

**ALLO VALUE CHAIN FROM GENDER PROSPECTIVE:**

**A Case Study of Myagdi District, Nepal**

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By

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April 2016

## **DECLARATION**

I hereby declare that the thesis **ALLO VALUE CHAIN FROM GENDER PROSPECTIVE: A Case Study of Myagdi District, Nepal** submitted to the Central Department of Rural Development, Tribhuvan University, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The result of this thesis have not been presented or submitted anywhere else for the award of any degree or for any other purpose. I assure that no part of the content of this thesis has been published in any form before.

Date : 2072/12/22

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## RECOMMENDATION LETTER

The thesis entitled **ALLO VALUE CHAIN FROM GENDER PROSPECTIVE: A Case Study of Myagdi District, Nepal** has been prepared by **SharadaLamichhane** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

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## **APPROVAL LETTER**

This thesis entitled **ALLO VALUE CHAIN FROM GENDER PROSPECTIVE: A Case Study of Myagdi District, Nepal** submitted by **Sharada Lamichhane** in partial fulfillment of the requirements for the Master's Degree (M.A) in Rural Development has been approved by the evaluation committee.

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**Sharada Lamichhane**

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## ABSTRACTS

Gender responsive and socially inclusive value chain development is progressively realized for sustainable economic growth of Nepal. The thesis is designed to analyze the social dimension and gender perspective in relation to value chain analysis and development of Allo subsector in Myagdi district. Using qualitative research approach, the thesis presented Allo Value chain from gender prospective and analyzed the social dimension and gender perspective in relation to value chain of Allo subsector in Myagdi district. The study had two major objectives. The first one was to prepare gender sensitive value chain map of Allo. Secondly it aimed to conduct gender analysis with respects to division of labor, access and control over resources and benefits, level of participation in decision making, power relations and empowerment level in Allo value chain. Qualitative research tools, such as two Focus Group Discussions, 23 semi structure interviews, 15 Key Informant Interviews and field observation were carried out during May 2015 to June 2015 to collect primary data. Secondary data also collected from relevant sources. Data were analyzed using Miles and Huberman framework's to analyze qualitative data.

The research finding shows that indigenous women are the main actors of the Allo value chain in Myagdi. Out of all actors, nearly 93 percent are women, 72 percent Janjati and 20 percent are Dalit. About 95 percent of the actors belong to Disadvantage Group (DAG). Women disadvantage people's involvement is significantly higher in lower level of the value chain such as harvesting, primary processing, Yarn producing and weaving whereas men's involvement significantly high in trading (village level as well as in district level trading). Out of all traders women's proportion is 43 percent in village level and 38 percent district in district level. The lower level of value addition is tedious, labor intensive, consume lots of time. Therefore, there is no incentive for well off people to get involved. It is found that disadvantage groups have few other opportunities to make cash income, the women and disadvantage group devote their time in Allo processing. The commercial production of Allo product is virtually exists in Myagdi district.

There is no controlled over resources by certain group of people. The resource is jointly control by the all users of Community Forest User Group. The research found

that money flow is not equally distributed among actors and is not based on how much of cost is adding to develop the product. Lack of market information, low bargaining power and access to finance prevents women getting into trading business. It is found that decision regarding Allo plant collection is made by the male and female jointly in informal meeting. Social as well as economic empowerment has been observed in women and disadvantage group due to economic benefit of locally available resources, technical skill training, interlinked with the marketing channel. The main weaknesses in the value chain are poorly organized collection and the rudimentary methods of fiber extraction, and spinning which leads to low quality of yarn. Similarly, there is lack of product diversification, and variety in terms of designs. The study comes up with few recommendations. The critical factor seems the need to upgrade the quality of processed fiber and yarn using improved methods and equipment. Integrating women producers into the supply chain of the members of fair trade would benefit from their extensive experience on new product development, and export of handicraft items to the overseas markets.

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## ABBREVIATIONS

BDSPO	Business Development Service Providing Organization
CFUG	Community Forest User Group
CSIDB	Cottage and Small Industry Development Board
DDC	District Development Committee
DEDC	District Enterprise Development Committee
DFO	District Forest Office
DMEGA	District Micro Entrepreneurs' Groups Association
DoF	Department of Forest
DoLIDAR	Department of Local Infrastructure Development and Agriculture Roads
EDF	Enterprise Development Fund
FECOFUN	Federation of Community Forest User Groups Nepal
FINGO	Financial Intermediary NGO
FNCCI	Federation of Nepalese Chambers of Commerce and Industry
GB	Grameen Bank
IFAD	International Fund for Agriculture Development
ILO	International Labour Organization
LFP	Livelihoods and Forestry Programme
MDG	Millennium Development Goal
MEDEP	Micro-Enterprise Development Programme
MEG	Micro Entrepreneurs' Group
MFI`	Micro Finance Institution
MOAC	Ministry of Agriculture and Cooperatives
MOFSC	Ministry of Forest and Soil Conservation
MOEST	Ministry of Environment, Science and Technology
MLD	Ministry of Local Development
MOI	Ministry of Industry
NEDC	National Entrepreneurship Development Centre
NMEGA	National Micro Entrepreneurs' Groups Association
OVOP	One Village One Product
RADC	Remote Area Development Committee
RMDC	Rural Microfinance Development Centre
RSDC	Rural Self-reliance Development Centre
RSRF	Rural Self-Reliance Fund
SCC	Savings and Credit Cooperative
SDC	Swiss Agency for Development and Cooperation
SIYB	Start and Improve Your Business
SMLE	Small, Medium, and Large Enterprises
TEPC	Trade and Export Promotion Centre
UNDP	United Nations Development Programme

# **CHAPTER– I**

## **INTRODUCTION**

### **1.1 Background of the Study**

There is growing concern about the need to make industries more equitable in terms of benefit sharing among the different groups involved in the various stages of value chains, including women since gender equity is largely missing in value chain development (Tallontire et al., 2005). Women are often denied access to opportunities in value chains for non-timber forests products (NTFPs) and their knowledge is not recognized in the value chain development process. In some cases, women are unpaid or low paid (USAID, n.d.), and the contribution of women is often not recognized when calculating the costs and benefits of an enterprise.

Value chain analyses provide opportunities for showing that various value chain actors may influence capabilities of other actors, possess different levels of bargaining power, and subsequently affect outcomes along the value chain (Gammage, 2009). According to Kaplisky and Morris (2000) power asymmetries across various levels of value chains influence value chain governance and the roles and voice of different actors within the chain. These power asymmetries can determine the positioning of people within the chain (who is allocated or who plays what role in the chain), and who makes decisions and has most information about different aspects of the chain e.g. price information.

Gender responsive and socially inclusive value chain development is progressively realized for sustainable economic growth of Nepal. An increasing number of governmental and non-governmental organizations have developed programs and services specifically to encourage women to develop and manage their own income generating activities. Their objective is not only to contribute to poverty reduction at the household level, but also to empower women. However, women entrepreneurs often face additional challenges compared to men. They usually have to combine the work in their enterprise with household responsibilities and farm production. They have less opportunity to access financial services, information, and markets than men, because of social barriers, notably in the cultural context where there is a strong

exclusion of women from public spheres. Therefore, the social dimension and gender perspective must be investigated in relation to value chain analysis and development. More importantly, gender issues must be addressed and women's potential promoted in order to increase the potential for them to receive an equitable share of the benefits. So far, most value chain development efforts have focused on economic aspects, overlooking the social dimension and gender perspective. It is essential to take into account the gender perspective in each step of the value chain development of any enterprise, from production, processing, and marketing, to the distribution of benefits. Engendering the value chain does not benefit only women, but enhances the contribution of the entire enterprise to local livelihoods. An engendered value chain can also contribute to the ecological sustainability of the resources of production as gender sensitive value chain development recognizes both women's and men's knowledge and skills in managing resources in a sustainable way.

The research is basically designed to analyze the social dimension and gender perspective in relation to value chain analysis and development of Allo subsector in Myagdi district. A gender analysis of the value chain can provide information about extra-market factors such as power relations, division of labour, and control over resources. Gender sensitive value chain analysis helps make visible the differential contributions and potentials of women and men in a particular economic activity, thereby providing the basis for developing strategies and actions for promoting equitable benefits from the production process. Moreover, it provides information about women's and men's roles in the production, processing, and marketing processes; this information can be useful in developing programmes for enhancing the skills and upgrading the knowledge of both women and men to increase efficiency in the production process and improve the quality of the product, and, hence to extract more benefits. Thus, gender sensitive value chain development can be economically profitable, both at the individual level and the sectoral level.

Allo, also as Himalayan Nettle is processed for fiber in mountain regions of Nepal. Mostly, the women and ethnic minority are involved in all the stages of collection and processing. The women and ethnic minorities involve in collection, processing (from dried bark to fiber making), weaving (which is entirely done by women), making cloth and marketing. Most of the Allo enterprises are run by women or groups of

women. Studies indicate that collectors are the least benefitted actors in the Allo supply and value chain (ICIMOD, 2015). The value chain study conducted in Nepal has been primarily focused relation among function, actors and enables. Very few efforts have been made to analyze women and disadvantage positions into the value chain. The purposed study aims to present Allo value chain from genders prospective.

## **1.2 Statement of the Problem**

Majority of previous studies conducted study on Allo don't focus on how gender relations impact on different parts of a value chain (MEDEP, 2010; ANSAB, 2010; ICIMOD, 2015; MOFSC, 2014; Paudel et al., 2010; Thapa, 2003; Barakoti and Shrestha, 2000) and some identified the gender roles in production and marketing part only (Gurung, na). Literature review shows that majority of the scholar given priority on economic benefit shared by different actors, value chain governance, their roles but don't dig out social dimension and gender prospective of the value chain, which are essential to upgrading. It is known that women's work often takes place in least valued part of a value chain, as home-based workers or informal workers more generally. Women tend to be underpaid and their (informal) jobs are less secure. In rural setting, women are often not visible, while they do a large part of the farm-activities. Moreover, it is well-documented that women-owned rural businesses tend to face many more constraints and receive far fewer services and support than those owned by men. Therefore, the social dimension and gender perspective must be investigated in relation to value chain analysis and development. More importantly, gender issues must be addressed and women's potential promoted in order to increase the potential for them to receive an equitable share of the benefits. Value chain programs designed with gender equitable principles can encompass both competitiveness and gender equity and lead to poverty reduction. From a value chain/ business perspective, it makes crucial to look into different roles and tasks of men and women in value chains and to use a gender lens while identifying and addressing bottlenecks for value chain development. From the above discussed research gap, the research has following questions

- i) How is the level of women and disadvantage group's participation in Allo value chain in Myagdi district?

- ii) Is there any significant role of gender in the Allo value chain?
- iii) How is the access and control of women and women over Allo resources?
- iv) How is the benefit drive from the Allo value chain distributed among the actors?

### **1.3 Objectives of the Study**

The main objective of the study is to observe the Allovalue chain interventions from gender lenses. The specific objectives of the study are as of:

- To prepare gender sensitive value chain map of Alloindicating relation among function, actors and enables
- To conduct gender analysis with respects to division of labor, access and control over resources and benefits, level of participation in decision making, powerrelations andempowerment level

### **1.4 Significance of the Study**

A gender approach to value chain analysis provides an understanding of men's and women's access to productive resources and opportunities to add value, both as individual and group enterprises; gender-based division of activities; and, how the interaction between gender and power relations, regulations and trade impact the distribution of value along the value chain. Looking at the Allo value chain empowerment framework through a gender lens provides a good basis to design interventions that contribute to gender equal upgrading outcomes. Therefore, the finding of the study gives a first insight in what framework and how gender inequalities in the chain be improved.

### **1.5 Limitations of the Study**

- The study covers value chain activities of the Allo inMyagdi district only and doesn't involve the overall national and international scenario. Specifically, it covers the pocket areas of the concerned enterprise.
- Owing to limited time duration of the study, it was not possible to carry out detailed and elaborate studies of the various aspects of the value.



- Only representatives of relevant CFUGs and key informants (collector, traders and processors) were the source of information for this study because of time and cost limitations.

## **1.6 Organization of the Study**

This study is divided into five different chapters and each chapter is further divided into sub-chapters. The first chapter introduces the topic, background of study leading to research questions. The second chapter introduces a brief theoretical background and concept and reviews literature of previous scholar. The research approach, research area, the methodologies used for data collection and data analysis is described in the third chapter. The fourth chapter synthesizes the result and discussion and the thesis is finalized in the fifth chapter with conclusions and recommendations.

## **CHAPTER – II**

### **LITERATURE REVIEW**

#### **2.1 Defining the Concepts**

##### **Value Chain**

The term value chain describes ‘all activities that are requisite for bringing a product or service from conception, through the different phases of production (involving a combination of physical transformation and the input of various producer services), delivery to final consumers, and final disposal after use’ (Kaplinsky and Morris, 2000). The term ‘chain’ denotes the fact that most goods and services are the result of a series of activities at domestic, national or international level (Farnworth, 2011). The complex network of activities carried out by different actors in multiple enterprises along a value chain means that attention must be paid to the activities that people are involved in, how they are linked together through services such as transportation, insurance, telecommunications, quality control, and management coordination (Arndt and Kierzkowski, 2001). Whereas the flow of goods is crucial in value chains, other determinants of value chain participation such as credit/financial flows, changes in ownership rights and markets need to be considered (Coles and Mitchell, 2011).

##### **Value Chain Analysis**

Rubin et al. (2008) describes value chain analysis (VCA) as ‘the process of documenting and analysing the operation of a value chain, and usually involves mapping the chain actors and calculating the value added along its different links’. Value chain analysis is also perceived as a means of understanding trade at the global level (Riisgaard et al., 2010) as well as strengthening systemic competitiveness (Kaplinsky and Morris, 2000). It identifies vertical and horizontal components in a system of stages/nodes of physical transformation processes that are inter-linked by transactions that occur either in the same firm or between firms in similar or different geographic locations (Mayoux and Mackie, 2007). It is a holistic approach because it pays attention to the complex interactions of income, value added across the chain and how these are distributed within particular points of the chain and across the different levels of the chain.

## **Gender**

Njuki et al. (2011) defines gender as ‘the socially constructed roles and status of women and men, girls and boys. It is a set of culturally specific characteristics defining the social behavior of women and men, and the relationship between them. Gender roles, status and relations vary according to place (countries, regions, and villages), groups (class, ethnic, religious, and caste), generations and stages of the lifecycle of individuals. Gender is, thus, not about women but about the relationship between women and men.’

### **Gender Prospective in Value Chain Analysis**

A gendered value chain analysis is a methodology that describes existing gender relations in a particular environment, ranging from within households or firms to a larger scale of community, ethnic group, or nation, and organizes and interprets, in a systematic way, information about gender relations to clarify the importance of gender differences for achieving development objectives (Rubin et al., 2009). Gender sensitive value chain analysis helps make visible the differential contributions and potentials of women and men in a particular economic activity, thereby providing the basis for developing strategies and actions for promoting equitable benefits from the production process. Moreover, it provides information about women’s and men’s roles in the production, processing, and marketing processes; this information can be useful in developing programs for enhancing the skills and upgrading the knowledge of both women and men to increase efficiency in the production process and improve the quality of the product, and, hence, to extract more benefits. Thus, gender sensitive value chain development can be economically profitable, both at the individual level and the sectoral level.

## **2.2 Why Gender Matters in Value Chain Development**

Value chains exist and operate within a given social context that affects the distribution of resources, benefits and opportunities. Gender relations affect and are affected by the ways in which value chains function. Gender is thus an important aspect of value chain analysis. Value chains offer tremendous opportunities to men and women through better market linkages and employment opportunities. At the

same time, the way these value chains operate can affect some groups negatively. According to Kaplisky and Morris (2000) barriers like access to capital and technologies influence people, and especially women's, participation and benefits from value chains. Often, women have lower access to capital and technologies than men (FAO, 2011) which decreases their participation in levels of the value chains with the highest economic returns and confines them to lower profit nodes (Coles and Mitchel, 2011). Understanding women's position in a value chain, how changes in a value chain might affect gender inequality, and the main constraints for women in terms of gaining from value chain participation, requires one to place gender in the context of intra-household bargaining and of broader social processes (Parpart et al., 2002; Wyrod, 2008; Laven et al., 2009). It is necessary to remain attentive to the local context, including the diverse notions of masculinity that might challenge or support women's empowerment (Parpart et al., 2002; Wyrod, 2008).

At the household, the level to which women engage with a value chain is not only affected by men but also affects men. Similarly, the extent men's engagement in value chains affects women in certain ways. Thus, gender relations at the household level play a key role in determining the extent to which men and women interact within a value chain. Degrees of participation and gains are shaped at the household level by gendered divisions of labor/time budgets and review of gender and value chain analysis, development and evaluation toolkits decision-making/control; and at the value chain level by differential access to chain functions, services and resources, and by gender related power disparities in chain management.

According to Kaplisky and Morris (2000) power asymmetries across various levels of value chains influence value chain governance and the roles and voice of different actors within the chain. These power asymmetries can determine the positioning of people within the chain (who is allocated or who plays what role in the chain), and who makes decisions and has most information about different aspects of the chain e.g. price information. As a result of these power asymmetries, women may have a lower voice in the value chains or have lower access to market information, which reduces their negotiation power. Distribution of the outcomes of the value chain is gendered and varies from place to place (Coles and Mitchel, 2011). Men tend to dominate functions with relatively high barriers to entry and correspondingly greater

returns, and to control chain management functions while women occupy the lower nodes (Coles and Mitchell, 2011) due to lack of adequate income, limited skills, limited access to education and training, limited access to markets and market information (World Bank, 2001). Disproportionate representation of women in low-value value chains and the lower nodes within these chains is an established reality of value chains. Participation in value chain activities does not necessarily produce benefits and neither does non-participation result in any gains (Coles and Mitchell, 2011). It should not be assumed that women always benefit from participating in value chains. According to Hilhorst and Wennink (2010) internal organization and external relations can facilitate participation in value chains at different levels. Internal organization for collective action of groups can ensure a greater likelihood of generating collective efficiency and economies of scale in production or reduced costs leading to healthy collective competitiveness and a greater bargaining voice. While women have great capacity to self-organize, their organizations have often been at micro scale and oriented towards providing each other with social and welfare services much more than around economic activities (Hilhorst and Wennink, 2010). What institutions Women tend to execute their productive and reproductive roles simultaneously (Bhattarai and Leduc, 2009) causing women to engage mainly in value chain activities/nodes that allow them to be closer to the homestead, whereas men may freely engage in activities that require them to be away from home such as value chain nodes away from home, which are often more profitable. Empowerment can be defined as ‘a process by which those who have been denied the ability to make strategic life choices acquire the ability to do so’ (Kabeer, 1999). In relation to women and value chains, empowerment is about changing gender relations to enhance women’s ability to shape their lives (Laven et al., 2009). It is about addressing the inequalities that women face as they participate in value chain activities with the goal of increasing their visibility, voice and choice. From an empowerment perspective, differences in how women and men are involved in (and benefit from) value chains are not by definition a problem, because differences in preferences have to be distinguished from denials of choice.

### **2.3 AlloSubsector in Nepal**

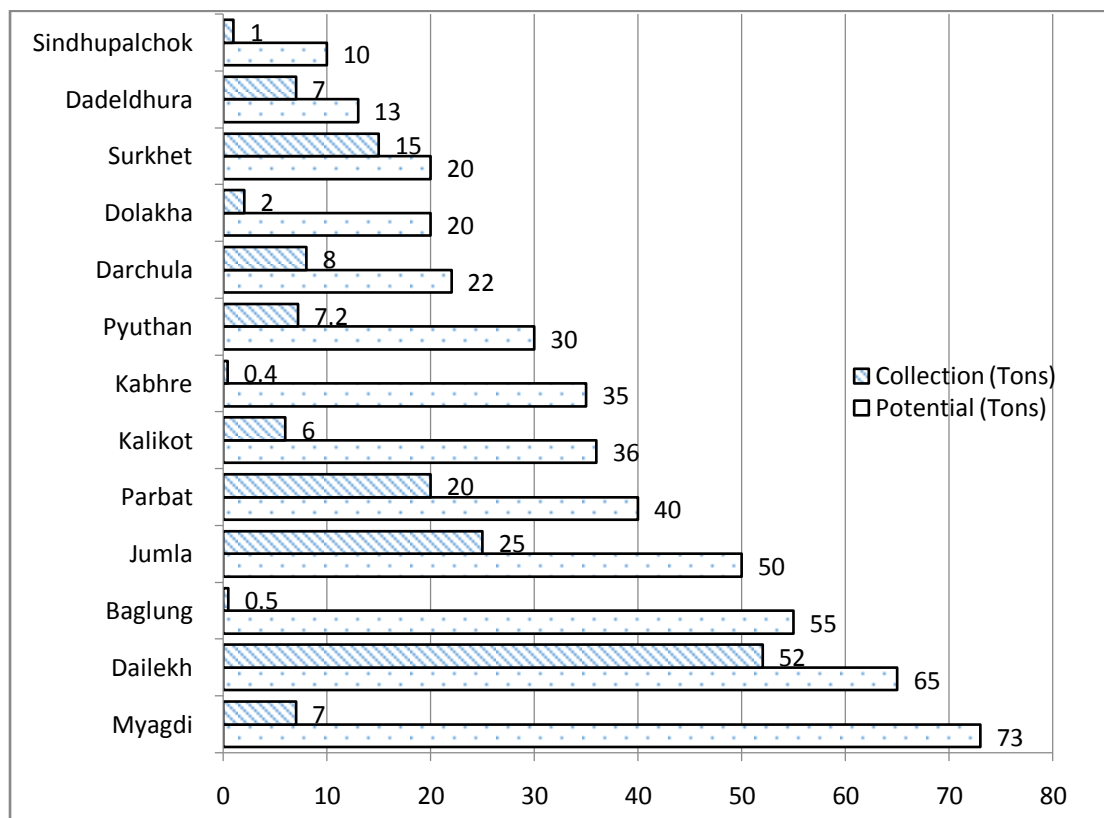
Allo also known as Himalayan nettle, stinging nettle is a perennial shrub belonging to the Urticaceae family (*Girardinia diversifolia*). The stem bark of Allo contains fibres with unique qualities, strength, smoothness, and lightness. *G. diversifolia* is a robust shrub reaching up to a height of two meter. Allo shows wide distribution on the southern belt of the Himalayaas. ALLO is distributed throughout the Nepal at the altitude of 1200-3000 masl in moist forest areas with shades or semi ashade, along the gorges, streams and tributaries and on the edges of cultivated land. The plant prefer all types of the soils, acidic, basic, neutral, and can be found in light, medium and heavy soils ( Pyakurel and Baniya, 2011). Nepal produces around 1,805 tonnes of Allo each year. Half of the production is consumed within Nepal and the other half is exported. The demand for Allo fabric is high in the international market. It is one of the most popular souvenir products of Nepal. Allofibre also has great cultural significance among hill communities in Nepal (ICIMOD, 2015). Alois harvested mostly from community and government managed forests. The usual harvesting period runs from Kartik (October/November) to Magh (January/February). As the plant grows above 1,200 meters most areas for harvesting are difficult in terms of access, often requiring number of days to travel to forest, harvest Allo, and return with load of Allo (MEDEP, 2011).

### **2.4 Production, Geography Coverage and Potential of Alloin Nepal**

There is a lack of data on the potential stock of Allo that could be harvested on a sustainable basis. Allos as a forest resource is widely available in high mountain districts throughout the length of the country. The main production pockets in terms of commercial scale harvest are located in Sankhuwasabha district in East Nepal, Nuwakot, Ramechhap, Sindhupalchok, and Dolakha in Central region, Parbat, Myagdi, and Myagdi in Western mountains, Rukum, Rolpa, Dolpa, Humla, Jumla, Dailekh, and Pyuthan in the mid-west part of the country and Darchula, and Dadeldhura in the far west region. A resource inventory of Alois needed for assessing the full production and processing potential of the sub-sector. It can be safely assumed that there is a huge potential of Allofibre production, given the fact that fifty mountain districts out of the country's seventy five districts will likely have the annual growing

stock of Alloin varying degrees. A rough estimation based on average per district potential (in mainly accessible areas) of extracting 36.1 metric tons of dried Allobark yields a total volume of 1,805 metric tons. This implies that the present level of fibre/yarn production can be increased three to four times, very easily with the possibility of achieving an industry output level of around 1,000 metric tons of Allofibre/yarn production in about two to three years' time. Value chain upgrading with the vision to significantly raise the output levels will provide benefit to thousands of poor resource users with an expanded production, processing, and product development in the Allosub sector (MEDEP, 2011).

**Figure 2.1 Potential stock vs actual harvest of Allo bark in major production site of Nepal**

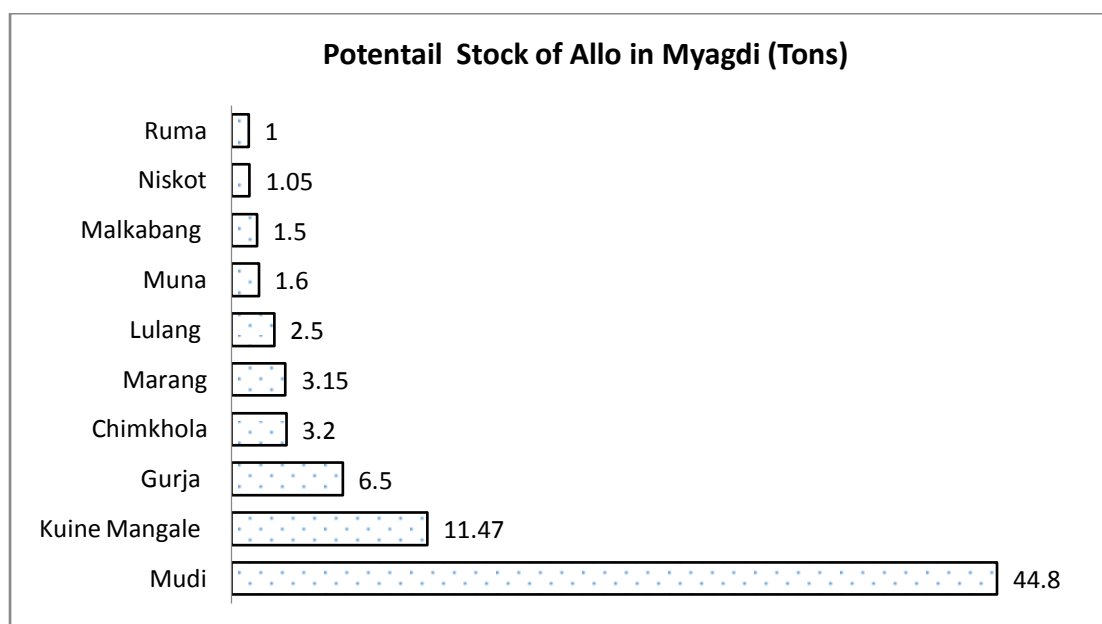


Source: MEDEP, 2011

The above graph shows that abundant source of Allo is available but few percentage of it extracted. Myagdi district is the richest district is Allo resource in Nepal which has potential stock nearly 73 metric tons (DFO Myagdi) while less than 10 percent has been utilized economically. According to DFO Myagdi, Allo is available in

almost all VDCs of Myagdi except in few (Singha, Arthunge, Ghatan, Pulachaur, RakhuPiple and RakhuBhagawati). Mudi VDC ranks in top most position with annual stock of nearly 45 metric ton and KuineMangale, Gurja and Chimkhola have about 12, 6.5, and 3.2 metric ton respectively.

**Figure 2.2 Potential stock of Allo in Myagdi**



Source DFO Myagdi, 2014

## 2.5 Conceptual Framework

According to Mayoux and Mackie (2009) qualitative analysis is essential for establishing existing inequalities and their causes, power dynamics at play along the value chain and points of convergence and divergence of interests among actors. The tools used for qualitative analysis of a value chain tend to be participatory. The study carry gender analysis dimensions according to the core set of five indicator categories. For gender analysis current situation, context, extent, practice, nature of activities, understanding and social impacts of Allo Enterprise will be carried out. Field questionnaire would focused on five different categories of inclusion including division of Labor, Access and control over resources, participating on decision making, Power relations and empowerment level.



**Table 2.1: Conceptual frame work**

<b>Indicator Categories</b>	<b>What the indicator measures</b>
Division of Labor and social inclusion	Division of labor , who is doing what
Access and controlover resources	Value Chain and Service oriented towards poorest of poor, excluded, disadvantaged and marginalized class. Their access and representation. Deprived class capture over resources. Participation in local affairs
Participation indecision making	How women and men can shape thegovernance in a valuesector/the production/market
Power relations	Affect bargaining power,Access to benefits,Fairness in benefits sharing
Empowerment level	Capacity for the stakeholders to replicate/sustain the interventions

Source : Adopted from Mayoux and Mackie (2009)

## CHAPTER – III

### RESEARCH METHODOLOGY

#### 3.1 Rational for Selection of the Study Area

The study was conducted in Myagdi district of Nepal where about Allo is abundantly available and concentration of Allo entrepreneurs is also high. The district ranks in the first position in term of availability of Allo potential production of all is estimated to 70 metric tons per year (MEDEP, 2011). More than two third of the district population (72.1) belongs to ethnic and Dalit category. The majority of the population of the district is an ethnic people which make 50.2 percent of the total population. That is followed by Brahmin/Chhetri and Dalit comprising respectively 26.2 percent and 21.9 percent (CBS, 2011). Since the research questions are focused on relation between gender and Allo Value chain, Myagdi district is selected for the study.

Myagdi district is Dhawalagiri Zone of Nepal boarding with Mustang & Dolpa in North; Myagdi in South; Manang, Kaski & Parbat in East; and Rukum & Myagdi in West. The district has area of 2297 sq. km and its altitude ranges from 792 m to 8167 m. There exist 4 types of climate; sub-tropical (upto 1000m), sub-



**Figure 3.1: Map of Nepal along with study area  
(Myagdi district) in heightened color**

temperate (1000-2000m), and temperate (2000-5000m) and alpine (above 5000m). The total population of the district is recorded as 1,13,641 out of which 45.2 percent are male (CBS, 2011). Janajati is the major caste in Mygadi consisting 50.2 percent that is followed by Brahmin/Chhetri and Dalit comprising respectively 26.2 percent and 21.9 percent. Forest is the dominant land use covering 36.8 percent of total area (DSCO, 2012). Similarly, the grazing land is the second dominant land use covering 21.3 percent, followed by snow fed area comprising 12 percent. The total cultivable

area is 30,856 ha, which is 13.43 percent of total area (DDC, 2012). Mygadi district is rich in biodiversity and wetlands primarily as a result of its diverse geography. The district is home to diversities of flora (tree, fruit/Berry, and herbal species), fauna (birds, fishes, reptiles and insects), hardwood species, Non Timber Forest Product (NTFP) species (District Profile Myagdi, 2012).

### **3.2 Research Design**

The research design adopted for the study is qualitative and descriptive in nature. The research utilized qualitative data collection tools such as Focus Group Discussion (FGD), Key Informant Interview (KII), and field observation for in depth analysis on research questions. This study was conducted during January 2015 to April 2016 with three main stages. At the first stage, the development of a research concept was conducted during January-May 2015. A review and overview of gender and social inclusion in general value chain and also in Allo value chain was carried out to capture the theoretical background for the research concept. During second stage, field research was carried out from May 2015 to June 2015. The data collection activities used various participatory research methods which are presented in section 3.3. During third stage, data analysis and documentation was conducted from July 2015 to April 2016. This stage deeply analyzed data gathered from primary and secondary sources for documenting the research findings.

### **3.3 Nature and Source of Data**

The study was adopted qualitative research methods to collect the data. Both primary and secondary sources of data were used to fulfill the objective of the study. The primary data were the main basis for the study where secondary information also provided substantial support for data verification, enriches knowledge on current situation-collection, management, marketing and commercialization practices of the Allo enterprise in the district and outside the district.

### **3.4 Sampling**

The Maygdi district selected based on the concentration of Allo resource, ethnic and disadvantage group population. Within the district, Chimkhola and Darbangcluster

were selected purposefully due to the concentration of primary Allo processor. The Beni, district head quarter of Myagdi was selected to due to the concentration of Allo Value chain actor (secondary producer and traders). Key informants of the study were there primary and Secondary Allo processor, traders (input and output suppliers), value chain enablers such as Government agencies and Development agencies (NGO/CBO) and Private sectors such as Chamber of Commerce. The participants for the FGD were selected purposefully base on their primary role in the value chain. Two FGD were held in Darbang and Chimkhola with the primary processor where one FGD was held in Beni with secondary processors.

### **3.4.1 Primary Data**

Qualitative data analysis tools such as Focus Group Discussion (FGD), Semi structured interview, Key Informants Interview (KII) and field observation used to collect primary data from the field. Altogether, three Focus Group Discussions (FGD) were conducted Two FGDs were conducted with Allo harvesters and primary processor in Chimkhola and Darbang VDCs where as one FGD was conducted with Allo clothes weaving entrepreneurs of Beni municipality. Semi structure interview was conducted with different stakeholder to gather in rich data on the research objective. KII was carried with key person involved in the sector to obtain further information in the subject. List of the stakeholder involved the study is presented in annex 1.

### **3.4.2 Secondary Data**

The study also utilized the secondary data to answer research questions. Districts Micro Entrepreneurs Association (DMEGA) Myagdi, Cottage and Small Industry Development Board (CSIDB), District Forest Office (DFO) provided data on no of exiting entrepreneurs and other value chain actors, resource availability, constraints and challenges of the Allo sector. Furthermore, published (national and international research journals) and unpublished articles were reviewed and collected necessary information. Internet surfing was conducted to get overview of national and international market trend of Allo.

### **3.5 Process of Data Collection, Techniques and Tools**

Standard methodology of FGD was adopted as suggested by OMNI (OMNI, n.d.). There were about 8-10 entrepreneurs in each FGD and each discussion lasted for 2-3 hours. The discussion was focused on participation of the women and ethnic minorities in different stages of the value chain, their role, governance structure, access and control over resources, participation in decision making, power relations and empowerment level. The semi structure guidelines were prepared and researcher followed in depth, where a question was asked, followed by another questions to get detailed information on the related topic. All together 25 semi structured interviews carried out. KII was conducted in person as well as over telephone with 15 persons.

### **3.6 Data Analysis**

Data were analyzed adopting Miles & Huberman (1994) framework's to analyze the qualitative data which consists there major phases of data analysis such as data reduction, data display, and conclusion drawing and verification. Coding was done to systematically organize raw data. This is accomplished by utilizing a coding paradigm involving conditions, context, action/interactional strategies, and consequences (Strauss & Corbin, 1998). Coding was done using a computer software program which is used to analyzed qualitative data, called Atlas.ti.

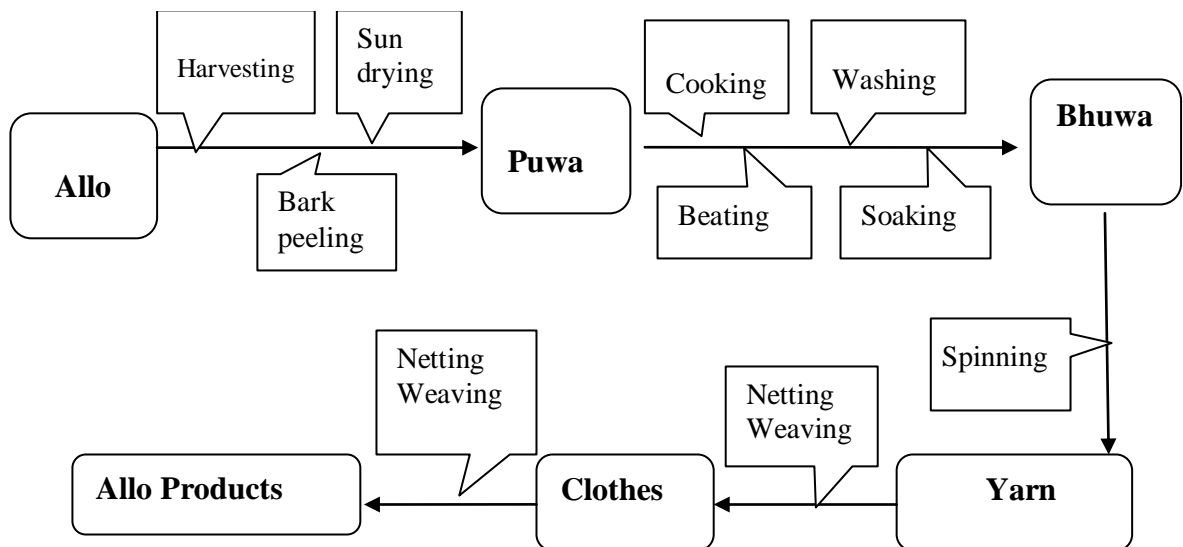
## CHAPTER –IV

### ATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.1 AlloValue Chain and Value Addition process

Allo is processed following the traditional methods practiced in Myagdi district like in other part of region. Allo, puwa, bhuwa, yarn, clothes are the different stages of value addition. Allo products such as finish clothes are the end products. The detail of the value addition process practiced in research site is presented in Figure 4.1.

**Figure 4.1: Allo processing and value addition in research site**



Source: own illustration based on field survey 2015

#### **Harvesting of Allo**

Allo is harvested from community forest and government forest during winter season (November – March) in Myagdi. The shrubs are chosen on the basis of the well developed stem from which the bark bearing the fibers are stripped off later.

#### **Puwa**

Usually after its harvest the dry plant is soaked in water for a day before peeling is done. Peeling removes the outer bark and leaves the inner bast fibre for further processing. Dried peeled barks are called Puwa. The Puwa is bundled and either stored for further processing or sold to other entrepreneurs by the collectors.

## **Bhuwa**

The next step involves cooking inner barks in a drum with wood ash to bleach and make it soft. This takes about 2-3 hours. Although cooking with caustic soda takes less time wood ash is preferred as it does not abrade hands, and is easily available. After cooking there is a repetitive process of beating with wooden hammer to soften and extract fiber and washing in clean water usually done in a stream or river. On an average it takes about 2 hours to clean one kg cooked fiber and a lot of firewood (more than 5 kg for one kg of dry bark of Allo). The bundles of clean fiber are then left to dry in the sun. The next step involves soaking fiber in water and mixing either with maize flour or Kamero (locally available white clay) and drying to obtain a white luster. The fibers are then extracted with the help of simple household tools like forceps. About 2 kg of dried fiber is produced with 5 kg of raw bark of Allo. The soft fiber is called bhuwa which is ready for spinning into yarn.

## **Yarn**

The fibre is dried and is ready for spinning into yarn. The spinning is either done with self-constructed hand spindle, made of wood known as Katuwa or with spinning wheel. The quality of spun yarn is critical to the sustained growth of Allo sub sector. The yarn produced by the entrepreneurs is of low quality and can't be used to produce good quality of the clothes. Ms. Neksara Pun, one of the trainer of Allo clothes weaving says, "Yarn produced by the local people don't meet standard criteria. Yarn should be fine enough to produce quality clothes". According to local people, they can't produce good quality of the yarn by using traditional technology. It takes also long time to produce yarn by using these technologies. On an average it takes about 5-6 days to produce a kg of yarn which costs hardly NRs. 1000.00. The traditional methods of fibre extraction and spinning need to be significantly improved by introducing appropriate equipment for mechanical extraction of fibre and improved charkhas developed through collaboration with the equipment manufacturers. A motorized charkhas can be introduced which would increase quality of spun yarn as well as increase productivity.

## **Allo Clothes**

The more common type of handlooms used for weaving requires two persons to fix/set up to start the weaving activity. A weaver on an average is able to weave 3-4 meters of Allo cloth in one full day of work. There are two main product lines including Allo cloth and products made from woven fabrics and products made as knit wear. The introduction of efficient weaving techniques and handloom techniques and tailor machines for product diversification need to be introduced to increase the quality of Allo clothes in Myagdi.

## **Allo Products**

In myagdi, traditional clothes such Bhangra, Borlo is prepared from Allo clothes which is typically used by Magar, Chhantyal and Gurung community. Some other product such as Jabi, Jale, Damlo and Namlo is also prepared in the village. These products are basically prepared for household purpose and not traded. Commercial products of Alloviz vests, shawls and variety of new products ranging from bags, cushions covers, wallet, and men and ladies clothing with natural dyes. There commercial production of Allo product is virtually exists in Myagdi district. Some tailoring can prepare Allo coat, caps on demand. Ms. Shrimaya Pun is only one women entrepreneur who prepare Allo bags. Ms. Pun says, "If we can make different product of Allo, it would give more economic benefit to women entrepreneurs by adding its value. But we lack proper skill and technology."

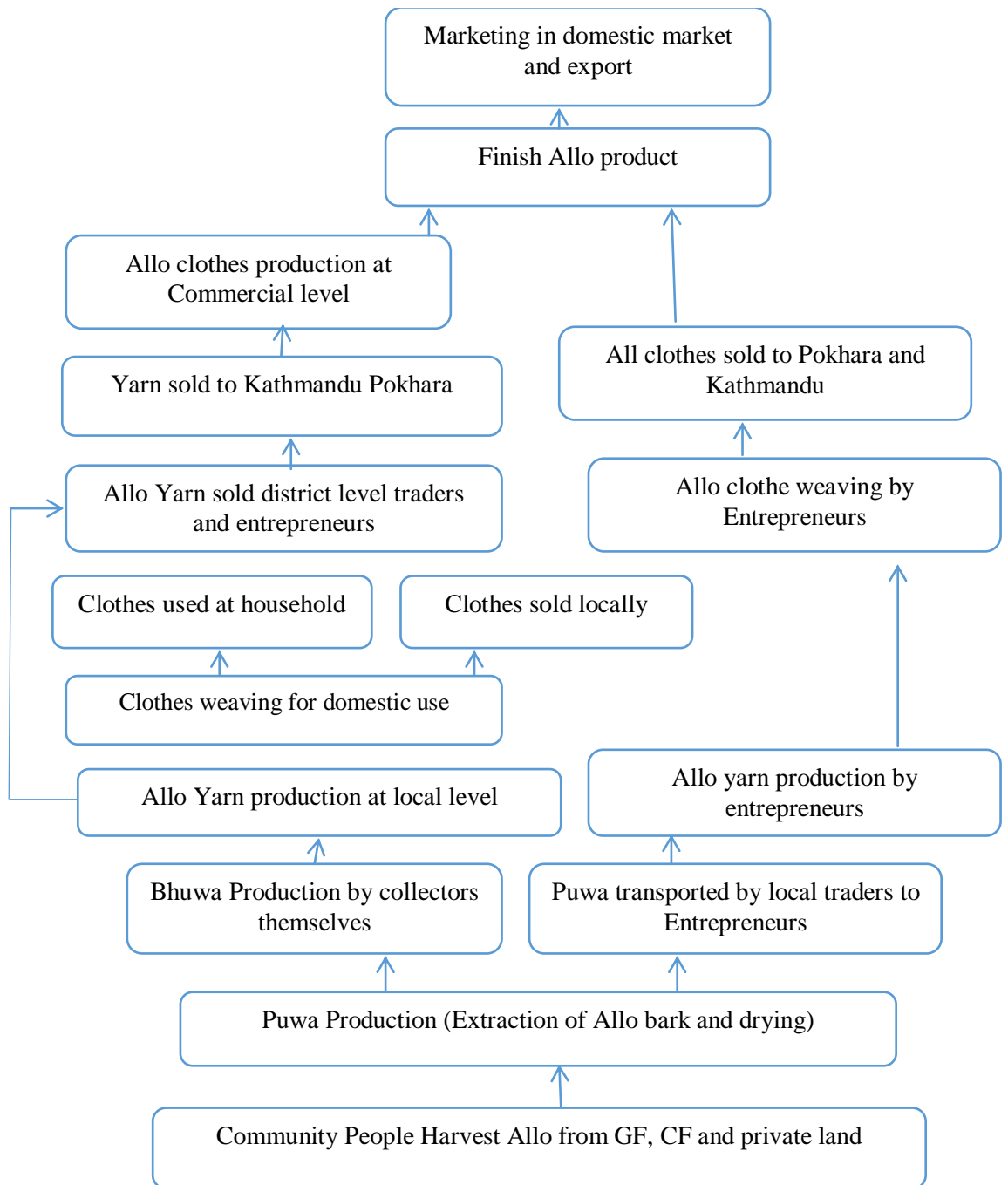
### **4.2 Allo supply Chain in Myagdi**

Generally, trading of Allo starts with the collection of its bark from forest and ends with export of Allo yarn and clothes to Pokhara and Kathmandu from the district. A simplified Allo supply chain of Myagdi district is presented in Figure 2-4. Community People harvest Allo from government, Community and private land. After harvesting, Allo bark is separated by peeling and dried to produce Puwa. The very first level of trading starts from puwa. According to FGD, All most 50 percent of totalpuwa is sold to entrepreneurs and 50 percent is processed by locally by the collectors. The local community, the collectors produce bhuwa from puwa and produce yarn using traditional technology. The yarn produced at local level is either



sold to district level traders or used to make Allo clothes at local level. According to FGD, 60percent of yarn produced sold and 40percent is processed locally. The women of the ethnic community use traditional hand loom to weave Allo clothes. The ethnic people, Magar, Chhantyal and Gurung prepare Bhangra, Borlo, which is typical dress of the local community. The clothes produced locally either consumed at household level or sold locally. The entrepreneurs who buy puwa from local traders processed to prepare Bhuwa. Yarn is produced by using Yarn spinner manually. The Yarn produced by entrepreneurs is used to prepare Allo clothes by them or sold to clothes weaving entrepreneurs or traders. Allo clothes is prepared at Darbang, Chimkhola and Beni municipality by women entrepreneurs and sold to district level traders. There is one special outlet called "Saugat Ghar" in Beni who buys the clothes and yarn produced by the entrepreneurs sell to Pokhara and Kathmandu. The figure 4-2 illustrates Allo supply chain in Myagdi district. Allo clothes sold to the Pokhara and Kathmandu basically used on production of Allo product such as such as jackets, and bags etc. The range of products is gradually expanding as Allo products are gaining in popularity as exportable handicraft goods. Blending of Allo with hemp, silk, and cotton is done to produce yarn and fabrics mainly to cater to the export demand. According to the Handicraft Association of Nepal more than Rs. 4.8 million (US\$ 65,753) worth of products made from Allo are exported annually to the international market which is proximately 3.3 percent of the total textile products exported.

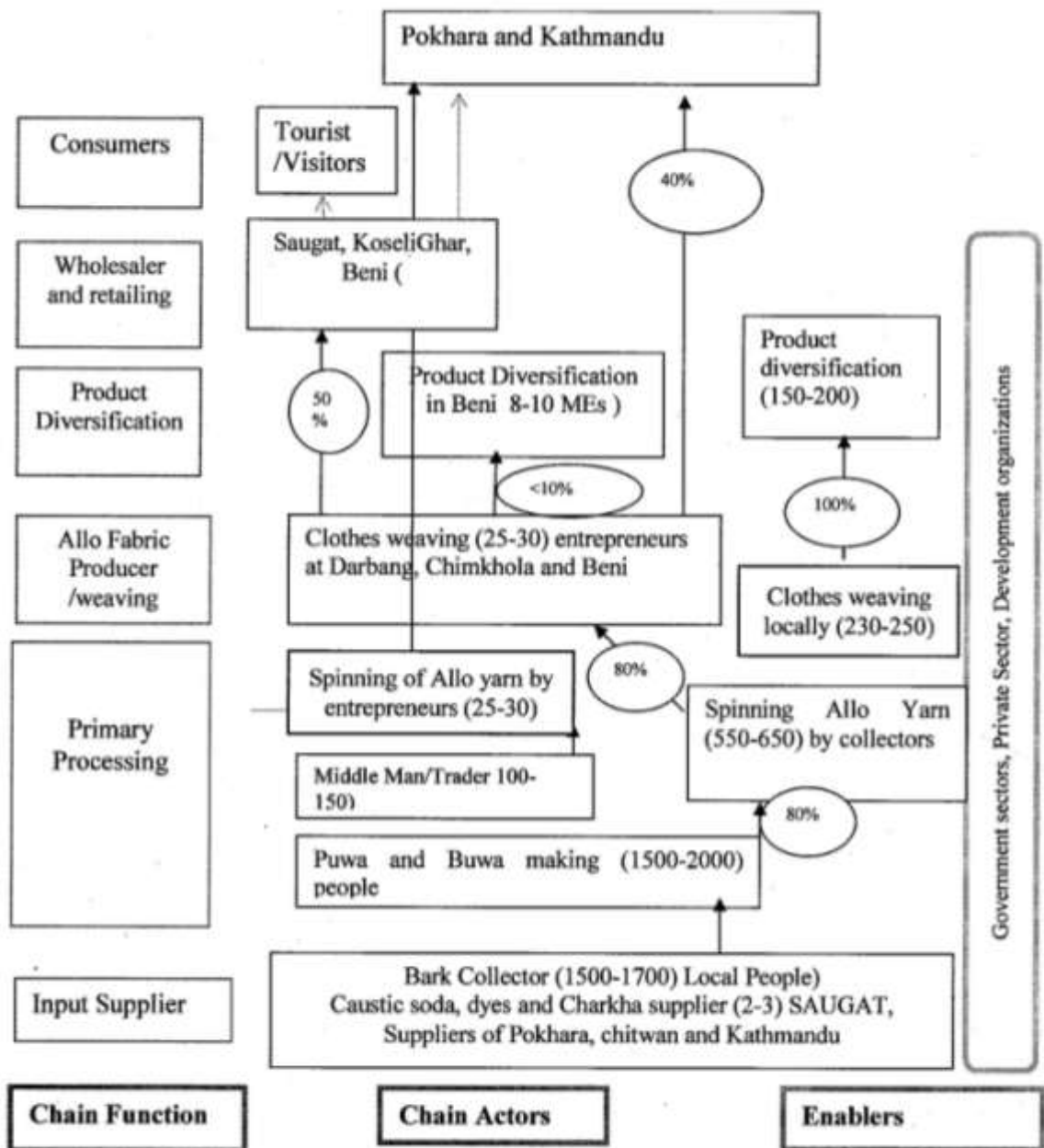
**Figure 4.2: Allo supply chain in study region**



Source: own illustration based on field survey 2015

### 4.3 Value Chain Mapping of Allo

The form of chain maps is mostly linear reaching from raw material production via one of more transformation stages to the final consumers. A complete map of value chain analysis is shown in figure 4.3.



Source: own illustration based on FGD 2015

#### **4.4 Actors and Major Functions**

There are three kinds of actors in Myagdi: micro-actors, meso-actors and macro actors. Among them, operational service provider i.e. basic functions and chain operators constitute the micro-level actors or micro-actor. The key functions are input providing, Bark collectors, primary processing, Yarn making, clothes weaving, product diversifications, wholesaling, retailing and consuming. The details of functions and respective actors are describes in below mentioned descriptions

##### **Input Suppliers**

In value chain map, input suppliers are mentioned in the lower parts but there are no special and regular suppliers. Major's inputs needed for Allo enterprise are caustic soda, Vegetables dyes, tools used for bark collection and extraction (sickles), charkha and weaving loams. The tools are being locally made by blacksmiths. Caustic soda and vegetable dyes are being supplied by Saugat<sup>1</sup>. Caustic soda which is used for cooking extracted bark for primary processing. Sometimes caustic soda is replaces by ashes when it is not accessible specially people living in remote clusters. There are no local suppliers of charkha and weaving loom. The entrepreneurs get the technology from Pokhara, Chitwan. Developments organizations supply these tools therefore entrepreneurs are not familiars with the suppliers and real market price of these technology.

##### **Allo Plant Collection and Primary Processing**

Allo Plant is collected by local people from the community forest as well as from government Forest. About 1500 local people get involved in the collection of the Allo plant. Out of total collectors, 93 percent are women, 72 percent Janjati and 20 percent are Dalit. This stages is labor intensive, consume lots of time, Therefore, there is no incentive for well off people to get involved in this stage. More 95percent people who involve in these are Janjati DAG women. Primary processing starts from removing of

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<sup>1</sup>Out let promoted by MEDEP which supply input for micro entrepreneurs and buys micro entrepreneurs product from the district and works as retailer as well as wholesaler

the leaves, peeling out of the bark from the plant, soaking it in water for 2/3 days, boiling the bark for two hours(Puwa), washing and beating, softening and washing and separation of the fiber (Bhuwa).

### **Spinning of AlloYarn**

Women of Ethnic community involves in that stage. The stage basically occurs at community level. There are about 560 local people involved in that stage. Spinning of Allo thread is technical and requires specific skills and is one of the main processed products in value chain. Some primary producers are also involved in spinning of Thread. According DMEGA Myagdi, more than 1000 people has been trained for Allo thread making but now there are nearly 590 entrepreneurs involved in the steps.

### **AlloFabric/Clothes Producers**

Allo clothes are made from Allo thread. Only skilled manpower can weave clothes. There are about 500 trained women entrepreneurs in this enterprise but currently about 300 entrepreneurs are involved, many of them are employed seasonally. The weaving stage occurs at Darbang, Chikhola and Beni. Women entrepreneurs can weave 1.5- 2 meter Allo clothes in one day. Due to other priority (household work and agricultural work) women entrepreneurs only use leisure time to weave Allo Clothes. Nearly 50-60percent of Allo clothe is consumed locally as traditional clothes of Magar community.

### **Local Traders**

Very first local traders are Allo plant collectors who collect Allo plants and make Puwa and trade local processor who make Bhuwa out of it. Local Processor Produce Puwa from Bhuwa sells it to Yarn making Entrepreneurs. This level of trading occurs at community level and traders are local processors themselves. Bhuwa is traded based on the demand made by Yarn Spinning entrepreneurs.

Allo Yarn is the Major product of Trade in Allo subsectors in Myagdi district. The Yarn is sold to the clothes weaving entrepreneurs of the neighboring clusters, SaugatKoseliGharMyagdi, and to the regional Traders (Butwal, Pokhara and Kathmandu). The Yarn making entrepreneurs themselves involves in trading stages,

they sell their Yarn based on the demand made by clothes weaving entrepreneurs, SaugatKoseliGhar and regional traders.

### **Product Diversification**

In myagdi, traditional clothes such Bhangra, Borlo is prepared from Allo clothes which is typically used by Magar, Chhantyal and Gurung community. Some other product such as Jabi, Jale, Damlo and Namlo is also prepared in the village. These products are basically prepared for household purpose and not traded. Commercial products of Alloviz vests, shawls and variety of new products ranging from bags, cushions covers, wallet, and men and ladies clothing with natural dyes. There commercial production of Allo product is virtually exists in Myagdi district. Some tailoring can prepare Allo coat, caps on demand.

### **Wholesaler and Retailers**

Saugat Koseli Ghar works as wholesaler as well as retailing actors in the districts. The Allo clothes from local entrepreneurs are being collated by Saugat and being sold to tourist and visitors of Myagdi as retailers and wholesalers of Pokhara and Kathmandu. Some Allo product manufacturers of Pokhara and Kathmandu have contact with entrepreneurs. The entrepreneurs supply Allo clothes based on the demand made by these manufacturers. There is no regular and fix buyers of the Allo clothes produced by the entrepreneurs.

## **4.5 Value Additions at Different Stages of Value Chain**

The price of the Allo product varies depending upon the quality of thread, clothes and finished product. The degree of value addition increases significantly when it goes in upper stage chain process. Basically entrepreneurs of Myagdi are in primary processing and clothes weaving which is labor intensive and even don't covers the opportunity cost of involving in the enterprise .

**Table 4.1: Value addition throughout the different stage of the value chain process**

<b>Stages</b>	<b>Product</b>	<b>Price (NRs.)</b>
Primary Processing	Puwa	80.00/kg
Primary Processing	Bhuwa	200.00/kg
Primary Processing	Thread	900.00-1000.00/kg
Allo clothes weaving	Clothe	400-500 per metre
		Blended Fabrics Allo-silk Rs 700 per metre
Product Diversification	Shawals	800-1000 per pieces
	Bags (back packs)	1500-3000 depending uponsize
	Purse	80-150 per piece
	Coat	5000-7000 per piece

Source: Field survey 2015

#### **4.6 Enablers and Facilitators**

Enablers are those who don't involve directory in the value chain but play positive roles strengthen value chain of the specific commodity. There are three types of Enablers and facilitators of Allo value chain in Maygdiviz, Government organizations, Private organizations and Developments organizations. Government organizations include District Forest Officer (DFO), Cottage and Small Industry Development Board (CSIDB), District Development Office (DDC) and Private organizations include Chambers of commerce whereas development organizations include NGOs and CBOs. The roles of different enablers and facilitator are presented in table 4-2.

**Table 4.2: Enablers and facilitators of Allo value chain in Myagdi**

Agencies/Organizations	Support Services
DFO	<ul style="list-style-type: none"> <li>Regulates access to national forests for Allo and other NTFP extraction</li> <li>Issues permit (chutpurje) to traders to transport semi-processed/processed Allo outside district</li> <li>Support to established Allo based micro enterprise (NRs. 40000.00 in FY 2068)</li> </ul>
CSIDB	<ul style="list-style-type: none"> <li>Registration of the enterprise</li> <li>Technical support to the entrepreneurs ( five charkha to Sahashila Women MEG of Tara Khola VDC)</li> </ul>
DDC	<ul style="list-style-type: none"> <li>DEDC coordinates micro enterprise development programme in district</li> <li>Manages EDF that includes MEDEP and GoN matching funds for micro enterprise development in the district.</li> </ul>
MEDEP, Libird, SANGAM, DMEGA	<ul style="list-style-type: none"> <li>Social mobilization of target groups (below poverty level)</li> <li>Training (entrepreneurship and skill training) for more than 200 entrepreneurs in the district</li> <li>Financial support to establish enterprise</li> <li>Technology support to entrepreneurs</li> <li>Technical and marketing support.</li> </ul>
CFUG, FECOFUN	<ul style="list-style-type: none"> <li>Prepares Operation Plan of community forest</li> <li>Ensures sustainable extraction of Allo</li> </ul>
FNCCI	<ul style="list-style-type: none"> <li>Promotional activities in domestic and international markets for handicrafts</li> </ul>
FTG-Nepal	<ul style="list-style-type: none"> <li>Promotion of Fair Trade</li> <li>Capacity building of Business Support Organizations, Enterprises, and Producers.</li> </ul>

Source : Field survey 2015

#### **4.7 Gender and Social Inclusion in Allo Value Chain**

Gender Analysis dimensions were also carried out according to the core set of five indicator categories and framework using primary and secondary data collected from various sources in the existing Allo Value Chain in the district. For Gender analysis current situation, context, extent, practice, nature of activities, understanding and social impacts of Allo Enterprise was carried. Field questionnaire focused on five different categories of inclusion including division of Labor, Access and control over resources, participating on decision making, Power relations and empowerment level.

Below are the five indicator categories that were used for data collection



**Table 4.3: Gender analysis indicators**

Indicator Categories	What the indicator measures
Division of Labor and social inclusion	Division of labor , who is doing what
Access and control over resources	Value Chain and Service oriented towards poorest of poor, excluded, disadvantaged and marginalized class. Their access and representation. Deprived class capture over resources.
Participation in decision making	Participation in local affairs How women and men can shape the governance in a value sector/the production/market
Power relations	Affect bargaining power, Access to benefits, Fairness in benefits sharing
Empowerment level	Capacity for the stakeholders to replicate/sustain the interventions

Source : Gurung and Leduc, 2009

#### **4.8 Gender Wise Involvement of People in AlloSectors in Myagdi**

It is found that women are dominant actors of Allo Value chain in Myagdi. Table 4-10 and figure 4-1 presents genders division of labor in Allo value chain in Myagdi. All most 84percent actors of value chain are women, 72 percent Janjati and 20 percent are Dalit. The research finding shows that 95 percent of the actors are from Disadvantage groups. It is found that the disadvantage groups have few other opportunities to make cash income, the women and disadvantage group devote their time in Allo processing. "Processing of Allo takes long time and it is tedious, therefore, elite group don't get interested in that sector", says one of the participants of the FGD. Women's involvements is significantly higher in lower level of the value chain such as harvesting, primary processing, Yarn producing and weaving whereas men's involvement significantly high in trading (village level as well as in district level trading). Men and women equally involve in product development. Men prepare Jabi(small net used for keeping sickles, knife), Jale(a huge net to carry load), Jalanga (used to cover the doko), Damlo (used for tying animals), Namlo (used for carrying

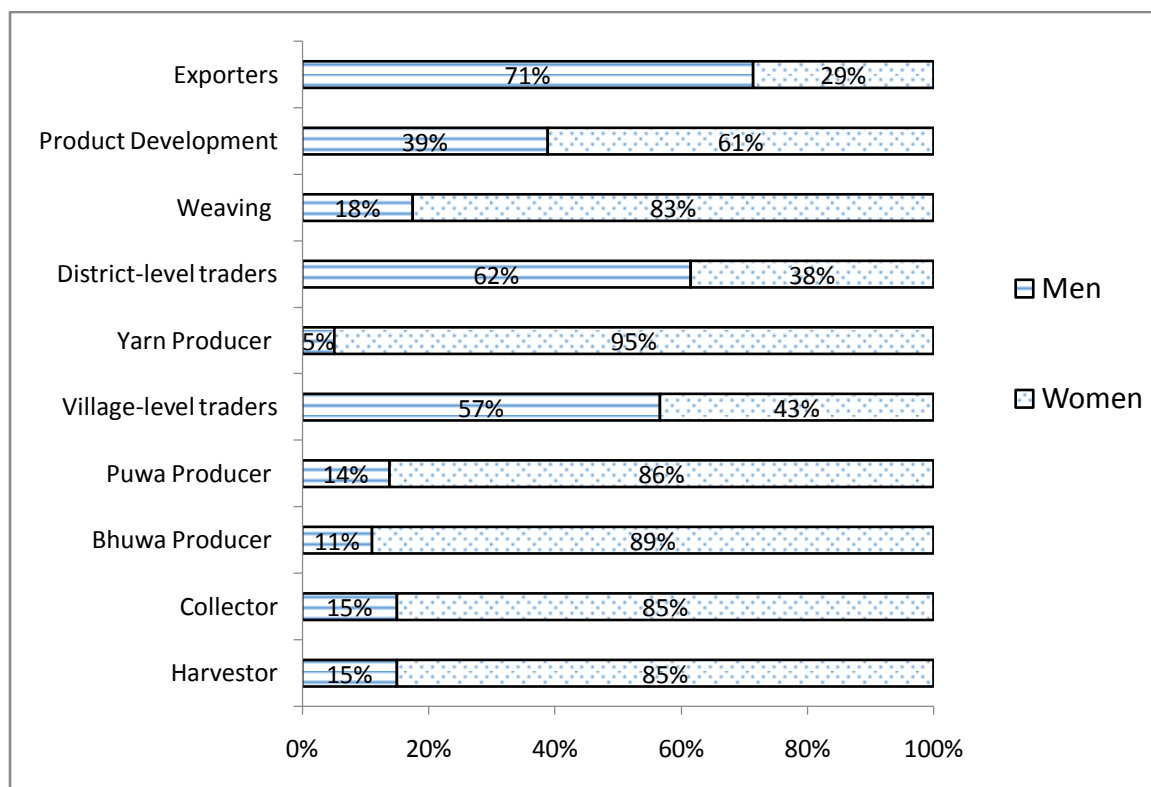
fooder grass and wood etc) which are used in household and not typically traded in the villages. Women involve in preparing traditional clothes such as Bhangraor Borlo (a kind of cloth wore by male and female) Fancho (for storing grain), Thailo(for storing grinded grain). In the markets, all clothes is used to prepare commercial product such as various designers clothes such as Coats, Pants, Jackets, women's Sal, Kurtas, tops, bags, purse and caps etc which is not produced in Myagdi. Out of all traders women's proportion is 43percent in village level and 38percent district in district level. What prevents women in getting into trading, the participants of FGD says, "Investment and networking with the vendors". Women normally don't have network with the vendors and have very low bargaining power. On the other hand men can invest, have good social network with the vendors and also have bargaining power.

**Table 4.4: No of people involved in Allo sector in Myagdi district**

	Number of People					
	Men	Women	Janjati	Dalit	Other	Total
Harvester	225	1275	1080	300	120	1500
Collector	225	1275	1080	300	120	1500
Bhuwa Producer	120	965	781	217	87	1085
Puwa Producer	120	748	625	174	69	868
Village-level traders	85	65	90	20	40	150
Yarn Producer	30	560	425	118	47	590
District-level traders	40	25	46	13	6	65
Weaving	70	330	300	70	30	400
Product Development	140	220	260	70	30	360
Exporters	5	2	1	0	6	7
Total	1060	5465	4688	1282	555	6525
Percentage	16%	84%	72%	20%	9%	

Source: DMEGA 2014; DFO 2014; and CSIDB 2014 and FGD, 2015

**Figure 4.4: Proportions of men and women's involvements in Allo sub sector**



Source: own illustration based on field survey 2015

### **Division of labor**

Table 4.5 presents division of labor by sex and Gender and Social Inclusion in Allo Value chain in Myagdi. As discussed earlier, women, Janjati are the main actors. While looking at economic class, about 90percent of the actors in value chain are from disadvantage groups.

**Table 4.5: Division of labor in Allo value chain**

<b>Value chain Functions</b>	<b>Division of Labor</b>	<b>Social inclusion</b>
Raw material supply	<ul style="list-style-type: none"> <li>Local raw material such as Sickle and Knife are produced by Black smith mainly men,</li> <li>Suppliers of other material are basically men</li> </ul>	<ul style="list-style-type: none"> <li>Knife and Sickle, fire wood are supplied by DAG</li> <li>Drum, Charkha, weaving Loom are supplied by large suppliers</li> </ul>
Allo Plant collection	<ul style="list-style-type: none"> <li>Men and women are equally involved. Men collects more volume than women because men can collect from difficult places as well</li> </ul>	<ul style="list-style-type: none"> <li>More than 85percent collectors are, Female, 72 percent Janjati, 19percent Dalit and 10percent areother. More than 95 percent collector belongs to DAG</li> </ul>
Primary Processing (Bhuwa and Puwa making)	<ul style="list-style-type: none"> <li>More than 90 percent the task is handled by women.</li> </ul>	<ul style="list-style-type: none"> <li>More than 70percent Primary processors are Janjati, 20percent Dalit and 10percent areother. More than 90 percent collector belongs to DAG</li> </ul>
Yarn spinning	<ul style="list-style-type: none"> <li>All women</li> </ul>	<ul style="list-style-type: none"> <li>More than 90 percent of MEs belongs to DAG, about 70 percent are Janjati and 20 percent Dalit</li> </ul>
Clothes weaving	<ul style="list-style-type: none"> <li>All women</li> </ul>	<ul style="list-style-type: none"> <li>More than 90 percent of MEs belongs to DAG, about 50 percent are Janjati and 15 percent Dalit</li> </ul>
Product Diversification	Men and women both involve in product diversification. Men prepare	<ul style="list-style-type: none"> <li>Majority of the people belongs to DAG</li> </ul>
Local Trading	<ul style="list-style-type: none"> <li>Men, women equally involve</li> </ul>	<ul style="list-style-type: none"> <li>Local people, Elite member of the community/ group</li> </ul>
Wholesaling	<ul style="list-style-type: none"> <li>Buyers are mostly male and suppliers are women entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>Mainly elite group</li> </ul>
Retailing	<ul style="list-style-type: none"> <li>Retailers shops owned by men</li> </ul>	Mainly elite group

Source: Field survey 2015

#### **4.9 Access and Control over Resources and Benefits**

The source of Allo is community forestry and government forest. The majority of the forest is managed by Community Forest User Group (CFUG). All most all household of the village are a member of CFUG. The CFUG board is inclusive and composed of male, female and all ethnic member. The CFUG has no description based on sex or

gender regarding the utilization of Allo resources. There is no controlled over resources by certain group of people. The resource is jointly control by the all users of CFUG. Since collections of the Alloplant and primary processing is tedious and labor consuming, economically well-off people don't involve in the collection and primary processing. Promoters of the enterprise such as government sectors and development organizations focus DAG and women, therefore, majority of the entrepreneurs (primary and secondary processors) are women and DAG. The research found that money flow is not equally distributed among actors and is not based on how much of cost is adding to develop the product. There is no institution that provides price information or product information in Myagdi. However, there is less benefit associated in lower level of value chain.

#### **4.10 Level of Participation in Decision Making**

It is found that men and women equally participate in Allo plant collections from the forest, whereas, women participations dominate in primary and secondary processing including product diversification. The decision regarding Allo plant collection is made by the entrepreneurs jointly. Women entrepreneurs are united into small self-help groups (5-9 members) and have frequent meeting among the members. Some micro entrepreneurs groups have initiated saving and credit within group members. Decision regarding primary and secondary processing is made jointly among group members. The harvesting time is informally discussed in the group and collective harvesting is done. The men don't influence the decision regarding the harvesting and processing of the Allo. The women in household make decision themselves. Therefore, it can be said that there is equal level of participation in decision making at community level. The women entrepreneurs themselves make decision regarding processing and marketing of the product. Low level of influence of household members as well as other elite group is seen decision making process at collection, and primary processing level.

#### **4.11 Empowerment Level**

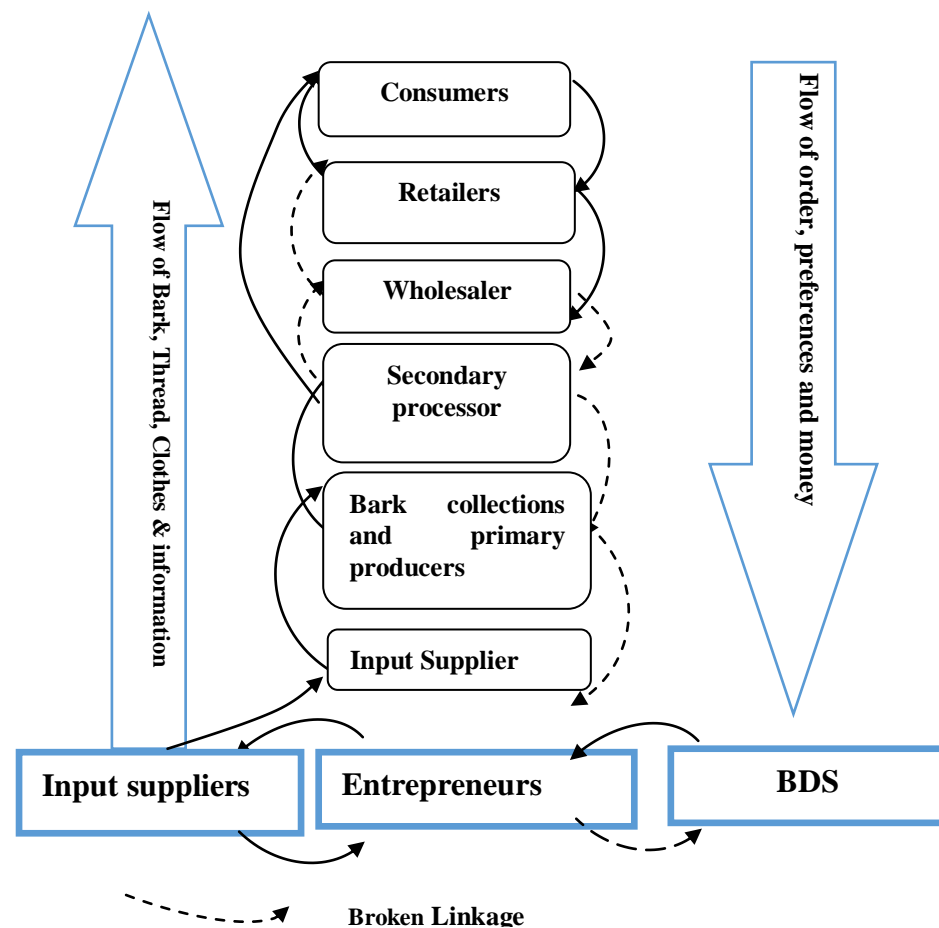
Allo clothes weaving practice have been traditionally practices by ethnic people of the Myagdi. With exploration of the export market, the product had been identified as economically viable in the market. Promoters of the subsector focused on social

mobilizations, made them aware on economic benefit of locally available resources, organized the entrepreneurs in small group, provided technical skill training, interlinked with the marketing channel. The women entrepreneurs are grouped into smaller group, saving credit has been initiated. This has contributed empowerment to women. One of the participants of FGD in Chimkhola says, "We couldn't speak in front of stranger, we didn't have skill to manage group. Now all members in our group express their view even to stranger, we have also developed marketing skill. We can earn some from learnt skill and have saving too. This has given us economic as well as social empowerment." District records shows that all more than 2500 women are trained in Allo enterprise. Some of the women entrepreneurs became trainers and have travelled to many places to provide skill training. Ms. Necksara Pun is one of the trainers who have travelled almost 10 district to provide Allo yarn spinning and clothes weaving training.

#### **4.12 Value Chain Governance**

According to GTZ-Nepal (2008) chain governance refers to the way in which the coordination of chain operators is achieved along the chain stages-the arrows between operators and chain map. The chain governance is showing in figure 6 to map the coordination of chain operators in a given marketing system. The plotted figure shows broken arrows in both directions means in established market information system. The local decisions are making local designs, household preferences, buying quality products, production place, or market places and so on. There are information gap for each chain actors in market transactions while selling primary product, product sale, price information because of not systematic arrangement of current market.

**Figure 4-5: Chain governance, linkage and market information sharing system**



Source: Adopted from GTZ-Nepal (2008)

Poor linkage is shown between secondary producer (thread and clothes producers) and product manufacturer and wholesaler. Secondary producer directly sell their product to local consumer (almost 30 percent of total product) and Saugat outlet who is retailers of the product. Firstly, women producer have no linkage with wholesalers simply because they don't have enough production to sell larger vender. Secondly, wholesalers don't collect from the producer since there is no incentive in business due to high transaction cost.

The retailer and limited secondary processor have close relation in a market but primary processors have poor coordination and linkage, so that individual making system is dominance in primary processing. In other words, uncoordinated transactions are efficient in local markets because of no common information forum

they are making into coordinated. The study has some doubts about the competence of the supply chain. The sale price of Saugat is relatively higher without not much cost addition in sale and manufacture only contact to entrepreneurs when they need Allo clothes. Because of that, there is growing fear about possibility of price taking behavior and growing chain governance of upward actors over lower ones. Money flow situation in value chain analysis is also plotted in figure 4-7 for each chain actors. The research found that, the money flow is not equally distributed among actors and is not based on how much of cost is adding to develop the product. There is no institution that provides price information or product information in Myagdi. Only one way is oxen price between producer, retailers and consumers. The flow of product in the market is monotonous, habitual and based seasonal. In a lower side of the figure, BDS and collectors and processor have broken linkage. The BDS working in the district, donor agencies and Government organization DFO, CSIDB and private sector such as FNCCI are supply oriented rather than demand oriented. Myagdi Chamber of commerce don't focus specific program to promote Allo based enterprise in the district rather focus on macro level policy advocacy. There are few local trainers experts in the district who have some information on technical matters but have poor extension system for the targeted beneficiaries.

#### **4.13 Strength Opportunity Weakness and Threat (SOWC) Analysis**

An analysis of the strength, weakness, opportunity, and threat (SWOT) has been conducted for the Allo sub sector with respect to the value chain functions such as input supply, production, processing, product making, and trade. The details given on Table 4-12 make it clear that Allo sub sector has high potentiality to grow given the abundance of resource in the form of the highly regenerative Allo plant. The processing basically requires inputs that are locally available such as wood ash, Kamero (white clay) and ingredients for preparing vegetable dyes for coloring. The equipment such as charkhas of various designs (for spinning), and looms are manufactured in Pokhara, Chitwan and Kathmandu. The ethnic communities of the district such as the indigenous people (Magar) have long weaving tradition of Allo fabrics as these have a significant place in the rituals.



The main weaknesses in the value chain are poorly organized collection and the rudimentary methods of fibre extraction, and spinning which leads to low quality of yarn. Similarly, there is lack of product diversification, and variety in terms of designs. Most Allo products are in natural colours with some colouring done by using vegetable dyes. However, the quality of vegetable dyed yarn is poor in terms of consistency and permanence of colors.

There are opportunities to strengthen Allo value chain by integrating Allo producers into the supply chain of the members of fair trade to benefit from their extensive experience on new product development, and export of handicraft items to the overseas markets. The critical factor seems the need to upgrade the quality of processed fibre and yarn using improved methods and equipment. On a long terms basis Allo producers should be able to benefit by establishing a distinct product identity for Allo based on collective logo.

Constraints in the value chain are competition from relatively cheaper fibers such as hemp, and jute in the natural fibre markets might threaten the growth of Allo industry. There are cheaper products.

**Table 4.6: SWOT analysis of Allo value chain**

Strength	Weakness
<b>Input supply and Resources</b>	
<ul style="list-style-type: none"> <li>• Inputs such as ash, lime, maize flour, Kamero (white clay) and ingredients for vegetable dyes are available locally.</li> <li>• Manufacturers of equipment (charkhas and looms) are available in Pokhara, Chitwan and Kathmandu</li> <li>• Abundantly available in community and government managed forests.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of reliable data on potential sustainable yield from forests</li> <li>• Poorly organized collection</li> <li>• Difficult to collect in the wild especially for women</li> <li>• Production areas lack road access</li> </ul>
<b>Processing</b>	
<ul style="list-style-type: none"> <li>• Low cost of processing in case of input such as cheap fire wood is available locally</li> <li>• Localprocessors and their family members are using their leisure time.</li> <li>• Long tradition of processing among indigenous communities of the district</li> </ul>	<ul style="list-style-type: none"> <li>• Cooking raw Allo takes long time and needs lot of fuel wood</li> <li>• Rudimentary methods of fibre extraction (labor intensive)</li> <li>• Needs lot of water for processing</li> <li>• Poor collection system of Puwa</li> </ul>

- Trained (skilled) entrepreneurs to process Allo and Bhuwa

### Product Making

- 234 Trained entrepreneurs on Yarn making and cloth weaving exist in the district
- Low capital can run small scale business
- Women friendly enterprise , can be operated in off season and leisure time
- Low quality of spun yarn produced
- Traditional yarn making system is labor intensive, to produce one kg yarn takes 10 days
- Low quality of the production to compete in the external market
- The entrepreneurs do not have skills for making finished products as wallets, purse, bags and they are forced to sell the woven cloth directly

### Marketing

- Increasing demand of natural fiber products
- Magar community traditionally use as substitute of garment, can be sold locally
- Lack of regularity on product making
- Low volume of the production increases transaction cost of the marketing
- Product don't target external market, Poor quality of spun yarn to meet international standards
- Entrepreneurs are not aware value of valued added during the chain, very little information is available on Allo price
- Low bargaining power since very vender are available in local market

### Opportunity

### Constraints

#### Input supply and resources

- Possibility of cultivating on private farm land since 40-45 percent previously cultivated land is left fallow now a days
- Limited input supplier, only SaugatMyagdisupplying input to the entrepreneurs,

- Increasing network of rural market by road network and telephone communication
- Support organization is supporting Charkha and weaving loam but entrepreneurs are not familiar with the source and real market price

#### Processing

- Possibility of introducing semi-mechanized methods of Bark extraction, Puwa and Bhuwa processing
- Improved technology is costly and might not be cost effective for single or few entrepreneurs
- Increasing demand of the processing accelerate local market supply input

#### Product Making

- Possibility of improving quality of spun yarn using motorized charkhas, better extraction methods.
- Migration of trend/skill manpower
- Job creations and socio economic empowerment of rural women

#### Marketing

- NGOs/Fair trade Groups actively involved in new product development
- Competition from relatively cheaper fibers such as hemp, and jute in the natural fiber markets
- Increasing demand for natural fibers (wild) international markets

Source : Field survey 2015

### 4.14 AlloValue Chain Upgrading Strategies

The above SWOT gave idea on building strategies to use strength, capture strength and work on reducing weakness and threats in Allo sub-sector. The guiding principle of building these strategies is visioning pro-poor growth of involved micro-actors, improving economics of scale, promoting market consumption, building business linkage via creating second tier organization for sustainable management of Allo resources, strengthening capacity of chain actors and supporters and enabling environment of macro-actors on Allo sector. The study guided to build upgrading vision on : i) improving chain revenue by increasing production volume as well as higher sales volume and /or achieving better price, ii) improving income of the chain operator, and iii) building suitable partnership. The same SWOT format is using in strategies designing which is depicted in table 4.7. The core strategy is moving to competitive advantage of resource use by using comparative advantage.

**Table 4.7: Value chain strategy development**

<b>Vision</b>	<b>Strength</b>	<b>Weakness</b>
Increasing income of the collector, primary as well as secondary producer through increasing production and value addition in Myagdi .	Resource abundant Vigorous and faster growth, low capital needed Many trained entrepreneurs	Poor management of Allo in CFUG as well as community forestry few input providers Low level of production, all most subsistence level less diverse product low incentives to processor no ordination among entrepreneurs Poor market linkage
<b>Opportunity</b>	<b>Short-term strategies</b>	<b>Medium-term strategies</b>
Allo resource is available locally at cheap price  High demand of products. high interest of donors, gov& Pvt. Organization	Actor mapping and partnership building; Capacity building of chain actors and supporter on SWOT. Bring value chain actors together in training and workshop, exposure visit, business plan development and value chain monitoring Building joint venture assistance for value chain infrastructure and facilities Increase access to information specially current market	Increase Production Volume Mechanization of production process , increase economy of scale Sales promotion strategies and initiatives Incentive support to establish in district and centers. Value chain monitoring and impact assessment

Source : Field Survey 2015

## **CHAPTER- V**

### **SUMMARY CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary of the Major Finding**

The research is designed to analyze the social dimension and gender perspective in relation to value chain analysis and development of Allo subsector in Myagdi district. Using qualitative research approach, the thesis presented Allo value chain from gender prospective and analyzed the social dimension and gender perspective in relation to value chain of Allo subsector in Myagdi district. The study had two major objectives. The first one was to prepare gender sensitive value chain map of Allo. Secondly it aimed to conduct gender analysis with respects to division of labor, access and control over resources and benefits, level of participation in decision making, power relations and empowerment level in Allo value chain. Qualitative research tools, such as two Focus Group Discussions (FGD), 23 semi structure interviews, 15 Key Informant Interviews (KII) and field observations were carried out during May 2015 to June 2015 to collect primary data. Secondary data also collected from relevant sources. Data were analyzed using Miles and Huberman framework's to analyze qualitative data.

The research finding shows that indigenous women are the main actors of the Allo value chain in Myagdi. Out of all actors, nearly 93 percent are women, 72 percent Janjati and 20 percent are Dalit. About 95 percent of the actors belong to disadvantage group . Women disadvantage people's involvement is significantly higher in lower level of the value chain such as harvesting, primary processing, yarn producing and weaving whereas men's involvement significantly high in trading (village level as well as in district level trading). Out of all traders women's proportion is 43 percent in village level and 38 percent district in district level. The lower level of value addition is tedious, labor intensive, consume lots of time. Therefore, there is no incentive for well off people to get involved. It is found that disadvantage groups have few other opportunities to make cash income, the women and disadvantage group devote their time in Allo processing. The commercial production of Allo product is virtually exists in Myagdi district.

There is no controlled over resources by certain group of people. The resource is jointly control by the all users of Community Forest User Group. The research found that money flow is not equally distributed among actors and is not based on how much of cost is adding to develop the product. Lack of market information, low bargaining power and access to finance prevents women getting into trading business. It is found that decision regarding Allo plant collection is made by the male and female jointly in informal meeting. Social as well as economic empowerment has been observed in women and disadvantage group due to economic benefit of locally available resources, technical skill training, interlinked with the marketing channel. The main weaknesses in the value chain are poorly organized collection and the rudimentary methods of fiber extraction, and spinning which leads to low quality of yarn. Similarly, there is lack of product diversification, and variety in terms of designs. The study comes up with few recommendations. The critical factor seems the need to upgrade the quality of processed fiber and yarn using improved methods and equipment. Integrating women producers into the supply chain of the members of fair trade would benefit from their extensive experience on new product development, and export of handicraft items to the overseas markets.

## **5.2 Conclusion**

The research finding shows that indigenous women are the main actors of the Allo value chain in Myagdi. Out of all actors, nearly 93 percent are women, 72 percent Janjati and 20 percent are Dalit. About 95 percent of the actors belong to Disadvantage Group (DAG). Women disadvantage people's involvement is significantly higher in lower level of the value chain such as harvesting, primary processing, yarn producing and weaving whereas men's involvement significantly high in trading (village level as well as in district level trading). Out of all traders women's proportion is 43 percent in village level and 38 percent district in district level.

The lower level of value addition is tedious, labor intensive, consume lots of time. Therefore, there is no incentive for well off people to get involved. It is found that disadvantage groups have few other opportunities to make cash income, the women and disadvantage group devote their time in Allo processing. Men and women equally

involve in product development. In Myagdi, traditional clothes such Bhangra, Borlo is prepared from Allo clothes which is typically used by Magar, Chhantyal and Gurung community. Some other product such as Jabi, Jale, Damlo and Namlo is also prepared in the village. These products are basically prepared for household purpose and not traded. Commercial products of Alloviz vests, shawls and variety of new products ranging from bags, cushions covers, wallet, and men and ladies clothing with natural dyes. These commercial production of Allo product is virtually exists in Myagdi district. Lack of market information, low bargaining power and access to finance prevents women getting into trading business.

There is no controlled over resources by certain group of people. The resource is jointly control by the all users of Community Forest User Group. The research found that money flow is not equally distributed among actors and is not based on how much of cost is adding to develop the product. The women processors have no linkage with wholesalers simply because they don't have enough production to sell larger vender. Secondly, wholesalers don't collect from the processor since there is no incentive in business due to high transaction cost. There are few local trainers experts in the district who have some information on technical matters but have poor extension system for the targeted beneficiaries. There is no institution that provides price information or product information in Myagdi. It is found that men and women equally participate in decision making process of Alloharvesting from the forest, whereas, women participations dominate in primary and secondary processing including product diversification. The decision regarding Allo plant collection is made by the entrepreneurs jointly. Women entrepreneurs are united into small self-help groups and have frequent meeting among the members. Promoters of the Allo enterprise have focused on social mobilizations, made them aware on economic benefit of locally available resources, organized the entrepreneurs in small group, and provided technical skill training, interlinked with the marketing channel.

The main weaknesses in the value chain are poorly organized collection and the rudimentary methods of fiber extraction, and spinning which leads to low quality of yarn. Similarly, there is lack of product diversification, and variety in terms of designs. There are opportunities to strengthen Allo value chain by integrating Allo producers into the supply chain of the members of Fair Trade to benefit from their

extensive experience on new product development, and export of handicraft items to the overseas markets. The critical factor seems the need to upgrade the quality of processed fiber and yarn using improved methods and equipment.

### **5.3 Recommendations**

Based on above findings, the research has come up with the following recommendations and policy implications.

1. Introduction of improved technologies for Allofibre and thread making are recommended for efficient fiber extraction and better quality of yarn production.
2. There is need to improve Allo clothes weaved by the women entrepreneurs to compete in the market. This can be achieved by providing advance level of skill training to the entrepreneurs.
3. Access to formal sources of credit and networking with market would improve women and DAGs participation in marketing of Allo product.
4. There is need to improve chain revenue by increasing production volume as well as higher sales volume and /or achieving better price
5. Integrating women producers into the supply chain of the members of Fair Trade would benefit from their extensive experience on new product development, and export of handicraft items to the overseas markets
6. It is recommended to conduct resource inventory for Allo to assess potential sustainable harvest levels should be conducted for developing a long term vision for the overall growth of Allo industry.



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## APPENDICES

### Appendix 1: Participants of FGD

#### Participants of FGD in Chimkhola

SN	Name	VDC	Gender	Ethnicity
1	Taradevi Nepali	Chimkhola	Woman	Dalit
2	KulmayaSunar	Chimkhola	Woman	Dalit
3	China BK	Chimkhola	Woman	Dalit
4	DilmayaSunar	Chimkhola	Woman	Dalit
5	DurgaSunar	Chimkhola	Woman	Dalit
6	Sangita BK	Chimkhola	Woman	Dalit
7	Chandevi Nepali	Chimkhola	Woman	Dalit
8	DilKumari Nepali B	Chimkhola	Woman	Dalit
9	GauKumari Nepali	Chimkhola	Woman	Dalit
10	Mithu Nepali	Chimkhola	Woman	Dalit
11	Lalprasad Pun	Chimkhola	Man	Janjati
12	Bishnu Pun	Chimkhola	Woman	Janjati
13	Khu Maya Paija	Chimkhola	Woman	Janjati
14	PurnimaPaija	Chimkhola	Woman	Janjati
15	BishnuThapa	Chimkhola	Woman	Janjati
16	Asha Thapa	Chimkhola	Woman	Janjati
17	Tara Pun	Chimkhola	Woman	Janjati

#### Participants of FGD in Darbang

SNN	Name	VDC	Gender	Ethnicity
1	BhimKumariBk	Durbang	Woman	Dalit
2	Devsara Roka	Durbang	Woman	Janjati
3	Jim Maya Roka	Durbang	Woman	Janjati
4	Shiru Roka	Durbang	Woman	Janjati
5	SunitaRokaya	Durbang	Woman	Janjati
6	BalKumariBk	Durbang	Woman	Dalit
7	Purnamaya Pun	Durbang	Woman	Janjati
8	Ranu Pun	Devisthan	Woman	Janjati
9	RinaPhagami	Devisthan	Woman	Janjati
10	Apsara Pun	Devisthan	Woman	Janjati
11	TikamayaPhagami	Devisthan	Woman	Janjati
12	RupaBudhathoki	Mudi	Woman	Janjati

13	Jasmati Pun	Mudi	Woman	Janjati
14	Manmati BK	Mudi	Woman	Dalit
15	Harimaya Pun	Mudi	Woman	Janjati
16	ChanmatiTilija	Mudi	Woman	Janjati
17	BalimaPurja	Mudi	Woman	Janjati
18	Supana BK	Mudi	Woman	Dalit
19	Ful Maya Gharti	Mudi	Woman	Other

#### **Participants of FGD in Beni**

<b>SN</b>	<b>Name</b>	<b>VDC/Municipality</b>	<b>Gender</b>	<b>Ethnicity</b>
1	Durga Pun	Arhunge	Woman	Janjati
2	Anita Pun	Arhunge	Woman	Janjati
3	Neksara Pun	Arhunge	Woman	Janjati
4	Bishnu Armaja	Arhunge	Woman	Janjati
5	Maya Garbuja	Arhunge	Woman	Janjati
6	Dhan Maya Pun	Arhunge	Woman	Janjati
7	Man Kumari Rana	Arhunge	Woman	Janjati
8	Man devi Purja	Arhunge	Woman	Janjati
9	Harimaya Gurung	Arhunge	Woman	Janjati
10	Huma Phagami	Arhunge	Woman	Janjati

## Appendix 2: Key Informant of the Survey

SN	Name of the informant	Organization
1	Mr. Ram Swartha Shah	District Forest Officer, DFO Myagdi
2	Mr. Chandra Mani Sapkota	Ranger, DFO Myagdi
3	Ms. Laxmi Sharma	Manager, SAUGAT KoseliGhar, Myagdi
4	Mr. Chanda Nepali	Manager, SaugatKoseliGhar, Tripureswor Kathmandu
4	Ms. Ganga Khatri	Entrepreneur and local traders of Nettle powder
6	Mr. Ramesh Raj Regmi	Senior Enterprise Development Officer, CISBD Myagdi
7	Mr. Kubir Kumar Shrestha	Chairperson, Myagdi chamber of Commerce
8	Mr. Ram Swartha Shah	District Forest Officer, DFO Myagdi
9	Mr. Deepak Poudel	Chairperson, SANGAM
10	Ms. Anita Thapa	Program Coordinator, DMEGA Myagdi
11	Mr. IndesworMandal	Program Coordinator, Libird , branch Office, Myagdi
12	Ms. Sita	FECOFUN, Myagdi
12	Ms. SitaBatha	MEDEP , National Program support office, Kthmandu
13	Ms. ShusmitaMalla	GIZ, head office Kathmadu

### Appendix 3: FGD checklist Actor and Function Mapping of Allo Value chain

Process	Who involves in the process	# Actors (No of Male/Female)	Where the process occur(Places)	When (Duration)	Individual/Group/Cooperative	Qty of the product	Price of the product	Enablers/Facilitators				
								CFUG/MEG	Gos (DFO,DDC,CSIDD)	NGO( Name and which type services)	Private sectors (CSIDB)	formal and informal financing
Input Supply (Sickle, knife, wood)												
All harvesting												
Puwamaking												
Bhuwamaking												
Yarn making												
Weaving Allo clothes												
Allo Finished Product												
Village level Trader												
District Level traders												



## Appendix 4: Checklist for Gender Role Analysis

Indicator Categories	What the indicator measures																																																																																										
Actors Mapping	List out the total number of the Primary, secondary processing, Input suppliers, traders, middle man, Wholesaler of Allo Value chain and categorize them according to Sex, Ethnicity and well Being Ranking																																																																																										
Supply Map of Allo Value chain	Prepare the a Supply Map of the Allo product using participatory approach Make the map Visible for all throughout the discussion period																																																																																										
Division of Labor and social inclusion	Identify who is doing what in the Value chain <table border="1" data-bbox="579 562 1401 1189"> <thead> <tr> <th>Function</th> <th># people</th> <th colspan="4">Segregated by Gender and Ethnicity</th> </tr> <tr> <th></th> <th></th> <th>Male</th> <th>Female</th> <th>Dalit</th> <th>Janjati</th> </tr> </thead> <tbody> <tr> <td>Input supply</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bark Collection</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Input Supply(Sickle, knife, wood)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Input Supply(Caustic soda)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>All harvesting</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Puwa making</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bhuwa making</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Yarn making</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Weaving Allo clothes</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Allo Finished Product</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Village level Trader</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>District Level traders</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Input Supply(Sickle, knife, wood)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Function	# people	Segregated by Gender and Ethnicity						Male	Female	Dalit	Janjati	Input supply						Bark Collection						Input Supply(Sickle, knife, wood)						Input Supply(Caustic soda)						All harvesting						Puwa making						Bhuwa making						Yarn making						Weaving Allo clothes						Allo Finished Product						Village level Trader						District Level traders						Input Supply(Sickle, knife, wood)					
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Access and control over resources	Who are in the community user Forest Group? Representation of women and disadvantage in executive committee board of Forest user committee and other user committee Who made decision regarding the harvesting and other regulation? Whether there is restriction over resource uses for certain group of people? Participation in local affairs?																																																																																										
Participation in decision making	How women and men can shape the governance in a value sector/the production/market?																																																																																										
Power relations	Affect bargaining power, Who gets how much in the value chain? How the benefit does is shared among the Value chain actors? Simple cost benefit analysis of each product																																																																																										
Empowerment level	The knowledge and awareness regarding the Allo resource Are the actor is equipped with the skill related to the business How is their empowerment level Capacity for the stakeholders to replicate/sustain the interventions																																																																																										

## Appendix 5: SWOT analysis of Allo Subsector

<p><b>Strength (Internal, Positive )</b></p> <ul style="list-style-type: none"> <li>• Availability of Resource</li> <li>• Knowledge on the skill related to Allo harvesting and Processing</li> <li>• Employment Creations</li> <li>• Low cost of the production</li> </ul>	<p><b>Opportunity (External, Positive)</b></p> <ul style="list-style-type: none"> <li>• Growing demand of Allo product in International market</li> <li>• Government policy</li> <li>• Another positive things that affect positively</li> </ul>
<p><b>Weakness (Internal Negative)</b></p> <ul style="list-style-type: none"> <li>• Unskilled villagers</li> <li>• Weak technical knowledge</li> <li>• Low market knowledge</li> <li>• Limited scope operation</li> <li>• Non motivation</li> </ul>	<p><b>Challenge (External Negative)</b></p> <ul style="list-style-type: none"> <li>• Market Problem</li> <li>• Lack of reliable market information</li> <li>• Price fluctuation</li> </ul>