



FISCAL SPONSORSHIP PROGRAM REPORT

Account Name:	Society Development Center		
Account Number:	FSP-GAA-000002		
Reporting Period:	January 2026 to June 2026	Date of Agreement:	3-5-2026

Please complete this form to report how the funds received under your Fiscal Sponsorship Program Agreement have been expended and the progress of the funded program or project. Reports are due every six (6) months. If no funds have been distributed from your account during the report period, you are still required to provide an update on the program or project.

1. Please describe how funds distributed from the account were used in support of the program. In addition, please attach a line-item accounting summary for funds released. You may use the chart on page two as a template. Do not simply attach a copy of your FJC statements or Donor Sphere printout.

The funds received from CLN/FJC was used to implement two projects namely 1) Sustainable Agriculture Development Project (SADP) which is in operation in Sankhuwasabha District of Nepal, and 2) Udayapur Women Rehabilitation Center Extension and Renovation which is in Udayapur District of Nepal. The details of the projects have been presented below:

A. Sustainable Agriculture Development Program

The main objective of Sustainable Agriculture Development Program (SADP) is to create employment and income generating opportunities for the rural families in the program area. The project has been promoting organic coffee and macadamia nut farming through educating farmers and by subsidizing on nursery and farm management, quality processing and market linkage.

The project contributes to Nepal Government's goal of eliminating hunger, ensuring food security and improved nutrition and promoting sustainable agriculture practice in Nepal (Sustainable Development Goal, Nepal 2016-2030, No. 2). Likewise, Nepal's 16th Periodic Plan (2024/25 - 2028/29) places **high priority on the agricultural sector**, acknowledging it as a central pillar for food security, livelihoods, export expansion, and rural prosperity. The plan emphasizes **modernizing farming** through investment in infrastructure (like irrigation), technology, and agro-ecological practices to boost productivity, support commercialization, and make agriculture more climate-resilient.

In addition to these, agriculture being the mainstay of livelihood to over 90% of the population of the Himalayan Districts like Sankhuwasabha, all the local governments have put this sector in high priority. Policy and Program of each local government has prioritized coffee and macadamia farming as a source of generating income and employment to their people. In this scenario, SADP is quite a relevant project in Sankhuwasabha District.

The funds received from CLN/FJC have been used to support this program for the following activities:

- Salary to the Staff,
- Macadamia nut nursery and seedling plantation,
- Coffee/macadamia nut farm management on-site training,

- Bee keeping experiment on macadamia nut farms,
- Macadamia nut harvesting, processing & product development research,
- Macadamia nut product tasting,
- Coffee/macadamia nut demo plot development works,
- Training on compost manure production and use,
- Travel cost on monitoring visits and farmers' groups mobilization, and
- Administrative cost.

2. Please provide a narrative description detailing each of the following items:

(a) Progress on the activities and objectives of the organization/project

The overall objective of the project is to contribute in the poverty reduction efforts of the Government of Nepal by promoting exportable agricultural commodities. The specific objectives are:

- Train at least 150 new farmers to coffee processing training and increase the Grade A beans ratio to 60-65%.
- Train at least 600 farmers to macadamia nut farming and processing.
- Have cost partnership to at least 6 Palikas (local government units).
- Carry out 2 processing research on local agri produces.

Target Vs progress at the activities level has been presented in the table below:

Activities	Target	Achievement	Progress %
Staff and SODEC board orientation about the new program	1	1	100 %
Coffee processing on-site training (events)	12	10	83.33%
On-site training on coffee farm management (events)	12	10	83.33%
Coffee demo plot management (Nos)	1	1	100%
Macadamia nut harvesting training (events)	1	1	100%
Macadamia nut nurseries (Nos)	3	5	166%
Macadamia nut farm management training (events)	12	10	83.33%
Bee keeping training (2 days event) (Nos)	0	15	
Beehive distribution for effective pollination	10	13	130%
Secateur distribution to farmers	0	29	
Irrigation and digging tools purchase (set)	1	1	100%
Macadamia nut farm expansion (trees)	3000	2500	83%
Compost manure training at Palika level	6	6	100%
Compost bin/pit distribution (Nos)	60	215	358%
Rain water collection tank construction (Nos)	5	8	160%
Macadamia nut product development training (event)	1	1	100%
Local agri produce development research	1	0	0%
Agribusiness promotion research	1	1	100%

Disintegrated Data of Major Activities/Results

a. Palika Wise Coffee Production (Parchment) and Revenue Generation (June 2026)

The parchment production in 2026 has been presented below. (Note: 5 kg cherry equals to 1 kg parchment. Here 11,750 kg parchment means 58,750 kg coffee cherry).

Palika	Parchment production (kg)	Revenue (Rs.)	Remarks
Chainpur	4,500	45,00,000	
Savapokhari	2,100	21,00,000	
Panchkhapan	2,350	23,50,000	
Madi	1,300	13,00,000	
Dharmadevi	650	6,50,000	
Chichila	510	5,10,000	
Silichong	340	3,40,000	
Total	11,750	1,17,50,000	

About 374 farmers produced cherries into various volume ranging from a few kg to 1 metric ton. Average additional cash income of farmers is NPR 31,333 (USD 208).

b. Coffee Nurseries and Revenue Generation

In addition to the incomes from cherries/parchment, farmers making substantial income from coffee seedlings. The number of seedlings produced and the income generated from them has been presented below:

SN	Collectors	Address	Seedling Nos	Sold (NPR)	Remarks
1	Dil Kumar Tamang	Chainpur 4	6,000	2,10,000	
2	Bijendra Shakya	Chainpur 6	25,000	8,75,000	
3	Sushil Joshi	Chainpur 6	25,000	8,75,000	
4	Bhart Rai	Chainpur 4	4,000	1,40,000	
5	Indra Jogi	Pachakhapan 3	2,000	70,000	
6	Biraj Limbu	Chainpur 2	2,100	73,500	
7	Bardri Karki	Madi 4	5,000	1,75,000	
8	Rajan Tamang	Chainpur 4	3,500	1,22,500	
9	Hark Sherpa	Chainpur	2,500	87,500	
10	Tej Brd. Dhakal	Pachakhapan 7	25,000	8,75,000	
11	Birendra Limbu	Pachakhapan 3	10,000	3,50,000	
12	Lal Bdr Tamang	Chainpur 4	1,000	35,000	
13	Pasang Sherpa	Chainpur 2	4,500	1,57,500	
14	Suman Shrestha	Khandbari 1	10,000	3,50,000	
	Total		1,25,600	43,96,000	

c. Palika Wise Coffee Plantation

Farm expansion is also going on simultaneously. Though total number of coffee farmers is 784, this year 588 farmers (about 25% new and rest are existing farmers) planted 127,357 new seedlings. Palika wise data of the farmers and the number of seedlings planted has been presented below:

SN	Palika	No of Seedling	No of Farmers
1	Chainpur	20,220	83
2	Panchkhapan	28,000	59
3	Dharmadevi	16,000	250
4	Madi	15,000	52
5	Chichila	20,137	64
6	Savapokhari	28,000	80
Total		127,357	588

Note: The data includes the number of the seedlings planted in 2026.

d. Palika Wise Macadamia Nut Plantation

Number of trees and number of farmers to date has been presented below in the table:

SN	Palika	Farmer Nos	Trees Nos
1	Chichila	48	300
2	Silichong	150	300
3	Dharmadevi	138	1,700
4	Khandbari	10	110
5	Madi	199	500
6	Chainpur	29	1015
7	Panchkhapan	63	400
8	Savapokhari	12	310
Total		649	4,635

Note: The data includes only the number of the seedlings planted in 2026.

e. Compost Manure Production Training & Compost Pit Distribution

SN	Palika	Venue	Days	Participants (Famers)	No of drums distributed	Remarka
1	Chainpur	Tinkhopre	3	40	0	Palika provided
2	Panchkhapan	Wana	3	30	93	
3	Savapokhari	Barabise	3	20	87	
4	Chainpur	Lohakot	1	29	60	
5	Chainpur	Koksa	1	12	36	
6	Chainpur	Chitlang	1	18	33	
7	Panchkhapan	Handikharka	1	40	100	
8	Dharmadevi	Mude	2	40	120	
9	Madi	Okharbote	2	40	120	
10	All Palika joint training	Khandbari	2	29		
Total				298	649	

(Note: The data includes last report's (Jul-Dec 2025) data, too)

f. Regular On-site Training for coffee and macadamia nut farm management (July-December 2025)

SN	Palika	Days	Participants
1	Chainpur 4	1	10
2	Sabhapokhari 6	1	15
3	Panchkhapan 1	1	16
5	Chichila 5	1	30
Total participants			71

The on-site training activities include trees' pruning, pest management through organic methods, use of compost and other issue-based activities.

g. Macadamia Nut Nurseries

Farmers began to grow their own nurseries of macadamia nut from the local production. The nurseries this year are as follows:

SN	Name of Farmers	Nursery Address	No of seedlings
1	SODEC	Lohakot	2500
2	Bijendra Shakya	Chainpur 4	500
3	Lila Dahal	Chainpur 11	300
4	Lila Bdr Dahal	Chainpur 11	300
5	Bal Bdr Bardewa	Chainpur 11	150
	Total		3750

(b) Any adjustments or additions to your current programs since the time of your application or last report:

No adjustments have been made to our current programs.

(c) New or anticipated programs that will be introduced in the next 6 months:

SODEC has made a strategic shift to the ongoing Sustainable Agriculture Development Program (SADP) to Coffee and Macadamia Nut Value Chain Strengthening Project. With this change in its title, project's priorities have also been changed. As the new strategy, SODEC has prioritized the four components namely productivity increase (per unit), quality improvement, market linkage and strengthening sustainability mechanism through incorporating the project into local government's priorities.

(d) Achievements and/or challenges you have encountered since the time of your application or last report and how you dealt with them:

Major **achievements** of the project have been presented in the table below:

Results chain	Status as of December, 2025	Progress by June, 2026
Palikas covered by the project	8	8
No. of coffee farmers	704	784
No. of macadamia nut farmers	800	1370
No. of coffee trees planted	561,830	580,890
No. of macadamia nuts trees planted	33,906	35,700
Coffee Parchment production (metric ton)	7	11.7
Revenue from coffee parchment (million Rs.)	7.4	11.75
Revenue from coffee seedlings (Million Rs.)	3.8	4.3
Macadamia nuts production (kg)	490	712
Revenue from mac nuts (Rs.)	554,000	1,068,000
No. of farmers receiving basic training (coffee/macadamia farm management)	631	702
No. of farmers receiving compost manure training	269	298
No. of local government budget contribution		7
Farmers' self-reliance on coffee & mac nut seedlings		70%

Major Challenges have not been experienced since the time of last report.

B. Udayapur Women Rehabilitation Center Extension Project

Udayapur Women Rehabilitation center Extension Project aims to add one story with an area of 2,303.94 sq/ft (3 rooms, 2 halls, 2 baths and 1 laundry space) on the existing single story women safe house facility, together with the maintenance and partial renovation of the ground floor and support for furniture and fixtures. The center has been managed by an organization namely Women Rehabilitation Center (WOREC) with the financial support of Triyuga Municipality, Udayapur.

The funds received from CLN/FJC have been used to support this program for the following activities:

- Purchase construction materials,
- Pay labor wages,
- Pay staff wages.
- Cover administrative costs.

The objectives of the project are:

- To extend the existing safe house building adding one story with an area of 2303.94 sq/ft.
- To renovate the existing ground floor (plaster, painting and electrical works).

Progress on the activities and objectives of the organization/project (March – June 2026)

SN	Description	Target	Achievement	Remarks
1	Survey, design & cost estimate	1	1	
2	Construction committee formation	1	1	
3	Bid notice publication	1	1	
4	Suppliers selection	2	2	
5	Material purchase		Continuous	
6	Building construction	Walls & plinth completed		
7	Monitoring	6	3	

(e) Methods being used to evaluate your program(s)/project and results of those evaluations:

SODEC maintained a comprehensive monitoring and evaluation (M&E) system throughout the reporting period to ensure the effective implementation of the Sustainable Agriculture Development Program (SADP), assess progress against planned objectives, promote accountability, and generate evidence for continuous learning and improvement. The M&E process was participatory, involving SODEC's governance structure, local governments, partner institutions, beneficiaries, and external evaluators.

Internal Monitoring

The SODEC Board of Directors provided overall strategic oversight by periodically reviewing project progress, implementation challenges, and organizational performance. The Executive Director conducted regular field monitoring visits to assess the quality of implementation, verify progress against approved work plans, and provide technical and managerial guidance to the project team. Project staff also carried out routine monitoring through field observations, beneficiary consultations, progress reviews, and documentation of outputs and outcomes.

Joint Monitoring with Local Governments

Recognizing the importance of local ownership and sustainability, SODEC actively involved local governments in monitoring project activities. Mayors, Deputy Mayors, Chairpersons, Vice-Chairpersons, Chief

Administrative Officers, technical staff, and elected representatives from participating municipalities conducted monitoring visits within their respective jurisdictions. These visits assessed the performance of farmer groups, the establishment and management of coffee and macadamia plantations, training effectiveness, infrastructure utilization, and overall beneficiary participation.

The active engagement of local governments strengthened coordination, increased transparency, and encouraged municipalities to integrate project achievements into their own agricultural development plans. Based on the positive results observed during monitoring, several local governments have begun allocating financial resources to support coffee and macadamia development, demonstrating growing institutional ownership and commitment to sustaining project outcomes.

Social Welfare Council Monitoring and Evaluation

As the national regulatory body for non-governmental organizations, the Social Welfare Council (SWC) conducted an independent monitoring and evaluation of the project during the reporting period. The evaluation team adopted a participatory approach that included:

- Meetings with the District Coordination Committee Chairperson and officials.
- Consultations with Mayors, Chief Executive Officers, and representatives of participating local governments.
- Review and verification of project plans, reports, financial records, monitoring documents, and other relevant documentation.
- Focus Group Discussions (FGDs) with beneficiary farmers, farmer groups, cooperatives, and community representatives.
- Sample field visits to coffee and macadamia farms, nurseries, processing facilities, and demonstration plots.
- Direct interaction with individual beneficiary households to assess changes in livelihoods and gather feedback on project interventions.

The SWC evaluation acknowledged the project's effective implementation, strong coordination with local governments, and positive contributions toward improving rural livelihoods through commercial agriculture.

Independent Impact Evaluation

To generate independent evidence on the project's effectiveness and long-term outcomes, SODEC commissioned a freelance agricultural development professional to conduct an Impact Level Study of the Sustainable Agriculture Development Program. The assessment employed document reviews, household surveys, key informant interviews, field observations, and stakeholder consultations to evaluate the project's achievements.

The evaluation concluded that the project has significantly exceeded its original target. While the initial design aimed to engage 400 farming households, the study found that more than 1,000 families are now actively participating in high-value coffee and macadamia value chains across the project area. The evaluation further noted that participating households have experienced a steady increase in income generated from coffee and macadamia production, reflecting the growing commercial viability of these enterprises.

The study also highlighted SODEC's strategic emphasis on institutional sustainability. By closely engaging local governments throughout implementation, strengthening coordination mechanisms, and building local capacities, the project has encouraged municipalities to allocate budgetary resources for the continued promotion of coffee

and macadamia farming. This institutional commitment is expected to sustain project achievements beyond the project period and contribute to the long-term resilience and economic development of farming communities.

Key Lessons from Monitoring and Evaluation

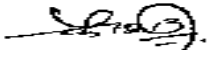
The monitoring and evaluation processes consistently demonstrated that strong stakeholder participation, regular field-based monitoring, evidence-based decision-making, and close collaboration with local governments have been critical factors contributing to the successful implementation of the Sustainable Agriculture Development Program. Findings and recommendations from internal monitoring, the Social Welfare Council evaluation, and the independent impact study have been incorporated into project management and future planning, enabling SODEC to continuously improve implementation quality while strengthening local ownership and sustainability of project interventions.

Personnel Involved in the Monitoring and Evaluation of the Projects:

1. Prakash Chandra Bhatta – Social Welfare Council, Kathmandu
2. Mahesh Adhikari – Social Welfare Council
3. Prakash Kumar Kulung – Chairperson, SODEC
4. Parshu Ram Dahal - Executive Director, SODEC
5. Surya Bahadur Dahal - Field Technician, SODEC

I/We confirm that the funds received have been used for the purposes described in the Fiscal Sponsorship Agreement, and that no individuals have or will receive any private inurement as a result of payments distributed from the account.

Date: July 14, 2026

Authorized Signature:  _

Print Name: Prakash Kumar Rai Title: Chairperson

Prepared By: Parshu Ram Dahal Title: Program Manager

LINE-ITEM ACCOUNTING SUMMARY

If you are already maintaining your financial records by budget category you may submit that document in lieu of completing the chart below. The accounting summary should be for the relevant reporting period only.

A. Sustainable Agriculture Development Program (January 2026 to June 2026)

Time Period From:		Jan 2026 - June 2026
Expense Category	Total per Category Detail	Category Total (USD)
Salary (Please itemize totals by position. Ex. Exec. Dir., Admin. Asst., etc.)		
Salary to Program Manager	Salary for 5.5 months	2,204.54
Field Technician Salary	Salary for 5.5 months	1,098.98
Junior Field Technician Salary	Salary for 5.5 months	680.97
Salary to Accountant	Salary for 5.5 months	733.17
Salary of Cleaning Staff	Salary for 5.5 months	610.98
Sub Total		\$5,328.63
Benefits, Payroll Taxes, Insurance,SSF		
Program Manager taxes, insurance, retirement fund	31% Social Security Fund of Salary	659.98
Cleaning Staff taxes, insurance, retirement fund	31% Social Security Fund of Salary	148.02
Field Technician	31% Social Security Fund of Salary	283.70
Sub Total		\$1,091.70
Program Expenses		
1.2.D.1 Macadamia Nut Nurseries	Macademia Nut Tree Purchase = \$ 556.96	556.96
1.2.D.2 Farm Management onsite training(event)	Bee Keeping Training in Macnut Farm = \$ 28.35 Nut Tree Purchase = \$ 47.85 Resource person allowance of 1 person for 6 days * \$ 11.3 = \$ 68.05 and Travel fare = \$ 8.51 To chainpur mini tiller Kharid Bikri = \$ 93.22	245.98
1.2.D.6 Farm expansion (trees)	Nut Tree Purchase = \$ 500.15	500.06
1.2.D.5 Water harvest tanks construction (Nos)	Annu Iron Store = \$ 480.90for 8 mtr GHM purchase @ \$ = 60.11	480.90
1.2.E.1 Training To Leader Farmer(Event)	Scissors from Ram Hardware 30 piece @ \$ 5.67 = \$ 170.13	170.13
1.2.F.2 Reasearch on agri-produce processing	Nut Plant Purchase = \$633, From Jugal Coffee tatha Nursery Ughog k, p, Ca, Fe, Zn, Cu, Mg, Mn, Se from water engineering and training centre Pvt. Ltd. 2 no. of units @ \$ 37.81 = \$ 75.62	709.11
1.2.F.3 Reasearch on market linkage development	Nut Tree Purchase = \$ 569.98	569.98

1.2.H.1 Travel and monitoring (Month/Person)	Board Member Allowance 1 person @ \$ 17.72 for 7 days = \$ 124.05 Board Member Travel Expenses \$ 36.86 Monitoring Visit expenses 7 days @ \$ 17.72 = \$ 124.05 Monitoring Visit Allowance \ 11.5 days @ \$ 10.63 = \$ 122.28 + Fare Expenses = \$ 31.89 Tax & Allowances = \$ 4.61	443.75
1.2.B.2 Coffee processing on-site training (event)	Participants Lunch= \$ 42.53 DSA for 10.5 days @ \$ 10.63 = \$ 111.29 Travel and Incidental charge = \$ 14.89 Coffee Plant Purchase 100 units @ \$ 0.21 each = \$ 21.26 Vehicle Servicing related expense = \$ 53.87	243.85
1.2.C.1 Onsite Training in farm management (Event)	Resource person allowance for 1 day @ \$ 8.51 Resource Person allowance for 2 days @ \$ 11.34 = \$ 22.68 Board Member Allowance for 3 days @ \$ 17.72 = \$ 53.17 & Travel and Incidental Expenses = \$ 10.63 Stationery Items from SK Publication& Stationery Suppliers = \$ 10.49 & Lunch expense = \$ 52.46 Monitoring allowance for 4 days @ \$ 10.63 each = \$ 42.53 & Travel and Incidental Expenses = \$ 16.30	216.77
1.2.I.1 Plant Based Compost Training	Travel Expenses for participants = \$ 327.50 Lodging & Fooding Expenses for Participants = \$ 287.16 For Training materials = \$ 49.52 supporting staff expense = \$ 3.54 Training Related allowance for 4.5 days @ \$ 10.63 = \$ 47.85 & Travel and Incidental Charge = \$ 8.51 Resource Person Fee for 6 days @ \$ 11.34 = \$ 68.05 & Travel and Incidental Charge = \$ 10.63 Training Allowance for 3 days @ \$ 10.63 = \$ 31.90 & Travel and Incidental Charge = \$ 2.84 Resource Person fee for 4 days @ \$ 11.34 = \$ 45.36 Board Member Allowance for 3 days @ \$ 17.72 = \$ 53.17 & Taxi fare = \$ 2.84	938.87
1.2.c.2 Coffee Demo plot management(Nos)	For coffee plot management to Red Panda Beans = \$ 550.72	550.72
Sub Total		5,627.09
Other Expenses		
1.1.3 Communication	Domain Hosting Charge = \$ 38.98 renewal charge to Nepal Telecom = \$ 183.6 IT maintenance Charge = \$ 200.26	447.72
1.1.4 Printing, photocopy and stationery	Stationery Items From Astha = \$ 24.88 Stationery Items From S.K Pulbication & Astha = \$ 30.27 Stationery Items From Astha & New Generation Store = \$ 35.79 Stationery Items From Astha = \$ 18.50 Stationery Items From Astha = \$ 43.88 Comprehensive Progress Report = \$ 177.22	330.55
1.1.5 utilities(electricity, watter, garbage, etc)	Electricity Expenses to NEA = \$ 35.44 Utility services from New generation store = \$ 63.80 Electricity Expenses to NEA = \$ 49.62 Water Expense = \$ 13.86	163.04

1.1.6 Audit, Renew and Taxes (Lumsum)	Business Tax = \$ 85.97 TDS & Taxes = \$ 22.03	121.42
1.1.7 Guest and hospitality	Lunch Expense to San coffee and resto = \$ 12.41 Food items from Katuwal Stores = \$ 13.50 Lunch Expense to San coffee and resto = \$ 25.24 Guest And Hopitality Expense for SWC Evaluation Team Member = \$ 169.42 Food Item From Anam Store = \$ 3.69 Food Item From Anam Store = \$ 4.47	228.72
Refundable SWC	Refundable SWC Charge \$ 921.53	921.53
Sub Total		\$2,212.97
Total		\$14,260.39

B. Udayapur Women Rehabilitation Center Extension Project

Time Period From:		Feb 2026 - June 2026
Expense Category	Total per Category Detail (USD)	Category Total (USD)
Sub Total		\$0.00
Program Expenses		
4.2.34 SODEC ED wages	For 5 months	1,458.12
4.2.37 SWC regulation Fees	Fee to Social Welfare Council = \$ 551.53	551.53
4.2.36 Engineering supervision	Engineering Supervision Fee to Mr. Arun Rokka = \$206.83	206.83
Insurance	Accidental Insurance Policy for Engineer and workers on constrion site= \$67.70	67.70
4.2.35 Site in-charge wages	4 months Salary \$777.66	777.66
Civil Works (Material Cost)	Various Construction Material Purchased from Bedisa Nirman Sewa = \$8,816.75	8,816.75
Sub Total		11,878.59
Administrative Expenses		
4.1.3 Joint/Review Meetings	Travel Fare for 12 participants in the meeting @ \$ 6.89 = \$ 82.73 Lunch Expenses \$9.89	92.62
4.1.5 Logistics (print, Photocopy, Supply)	Printing & Stationery Materials from M.A. Printers, Sagarmatha Digital and Rautamai Publication = \$ 39.61 Printing and Stationery Materials from Astha = \$ 20.68	60.29
4.1.7 Travel LS	Travel Fare to Finance officer = \$ 17.92 Travel fare To Board member = \$ 19.72, for monitoring women safehouse extension project Travel Fare to ED 4 days @ NPR 17.24 = \$ 68.94 Travel & Incidental Expense = \$ 91.69 Travel Fare to ED = \$ 57.91	256.19
4.1.1 Accountant Salary (Partial)	4 Months Salary	388.83
Travel Expenses	for 3 days \$10.34 each =31.02 DSA to board Member for 3 days \$17.24 ecah = \$ 51.71, for monitoring women safehouse extension project Allowance to ED 4days @ 17.24 = NPR 68.94	172.35
Sub Total		949.60
Total		\$12,781.32