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## On the Contribution of NTFP Commercialisation to Rural Livelihood — A Case Study from Luang Namtha Province, Laos

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### Abstract

The utilisation and the management of NTFPs (Non-Timber Forest Products) as a ‘safety net’ or a ‘poverty trap’ are widely debated. Since recently, NTFPs and their contribution to people’s livelihood has been given increasing attention in Northern Laos. Among the large number of NTFPs used by local villagers only a few are commercialised. Locally traded products, like bitter bamboo shoots, bamboo canes, mushrooms, and vegetables, play a sub-ordinate part in cash generation and the barter economy of the producers, only. In contrast, middlemen and big export firms control the commercialisation of export products. Some of these are sugar palm fruit, ‘peuak meuak’, cardamom, and various bamboo worms.

Primary data sets had been collected in nine villages of the Luang Namtha province. The availability of NTFP bearing forest resources and the distance to the market have been identified as the most essential variables affecting commercialisation. The forests, which surround villages nearby the bigger market places, lack NTFPs for export. People in remote settlements assess these NTFPs as an important source of cash income. Underlying reasons are the diminishing forest resources and the increasing orientation on cash crop cultivation in the villages near to the market. Remote areas are still endowed with rich natural forests and local people dedicate much of their labour to NTFP collection. Alternative sources of income are missing.

Poor collection and storage practices, the failure of a quota system and so, declining occurrence of valuable NTFPs in the forests, low-level value adding at the local scale and an in-transparent marketing system have been identified as major constraints on sustainable NTFP management. Derived from that, training, demonstration and pilot projects are recommended to assess potentialities of NTFP management in the natural forests, to further production of value added in the villages and small towns of the region, and to find out possibilities for the domestication of the respective plant species following participatory approaches.

**Keywords:** Commercialisation, NTFP, rural development, value adding