

Micro-Enterprises, Development for Poverty Alleviation

Volume I

Micro-Enterprise Development Programme (MEDEP)/UNDP
Ministry of Industry (MOI)
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About the Book

Introduction

Micro-Enterprise refers to any economic unit engaged in the production and distribution of goods and services at household level. It is primarily of self-employed nature, employing him/her in the enterprise and sometimes some family members. The enterprise runs on little amount of capital investment at a fixed market centre or mobile business locations. This sector is identified with features like reliance on indigenous resources, family ownership of enterprises, small scale of operation, labour-intensive, adapted technology, and minimum skill. Micro-enterprise, therefore, is particularly suitable for poor communities.

Micro economic enterprises play a vital role in poverty reduction in both rural and urban areas, and reinforce urban-rural linkages for economic and social development in Nepal. The linkages are essential not only for utilization of local resources but also in acting as agents for the flow of goods and services between urban and rural areas. Their roles are important since they possess the features like self employment generation, employment to poor and women, use of local resources, meeting basic needs of the poor, traditional enterprise/skill and craftsmanship, labour intensive, self satisfaction on the job, entrepreneurship and innovative (skill learned through apprenticeship method), and fair income distribution among the poor.

However, development and promotion of Micro-Enterprises in Nepal has been hindered due to some major factors: First, lack of easy access to micro-credit is the most crucial constraint and, therefore, Micro-Enterprises are unable to utilize the economic opportunities available in the local area in sustainable and successful manner. Promotion of micro informal enterprises is required in their overall productivity enhancement considering resource allocation, i.e. credit facility. Secondly, Micro-Enterprises lack knowledge and skills to produce the items as per market demand. Therefore, promotion-based training is next important component, which should be poor community -friendly and it should be provided to potential and interested individuals to upgrade their knowledge and management of enterprising skill. Excellent entrepreneurs will be produced only if trainings are provided at different stages and levels. Monitoring is essential for validating and use of trainings. Thirdly, labour and capital productivity and rate of surplus are other measures to promote Micro-Enterprises. These include the considerations of skill up-gradation, management, and technological improvement. Lastly, other constraints of micro enterprising development include (i) limited backward and forward linkages, (ii) lack of market chains and price chains of the products, and (iii) lack of market places for selling within the cities. These necessitate due considerations.

The government agencies should play a crucial role to promote safeguard and manage the micro economic activities. If managed properly, it will be one of the crucial income sources for the local government units.

Micro-Enterprise Development Programme (MEDEP) is thus established to address all the issues, problems and measures related to micro-enterprises. As a part of dissemination, skill development, knowledge sharing, operational research development, and constructive recommendations for further development of the Programme, MEDEP since its inception in 1998 has initiated to assist students from universities and campuses with scholarships to complete their research theses. This volume intends to draw papers out of the theses and research reports duly submitted to MEDEP.

Methods

Altogether 23 internship reports, theses and research reports this volume embraces. These papers are prepared based on the standard formats that include components like (i) abstract, (ii) introduction (rationale and problems statement), (iii) objectives, (iv) review of literature, (v) materials and methods, (vi) results and discussions, and (vii) conclusion and recommendations.

The theses and research reports integrate different academic levels. They include, for instance, 12 Master's level, 2 Post-Graduate Diploma, 3 Bachelor level, 5 Internships, and 1 in project report. They cover different fields of studies like regional development and management, rural development, sociology and anthropology, gender and development, women studies, development studies, forestry, business administration, and population. Researchers represent different universities and development agencies like Tribhuvan University and its affiliated campuses, Kathmandu University, Pokhara University, Purbanchal University, and Manchester College, USA and MEDEP. They deal with the Micro-Enterprises of different fields of studies, comprising NTFPs, women empowerment, impacts, local resources based-products (beekeeping, Dhaka, ginger, and off-season vegetables), water resource, market outlets, and social inclusion. These research works have been completed from 1991 to 2007. Fifteen researchers are female and eight males. There are 17 full-fledged papers containing all components as stated above and remaining six are short-note papers that do not contain literature review and references.

Acknowledgements

This book contains theses and research reports contributed by the students of respective universities, colleges and other academic institutions. MEDEP owns all these theses and research reports. Effort in this book has been made to produce research papers out of those theses and research reports. All the papers contain the data gathered and generated from the field surveys conducted by the authors across different parts of Nepal. In broader term, the papers deal with concepts, issues, contemporary theories and models, problems, prospects and policy measures of micro-enterprises. These serve as complements and contribute to the development of micro-enterprises. This book will be useful to development practitioners, policy designers, students and researchers interested particularly in the roles of micro-enterprises in improving livelihoods of the poor people and local economic development.

MEDEP management would like to express sincere gratitude to all the students, their supervisors and head of the Universities, colleges and other academic institutions for their interest in MEDEP particularly in Poverty Alleviation through Micro-Enterprise Development. MEDEP management also expresses its heartfelt gratitude to Dr. (Prof.) Pushkar Pradhan, Head, Central Department of Geography, Tribhuvan University for his support in technical editing of this compilation and including this publication as one of the reference books for the students studying Master Degree in Geography specialising in Micro-Enterprises and Livelihoods in Urban Planning and Management. Finally, all the entrepreneurs who provided the first hand information to the students and professionals to make their research agenda successful also deserve high appreciation.

MEDEP Management

FOREWORD

To address the dire need of a proven tool that could fight poverty in the county by sustainably promoting entrepreneurship culture, particularly in the population living below the poverty line, Micro-enterprise Development programme (MEDEP) was launched as piloting phase in 1998.

Since then, MEDEP's interventions in the activities of the target poor people, imparting them need based training, skills and knowledge, access to micro-finance, access to appropriate technology, shoring up startup support, establishing resource and market linkage and research work support for scientific investigation and evaluation of the process, impact, and lesson learnt have been continuously refurbishing MEDEP and its tools, intervention process and methodologies rationalized in every phase, suitable to the need and the demand.

Poverty reduction and achievement of Millennium Goal is not simply the tasks set forth by the world governments and global communities, it is also the challenge facing the local, regional, the central governments in the world map as well.

The United Nations, World Community and the donor agencies have been supporting the least developed countries in their fights against the poverty. Many such projects were funded and implemented in Nepal as well. Tremendous numbers of immediate and long term researches, data collection and compilation of the important and relevant information have already been conducted while implementing such different development programmes. However, the researches and data collection is lost along with termination of the programmes, hampering the free share and better utilization of the valued information when needed for policy formulation, academic studies, specialization and proper knowledge based management.

Learning lessons of the many of Multi-donor supported projects in Nepal, MEDEP came up with a solution and initiated institutionalization of the knowledge management after the MEDEP Project Board decided that huge data and information generated by the project should be converted into knowledge management through academic research and the cost effective way of doing so is by involving students of different Universities, Colleges and Institution in Nepal and abroad to conduct their internships, theses and dissertation. This decision opened the door for students studying in academic institutions and started conducting their researches in the MEDEP related fields through institutional linkages between MEDEP and academic institutions. By now since 2006 more than 40 students have benefited with this knowledge management mechanism and this is the first effort of MEDEP to compile the internship reports,

theses and dissertation based extracted from articles and publish them in Volume I which will follow publication of Volume II.

I am confident; MEDEP's initiation to bring about positive changes in the lives of hardcore poor can have tremendous support and invaluable inputs from many stakeholders, sectors, and academia. The collection of research papers prepared by the promising university students will certainly contribute much to enhance the knowledge of the resources and demand of the people living below the poverty line in rock hard geographic, socio-economic, and political situation in Nepal.

The conclusions deduced by some of the theses and study reports presented in this book are anticipated to be useful to all those who have a burning desire to understand the prospects and challenges Nepal has been facing for its poverty alleviation and economic development. Fortitude with natural and human resources, Nepal is still known as one of the poorest countries in global map. Poverty begets adversities; attributing to economic, social, and political anomalies, the poor countries are facing. Consorted efforts to shatter the vicious circle of poverty for achieving prosperity through micro-enterprise development may be the panacea the country is in need for its holistic development. This book is just the beginning.

Dhundi Raj Pokharel
Joint Secretary, Ministry of Industry
And National Programme Director, MEDEP

24 December 2010

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Impact of NTFP-Based Micro-Enterprise on Poverty Alleviation of Janajati Community: A Case Study of MEDEP in Nawalparasi District

Sanju Koirala¹

This study is an attempt to analyse the impacts of NTFP-based micro-enterprises in poverty alleviation of *Janajatis* in Nawalparasi district. Being rich in forest resources, NTFP based micro-enterprise in Nepal can play a crucial role in poverty alleviation among the rural communities by providing them with income earning opportunities. In addition, NTFP based micro-enterprise can be one of the major sectors of employment generation for the poorest and disadvantaged segments of population like *Dalits* and *Janajatis*.

Five different program locations and their 100 micro-entrepreneurs in Nawalparasi district were selected. The enterprises were based on plant resources such as Patel, bamboo, and Sal leaves. The findings reveal that there have been improvements in the conditions of income, food sufficiency and its consumption, accumulation of assets, education, health, and participation of the *Janajatis* entrepreneurs after undertaking of the NTFP-based micro-enterprises. However, further improvements in the enterprising activities, management, and exploration of locally available NTFP based additional activities require to be supported by the related agencies.

1. Background

Nepal consists of a wide range of natural resources, and forest is one of them. Forest occupies approximately 38 percent of the country's total land area and plays a vital role in the upliftment of economic and social life of Nepalese people. Rural livelihood is closely linked with forest and other natural resources; the improvement of rural livelihood is therefore associated with the development of forest.

Forest is mainly taken as a source of timber product. In addition, non-timber forest products (NTFP) like foods, medicine, raw materials (bamboo, Lokta, Allo, resin, turpentine, *Acacia catechu*, *Sabai* grass etc) are also derived for commercial, industrial or subsistence uses in Nepal. NTFP plays a significant role in the life of many forest dwellers and people, who depend on these products for food, medicine, employment and income. In recent years, NTFP has been a major source of raw

¹ Ms Koirala, a MSc student in Regional Development Planning and Management, South Asian Institute of Technology, Purbanchal University, 2007. The thesis has been prepared under the guidance of Dr. Pradip Upadhyay of the Visiting Professor of the same Institute.

materials for micro-enterprises which has contributed to income generation and consequently poverty reduction.

The overall condition of Janajatis, who have been living close to forest area, is miserable. They are not only socially backward, but also economically, educationally and politically vulnerable. CBS (2004) indicated that 44 percent of the hill Janajatis and 36 percent of the Tarai Janajatis live below poverty line.

1.1 Statement of the Problems

Poverty is a crucial issue in overall development of Nepal. Poverty is widespread, complex and multi-dimensional phenomenon. It is not only a matter of low income; it is also deep rooted under the existing social, economic, cultural and political discriminatory practices in terms of caste, ethnicity, and gender. Janajatis among others make up the substantial majority of Nepal's poor.

Janajatis are economically vulnerable, since they have low rate of land ownership. Eighty percent of Janajati are marginal cultivators (> 0.5 ha) or small cultivators (0.5 - 1 ha). UNDP (2004) reveals that a huge proportion of indigenous population is wage laborer with no lands for their own farming in areas where they live. Yet, agricultural is the mainstay of majority of Janajatis living in the rural area and therefore they face problems like seasonal unemployment, minimum wage, subsistence farming and exploitation.

Generating employment in non-agricultural sector can be an alternative solution to address the issue of poverty of Janajatis in Nepal. Having plenty of forest resources, NTFP based micro-enterprise can be one of the sectors to create off-farm employments and generate income for Janajatis. But Janajati people, mostly being ignorant and illiterate, may be unaware about the real values of forest products such as NTFPs and earning money out of them. If enterprising activities like skill and entrepreneurship development training on NTFPs, value added products, market links, etc are provided to them they will get benefits by employing themselves in the forests based enterprising activities.

2. Objectives

This study intends to assess the impacts of NTFP based micro-enterprises on poverty alleviation of Janajati community in the fields of income, food sufficiency, asset accumulation, education and health, and participation.

3. Literature Review

Non-Timber Forest Products (NTFPs) are often referred to include the forest products like bamboo and canes, medicinal and aromatic plants, etc (Kanel 2000). In broader sense, NTFP includes all biological materials, except timber, from forest and associated lands such as pastures. NTFP can also encompass services rendered by the forest land. For example, honey is included as an NTFP, which can be collected in wild

form as it is often the case in Nepal or from beehives kept in homes where bees gather pollen from wild flowers in meadows and forests (Nicholson 1999).

In Nepal, NTFPs have been collected, processed and traded by individuals since long time back for medicinal and livelihood purposes. Since the last few decades, however NTFP sector has been so large that it involves all possible stakeholders including collectors, local middleman, urban traders, manufacturers, exporters and government agencies (Ojha 2000). Edwards (1996) indicated that every year around 13,000 tons of NTFPs are harvested from the hill and mountain regions of Nepal and almost all of them are sold to India for a total annual estimated value of US\$ 8.6 million. NTFPs offer an important source of income to the rural communities; the income from NTFPs is much more than other products based on natural resources like forest, land, etc (RECOFTC 1995). Many forest user groups (FUG) have become resourceful, mainly due to income derived from selling NTFPs (Devkota 2001). A survey carried out in 1996 indicated that about 42 thousand tons of over 125 different NTFPs with US\$ 27.3 million turnover were transacted by about 100 entrepreneurs (Subedi 1997). Indeed, the rural communities have only an insignificant share, while the middleman and wholesalers have always capitalized on the bulk of the benefits. It is argued that if rural communities are imparted with modern enterprise development knowledge, they will get benefit sharing from the NTFPs as well as conservation of forests (MEDEP 2001).

Indigenous peoples possess invaluable knowledge and practices for the sustainable management of natural resources. These traditional practices have been gradually eroded and replaced by imported practices without assessing their compatibility to the existing environmental, social and economic milieu. The NTFP based micro-enterprise development intervention is required to be targeted towards raising incomes of low income group including Janajatis by increasing the sustainable production and value of products from the forest resources. The intervention should take advantage of traditional trading patterns and improve the value of products (New Era 2002).

The government of Nepal has formulated policies and regulation to promote conservation and utilization of NTFPs within the forest sector. In 1978, the first forest protection act was promulgated and then by the Tenth Plan several policies and acts on forest resource were formulated. However, implementation of those rules and regulations is often a problem.

4. Research Methodology

Sampling Design

Of total of 130 Janajati NTFP based micro-enterprises in Nawalparasi district supported by MEDEP, 100 representing 13 villages were selected randomly. Questionnaires consisting of both structured and semi structured questions were administered to them at their living places. In addition, key informants comprising district level personnel such as Office Assistant of Micro-enterprise Development Programme, Secretary of

Business Development Service and District Forest Officer were interviewed and acquired information about the status of NTFP based micro-enterprises and their impacts on the livelihoods of the Janajatis in the district. All the collected data were edited, coded and processed manually and tabular data and graphs and charts were generated by Excel programme.

Secondary data was obtained from the existing related studies, published and unpublished documents, and websites.

5. Results and Discussions

General Overview of Nawalparasi District

Micro-Enterprise Development Programme has been implemented in 21 districts, including Nawalparasi. The district with an area of 2,162 km² lies in the western Tarai region of Nepal. Though it lies in the Tarai region, Nawalparasi is preponderantly a hill district. The hills share 78 percent and only 22 percent is Tarai plain. The climate is sub-tropical.

The district had a total population of 562,870 in 2001, rose from 468,741 in 1991. The male population exceeded the females. The population is composed of Janajatis (Gurung, Magar, Tharu, and Newar with 40%), Bahun and Chhetri (25%), Dalits (Kami and Sarki with 10%), and others (23%). The literacy rate was 53 percent. About 63 percent of the working population has derived their livelihoods from the primary sector (agriculture, forestry and fishery), whereas trading related service shares slightly over 15 percent.

Nawalparasi district has a variety of NTFPs like Kurilo (*Asparagus officinalis*), Dalchini (*Cinnamomum tamala*), Satawari (*Asparagus racemosus*), Pakhanbhed (*Bergonia ciliate*), Rittha (*Sapindus mulkorossi*), Pipala (*Piper longum*), Kukur Tarul (a kind of root crop), *Belouni* (*Maesa chisia*), etc. Bamboo, *nigalo*, *babiyo*, *amrisho*, *lokta*, *pater* etc are other NTFPs found in the district.

Socio-Economic Status of Sample Janajati Entrepreneurs

(i) *Social Status*

The respondents' age ranged from 20 to as old as 80 years; with 61 entrepreneurs fell into age group of 30-50 and 22 in the age group of 20-30 years. The distribution of 100 sample entrepreneurs was: Tharu - 56, Magar - 19, Tamang - 13, Newar - 7, Gurung - 2 and Rai - 2. The number of female entrepreneurs was 78. The family size of 6-10 members was the largest (64). Only 8 entrepreneurs were illiterate.

(ii) *Economic Status*

Table 1: Monthly income from the enterprises

Income (Rs)	Number
Below 1,000	10
1,000 - 3,000	31
3,000 - 6,000	46
6,000 - 9,000	11
Above 9,000	2
Total	100

Source: Field Survey, 2007

Majority of the entrepreneurs were small and marginal farmers. Seventy-eight entrepreneurs had owned landholding below 0.68 ha and 24 entrepreneurs fell into the class of 0.34 - 0.51 ha, while those owning landholding with 0.68 - 3.4 ha and above 3.4 ha were 20 and 2 respectively. Eighty-three entrepreneurs found to have cultivated land for agricultural crops, of which 53 had marketable surplus. Eighty-four entrepreneurs had owned livestock, the products of which were used for both self consumption and selling. The yearly income of those 53 entrepreneurs with marketable surplus ranged from Rs 1,000 to 50,000; of which 30 had below Rs 20,000. In addition to agricultural income, the entrepreneurs had also earned income from selling the livestock products, ranged from Rs 1,000 to 9,000 per year.

The income from enterprising activities of the entrepreneurs ranged from as low as Rs 1,000 to over 9,000 per month. The mean monthly income found to be at Rs 3,660. Forty-six micro entrepreneurs fell into the monthly income range of Rs 3,000 - 6,000 (Table 1).

In addition to the income obtained from undertaking micro enterprises, the entrepreneurs' family members also earned money from indulging in other activities. Twenty entrepreneurs' family members had not have any other jobs for earning. Of 80 entrepreneurs, 42 had their one family member involved in income earning jobs and 21 had 2 employed members. Two entrepreneurs had their 5 family members and one had with over 5 family members were employed in other jobs. Forty-two entrepreneurs' family members earned monthly income of Rs 3,000 - 5,000. There were five entrepreneurs' family members who earned Rs 7,000 - 9,000 per month. This income pattern shows that the rural people have to engage in more than one income source for running their livelihood. This opportunity is available only to the households who have many working family members.

The Micro-Enterprises - Types

Three major enterprising activities of the sample entrepreneurs were *Pater* (plant grown in swampy area), bamboo and Sal leaf; all have been based on locally available plant resources. From *Pater* they produce items like Sukul (mat), Chhatii (sitting mat), Dhakiya (basket) etc, whereas the items produced from bamboo are racks, *Nanglo* (manual husking), handicrafts, etc. They make plate from the Sal leaves. Fifty-six entrepreneurs have been involved in *Pater*-based enterprise, 39 in bamboo-based and the rest 5 in Sal leaf based. Twenty-three entrepreneurs began those enterprising activities since the initiation of MEDEP in 1998 and the number of entrepreneurs increased constantly. There were 28 entrepreneurs recently undertook the activities under MEDEP.

The entrepreneurs are not only self-employed in their own activities, but they have also employed their family members. Forty-seven enterprises were run by single entrepreneur, whereas 38 entrepreneurs each employed 2 persons, including one additional family member. Altogether the 100 entrepreneurs provided employment to

174 persons. Besides, 14 entrepreneurs employed 38 persons outside of their family members. Juxtaposing the family members and hired labours, the total employments generated by the entrepreneurs came to 212; with an average of 2.1 per sample entrepreneur. Seventy-five percent of the total of 212 was women, while the remaining 25 percent was men. This is very encouraging trend to engage and empower women in Nawalparasi.

Backward and Forward Linkages of Micro Enterprises

The backward linkages, i.e. supply sources of raw materials to the enterprises included three major locations. The neighboring places of India has been the largest supply sources, accounted for 38 percent of the total NTFPs. The domestic sources included local forests that contributed 34 percent of the total NTFPs of the entrepreneurs and the rest 28 percent being supplied from the outer districts like Chitwan (Narayanghat), Syangja, Kaski (Pokhara) and Parbat. The respondents found no restriction on the flows of NTFPs required for the respondents. Since a sizeable proportion of the raw materials being obtained from India, the entrepreneurs have to pay custom tax, which added value over the raw materials available domestically.

The forward linkages of the products of the enterprises are being established through the marketing channels. These included the entrepreneurs as sellers, middlemen and mixed of both entrepreneurs-sellers and middlemen. The middlemen shared the largest with 66 percent of the total sales. This included all the *Pater* products. Twenty percent of the entrepreneurs found to have sold their products by themselves in large lots to the businessmen of the cities like Butwal, Narayanghat, Parasi, Bhairahawa and Indian border. The rest 14 percent flows of the products were being through both middleman and the entrepreneurs-sellers by visiting local markets, hat bazaar and Indian border towns.

Problems of the Enterprises

Four major problems faced by the entrepreneurs seem to be important. They included inefficiency of time management, lack of availability of resources, lack of modern technology and limited human resource. Of these, lack of availability of resources such as on time and in local area has been the most crucial problem. Sixty-seven entrepreneurs have faced these problems. Efficiency in production and enterprising management has been limited due to lack of modern technology and skill. Each problem shared 15 and 10 percent respectively. Lack of adequate skilled human resource for the enterprise was the problem with 8 entrepreneurs.

Impacts on the Entrepreneurs and their Families

(i) Economic Impacts

NTFP based micro-enterprises have pronounced impacts on income improvement. Figure 1 shows that, the number of the entrepreneurs earning monthly income of below Rs 4,000 and 4,000-6,000 decreased from 27 and 56 to 7 and 48 respectively,

while that of Rs 7,000-9,000 increased considerably from 17 to 43. There was not a single entrepreneur with monthly income of Rs above 9,000 before the initiation of the Programme; its number reached to 2 after the Programme.

The entrepreneurs found to have invested of their increased income in accumulating landholding for building parcel and/or expansion of farmland; 28 entrepreneurs did so. Another asset to be brought in the rural area after increase in income was livestock.

Sixty-four entrepreneurs increased in owning of number of livestock. Three most important modern household accessories such as cycle, radio and television purchased by 88, 69 and 48 entrepreneurs respectively. Few entrepreneurs also bought rickshaw, VCR (video cassette recorder), motorbike and computer. Investment in rickshaw is meant to expand income opportunity.

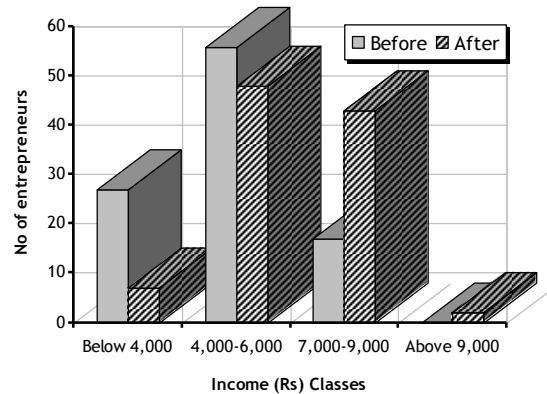


Fig. 1: Monthly income status of the entrepreneurs

Increase in income has enabled or empowered the entrepreneurs to access to loan. Thirty-nine entrepreneurs got loan from different sources, of which 28 entrepreneurs had invested in expanding their business; 5 invested in social and marriage activities; 3 each in health and household purposes. Saving capacity has also been increased; 79 entrepreneurs had saving, compared to 7 entrepreneurs before the Programme.

(ii) Food Consumption Pattern

For poor to buy foods throughout year is a basic problem. It has been the case for 43 entrepreneurs who had a problem of food deficit throughout the year. This condition has improved and only 3 entrepreneurs had yet the problem of buying adequate foods from their income, after participating in the enterprising activities. Those 43 had managed to buy foods by working as labour and sending their children as domestic workers.

There has been improved in the consumption of meals from two times to three times each day by the family members; the number of the entrepreneurs having this improvement increased from 37 to 54 after the establishment of micro-enterprises. Frequency of consumption of nutritious foods like milk and meat has also been increased among the children and the family members of the entrepreneurs. Daily drinking of milk increased from 15 to 43 entrepreneurs' children and likewise, 12

entrepreneurs' families consumed meat twice a week, 32 entrepreneurs had once a week, and 56 once in two weeks.

(iii) Social impacts

The social impacts of the micro-enterprises are analysed in terms of school drop-outs and attendance and use of health services and sanitation facilities. After the undertaking of the micro-enterprises, the capacity of the entrepreneurs for buying education and health services has increased. The school drop-out rates have gradually decreased and particularly the girls' dropout rate has decreased. For instance, the number of drop-outs of boys and girls decreased from 34 and 69 to 22 and 47 respectively. While the number of attendants at the School Leaving Certificate (SLC) and college levels has increased from 4 and 2 to 17 and 8 respectively.

The diseases generally occurred among the entrepreneurs' family members were cough, cold, headache, stomachache, body pain, etc. They were aware and capable of visiting modern health facilities. The number of taking modern medicines and visiting health personnel for those sicknesses increased considerably from 5 and 0 to 26 and 7 respectively, while the number of visiting traditional healers decreased from 27 to 5. In case of chronic and serious diseases, the number of visiting doctors increased from 56 to 74. Infant and maternal death rates have improved considerably. The number of infant deaths decreased from 9 to 2 and likewise the number of maternal deaths decreased from 2 to 0. Access to toilet facility increased from 23 to 44. Yet open defecation found to be a wide spread.

(iv) Community Participatory activities

Particularly the women began to participate in the village level meeting, which was used to be attended by the elite men only. The survey shows that after the group formation activities of MEDEP, 19 women participated in the village level meeting and likewise the number of men participation increased from 11 to 18. Yet 32 men and women have not got opportunity to participate in such meetings.

In case of meetings related to micro-enterprises, almost all entrepreneurs had participated. The number of positions in the Community Based Organization (CBOs) and User's Groups has also been increased to 23, of which women got positions in 12 civil societies. Being involved in the micro enterprises, the entrepreneurs and their family members got feeling of respect and honor in their societies. More interactions, respect and envy were some of the attitudinal changes they got from the neighbours. Fifty-three entrepreneurs got more interactions, 38 got respectful behaviour and 9 got envy by others.

6. Conclusion and Suggestions

Conclusion

Based on the findings of the study, following conclusions have been drawn:

- After the undertaking of enterprising activities initiated by MEDEP, the poverty level of the sample Janajatis entrepreneurs has reduced greatly. The improving condition has been reflected in the entrepreneurs' households from the increase in

income level, diverse sources of income, accumulation of properties such as land and house and other assets. Consumption patterns have been improved in the fields of frequency of meals and nutritious foods like milk and meat. The problem of food deficiencies has also been decreased.

- Educational status of the entrepreneurs' children and youths has been improved. While the school attendance rates of both boys and girls have been increase, the drop-out rates, particularly among the girls have been reduced largely. All children with age groups of 6 to 15 years found to have attended the schools and those elderly who were illiterate also began to attend the informal education.
- Awareness among the entrepreneurs found to be increased in visiting health facility; visiting pattern has been changed from traditional healers to modern health personnel, and the number of deaths among the family members of the entrepreneurs has been decreased.
- Participation of Janajatis entrepreneurs, particularly the women has been increased at village level meetings and group levels; their works have been appreciated and therefore respect to them has been increased.

Suggestions

- The micro-entrepreneurs should be encouraged to produce varieties of goods as to the market demand. Skill training should be provided to them to produce items as demanded.
- The market networks and channels should be improved and organized for better pricing of their products. Local co-operatives or groups should be formed for marketing of the products so that they will have group strength or bargaining power to deal with traders.
- Mechanisms of regular supply of raw materials needed for the enterprises require to be developed, for instance collection centres, cooperatives or user groups by support organisations
- Promotion activities of the products for their wider dissemination through media or fairs should be adopted.
- Other NTFPs locally available in the district like Kurilo, Sikakai, Dalchini, etc should be explored for enterprising activities.

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