

Empowering Farmers in Chainpur, Sankhuwasabha for Direct Export and Sustainable Production of Large Cardamom

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1 Introduction

Despite Nepal's position as the world's leading producer, the sector faces persistent structural challenges, including declining productivity, limited value addition, and heavy reliance on intermediary-driven export systems, particularly through Indian markets. These constraints reduce income potential for farmers and limit Nepal's ability to compete effectively in global spice markets.

The project responds to these challenges through an integrated, evidence-based approach that combines market research, field-level interventions, and policy engagement. Its overall objective is to enhance the livelihoods of large cardamom farmers in Chainpur by improving market access, strengthening value chain efficiency, and enabling direct export opportunities. The project is structured across three interlinked phases, each contributing to both immediate improvements and long-term systemic change. The project started in September, 2025 and is slated to run for 20 months.

2 Objectives

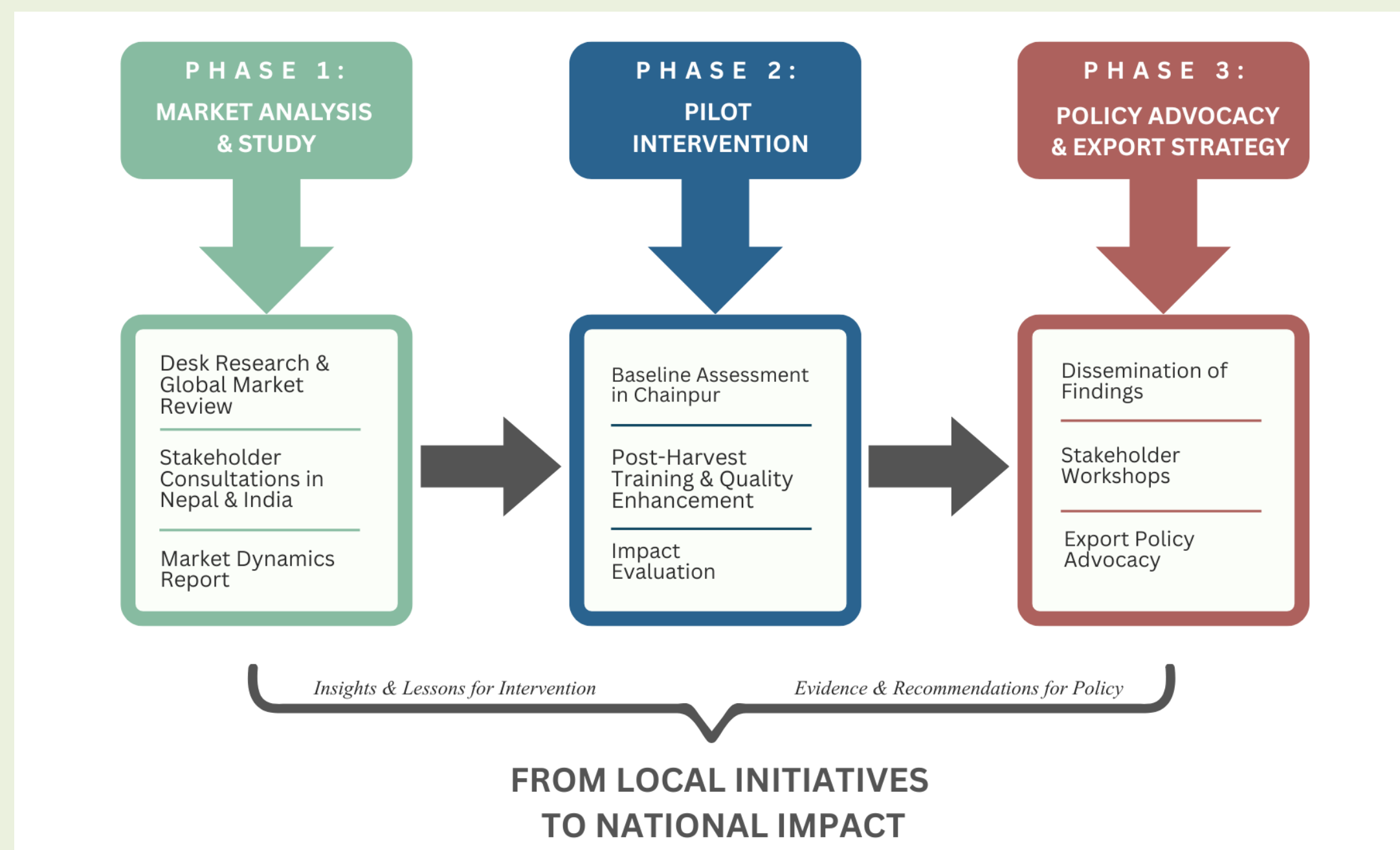
The overall objective of the ongoing project is to enhance the livelihoods of large cardamom farmers in Chainpur by improving market access, strengthening value chain efficiency, and enabling direct export opportunities through evidence-based interventions and policy engagement.

The specific objectives of the three phases of the project are:

- To generate and disseminate evidence on global and domestic large cardamom market systems, including price mechanisms and trade practices, in order to reduce information asymmetries between farmers, traders, and policymakers.
- To improve farmers' and local traders' technical capacity through targeted training and support, leading to higher product quality, increased incomes, and expanded local value addition and employment opportunities.
- To support the development of export-oriented policies and institutional linkages that reduce dependency on intermediaries and facilitate direct market access for Nepal's large cardamom sector.

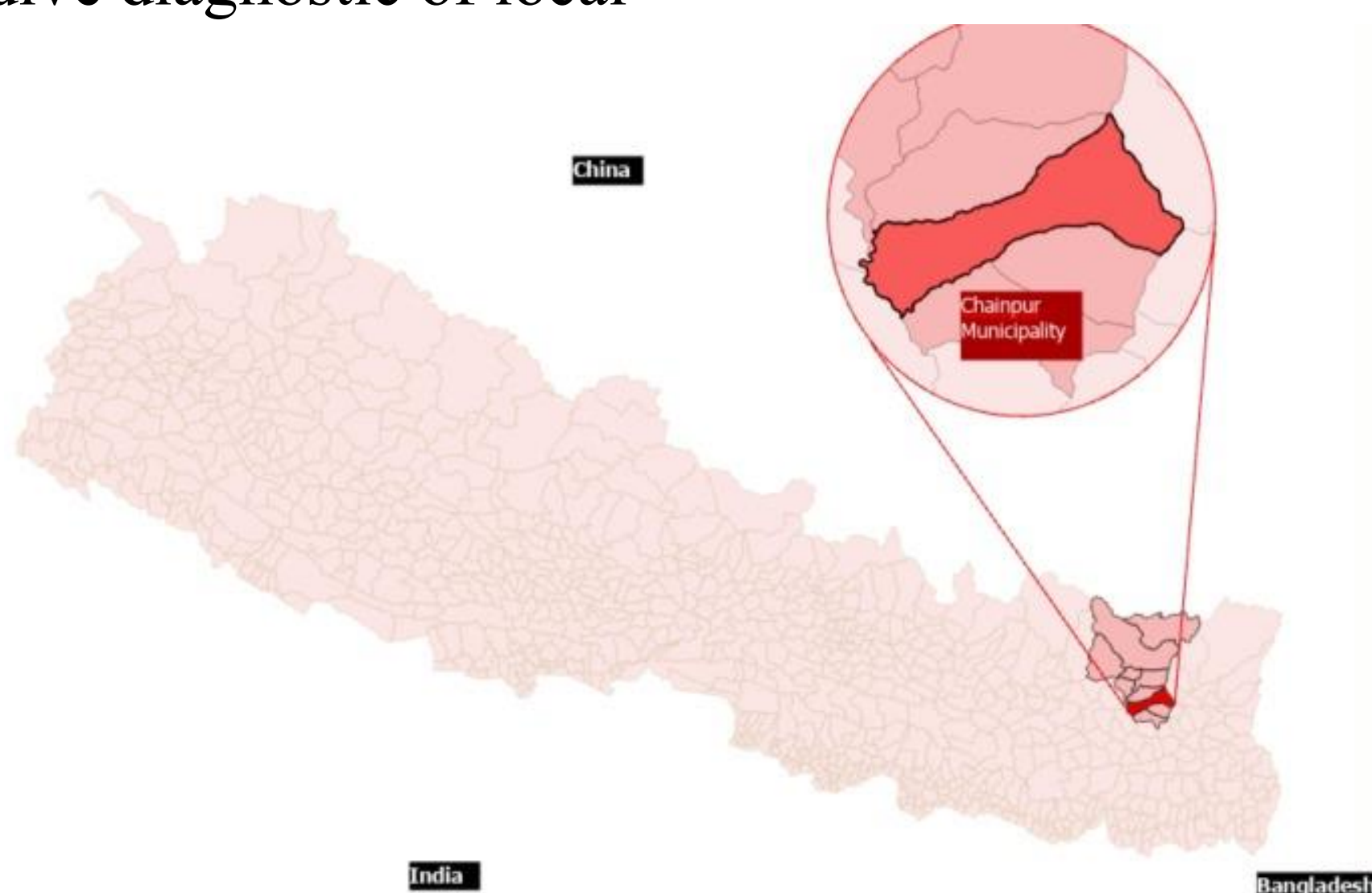
3 Methodology

The project is designed with an action research approach where interactive and integrative processes work toward meeting the intended objectives. It is structured across three sequential phases – market system analysis, field-level interventions, and policy advocacy – designed to generate evidence, test solutions, and translate findings into scalable policy outcomes. National-level insights inform local interventions, while evidence from local pilots feeds into national-level policy advocacy, ensuring that the project contributes to both immediate livelihood improvements and long-term structural transformation of the sector.



4 Study Coverage

At the national level, the study will undertake a comprehensive desk-based review of Nepal's large cardamom sector. The project places a primary operational focus on Chainpur, identified as a major production cluster with strong potential for value addition and export-oriented upgrading. The study will therefore combine national value chain assessment with a deep-dive diagnostic of local production systems, post-harvest practices, and market linkages in Chainpur, enabling a grounded understanding of constraints and opportunities.



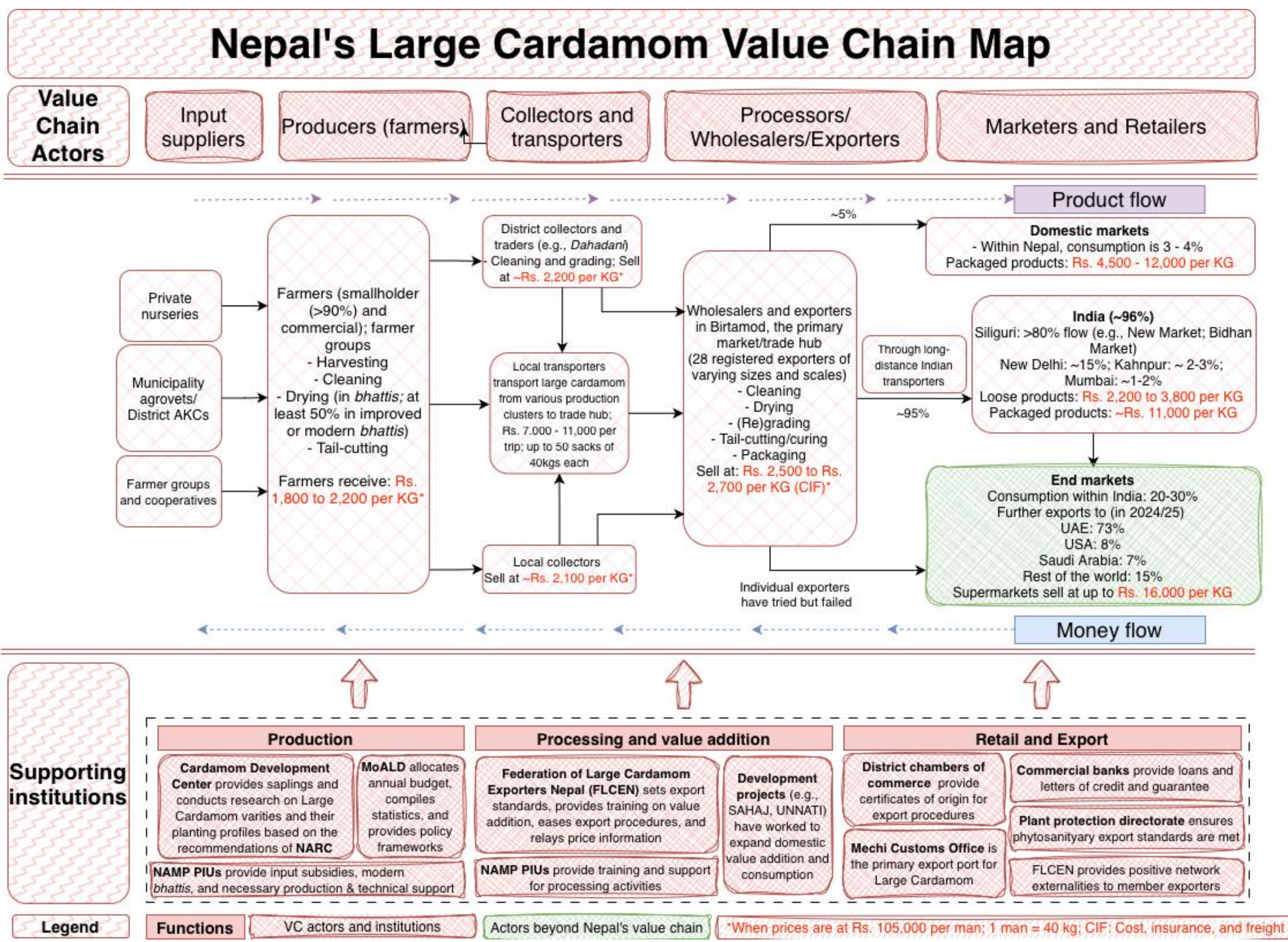
Study area map

5 Key Activities (completed and planned)



6 Key Observations and Findings

- Large cardamom is Nepal's largest natural export commodity (~7%)
- Global prices fluctuate constantly but have increased since 2021
- Nepal's production has been affected by disease proliferation, erratic weather and rainfall due to climate change, and reliance on Indian intermediaries
- Post-harvest practices is limited to grading and low value-added processing, with Nepal's large cardamom not globally recognized.
- Nepal's exporters are price takers operating in an oligopostic market
- National institutional arrangements are weak, with a designated export framework missing – nonetheless, the Federation of Large Cardamom Exporters of Nepal have established export standards and work with farmers to ensure export quality product



A flowering large cardamom plant



NDRI team with project stakeholders in Chainpur Municipality

7 Actionable Recommendations for Way Forward

- Make the full price chain from Indian export markets to farms in Chainpur Municipality fully transparent and use this as a training tool so farmers understand what market they are responding to.
- Design market information delivery and quality training as one package, not two separate activities.
- Begin groundwork for establishing a Nepali Large Cardamom export-oriented brand.
- Introduce ways to effectively incorporate farm-level processing activities in a cost-efficient manner.
- Map stakeholder interests and institutional incentives before engaging in policy advocacy. Identify where FLCEN's interests align with farmer interests and where they diverge - and design engagement accordingly.
- Explore ways to establish an organic certification standard of large cardamom in Chainpur - modeled after Sikkim's organic state label.
- Ensure women's participation and empowerment in decision-making since the sector is heavily male-dominated.
- Explore possibilities of establishing direct and diversified export markets in order to reduce dependency on India.

Acknowledgement:

Australian Embassy, Nepal
Australian Government, Department of Foreign Affairs and Trade (DFAT)

