

# Nepal

## FAIR TRADE FOR WOMEN PRODUCERS

*"I feel lucky to be part of the Rithepani Group which has helped me for my subsistence... I have been able to buy a pension plan with a local saving and credit cooperative."*

Santu Kumari Tamang, Rithepani Weavers Group

Partner: Fair Trade Group Nepal (FTG Nepal)

### MISSION & MEMBERSHIP

FTG Nepal is a consortium of 17 Fair Trade organizations working to improve the socio-economic status of marginalized producers. It aims "to develop constructive collaboration among Fair Trade organizations, to influence policy makers to adopt Fair Trade friendly policies and to promote Fair Trade practices in Nepal." FTG Nepal also works to enhance the capacity of its members and help them capitalize upon their existing resources.

FTG Nepal provides a platform where its members discuss their common problems and share ideas and information with each other. Members provide business, financial, design, training and marketing support to more than 35,000 producers, many of whom are women.

Two FTGN member organizations are participating in the project:

1. **The Association for Craft Producers (ACP)** in Kathmandu, founded in 1984, has 1,200 producers (90% women) and 60 staff. ACP offers comprehensive benefits, including medical and a retirement bonus, for its in-house producers, plus bonuses and new clothing at festival times. The case study research has focused on the Kirtipur Weavers Group and its approximately 50 active members – full time weavers who are dependent on their craft work for their livelihoods. ACP supplies raw materials and designs, and the skilled women weavers provide finished products for which they are paid a negotiated wage.



Photo by Carol Wills

### WOMEN'S ECONOMIC EMPOWERMENT

Launched in 2009, the Women's Economic Empowerment project is funded by the MDG3 Global Fund by the Government of the Netherlands. Through the project, WIEGO and its partners are advocating for the needs of informal workers, especially women. The projects seeks to promote the voice, visibility and validity of working poor women across different countries, sectors and issues in the informal economy. As part of this project, WIEGO's Global Trade Programme, in partnership with leading Fair Trade organizations in seven countries, initiated *Fair Trade for Women Producers* with a focus on documenting, analyzing and disseminating key success factors of fair trade by involving women producers in all stages of development.



Development Cooperation  
Ministry of Foreign Affairs

## 2. Women Skill Development Organization (WSDO)

in Pokhara, established in 1975, provides skills training to thousands of grassroots producers in small, self-organizing cotton weaving groups. It also works with 400 home-based weavers and hand stitchers in village groups. The research has looked at two weaving groups linked to WSDO: Ritthevani and Banjhapatan. Some of these women are single mothers or divorcees, and all are very much dependent on the earning from the weaving as they have little additional household income.

## LOCAL AND GLOBAL FAIR TRADE CONNECTIONS & MARKETS

- FTG Nepal and its members belong to the World Fair Trade Organization (WFTO) and WFTO Asia.
- ACP exports to 18 countries and has its own Fair Trade retail outlet in Kathmandu. Its biggest customer is a mainstream buyer. Final products made from Kirtipur's cloth in the US, Europe and Japan.
- WSDO sells to Oxfam Australia, Spain and Ten Thousand Villages as well as locally through its own shop.

## CURRENT CONTEXT AND CHALLENGES

Both WSDO and ACP are experiencing declining sales. This downturn has affected the organizations' ability to provide regular orders to home-based weavers. At the same time, prices paid by Fair Trade buyers have not increased in line with the increase in production costs, impacting the prices producers are paid, while living costs in Nepal have risen sharply.

While the government expresses a commitment to enhancing gender equality and inclusion, domestic violence, trafficking of young women and abandonment of families by husbands is still widespread. Microcredit schemes have provided women with money and some have set up small enterprises, but often husbands take over when a business starts to make money – or simply take the money.

## FINDINGS FROM THE RESEARCH

Through a facilitated process, stories have been collected from about 60 weavers involved in Kirtipur and 137 producers in Pokhara, and several have been documented. The women in these groups, many of whom are entirely or primarily dependent on their craft work, shared what organization has meant to them, and how it has led to economic gain.

For example, the leader of Kirtipur brings designs and raw material to the weavers, and negotiates a fixed wage for the work with the ACP production manager. She supervises quality, delivers finished products to ACP and distributes wages to the weavers. The women in the group reported that membership has meant receiving regular and timely payments as well as the benefits from ACP.

The weavers say they use their income to educate their children, buy food for their families, and become more independent.

An unexpected trend emerged through the weavers' discussions: those with supportive families and husbands earned more.

## MOVING FORWARD

Out of this project, documentaries will be produced to highlight individual success stories that can inspire others. From Pokhara, for example, will come the story of how a physically handicapped, uneducated woman became the bread earner of her family.

The strength of organization has helped the weavers look to the future. The Kirtipur group is now fully dependent on the orders provided by ACP, but wants to begin producing their own patterns and designs, and to take a lead in the market. They are also striving to find the resources to train younger women in the traditional weaving skills. This will help to retain the skill within the community.

*"Poor women in Nepal are suffering, exploited and demotivated... Fair Trade has helped women to raise their voices. A small drop of economic empowerment through Fair Trade has improved women's status."*

Padmasana Shakya of Manushi,  
FTG Nepal Board Member



Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global action-research-policy network that seeks to improve the status of the working poor, especially women, in the informal economy by increasing their representative Voice through more and stronger organizations and their official Visibility through better statistics and research. The individuals and institutions in the WIEGO network are drawn from three broad constituencies: membership-based organizations (MBOs) of informal workers; research, statistical, and academic institutions; and development agencies of various types (non-governmental, governmental, and inter-governmental). For more information see <http://www.wiego.org>