

RVWRMP Value Chain Support

The Rural Village Water Resources Management Project (RVWRMP) supports WASH and livelihoods development in Sudurpaschim and Karnali Provinces. RVWRMP livelihoods support has gradually developed from household (home gardens) to community (income generation activities) to regional and national (value chain) level.

Five value chain areas in five Rural Municipalities (RM) were selected in 2019. The criteria for selection included poverty alleviation, existing potential, possibility of supporting activities as well as geographical and climatic potential. The five value chains are: Chiuri (Marma RM, Darchula), Citrus (Chure RM, Kailali), Ginger (Badikedar RM, Doti), Large Cardamom (Naumule RM, Dailekh) and Vegetable (Alital RM, Dadeldhura).

The interventions began by improving production, capacity building and local market linkages. Physical support for processing machines, collection centres, nurseries, storage houses and dryers. Then, focus on building regional and national linkages through e.g., collective workshops with cooperatives and traders. Local government support was substantial.

In total, value chain support benefitted 4,890 households: Chiuri 664, Citrus 1,015, Ginger 1,030, Vegetable 1,817 and Large Cardamom 364.



Large Cardamom in Naumule RM, Dailekh

Large Cardamom (*Amomum Subulatum*) is a precious spice, mostly consumed in Middle-East and Asia. It is often processed and used for both medicinal and culinary purposes. Nepal is the second largest producer of Large Cardamom worldwide.

Large Cardamom generally grows in shady, moist areas and it is found in abundance in the eastern hilly regions of Nepal. Thanks to potentially high prices, it is considered to have high potential for economic development. The harvesting process begins with the transplantation of saplings to the field in June/July, with harvesting in September-November, three years after transplantation. It is often dried immediately after harvesting and sold.

Value chain support for Large Cardamom in Naumule RM was carried out due to suitable geographic location coupled with RM and farmer interest in the product. The Laligurans agricultural cooperative was chosen as the leading actor for Large Cardamom value chain activities.



Project Support for Large Cardamom Value Chain

The major value chain interventions were related to production, promotion, collection, processing, market linkages, cooperative leadership development, product diversifications and clustering. Focus was put to value additions, through trainings on drying, grading, packaging and labelling. Care was put to achieve market standards for product quality.

The Project supported the construction of one collection centre, six collectors, 16 soil-cement tanks, two drying kilns and the establishment of one nursery.

Lead farmers were capacitated to support local communities with Large Cardamom orchard management, crop protection and post-harvest handling. Communications systems were supported through social media platforms and local media.



Impact of Large Cardamom Value Chain

Large Cardamom value chain activities have successfully started in Naumule RM with the involvement of all necessary actors. The following major impacts were observed from Project interventions:

- On average, 2.25 MT of Large Cardamom is being produced and marketed in Naumule RM, with a total of 364 beneficiary households.
- 551,000 Large Cardamom saplings have been planted in the RM
- The average annual income for farmers has increased from 100 NPR to 5,000 NPR.
- The collection centre supported by the project is providing an annual income of 50,000 NPR.
- 43 locals are employed in the ginger value chain business.
- All farmers growing Large Cardamom are shareholders of cooperatives.

Challenges of Large Cardamom Value Chain

The current challenges of large cardamom value chain in Naumule RM are as follows:

- Farmers have limited knowledge on Large Cardamom production. Due to mismanagement or carelessness the Large Cardamom orchards are susceptible to diseases. RM technical staff and Lead Farmers need to further support the cooperative and farmers.
- As it takes three years to grow Large Cardamom, large scale sales have not started yet. The cooperative needs to take agency and support the farmers as well as create market linkages when the sales truly begin.
- The cooperative has limited leadership capacity as leaders are often away from the RM. The value chain management committee could mitigate the issues with support from the RM.

Future of Large Cardamom Value Chain

Relevant value chain actors have understood the potential of ginger products for income generation. RVWRMP expects the cooperative and RM to work together with the farmers to maximize production and benefits. Special focus could be put into value addition capacity building for the farmers. The initial stages of the value chain have been successful, but more trust-building is needed between the actors and more time to see the results. Farmers are not yet fully capacitated for the production and sales of the product. The RM has to monitor the activities to be able to support at crucial stages.

There is interest from other stakeholders to purchase Naumule Large Cardamom, but they want the volume to be bigger. Once production reaches marketable volumes, the cooperative should establish connections with national stakeholders. There is a lot of export potential for Large Cardamom, and it is basically grown in land that can't be used for other cultivation. For these factors, the Large Cardamom value chain is viable in Naumule RM.



LARGE CARDAMOM VALUE CHAIN DEVELOPMENT

RURAL VILLAGE WATER RESOURCES MANAGEMENT PROJECT PHASE III

Sudurpaschim and Karnali Provinces, Nepal

Contact us:



www.rvwrm.org.np

Project Support Unit
Amargadhi-5, Dadeldhura
Sudurpaschim province, Nepal.
Phone: +977-96-410413 / 410414
Email: info@rvwrm.org.np

FCG



GOVERNMENT OF NEPAL



EUROPEAN UNION



Ministry for Foreign
Affairs of Finland