

August 2020



SUCCESS STORY:

Inclusive Business Works with Smallholder Farmers in Shan State to Improve Livelihoods



Ma Khin Mya working on her farm in Southern Shan State

“It has never happened in my life before that we could sell our turmeric at this volume and at such a high price.”

In 2019, Ma Khin Mya was introduced to a turmeric buyer from the Snacks Mandalay Company. After learning about the company’s inclusive business project, she organised her village women’s group to participate in the company’s training on modern farming techniques.

In Kan Hla, a Padaung ethnic village in remote Southern Shan State, people depend on farming for their livelihoods. Alternative sources of income are rare in this isolated and occasionally inaccessible village perched high in the hills.

Most villagers practice traditional farming methods to grow turmeric, one of a handful of viable seasonal crops. Soil and weather conditions restrict villagers to one growing season per year, beginning in May and ending in late February. To supplement their incomes in the off-season, villagers find work where they can, mostly as casual labourers.

Like many of her fellow villagers, Ma Khin Mya, leader of Kan Hla Village’s Women’s Group, has been growing turmeric for years. Yet, a lack of knowledge about different varieties and modern farming techniques often resulted in low yields and poor quality produce, which in turn meant lower prices at market.

The villagers’ dependence on ‘middlemen’ only served to compound the issue. In some years, prices were so low that farmers earned little to no income. Ma Khin Mya, like the other farmers in her village, faced the prospect of living with growing economic insecurity.

The Three Star Chili project, implemented by Snacks Mandalay and supported by the UK aid-funded DaNa Facility, aims to bring poor farmers into high-value crop supply chains and provide training, information, and advice on modern farming techniques and skills. The project buys fresh spices directly from farmers at the market price in Yangon, which is 16-23% higher than the price farmers usually receive from traders. The project benefits more than 4,000 low-income farming households.

Following the training, Ma Khin Mya and the other women’s group members began practicing the new techniques and signed a sales contract with Snacks Mandalay. In the last harvest season, in February 2020, the group sold 40,800 tons of fresh turmeric to Snacks Mandalay at the agreed contract price of MMK 300 (£0.17) per kilo, more than double the MMK 140 per kilo (£0.08) they received from the ‘middlemen’.

“It has never happened in my life before that we could sell our turmeric at this volume and at such a high price. I believe that our future will be bright as we have a secure place to sell our crop at a fair price,” Said Ma Khin Mya.