

A PARTICIPATORY MARKETING SYSTEM RESEARCH APPROACH TO ANALYSING MARKET BASED INCENTIVES AND DISINCENTIVES: A CASE OF RICE, BARA (TERAI), NEPAL

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Market based incentives and disincentives often provide strong influence on farmers' choice and use of cultivar diversity. This study aims to describe and analyse market based incentives and disincentives based on the data and information from a case study on rice landraces marketing carried out in the centre of rice diversity, Bara, central plains (Terai) Nepal. The framework includes a participatory and system approach to marketing research employing market channel, market price and market margin analysis. The analysis aims to highlight how farmers' variety choice and traders' marketing decisions are influenced by market signals in the form of market-based incentives and disincentives. The findings show that market provides incentives and disincentives for the rice products through price signals, market margins, and market channels. Except traditional Basmati (aromatic high quality) rice, most of the landraces are traded in small-scale informal markets channels. Market provides negative signals to most of the landraces in the form of market price, market margin, and market demand. Seed and product markets for landraces are not well developed. Landraces as a whole face strong disincentive from market due to production and market incentives available for MVs and flow of cheaper rice from across open border (India). The study suggests specific production and market incentives for landrace products and inputs (e.g. seed) through action programs on market linkages and value addition. Future research is needed in combination with non-market based measures (e.g. technical and policy incentives) over time for better understanding of landraces production and marketing decisions.