

Empowering Women and Growing Nepal's Medicinal and Aromatic Plants Industry: An agribusiness's journey

Pallavi Dhakal
November 2024



In 2023, the global export market for medicinal and aromatic plants (MAP) was valued at around USD 216.40 billion, presenting a significant opportunity for Nepal, which boasts over 3,000 species of such plants. Nepal can tap into this market and compete globally by addressing challenges related to limited demand, knowledge gaps, and quality standard compliance. CASA's intentional partnership with MAP processing companies like Satya Herbal – to enhance competitiveness and raise industry standards – goes beyond business growth. It is also about positioning Nepal as a valued exporter in the MAP sector while advancing economic empowerment – especially of women in the supply chain.

WOMEN AT THE HELM ENABLING OTHER WOMEN

Picture a bustling factory in Nepal's western plains in Nepalgunj, where the air is thick with the rich aroma of herbs. At the heart of this operation, women are not only running the machines but are being guided by a female leader who fosters a supportive and inclusive environment. This is Satya Herbal and Spice Products Pvt Ltd, a local business transforming medicinal and aromatic plants into essential oils, extracts, and oleo-resins. By sourcing ingredients from local farmers and community forests, Satya creates jobs that empower women across the supply chain, from field to factory.



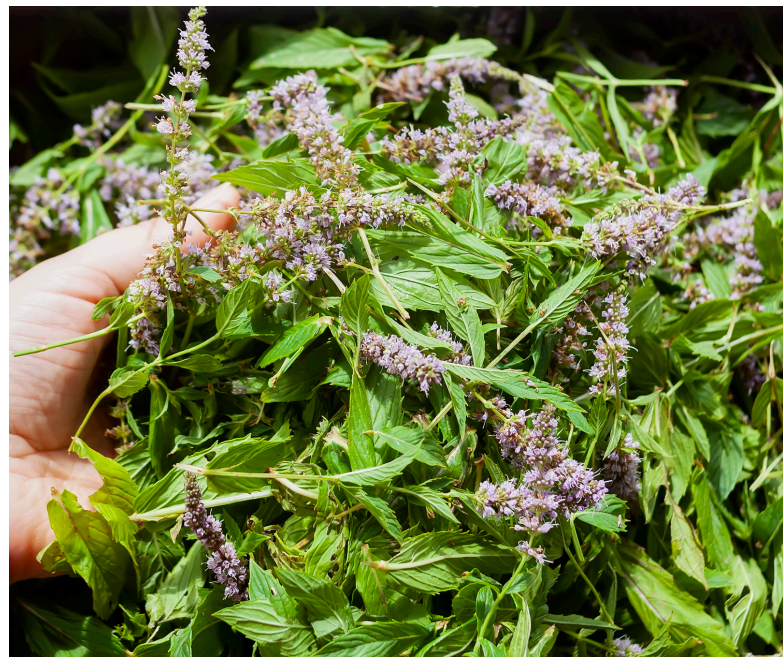
Poonam Shukla with women farmer's group in rural Surkhet (@Poonam Shukla / Satya)

To support this vision, CASA is working with Satya to boost their production, improve quality, and expand their market reach. It is supporting farmers and factory workers with training to meet higher standards, helping Satya secure quality certifications, developing business strategies to attract investment for factory upgrades and equipment purchases, and refining their marketing strategies to attract a broader customer base.



Workers in Satya factory processing cypress wood (dhupi) (@Pallavi Dhakal / CASA, Swisscontact)

Poonam Shukla, who leads Satya's day-to-day operation says, "The quality certifications we've gained through our partnership with CASA have significantly helped Satya attract both foreign and local buyers. We are also in the process of obtaining our organic certificate which will help us further boost our appeal to the international market. Surprisingly, the website we developed under this partnership has been a game changer for connecting with potential buyers, generating numerous leads for us."



EMPOWERING WOMEN THROUGH SKILLS DEVELOPMENT

In Satya's factory, women take on various roles, from cleaning to managing the drying of plants, packaging, and operating machinery like chippers, pulverisers, and dehydrators. However, this was not always the case.

Prabita Chaudhari, 32, recalls her fear when she joined Satya just two and a half years ago: "I was scared to even go near the machines. We did most things manually which was exhausting and time-consuming". But with CASA's support, a herb expert helped develop efficient, less labour-intensive processes, customising formulations to boost productivity. Select staff members also received training from Satya on machine operation, subsequently passing on their knowledge through hands-on, one-on-one sessions. This approach not only empowered the women workers with practical skills but also reduced their labour time by half.

Now, my confidence has soared," Prabita says. "I can easily operate different machines without fear, making my work more efficient and reducing my reliance on supervision. If I learned to manage bigger machines, I know I could handle those too!" Many women share her sentiments, feeling equipped to tackle any factory job and eager to learn new skills. This newfound confidence highlights their journey of empowerment at Satya.

WOMEN'S JOURNEY TO FINANCIAL INDEPENDENCE

At Satya's factory, around 17 women (68% of the total workforce) work during the busy season, each earning approximately NPR 15,000 (around £85) per month, a respectable income in Nepal. For many, like 30-year-old Sushma Chaudhary, the day starts at 5 a.m. with household chores before heading to work by 8 a.m. After her shift ends at 5 p.m., she returns home to cook, clean, and care for her children. With her husband's help, she finishes her day around 9 p.m.

Sushma is not complaining; she is proud of her achievements. "I'm happy to be earning," she shares. "With my income, I can pay for my kids' school, buy necessities for the house, and cover medical expenses if someone gets sick."

Like Sushma, many of the women previously worked irregular jobs on farms or in homes, but now they have stable incomes. They are even saving money through a local cooperative, building financial security for future challenges. With their earnings, they experience more financial freedom, handling smaller purchases independently, and while they still discuss bigger decisions with their husbands, having their own income gives them a strong sense of independence.

A RIPPLE EFFECT OF ADVANCING WOMEN FARMERS

In Bardia and the periphery area, Satya primarily sources its herbs from marginalised Tharu communities, with a significant focus on empowering women within these groups. Around 55 km from Satya's factory, Kailashi village – home to a Tharu community near Bardia National Park – has been plagued by human-wildlife conflict for years. Crops like wheat and maize were frequently destroyed by wildlife, but when the community shifted to turmeric, a crop typically left untouched by animals, things began to change. A group of 40 women, organised under the formalised Sahara Krishak



Samuha, now grow turmeric, with nearly half of them operating a mill that processes, packages, and markets their product.



Members from the Sahara Krishak women's group show their turmeric grinding machine (©Pallavi Dhakal / CASA, Swisscontact)

Sawitri Sunuwar, 36, the group's secretary, shared, "Last season we collected about 100 quintals of turmeric. Though we price it lower to build a customer base, we're still making a profit."

Since these women grow organic turmeric without chemicals, their produce commands a higher price," adds Poonam Shukla. "With stricter EU pesticide regulations, the demand for organic herbs has grown. By connecting with local women's groups like Sahara Krishak, Satya can not only maintain export standards but also ensure that farmers receive better prices, benefiting both the company and the farmers."

PROGRESS IS ONGOING, BUT CHALLENGES REMAIN

Satya Herbal is optimistic about making higher profits than last season, but the journey is not without its obstacles, for example:

- For businesses like Satya, navigating Nepal's incoherent export requirements for processed MAP products remains a persistent challenge.
- Due to the lack of sufficient internationally accredited labs in Nepal that provide accurate results, Satya is compelled to send samples to Delhi, incurring

costs as high as NPR 35,000 per test, making testing multiple batches quite expensive.

- Most of the buyers in India take up to six months to pay, straining working capital, especially during the off-season.
- The stricter export requirements in the EU, combined with a lack of support from Nepal's ecosystem to equip the value chain, are making it increasingly difficult for Satya to meet European market demands.
- Pesticide contamination from proximity to treated crop fields, runoff, and pollinators, makes it difficult to meet stricter limits on pesticide residues for export.

The absence of a strong funding ecosystem in this sector poses a constant threat to the survival of businesses like ours. That's why the technical support from CASA has been so significant for us. What could have taken three years, we accomplished in just six months, from securing certifications to developing a new website, and refining processes and formulations to boost productivity," adds Poonam Sukhla.

Despite numerous challenges, Satya is steadily progressing toward profitability by prioritising sustainability, expanding and streamlining its supply chain, securing quality certifications, and increasing its visibility. By sourcing from local communities and building strong partnerships with farmers, collectors, and women across the supply chain, Satya is setting a foundation for other industry players to follow.

Satya Herbal's journey underscores the untapped potential of Nepal's MAP sector to thrive internationally while empowering women along the way. Their efforts could help position Nepal as a key contender in the global medicinal and aromatic plant market.





Commercial Agriculture for Smallholders and Agribusiness



www.casaprogramme.com



[linkedin.com/company/casa-programme](https://www.linkedin.com/company/casa-programme)

