

Promoting Nepalese Agrifood Exports

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Raksi alcohol

Raksi is a traditional alcoholic beverage from Nepal. Although the main cereal crops used to create Raksi are generally Kodo millet and/or rice, it can also be made from "fermented masses of buckwheat, potato, canna, and cassava roots (Tamang, 2009)." This variation in ingredients used to create raksi can be a safeguard against certain agronomic constraints such as weeds, pests, lodging, or any other problem which will result in the loss of crops used to create Raksi.

### **Agronomic issues**

Due to the multiple ingredients which can be potentially utilized in the creation of Raksi, a great deal of data must be collected from Nepalese farmers themselves in order to concretely determine which crops would be most economically and agriculturally sustainable. Before mentioning the Kodo millet and rice any further, one must first take into consideration that "only 28% of Nepal's agricultural land is irrigated from groundwater resources (Cho et al., 2013)." This means that Nepal is heavily reliant on rainfall for irrigation which poses a serious problem because one cannot control the weather. The need for consistent irrigation becomes even more problematic when considering the droughts which hit Nepal in recent years such as the one during the winter of 2008-2009 where precipitation fell 50% below the average in western Nepal (Cho et al., 2013). One the flip side of this problem, Nepal is located in a geographical area where monsoons occur which means they receive a substantial amount of rain water however, "the monsoon season is relatively short (Cho et al., 2013)."

Although there are different varieties of Raksi, the main ingredients of Kodo millet and rice must still be examined. The drought problem which Nepal is faced with has a large impact on the choice of rice cultivar and what region that cultivar is farmed in. Fortunately, advancements in plant breeding "has made it possible to develop varieties with high yield potential, early vigor, and drought tolerance (Dixit et al., 2013)." Again, it is a matter of person to person deliberation with farmers in order to decide which variety of rice would suit the weather conditions that farmer lives in. As for Kodo millet, it "grows well where the soil is very wet, or temporarily flooded (Galinto et al., 1999)." The problem with Kodo millet in contrast to rice is that all varieties of it are very similar and it has not been bred like rice in order to adapt to extreme weather conditions. However, one good aspect of Kodo millet is that it is easy to grow because "it is an aggressive colonizer", and can easily grow in harsh conditions and in areas such as "along roadsides, dikes, bunds, and canals (Galinto et al, 1999)." Although growing rice or Kodo millet may pose some problems, the most important part of deciding what to plant and where to do it is to deliberate with farmers who have been living on their ancestral land all their lives in order to get the most informed opinion on the matter.

### **Socio-economic issues**

It is important to note that Raksi is valued by many Nepalese individuals as it is part of their culture. The "Tamang community has a long tradition of consuming alcoholic liquors [...] especially during cultural and religious festivals and social gatherings (Rajbanshi, 2005)." The mass production of Raksi will not only help Nepalese

people financially, but it can also make this commodity cheaper and more available to Nepalese citizens.

The production of Raksi is already being used as a means of collecting supplemental income in some parts of Nepal such as in the Ghumarchok village where women distil the alcohol in their own home (Rajbanshi, 2005). This can potentially open new business opportunities since distilleries may be prone to hiring these women who possess a great deal of knowledge and experience in the production of Raksi.

"The share of alcohol revenue is important in the Nepalese economy, so the government does not want to control and stop the production and use of alcohol. Rather it wants to discourage the home brewers to expand the market of big commercial producers (Rajbanshi, 2005)." This is already taking the first step forward in the effort to incorporate those Nepalese individuals who already have knowledge of Raksi creation into supporting not only themselves but the Nepalese economy as well. Knowing that the Nepalese government supports the commercial production of Raksi means that they may be more willing to provide subsidies in order to support farmers and/or distillers.

### **Export potential to Canada**

The best and most secure market opportunity for selling Raksi in Canada would be to consult with the Liquor Control Board of Ontario since alcohol sales are privatized in every other province and territory. However, one must apply to sell alcohol in LCBO. This application must include a signed copy of a Product Review Application, a single page marketing plan, cost of exportation by the supplier, and two 750 ml bottles for a taste test and a laboratory analysis (LCBO, 2014). Along with the application completion,

another barrier are the subsidies needed to kick start this project. Although the Nepalese government may be willing to partially support the production of Raksi, there is still the problem of exportation costs which must be paid for by the exporter. These export costs may be slightly remedied by the fact that alcohol is relatively cheap to produce, and when done in mass, is even cheaper.

Despite the complications associated with the creation of Raksi, there is a significant potential for it to become a commodity which can be traded with Canada. Not only does this product require farmers, but it can also facilitate other jobs since there is a need for distilling and processing plant material. The Nepalese government already supports the commercial production of Raksi, and it will only take a few more steps in order for it to be sold on the shelves of LCBO.

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