Access to Trade, Inclusion and Social justice for Karnali people (ATIS-Karnali)

Economic growth for social justice: Supporting NTFP trade and business development in Karnali

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Background

Medicinal and aromatic plants are important resources for population living in Karnali region, but people have limited access to market information and little technical knowledge to create value from harvested plants. They do not adequately benefit from the resources they are endowed with. Markets are often secretive and disorganized and small producers lack the capacity to actively interact and negotiate with more experienced buyers and traders. Moreover, most of the high value non-timber forest products (NTFPs) are sold in their unprocessed form, missing opportunity to add value and benefit at the district level. A lack of value chain coordination, weak institutional and policy support, market capacities of mountain producers and service providers cause leakages of potential local income.

To promote sustainable and equitable exploitation of high value NTFPs, Mission East (ME) has received a grant for the Non-State Actor Program of the European Commission, to implement a 3 years project “Economic Growth for Social Justice: Supporting NTFP trade and business development in Karnali.” It will be implemented by 5 partners; Asia Network for Sustainable Agriculture and Bio-resources (ANSAB), Karnali Integrated Rural Development and Research Center (KIRDARC-Nepal), Rural Development Group Programme (RDGP), Rural Community Development Center (RCDC) and Women Welfare Service (WWS).

The complementary experiences of ANSAB in supporting NTFP promotion, processing and trade in mountainous region of Nepal, KIRDARC’s experience and network to promote social justice in Karnali, through their model of Karnali Kachahari (Dialogue for Change) and the expertise of ME together with the WWS to ensure the full inclusion of women, Dalits and people with disabilities will ensure the expected outcome of the project.
Project Objectives

The overall objective of the project is to contribute to poverty reduction of remote Karnali regions through sustainable and inclusive economic growth.

To contribute to the overall goal, the specific objective for the action is to promote sustainable and equitable exploitation of high value NTFPs in Humla, Mugu and Jumla districts of the Karnali region.

Target Area

<table>
<thead>
<tr>
<th>Districts</th>
<th>Area coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humla</td>
<td>5 VDCs</td>
</tr>
<tr>
<td>Mugu</td>
<td>7 VDCs</td>
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<tr>
<td>Jumla</td>
<td>5 VDCs</td>
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</tbody>
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Target Groups

The target group is composed of members of 30 Community Forest User Groups (CFUGs) located in 17 Village Development Committees (VDCs) across the 3 districts of Humla, Mugu and Jumla, with an average of 300 members per group together with 3 processing companies (representing 3,000 NTFP collectors/suppliers, workers and owners), 3 District Chambers of Commerce and Industries (DCCIs) and 6 Business Development Service (BDS) providers in Humla, Mugu and Jumla. Sub-groups of Women, Dalits and people with disabilities that are already members of target FUGs will be established to benefit from specific support and empowerment.

Major outputs of the project

Result 1: NTFP incomes are increased and better shared by enhancing entrepreneurial skills of NTFP producers, processors and traders in business development, marketing, quality assurance and quality control.

- 3 NTFPs based enterprises one in each district has improved their business through better productivity, processing, quality improvement and establishing relationship with 3 new buyers.
- Rapid value chain studies of Yarsagumba, Atis, Kutki and Jatamansi conducted to provide strategic
interventions for collectors and traders in the districts.

**Result 2:** Sustainable management and harvesting of NTFPs is improved through better management systems for CFUGs and increased skills of the producers.

- Resource inventory of 4 key NTFPs within 30,000 ha. of forest areas is conducted.
- Practice of sustainable harvesting of 4 NTFPs is established through amendment and revision of operational of 30 CFUGs.

**Result 3:** NTFP trade stakeholders in Karnali are better organised enabling stronger negotiation capacity towards export companies in Nepalganj and Kathmandu and local government.

- 3 district level networks of traders and producers are formed with DCCIs as umbrella and linked with Federation of Community Forest Users, Nepal (FECOFUN).
- A Code of Conduct is produced and used among the 3 networks for equitable and sustainable sharing of resources.
- ANSAB’s NTFP price list is made available to DCCIs, NGOs and district FECOFUN on monthly basis.

**Result 4:** Vulnerable groups have increased opportunities to access employment in NTFP sector, better access to trade information and knowledge on forest use and sustainable NTFP resources exploitation.

- 30 subgroups of vulnerable producers within CFUGs are created and 6 BDS providers can deliver services to the most vulnerable on community forestry management, technical skill for enterprise development and business planning.
- 3 NTFPs based enterprises employ at least 40% women staff and 5% of people with disability.
- 3 community FM radios of target districts are regularly broadcasting radio programmers on rights for equitable access to NTFP resources.
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