

# Sustainable Livelihoods in the Kailash Sacred Landscape

## Promotion of the Nigalo (Himalayan Bamboo) Value Chain in Nepal



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FOR MOUNTAINS AND PEOPLE



The Kailash Sacred Landscape Conservation and Development Initiative (KSLCDI) includes remote portions of the Tibet Autonomous Region of China and contiguous areas of Nepal and India. The landscape is environmentally fragile and its people are highly vulnerable to climate change and environmental degradation. KSLCDI aims to improve livelihoods by carrying out activities in farm and non-farm sectors while simultaneously promoting ecosystem management and the efficient use of natural resources including water and energy. The mountains of this landscape provide a rich variety of high value, low volume products, such as non-timber forest products and medicinal and aromatic plants. The mountain terrain is also suitable for cultivating temperate and off-season crops. However, the primary producers and collectors of these products generally receive a relatively low share of the return due to limited access to markets and credits, insufficient knowledge of the market chains, lack of processing facilities, and inadequate quality control. There is a need to ensure participation of the local communities through value chain development in order to increase their incomes.

In Nepal, KSLCDI has identified potential value chains in selected pilot sites. These value chains include allo (Himalayan nettle), nigalo (Himalayan bamboo) and rittha (soap nut). For 2015 and 2016, the Kailash Nepal Chapter has prioritized upgrading and promoting these value chains through product development and improving market linkages, which is explained for the nigalo value chain below.





### What is nigalo?

Nigalo (*Drepanostachyum falcatum*) is commonly known as Himalayan bamboo. In Nepal, Himalayan bamboo grows naturally in community and state-owned forests, and is also cultivated in people's backyards. The stem of nigalo is collected and traded for manufacturing household items such as doko (big basket), dalo (small basket), suppa (tray), chatais (small mats), and matta (sleeping mats).

It is widely distributed in Khar, Ranisikhar, Gwani, and Dhap Village Development Committees (VDCs) of Darchula District and Gwallek, Gajari, Sigash, Chaukham and Shikharpur VDCs of Baitadi District, which are part of the Kailash Sacred Landscape.



### Reasons for choosing the nigalo value chain for the Kailash Sacred Landscape (KSL) in Nepal

In the Nepal part of the KSL, people already have knowledge on the cultivation and sustainable harvesting of nigalo, as well as practical production skills. Nigalo cultivation is often initiated through VDC, and there are already established market linkages.

The favourable geo-climatic conditions and prevalence of community forestry and other forestry regimes to support cultivation, the still unmet demand and the scope for manufacturing souvenir products from nigalo, and the possibilities to use nigalo for bioengineering tools are reasons this value chain has been chosen in the Nepal part of the KSL.

The nigalo value chain has potential to improve the livelihoods of the landless and poor. Nigalo craft making and trade is the main source of cash income for many farmers in the KSL, including in Ranishikhar VDC in Darchula District. The price of nigalo ranges between NPR 5–10 per stick depending on the length and diameter of a cluster of bamboo plants. The locals make seven major types of products and, on average, each farmer earns NPR 20,000–25,000 (USD 320–400) per year from the sale of nigalo products. The nigalo products are primarily marketed during two annual events: Gokule Mela during the Shivaratri festival in February and Gaura festival in August. Nearly NPR 1 million (USD 160,000) worth of nigalo products were traded in the Gokule Mela in February 2015.

Major challenges for further development of this value chain in the region include the need for new processing technology, product design, transportation, and adequate financial means among the villagers for improved technology and marketing. Other challenges include the danger of overharvesting, the influx of imported products that threaten the nigalo product market, and the decreasing interest of young people in nigalo processing.

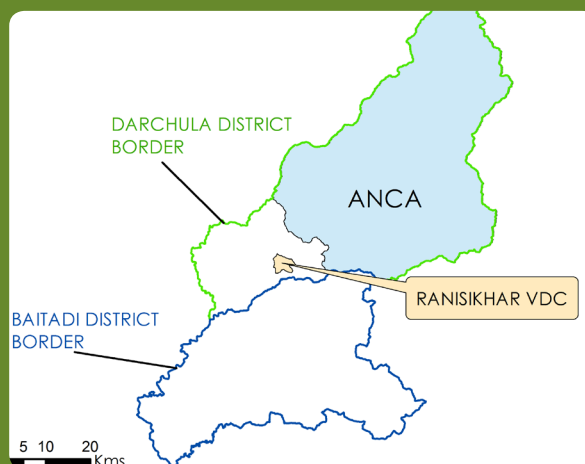
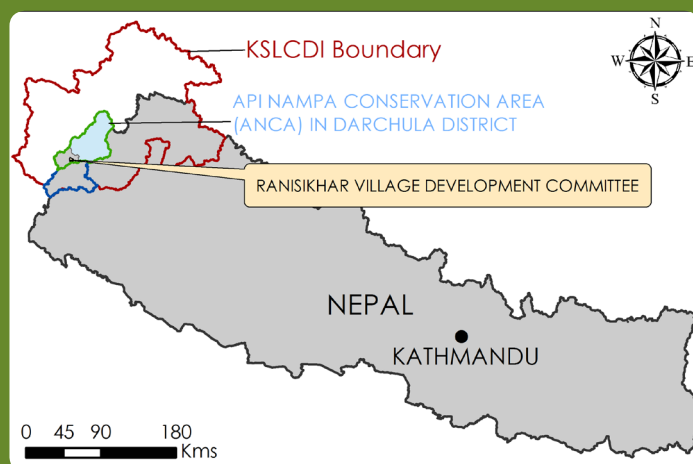
### About the KSL nigalo pilot site

Ranisikhar VDC of Darchula District, the pilot site for the KSLCDI nigalo intervention, has extensive experience with nigalo collection.

This Ranishikhar VDC has 438 households and a total population of 2,551 (1,168 male and 1,383 female). Ranishikhar VDC is a two- to three-hour walk from the nearest motorable road. The settlements are on steep slopes. People farm on small terraces and depend on rainfed irrigation. The only cereals grown are wheat and maize. Farmers are food sufficient for only three to four months in a year.



Figure 1: Map of Nigalo pilot site



## Steps in the nigalo value chain in KSL Nepal

The stem of nigalo is collected and traded for manufacturing household items such as doko, suppa, and matta. These items are sold in local markets in Baitadi and Darchula, as well as in other districts in far-western Nepal (Dhangadi, Dharchula, Nepalgunj, and Kanchanpur), and in some parts of India, such as Julaghat, and Pithoragarh.

The nigalo value chain involves the following actors and processes:

- **Collectors/farmers** collect clumps of nigalo in their backyards. They either sell these to the local manufacturer or employ local entrepreneurs to make the items they need (doko, matto, suppa, etc.).
- **Community forest user groups (CFUGs)** issue a collection permit for harvesting nigalo from the community forest as per their operational plan. Likewise, collectors harvest nigalo from the state forest or park against a royalty to the district forest office or the park management of the Api Nampa Conservation Area (ANCA). The district forest officers and park management also regulate the trade by issuing a transport permit to export the products to other districts.
- **Manufacturers/weavers** produce a variety of nigalo handicrafts. The superior quality products are sold within the village and the inferior ones are sold at the road head to district level traders.
- **Road head traders** act as a bridge between village producers and markets in the Terai (plains of Nepal).
- **District level traders** based in Gokuleswar, Gothalapani, and Khalanga sell the finished nigalo products in the district as well as distribute them in other urban centres in the Terai.
- **Wholesalers** from the Terai mainly purchase doko from road head traders. These dokos are mostly used to transport bricks.

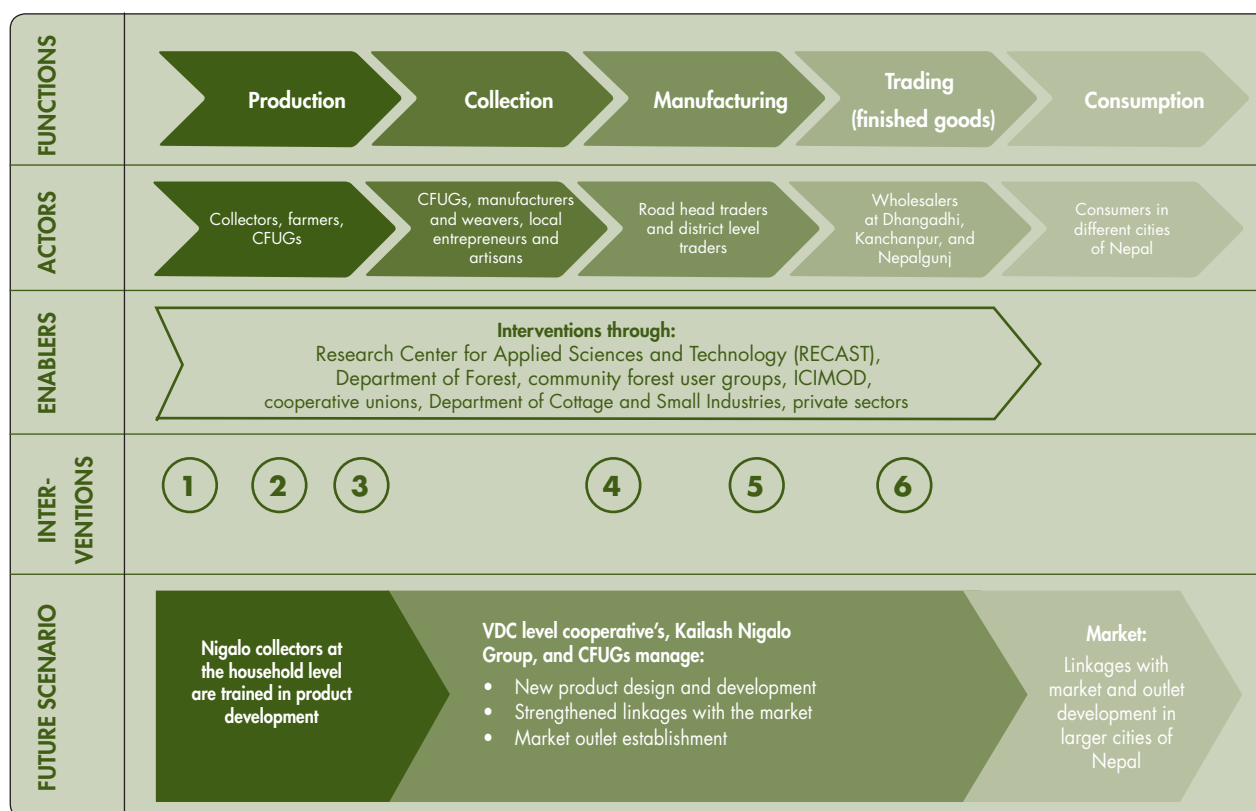
- The Department of Cottage and Small Industries, non-governmental organizations (NGOs), and community-based organizations facilitate skills enhancement for manufacturing nigalo products.



## Case study of Kabir Thanguna

Kabir Thanguna is a permanent resident of Khar VDC in Darchula District. He lives in a joint family of 14 members. Previously he worked as a field staff at a local NGO, but he left the job to start a nigalo enterprise five years ago. Now he sells about 100 dokos (big baskets), 50 dalos (small baskets), and 30 chatais (small mats) in a year, which brings him an income of NPR 8,000–12,000 (USD 80–120). His enterprise has also provided part-time employment to ten tea collectors. However, due to a lack of modern technology and equipment, he has only been able to harness 50% of the potential. Mr Thanguna says if they could conserve nigalo in the national forest and expand commercial cultivation, the sector could provide employment to the local people.

## Value addition steps in the nigalo value chain in KSLCDI



## Nigalo value chain interventions and upgrading strategies

1	<b>Facilitate access to nigalo resources:</b> Existing community forest regulations contain a specific clause for allotting land to the poor and landless according to the socioeconomic household profile of the community forest user groups.
2	<b>Promote development of local institutions:</b> Nigalo businesses are currently undertaken at the individual household level. There is an urgent need to mobilize farmers involved in nigalo production to form groups and cooperatives. This will help optimize input services from development sources, attain economies of scale, and give them leverage to negotiate for trade and fair prices. Based on previous meetings and recommendations, the district forest officer in Darchula has initiated the formation of Kailash Nigalo Groups in five community forest user groups.
3	<b>Capacity building:</b> Planned capacity building of farmers (especially women) planned on entrepreneurship skills, business planning, cost-benefit analysis, and production of improved nigalo handlooms will improve marketability. Specific trainings are required, starting from harvesting, thinning, and weaving processes to linking local products to markets.
4	<b>Product value addition and development:</b> The existing traditional practices are often labour intensive and lead to poor product quality. Technology transfer is crucial for reducing labour, increasing efficiency, and producing finer products that can be certified and branded.
5	<b>Access to credit and finance:</b> Farmers' access to finance and credit can be facilitated through the promotion of local savings groups or joint liability groups for sustainable financing.
6	<b>Promote linkages with other private players:</b> Build linkages between local nigalo groups or cooperatives and larger national and regional players in bamboo trade and networks.



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