

REPORT ON CORDYCEPS AUCTIONING IN 2024

Department of Agricultural Marketing & Cooperatives
Ministry of Agriculture & Livestock

Cordyceps (*Ophiocordyceps sinensis*), also known as Yartsa Guenbub or the “summer-grass winter-worm,” is a highly prized non-wood forest product with significant economic and medicinal value. This unique fungus is renowned for its purported health benefits, including boosting energy, enhancing athletic performance, and supporting immune function. This particular super mushroom is found in the pristine highlands of seven districts of the country: Bumthang, Wangduephodrang, Gasa, Paro, Thimphu, Lhuentse, and Tashi Yangtse. These regions, characterized by their high altitudes and specific climatic conditions, provide the perfect environment for the growth of this rare mushroom.

The annual harvesting of Cordyceps is a vital event for local communities in Bhutan, significantly contributing to their livelihoods and the local economy. Due to its high market value and rising global demand, Cordyceps has become one of Bhutan's most valuable natural resources. As in the previous years, the 2024 Cordyceps auctioning and marketing is coordinated and facilitated by the Department of Agricultural Marketing and Cooperatives (DAMC), with the support of the Bhutan Food and Drug Authority (BFDA), the Department of Forest and Park Services (DoFPS), and respective Gewog Administrations.



Image 1. Grade B Cordyceps

Based on the resolutions from the stakeholder meeting held on 7th of July, the 2024 Cordyceps auction commenced on July 16 and continued until August 3rd, 2024. The auction was conducted at eight different locations, although there were nine locations proposed but the auction at Tashi Yangtse had to be cancelled due to a very low quantity of the Cordyceps harvest. The auction was conducted all in accordance with the Cordyceps Auction Guidelines 2019.

A total of 138.2318 kg of the produce has been successfully auctioned during this season, and has generated a royalty income of Nu 2.2817 million for the government. It may, however, be noted that despite successful auctioning, a total of 133.403 kilograms of the produce were withdrawn from auction after collectors felt that their desired prices had not

been reached. The withdrawn cordyceps were traded separately between the parties after auctioning and traded domestically.

The auctioning across the country saw participation of forty-two (42) bidders and (2533) collectors. The highest bid price reached during the auction was Nu 4 million per kilogram, and the lowest bid price was Nu 0.4 million per kilogram. The highest bid price of Nu 4 million per kilogram was documented in the auction held in Sephu Gewog under Wangduephodrang Dzongkhag. Conversely, the lowest bid price of 0.4 million per kilogram was recorded in the auction held in Khatoed Gewog under Gasa Dzongkhag.



Image 2. Sorting and Grading of Cordyceps by the committee

Among the Gewogs that are allowed to collect cordyceps, Chokhor Gewog of Bumthang Dzongkhag achieved the highest yield, gathering over 70 kilograms of the fungus whereas Khamoed Gewog of Gasa recorded the least yield with 794 grams only.

Auction transactions have been trending upwards nationwide. Following the effects of COVID-19, there was a noticeable increase in both the quantity and price of auctioned items in 2022. However, in 2023, the quantity saw a significant decline. In the current 2024 season, there has been a modest improvement in both quantity and price compared to the previous year, although the overall increase remains relatively minor.

The Record of List of Collectors- Gewog-wise; Transactions record- Dzongkhag-wise; Trend of the produce -Quantity auctioned and its value for the past years -2020 to 2024 are as in Table 1, Table 2 and Figure 1 respectively.

Table 1: List of No. of Collectors Gewog wise

Sl.No	Auction Venue	No. of collectors
1.	Chokhor Gewog Office	830
2.	Sephu Gewog Office	572
3.	Dangchu Gewog Office	171
4.	Kashi Gewog Office	74
5.	Khatoed Gewog Office	245
6.	Khamoed (Goen Damgi) old School	24
7.	Tshento Gewog Office	179
8.	Kawang Gewog Office	438
Total		2533

Table 2: Record of Dzongkhag wise transaction

Date	Dzongkhag	Total Qty (gm)	Qty sold	Qty withdrawn	Service Charge (Nu)	Royalty (Nu)	Highest Bid (Nu)	Lowest Bid (Nu)	Total Transacted Value (Nu)	Auction Value – excluding withdrawal (Nu)
16-18 th July, 2024	Bumthang	70,795.20	39,843.10	30952.10	589341.4488	594,679.68	3,341,000	565,000	91043495.20	52221365
19-24 th July, 2024	Wangdue	98,382.9	47388.7	50994.2	358,734.5	826,415.32	40,00,000	561,000	87773790.2	42170251.5
25-28 th July, 2024	Gasa	45338.9	9461.6	35877.3	185837.3845	380845.928	3235,000	400,000	28590367	5004811
30 th July, 2024	Paro	9349.40	7621.40	1728	53789	78534.98	2100000	610000	10210453	8275178
1 st -3 rd August, 2024	Thimphu	47768	33917.00	13851	336,056.017	401251.2	2450000	600000	2186884380	36538347.9
Grand Total		271,634.40	138,231.80	133403	1523758.35	2,281,727.11	40,00,000	400,000	2404502485	144209953.4

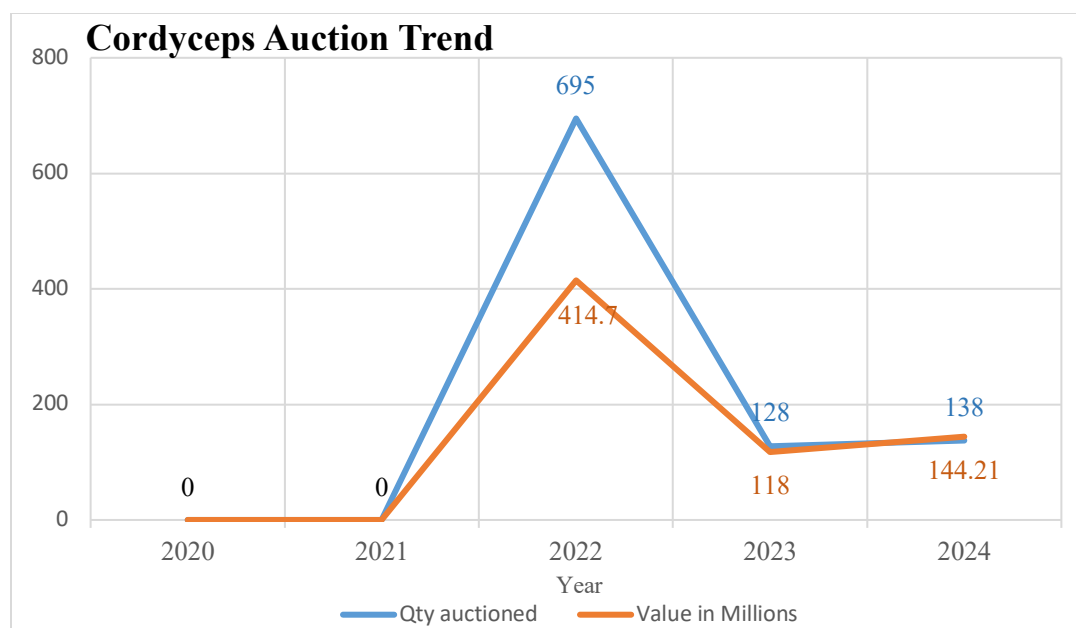


Figure1: Quantity and value of Cordyceps being auctioned from 2020 to 2024

Based on general observations, the following recommendations are put forward for future auctioning conducts:

- **Revision of Cordyceps Guidelines (2019):** It is crucial to update the Cordyceps guidelines established in 2019 to reflect current practices and enhance the efficiency of the Annual Cordyceps Auction. This revision should incorporate feedback from stakeholders and address any emerging challenges to ensure a smooth and effective auction process.
- **Annual Stakeholder Meeting:** The department should host an Annual Stakeholder Meeting before the harvesting season each year. This meeting will provide a platform for collectors and other stakeholders to discuss and align on key issues, ensuring that collectors are well-informed about the auction procedures.
- **Inclusion of Gewog Gups:** It is important to invite all Gups from Gewogs where Cordyceps collection is permitted. This inclusion will facilitate comprehensive discussions on auctioning practices and address any region-specific issues, leading to a more coordinated and transparent auction process.
- **Sorting and Grading awareness to the Harvesters:** The officials on duty observed that the sorting and grading from the collector or harvesters still need improvement.

