

Sustainable Agriculture Development Program (SADP): A Comprehensive Progress Report on a decade of Rural Prosperity and Partnership (2017–2026)



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SANKHUWASABHA NEPAL

12TH APRIL 2026

Acknowledgment

First, I acknowledge the Society Development Center (SODEC) Nepal for their visionary leadership and technical management of the program since its inception in 2017. Their commitment to high-yield, sustainable crops has successfully moved the local economy from subsistence to a commercial hub. My gratitude goes to Changing Lives Nepal (CLN), USA, the primary donor, whose continuous financial assistance and partnership have been the bedrock of this project's expansion and success.

I also extend my thanks to the local government units—including Chainpur, Panchkhan, Madi,, Dharmadevi, Chichila, Sabhapokhari, Silichong, and Khandbari. Their increasing financial contributions and institutional support have been crucial in ensuring the program's long-term sustainability and local ownership.

Most importantly, I acknowledge the farmers of Sankhuwasabha. Their willingness to adopt organic coffee and macadamia nut farming, manage over 561,830 coffee trees and 33,906 macadamia trees, and reclaim 6,000 ropani of fallow land is the true measure of this project's achievement.

Finally, I thank the project staff, field technicians, and stakeholders who assisted directly and indirectly in the rigorous data collection and monitoring processes. Their diligent record-keeping and participation in mid-project evaluations have provided the transparent evidence base required for this comprehensive decade-long review.

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1. Introduction

Society Development Center (SODEC) is a non-governmental organization that was registered at the District Administration Office of Sankhuwasabha on 27 June, 2000. The organization was established with the objective of contributing to the development initiatives carried out by the Government of Nepal, particularly in rural settlements of remote districts.

Since its establishment, SODEC has worked with more than 18,000 households across various districts of Nepal such as Sankhuwasabha, Nuwakot, Kathmandu, Dailekh, and Surkhet. Its areas of work include income generation and skill development, physical infrastructure development, education, health, community forest management, rural energy development, institutional capacity building of community organizations, and operation of women service centers. SODEC has partnered with relevant ministries of the Government of Nepal, local governments, as well as various international non-governmental organizations and bilateral agencies.

The Sustainable Agriculture Development Program (SADP) has been implemented since 2017 in Sankhuwasabha district with the objective of supporting the rural economy by creating employment and income-generating opportunities.

Under this initiative, support is provided for the cultivation of two high-value cash crops—organic coffee and macadamia nuts. The program offers both technical and financial assistance in areas such as farming techniques, processing, and market development to promote sustainable and profitable agricultural practices.

As a result, both coffee and macadamia nut production have reached a commercial stage. Coffee produced in Sankhuwasabha has already entered the national market, and macadamia nuts are being test-processed and introduced to the market starting this year.

Changing Lives Nepal (CLN), USA is the primary donor supporting this project. Based in San Francisco, USA, CLN has been providing continuous financial assistance to implement and expand program activities (website: <https://changinglivesnepal.org/>). The project, Over the nine-year period has maintained a strong and consistent financial structure, with a total investment of NRs. 20,800,412.

Data Collection Tools and Techniques

The evaluation team utilized a combination of objective questionnaires and subjective checklists to gather feedback from the beneficiaries and stakeholders. To ensure comprehensive data collection, a rapid survey was conducted among the primary beneficiaries, local representatives, officials, and other stakeholders.

Additionally, the team employed various methods to gather in-depth information, such as: Meetings, Focused discussions and In-depth interviews. These methods allowed the team to gather information from beneficiaries, stakeholders, and program implementation staff.

The evaluation process was further enriched by: Observations & Document reviews. Participants were encouraged to provide their opinions on the program activities, inputs, facilitations, and results as they related to the lives of the beneficiaries, their families, and the communities.

The evaluation team also consulted with external key stakeholders, including local government officials, to record their views regarding the program's implementation and its sustainability.

- a. **Primary Data:** The evaluation team employed a variety of methods for primary data collection, including: distributing structured questionnaires among selected beneficiaries and consulting partners from different thematic areas of the program during focused group discussions (FGDs). Additionally, subjective checklists were used for FGDs and key informant interviews involving program staff, social volunteers, local government officials, stakeholders, and other knowledgeable individuals. The primary aim of these data collection efforts is to evaluate program progress, analyze gaps, and derive key lessons for program improvement.
- b. **Secondary Data:** In order to conduct this study, a desk review of various government policies, plans, laws and bylaws was performed. Furthermore, relevant thematic literature and project documents, including project approval, planning and budgeting documents, periodic technical and financial reports, organizational documents and minutes, registration certificates and bank statements, were also reviewed.

Limitation of Study

The limitations of the evaluation study conducted on the Projects included several factors that potentially impacted the findings and interpretations. These limitations were as follows:

- **Geographic Coverage:** While the team visited three municipalities, the findings may not fully represent the experiences of all affected communities across the broader region. This limitation could affect the generalizability of the results.
- **Dynamic Context:** The situation of displaced individuals and communities is often fluid and subject to change. External factors, such as political instability, local election, international activities or new humanitarian interventions, could have impacted the status of the project and the responses of participants during the evaluation period.
- **Stakeholder Engagement:** Not all relevant stakeholders may have been equally represented in the evaluation process, potentially overlooking important views and insights from certain groups or community members.

These limitations highlight the complexities involved in conducting comprehensive evaluations and emphasize the importance of critical reflection when interpreting the findings and implications of the study.

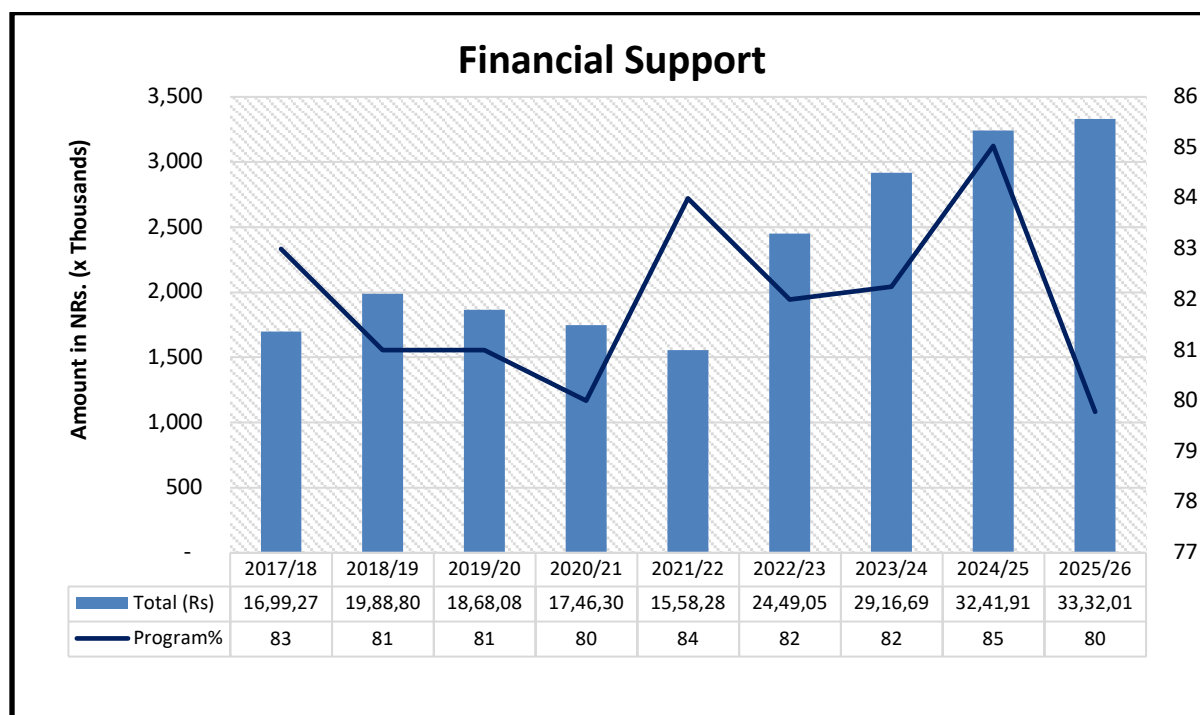
2. Project Initiation and Financial Evolution (2017-2026)

The project began in the fiscal year 2017/18 (2073/74 BS) with a clear mandate to improve local livelihoods through high-yield crops. The financial strategy has been characterized by a high program-to-administration ratio, ensuring that the majority of funds directly benefit the farmers.

Financial Growth and Resource Allocation

The SADP was initiated with a total budget of NRs. 1,699,277.00. Over the next nine years, the program's financial footprint expanded significantly, reaching a total investment NRs. 20,800,412 by July 2026.

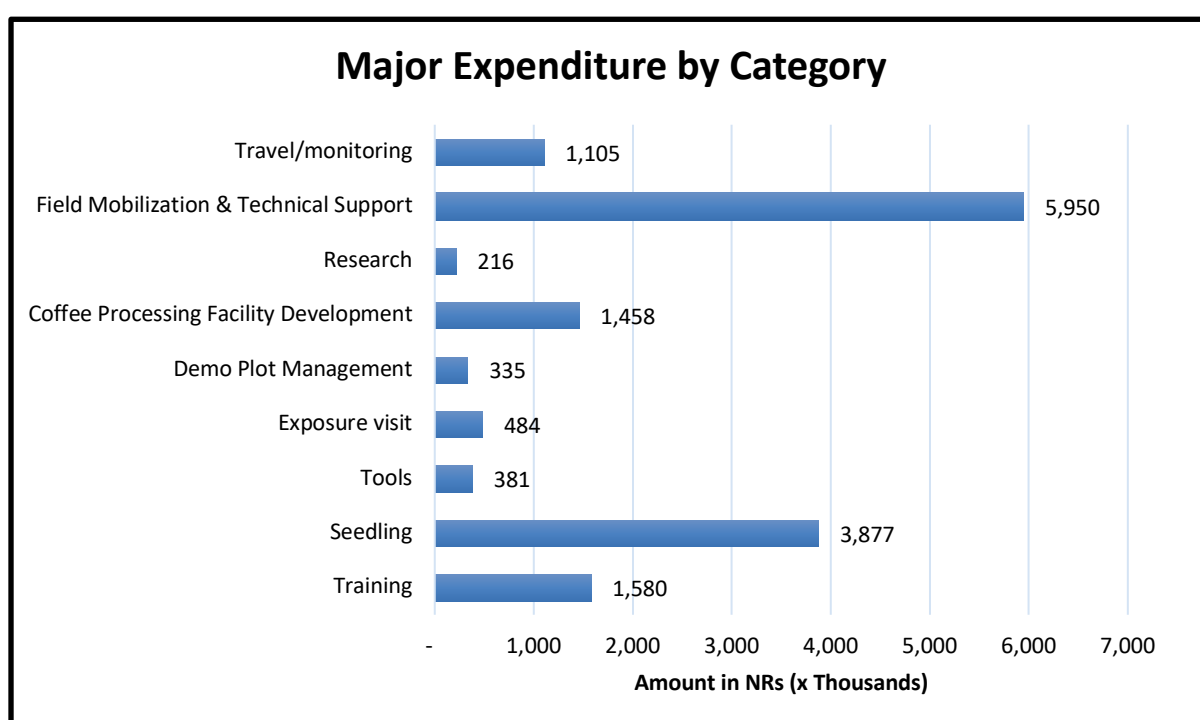
- **Early Phase (2017–2021):** The initial annual budget was approximately NRs. 1.7 million, primarily focused on seedling distribution and basic tools.
- **Expansion Phase (2022–2026):** By 2025/26, the budget increased to NRs. 3.33 million. Funding shifted toward advanced infrastructure, such as the Coffee Processing Facility Development in 2024/25, which saw an investment of NRs. 1,157,844.
- **Efficiency:** Throughout the decade, program costs consistently remained between 80% and 85% of the total budget, while administrative costs were kept to an average of 15–20%.



Graph 1 Financial Support per year vs total Program Cost (%)

Major Expenditure by Category (Total NRs. 20,800,412):

- Field Mobilization and Technical Support: NRs. 5,950,000
- Seedling Distribution: NRs. 3,877,191
- Capacity Building (Training): NRs. 1,579,517
- Tools & Equipment: NRs. 381,200
- Infrastructure (Coffee Processing Facility): NRs. 1,457,844
- Exposure Visit: NRs. 484,000
- Demo Plot Management: NRs. 335,400
- Research & Development: NRs. 216,420



Graph 2 Major Expenditure by Category over the decade

3: Geographic Reach and Farmer Participation

The program's application has expanded across all 8 municipalities and rural municipalities (local government units) in Sankhuwasabha District. As of July 2026, the program records:

- **Coffee Farmers:** The program supports 704 coffee farmers managing 561,830 trees.
- **Macadamia Nut Farmers:** Participation has grown to 800 farmers (up from 762 in 2024) with 33,906 trees planted
- **Expansion Hubs:** Major areas of activity include Chainpur, Panchkhapan, Dharmadevi, Madi, Chichila and Savapokhari

4: Economic, Social and Financial Changes

The transition to cash crops has yielded substantial financial returns, moving farmers from subsistence to a surplus-based economy.

- **Revenue Generation:** The district generated revenue from coffee parchment reached NRs. 7.4 million, while coffee seedling sales generated NRs. 3.8 million. Macadamia nut revenue more than doubled in the last year, rising from NRs. 554,000.00 to NRs. 1,068,000.00
- **Market Dynamics:** A significant change is that buyers now visit farms directly to purchase cherries, eliminating transportation costs for farmers. For the first time, the district sold green beans instead of just parchment, attracting international buyers.
- **Employment:** The project has created 10,000 labor-days for farming, processing, and marketing. During harvesting, approximately 80% of the workforce consists of women engaged in picking, sorting, and processing.
- **Social Impact and Food Security:** Sankhuwasabha has long been a food-deficit district where households struggled to produce enough for year-round consumption. SADP has directly combated this; farmers report using coffee income to purchase essential items like rice, meat, and oil.

Farmer Success Stories and Income Utilization

- **High Earners:** Dil Kumar Tamang (Chainpur) earned NRs. 350,000 from coffee this year, allowing him to employ over 100 labor-days annually and save surplus cash in the bank. Bhim Khanal (Savapokhari) reported an income of NRs. 360,000, which he used primarily for his children's education and family food needs. Narendra Tamang (Chainpur) earned NRs. 55,000 and noted that coffee is more profitable and convenient than previous crops like ginger or turmeric, as buyers now come directly to the farm.

5. Social Impact and Environmental Changes

Sankhuwasabha has long been considered a food-deficit district, where many households traditionally struggled to produce enough food for year-round consumption and relied on external sources to meet their basic needs. The Sustainable Agriculture Development Program (SADP) has played a significant role in changing this situation by introducing high-value cash crops like coffee and macadamia, which have improved both income and food security. Farmers themselves report that income from coffee has enabled them to purchase essential food items such as rice, support their children's education, and meet healthcare needs. The project has also brought previously unused land—about 6,000 ropani of fallow land—back into production, increasing local agricultural output and livelihood opportunities. In addition, seasonal employment during coffee harvesting, reduced crop loss from wildlife, and improved farming practices have strengthened community resilience. Overall, the program has not only increased income but has also contributed to addressing food insecurity and improving the quality of life in the district.

The project has brought notable positive changes to the local environment in Sankhuwasabha as well. One of the most significant impacts is the productive use of approximately 6,000 ropani of previously fallow land, which has now been converted into green agricultural areas through coffee and macadamia cultivation. Farmers have adopted Good Agricultural Practices (GAP), including organic farming methods and vermi-composting, which have improved soil fertility and reduced dependency on chemical fertilizers. The introduction of shade trees in coffee farming has enhanced greenery, supported biodiversity, and helped in soil conservation. Additionally, crops like coffee and macadamia are less vulnerable to damage from wild animals, reducing

pressure on surrounding forests and minimizing human-wildlife conflict. The ability of macadamia to grow in dry conditions has also helped transform less productive land into sustainable green cover. Overall, the project has contributed to a healthier ecosystem while promoting environmentally sustainable farming practices.

6. Government Support and Institutional Partnerships

A significant milestone for the SADP has been the increasing financial and structural support from local government.

- **Institutional Funding:** In the final year of the decade (2025/26), local government and farmers contributed a combined NRs. 6,000,000 to the program, a massive increase from zero in the early years.
- **Subsidies:** SODEC and Municipality subsidies have lowered the entry barrier, allowing even small-scale farmers to participate in high-value coffee cultivation. Farmers themselves invested approximately NRs. 5 million into the project.
- **Local Government-Specific Support:** By the 2025/26 fiscal year, Municipalities like Chainpur (NRs. 1,300,000) and Panchkhapan (NRs. 1,200,000) became major financial stakeholders. Chichila Rural Municipality allocated NRs. 1 million to purchase 20,000 seedlings, reflecting a strong sense of local ownership and sustainability.

7. Education, Training and Capacity Building

Capacity building has been the backbone of the program's success, with 778 participants (133 females, 645 male) completing training by 2026. Importantly, the project has created inclusive employment opportunities—especially during coffee harvesting, where around 80% of the workforce consists of women, engaged in activities such as picking, sorting, and processing

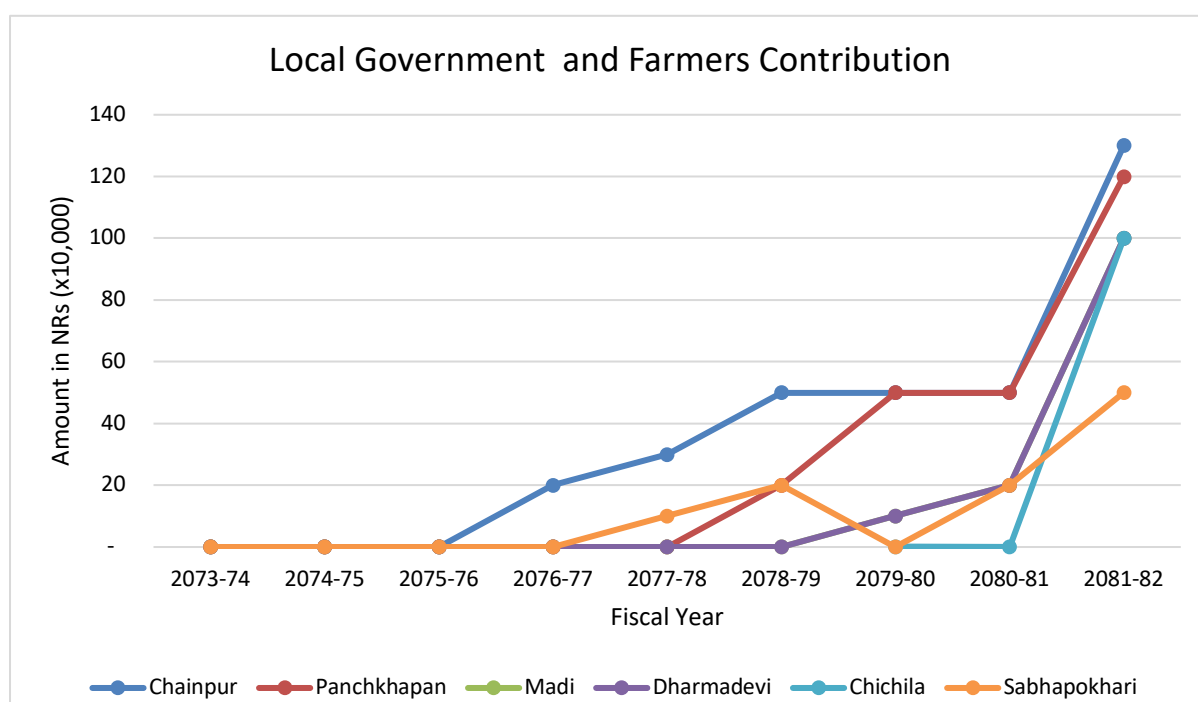
Key Training Interventions:

- **Technical Expertise:** 34 major training events covered topics such as Commercial Coffee Farming, Farm Management, and Macadamia Nut Product Development. Recent sessions (July-December 2025) included on-site training for 81 participants on pruning and pest management.

- **Environmental Education:** 649 farmers received training on producing organic fertilizer through vermi-compost pits. The training was conducted across multiple (Rural) municipalities (Chainpur, Dharmadevi, Madi) to teach farmers how to produce organic fertilizer and 654 compost drums were distributed to reduce dependency on chemical fertilizers.
- **Exposure Visits:** Leader farmers were sent on study tours to Nuwakot and Syangja to learn from established coffee cooperatives, bridging the knowledge gap between Sankhuwasabha and more mature agricultural regions.

8. Project Sustainability

- The growing contribution from local governments and farmers over the years shows that the project is gradually becoming self-sustaining. In the beginning (2073/74–2075/76), there was no local financial involvement, but starting from 2076/77, local governments began allocating small amounts of budget. Since then,



Graph 3 Local Government and Farmers' Contribution

the contributions have increased every year—from just NRs. 200,000 to an impressive NRs. 6,000,000 in 2081/82. This steady rise reflects the trust and confidence of local authorities and communities in the benefits of the program. It also shows a strong sense of ownership, with municipalities actively investing in its success. Overall, this positive trend indicates that the project is no longer

dependent only on external support and is moving toward long-term sustainability driven by local commitment.

9. Critical Perspectives: Buyers' and Farmers' Opinion

The Buyers' Opinion: Buyers acknowledge that Sankhuwasabha beans are among the highest quality grown in Nepal. However, they have raised several critical concerns regarding processing:

- **Broken Beans:** Green beans often contain a large volume of broken pieces, which buyers attribute to either poor-quality huller machines or negligence during the grading process.
- **Inconsistent Quality:** There is a lack of uniformity in the beans, often due to a lack of processing knowledge or negligence.
- **Moisture Levels:** Some supplies have moisture levels that exceed recommended standards

The Farmers' Opinion on Barriers: Farmers are eager to expand but face technical and environmental hurdles: Despite the program's success, several technical and biological challenges persist as it enters its second decade:

- **Pest and Disease Management:** Farmers continue to struggle with white borers, "die back" disease, and winter-related diseases in coffee plants.
- **Infrastructure Gaps:** While processing has begun, existing tools are insufficient for commercial scaling. Farmers report that macadamia nut crackers are inefficient and that the current coffee hullers often break the parchment, reducing quality.
- **Fertility Crisis:** A decrease in domesticated animals has led to a shortage of manure. The program now needs to focus on plant-based compost production to maintain per-tree yields.

10. Conclusion

- The Sustainable Agriculture Development Program (SADP) has successfully transitioned Sankhuwasabha from traditional farming to a commercial hub for coffee and macadamia nuts. A decade of SADP has reclaimed 6000 ropani of fallow land and established a sustainable, export-oriented agricultural economy in the district. With over NRs. 20.8 million invested and a growing number of self-sufficient farmers, the project has successfully addressed food insecurity while creating a lasting template for rural development.
- The program now stands at a turning point, moving from distribution and planting to large-scale processing and advanced pest management, ensuring the long-term financial independence of the farmers in Sankhuwasabha.
- As perennial crops, the 561,830 coffee and 33,906 macadamia trees established by the program are still in their early production stages. With many trees only just beginning to fruit, the current NRs. 7 million annual revenues are projected to grow exponentially as they reach maturity. This rising production will significantly increase household incomes, solidifying the district's transition from subsistence farming to a resilient, high-value agricultural economy

11. Recommendations

Based on the data and feedback from the decade-long implementation of the SADP, the recommendations for the program's next phase are:

1. Enhancement of Soil Fertility and Yield through Organic Inputs: To address the current "fertility crisis" caused by a decline in domesticated animals and a consequent shortage of manure, it is strongly recommended to capacitate farmers in the production of plant-based solid and liquid compost. While 649 farmers have already received initial training and 654 compost drums have been distributed, structured programs must now focus on technical mastery—specifically the appropriate dosage, timing, and methods of application—to optimize soil health and improve per-tree productivity across the 6,000 ropani of reclaimed land.

2. Strengthening Pest Management Practices: Farmers continue to struggle with biological threats such as white borers, "die back" disease, and winter-related diseases. Pest management training must be institutionalized with a focus on regular field-level monitoring and follow-up. This will ensure that farmers consistently apply integrated organic pest management techniques effectively to minimize crop losses and protect the district's investment in over 561,830 coffee trees.

3. Improvement of Quality Control Across the Value Chain: Recent feedback from buyers highlights critical concerns regarding broken beans, inconsistent quality, and high moisture levels. There is an urgent need to intensify training in selective picking, standardized drying, and rigorous grading. Establishing standardized protocols and ensuring compliance will be essential to maintain the reputation of Sankhuwasabha beans as some of the highest quality in Nepal while meeting international market standards.

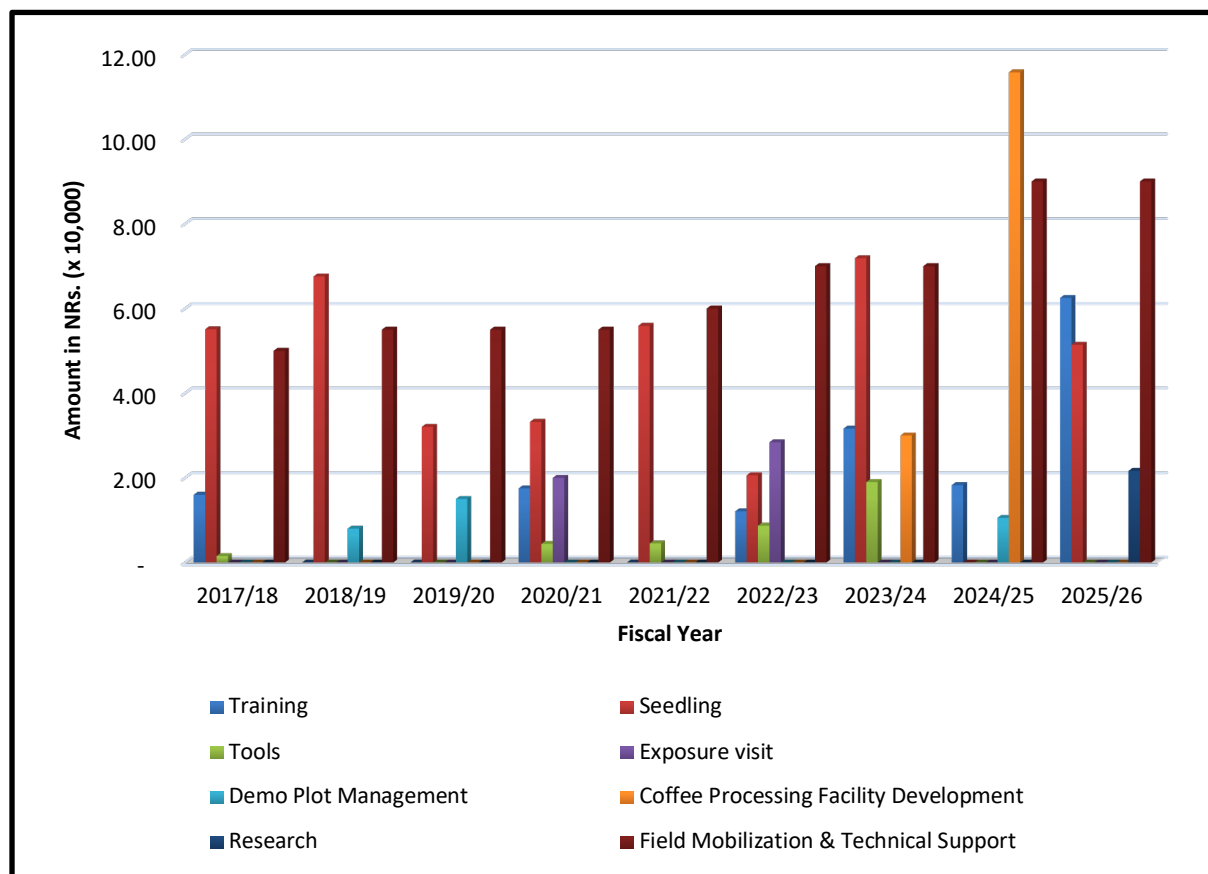
4. Provision of Processing Infrastructure and Equipment: Current infrastructure is insufficient for commercial scaling; specifically, farmers report that manual macadamia nut crackers are inefficient and existing coffee hullers often break the parchment, reducing final product quality. To sustain the program's success, investment must be prioritized for advanced pulping machines, efficient drying facilities, and storage systems that prevent post-harvest damage and allow farmers to move from selling dried cherry to high-value green beans.

5. Capacity Building in Market-Oriented Skills: As the district transitions from producing dried parchment to exporting green beans, farmers must be equipped with practical agri-entrepreneurial skills. Training should include orientation on legal frameworks for business registration, branding, and market research. This will help farmers capitalize on the growing interest from international buyers and investors, transitioning them from simple producers to professional food company operators.

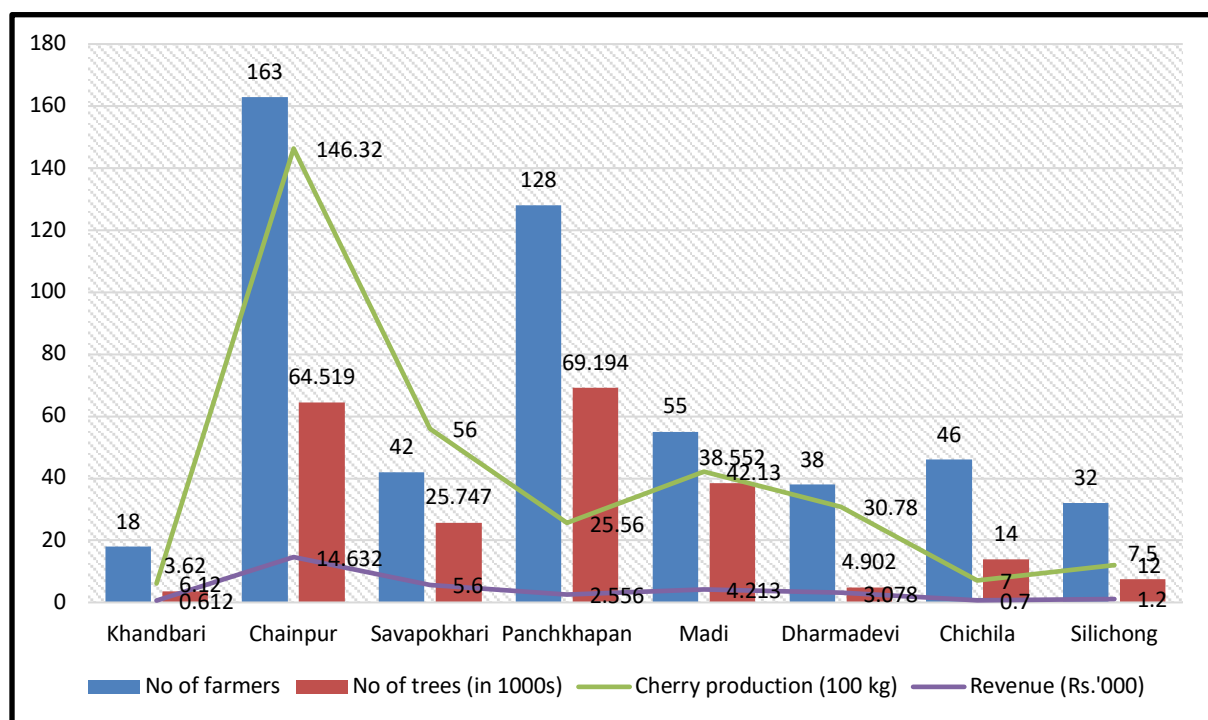
6. Policy Advocacy and Local Government Engagement: While local government and farmer contributions have surged to Rs. 6,000,000 annually, these must be formalized into long-term institutional policies. Strategic advocacy is needed to ensure the Koshi Province Government and local municipalities continue to allocate dedicated budgets for coffee and macadamia promotion beyond the current project cycle, ensuring the scalability and continuity of support services.

7. Promotion of Producer Organizations for Institutional Strengthening: Building on the lessons learned from exposure visits to established coffee cooperatives in Nuwakot and Syangja, farmers should be facilitated to organize into formal cooperatives or producer groups. Strengthening these local institutions will enhance collective bargaining power, provide a sustainable platform for knowledge sharing, and improve access to financial services, ultimately securing long-term sector growth for the coffee and macadamia farmers in the region.

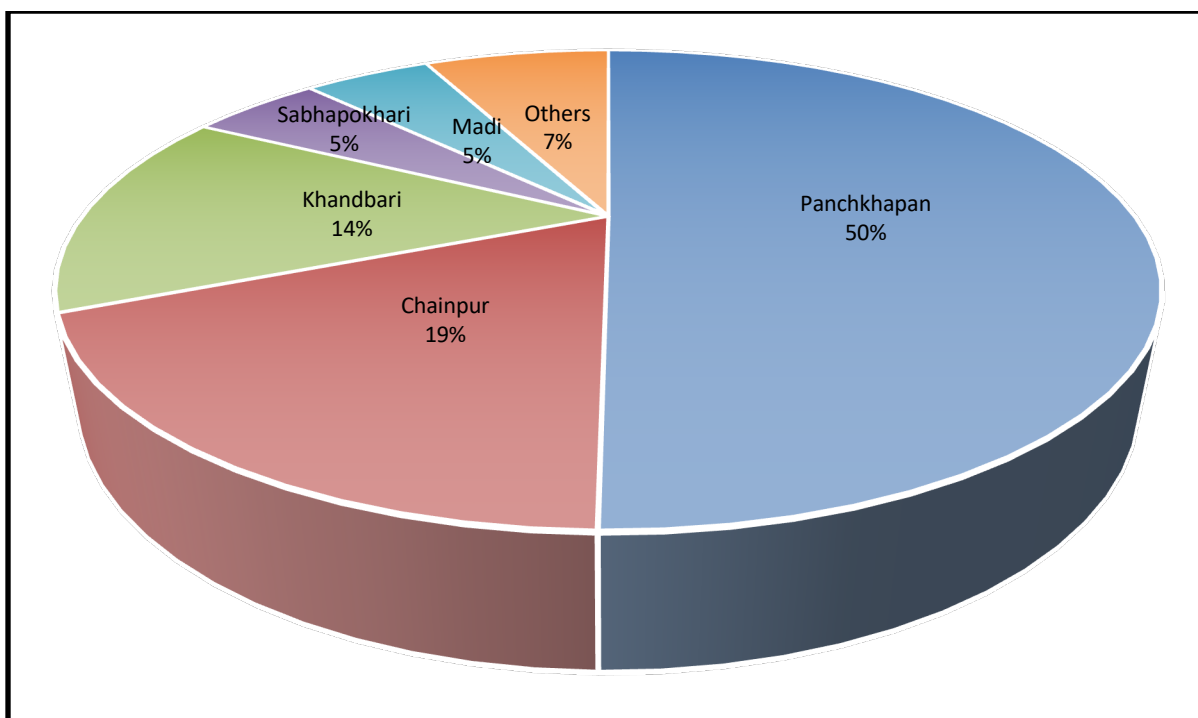
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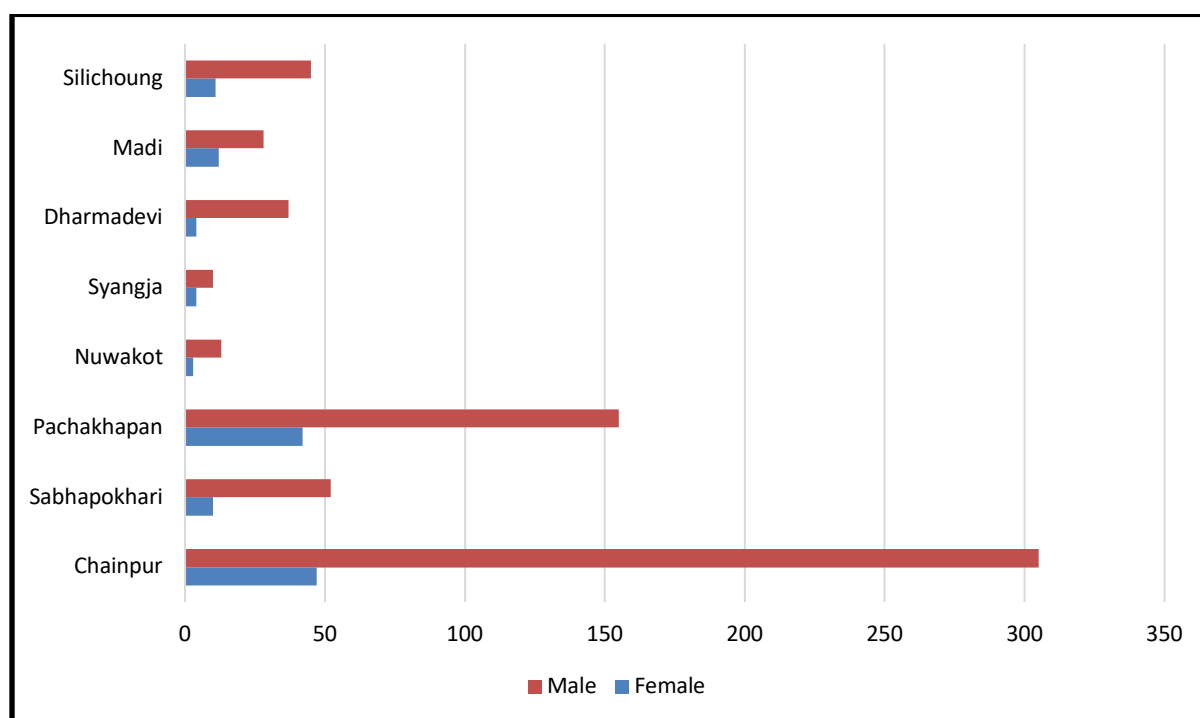
Graph 4 Major Expenditure per annum of the Decade



Graph 5 Local government-wise Coffee Farmers



Graph 6 Geographic Distribution of Macadamia Plantation within the District



Graph 7 SADP 2018-2026 Participants by gender