

Empowering Women through Bay Leaf Value Chain Development

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The value chain approach is relatively new in the context of mountain development but has received increasing attention in recent years. Often, the producers of mountain products face exploitation by downstream market actors, and discrimination because of their ethnicity, caste, or gender. The social and economic barriers which prevent mountain women from participating in and benefiting from value chain development have rarely been addressed adequately.

Chitwan, Nepal

In an attempt to address this issue, ICIMOD conducted an action research project in Nepal and India on value chain development for *Cinnamomum tamala* (bay leaf), a high value medicinal and aromatic plant (MAP). Mountain communities in several parts of India and Nepal cultivate and collect bay leaves to generate household cash income. The action research was designed to address the triple bottom lines of poverty, sustainability, and gender equity in value chain analysis and upgrading.



In India, the project was implemented in Najmola valley of Chamoli district in the state of Uttarakhand. Although farming is the major occupation of the villagers, 84% percent of their income comes from non-farm sources. The action research was conducted with households from the scheduled castes.

In Nepal, the action research was conducted in Udayapur District inhabited by various castes and ethnic groups. The production and trade of medicinal and aromatic plants, especially bay leaf, is an important economic activity for the population of the region.

Women at both project sites worked an average of 15-16 hours per day, performing the overall activities for the maintenance of the household and the care of its members, as well as farming activities. The majority of the women had very limited access to income, despite their involvement in bay leaf production.

A detailed value chain analysis of bay leaves identified a number of issues and challenges for equitable, pro-poor, gender-balanced, and environmentally sustainable interventions. Issues at the production/collection level included lack of organisation of the producers and inadequate grading, packaging, and storage. Both men and women did most of the collection, but only women carried the products to market in average backloads of 30-40 kg. Women also performed most of the post harvest activities, but lacked the capacity, information, and support services to harvest and grade the products according to market requirements.

The women's lack of market information and bargaining power – along with gender-based discrimination – allowed the traders to exploit the producers.

Gender sensitive upgrading strategies

Overall, the key issues identified that required interventions were the lack of understanding of the value chain, disorganised production, poor harvest and post-harvest techniques, and policy and regulatory constraints. There was also the lack of empowerment of the producers, notably women, who are playing a dominant role in the production and trade processes.

From the beginning, the project examined and integrated the gender dimension of bay leaf production and its value chains into the project pathway. The project carefully incorporated the gender perspective in the baseline survey to determine the status of the producers prior to project implementation and the potential differences between women and men producers in term of roles, limitations, and needs.

To improve the benefits to producers, the project and local stakeholders identified different upgrading strategies and affirmative actions were implemented in order to ensure the coordination role of women.

In addition, women at the Nepal site were involved in the market survey to bridge the information and knowledge gap. They participated equally in capacity building activities and exposure visits to increase the value of their production and form producer groups and cooperatives where women are not only members, but occupy positions in the executive committees. This contributed to increasing their power to negotiate with the traders.

Key results of mainstreaming gender in bay leaf value chains

Women in the mountain regions play an important role in the collection of medicinal and aromatic plants. Before the project intervention, the collectors and producers were unorganised. They had poor access to information and their capacities in different aspects of bay leaf management were inadequate. Women groups or groups with equal representation of men and women were formed in the target areas so that they could be the entry point for the project interventions to disseminate new information and knowledge on bay leaf management.

“Women’s lack of market information and bargaining power allowed the traders to exploit the producers.”

The issue of unsustainable management was a major concern in the unregulated local system of the past. Women groups enabled appropriate monitoring of the harvesting process to ensure the harvesting of leaves of the desired quality within the best harvesting norms established by the enforcing agencies.

Horizontal coordination increased the bargaining powers of the collectors and cultivators. They gained a higher price for their leaves as they had the required volume to attract buyers for contracts or to participate in auctions. Women groups had market information and with facilitation could interact with the buyers in order to understand the market and marketing mechanisms for bay leaves. The action research supported the women groups to identify the most rewarding strategies while reducing the market risks. As a result, producers in Nepal supplied 100 tons of leaves at NRs 21/kg attaining double the price they had received prior to the intervention.



Udayapur, Nepal

In India, self-help groups managed by women entered into an informal purchase agreement with Green Fiesta Private Limited, an exporter of organic vegetables and spices based in New Delhi. A direct contract was not possible because the policy of the state requires all MAPs collected from the wild to be auctioned in the government market yards. However, the informal contract was necessary to invite buyers from outside the state and break the local traders' cartel at the auction that hampers fair prices to the collectors.

During the first local auction, collectors received a price of IRs 21.15/kg as compared to IRs 10/kg in 2002/03 when the leaves had last been harvested from the region. With this practice, the collectors participated in the auction and their knowledge of the auction process improved. The price will not go down in coming years as the collectors cooperative will also participate in the auction.

All the above interventions had a profound impact on the capacities, knowledge, and empowerment of the local people and made positive contributions to household incomes.

Lessons learned

It is essential to pay specific attention to women in poor households to achieve the goal of poverty reduction. Women who participated in the project now have more control of cash income. Targeting women has a greater positive impact on child and household poverty reduction, measured in terms of nutrition, consumption, and well-being. Women are more likely to invest additional earnings in the health and nutritional status of the household and in their children's schooling. In Nepal in 2009 towards the end of the project cycle, eleven girls who had dropped out enrolled back in school.

The research also revealed that women's understanding, and practices in ensuring sustainability is significant when diversifying incomes from natural sources. The producers take better care of the products and claim that the losses decreased by 50%, since the women-led intervention improved harvesting and post harvest techniques.

The impact on the empowerment of women was remarkable. In Nepal, more than half of the cooperative members are women. Exposure to training and representation in sub-groups and committees has enhanced their ability to take part in decision-making. Having the proper knowledge and skills to participate in markets, has boosted their self-confidence. They have better access to finance through group savings and strong organisation. The relationships between men and women have improved – some men are even doing chores like cooking and collecting fodder to allow women to participate in training.

The results indicate that value chain interventions need to develop a greater understanding of inclusive management to bring about meaningful shifts in governance in the organisational structure and practices at the grassroots. Expanding the leadership roles of women and marginalised people can bring positive change for the long-term sustainability of value chain development. The process of developing the value chain benefits from the specific knowledge of women since they carry out many important bay leaf value chain functions.

It is essential to integrate the gender perspective in the design phase of the interventions, and not just carry out gender activities as an add-on. In order to reduce conflicts and increase the potential of success, it is important to adopt an approach that favours collaboration between women and men – rather than working with women only – especially in a market-oriented activity where women have to relate with men at different levels. Social mobilisation and the role of agencies in facilitating the value chain process are critical.