

Palpali Dhaka Association Reviving and Promoting Palpali Dhaka Industry, and Enabling Dhaka Artisans

UKaid Skills for Employment (सीप) Programme's partnership with the Palpali Dhaka Association (PDA) is designed to support revival of the Palpali Dhaka industry for sustainable job/self-employment creation and enterprise growth. UKaid सीप's support, augmented by co-funding from the Lumbini Province and Tansen Municipality, catalysed creation of the PDA, comprising of nine small to mid-sized firms, in early 2020.

The Dhaka fabric, that originated from Palpa District of Lumbini Province in Nepal, holds a special significance amongst Nepalis. The industry—once vibrant and thriving—started facing a critical shortage of artisans due to out-migration of workers. Those who have continued weaving are largely engaged on a part-time basis. As labourers are attracted to higher wages elsewhere, there was an urgent need to revive the industry by building a skilled artisan base, and by making the industry and its fabric attractive to both weavers and emerging national and global consumers. Nepali weavers do not usually receive formal training because they are expected to learn from peers while on the job. This, however, limits knowledge and abilities on quality standards, work ethics, and productivity levels. Over the years, as the market shrunk, the industry and the entrepreneurs saw rise in unhealthy competition coupled with decline in production, profits, and workers' wages.

Other critical challenges for the sector include lack of innovation in product design; limited linkage to emerging markets in Nepal while the international market remains unexplored; lack of access to start-up and scale-up capital; and weak branding and marketing. Particularly due to weak branding and promotion of original Dhaka fabric, imported Dhaka-type fabric have occupied the market, falsely impressing consumers as Palpali Dhaka. All this directly affected wages of the weavers and as a result their motivation to pursue Dhaka weaving as a vocation.

Revival of Palpali Dhaka industry is a top priority for the Lumbini Province and Tansen Municipality as well. This partnership, established in February 2020, featuring Label STEP too, is providing a coordinated platform to build stronger skilling practices at the firms alongside other essential, complementary industry growth-enabling interventions.

Summary of Activities

1. Co-develop an integrated curriculum featuring technical weaving and relevant soft skills and business literacy at the factories with standardisation for assured quality. Facilitate and encourage recognition of improved industry-led curriculum with the likes of the Council for Technical Education and Vocational Training (CTEVT).
2. Improve training infrastructure at the factories by adding new equipment, enhancing training spaces, and making accommodation provisions gender friendly.
3. Conduct Training of Trainers at the factories to boost delivery capacity to better train weavers.

KEY FACTS:

Duration: February 2020 - November 2021

Geographic coverage: Palpa District

Key Results:

- Revival of 100% natural fabric-based production.
- Partner industries improved their infrastructure and working conditions, revised the wage rate and upgraded work environment.
- Introduction and adoption of fair-trade standards with support from Label STEP.
- New Dhaka pattern and design developed for national international market as well as branding and marketing strategy developed for Palpali Dhaka.



Purbeli Dhaka Udhog, in Mathagadi - 3, Palpa District. / Courtesy: PDA

4. Mobilize trainees through targeted, impact-oriented marketing and communication, including through collaborations with the Tansen Municipality, local Employment Service Centres, and NGOs.
5. Conduct one to three-month on-the-job training for weavers, technicians, designers, and tailors. Facilitate job placements with certification from the association for successful training graduates.
6. Enable access to finance of at least 150 trainees to avail hand-loom technology and enable self-employment for home-based weavers.
7. Conduct research and stakeholder engagement to identify and pursue growth markets for Dhaka fabric in collaboration with consortium partner Label STEP and other design- and marketing-savvy entrepreneurs.
8. Build capability for stronger marketing and branding in consultation with branding experts/consultants.
9. Introduce fair trade standards to enhance brand value of Dhaka fabric with support from Label STEP.
10. Collaborate with other ecosystem actors such as Nepal Yarn Manufacturers' Association and others to secure reliable, natural, and high-quality yarn.

Key Achievements

- **Public- private partnership forged for the first time** to expand and improve skilling, employment, and enterprise growth in the Dhaka industry with co-funding from Lumbini Province, Tansen Municipality, UKaid सीप, and PDA—for weavers and enterprises.
- **Enhanced training capabilities:** Systematic and standardized training delivery methodology firmly established at each partner industry. Improved training infrastructures at nine industries through addition and maintenance of handlooms, *charkha*, sheds, and training space. In addition, revised the Dhaka weaving job role curriculum for three months. Recruited competent trainers for TOT.
- **Secured access to reliable and natural yarn:** Backward market linkages established with suppliers of Nepali cotton and yarn manufacturing industries. The industries have also revived production using 100% natural fibers (which was momentarily done with partial use of yarn also).
- **Enhanced product quality and branding and marketing capabilities:** Eight new patterns have been developed with design support from Label STEP for promotion of Palpali Dhaka in national and international markets, after conducting market studies. In addition, a color referencing system was introduced for consistency of products produced from different industries. Similarly, with support from an international designer, 13 new designs have been shared with Dhaka industries for innovation in design and new Dhaka products development. PDA has also struck an alliance with a renowned branding expert. All partner Dhaka factories have agreed for group trademark registration and are in a process of obtaining it.
- **Linkages initiated with growth markets in Nepal and internationally.** With support from सीप and STEP, PDA is connecting with emerging and new markets, including through the likes of Label STEP, Image Ark and WE for Growth. PDA has also begun cooperation with a trade facilitation platform 'Export from Nepal' to harness the value of e-commerce for marketing.
- **Integration of inclusion and Safeguarding practices:** There has been strong inclusion building efforts while rebranding weaving as a high skilled vocation. Over 97% weavers are women and 85% come from disadvantaged groups and are now enabling reliable and consistent production at the workshops. Assurance of fair-trade standards including GESI and safeguarding measures, coupled with support from international designers, has ensured decent and dignified work and is changing and shaping weavers' notion of weaving as highly valued work. A three-member standard protocol committee has also been established who are mandated and vigilant to resolve safeguarding issues while promoting safeguarding at workspace through different awareness initiatives.
- **Improved access to finance:** Agreement has been signed with NMB Bank to ease access to affordable finance for graduates interested in establishing their own weaving workshops or for home-based weaving. So far, five graduates have installed 15 new handlooms for self-employment.
- **Stronger pathways to self-employment:** In addition to improved access to finance, PDA ensures supply of quality raw-materials and provides buy-back guarantees to the home-based weavers. To bridge capacity gaps, small business management and entrepreneurship development training are being provided as well.
- **Expanded productivity:** the industry entrepreneurs have seen productivity increase. Two Dhaka industries have re-opened, all nine partner industries have expanded their workshops, four trainee graduates started their own workshop and one graduate has installed loom at home for home-based weaving.