

### VIETNAM

Swiss Agency for Development and Cooperation (SDC)

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# PRO-POOR RATTAN AND BAMBOO VALUE CHAIN DEVELOPMENT FOR WOMEN AND ETHNIC MINORITIES



What is MARP?

The Market Access for the Rural Poor - through Value Chain Promotion Programme (known as MARP) was initiated by the Swiss Agency for Development and Cooperation (SDC) in 2012.

MARP supports projects and organizations that enable poor, rural households, especially those of ethnic minorities, to increase their income by participating in specially selected agriculture value chains.

In promoting the traditional craft skills of marginalised people, this project looks to improve the earning power of ethnic minorities and poor women by giving them a helping hand in the large and growing bamboo and rattan market in Vietnam. To do this, the goal is to create a pro-poor, environmentally-friendly value chain and improve their skills to allow them to profit from their production. The project is implemented by Oxfam Hong Kong under the MARP programme and funded by the Swiss Agency for Development and Cooperation.

#### **BACKGROUND**

In Vietnam, about 15 million poor mountainous people depend on non-timber forest products, of which rattan and bamboo are among the most important. It is estimated that more than 80% of workers in the bamboo and rattan value chain are women. The sector serves as a safety net by

providing opportunities for increased income, especially during periods of hardship caused by extreme weather and disasters related to climate change. Rattan and bamboo are traditionally used in rural areas of Vietnam for weaving and making handicrafts and furniture. The increased demand for these products is however leading to unsustainable exploitation and an alarming depletion of the forests in which rattan and bamboo grow. The gap between demand and supply of raw material is one of the greatest challenges facing Vietnam's rattan industry.

Rattan and bamboo rural markets in Vietnam are monopolized by the strong market power of traders and companies who often take advantage of farmers' lack of market information and bargaining capacity. Ethnic minorities, in particular, are disadvantaged by not having large-scale production capacity, adequate processing and storing facilities, and market-access opportunities. Ethnic minority women continue to be seriously constrained in their economic opportunities, largely confined to agricultural production for self-subsistence.

Oxfam and its partners have been supporting poverty reduction initiatives in Nghe An province for more than two decades now, with a strong focus on ethnic minorities in the poorest districts. To date, pro-poor market interventions have focused on collective community action in introducing and increasing the commercial production and supply of rattan and promoting communities to take a role in the processing and marketing of their products.

#### GOAL

The overall goal of the project is to reduce poverty, increase livelihood diversification and enhance resilience of ethnic minorities and women in the poorest and most marginalized upland areas of Vietnam, through pro-poor value chain development of rattan and Lung bamboo.

#### **APPROACH**

The project aims to achieve three outcomes:

- 1. Increased annual income for ethnic minorities and poor women from sustainable production and marketing of rattan and Lung raw material
- 2. Increased annual income for ethnic minorities and poor women through adding value to rattan and Lung products
- 3. Promoted enabling environment to support propoor rattan and Lung value chain development from local to regional level

#### **TARGET GROUPS**

The project targets the marginalized poor in upland areas with men and women as actors within rattan and bamboo value chains comprising growers, producers, collectors, pre-processors and traders. The project directly targets four districts in Nghe An province: Que Phong, Quy Chau, Tuong Duong and Con Cuong.

#### **EXPECTED RESULTS**

The project aims for a 30-40% increase in the annual income of about 2,500 to 3,000 poor upland ethnic minorities and women through increasing their access to the rattan and bamboo value chain in Nghe An province. Direct benefits from this project will include increased and sustainable collective commercial production and improved processing and design of manufactured goods. It will also offer craft-workers stronger bargaining power and longterm contractual arrangements with traders and manufacturers, as well as in-depth market analysis and ensured capacity to respond to its fluctuations (particularly in view of the envisaged increase of production from seedlings up to final handicraft products). This project will create permanent employment for 520 persons: 80 in nursery establishment (full-time), 40 in rattan processing (50% time), 200 in Lung processing (60% time), and 200 in handicraft production (75% time).

Similarly, temporary employment is expected to be created for 2,200 persons: 1,200 in rattan plantation, intercropping and rattan harvesting, 500 in Lung harvesting, and 500 through forest enrichment. Overall, 75% of the beneficiaries are expected to be women.

As this sector is important and has great potential from local to national and regional level, experiences generated by the project will offer good opportunities for up-scaling and replication in other sectors.

#### CONTACT

#### Oxfam Hong Kong

Phone: +84 (4) 39 45 44 48 Email: bertm@ohk.org.vn

## Market Access for the Rural Poor - through Value Chain Promotion Programme (MARP)

Swiss Agency for Development and Cooperation SDC Swiss Cooperation Office for Vietnam (SDC / SECO)

Phone: +84 (4) 39 34 66 27 Email: hanoi@eda.admin.ch



#### Project at a glance:

Title	Budget	Partners	Project Provinces
Pro-poor Rattan and Bamboo Value Chain	(05/2013 - 04/2016) USD 1,342,000	Vietnam Rural Industries Research and Development Institute (VIRI)	Nghe An: Que Phong, Quy Chau, Tuong Duong and Con
Development for Women and Ethnic Minorities	of which SDC: USD 832,000 Oxfam: USD 342,000	Government line agencies (DARD, DOIT) at national, province, district and commune levels	Cuong districts
	Others: USD 168,000		