

MOUNTAIN HAZELNUTS STORIES OF IMPACT



WHY STORIES MATTER

Stories are the universal language among humans. We understand ourselves, and the world around us, through the narratives we weave. The stories we tell serve not only to document the past, they are also attempts to understand the present and make sense of an uncertain future.

Stories can also be a tool that can assess the impact of organizations. Mountain Hazelnuts (MH) is more than just a business. Through strategy and execution, we aim to develop systemic solutions that empower all stakeholders to live fulfilling lives.

Since commencing operations several years ago, our company has created impact in the lives of our staff, who are realizing their potential; the farmers we partner with, who have chosen a path to more prosperous livelihoods; and remote rural communities that gain from the company's investment and commitment to creating shared value.

Much of the company's impact cannot be captured by numbers or surveys; stories provide meaningful information that reflect the importance of context in change and deliver a richer picture of what is happening.

The following are stories of farmers, communities, and employees using ethnographic methods of in-depth interviewing, observation, and photography.



Mountain Hazelnuts staff interview Ani Kinzang Choden, a nun and farmer, in her field in Mukazor.

Read more about Mountain Hazelnuts on page 40



FARMER

STORIES

ANI KINZANG CHODEN

The path to enlightenment for nuns like Ani Kinzang Choden, is not as simple as sitting on a cushion under a tree. A practitioner must diligently apply “skillful means” that enable him or her to adapt to local circumstances and be of benefit to others.

Ani Kinzang practices skillful means through her work as a farmer. Recognizing the needs of nuns in Bhutan, she dedicates her life to doing whatever is necessary to create better conditions for nuns in which to practice.

Growing up in her village of Mukazor, Ani Kinzang worked as a ‘cow-girl’, helping tend cattle in her family’s ancestral field. She enjoyed it, but she felt a higher calling. There was always a slight unease with the mundane life.

Whenever she had free time, she met with her uncle, who would teach her about Buddha’s life and different prayers, such as the *Barche Lam-sel* (“Purification of Obstacles”). At his suggestion, she ran away from home to seek out the monastic life against her parent’s wishes at the age of 14.

“Girls in Bhutan become nuns to seek the spiritual life and understand the *dharma* (“truth”). We are inspired by the belief that as nuns, we can contribute to the wellbeing of all sentient beings through prayer and action. If I stayed a farmer, I don’t think I could truly feed my family. Our land was not suitable for most farming. As a nun, I could accumulate wisdom. “



AGE: 45

GENDER: FEMALE

EDUCATION: SAMDENCHOLING NUNNERY

HOMETOWN: MUKAZOR

DZONGKHAG: TRASHIGANG



Ani Kinzang circumambulates a chorten - that she built by herself - in order to accumulate spiritual merit.

For nuns like Ani Kinzang, life is very harsh. Most nunneries are located in very remote areas with sparse facilities and accommodations. Unlike the monasteries for men which are beneficiaries of state or private support, nunneries in Bhutan receive no government funding and limited private support.

In her nunnery at Samdencholing, the austere living conditions made practice difficult.

“Before, we didn’t have slippers to wear. We had to wear tattered robes. We even didn’t get enough food to eat. It’s difficult to meditate when you don’t have enough food and hot water.”

The nunnery received a boon of support from the Bhutan Nuns Foundation, a nonprofit that began to provide food and basic supplies for the nuns based there.

While she was grateful for this much-needed support, she knew the nuns needed more, especially for those seeking an opportunity for long-term retreat. In Bhutan, it’s not uncommon for practitioners to enter silent meditation retreat for as long as three years to exclusively dedicate his or her time to training the mind to develop qualities such as wisdom and compassion.

For this, Ani Kinzang would need land. But she would not need to acquire any new land – only repurpose the old.

Due to the harsh and arid nature of the land, her family had abandoned their ancestral land to resettle in Tsirang, a lower altitude province located in Southern Bhutan, where they grew rice and more commercial crops like cardamom and oranges.

While in the nunnery, she received a notice from the government that her land was on the verge of being reclaimed. In Bhutan, the government reclaims land of absentee landlords after three years of inactivity.

To save her family's land, she offered the land to her spiritual teacher, Goembo Tulku. He accepted but on the condition that she complete an assignment - to build a *drubkhang* ("retreat center") for other nuns.

In her devotion to her teacher, Ani Kinzang readily obliged. The only issue was financing the construction. She needed Nu 300,000 (approximately \$6,000) to purchase the materials for seven meditation rooms with a kitchen, toilet, and running water. How could a nun finance this?

"My lama gave me an idea - to use the land itself to raise the funds. He said that because it is connected to a meritorious end, farming could become part of my practice."

Though the land was harsh, it was not totally arid. With advice from her brother in-law, she began planting different commercial trees: bamboo, walnut, pear, and *tshenden shing* (sandalwood). Some of these she would try to sell; others, like *tshenden shing* she would use for making grounded incense powder and the wood *choeshum* ("a traditional prayer shrine").

But just as in meditation practice, she encountered obstacles. Animals continually gnawed away at her trees and often uprooted them. Sucking insect pests caused damage by removing sap from the plant tissues. She turned to her teacher for a solution.

"When my teacher heard about the problem, he asked me to collect some sand from the land. He did a *Sampa Lhundrup* ("wish fulfilling") prayer over the sand to bless it and told me to spread it near my fence. After that, animals came with much less frequency!"

Still, income from the produce sales was slowed by lack of logistical support, especially since she lacked any access to any form of transport. In 2012, she heard from her brother-in-law about "the tree that will grow where nothing else will" - the hazelnut tree.



Ani Kinzang looks to the land to help her realize her aspirations.



Ani stands in front of the first of seven buildings she hopes to construct for her *drubkhang*.

I'd never seen or heard about the tree before. But to hear that I wouldn't have the burden of bringing everything to market was a huge relief. I wanted to try."

Two years into growing, Ani Kinzang's starting to see the promise. Her vigilance in caring for the plants has kept 80% of her plants alive and growing.

While she still has a long way to go before she's able to establish the *drubkhang* for nuns, she sees the tasks as none other than her spiritual practice. She's even borrowed her brother's brick-maker to dry press her own bricks. She makes 50 a day right after her morning prayer.

"This life is precious. We cannot waste it. I only hope that by planting trees such as hazelnuts, I can help others move closer to enlightenment."



Ani presses fifty bricks per day.

GURULA

Gurula, a native farmer of Trashiyangtse, was raised to understand the “fundamental economic problem” - the problem of scarcity. Growing up, his mother, an ex-nun abandoned by her husband when Gurula was 2, could rarely harvest enough food to support her family of five. Days were an exercise in rationing their stock for the day .

“Every day, all we could focus on was that day’s food. If there was rice in the field, we would reap it - even if it wasn’t ready. We never knew or planned for the next day.”

At the age of 6, Gurula became a “cowboy” and began herding the family’s six cattle. The milk and cheese he helped collect were just enough for self-consumption. Even if they produced enough for the market, it would require travel over a bridge at night - and confronting ‘ghosts’ feared by villagers.

At the age of 12, however, scarcity became an opportunity. Inspired by his cousin’s enterprise in selling paper, Gurula started a business to sell consumer goods to the people of his village. He sourced items such as combs, t-shirts, and facial creams, from big suppliers in the capital Thimphu, purchased them on credit, and then sold the items for a marginal profit. There was no mystery as to why he started – just a simple case of supply and demand.

“Nobody else was doing it, and people needed more goods. So I thought, why not?”

In his first year in operation, Gurula took home Nu 800 in profit (\$15). Unsatisfied, he traveled to Thimphu during the next winter - a frosty period when his village was incapable of doing farm-related work - to search of job opportunities. “I was ready to do anything it would take for my family to get additional income.”



AGE: 50

GENDER: MALE

EDUCATION: NONE

HOMETOWN: BUMDELING

DZONGKHAG: TRASHIYANGTSE



Gurula's plot in Bumdeling.

He started as a farm laborer, cultivating and harvesting rice and barley in the terraced fields of Thimphu. Daily wages were less than palatable - just Nu 10 (\$0.20), which at that time, was just enough to buy two meals a day. He then found a job chopping wood for the army camp in Thimphu, where he received Nu 70/day.

Returning to his village in April just in time for the cultivation season, he revived his small, part-time business and increased his returns by almost 900%. With his savings, he was able to expand his stock of items to include some of Trashiyangtse's pricey traditional, handcrafted wooden dappas (bowls and cups) and improve his positioning in the village, which lacked access to daily consumer items.

Gurula continued this practice of splitting his time between Thimphu and his village field for the next 5 years. By the age of 18, he was able to fully finance his mother's aspirations to go to meditation retreat until the end of her present life.

A self-styled "farmer entrepreneur", Gurula expanded his landholdings over the years to accommodate his growing family. In addition, he expanded his "crop portfolio" from just rice, to planting mustard, barley, and potato. He let his sister assume full-ownership of his family's ancestral land while he built a house in a more choice location in Bumdeling, where he currently resides. For a time, he felt his family had achieved a measure of self-sufficiency.

But as he grew older, and his children's educational expenses soared, he could not support his family like before. Years of working on the precipitous, misty rice paddies of



his village had been debilitating. Warding off wildlife, a constant threat to farmers in the area, had left him physically disabled.

“One time, I caught a deer in one of our animal traps. We do not kill, as we are Buddhist, so I went to free it the next morning. When I tried to untie the loop that had caught its hoof, it kicked me and left me with a bad knee.”

Additionally, the returns on Gurula’s business began to dip into the red. Development near the village had brought a host of more well-funded competitors. He now had to take loans to continue financing all his expenses - some of which he could not repay.

In 2010, at a local *zomdue* meeting, he heard about the opportunity to



Gurula uses his *patang* (“dagger”) to clear the weeds in his hazelnut orchard.

plant with MHV. After a visit to the Lingmethang nursery on a farmer's tour, he was impressed by the company's nursery facilities. "People there were working so hard, sowing millions of plantlets. And all for the farmers of Bhutan."

The opportunity for a cash crop with market linkages looked like the ultimate "pension" plan for Gurula.

"The trees are a long-term investment. They last at least 40 years. After they have grown, it's just a matter of weeding and pruning. I see it as a way to bring in money for the family as I grow older so that I can pay off all these expenses. But we need to work hard during these early years."

Ultimately, he hopes to fully finance his children's education expenses.

"Then, like my mother, I want to be able to go for nyung-ne retreat, so that I can prepare for the next life."



Gurula hopes to plant the seeds of a more secure future for his children.

SANGAY

Farming in Bhutan is quite literally an “uphill battle”. Managing a typical Bhutanese plantation involves a fight against the elements and exhausting hikes up steep, precipitous hills. But for retired soldiers like Sangay, now a farmer in his village of Tokari, it’s practically a cakewalk.

“The military isn’t for the faint of heart. Neither is farming. But compared to my army days, I feel like I can relax now!”

Though he never had to fight in the army, he was always on the move as a Hindi interpreter for the Bhutanese army, away from his family and land.

“It was sad being away from home. I always had to be on my toes, and sometimes be out of the country.”

Sangay traded his “sword” for a plow in 1999 after retiring from his post in the army to return to his ancestral land to plant.

The transition wasn’t that easy, however. Scarcity of water made it difficult to keep the land irrigated.

“We Bhutanese don’t have all of these modern methods for cultivating and watering plants. We have to wait for the rain to feed them. If the rain doesn’t come, then our land suffers.”

Sangay’s 8-acre plot consisted of mostly maize and potatoes, which until a few years ago, was primarily for subsistence purposes. But his ambition to make full use of the land led him to explore other opportunities.



AGE: 62

GENDER: MALE

EDUCATION: CLASS 5

HOMETOWN: TOKARI

DZONGKHAG: TRASHIGANG



“Compared to before, my ancestors did not try to work too much. They didn’t have any commercial opportunities, so all that mattered was their own plot and that was that.”

In 2006, he began expanding his plantation to other vegetables, including onions and tomatoes, which he sells to other villagers. Five years later, he saw his first hazelnut ever and signed up to begin planting.

“During the Mountain Hazelnuts’ advocacy program, I was amazed by the saplings. They were big and looked vigorous. Even if you plant the trees upside down, they grow!”

Sangay is convinced that once his trees start to bear catkins, other farmers will begin to follow suit.

“I’m very happy with the growth. Now I want to be that farmer that everyone else looks up to when the harvest comes.”

The work of clearing the land of scrub trees, wild ferns, and the summer leeches to create space for trees can be tiresome. But he knows that if he works hard to maintain his orchard, the fruit of his labor will be welcomed by his children for years to come.

“All I do is for my children’s education. School is expensive, and we farmers cannot afford to send them without some source of income. I hope that these trees can be part of that source.”



Sangay regularly clears scrub vegetation to keep the land clear and suitable for commercial crops like hazelnuts.

NGAWANG CHODEN

In a region marred by stories of abuse and discrimination, Bhutan has stood as a stronghold of gender equality. Far from being restricted to domestic work, women have always been called to actively participate in the country's development. For Ngawang Choden, a 31-year-old farmer and mother of three, this calling came early in life.

With her father working as a *gomchen* ("lay monk") and mother busy raising her four younger siblings, the burden of managing the family's work and food fell on her. School was never an option, as the family could not finance her school fees with the minimal income her father received from performing religious rituals.

Learning through observing neighboring farmers, she taught herself to "do the work of both men and women" - ploughing the field, cultivating maize and potato, and even chopping trees - at the tender age of 10.

"What I learned, I learned out of desperation. Looking back, I feel sad that I had to go through this. I never got to play. But I had to do the work of everyone - no one else could do it."

Often, the work was barely enough to feed her family. Unable to afford rice or most vegetables, they were restricted to a diet of maize porridge. Sometimes, they would even have to borrow from neighbors.

One reason they could barely feed themselves was due to the small scale of the family's plantation - just 1.2 acres. The other 7 acres her family had were covered in thick forest trees, vegetation, and boulders. At age 14, Ngawang felt the family needed to expand into this area.



AGE: 31

GENDER: FEMALE

EDUCATION: NONE

HOMETOWN: PHOSORONG

DZONGKHAG: MONGAR



Phuntsho, Ngawang's son, helps his grandmother herd the cattle for milking.

For three months, she singlehandedly cleared the forest area and prepared the soil. Neighbors helped her in removing boulders and storing the limestone and granite material. With this new land, her family began to plant other crops, such as radishes, onions, and garlic that they tried to sell in the market.

But running a farm at such a young age was too much. By the age of 16, she married - not out of love, but to get another pair of hands in the field. A mother at 17, she then began to take on additional work as a laborer at a nearby road construction site for which she was paid just 20 Rupees a day.

The marriage, however, did not work out after her husband left her for another woman just three years later. Months later, her brother, just 10, was swept away by a flood and after years of abuse, her mother divorced her father.

“This was the most difficult time of my life. I was working as a laborer, trying to raise my children, and manage the farm. But I had to keep going.”

Ngawang's life took a turn, however, after she found a buyer for the limestone and granite that she'd stored. The windfall from the sale enabled her to invest for the first time in her life. She bought materials for a house so that she could move her family from the huts they were living in, purchase a Jersey calf to produce milk, and bring her crops to sell at markets and a nearby school.



Above: Ngawang and her daughter, Dema, visit the hazelnut field every day to check progress.

Right: MH Monitor Dorji helps Ngawang identify any issues with leaves and branches.

She also found a caring and hard-working husband who freed her to quit her job as a laborer, work less in the field, and enter into other ventures. In the winter of 2010, her next venture found her at a village meeting – the topic was hazelnuts.

“From the beginning, I knew it was going to be a good opportunity for my family. They were giving trees for free, providing training on how to plant, and regularly coming to our fields for monitoring. We had never experienced anything like this before.”

Starting in 2011, she began planting on 1.5 acres. She tended the plants obsessively, checking on them twice a day to observe and report any damage. At night, she sometimes stayed up just to check whether any deer were near the field to chew away at her baby plant-lets.





“My mother often complained, ‘You’re always spending so much time with those hazelnuts. Why don’t you just move your bed out by the hazelnuts?’ And I would tell her, ‘This is for the future, Ama. This is for my children.’”

Her persistence has paid off. Today Ngawang possesses one of the most impressive hazelnut fields in Bhutan. After a minor pest outbreak in 2013, she replanted and has a field with 100% vigorous growth. Just by looking at the leaves and the soil, she can assess what problems the plant may have and reports them immediately to her field monitor, Dorji, with whom she has grown very close.

She doesn’t just want her family to benefit from her anticipated harvest. As the “contact grower” of her area - Phosorong - she advocates about hazelnut farming to other farmers and addresses any concerns they may have.

“Some of them are skeptical since it has never been done. But I just show them my field and they become interested.”

Her dreams are centered on the education of her children. “I have been through a lot in my life and I don’t want my children to have to go through what I did. I want to save for my children’s education so they can prosper.”

She is also finding time to go to class for the first time. Recently, she joined a Dzongkha class for adults so that she could learn how to read, write, and speak the national language (she only speaks the Eastern dialect, Shar-chop).

“Every time I go to town, I feel frustrated that I can’t read the signboards. I want to learn our national language. So I study the alphabet every day when I milk the cows.”



Top left: Ngawang builds her own stone wall to protect her orchard.
Above: Ngawang poses with her family outside of the house she built.

AP NAKU

When it comes to innovations in technology and agriculture, Bhutanese farmers are generally slow to adopt them.

“Most farmers are happy to sit on their plot and do the same thing they’ve been doing for generations,” says Ap Naku, a 64-year-old farmer.

There are several reasons for farmers to be risk-averse: small land holdings, rugged topography, and limited mechanization make farming labor intensive. Farmers have little time to contemplate the costs and benefits of the introduction of new practices or investments.

“And, most people in the East [of Bhutan] are usually laid back – too laid back. They’re content with whatever situation they have.”

But for those that do take risks, like Ap Naku, the rewards can be substantial. Since retiring from his post as *drimpon* (a high officer) in the army after 33 years of service, he has been blazing trails for farmers in his village of Rangshikhar.

“I always look to try out different practices. If we don’t take risks, how else can we improve?”

When he returned to his village in 1998, he found that his 10-acre land holding had been left barren and underutilized.

“At the time, the land was only being used for maize and rice. But I saw more opportunities.”



AGE: 64

GENDER: MALE

EDUCATION: NONE

HOMETOWN: RANGSHIKHAR

DZONGKHAG: TRASHIGANG



Ap Naku's land in Rangshikhar at sunset.

Having leased the land to other villages while he was in service, Ap Naku wanted to take over the land full time. He was anxious to operationalize the many ideas he had swimming in his head.

He began by introducing the practice of raising Jersey cows for milk and cheese production. He quickly followed this by setting up a small poultry farm for eggs. Within years, these businesses were collectively generating Nu 7,000 - 14,000 per month (\$150 - \$250). Alongside these ventures, he began commercial farming with peach trees and mushrooms. The surrounding community started to take notice.

“Time after time when I started each of these, people were saying, ‘Oh, that won’t work here.’ But then after a year, everyone is trying to set one up!”

Not all farmers were prospering, though. Many experienced regular crop failures and difficulty in bringing their produce to market. Rather than fence off his profits, Ap Naku led the way towards the establishment of farmer producer groups. These groups were designed to share knowledge of best practices, coordinate the transport of produce to local markets and auction yards, and distribute profits equally between member farmers.

“Forming groups is important. It’s a great way to ensure that the community prospers together.”

“Every week, it seems, farmers come on tours to see my fields. They know that everything I’ve done in the past has been a success. So they all are ready to plant hazelnuts as well.”

With the additional income from the hazelnuts, he plans to set up a “hazelnut fund” - savings that would ensure his family continues to prosper.

“Being a farmer is always risky but we need some form of security for the future. I want my children and their children to have that.”



TASHI WANGDI

As Bhutan continues its path to development, farmers are now experiencing pressure to diversify their income sources. Additional expenditures for food, travel, education, and household amenities mean that farmers like Tashi Wangdi, a father of three, must look beyond the land.

Only participating in school until class 3, Tashi, as the eldest of his siblings, felt the pressure to earn some extra cash for the family. With the nearby Kanglung town growing due to the government's increasing investment in the country's top university, Sherubtse, he felt that he could make a good living as a car mechanic.

"As a child, I really liked cars. It gave me a sense of freedom to move and see the country. It was such a new thing for our village when I was growing up."

He learned the ropes of basic maintenance procedures and, occasionally, practicing his driving skills on empty roads. He would split his time between a Hilux truck, owned by a nearby contractor, and the land, where he would help cultivate his family's potato plot.

When he received his license, he decided to turn to driving full-time to earn more for his extended family. His brother, a civil servant based in Thimphu, bankrolled his purchase of a small car so that he could work as a cab driver. Sadly, his hopes for increased income did not materialize.

"I think I overestimated the number of people and traffic. When I became a driver, it was very difficult to find passengers. I would drive around the town on some days and not find a single customer."



AGE: 42

GENDER: MALE

EDUCATION: CLASS 3

HOMETOWN: YONGPHULA

DZONGKHAG: TRASHIGANG



Left: Tashi surveys his orchard in Yongphula. *Right:* Sangay sounds the alarm bell to ward off animals

This period was hard on him and his family, as he fell into heavy debt for insurance and loan repayments. He generally prefers not to speak about these times.

After three years, he gave up and sold his car, resolving to return to his traditional life and concentrate on farming. All of his four siblings had now gone to work for government offices, leaving the land neglected. Despite the hard work to revitalize the land, his return brought a renewed sense of peace to his life.

“As a farmer, there is no one there to scold you. There is nothing there in between you and the land.”

He boosted his cultivation of potatoes, nearly doubling yields and earning his family almost Nu 100,000 (\$1,700) in a good year. However, earnings from potatoes are inconsistent due to the uncertain market demand in India. With debt and future expenses still looming, he looked to other potentially viable crops. He’d heard about a demo hazelnut plantation starting in the nearby village of Rangshikhar in 2011, and decided he’d give it a try.

“Dasho Kadola (Mountain Hazelnuts’ regional coordinator) and the advocacy team showed us why this plant would benefit us. We also didn’t have to spend a penny to start. Plus they would provide training. That was enough to convince me.”

Following the training on plant layout from MH’s Quality Control team, Tashi labored to plant over 2

acres of trees. In the first year, he kept a close eye on the young plants, waking up at night occasionally to ring bells to ward off wild deer and boars. Monitors from Mountain Hazelnuts visited on a monthly basis to inspect the orchard and offer guidance and assistance. Tashi’s plants have already started to bear catkins.

“I’m very encouraged so far. I see my barren land now becoming populated with trees.”

With his eldest child now entering middle school, he hopes that the additional income from the trees will go towards supporting a more stable life for his children.

“I dream for my children to go to college and get degrees. Life is very hard when you can’t manage your financial situation.”



Tashi and his family have high hopes for a more secure future.



COMMUNITY STORIES

MANGLING HAMLET

Drive 20 minutes east of MH's base in Lingmethang, then 2 hours up a bumpy, rubbly farm road and you will reach the remote village of Mangling. Here, in a village unlike any other in Bhutan, time sits still and traditions stand firm.

With only 8 households and no cars, the village does not receive many guests. It only gained access to outside towns in 2013, when the government completed construction of the village's first farm road. But all guests who come are treated to a series of age-old offerings referred to as the *Zhudray Phuensum Tshogpa* ("luxurious welcoming ceremony").

Upon arrival, guests are guided into the temple shrine room where "Mangling Lama", the local Buddhist cleric, leads a series of prayers and concurrent offering of different substances. Guests are prompted to drink cup after cup of *ara*, the local brew, throughout the ceremony. The purpose of these offerings is to foster *tendrel*, or "auspicious circumstances", with guests who enter their space.

"My father brought these practices to our village so that we can preserve our culture. Through this, we contribute to Our Kings' aspirations of Gross National Happiness."



Villagers of Mangling gather to make offerings to guests.





Mangling Lama, or Tshejay, is also the de facto village leader. His father established a small settlement in Mangling after Padtselling Tulku (a reincarnate lama) granted him land for his service as a cow herder.

For years, the village lived in isolation from the world and even other nearby villages. It took days to reach the nearest feeder road and farmers would struggle just to feed their families. That all changed during the 1970's and 80's, when nation-wide development began to enter the community.

“We are grateful to their Majesties the 3rd and 4th Kings for bringing modern development. With their support, rule of law, medicines, and better farming practices came to our village.”

Traditionally a subsistence farming community, the village began to look into commercial cropping in the past 5 years to generate additional income. All together, the community's income is just under Nu 10,000, or \$170 per year, most of which is invested in Buddhist ceremonies.

They began planting lychee, orange, guava, and walnuts. But none of the crops excited Lama as much as hazelnuts.





According to Lama, a prophecy in the *Kangyur* (the Tibetan Buddhist canon of texts) predicts the arrival of hazelnuts in Bhutan. Referred to as *Lha-jey gi shing* (“tree from the gods”) the stanza describes how the tree will benefit people upon its arrival. He believes that hazelnuts fit this description.

“When I heard about the hazelnuts, I was very happy. This was an opportunity to bring the prophecy to reality. It’s also an opportunity that I am confident will benefit our people.”

The village plants hazelnut trees on 1.5 acres of land. The plot is a steep, 90-minute hike up from Lama’s residence, which he regularly walks in his robe, sandals, and conical hat made from local mushrooms.

To manage the plot, the village has formed a Hazelnut *duetshen* (“group”) in which each farmer shares responsibility of monitoring the growth of the plants.

“Here we see the village as a family. If we are given trees for free, we cannot waste that. We must take care of these precious plants.”

After the first harvest, they plan for a village-wide celebration of singing, dancing, and games of *khuru* (“darts”). They then hope to expand into four more acres - 3 hours above the current plot.

“Our villagers are very eager to see the results. I tell them to be patient. Soon, I pray, we will have the income to buy basic goods that our people need to prosper.”



LINGMETHANG

Gup Sonam Yeshey has seen Lingmethang, the site of MH's nursery, since its very beginnings. ("Gup" is a local headman/woman elected by his/her constituency)

"When I first came here in 1989, there was almost nothing. There were a few households, a poultry farm, a piggery, and two businesses - one of which was mine!"

Serving in local government since then, Sonam was elected as the Gup in 2002 to take charge of his *Gewog* ("group of villages"). The gewog continued to lag behind other villages and had difficulty retaining residents. Locals were unable to get loans to finish buildings and were forced to sell to others who could afford it.

A wind of change came when Mountain Hazelnuts set up its nurseries and office in Lingmethang in 2010. The company's presence triggered a cascade of development.

"All of a sudden, people were able to get loans. Businesses started popping up. Tenants filled our houses. The water system was established. People from all backgrounds - class, age, literate, illiterate, rich, poor - were given equal opportunity for employment."

In just four years, the town's size almost doubled. Increased employment and cash flow have brought about an improvement in living standards unprecedented in the *Dzongkhag's* history. (*Dzongkhag* is the Bhutanese term for administrative district or province.)

The Principal of Lingmethang Lower Secondary School, Mr. Kumar Allay, has also seen spillover benefits for the village's only school.

"In the past, school events were always lacking in attendance. We got very little support and donations from the community to fund our events. Now, the staff at MH have been very active in attending and sponsoring our school events and engaging with our students."

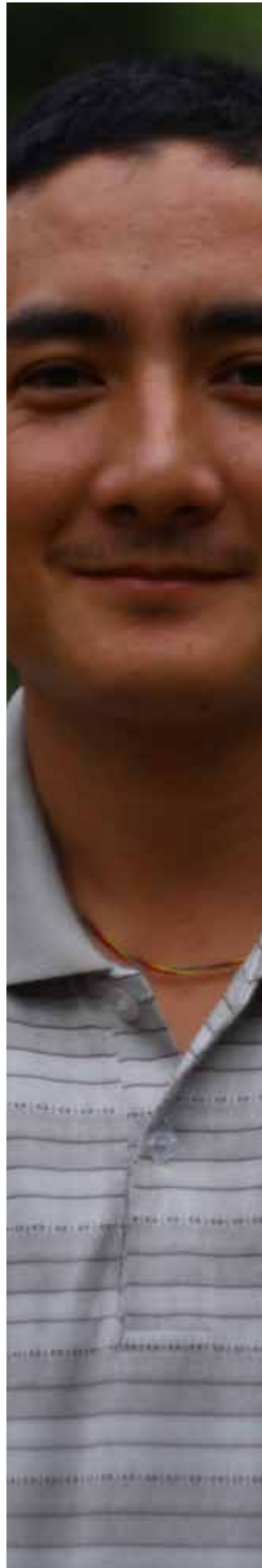
He regularly takes his students on field trips to visit the Lingmethang nursery.

"At the site, what students learn in classrooms comes alive. They see the value of science, plants all in action. Now we want to green our school and make it environmentally friendly."

Seeing the boon to his village, he hopes that the company will continue its operations into the future.

"The benefits have been huge, especially for our humble and poor people. I only pray that these benefits will continue beyond these years so that our town may become prosperous and self-sufficient."

"In the government, we consider the *hazey* (hazelnut) as a precious gem that can help the people. They are giving citizens a chance to make a livelihood."



EMPLOYEE STORIES

KINLEY WANGCHUK

Kinley Wangchuk, a native of a nearby village, is the deputy manager for the Nursery in Lingmethang. Growing up in a family of smallholding farmers, Kinley always knew the value and importance of farming. "I love to work in the field," he says. "In Bhutan, that's the main work of our life."

As the eldest son in a family of five, he had many responsibilities that went beyond the classroom - including taking care of his three sisters and his brother, now a monk, and helping out in the paddy fields.

After passing out from class 12, Kinley bounced between jobs and colleges in search of something that could help him better support his family. Due to his low-income background and limited qualifications, he was continually turned away.

Then, during one of his family's annual pujas, he heard about Mountain Hazelnuts through a cousin. "It sounded like a great opportunity - something that could really help our Bhutanese people."

He joined MH in February 2010 as a temporary laborer. One of the first 4 Bhutanese staff, he found himself taking up multiple tasks to help get the company off the ground. "We

really had to work hard. Sometimes, we'd wake up at 2 am to check on the temperature in the green house."

In spite of all the challenges they faced, Kinley took it in stride and learned the basics of inventory control, accounting, and nursery management. Keen to learn everything, Kinley flourished in his role and moved up the ranks. Now a senior manager, he keeps the nursery moving along.

Since joining, Kinley has not only found success and growth, but also love! A year into his term, he met his wife on the company campus. "I saw her, and I knew she was for me," he reminisces. MH sponsored his wedding along with three other company couples.

Today, Kinley continues to honor his responsibilities to his family and even his wife's. He uses much of his monthly salary to send his sisters to school and support his parents.

Nevertheless, he's happy. "I like MH because we're like a family here. In no other company do you get to be friends with the Chairman and MD. They've helped me a lot, and I'm sure they're going to help other youth as well."

AGE: 26

GENDER: MALE

EDUCATION: CLASS 12

HOMETOWN: THINLEYGANG

DZONGKHAG: PUNAKHA





Mountain Hazelnut Nursery in Lingmethang, Mongar, where tissue culture plantlets are weaned and hardened.

AGE: 25
GENDER: FEMALE
EDUCATION: B.S., NUTRITION
HOMETOWN: TRASHIGANG
DZONGKHAG: TRASHIGANG



TENZIN CHODEN

In college, they didn't teach us to deal with plants," says Tenzin Choden, a trained general nutritionist. But Tenzin, one of MH's rising female managers, adapted quickly to grow into her new role as the Quality Control Officer.

Prior to joining MH, Tenzin had intentions of serving as one of the country's dieticians in the national hospital. Unable to qualify for a government posting after taking the National Civil Service exam (RCSC), she went in search of places to apply her niche talents.

The best she could find: a position as an enumerator for the National Statistics Bureau, a demanding job of walking door-to-door to collect survey data. While conducting surveys in Gelephu, she heard about an opening in the Quality Control Division at MH – a position that would require her to manage standard operating procedures for plant nutrition in the Lingmethang Nursery. Curious, she applied and got the post.

Though unprepared for her new role, daily immersion in the nursery and intensive guidance from management gave Tenzin the training she needed to assure the quality of the plant growing environments.

"I learned how to manage the tissue culture plantation – how to check whether trees were properly growing, whether they were being washed properly, how to assess pest damage, check depth of roots," she says, speaking with the confidence of a true plant scientist.

"Really, I've learned a lot since joining."

The highlight for her came when the company made a growing decision based on the results of her experiment with a germinator.

"I have tried many experiments with GA (Gibberellic acid), which induces germination. I studied how plants grew in different mediums – tissue paper and newspaper. And the result was best with newspaper. After that, the company decided to use newspaper for all plants."

Now that Tenzin sees the trees growing, she is happy and optimistic about the company's potential for impact.

"With hazelnuts, our farmers can be more self-sufficient. We can also help prevent deforestation and soil erosion. It's also helping our jobless graduates get different experiences – and bring us back to the rural villages."

While trained in the sciences and quality control, Tenzin also feels linked to Mountain Hazelnuts by personal and social aspirations.

When the company started its Mindfulness meditation program, Tenzin volunteered to become a facilitator. Every morning Tenzin and many of her colleagues meet for a daily meditation session, preparing for their shared mission of cultivating an awareness of the present to live life more fully.



MH's other nursery is based in Ngatshang, Mongar, where plantlets are further weaned and prepared for distribution to farmers.

SONAM PENJOR

AGE: 25

GENDER: MALE

EDUCATION: CLASS 12

HOMETOWN: WANGDI

DZONGKHAG: WANGDUEPHODRANG

Addiction and substance abuse afflicts the lives of hundreds of youth throughout Bhutan. With limited (but growing) local support and counseling, addicts can sometimes find their lives in disarray. Sonam Penjor, a recovering addict working at MH, knows this all too well.

While he was a 18-year-old student in Punakha High School, he developed a substance dependence that would haunt him for years: “In class 12, I made a mistake that I’ve always regretted - I popped my first pill.”

Following multiple suspensions and transfers among different schools, he became estranged from his father who had all but given up on him.

“I couldn’t find peace. I was disturbed. And staying in the capital didn’t help.”

Seeking solace outside the risky environment of Thimphu, Sonam took up an invitation from his cousin to check out MH’s operation in Lingmethang during the summer of 2010. Although coming from a privileged family, he happily accepted the offer to work as a casual laborer and assist in the construction of the net houses.

“As it was my first real working experience, it was tough. But our Construction Manager (Sonam Wangdi) helped me so much. We did the construction of this net house. Then we did the electrical works. I kept learning and learning.”

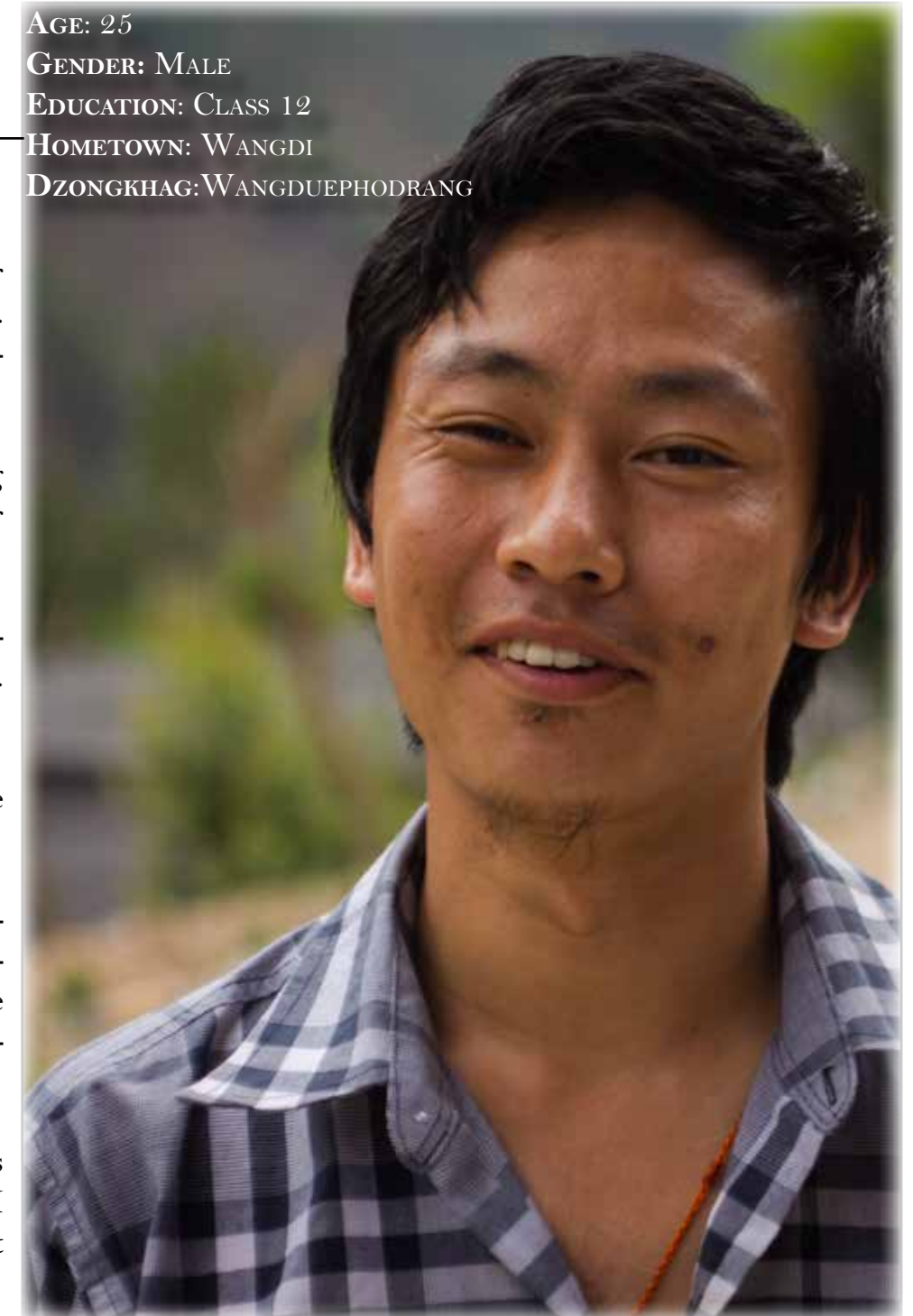
Though he managed to pick up a number of skills in plumbing and wiring, he could not escape his cravings. Without his pills or marijuana, he started drinking on a daily basis.

“Then I met Wangchuk.” Wangchuk, another casual laborer, became his love interest within days after she joined in April 2011. “She saved me from myself.”

With her love and support, Sonam was clean within a year. He also became a proud father of a daughter.

Clean for over two years now, he now serves MH as the Construction Assistant. Now a skilled plumber and irrigation specialist, he played a critical role in the installation of the entire sprinkling systems in the Lingmethang and Ngatshang nurseries.

For the first time in his life, Sonam feels that he can stand on his two feet with confidence in himself and his future. “To me, MH is like a god. It’s given me a new life. If I didn’t join, I might not be sober.”





Nursery staff manage and care for the plants in MH's Lingmethang Nursery.



AGE: 23
GENDER: FEMALE
EDUCATION: CLASS 8
HOMETOWN: KHENG
DZONGKHAG: MONGAR

NIMA & DAWA

In Bhutan, twins are often named after the Sun (“Nima”) and Moon (“Dawa”). MH has its very own set of twins who are just as inseparable as the Sun and the Moon. Always conscious of coordinating their attire and actions, Nima and Dawa have found a home and means to channel their love of plants and animals at MH.

Before joining the company, the twins lived as roamers. Originally from the region of Kheng (located south of the MH nursery), they were eager to explore the world around them. Discouraged by their performance in school, the girls dropped out to join their friends in “roaming”.

“We felt that as women, we didn’t have a future in education. So when our friends asked us to join them, we were happy to leave our home.”

Young and inexperienced, Nima and Dawa found few alternatives to stay occupied outside of school. After three years of odd jobs, they started teaching at a nursery school in Phuentsholing (the southern town bordering India). They quickly discovered, however, that working with four and five-year-olds isn’t as easy as it seems.

“They were constantly making noise, wriggling, and just not listening. Classrooms were rarely peaceful.”

During the school holidays, the twins went on a jaunt to

visit the MH nursery they’d heard was setting up near their village. Delighted to see the plethora of plants and the opportunity for gainful employment, they left their job as teachers and joined the company as plant care staff.

“As Class 8 drop-outs, most offices will not hire us. We do not have enough qualifications. Plus, we always wanted to care for plants. For life. We could not pass on the opportunity to work there.”

The hard-working pair is also a regular sight in the locality’s cultural programs as dancers and singers. They were called upon to lead the troupe of MH staff which helped revive the Lingmethang tsechu (festival) in 2013 - a tradition that had not been held for years due to lack of interest. Now with Limenthang bustling with MH staff, over 5,000 residents from the surrounding communities came to the tsechu.

In their spare time, Nima and Dawa have started a small poultry farm. Housing 60 chickens, they earn a substantial monthly income of Nu 8,000 - 12,000 (\$130 - \$200).

“The company is really helping the poor in this area and jump starting rural development. We are grateful for having the chance to work here despite our limited background.”



Staff monitor plants for any sign of pest or root damage in MH's Ngatshang Nursery.

PEMA DOLMA

For Pema, there is only one purpose in life – to prepare for the next life. “When we die, we don’t take money. We only have dharma to help us.” Highly religious, Pema tries to practice the teachings of the Buddha every day through prayer and meditation and in doing so, keep Bhutan’s waning spiritual heritage alive.

But Pema is not a nun – she serves MH as an Infrastructure Captain, overseeing the condition of the staging, net, and hoop houses and their staff. A single mother of three daughters, she knows she cannot escape her worldly responsibilities.

Of her three daughters, two have been recognized by Mongar Kadam Rinpoche (a high Buddhist lama) as reincarnations of enlightened beings. Famously, during one of His Majesty the Fifth King’s visits to Lingmethang, he pledged his support to her middle daughter, Khandu Om, a reincarnate abbess.

On his arrival, the staff had lined up to offer *khaddar* (a silk scarf that’s offered and then returned to the offerer) to receive him. As he walked down the reception line-up, he stopped to have a chat with Khandu Om. Pleased to see her and showing his respect, His Majesty recommended she complete her schooling, but her insatiable drive for spiritual seeking was too much. He accepted her wish to pursue the ordained life and helped coordinate her placement in a nunnery in Nepal.

Despite Pema’s limited education and work experience, she was determined in 2010 to support her family by any means necessary.

She approached the MH Construction Manager, Sonam Wangdi, in the summer to seek out a job. He gave her three days to prove herself in crushing stones.

“I was very impressed with her work ethic,” Sonam explained. “By the way she was applying herself in every moment, I can say that she definitely passed the test!”

Pema’s determination drove her to learn whatever skills she needed for the job. “I learned how to crush stones, stitch netting, load sawdust, care for plants, check plant health, check temperature, do pest control,” she says. She would list more, but she can’t remember them all. “I understand plants now.”

Her Buddhist values infuse her work. In pest control of plants, for example, she doesn’t kill any of the insects. “Caterpillar and human life is the same – both are sentient beings.” Instead, she carefully removes and collects them so they can continue to live.

In 2012, she was recognized as the best worker and promoted to Infrastructure Captain in the nursery.

Looking ahead, Pema hopes to bring the “best practices” in plant care to her village in Tshirang. “Many people in my village don’t know how to manage plantations. I hope to share my knowledge and what I have learned with them.”

After supporting her daughters, she hopes to retire to go into long-term meditation retreat.

AGE: 31

GENDER: FEMALE

EDUCATION: CLASS 8

HOMETOWN: HAA

DZONGKHAG: HAA



ABOUT MOUNTAIN HAZELNUTS

Bhutan's first 100% foreign direct investment enterprise, Mountain Hazelnuts (MH) is a mission-driven enterprise that aims to create shared value for its stakeholders, including Bhutan's rural farmers, village communities, and financial investors by capitalizing on an exceptional opportunity in growing hazelnuts for the international market.

Ten million hazelnut trees are being planted exclusively on degraded or fallow land and will produce a crop with a long shelf life ideally suited to Bhutan's mountainous conditions, soils, and climate.

In partnership with the Ministry of Agriculture and Forests (MoAF), the Company provides farmer training and outreach, support in developing local cooperatives, and transport from remote villages to international markets.

As part of its business model, MH takes a holistic approach to address five overarching priorities: household income generation, employment, community development, cultural preservation, local ecosystems, and global climate change.

The Company expects to more than double the income of participating farmer households, which the MoAF estimates will include up to 15% of Bhutan's population.

Partnering with farmers, MH provides inputs and significant upfront and ongoing training in agricultural best practices. MH staff visit every orchard regularly to support growers and send digital reports monitoring tree health and household wellbeing.

Hazelnut trees stabilize eroding mountain soils, and will sequester an estimated 1.5





million tonnes of CO₂-eq, comparable to almost three times the annual CO₂ emissions generated by the entire population of Bhutan, or 3.5 million barrels of oil. Hazelnuts produce a sustainable source of fuelwood, alleviating deforestation pressures and balancing energy requirements.

MH incorporates best practices in stakeholder engagement, impact measurement, transparency, and global management systems, aspiring to become an example of social and environment impact investing, done right.

MH started the project in 2006, initially developing related technologies and practices and by planting trial orchards. Bhutan provides excellent growing conditions, as hazelnut trees are indigenous.

MH has achieved significant advances in large scale propagation of hazelnut and has constructed two fully integrated industrial nursery facilities in eastern Bhutan, one of which is the largest hazelnut nursery in the world.

MH has assembled a team of experienced local professionals with complementary backgrounds, including horticulture, rural agriculture, operations,

community organizing, marketing, and finance.

The Company directly employs more than 500 Bhutanese, many of whom are rural women without formal education or previous employment. In addition, more than 1,200 people in nearby communities derive their livelihoods by providing supporting goods and services to MH.

Thousands of smallholder farmers and dozens of monasteries and local institutions have planted the Company's hazelnut trees in their orchards.



