

Development of rattan sector under Community Forestry enterprises in Nepal: Future direction

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Abstract: Rattan resources play an important role in the economy of Nepal. A large number of people in the country depend on forest-based enterprises besides farming for their livelihood and rattan has both social and economic value to them. Rattan-based enterprises in Nepal are involved mainly in manufacture of furniture and other household items. The industry accounts for over Rs.17 million and has substantial market potential in urban areas of Nepal. The rattan handicrafts production started by Community Forestry is expected to give a big boost to the industry. The farmers are motivated because they get income from the sale of the rattan. But, presently there is no efficient mechanism for acquiring market and price information of rattan products. Social and cultural factors in local trading channels are often little understood. The promotion of rattan industry has a vital role to play in poverty alleviation in the country.

INTRODUCTION

Nepal is a small country with a population of 23 million and a total land area of 147,181 km². Mountains and hilly areas occupy 35.2 per cent and 41.7 per cent respectively of the total land area, while the remaining 23.1 per cent is mostly fertile plain known as Terai. Nepal experiences wide climatic variations from the sub-tropical to arctic, depending on altitude.

Forests are one of the main resources of the country, which include 4.27 million ha of dense forest (29%) and 1.56 million ha of shrubby vegetation (10.6%) together constituting 39.6 per cent of the total land area of the country. Forestry, together with farming, plays a vital role in the economic and social life of the rural people. Over 19 million out of 23 million depend on farming and forest-based occupations for their livelihood. The share of farming, fishery, and forestry in the GDP is about 60 per cent with forestry contributing about 15 per cent. Forests, at present, provide 81 per cent of the total fuel consumption and more than 50 per cent of fodder to livestock.

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Among different forest products, rattans play an important role in the Nepalese economy. Rattans are being used mainly for items of furniture such as chair, sofa, book cases, television stands, baby carriers, walking sticks, baskets, and mats. Ripe fruits of rattan are eaten. Apart from its economic value, rattans also have religious significance. For example, rattans are required for chariot building of deities. Lamas, an ethnic group from the mountains of Nepal use rattans in their religious ceremonies. Rattan is also preserved around the temples.

Nepal is a recognized leader in Community Forestry Programme which was formally initiated in 1978 under the Forest Act of 1961, with subsequent amendments in 1976 and 1978. The first official Community Forestry project was initiated in 1980 with the establishment of the Community Forestry Development and Training Project funded by the World Bank with technical assistance from the Food and Agriculture Organization (FAO). The concept of community forests has emphasized on rattan promotion, utilization and also supports rural livelihoods. Community forestry is a formal management system in the National Forestry Plan which recognized people's participation.

RATTAN RESOURCES

Rattans are found in most hilly and mountainous parts of Nepal. They provide multiple services and products, especially to the poor and marginalised people. Rattan-based furniture industries are gradually developing in the urban areas of Nepal where they find ready markets and thus provide employment and income to the urban poor.

A systematic countrywide inventory of rattans has not been done; so information is not readily available. Out of the 75 districts of Nepal, 25 districts have been surveyed to enumerate rattans. Altogether, two genera and eight species of rattans are estimated to be found in Nepal (Karki and Karki, 1995). Due to prevalence of more humid climatic conditions, the eastern half of the country has a higher biodiversity than the western half.

Rattan occurs in association with the evergreen, semi-evergreen and mixed Terai hardwood forests. Rattan stands in natural forests are degrading mainly because of excessive and unscientific use. The conservation of these species are not given proper attention. However, Nepal has established national parks and conservation areas in sub tropical, temperate, and alpine ecogeographic zones. These national parks and nature conservation areas cover about 17 per cent of the country's geographical area and fortunately many of these national parks have rattan species conserved in their natural habitat. However, management is limited to natural rattan areas and no efforts have been made to establish plantations or to study methods of propagation and plantation establishment.

Processing and utilization

Farmers in Nepal have been using rattans for making furniture, and domestic utility items since time immemorial. Recognizing the multipurpose uses of rattans, they have developed a range of plant management systems for rattan within the framework of the complex mountain ecosystems and prevailing silvicultural and farming systems. Rattan utilization in Nepal is based on a wealth of indigenous knowledge and skills.

Rattan based activities in Nepal are mainly manufacture of furniture and other household utility items. Manufacture of rattan handicrafts has been introduced in Eastern Nepal under Community Forestry Programme. The products have substantial market in urban areas of Nepal. Around 20 well established firms are reported to have carried out over Rs.17 million worth trading during 1994-95 adding around 25 per cent value to the product. A range of products are manufactured and about 20 of the sampled industries were found to provide direct employment to about 45 artisans in Kathmandu valley alone. The Community Forestry involves eight user groups. This community based enterprise is expected to give a big boost to the rattan industry in Nepal.

MARKET AND SOCIOECONOMICS

Rattan products need well-planned marketing strategies that would ensure local, regional and overseas market to benefit the user groups and farmers and also to promote Community Forestry based enterprises. Value addition of the products should be thought of. Besides, the marketing agencies will need some familiarity with a range of marketing techniques and practices. This will require proper training in a new set of skills for which the current infrastructure is inadequate. Middlemen and traders in many cases can pose obstacles to better returns to producers, but in other cases they also provide an important service in absorbing risk and connecting widely dispersed producers and markets. At present, there is no mechanism for marketing and dissemination of price information. An immediate need already identified is that the producers/marketers should have better access to new and emerging markets and price information. The use of modern tools of information technology should be availed for the purpose. The horizons of knowledge on social and cultural factors in local trading channels which can be important in widening trading networks should be expanded.

Raising awareness among people and policy makers

Rattans have immense value in the Nepalese economy. However, the economic, environmental and social values of this resource are not adequately realized. The Government of Nepal has accorded high importance to rattan resources owing to its influence in environmental protection and economic development in the rural areas. The Forest Policy implemented by the Government lays greater emphasis on community participation in the management of forest resources. The policy is very

conducive to small enterprise development, as it helps to promote non-timber forest products. The expanding forest user group system is providing organizational support.

There is a need to realize the importance of development in the mountain region and the policy of the alleviation of poverty, diversification and enhancing employment opportunities, conserving the environment, and sustainable development. Sustainable development in the mountain regions can be viewed as development involving changes in the production and distribution of desired goods and services which result, in a given target population, in an increase in welfare that can be sustained over long periods of time.

Apart from the price paid for the products, many factors affect including the cost of production, the ability to gain market access, harvesting and transport costs and the impact of harvesting on other values. Because farmers are often small producers of forest products they have traditionally experienced difficulty in accessing markets or achieving similar prices to those received by industrial growers. The different ways that they can receive financial benefit from their forests or improve their competitive advantage are:

- Conservation and sustainable use of rattan biodiversity
- Promoting the commercialization and domestication of rattan.
- Encouragement of rattan cultivation in private sector.
- Using the community forestry based enterprises to support rattan activities including strategies to educate and advocate.
- Ensuring the rattan products match the specifications of the purchaser.
- Providing credit facilities to rattan entrepreneurs.
- Utilizing, otherwise idle, farmland labor and other members from farming households in the production or value addition of rattan products.
- Diversifying the farm business to reduce exposure to fluctuating agricultural markets and climatic risks.

Human resource management issues

- Need to develop technical and management skill to focus on sustainable use of rattans
- Lack of institutions and/or capacity to provide training and technology transfer guidelines in the area of environment conservation and enterprise development.
- Need to train, empower, and strengthen community inputs.

Technical issues

- Need to plan and develop integrated resource management systems with innovative approaches

- Integration of rattans and medicinal plants in the mainstream of forest management
- Development of appropriate silvicultural systems and post-harvest technologies for the groups of plants
- Need to practice more sustainable extraction of the resources.

More attention should be given for improving local, regional and national markets. To do this there is a need to raise the level of awareness of policy makers and also of the users. Lack of a clear-cut government policy and well organised marketing infrastructure are the two most important constraints in the bamboo and rattan sector of Nepal.

Harvesting and sale of rattan from community managed forests have to be more systematic and scientifically managed.

Institutional capacity

As described earlier, some organizations are involved in Research and Development work on bamboo and rattan. One such organization is the Department of Forest Research and Survey, under the Ministry of Forest and Soil Conservation. This organization has the mandate to carry out forest surveys and also research on various forestry aspects. It has already done work in areas like (a) taxonomical studies and ecogeographic survey of rattans (Amatya *et al.*, 1998). This organization is carrying out more detailed studies on different diverse areas for the overall development of bamboo and rattan in the country. Presently there is no specific project funding by donors on bamboo and rattan. INBAR and IDRC have already supported some research projects in Nepal. In the future too INBAR is expected to provide good support in this sector.

CONCLUSION

The rich biodiversity of rattans in Nepal has great potential to the economic development of the country particularly the poorer communities. Adoption of scientifically based management practices is therefore necessary for conservation and sustainable use of these resources. Introduction of improved harvesting and processing practices, value addition and marketing are recognized as vital for the development of this sector. Greater involvement of private sector and communities, development of skills through training, transfer of technology, entrepreneurship development and development of market structure supported by the government are some of the strategies identified.

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