

Economics of Sugandhakokila (*Cinnamomum Glaucescens* (Nees) Dury) in Dang District of Nepal: A Value Chain Perspective

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Abstract : Sugandhakokila (*Cinnamomum glaucescens* Nees. Dury) is a large evergreen native tree species; mostly confined naturally in mid-hills of Rapti Zone of Nepal. The species is identified as prioritized for agro-technology development as well as for research and development by a department of plant resources. This species is band for export outside the country without processing by the government of Nepal to encourage the value addition within the country. The present study was carried out in Chillikot village of Dang district to find out the economic contribution of *C. glaucescens* in the local economy and to document the major conservation threats for this species. Participatory Rural Appraisal (PRA) tools such as Household survey, key informants interviews and focus group discussions were carried out to collect the data. The present study reveals that about 1.7 million Nepalese rupees (NPR) have been contributed annually in the local economy of 29 households from the collection of *C. glaucescens* berries in the study area. The average annual income of each family was around NPR 67,165.38 (US\$ 569.19) from the sale of the berries which contributes about 53% of the total household income. Six different value chain actors are involved in *C. glaucescens* business. Maximum profit margin was taken by collector followed by producer, exporter and processor. The profit margin was found minimum to regional and village traders. The total profit margin for producers was NPR 138.86/kg, and regional traders have gained NPR 17/kg. However, there is a possibility to increase the profit of producers by NPR 8.00 more for each kg of berries through the initiation of community forest user group and village cooperatives in the area. Open access resource, infestation by an insect to over matured trees and browsing by goats were identified as major conservation threats for this species. Handing over the national forest as a community forest, linking the producers with the processor through organized market channel and replacing the old tree through new plantation has been recommended for future.

Keywords : community forest, conservation threats, *C. glaucescens*, value chain analysis

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