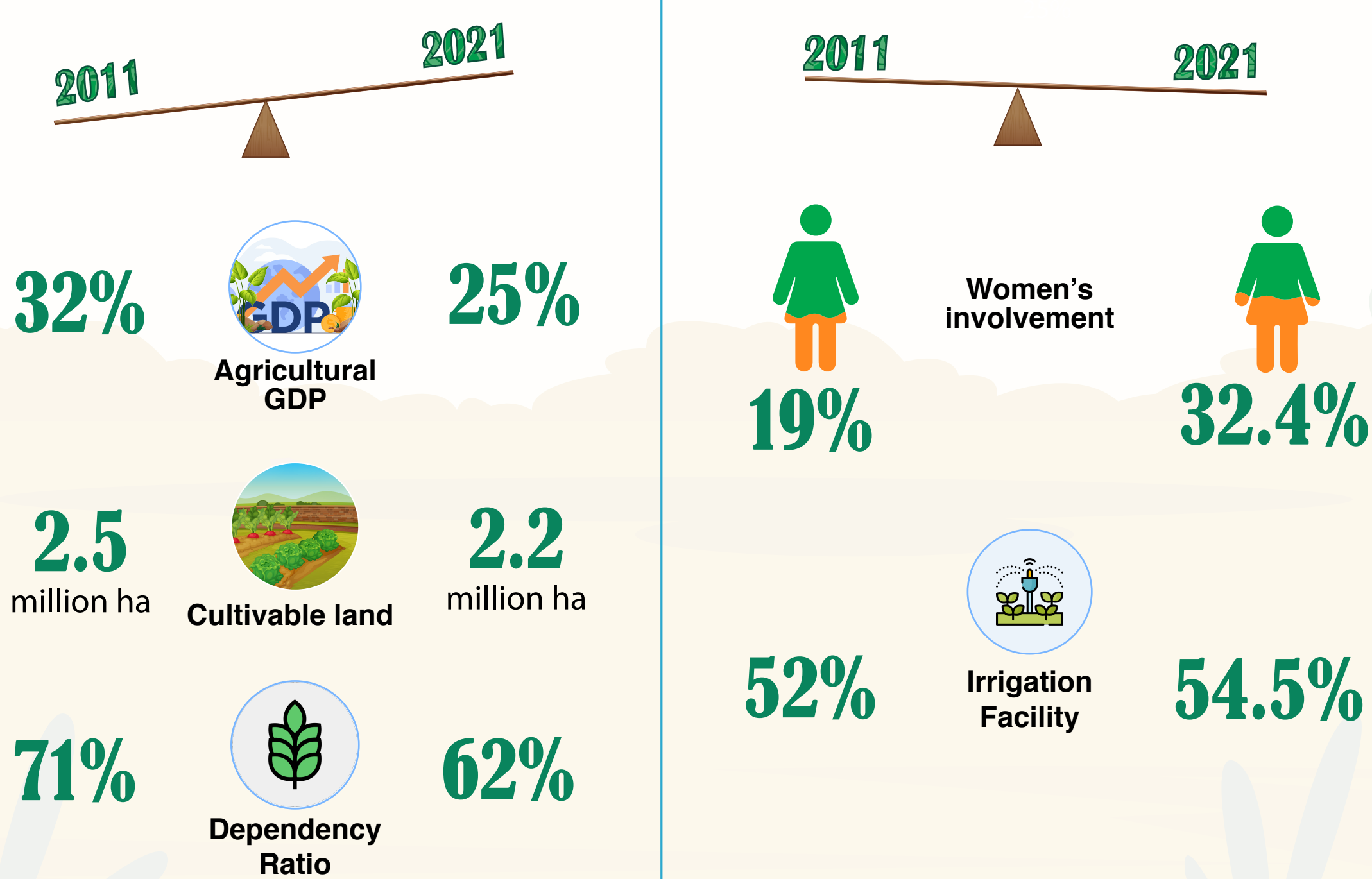


# AGRICULTURAL TRANSFORMATION IN NEPAL : TRENDS AND INSIGHTS

With 57.3% of the population involved in agriculture<sup>1</sup>, Nepal is predominantly an agrarian country. Yet, despite the involvement of a significant portion of the population in this sector, there are persistent hindrances to the quality and quantity of agricultural yields. One of such hindering factors of recent times is climate change, which poses a significant threat to agricultural production and food security in Nepal.

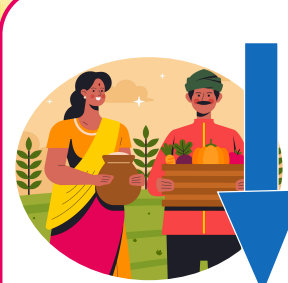
## COMPARISON OF AGRICULTURAL DATA BETWEEN NATIONAL CENSUS 2011 AND 2021 <sup>2,3</sup>



## KEY CHALLENGES IN SHAPING THE FUTURE OF FARMING <sup>4,5</sup>



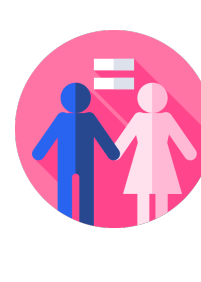
Nepal's low extension worker-to-farmer ratio (1:1,000) has limited the knowledge of sustainable agricultural (SA) practices, resulting in low yields and harmful farming methods.



Low youth interest in agriculture has challenged smallholder production systems and raised concerns about workforce availability for SA implementation.

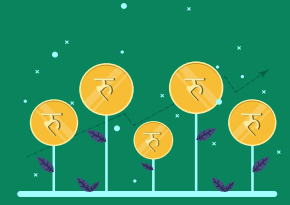


Nepalese farmers have faced limited access to loans and subsidies due to high-interest rates, tedious procedures, and the demand for high-value collaterals, hindering input financing and agricultural growth.



In Nepal, although women involvement in agriculture is increasing, their access and participation in SA programs, trainings and opportunities is inadequate, expanding the gaps in gender equality.

## KEY RECOMMENDATIONS TO ADDRESS THESE KEY CHALLENGES <sup>6,7</sup>



Proper resource allocation and long-term investments by the government are vital to promote sustainable agriculture and address existing challenges.



To optimize resource use, enhance productivity, and reduce environmental impacts, digitization in SA is necessary that involves use of digital tools like precision farming, mobile apps, and IoT.



Empowering women through training and workshops enhances their decision-making abilities, enabling them to take on leadership roles in agriculture.



Implementation of accessible credit schemes with low-interest rates and streamlined procedures, alongside microfinance programs and expanded insurance coverage is essential to mitigate potential risks and collateral challenges.

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