study tour regarding value chain activities. MIID also helped create eight demonstration plots for groundnut, six upland rice demo plots and six for ginger as a practical display of the techniques taught during the FFS sessions. The MIID team was able to provide Pesticide Impact Assessment (PIA) training in collaboration with The Field Alliance (TFA) based in Thailand. In last week of December, the Field Alliance and MIID organized a TOT about Agro ecology with many stakeholders including Department Of Agriculture from Kalaw, Taunggyi, State Agriculture Institute (SAI) in Heho, Forest Department in Nyaung Shwe, local NGOs/CSOs (5).

Value Chain Linkages: The project was able to link ginger producers in three villages with the Managing Director of Phyto Kyaw Export and Import Company who bought 155 metric tons of ginger from project farmers for a total purchase 49,539,360 MMK (41,282USD). Villagers gathered their ginger at the local seed banks weekly, where the buyer paid a 10 kyat higher price than usual, and farmers avoided the time and transportation expenditures necessary for hauling produce to the Heho market. In addition, the introduction of weighing scales in the Collection Centres afford farmers to obtain returns against the total weight of their products, without any deductions as prevalent in Heho (traders in the market deduct a certain percentage for assumed 'damage') and this has contributed to transparency and trust building. For the traders, aggregation and the weighing by scales also helps in reducing procurement costs. Businessmen are now discussing a similar arrangement with villagers for turmeric, and agreed to provide seeds, fertilizer, and a guaranteed market for the farmers' production.

In January, thirty participants (16 male, 14 female) visited groundnut and ginger processing facilities in Pyawbwe and Tatkone, and a seed bank in Meikhtila. On 12-16 February 2016, 19 participants (11 male, 8 female) undertook a study tour in Yangon to learn about the bamboo value chain. The farmers visited Pop bamboo farm and Bogoyke Market, to see new bamboo products and learn about current market prices. On 15th – 19th August 2016, 35 participants (22 male, 13 female) participated in a study tour in Magway and Bagan to learn about groundnut production, processing and market flow and bamboo handicrafts, lacquerware products.

Throughout March, April, May and August farmers participated in three bamboo handicrafts workshops, and MIID's consultant, Dr. San Win from Yezin Forestry University, instructed villagers in different methods of bamboo propagation and cultivation. Thirimay Women Development co-operative provided training in marketing and basic economics, and facilitated interaction among the villagers, the Cooperative Department, MFVP (Myanmar Fruit, Flowers and Vegetable Producers and Exporter Association), and different industry groups.



Figure 10 Customization of traditional skills: Value added bamboo products for tourism market

Upscaling Effects of Pilot intervention in water management, Myanmar

The project's efforts in water management have been greatly encouraged by the growing momentum of parallel efforts by private and government groups. After seeing social media posts about water scarcity in the project area, posted by journalists who had attended trainings with Himalica, officials from the Department of Rural Development (DRD) visited Kyaung Taung village in Nyaung Shwe Township and observed the Participatory 3 Dimensional Model (P3DM) created by villagers. After further meeting with MIID team, DRD made commitment to support water activities with technical cooperation, providing a pump, tank, and pipeline systems to distribute water to five of the six project sites. Furthermore, a private donor worked with a local monk to bring water from a nearby stream, creating a pipeline that will serve all project villages and fill the tanks created with Himalica. This initiative from outside the project, but working towards the same goals of improved water access and management, reflects local buy-in and the wider positive influence of the Himalica project.



Figure 11 Community engagement in value adding activities

Water and Land Management: With the adoption of rooftop rainwater harvesting at the household and community level, the additional available water from HH-level RWH is 100 cubic meter in total for five villages. When added to the water available now from newly constructed and renovated community ponds, the water for target villages is about 2500 cubic meter, which is 20% of the dry season's total demand (12,786 cubic meter). The construction and maintenance of ponds, tanks, and pumps are ongoing tasks that will continue into the project's future, along with additional hygiene and management training. One important outcome of the project's attention to water scarcity during 2016 was an increase in written and social media coverage about the issue, which eventually prompted officials from the Department of Rural Development (DRD) to provide a pump, tank, and pipeline system for water distribution to five of the six project sites. A private donor worked with a local monk to bring water from a nearby stream, creating a pipeline that will serve all project villages and fill the tanks created by the project. This outsider initiative working parallel to the project's goal reflects local buy-in and encourages momentum. Eight community rain water tanks were constructed and 44 household tanks were distributed during reporting period.

It is encouraging to see the pilot interventions introduced by Himalica being scaled out gradually. The pilot interventions are being scaled out at two levels – the uptake of technologies by communities in and around pilot sites, and uptake by government line departments and development agencies to other villages. In 2016 MIID partnered with the local NGO Forest Resource Environment Development and Conservation Association (FREDA) to plant more than 14,000 eucalyptus, avocado, and bamboo

seedlings. The Forest Department has also been partnering with villagers after their request for guidance on contour farming, installing 7.75 acres of contour farming already in three villages, and providing seedlings to grow along the contour edges. In July, MIID distributed 3,600 bamboo seedlings to all six villages. In July and August, the MIID consultant provided training on Community Watershed Management in three sessions. According to interest of villagers and request by the MIID team, in June and September 2016, Forest Department from Nyaung Shwe and Kalaw Townships supported to implement contour farming about 10,000 feet in three villages and 8,000 feet in one village respectively.

Nepal

The key accomplishment include:

- Socio-economic Baseline for the Taplejung and Udayapur pilots.
- Detailed studies on selected value chains and community perspective on climate change risks and vulnerabilities also conducted.
- Package of Practices (POP) drafted for promotion of cardamom and fresh vegetables, as base methodology for sound pilot start up with communities in Taplejung and Udayapur, respectively. The POPs are already reviewed and approved by POUT and to be dissemination for wider use.
- Farmers' Resource Book 'Climate-smart Practices for Sustainability of Cardamom Production System in Eastern Nepal' has been developed and printed as joint publication of Department of Agriculture/GON, ICIMOD and local implementing partner –ECDF.
- For both pilot sites, ICT-based system to provide crop advisory, market and weather information for the target communities has started;
- Entrepreneurship training of trainers completed in both Himalica pilot sites, for 25 participants each.

Udayapur (Nepal)

The focus has been placed on leveraging the seasonal market advantages, as vegetables grown in Udayapur during winter have off-season price advantage in the higher altitude, and vegetables grown during summer have a price advantage in the plains. Based on learning from HICAP pilot in Kavre on 'Climate Resilient Mountain Village', the interventions are designed to showcase simple and affordable practices and technologies along the value chain.

As of now, a total of 27 groups have been formed consisting of 594 farming households represented by 401 (66%) women members and 127 (34%) men members. Ethnicity wise, 68% are Janjatis, 11% are Dalits and 21% are others (BCN). The groups are sensitized on adoption of collective approaches to increase production and marketing, operation of saving and credits at community and cooperative level, and establishment of linkage with input suppliers, technical service agencies and markets actors.



Figure 12 Women entrepreneur emerging in vegetable value chain

A series of trainings have been organized during the reporting period. The trainings include nursery management, crop management, post-harvest technologies, IPM, Jholmal preparation and application, compost management, women leadership development and gender and social inclusion. A total of 111 training events were organized and 2,292 farmers participated in the trainings including 1,477 (64%) women.

Similarly, a total of 894 demonstrations were conducted on nursery establishment, crop management, plastic tunnels, waste water management, jholmal preparation and application, cowshed management and IPM in all 27 groups.

Besides training and demonstrations, input support was for demonstration of the technologies. The inputs included 23.4 kg of improved seeds of different vegetables, 524 plastic drums for jholmal preparation, 784 Sq Ft of silpiline for plastic tunnel for off season vegetable production, 784 sq ft silpiline for waste water collect pond preparation and 50 drip irrigation sets.

Increase in household income in the pilot site

In Himalica pilot site in Udayapur, as a result of the training, demonstration and input support to the farmers, 549 participating HH have cultivate vegetables in about 76 ha of land during the reporting period and produced 914.Mt of fresh vegetables. Out of total production, 860 Mt is sold with an earnings of about NPR.18.5 million. This is nearly **NPR 21,500 net income per HH**. The consumption of fresh vegetables at HH level has also increased which will lead to better health/nutrition.

For increased ownership and upscaling of pilot interventions, an advisory committee has been set up that is composed of the Director General of Department of Agriculture as chairperson, and other senior officers from relevant departments, CEO of CEAPRED and Programme Coordinators of Himalica and HICAP initiatives at ICIMOD as members.

Taplejung (Nepal)

Himalica pilot in Taplejung has benefited 284 cardamom farmers in the selected villages through various pilot interventions at different stages of cardamom value chain development. Major activities implemented during this period are demonstration on urine and cow-dung based 'Jholmal' preparation; light trapping to control insects; training on improved practices of cardamom farming focusing on disease-pest management and adaptation of climate resilient practices in cardamom. The program also provided demo-farm management supports like animal shed improvement, urine collection and application of manure and mulching. As per recommendation of workshops organized at different level (district, regional and central) with farmers, traders, exporters, stakeholders and policy makers, the program has also introduced 12 Double Drum Dryers (one each to a demo-farmer).

It also conducted trainings on Off-season vegetable cultivation in Plastic tunnel and Shitake mushroom production to demo-farmers and target households in the pilot sites. The program also provided business related support materials to all 38 participants who participated in the training on business plan development. In addition, a two weeks training on cardamom fiber based handicrafts production were organized to women.

The program has sponsored 18 month JTA training running under CTEVT to 12 students (4 girl and 8 boys) selected from pilot villages in Taplejung. This



Figure 13 Joint monitoring visit of district stakeholders: Observation of climate smart practices



Figure 14 Empowering women as agent of change

will help to develop trained human resource at local level, and encourage them to run agro-enterprises in their respective area.

Independent Consultants hired for Assessment of Cardamom Value Chain focusing on marketing as well as production aspects. The Baseline Study report submitted in July which was shared with the beneficiary groups in the pilot sites. The detail field study on Vulnerability Assessment of pilot VDCs has been completed and report is being preparing by the Consultant.

A farmer's hand book on cardamom is published in Nepali and distributed to relevant stakeholders and demo-farmers and other beneficiaries during this reporting period. Dissemination of package of practices, weather forecasting, information on market and crop advisory through local FM and ICT has been regularized during the reporting period. This has raised farmers' awareness about cardamom price and climate resilient practices.

Pakistan

There has been a good progress, despite mobility challenges for local staff, and difficulty for the ICIMID staff to visit site. The key highlights are as follow:

Development of value chain up-gradation plans based on detailed VC analysis: A detailed analysis for Seabuckthorn and Yak value chains conducted in the early months of the year. The analysis shows that both the value chains have substantial potential to increase income of farmers in the mountains of Gilgit Baltistan, Pakistan. Table 1 shows one instance as an example for the flow of monetary value of seabuckthorn berries from one level to another; farmers receives 150 PKR (1.4USD) per Kg of the berries only 37% of the price whereas the processor takes 68% of the price i.e 480 PKR (4.5 USD)

	Assembling & collection			Processing		Table:1 Changing share of value from one level to another. Farmers earns 37% currently where processor is earning as highest from others as 68%
	Village collectors	Village agents	Commission agents	Traders PKR	Processor local	
Price received	150	172	215	400	480	
Share of value in %ge	37	6	11	46	68	

Based on analysis, a multipronged strategy has been developed to address constraints at each node of the chain (producers/communities, processors and market), and government policies in order to up-grade both value chains. Extensive capacity, awareness, skills and knowledge transfer and encouragement to adopt climate resilient practices are the cornerstone of the approach. The thrust of the strategy is to create a pull factor by engaging private sector who can aggregate and leverage market demand from lucrative segments.

Transfer of knowledge, skills and tools for greater income and resilience: During the reporting period, facilitation support provided to form and strengthen 25 Farmers' Enterprise Groups (FEG) consisted of total 246 members, out of which 134 around 50% are women. A series of training sessions arranged on pre and post-harvest technology on increasing sustainable production of seabukthorn berries and

plants by using climate resilient approaches and practices. In addition, 140 members 40% male & 60% female (mentioned in the table one on right side) from five local support organizations namely Gojal Rural Support Organization (GRSO), Mountain Area Support Organization (MASO)), Chepurson Local Support Organization (CLSO), Phundar and Shimshal actively participated in the training and started using the knowledge on the ground - impact to come next cropping season.

A total of 125 Participants (i.e. 97 Male, 28 Female) attended two days trainings on Yak farming practices and herd management arranged in Phander, Teru, Shimshal and Sost separately during the second quarter. Provided five days long training to 14 participants of the four UCs of Gojal I, Gojal II, Phander and Teru on pasture management with the aim to develop communities' skills in pasture assessment and to build a sound pasture and grazing management plans within villages of local support organizations.

Developed Package of best practices on Yak and Seabuckthorn considering five elements of climate



Figure 15 Community led micro planning exercise

smart agriculture. Extensive research work was carried out in the field to develop Package of best Practices considering local knowledge, local practices and technical knowhow. To make PoPs easy and understandable brochures, leaflets and yearly calendars are prepared in local language for farmers – to be printed and used further.

Developed new prototype tools and accessories (still in testing phase) to make harvesting effective and to reduce post-harvest losses of berries to farmers - Not having appropriate tools and big loss (wastage) have been big concern of farmers.

Identified more than thirty micro entrepreneurs/ enterprises related to sea buckthorn and yak products and services (including service provisioning). Micro enterprises related to

seabuckthorn include local sales, agents, small processing units for jam, jelly, juices, trading, pulp



Figure 17 Demonstration of technologies for sea buckthorn collection

making, oil and cosmetics, juice and foods corners/shops, tools and accessories etc. whereas micro enterprises related to yak are yak meat foods restaurant staff, dishes / small, hotels, butchers, village agents, leather processors, yak farming etc. The enterprises related to service provisioning include; information, finance and legal services etc). The selected micro entrepreneurs would go through extensive training and mentoring process to establish and run the enterprise successfully in year 2017.

Private sector engagement to strengthen market linkages: Private sector has been important for vertical linkage and sustainability. Two private sector players /lead enterprises namely Sky frozen for Yak meat and Faran Phytopharma now North Natural Pakistan for number of products related to Seabuckthorn have been identified and partnered. Sky frozen has extensive experience with over portfolio of 0.27 million USD turn in food and frozen meat over whereas North Natural Pakistan has more than 0.25million sales turnover with extensive experience in herbal oil extracts and cosmetics. Both firms are willing to invest money in establishing processing units for meat as well seabuckthorn. A formal arrangement of these firms with the community own groups will be linked for the regular supply of yaks as well as seabuckthorn berries. A strategy to create a long term win-win situation for both sides is under preparation.

Facilitation of multi-stakeholder engagement process: There is a visible change in discourse of discussion and actions among the communities, farmers and market players, policy makers about yak and Seabuckthorn in Gilgit Baltistan than ever before. The extensive sensitization and awareness with the involvement of local organizations, network and integration of the farmers' enterprise groups, and

'In our province, Yak has been considered as wildlife species and very little efforts were made to harness its market potential. I appreciate Himalica pilot for considering Yak as domestic livestock, selecting it as priority value chain and designing/implementing up gradation plan. We now plan to include Yak in our department directory, and urge Himalica to arrange a joint session/forum with Wildlife Department to develop a consensus to declare Yak as livestock. This will help resolve number of issues with regards to pasture and others'.

Director Livestock Department, Gilgit

private sector players, the debate in various circles have evolved a lively and significant about importance of seabuckthorn and yak not only from the local economy and livelihoods resilience point but also from policy and enabling environment. The participation and discussion from the Government department is encouraging (refer to table II).

Agriculture Department has also keen to work closely with AKRSP's Himalica team to chalk out road map to declare Sea buckthorn as agricultural product. Mountain Agriculture Research Council (MARC) has limited knowledge about Sea buckthorn's propagation and management. They have requested Himalica team to support them developing their capacities in pre-and post-harvest management techniques so that they scale out these activities in other parts of GB

Micro plans have increased the voice for seabuckthorn and yak related opportunities and challenges. Arranged one major micro planning capacity building workshop for staff as well as for members of 4 LSOs (GRSO, CLSO, PLSO and TLSO). Many sub workshops were arranged in the vicinity of each LSO. Each LSO has prepared respective micro plans with explicit mention of challenges and opportunities related to sustainable production of seabuckthorn and yak. The other major issues included are: water scarcity, management of natural resources, managing grazing issues, enabling policy matters, marketing, climate change and natural disasters etc. There is implementation plan already developed that who will do what, with which resources and time etc.

Activity 5. Capacity Building:

Support to building capacity in higher education, training institutions and NGOs across the HKH region in particular at local level, to scale up best practice for improved resilience to climate change;

Capacity building is a cross-cutting activity; many of the interventions made to strengthen skills and capacity of target beneficiaries have been embedded with Activity 2, 3 & 4. In 2016, collaboration



After participating in community-led micro-planning, a tea stall has been set up by one of the community members at road side to Bogalake. Local vegetables, fruits and demanding products of tourists are being sold at the stall. This provides opportunity not only to increase income of stall owner but also acts as market outlet for the people of Prongphungmuk Para.

continued with 4 national institutions to conduct trainings for improved resilience to climate change: Royal University of Bhutan, Rural Support Programme Network Pakistan, National Association of VDCs in Nepal (NAVIN), and Bhutan Media and Communication Centre. In addition to this, the arrangement is made with Himalayan University Consortium to provide support for curricula development. Himalica will provide support to bring key professionals of the agricultural universities and research centres from the region for developing roadmap/framework on higher education for mountain agriculture.

A good progress has been made in organizing trainings on climate change adaptation for implementing partners and staff from relevant government and non-government organisations. So far a total 5046 people trained on different topics and practices of which at least 43% are female participants. In addition to trainings, the number of exposure visits were arranged in relation to good practices for climate resilient agriculture and CCA. To sensitize communities about climate change and enhance their preparedness for addressing risks, number of trainings were provided on climate change and livelihood focus micro-planning. As a result, 20 micro-plans are already in place, and resources are being harnessed for implementation of interventions prioritized by the communities.

With an aim to diversify income sources for pilot target communities, a feasibility assessment was conducted for promoting community-based beekeeping enterprise in Taplejung and Udayapur, Nepal, and Barshong in Bhutan. And, a regional training was held at ICIMOD Knowledge Park for lead farmers and partner staff (including 25% women participants) from Udayapur, Nepal and Barshong, Bhutan, and from HICAP pilots in Kavre, Nepal. Similarly, 11 male and 3 female coffee farmers from the pilot villages of Bandarban, Bangladesh were brought to Nepal for an exposure visit on coffee growing and processing as part of the pilot activities in Bangladesh. Upon their return, these participants have initiated coffee nurseries for expanding and strengthening the coffee value chain activities in Bandarban.



Figure 16 Communities discussing about climate change and their preparedness plan

In an effort to add value at different nodes of the chain, training of trainers have been conducted in Bhutan and Nepal (Taplejung and Udaypur) for 21 and 27 participants respectively. The trainers have identified potential entrepreneurs at their VDC's and have started enterprise development training at the local level where the major output is that each enterprise will develop their own business plan in

order to run their small enterprise as business. As a part of handholding, 11 rural youth from Taplejung, and 14 rural youth from Udayapur have been selected for training in business plan development and business start-up in cardamom and vegetables, respectively. Apart from this, Himalica is also supporting 16 students (50% girls) from Udaypur and Taplejung (Nepal) for 18-month agro-vet course by CTEVT. The students will get diploma on successful completion of the course and vocational skills to take up salaried jobs or start their own business.

Table: Country specific training for pilot activities in 2016

SN	Training/Exposure visit	Participants
Bangladesh	<ul style="list-style-type: none"> • Training on making handicrafts • Training to coffee farmers on quality coffee production process • Coffee farmers and government official exposure visit to Nepal • ToT on ESA organized by ICIMOD in Nepal • Participated in Bandarban Tourism vision and Action workshop 	<ul style="list-style-type: none"> • 30 female • 25 farmers • 11 male and 3 female • 2 male and 2 female • 43 male and 4 female
Bhutan	<ul style="list-style-type: none"> • Training on Formation of groups/cooperatives • Exposure visit to India to see climate smart agriculture practices • Exposure visit for Barshong farmers to Salamjee village in Dagana dzongkhag (district) • World Soil Day celebration • Awareness raising session organized on sustainable land management practices in Barshong • Training on feed and fodder development 	<ul style="list-style-type: none"> • 123 farmers • 10 from IP • 26 farmers (11 W) • 173 farmers • 90 farmers • 67 farmers
Myanmar	<ul style="list-style-type: none"> • Training on Bio-briquette Technology 27 farmers including 14 men and 13 women from pilot project communities. • Training on contour vegetative hedgerow, plastic-line ponds, JholMal • Other land, water, value chain related capacity building events (<i>pls. refer to the table in Myanmar section for details</i>) 	<ul style="list-style-type: none"> • 27 farmers (13 W) • 61 farmers (30 W) • 1627 farmers (708 W)
Nepal Udayapur	<ul style="list-style-type: none"> • Vegetable nursery training • Crop management training • Post-harvest and marketing training • Jholmal preparation and application training • Compost making training • Gender and social inclusion training 	<ul style="list-style-type: none"> • 504 farmers • 516 farmers • 467 farmers • 524 farmers • 112 farmers • 35 participants (29 W)
Nepal Taplejung	<ul style="list-style-type: none"> • Inter-district Exposure visit in Ilam and Jhapa • Kiwi Fruit Cultivation Training • PoP cardamom orientation • Gender Sensitization Training • Policy advocacy workshop • Beekeeping training • Cooperative orientation • Business plan development ToT training • Basic Enterprise & Book Keeping • District level Interaction workshop between Exporters, Traders and producers 	<ul style="list-style-type: none"> • 31 farmers (5 W) • 25 farmers (12 W) • 225 farmers (71 W) • 30 stakeholders (18 W) • 146 stakeholders (10 W) • 21 farmers (6 W) • 12 Members (3 W) • 34 farmers (9 W) • 52 stakeholders (5 W) • 24 stakeholders (3 W)

	<ul style="list-style-type: none"> • District level Interaction workshop between Traders and producers pre & post-harvest technology • PoP orientation to Demo farmers • Off-season Vegetable production • Shitake mushroom training • Training on improved practices of Cardamom farming • Fiber processing training • Training on climate change adaptation practices for sustainable cardamom production 	<ul style="list-style-type: none"> • 12 farmers (0 W) • 20 farmers (13 W) • 20 farmers (10 W) • 103 farmers (32 W) • 6 members (6 W) • 28 stakeholders (4 W)
Pakistan	<ul style="list-style-type: none"> • Yak post-harvest management training • Sea buckthorn post-harvest management trainings • Pasture management training • Training on Yak Farming and Herd Management 	<ul style="list-style-type: none"> • 140 farmers (52 M, 88 W) • 153 farmers (48 M, 105 W) • 14 stakeholder • 125 farmers (97 M, 28 W)

4. Programme Management

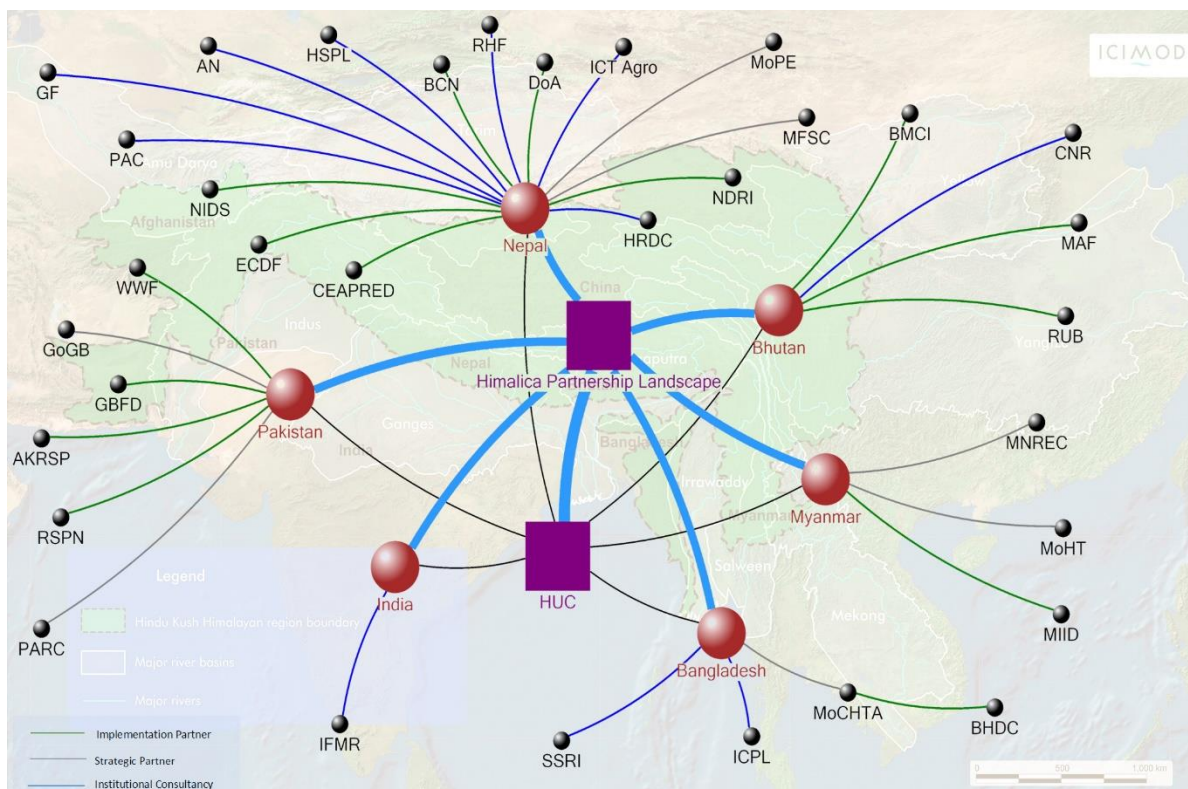
a) Interlinkages and Synergies

The Himalica team continued to pursue strengthening synergies with other Initiatives within the Regional Programme on Adaptation to Change as well as in other Programmes within ICIMOD. Efforts have also been made to create synergy with government programmes, and facilitate cross learnings between partners through organizing regional level workshops and exposure visits. In Nepal, an Advisory Committee has been formed to support HICAP/RMV and Himalica programme. The committee is chaired by Director General, Department of Agriculture and following are the members: Chief, Climate Change and Environment Section, Ministry of Agriculture; Director, Nepal Agriculture Research Council, NARC; Director, Planning, Social Welfare Council; Programme Coordinators, HICAP and Himalica; and Programme Director, CEAPRED as Member secretary.

The regional workshop was organized in February for implementing partners of Himalica pilots to share progress, present plans and learn from each other's experiences. The similar workshop was organized prior to the programme steering committee meeting in June, where partners had opportunity to interact with EU delegates and ICIMOD senior management. Following the same rationale, the regional workshop on shifting cultivation has been organized in NE India bringing partners both from Himalica and AdaptHimal, and multidisciplinary team of ICIMOD. The regional impact evaluation training, which is to be facilitated by ICIMOD SPM&E team, is also planned in January 2017 for partners of HI-AWARE and Himalica programme.

b) Partnership Development

The Himalica programme made sincere efforts to strengthen partnership and improve networks for smooth implementation and continuation of activities beyond project period. As reported in previous year, Himalica has 31 partners across the 5 countries that the project is being implemented in, with 3 of these being strategic government ministries – Ministry of Agriculture and Forests in Bhutan, Ministry of Chittagong Hill Tract Affairs, Bangladesh and the Department of Agriculture, Government of Nepal. The updated list of partners is attached as an Annex 3 to this report.



In addition to direct partners, the Himalica also engaged in developing network with other concerned stakeholders in each of the project site. For example through HUC, Himalica is supporting agriculture universities in the region to develop roadmap for mountain agriculture focused curricula/syllabi. In Myanmar, the implementing partner collaborated with Shan State Forest Department, local NGO - Forest Resource Environment Development and Conservation Association (FREDA) and Winrock International implementing USAID funded programme in the region. In Bangladesh, the project management unit (PMU) came up with MoU with two prominent private sector businesses (North End Coffee Roaster, and Ispahani Agro Ltd) to strengthen forward linkages for coffee and fruits produced by target communities. In Nepal, number of exposure visits and mutli stakeholder processes were facilitated to increase ownership and out-scaling of interventions (already referred above under Activity 2).

c) Operational Management

Himalica operational structure remains unchanged, since 2014, where implementation of activities is linked to the outputs of the ICIMOD - RP1 Adaptation to Change. To ensure reporting in accordance with the Himalica framework, addendum of LoAs with partners have been signed and orientation provided by the Programme Finance team on keeping records and submission of fund utilization reports. For supporting the partners in implementation and progress review, regular visits were carried out by the Himalica team (both technical teams as well as the project management team), including the visit of the Director Programme Operation, the Director Admin and Finance, Regional Programme Manager, Head of SPM&E Unit and Himalica Coordinator to pilot sites in Myanmar and Bangladesh. Regular joint monitoring visits are being made to the project sites by the SPM&E and Himalica team together with the key stakeholders to assess the progress and also to show the interventions to the key stakeholders including relevant government agencies for uptake. Joint monitoring visits made to the project sites in Udayapur, Nepal and Myanmar, visits to other project sites are also planned.

Frequent partners synergy workshops are being organized to provide opportunity to the partners to share their progress, learnings and challenges and find solutions to cope with the common challenges.

All the pilot partners participated in the partners synergy workshop organized in March, 2016 where the partners presented their project progress and plans. The progress and plans of each partners were discussed in detail to achieve the desired results and make them in line with the Himalica outcomes and outputs.

The partners submit their progress report bi-annually on the prescribed reporting format provided to them by ICIMOD. In addition, Himalica team members are in regular contact with partner counterparts, to discuss project needs, issues, and ideas.

Following the superannuation of Erling Valdemar, the former Coordinator for Himalica, the new Programme Coordinator for Himalica has been appointed through an open competition process. Other team members were also put in place for smooth implementation of interventions.

The national level Project Steering Committee meetings were held to further facilitate operational management in Bhutan and Bangladesh. The progress of 2015 and Annual Work Plan and Budget of 2016 was discussed and approved. The meetings also discussed issues and challenges, and recommended to increase the size of installment to address the fund-flow issue.

Since the Addendum No. 3 to the contract was signed between ICIMOD and EU in October 2014, the budget balance and actual utilization of budget under each activity and budget line item has been reviewed. And, proposal for reallocation has been submitted. The EU accepted the proposal and Addendum No. 4 has been signed. All other terms and conditions of the Contract and its previous addenda, remain unchanged.

The fourth Programme Steering Committee (PSC) meeting was held in Kathmandu on 10 June 2016. Minutes of this meeting are attached as Annex 4 to this report.

5. Constraints and challenges

The main constraints and challenges highlighted by the Pilot Implementing Partners in 2016 were as follows:

a) Security concerns and restrictions on visits to pilot sites:

With security concerns becoming acute in several of the pilot countries, field visits have been increasingly hampered due to the requirement of obtaining security clearances from concerned Ministries in Bangladesh and Pakistan. This has upset implementation schedules, delaying activities on several occasions and in the case of Pakistan, totally hampering field visits of non-national ICIMOD staff. In Bangladesh, special permission is required to visit the hill districts, and after the terrible incidence happened in Ghulsan, Dhaka it became difficult for ICIMOD professionals and consultants to make frequent visits and provide timely support to project implementation team. In both the cases, ICIMOD project and technical staff from the respective countries have increased the frequency of their visits to ensure that project support to field staff and partners are not hampered unduly. The members of CIMOD Board of Governors from respective countries were updated about the issue, and they are very supportive in speeding up the process and providing timely advice.

b) Delays in release of funds to Partners due to stricter financial procedures:

With the need for compliance to stricter financial requirements by partners – verification of supporting documents in original for every expenditure item – there has been delays in replenishment and fund release schedules. In the case of government agencies, an added challenge is the need to retain original vouchers for audits by their auditing agencies. This has caused delays in fund release and replenishment. Steps are being taken to address both issues and reduce on the delays.

c) Unforeseen externalities:

Due to demonetization in India, procurement of improved goat breed from India to Bhutan could not be realized. In Taplejung too, the prices of cardamom reduced significantly and farmers had to hold their harvest in anticipation of better market price. Uncertain natural hazards like hailstones, heavy rainfall and long drought affected large cardamom production (in Taplejung) and vegetable nurseries (in Udyapur). Therefore, upscaling of climate resilient practices becomes very important.

6. Lessons Learnt

Several lessons have emerged over the past months both in regard to content as well as implementation issues. The key lessons learned during implementation are highlighted in the following paragraphs:

a) Lessons for uptake and scaling up

- i. The action research conducted in Udaypur, Nepal suggests that while communities have an interest in gaining new knowledge and for enhancing skills and capacities in new technologies, resource management and income diversification opportunities, uptake of the new skills and knowledge remains dormant unless immediate tangible benefits can be perceived in income or in day to day livelihood pursuits because of the interventions.
- ii. The pilot in Udaypur indicates that despite demonstrations and capacity building events on improved practices, the rate of adoption of such practices remain poor unless a mechanism for regular technical backstopping is designed into the pilot approach, providing easy access to technical services. The success of pilot interventions and the rapid replication of practices has been possible because participating households had access to technical backstopping provided by project field staff on a regular basis, making it possible for the households to interact, clear doubts and easily access proper guidance in applying the newly gained knowledge on improved practices. This easy access to technical backstopping proved crucial – in the view of the community – in adoption and replication of the practices. With tangible gains in income attributed to the improved practices, the uptake by other households increased rapidly as well.
- iii. Micro-planning exercises, conducted across pilot sites, helped communities to incorporate critical ‘felt needs’ in their plans. Wherever elements in the community microplans matched local government schemes and targets for the year, communities were able to harness funds from local agencies to execute the planned activities. Examples of such successes are reported from Nepal and Myanmar. Microplans, therefore, can be an effective tool to synchronise targets set for government schemes with ‘felt needs’ of the community, offering an effective strategy to fund community plans while contributing towards achievement of government programmes and schemes.
- iv. The practice of conducting joint monitoring missions involving senior level officials from the concerned departments, drawn from the pilot district and national level has proved to be extremely effective for building ownership (of the government) and in facilitating mainstreaming and up scaling. This strategic approach was first adopted in Nepal for the action research and pilot in Udaypur. The involvement of the officials as team members in the joint monitoring helped in the officials getting a very clear picture of the main objective of Himalica’s interventions as well as a first-hand experience of the implementation and the response of the community to the pilot interventions. The joint monitoring also helped the officials in realizing the relevance of Himalica’s pilot interventions for ongoing departmental and national programmes, thereby enhancing the confidence of the officials in the pilot, thereby paving the way for mainstreaming and scaling up. A similar approach adopted in Bangladesh has helped in leveraging government funds for many

activities found to be critical for achieving outcomes, but which were beyond the scope of the Himalica pilot. The additional resources garnered funds for activities that enhanced the outcomes from the interventions. The lesson from these two pilots emphasizes the importance of involving the major stakeholders not just in project conceptualization, but also in joint monitoring for enhancing ownership and for scaling purposes.

- v. Diversification of income opportunities can happen if such opportunities are built on approaches that harness latent skills already existing within communities. This was a lesson that emerged from the pilot in Myanmar where community members were given skill development training in bamboo handicraft making. The skill development was imparted by a local artisan who also provided an immediate outlet for the finished products. The combination of these two factors – building on latent skills and the link to a ready market – helped in the initiative taking rapid shape, providing villagers with a new income generating opportunity which provided a multiple enhancement in income from a locally available raw material that hitherto was providing low returns. This has also contributed to a perceivable enhancement of confidence of the participating community members, changing not only their income, but also their self-esteem significantly in the process.
- vi. Another lesson from the Myanmar pilot is in the context of private sector partnerships. The project helped in setting up a Seed Bank which also functioned as a collection centre. This resulted in aggregation of ginger produced by the villagers within the villages and in a trader subsequently collecting the aggregated ginger yields from the village, paying a slightly higher rate than that prevalent at the local market. The villagers not only received a higher price for their ginger, they could also save time and the expenditure they would have otherwise incurred if they had to sell their ginger in the local market. Though the income enhancement was not substantial, the fact that they had an assured buyer willing to pay them slightly higher but collect from the village provided the villagers with reasons enough to participate in this arrangement. The lesson from this experience is that even incremental increases in income will cement partnerships if farmers are assured of their products being sold. Further, the introduction of a simple intervention, a weighing scale, further helped to build trust as the farmers were now getting a return for the total yield of their produce without any deductions attributed to spoilage or damage. For the buyer, the aggregation of produces in collection centres, exact weights and assured supply made this arrangement attractive enough to enter into this partnership. The lesson that emerges, thus, is that clear tangible benefits for both partners, no matter how incremental, can provide the foundations of a good business arrangement.

b) Lessons in Project implementation

- i. Lessons have also been learnt in the context of project implementation. The first, emerging from Bangladesh and Bhutan pilots is the importance of having a dedicated and committed local champion driving the pilot. The experience from Bhutan suggests the importance of recognizing synergies between project objectives and ongoing government programmes by the Project field team. The team harnessed opportunities offered by the project in strengthening efforts to achieve departmental and district outcomes, thereby attaining objectives of both the project and existing government targets. The results in the field have been impressive, highlighting the role of the local team in identifying and building synergies with existing programmes from government agencies. This synergy building contributes critically in scaling up efforts for the future. In the same vein, in Nepal when local government agencies recognized the potential of the Himalica pilots in achieving their departmental and district objectives, full support was extended in implementation efforts and the establishment of a joint monitoring mechanism involving relevant line department officials from the district and national level has laid the foundation in developing mechanisms for mainstreaming and scaling up pilot intervention approaches.

7. Fund Utilization

The financial report provided in Annex 1 complies with Art. 2.7 of Annex II of the Contract No. ASIE/2012/292-464.

8. Plan for the next reporting period

Highlights of the planned activities for the coming year are provided below as bullet points:

- Synthesis of action research findings and pilot interventions
- Improving institutional capacity, policy dialogue and collaboration to address adaptation issues
- Stakeholders engagement and networking with particular focus on up-scaling/out-scaling of adaptation-related technologies/practices/approaches
- Promotion of women's empowerment through pilots' value chain development
- Entrepreneurship development
- Generation and dissemination of knowledge through arranging regional and international events, including conference on Resilient Mountain Solutions

9. Risk assessment and mitigation measures

The following table gives a risk assessment for Himalica and the mitigation measures put in place to mitigate this risk.

Risks identified	Mitigation measure
National and regional stakeholders and authorities are not effectively involved in the implementation of activities.	Himalica ensures stakeholders' involvement in the intervention right from the planning phase in all countries to ensure that partners take ownership of the project and drive implementation.
The political, social, economic, and natural environment becomes insecure for target groups to invest in the development of income generating opportunities.	This has been an issue in Bangladesh; pilot project interventions are demand driven and jointly planned with nodal ministries, implementing partners, and communities. However, implementation has been delayed and access to one site totally restricted. Focus, therefore has been in areas where this is not an issue.
The initiative is supply-driven and does not follow a demand-driven approach.	This is not an issue at present; all activities are jointly scoped and planned with governments, implementing partners, and communities.
Pilots and action research and capacity building activities are not interlinked and, therefore, lack strong synergy.	Himalica is ensuring that programme coordination focuses on transdisciplinary and interlinking cooperation within the core team to tackle emerging signs of this risk. Remains for 2016: increased focus on adherence to the impact pathway; active personal communication between team members is policy of the programme to increase synergy building.

The focus of the initiative is thinly spread across many partners in the region (or even within a country) and, hence, results in ‘stand-alone’ activities without an overall regional or thematic approach, which dilutes the focus and impact of the programme.	This is not an issue at present, as implementation follows a clear conceptual framework for objectives and impact, with the joint design and development of all interventions with partners. Remains for 2016 increased focus on adherence to the impact pathway.
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10. Major deviations from 2015 plan

With the security situation in Bangladesh, specifically in the pilot area, becoming a cause of concern, access to the Chittagong Hill Tracts has been restricted by the government, severely hampering field implementation and the required technical support from ICIMOD team members. This has caused substantial delay in implementation as well as in fund utilization. Steps had been taken to focus on activities that did not require implementation in the field and could be conducted from outside the CHT. Additionally, the implementation focus was strengthened in other countries so that overall performance did not get severely hampered.

11. Tabular Progress Report

Result 1: Capacity of national and regional stakeholders: the capacity of national and regional stakeholders to deal with livelihood development and the protection of environment in the HKH region is enhanced

Himalica Log frame indicators	Planned for 2016	Progress in 2016			Link to RP Output
		2016	Cumulative	Qualitative	
1. 6 member countries are participating actively	5	5	5	5 RMCs including Bangladesh, Bhutan, Myanmar, Nepal and Pakistan are actively engaged with program intervention. Support to Afghanistan for policy/strategy is yet to be finalized	
2. 30 high quality knowledge products on CCA made available to national, regional and global communities	16	20	23	<u>Knowledge products published & disseminated (6)</u> <ul style="list-style-type: none"> • Multidimensional Poverty and Catastrophic Health Spending in the Mountainous Regions of Myanmar, Nepal and India • Pro poor and Climate Resilient Value Chain Development: Operational Guidelines • Climate + Change Handbook • 2 book chapters: An Index Based Assessment of Vulnerability to Floods in the Upper Indus Sub-Basin: What Role for Remittances?; Role of Remittances in Building Farm Assets in the Flood Affected Households in Koshi Sub-Basin in Nepal • Farmers Resource Book on Climate Resilient Practices for Cardamom <u>Knowledge products in process of publication (14)</u> <ul style="list-style-type: none"> • Community led micro planning manual • 3 Package of Practices (PoP): one each for fresh vegetables in Nepal, Cardamom 	Output 1: Knowledge products forenhanced understanding of risks,uncertainties, vulnerabilities, genderissues, migration, poverty andopportunities to adapt to changedeveloped and strategicallydisseminated

				<p>in Eastern Himalaya, and vegetables in Bhutan</p> <ul style="list-style-type: none"> • Journal article on Biochar based Organic Fertilizer and ecosystem services • 3 multi-dimensional assessment of ecosystem and their services in Inle Lake (Myanmar), Barshong (Tsirang, Bhutan), and in Rauta, (Udaypur, Nepal). • Climate Change Adaptation Training Manual • Process documentation of DMP for Inle region in Myanmar • Pollination related ecosystem services for improved livelihoods • 3 farmers resource books on Climate Smart practices (in process) 	
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3. 4 NAPAs or other national policies or strategies adapted to include mountain-specific CCA focus	4	5	10	<ol style="list-style-type: none"> 1) A concrete collaboration established with MoPE for NAP formulation process in Nepal 2) Collaborative framework with Himalaya University Consortium (HUC) to sharpen the focus on Mountain Agriculture in Higher Education Institutions in the HKH Region 3) Developing a roadmap for Organic Agriculture Policy in Bhutan 4) Destination Management Plan (DMP) for sustainable and inclusive tourism development in Bandarban, Bangladesh developed building on experiences from Inle region, Myanmar 5) Multi-dimensional poverty and vulnerability survey for better targeting 	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods
4. 10 new action research initiatives identified and under implementation including 3+ (new partners) collaboration bodies	10	10	10	<ul style="list-style-type: none"> • 8 action research are under implementation including; (2 on migration, and 1 each on ecosystem management, pollination, agri extension, tourism, adaptation innovation, tree line shift and livelihoods) • 2 new action research are in process; (ICT based tourism development and climate change and market system.) 	Output 2: Comprehensive and inclusive approaches, assessment methods, economic and gender analyses, institutional and governance mechanisms for adaptation to change developed
5. 500 participants (40%+ women) in at least 3 international and 6 national/ regional workshops or conferences organized on CCA	300	317	600	<p><u>Over 600 participants in international, regional and national/ subnational level workshops/conferences, including:</u></p> <ul style="list-style-type: none"> • 16 (13m+3f) participants from 7 RMCs participated in the Lima Adaptation Knowledge Initiative priority setting workshop for HKH (20-22 October) in Sri Lanka 	Output 6: National and regional platforms to share knowledge, experience and engage diverse stakeholders to shape policies and practices on innovative adaptation approaches and mechanisms are established.

				<ul style="list-style-type: none"> • 8 participants from Myanmar, Bhutan, and Bangladesh participated in a workshop on Managing Transformations in Shifting Cultivation (3-7 October) in Manipur, India. • 31 (27m+4f) participants participated in a national workshop on sharing of findings on agri-extension action research in Nepal • 12 (10m+2f) participants from Bangladesh, Nepal and Pakistan participated in an regional ESA orientation workshop in Udayapur, Nepal • 18 participants from MoPE & ICIMOD participated in interaction on the National Adaptation Plan (NAP) process in Nepal • 34 participants participated in Introductory workshop of the Thematic Working Group on Forests and Biodiversity for NAP Formulation Process in Nepal • Over 200 (25% women) stakeholders participated in a farmer's convention in Peshawar (27 April) organized by Pakistan Academy for Rural Development, where the finding of pollination action research shared • CNR organized a final workshop (30 August) to share the project learnings to the stakeholders and offer reward to the model Geog. 	
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				<p><u>Papers presented and experiences shared by ICIMOD professionals:</u></p> <ul style="list-style-type: none"> • International mountain day event organized by MoCHTA in Dhaka, Bangladesh, and by MoAF in Thimphu, Bhutan • Climate change book launch event organized in Bhutan through BMCI • Session on “Enhancing gender responsive adaptive capacity in communities co-organised by ICIMOD and UNEP Asia Pacific Office • Transformative global climate change governance after Paris, international conference held in Berlin • Side event of 44th session of the subsidiary bodies of UNFCCC session in Bonn Germany “Establishing a partnership platform with regional centers to provide technical support to developing countries Parties on adaption”. • Conference in Indonesia to present a paper Biochar based Organic Fertilizer • Regional workshop on agro forestry policy in Nepal 	
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Result 2 Poverty reduction: Poverty among mountain men and women in the HKH region is reduced through increased resilience and the unlocking of new livelihood opportunities, and through the promotion of more equitable approaches					
Himalica Log frame output Indicators	Planned for 2016	Progress in 2016			Link to RP Output
		2016	Cumulative	<u>Qualitative</u>	
2. 20 community-led micro-plans developed with CCA/environment focus	7	7	27	<ul style="list-style-type: none"> • ToTs on climate change adaptation focus micro-planning organized in Udayapur, Nepal, Bangladesh and Pakistan. After the trainings the following micro plan development has been reported; • 1 Micro plans from Bangladesh • 5 Micro plans from Pakistan • 1 Micro plan developed in Udayapur 	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods
3. 1500 poor men and women in 25 communities are targeted as beneficiaries of pilots (gender disaggregated)	9960	9960	9960	Support to the target beneficiaries (a total of 9960 women, men and children) of which almost 50% are female in the pilot project area continues through different interventions of the pilot projects. In Udayapur an additional 149 households have been added as beneficiaries (149*5 average hh size=745 members)	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.

4. 50% of targeted poor men and women record 30% increase in income (gender disaggregated)				<p>Nepal: baselines of two pilot project site in Taplejung and Udayapur has been completed.</p> <p>Bangladesh and Pakistan: Baseline data collection and analysis has been completed</p> <p>There are clear indications from our monitoring reports that there is an increase of income from our pilot interventions, however evaluation survey are planned in 2017 to systematically assess the impact.</p>	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
5. 2 gender-sensitive social protection packages developed for migrants or those left behind	2	2	2	<p>1 package of interventions related to livelihood diversification for women farmers in remittance receiving households of Nepal. (under implementation)</p> <p>1 package of ICT based interventions to promote disaster preparedness and nutritional security (in process)</p>	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
6. 10 value chains of mountain products analyzed, leverage points addressed	10	10	10	<ul style="list-style-type: none"> • Further to the analysis of 10 value chains and identification of leverage points in 2015, the partners are supported to make interventions for further strengthening/up gradation of value chain. • Sustainability (environment, economic and social) assessment of value chains conducted together with AdaptHimal in Bhutan, Nepal and India. • 2 value chains analyzed in Pakistan (yak and sea buckthorn) 	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.

7. 250 trainers have been trained in CCA- related topics	200	402	1007	<ul style="list-style-type: none"> • 20 journalists (10m+10F) from Myanmar trained to raising awareness on mitigation and adaptation options at local context of Myanmar • 33 (14m+19f) journalists from Bhutan participated in a workshop on Climate Change using humor and metaphor to inform people about things that matter organized by BMCI on May 9, 2016 • 15 staff (5m+10f) of media houses, NGOs and BMCI participated in a Climate Change Workshop organized by BMCI on June 6-8, 2016 • 13 participants (11m+2f) from Bangladesh (4), Nepal (3) and Pakistan (6 forest officers) participated in ToT on ESA organized in Nepal. • 224 (164m+60f) farmers, peer farmers and agriculture service center extension workers trained on inter cropping technology through the number of incentive distribution workshops. • 24 (12m+12f) participants from Bhutan participated in training on PVA survey instruments and methodology from Bhutan from 2-6 October, 2016 • 73 participants participated in 3 ToT events on CCA focused micro planning in Bangladesh (21m+3f=24), Pakistan (9m+7f=16) and Udaypur, Nepal (24m+9f=33) 	Output 5: Capacity of relevant institutions to mitigate risks and manage change strengthened
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8. 100 young entrepreneurs trained	100	91	91	<ul style="list-style-type: none"> • 20 men and 7 women participated in Training of Trainers organized for potential entrepreneurs in Birjung, Nepal on business development plans • 18 men and 6 women participated in enterprise and business plan development training organized for farmers in Udayapur, Nepal • 14 men and 6 women participated in the Training of Trainers on Enterprise Development in Tshirang, Bhutan • Support provided to 4 young entrepreneurs from Udayapur and 6 youths from Taplejung to peruse vocational/technical training (JTA course) • 10 youth from Bhutan trained in enterprise development 	Output 5: Capacity of relevant institutions to mitigate risks and manage change strengthened
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Activity/Component Wise Progress				
Himalica Log frame indicators	Planned for 2016	Progress in 2016		Link to RP Output
		Quantitative	Qualitative	
Activity 1: Develop capability to adapt policy: Increase the national and regional collaborative capacity to develop adapted policies impacting on mountain rural livelihoods, taking socio-economic and climate change into account				
1.1.1 6 Climate Change adaptation policies or strategies identified, monitored and assessed	5	5	<ul style="list-style-type: none">• Arrangements made for support to sharpen the focus on Mountain Agriculture in Higher Education Institutions in the HKH Region through Himalaya University Consortium.• Analytical review of the existing migration and remittance policies introducing vulnerability and increasing resilience to environmental and socioeconomic change in Nepal with a special focus on the mountain region completed.• PVA in Shan and Chin states, Myanmar, has been fully reported and journal papers written on the survey results• PVA field surveys completed in Bhutan and analysis is under way• Bi-lateral meetings and roundtables arranged and inputs provided regarding the draft strategy paper on Climate Change and Migration prepared by MoPE in Nepal.	Output 3: Improved resourcegovernance, access and supportservices identified, assessed andpromoted for livelihoods
1.1.2 4 NAPA or national strategies or policies and processes are supported and adapted to mountain-specific context through project influence	3	3	<ul style="list-style-type: none">• Process initiated to extend support to MoPE in regard to NAP process• Work under progress for developing a roadmap for Organic Agricultural Policy in Bhutan• Destination Management Plan (DMP) for sustainable and inclusive tourism development in Bandarban, Bangladesh, considering learning from Inle region, Myanmar.	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods

1.1.3 At least 5 knowledge products on ecosystem services are developed and used by partners	3	5	<p>5-knowledge products (3 ICIMOD publication and 2 peer reviewed articles) on Ecosystem Services are at final stage of publication:</p> <ul style="list-style-type: none"> • A multi-dimensional assessment of ecosystem and their services in Inle Lake, Myanmar • Ecosystem Services Assessment for Human Development: A multidimensional assessment of ecosystem and its services in Barshong, Tsirang, Bhutan • Linking Ecosystem Services for better livelihood and environment management: A multidimensional assessment of ecosystem and their services in Rauta, Udaypur, Nepal • Impact of land use land cover change on ecosystem services: A comparative analysis on observed and people's perception in Inle Lake, Myanmar • Understanding social–ecological interdependencies through ecosystem services value perspectives in Bhutan, Eastern Himalaya 	Output 1: Knowledge products for enhanced understanding of risks, uncertainties, vulnerabilities, gender issues, migration, poverty and opportunities to adapt to change developed and strategically disseminated
1.1.4 Mountain specific poverty index applied in at least 4 member countries		2	<ul style="list-style-type: none"> • In Bhutan, the PVA is under implementing with Ministry of Agriculture and Forests (MOAF) and the Gross National Happiness Commission. Data collection has been completed. • PVA in Shan and Chin states, Myanmar, has been fully reported and journal papers written on the survey results 	Output 2: Comprehensive and inclusive approaches, assessment methods, economic and gender analyses, institutional and governance mechanisms for adaptation to change developed

1.1.5 4 member countries are provided support to engage in international CCA events	4	3	<ul style="list-style-type: none"> • Supported the joint exhibition booth (ICIMOD/MoPE) at COP 22, Morocco (7-18 November) • 8 participants from Myanmar, Bhutan, and Bangladesh participated in a workshop on Managing Transformations in Shifting Cultivation in Manipur, India. 	Output 6: National and regional platforms to share knowledge, experiences and engage diverse stakeholders to shape policies and practices on innovative adaptation approaches and mechanisms established
1.1.6 3+ International workshops/conferences organized on CCA in region	3	3	<ul style="list-style-type: none"> • Side event on “Experiences sharing on Nepal’s NAP formulation process and approach” jointly organized by MoPE, ICIMOD and Action on Climate Today (ACT) during COP 22. • Lima Adaptation Knowledge Initiative priority setting workshop for HKH, organized for 7 regional member countries on 20-22 October, 2016 in Colombo Sri Lanka • ICIMOD and UNEP Asia Pacific Office co-organized a session on “Enhancing gender responsive adaptive capacity in communities in October, 2016 	Output 6: National and regional platforms to share knowledge, experiences and engage diverse stakeholders to shape policies and practices on innovative adaptation approaches and mechanisms established

Activity 2: Knowledge management: Raising awareness and disseminating knowledge on the effects of climate change and adaptation responses in the HKH region				
1.2.1 At least 25 knowledge products on CCA related issues (e.g. poverty, value chains, tourism, ecosystem services) developed, packaged and disseminated, additionally 6 knowledge products will be achieved by {17 Himalica + 6 HICAP + 2 by AdaptHimal = 25} under the RP1	13	19	<p><u>Knowledge products published & disseminated (6)</u></p> <ul style="list-style-type: none"> • Multidimensional Poverty and Catastrophic Health Spending in the Mountainous Regions of Myanmar, Nepal and India • Pro poor and Climate Resilient Value Chain Development: Operational Guidelines • Climate + Change Handbook • 2 book chapters: An Index Based Assessment of Vulnerability to Floods in the Upper Indus Sub-Basin: What Role for Remittances?; Role of Remittances in Building Farm Assets in the Flood Affected Households in Koshi Sub-Basin in Nepal • Farmers Resource Book on Climate Resilient Practices for Cardamom <p><u>Knowledge products in process of publication (14)</u></p> <ul style="list-style-type: none"> • Community led micro planning manual • 3 Package of Practices (PoP): one each for fresh vegetables in Nepal, Cardamom in Eastern Himalaya, and vegetables in Bhutan • Journal article on Biochar based Organic Fertilizer • 3 multi-dimensional assessment of ecosystem and their services in Inle Lake (Myanmar), Barshong (Tsirang, Bhutan), and in Rauta, (Udaypur, Nepal). • Climate Change Adaptation Training Manual 	Output 1: Knowledge products for enhanced understanding of risks, uncertainties, vulnerabilities, gender issues, migration, poverty and opportunities to adapt to change developed and strategically disseminated

			<ul style="list-style-type: none"> • Process documentation of DMP for Inle region in Myanmar • Pollination related ecosystem services for improved livelihoods 3 farmers resource books on Climate Smart practices (in process) • Biochar based Organic Fertilizer Outweigh Chemical Fertilizer in – Udaypur, Nepal 	
1.2.2 At least 6 national and 4 regional conferences or workshops arranged to share CCA information	6	6	<ul style="list-style-type: none"> • 16 (13m+3f) participants from 7 regional member countries participated in the Lima Adaptation Knowledge Initiative priority setting workshop for HKH, organized on 20-22 October, in Colombo, Sri Lanka • 8 participants from Myanmar, Bhutan, and Bangladesh participated in Peer Learning workshop on Managing Transformations in Shifting Cultivation in Imphal, Manipur, India from 3-7 October 2016. • 12 participants (10m+2f) participated in a regional ESA orientation workshop in Udayapur organized for partner from Bangladesh, Nepal and Pakistan • The experience of ICIMOD on cardamom-alder agroforestry system was shared with the participants in SAARC Regional Inception Meeting, which was jointly organized by the MOAD/GoN, ICRAF, SAARC-SAC and ANSAB. • Support provided to organize International Mountain Day events in Dhaka, Bangladesh and in Thimphu, Bhutan • Climate + Change book launch event organized in Bhutan through BMCI 	Output 6: National and regional platforms to share knowledge,

1.2.3 6+ Exposure visits organized to share CCA knowledge	6	8	<ul style="list-style-type: none"> • Exposure visit for senior government officers, district stakeholders from Udayapur and 2 ICIMOD staff, Nepal (a total 10=2 woman and 8 men) to climate smart village in India • Bangladesh coffee farmers and government official exposure visit to Nepal where 14 coffee farmers including 11 men and 3 women participated. • Exposure visit of bee farmers from Bhutan to successful Apis cerana entrepreneurs in Nepal from 17-20 May, 2016 where 11 farmers including 8 men and 3 women farmers participated • 26 (15m+11f) farmers of Barshong gewog, Bhutan were taken to Salamjee village in Bhutan on an exposure visit to look at the sustainable land management practices and interact with the farmers of the village • 19 participants (11m+8f) in an exposure visit to Yangon for bamboo, rattan and horticulture from 12-26 Feb, 2016 (2016) • Exposure visit of bee farmers from pilot sites (Taplejung and Udayapur) to successful Apis cerana entrepreneurs in Nepal where 10 farmers including 7 men and 3 women farmers participated • ECDF organize an inter-district exposure visit to Ilma for demo farmers and other actors where 26m and 5f participated • Exposure visit for District Governor, Chief District Agriculture Officer of Tsirang Bhutan to NE India on sustainable agriculture 	Output 5: Capacities of relevant institutions (public, civic, and private) to mitigate risks and manage change strengthened
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Activity 3: Collaborative action research: Strengthening collaborative action research in the region in relation to mountain livelihoods and eco-systems, generating evidence-based knowledge on adaptation and mitigation to climate change in the HKH region. This may include European / international organizations]				
1.3.1 10+ High value product value chains are analyzed with partners	10	10	<ul style="list-style-type: none"> • Further to the analysis of 10 value chains and identification of leverage points in 2015, the partners are supported to make interventions for further strengthening/up gradation of value chain. • Sustainability (environment, economic and social) assessment of value chains conducted together with Adaphthimal in Bhutan, Nepal and India. • 2 value chains analyzed in Pakistan (yak and sea buckthorn) 	Output 4: Gender-specific livelihood diversification options (high value products, value chains and ecotourism) to enhance income and adaptive capacity of mountain people identified, piloted, validated and up-scaled, in collaboration with partner
1.3.2 3 action research initiatives on tourism or ecosystem services developed and implementation with partners	3	3	<ul style="list-style-type: none"> • DMP process documentation and draft protocol prepared for possible uptake by other RMCs. • Out-scaling activities conducted through cross learning interactive activities and joint monitoring visit of the relevant line departments. The ecosystem services action research in Nepal has been recognized by the Ministry of Forest and Soil Conservation, Government of Nepal as a short but promising action research. • To assess climate change induced tree line shift in high altitude region and its effects on livelihoods of local communities and the impact of climate change upon overall livelihoods of mountainous community, where agriculture is the major livelihood option, and to determine possible adaptation and livelihoods options for the mountain communities based on the 	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods

			<p>knowledge. An institutional contract has been signed with HRF Nepal which has collected the phase of data.</p> <ul style="list-style-type: none"> • Discussion initiated with TAAN for new AR on tourism with ICT application in Nepal. 	
1.3.3 3 action research initiatives on migration or population dynamics developed and under implementation with partners	3	3	<ul style="list-style-type: none"> • In Nepal, under the ongoing action research on migration and remittances in Udayapur district, extension service on financial literacy, flood preparedness, and livelihood diversification have been provided to women members of migrant-sending households with the aim of building adaptive capacity of the household • The action research in Pakistan's Hunza and Nagar districts, training and extension service on financial literacy and flood preparedness have been provided to women members of migrant-sending households to increase the resilience and adaptive capacities. • In the livelihood diversification part of migration action research in Udayapur district, Nepal, the pea value chain analysis has been developed and necessary interventions made to cater the needs of women farmers of migrant-sending households. 	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods
1.3.4 3 new action research initiatives on innovative livelihood opportunities developed and under implementation with partners	3	3	<ul style="list-style-type: none"> • Following the encouraging results from pollination action research, beekeeping has been integrated as one of the livelihoods diversification activity in pilots in Barshong in Bhutan, and Taplejung, and Udayapur in Nepal. • In Nepal, the Randomized Control Trial (RCT) methodology related interventions linked to action research on agri- 	Output 3: Improved resource governance, access and support services identified, assessed and promoted for livelihoods

			<p>extension services were completed, all the surveys and incentive distributions completed through numerous workshops.</p> <ul style="list-style-type: none"> • Bee-keeping was short-listed among the probable livelihood diversification strategies for the action research in Gilgit, Pakistan in collaboration with WWF and AKRSP. The AR on pollination services in Chitral Pakistan has been completed. • Given the potential of beekeeping as livelihood strategy and its proven positive ecological externalities, an interactive web portal on bees and pollination was launched by ICIMOD to engage larger number of practitioners in the region. • Action research on community led climate resilient approaches completed in Bhutan through CNR/RUB. 	
1.3.5 2 gender sensitive packages on how to leverage migration for poverty reduction and food security developed	2	2	Women farmers of migration AR site in Nepal trained on biochar, peas cultivation (as livelihood diversification strategy) and business plan development.	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
Activity 4: Pilot activities on climate Change adaptation: Conduct pilot activities in a collaborative manner in vulnerable areas that strengthen the resilience of mountain men and women through delivery of services and products that will improve livelihood opportunities and ensure the sustainable management of natural resources. The pilot projects will be evaluated / selected by the PSC taking into account the following criteria: (1) Relevance / mountain specificity; (2) Regional collaboration; (3) Feasibility and potential impact; (4) Potential by government(s) and/or private sector to scaling up; (5) Capacity of implementing institutions(s); Cost effectiveness of budget.				
2.1.1 6 effective partners are identified for pilot work, MOUs signed	6	6	Implementation of pilot continues with 6 partners identified in 5 HKH countries in previous years.	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated

				and up scaled in collaboration with partners.
2.1.2 at least 4 HKH countries are hosting pilot collaboration activities	5	5	5 HKH countries are currently hosting the pilot projects that include; <ul style="list-style-type: none"> • Myanmar: MIID (2013) • Bangladesh: MoCHTA/BHDC (2014) • Bhutan: MoAF/Tsirang Dzongkhag (2014) • Nepal ECDF and CEAPRED (2015) • Pakistan: AKRSP (2015) 	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
3 new pilot activities addressing livelihoods of poor mountain men and women identified, developed and into implementation in Year_1	3	3	3 pilot activities continue addressing livelihoods for poor mountain men and women. Interventions with regards to livelihood based adaptations (promotion of climate resilient technologies and practices, institutional strengthening, and capacity building) identified, developed and value chain development under implementation in Bangladesh, Bhutan and Myanmar	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
3 new pilot activities addressing livelihoods of poor mountain men and women identified, developed and into implementation in Years_2&3	3	3	3 new pilot activities continue addressing livelihoods for poor mountain men and women, with particular emphasis on value chain up-gradation through promoting inclusive and climate resilient practices, institutional development and capacity building in: <ul style="list-style-type: none"> • Nepal: Vegetables with Centre for Environmental and Agricultural Policy Research (CEAPRED) in Udayapur, and Cardamom with Environment Conservation and Development Forum (ECDF) in Taplejung • Pakistan: Yak meat and Sea buckthorn with AKRSP in Gilgit-Baltistan. 	Output 4: Gender specific livelihood diversification options to enhance income and adaptive capacity of mountain people identified, piloted and validated and up scaled in collaboration with partners.
2.1.3 20 community- led micro plans developed withCCA/environment focus	7	7	<ul style="list-style-type: none"> • ToTs on climate change adaptation focus micro-planning organized in Udayapur, Nepal, Bangladesh and Pakistan. After 	Output 2 Approaches, assessment methods, economic and gender analysis,institutional governance

			<p>the trainings the following micro plan development has been reported so far;</p> <ul style="list-style-type: none"> • 1 Micro plans from Bangladesh • 5 Micro plans from Pakistan • 1 Micro plan developed in Udayapur 	mechanisms for adaptation to change developed.
Activity 5: Capacity building: Support to building capacity in higher education, training institutions and NGOs across the HKH region in particular at local level, to scale up best practice for improved resilience to climate change.				
2.2.1 8 training partners identified across the region, MOUs signed	4	5	<p>Collaboration continued with 4 national institutions to conduct trainings for improved resilience to climate change:</p> <ul style="list-style-type: none"> • Royal University Bhutan • Rural Support Programme Network Pakistan • National Association of VDCs in Nepal (NAVIN) • Bhutan Media and Communication Centre. <p>In addition to this, the arrangement is made with Himalayan University Consortium to provide support for curricula development.</p>	
2.2.2 120 staff from training partners have received CCA training	100	240	240 staff members of the partners trained on CCA which include 160 male and 65 female participants.	Output 5: Capacity of relevant institutions to mitigate risks and manage change strengthened
2.2.3 120 staff from government and non-government bodies have received CCA training	250	540	So far a total 540 staff of government and non-government organizations trained on CCA, which included 372 male and 168 female.	Output 5: Capacity of relevant institutions to mitigate risks and manage change strengthened
2.2.4 Training in relation to good practices demonstrated through pilot projects (from Activity 4)		5046	<p>Regional Trainings at ICIMOD: 48 people participated in 2 region events including 35 male and 13 female</p> <p>Country specific trainings: A total 5046 people trained on different topics and practices of which at least 43% are female (For details please refer Narrative Progress Report).</p>	Output 5: Capacity of relevant institutions to mitigate risks and manage change strengthened

12. Annexes

Annex 1: Financial Statement

Annex 2: Logical Framework (Himalica-addendum)

Annex 3: List of Partners

Annex 4: Minutes of the 4th Programme Steering Committee (PSC) Meeting

Annex 1: Financial Statement



FOR MOUNTAINS AND PEOPLE

Support to Rural Livelihoods and Climate Change Adaptation in the Himalayas

Donor: European Union

Project No. 1-903-154-0-P

Contract CT No: ASIE/ 2012/ 292 464

Implementation Period 4 Dec 2012 to 3 Dec 2017

Interim Financial report

for the period 4 December 2012 - 31 December 2016

(Amount in Euro)

Budget Items	Revised Budget as per Contract (in EUR)	Reporting period 04/12/2012 to 31/12/2013 (in EUR)	Reporting period 01/01/14 to 31/12/14 (in EUR)	Reporting period 01/01/15 to 31/12/15 (in EUR)	Reporting period 01/01/16 to 31/12/16 (in EUR)	Total	Balance
1. Human Resources	3,460,295	408,477	578,155	713,147	644,377	2,344,156	1,116,139
2. Consultancy/subcontracting	1,504,812	47,514	234,635	369,688	421,684	1,073,521	431,291
3. Travel Expenses	1,146,540	48,805	135,120	138,549	183,937	506,411	640,129
4. Equipments	442,818	3,233	2,261	21,955	217,610	245,059	197,759
5. Workshops and Training	2,093,146	146,136	246,107	464,104	553,507	1,409,854	683,292
6. Communication/ IT	299,709	4,841	4,250	28,108	20,139	57,337	242,372
7. Materials and Supplies	398,474	6,359	32,588	160,740	108,273	307,960	90,514
Total direct costs of the Action	9,345,794	665,365	1,233,116	1,896,291	2,149,526	5,944,298	3,401,496
8. Administrative costs	654,206	46,577	86,316	132,740	150,467	416,100	238,106
Total Costs of the Action	€ 10,000,000	€ 711,942	€ 1,319,432	€ 2,029,031	€ 2,299,992	€ 6,360,398	€ 3,639,602

INCOME

Month/Year

	Euro	Amount US\$	Rate
Dec'12	€ 2,140,000	\$ 2,786,458	1.30208
Aug'15	€ 1,579,586	\$ 1,733,904	1.09769
Aug'16	€ 3,214,503	\$ 3,595,641	1.11857

Total € 6,934,089 \$ 8,116,003

	Euro
Income	€ 6,934,089
Expenses	€ 6,360,398
Balance	€ 573,691

Director General

Director, Administration & Finance

Project Coordinator

Sr. Prog. Finance Officer

Sr. Finance Officer

24-Mar-17

Note: Subject to Annual Audit Adjustment

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अन्तराष्ट्रिय एकीकृत पर्वतीय विकास केन्द्र

संस्थापक निर्देशक: डा. विष्णु पौडेल

संस्थापक निर्देशक: डा. विष्णु पौडेल

अन्तराष्ट्रिय एकीकृत पर्वतीय विकास केन्द्र

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अन्तराष्ट्रिय एकीकृत पर्वतीय विकास केन्द्र

Support to Rural Livelihoods and Climate Change Adaptation in the Himalaya

Donor: European Union

Project No. 1-903-154-0-P

Financial Statement (Activity wise)

for the period 4 December 2012 - 31 December 2016

(Amount in Euro)

EXPENDITURE

<u>LINE ITEM</u>	<u>Revised BUDGET Euro</u>	<u>Jan-Dec'13</u>	<u>Jan-Dec'14</u>	<u>Jan-Dec'15</u>	<u>Jan-Dec'16</u>	<u>Total</u>	<u>BUDGET BALANCE</u>
Activity -1 Capability to Adapt Policy	1,406,971	125,697.82	324,503.27	343,112.63	206,731.63	1,000,045.35	406,925.65
Activity -2 Knowledge management	1,022,004	95,231.21	129,779.15	127,020.03	204,061.21	556,091.60	465,912.40
Activity -3 Collaborative Action Research	1,975,607	152,642.95	421,907.09	482,805.55	307,139.81	1,364,495.40	611,111.60
Activity -4 Pilot Activities	3,906,642	188,835.54	224,546.99	723,857.97	1,108,189.95	2,245,430.45	1,661,211.55
Activity -5 Capacity Building	1,034,570	102,957.40	132,379.33	219,494.92	323,402.98	778,234.63	256,335.37
Administrative Costs	654,206	46,577.25	86,316.41	132,740.38	150,466.79	416,100.83	238,105.17
<u>Total</u>	€ 10,000,000	€ 711,942.17	€ 1,319,432.24	€ 2,029,031.48	€ 2,299,992.37	€ 6,360,398.26	€ 3,639,601.74

ADDENDUM N° 4 TO CONTRACT N° ACA/2012/292-464

Between

The **European Union**, represented by the European Commission,
("the Contracting Authority"),

of the one part,

and

The **International Centre for Integrated Mountain Development (ICIMOD)** with its Head
office at GPO Box 3226, Khumaltar, Kathmandu, Nepal ("the Organisation")

of the other part.

have agreed as follows:

The following provisions of contract No. ACA/2012/292-464 '**Regional cooperation project - Support to Rural Livelihoods and Climate Change Adaptation in the Himalaya**' concluded between the Contracting Authority and the Organisation on 04 December 2012 (the "Contract"),

are hereby replaced as follows:

Special Conditions

Art 6 : Annexes

The revised version of supplementary annex, "Annex I-3 Indicative Logical Framework" and the revised version of "Annex III: Budget of the Action" are attached.

All other terms and conditions of the Contract and its previous addenda remain unchanged.

This addendum shall enter into force on the later date of signature by the Parties.

For the Organisation

Name **Mr. David Molden**

Title **Director General
ICIMOD**

Signature



Date **9-1-2017**

For the Contracting Authority

Name **Mr. Johann Hesse**

Title **Minister Counsellor
Head of Cooperation**

Signature



Date **16.12.16**

ANNEX I-3 INDICATIVE LOGICAL FRAMEWORK - SUPPORT TO RURAL LIVELIHOODS AND CLIMATE CHANGE ADAPTATION IN THE HIMALAYA - Revised June 2014						
Activities	INTERVENTION AREA 1. Regional, national and local capacity. Activities to achieve Result 1:	OVIs	Amount in Euro			Justification for increase or decrease
			Indicative Costs as per contract	Actual expenses incurred as of 31 Dec 2015	Total proposed revised budget	
	<u>Activity 1. Develop capability to adapt policy.</u> Increase the national and regional collaborative capacity to develop adapted policies impacting on mountain rural livelihoods, taking socio-economic and climate change into account.	6 Climate Change adaptation policies or strategies identified, monitored and assessed 3 NAPA or national strategies or policies and processes are supported and adapted to mountain-specific context through project influence At least 5 knowledge products on ecosystem services are developed and used by stakeholders Mountain specific poverty index applied in at least 4 member countries 4 member countries are provided support to engage in international CCA events 3+ International workshops/conferences organised on CCA in region	1,570,000	793,314	1,406,971	The budget for this activity is reduced by 10%, -based on the utilization as of Dec 2015 and the estimate for the remaining period. While support to member countries for development of NAPs was planned for at least 3 countries, collaborative arrangements have been concretised only with Nepal, while that with Bhutan is yet to be finalised as the national partners are yet to decide on the nature of support. This has considerably reduced budget needs.
	<u>Activity 2. Knowledge management.</u> Raising awareness and disseminating knowledge on the effects of climate change and adaptation responses in the HKH region.	At least 17 knowledge products on CCA related issues (e.g. poverty, value chains, tourism, ecosystem services) developed, packaged and disseminated; additionally, 6 knowledge products will be achieved by HICAP, and 2 knowledge products will be achieved by AdaptHimal under the regional programme Adaptation to Change (in total 25) At least 6 national and 4 regional conferences or workshops arranged to share CCA information 6+ Exposure visits organised to share CCA knowledge	821,578	352,030	1,022,004	The budget for this activity is increased by 24%. With the recommendations of the Steering Committee held mid-2016 to increase Regional Learning and Result sharing events, several such Regional workshops and Conferences have been planned, increasing the need for an enhanced outlay. In addition, with results emerging from action research and pilots, there are planned activities for capturing learnings and good practices, with emphasis on packaging and disseminating knowledge for increased uptake of technologies and practices. Some events, like international mountain day, national level agro trade fairs have already been used as platform to disseminate knowledge products, build linkages and enhance usability of knowledge products. Further such events are planned in 2017
	<u>Activity 3. Collaborative action research.</u> Strengthening collaborative action research in the region in relation to mountain livelihoods and eco-systems, generating evidence-based knowledge on adaptation and mitigation to climate change in the HKH region. This may include European / international organisations	10+ High value product value chains are analysed with implementing bodies 3 action research initiatives on tourism or ecosystem services developed and under implementation with implementing bodies 3 action research initiatives on migration or population dynamics developed and under implementation with implementing bodies 3 new action research initiatives on innovative livelihood opportunities developed and under implementation with implementing bodies 2 gender sensitive packages on how to leverage migration for poverty reduction and food security developed	1,660,000	1,057,356	1,975,607	The budget for collaborative action research is increased by 19%; the increase is proposed for consolidation of ongoing action research activities that have been providing extremely useful and interesting insights.
		Subtotal for Area 1	4,051,578	2,202,700	4,404,582	

Activities	INTERVENTION AREA 2. Mountain livelihoods. Activities to achieve Result 2	OVis	Indicative Costs as per contract	Actual expenses incurred as of 31 Dec 2016	Total proposed revised budget	Justification for increase or decrease
	<u>Activity 4. Pilot activities on climate change adaptation.</u> Conduct pilot activities in a collaborative manner in vulnerable areas that strengthen the resilience of mountain men and women through delivery of services and products that will improve livelihood opportunities and ensure the sustainable management of natural resources. The pilot projects will be evaluated / selected taking into account the following criteria : (1) Relevance / mountain specificity; (2) Regional collaboration; (3) Feasibility and potential impact; (4) Potential by government(s) and/or private sector to scaling up; (5) Capacity of implementing institutions(s); Cost effectiveness of budget.	The pilot projects will address inter alia the following: a) promote and develop pro-poor value chains of mountain niche products and services as an adaptation strategy, ensuring the sustainable and equitable management of the natural resource base (including a strong element of cooperation with the private sector) b) promote the diversification of livelihood opportunities through identification of new and risk reducing income and employment opportunities in mountain areas (e.g. linking value chain development to investment and employment generating activities; market-oriented services such as access to information, financial services and micro-finance; leverage financial and social remittances from labour migrants) c) support the use of ecosystems services such as landscape and biodiversity for recreational activities with direct community involvement and benefits d) enhance sustainable practices in the management of natural resources and identification of alternatives at a local level (e.g. improved farming and water management systems, use of fallow or degraded lands and forests). At least 6 pilot collaborative HKH projects implemented; additionally, 4 pilot projects will be achieved by AdaptHimal under the regional programme Adaptation to Change (in total 10), with the following characteristics: - 6 effective implementing bodies are identified for pilot work, MOUs signed - at least 4 HKH countries are hosting pilot collaboration activities - 3 new pilot activities addressing livelihoods of poor mountain men and women identified, developed and into implementation in Year_1 - 3 new pilot activities addressing livelihoods of poor mountain men and women identified, developed and into implementation in Years_2&3 - 20 community-led microplans developed with CCA/environment focus	3,619,216	1,137,241	3,906,642	The modest increase (8%) of original estimate is proposed for pilot activity. Since pilot sites (6 in total) are located in remote mountain areas and it required intensive engagement and face-to-face communication with partners, cost of operation goes high for pilot.
	<u>Activity 5. Capacity building.</u> Support to building capacity in higher education, training institutions and NGOs across the HKH region in particular at local level, to scale up best practice for improved resilience to climate change.	5 training bodies identified across the region, MOUs signed 120 staff from training bodies have received CCA training 120 staff from government and non-government bodies have received CCA training Training in relation to good practices demonstrated through pilot projects (from Activity 4).	1,675,000	454,832	1,034,570	Capacity building is a cross-cutting activity; many of the interventions made to strengthen skills and capacity of target beneficiaries have been embedded with Activity 2, 3 & 4. Hence a reduction of 38% is proposed. With regards to number of training bodies, MOU signed with 4 national institutions: Royal University Bhutan, Rural Support Programme Network Pakistan, National Association of VDCs in Nepal (NAVIN), Bhutan Media and Communication Centre. In addition to this, the arrangement is made with Himalayan University Consortium to provide support for cumcula development.
		Subtotal for Area 2	5,294,216	1,592,072	4,941,211	
		Total Direct Costs	9,345,794	3,794,772	9,345,793	
Activities	Other activities	Means				
	Project management (7%)		654,206	265,634	654,205	No change
		TOTAL	10,000,000	4,060,406	9,999,998	

Addendum No 4

Annex III - Budget for the Action - Contract N° ASIE/ 2012/ 292-464

Budget Items	Original Contract Budget All Years (in EUR)	Revised Amended Budget (in EUR)
1. Human Resources	4,009,694	3,460,295
2. Consultancy/subcontracting	895,500	1,504,812
3. Travel Expenses	812,700	1,146,540
4. Equipments	495,900	442,818
5. Workshops and Training	1,962,000	2,093,146
6. Communication/ IT	706,500	299,709
7. Materials and Supplies	463,500	398,474
Total direct costs of the Action	9,345,794	9,345,794
8. Administrative costs	654,206	654,206
Total Costs of the Action	10,000,000	10,000,000



Annex 3: List of Partners

S. No	Country	Activity Code	Name of Partner	Partner Inst. Status
1	Bangladesh	Policy Support	Refugee and Migratory Movements Research Unit (RMMRU)	Non Govt
2	Bangladesh	Action Research	Ethnic Community Development Organisation (Eco Dev)	Non Govt
3	Bangladesh	Pilot	Ministry of Chittagong Hill Tracts Affairs (MoCHTA)	Govt
4	Bangladesh	Capacity Building	Arannayk Foundation (AF)	Non Govt
5	Bhutan	Policy Support	Ministry of Agriculture and Forests (MoAF)	Govt
6	Bhutan	Action Research	The Royal Society for Protection of Nature (RSPN)	Non Govt
7	Bhutan	Action Research	Ministry of Agriculture and Forests (MoAF)	Govt
8	Bhutan	Pilot	Ministry of Agriculture and Forests (MoAF)	Govt
9	Bhutan	Capacity Building & Action Research	Royal University of Bhutan (RUB)	Govt
10	Myanmar	Policy Support	Myanmar Survey Research (MSR)	Non Govt
11	Myanmar	Action Research	Myanmar Institute of Integrated Development (MIID)	Non Govt
12	Myanmar	Pilot	Myanmar Institute of Integrated Development (MIID)	Non Govt
13	Nepal	Action Research	Nepal Institute of Development Studies (NIDS)	Non Govt
14	Nepal	Action Research	Department of Agriculture (DoA)	Govt
15	Nepal	Action Research	Nepal Development Research Institute (NDRI)	Non Govt
16	Nepal	Action Research	Centre for the Study of Labour and Mobility (CESLAM)	Non Govt
17	Nepal	Action Research	Bird Conservation Nepal (BCN)	Non Govt
18	Nepal	Action Research	Nepal Institute of Development Studies (NIDS)	Non Govt
19	Nepal	Action Research	Green Forum Nepal (GFN)	Non Govt

20	Nepal	Action Research	Centre for the Study of Labour and Mobility (CESLAM)	Non Govt
21	Nepal	Pilot	Environment Conservation and Development Forum (ECDF)	Non Govt
22	Nepal	Pilot	Center for Environmental and Agricultural Policy Research, Extension and Development (CEAPRED)	Non Govt
23	Nepal	Capacity Building	National Association of VDCs in Nepal	Non Govt
24	Pakistan	Action Research	Pakistan Institute of Development Economics (PIDE)	Govt
25	Pakistan	Action Research	Aga Khan Rural Support Program (AKRSP)	Non Govt
26	Pakistan	Action Research	Pakistan Agricultural Research Council (PARC)	Govt
27	Pakistan	Action Research	World Wide Fund For Nature (WWF-P)	Non Govt
28	Pakistan	Action Research	Gilgit Baltistan Forest Wildlife and Environment Department (GBFWED)	Govt
29	Pakistan	Pilot	Aga Khan Rural Support Program (AKRSP)	Non Govt
30	Pakistan	Capacity Building	Rural Support Prog Network (RSPN)	Non Govt
31	Pakistan	Capacity Building	RURAL SUPPORT PROGRAMME NETWORK (RSPN)	Non Govt

**Minutes from the 4th Programme Steering Committee
(PSC) Meeting (EU/ICIMOD) for
Rural Livelihoods and Climate Change Adaptation in the Himalayas (Himalica)**

**10 June 2016 (9:30 am to 12:45
pm) ICIMOD, Kathmandu, Nepal**

Participant list

EU: Johann Hesse, Subramanian Pattabiraman, and Mim Hamal (EU Nepal)

ICIMOD: David Molden, Eklabya Sharma, Giovanna Gioli, Shekhar Ghimire, Farid Ahmad, Dhrupad Choudhury, E. Valdemar Holmgren, Arabinda Mishra, Surendra Raj Joshi, Rucha Ghate, Anu Joshi Shrestha, and Srish Khakurel (rapporteur)

1. Welcome remarks

Dr David Molden (Director General, ICIMOD) welcomed the EU delegation to the PSC meeting. After initiating a round of introduction from the participants, he requested the EU Delegation to also say a few words.

2. Remarks by Johan Hesse

Dr Johann Hesse (Head of Operations, EU Delegation to India) thanked ICIMOD for organizing the PSC meeting. He remarked that the steering committee meetings are very important to the EU since they provide opportunities for first-hand engagement, which help to provide a concrete picture about what is happening on the ground.

Johann Hesse added that the EU's funding for ICIMOD comes from its regional allocation, and because ICIMOD is one of only two organizations that receive funding for regional activities and currently managed from India, the EU considers ICIMOD as an important partner for current and future engagements in the region.

3. Review of minutes from the third PSC meeting (June 2015)

Dr Eklabya Sharma presented the Minutes from the PSC meeting in June 2015, and the related Action Taken Report for approval. These were endorsed by the meeting.

4. Highlights (2015) from the Regional Programme on Adaption to Change –Dhrupad Choudhury

Due to the major earthquakes that hit Nepal in 2015 and the subsequent political unrest in the Terai, last year was extremely challenging from the standpoint of programme implementation. The Regional Programme on Adaptation to Change made substantial progress nonetheless.

Some key areas of progress include the substantial generation of knowledge on climate change and water availability in the HKH region, and the assessment of poverty and vulnerability in four sub-basins, including in Myanmar and Bhutan (through significant contributions from Himalica). On the topic of strengthening government mechanisms, there were many successful interventions: a) the flood responses in Assam (funded through HICAP), which is now being scaled up in Nepal and Afghanistan through a joint initiative between HICAP and Himalica; b) the destination management plan created for Lake Inle, Myanmar, on the basis of which the government of Shan state is formulating its sustainable tourism and destination management strategy, as well as a pilot on inclusive tourism in Bangladesh, which the Ministry of Chittagong Hill Tracts Affairs has taken as a guideline to formulate its destination management plan for Bandarban; and c) the action research on agricultural extension that is being done in Nepal.

At the level of policy engagements, various ministries in Myanmar have been expressing their interest in receiving ICIMOD's support in translating their new ecotourism policy and management strategy for protected areas for implementation at the local level. Similarly, several dialogues are ongoing with various agencies in Bhutan and Pakistan regarding the support that they require for their agricultural policies and in Bhutan and Nepal about national adaptation plans. Lastly, there has been substantial progress in the area of livelihood support through the development of some robust value chains, and through capacity building of individual stakeholders and institutions that work with ICIMOD.

5. Himalica progress highlights

a) Action research – Arabinda Mishra

Himalica consists of five components (action research, pilots, policy, capacity building, and knowledge management). However, all of these components, especially the latter two, are interlinked in many ways. Within this framework, the role of the action research component is to provide new evidences and knowledge in order to improve the quality of decision making for adaptation in the region. The lessons learned from action research usually feed into the pilot component, which tries to operationalize that knowledge.

The regional scope of action research is broad, with activities stretching from Chitral (Pakistan) to Inle Lake in Myanmar. Its main areas of focus include the analysis of

the value chains of high-value products, tourism and ecosystem services, migration and population dynamics, and innovative livelihood opportunities linked to social protection systems.

After a brief introduction to Himalica and the action research component, the presenter outlined the individual hypotheses, interventions, and lessons learned from some of Himalica's action research activities, for example: pollination in Chitral (Pakistan), resilient livelihoods in Tsirang (Bhutan), tourism in Inle Lake (Myanmar), agricultural extension services in several districts of the mid-hills of Nepal, and ecosystem services management and migration and remittances in Udaypur (Nepal). A brief explanation was also given for the gender emphasis in Himalica's action researches.

b) Pilots – Surendra Raj Joshi

With three pilots added to the portfolio at the end of last year, there are currently a total of six pilots that have been operationalized under Himalica. All pilot implementation activities strengthen the resilience of mountain people in vulnerable areas through the delivery of services and products that improve livelihood opportunities and encourage natural resource management practices at the local level. These activities include the promotion and development of pro-poor value chains for niche mountain products and services, diversification of livelihood opportunities, and the promotion of ecologically sustainable tourism with direct community involvement and benefit. Pilot implementation is characterized by strong synergy between people that work on different ICIMOD thematic areas: air and water, atmosphere, livelihoods, etc.

While local conditions are greatly varied in the pilot sites that stretch from Pakistan to Myanmar, there are some common challenges that characterize most projects, such as the difficulty in accessing markets or bringing processing technologies closer to production sites.

The presenter highlighted the focus, objectives, and interventions from individual pilot projects, including the diversification of livelihood options for the marginalized in Myanmar, import substitution in Bhutan, inclusive tourism in Bangladesh, and commercialization of agriculture in Nepal. A special emphasis was made on the question of scaling up and scaling out pilot projects. In that regard, the presenter explained the significant potential that Himalica pilots have for up-scaling, because they are simple, low-cost, and built on local knowledge; they are aligned with government strategies and the needs of local communities; and they utilize consultative processes to create synergies and a sense of ownership among local stakeholders.

c) Partnership management – E Valdemar Holmgren

This section was skipped since it had been covered in the preceding evening's discussions with Himalica partners.

d) Observations/remarks from the EU

EU: Has the work plan from last year been fully completed? Were there any critical issues?

ICIMOD: Despite major difficulties faced during the previous year, most of the work on pilots and action research was completed. There were some delays in Nepal because of the earthquake and in general because of personnel shifts, but there were no major issues.

Some parts of the pilots' work plan had to be taken forward, but this has not been detrimental. In the area of policy, there have been many successes that have been mentioned already. But some of the ideas had to be recast, such as climate change adaptation entry points for national plans, because things did not work out with JVS, a local NGO in Nepal due to a high budget estimate from the latter. The work on capacity building has proceeded smoothly.

EU: What is happening with the output on collaboration within action research? This is not clear in the Annual Report.

ICIMOD: There is strong collaboration between Himalica and its local partners, with knowledge flows occurring in both directions. In terms of collaboration at the regional level, there are some great examples like the pollination action research, in which the work that was started in Himachal Pradesh was taken up also in Chitral. Another concrete example comes from the work on tourism policy, in which the lessons from Myanmar were taken over to Bangladesh as a result of some exposure visits. There are many examples of such activities that foster collaboration within the region. In addition, a regional workshop on strengthening agricultural extension service is planned towards the end of 2016 with the aim of strengthening regional learning and collaboration in this area.

EU: There are many initiatives on value chains. The World Bank and IFAD, for instance, are also both working on value chains in Bhutan. It might be an interesting exercise to assess many of these value chains that exist in the region on sustainability and effectiveness, and to highlight common challenges through organizing a conference to exchange ideas.

An ongoing activity under AdaptHimal is to develop a Framework on assessing Sustainable Pro-poor Value chains. This will draw on both ICIMOD supported and non-ICIMOD value chains for identifying and field-testing the indices for the Framework. A workshop is also planned towards end 2016 or early 2017 for experience sharing and learning. Participants from WB, IFAD and other donor funded

projects can be invited to share experiences and ideas as suggested.

EU: What about the regional collaboration on pilots?

ICIMOD: Last November, various implementing partners from Himalica and AdaptHimal were brought together to share their experiences in applying value chains in their specific contexts. In February this year, the partners were brought together again to follow up on the progress and to identify linkages in the issues faced. Additionally, Himalica has been trying to create a value-chain network of practitioners.

EU: Is it possible to go beyond partners in terms of regional collaboration and bring together government bodies and ministries?

ICIMOD: Yes, this is certainly a priority for the future.

Action: ICIMOD will intensify the cooperation of national organisations at regional level, for example by organizing regional events that foster collaboration and include governments and their partners. This could bring together agencies working on value chain development (IFAD, WB, etc) so that cross exchange of knowledge and learnings could emerge.

EU: The structure of reporting the progress against the work plan and outputs in the Annual Progress Report should be revised. There are five activity areas and two result areas but linkages between the activities and the results are not evident. And it is not clear how the two result areas relate to each other. It would be better to keep the focus on the five action areas as a starting point and, for each area, present the plan for the year, the specific activities, what was accomplished, and what will be continued in each work area during the following year.

Action: ICIMOD will revise the structure of the reporting to reflect the agreement with the EU and as per the discussion outlined above.

EU: On the knowledge management component, would it be possible to collaborate with other organizations like IRRI?

ICIMOD: This type of collaboration is certainly possible and already happening to a certain extent. For instance, ICIMOD is currently in a consortium for agriculture called AIRCA. ICIMOD also has close ties with the CGIAR and has collaborated with it on climate-smart villages. However, the CGIAR institutions have a strong focus on the plains and do not have many activities in the mountains. If rice is an issue, there is certainly room for collaboration with IRRI, although ICIMOD really wants to focus on high-value livelihood options.

Action: ICIMOD will increase its collaboration with other organizations working on climate change adaptation (possibly by organizing a regional conference).

6. Programme expenditure for 2015 and the Audit Report – Shekhar Ghimire

ICIMOD has already submitted the audited statement and the management letter for the EU funded programme. In terms of the expenditure of the overall budget of Euro 10 million, up to the end of December 2015, a total of Euro 4,060,405 has been spent. As only Euro 3,719,586 has been received, there is currently a slight negative balance of the funds. A request has been sent to the EU for a further pre-financing instalment of Euro 3,214,503.

The report also contains details of the interest accrued on the programme account, which is seen as income and offset against the pre-financing request, as per the agreement from the previous PSC meeting in New Delhi in 2015.

It was observed that the expenditure for human resources/staff has been lower than forecasted whereas, the expenditure for the second line item (consultancy and subcontracting) has been high, with almost 73 per cent of the line item budget already consumed. Overall, only 41 per cent of the total budget has been spent. Some internal adjustments will have to be made for this line item in consultation with the EU. The EU cautioned that underspending on human resources and underspending on the overall budget would not be a justification for an eventual extension later on. ICIMOD is rather requested to speed up the implementation in line with the agreement and taking forward the discussions at this PSC meeting (more regional cooperation, more work with other organisations).

Action: a. As per the agreement with the EU, if ICIMOD needs to make adjustments in the budget for the individual line items, and these changes are larger than the flexibility that it is entitled to as per the agreement with the EU, it should send an official request to the EU with justifications for those adjustments. If necessary an addendum may be requested for modifying the budget.

Action: b. The forecast of the budget has to link to the work plan and to the five activity areas.

Action: c. ICIMOD should speed up its programme expenditure and organize more activities (perhaps organize conferences to showcase lessons or exchange ideas).

7. Annual work plan and budget 2016 – E Valdemar Holmgren

During the next year, the main emphasis will be on the ground on Himalica's pilot

projects. There is full commitment from the partners. The work plan is clear, and there is consensus on what needs to be done. The work plan needs to follow the structure of the activities as per the agreement with the EU.

A special emphasis may be put on creating knowledge products to ensure sustainability but also to document ICIMOD's work. Other important elements for next year include a focus on gender empowerment and integration, capacity building for communities, and policy engagements.

8. Observations/remarks on the annual work plan and budget

Action: The structure of reporting work plans and activities needs to be readjusted as per the discussion under agenda item 5 d) of this document (2016 PSC meeting minutes).

ICIMOD will initially send the revised work plan and budget to the EU informally. Upon further confirmation, ICIMOD will formally submit the work plan and budget.

Action: ICIMOD should increase its activities to spend the rest of its budget in a timely manner.

9. AOB

Action: On the main page of the ICIMOD/Himalica website, the link to EuropeAid should be added to that of the EU. The Himalica website should mention that the EU is funding the initiative, and it should include the EU logo.

10. Remarks – EU

Johann Hesse thanked ICIMOD for a fruitful meeting and for all the value that it is adding in the region through some great initiatives.

11. Closing Remarks – David Molden

Summarizing the key points from the discussions, David Molden officially closed the meeting.