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Vegetable Value Chain Analysis in Nuwakot District



Through funding received from Global Affairs Canada, World Vision has been focusing its efforts toward enhancing the well-being and resilience of women, men, girls and boys in the earthquake-affected districts of Nuwakot and Gorkha through the Nepal Earthquake Recovery Programme. Since December 2016, the programme has focused on agricultural support, resilience, enterprise development, employment skills and vocational training to enhance livelihoods of those who were negatively impacted by the earthquake of April 2015. A Value Chain Analysis of the Nuwakot vegetable sector was conducted to identify and optimise opportunities which help maximise

Key Findings

Key Factors which Negatively Affect Profitability of Production

- High labour costs: up to 80% of the production cost for vegetable harvesting is spent on labour
- High cost of seeds and inputs: for example, 60% of potato production cost is spent on seeds
- Post-harvest loss: due to improper handling, packaging, absence of technical knowhow and physical facilities
- Losses in income potential by farmers: due to leakage resulting from sales being conducted by middlemen or traders who do not purchase from farmers at competitive prices
- Limited access to collection centres, as only one cooperative-managed collection centre was found to be functional in Narjamandap Village Development Committee
- Limited access to quality agricultural inputs which compromise quality and quantities of produce



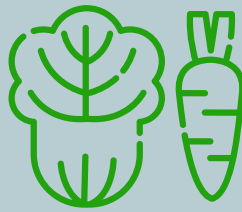
Potential for Market Share Increase by Smallholder Farmers in Nuwakot and in the Nearest Kathmandu Market



- Less than 2% of the market share in Kalimati Wholesale Market in Kathmandu comes from Nuwakot vegetable produce, which largely consists of potato, cucumber and radish
- Up to 40% of vegetables sold in Nuwakot are imported from Kathmandu and Dhading especially during the off-season, rather than sourced locally

Most profitable vegetables

Bitter gourd



Tomato

Radish

Recommendations

- Reduce labour costs by introducing labour-saving technologies
- Establish community nursery for quality seedling supply to increase access to affordable, quality agricultural inputs
- Reduce post-harvest loss through improved post-harvest management practices
- Establish collection centres to increase marketability with higher volumes of produce, which increases negotiating power during produce sale interactions with middlemen, benefitting from economies of scale
- Incorporate market information into collection centres to provide timely access to key market information
- Conduct exposure visits with producer groups in nearby markets to cultivate linkages with suppliers of inputs and buyers of produce

Map of Nepal

