

Mechanism for Marketing of Minor Forest Produce(MFP) through Minium Support Price(MSP) & Development of Value Chain

PROCUREMENT

VALUE ADDITION

MARKETING

COMMUNITY

# **Monthly Progress Report**



# Digitalization and Sensitization of Tribal Gatherers

A collaborative approach to extend the reach to Tribal community



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# Pradhan Mantri Van Dhan Yojana Digitalization and Sensitization of Tribal Gatherers

A collaborative approach to extend the reach to tribal community



Submitted by

Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED)

Ministry of Tribal Affairs

Government of India

Van Dhan Project Management Unit (PMU)

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### 1. Project Description

#### A. Introduction

Forests are home to many peoples, including a substantial population of indigenous peoples. It provides the source and means of survival. Center for International Forestry Research (CIFOR) Director General David Kaimowitz says: "One hundred million people depend on forests to supply key elements needed for their survival, either goods and services or incomes. Tribal communities live in forests, and therefore, in India they are called 'janjatis' (forest dwellers). Their socio-cultural life is mostly woven around nature. Forest trees and common property resources are basic to tribal communities, directly benefit them like a foster mother and fulfill their biological, cultural, religious and emotional needs (Malik, 2004). To fulfil their livelihood requirements the tribals gather Minor Forest Produce (FMP). MFPs has became one of the source for meeting their cash needs. Thus, MFP collection and marketing holds critical importance for tribal's as they spend a major portion of their time on it and derive a major portion of their income from it.

But, the truth is that the tribes are far from getting their due share from this activity. The reasons for this are many and varied. Bulk of the Non-timber forest products (NTFP) are moved out of the tribal world in unprocessed form. The economic implication of this is that the tribes, who are legally 'owners of the forest produces' lose out on the creamy benefit of value addition.

'Sankalpit Bharat Sashakt Bharat' the Sankalp Patra — Lok Sabha 2019 of the Government under 'Inclusive Development' has mentioned establishing 50,000 'Van Dhan Vikas Kendras' in tribal dominated areas. Recognizing this, Ministry of Tribal Affairs, Government of India, announced the Scheme "Mechanism for Marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) & Development of Value Chain for MFP". Government has announced Minimum Support Price (MSP) of 50 items to provide fair and remunerative returns to the tribal gatherers. Towards development of Value Chain for MFP, implementation of the 'Prime Minister Van Dhan Yojana (PMVDY)' has been initiated keeping the tribal forest gatherers as the focus, to ensure training on sustainable harvesting of Minor Forest Products (MFP) with primary level value addition, skill up gradation, processing, branding & retail-marketing through setting up of Van Dhan Vikas Kendras (VDVKs).

The PMVDY envisages to establish 3000 Van Dhan Vikas Kendras (VDVKs) in the financial year 2019-20 from the list of SHGs groups from Aajevika SHGs, Joint Forest Management Committee (JFMCs), Large Area Multipurpose Cooperative Societies (LAMPS) and Other tribal Collectives comprising of majority of tribal members, covering 27 States & 307 predominant tribal districts through 100% grant funding from Government of India routed through TRIFED. Each of the community owned VDVK unit will be formed by bringing together 15-20 SHGs, with each SHG comprising of 15-20 members. Each VDVK will have around 300 members and will undertake procurement, primary value addition, branding, and retail-marketing of MFPs & value added MFP products.

The implementation of the PMVDY at the States will be done through the State Nodal Department appointed by the State Government. The Nodal Department will have the flexibility to appoint any State Implementing Agency for implementing the program or the District Collectors through the District Implementation Unit (DIU) may be assigned the task for carrying out the implementation of the Van Dhan program at the District levels.

Further, after feedback and discussions with State Nodal Departments, Implementing Agencies & field visits by TRIFED teams, it was decided to provide reasonable flexibility to the Van Dhan Kendras in terms of funds usages for its operations. The VDVK will have the flexibility to utilize funds in various heads (i.e. renting storage space, renting transportation & handling, packaging & branding, additional equipment, etc.) as per their requirements, for e.g. if the members of the VDVK are already skilled in conducting the value addition process and do not require trainings, then the funds marked for trainings of members can be utilized for purchase of equipment or hiring of transportation vehicles / renting of space for storage of MFP products etc. The VDVK will not have the provision to buy any kind of transport vehicles/ storage space but they can rent it based on needs.

Under PMVDY, the operations carried out by tribal will not be limited to gathering of NTFPs (MFPs) from forest. They can also undertake plantation of MFP leading to value addition, packaging, branding & marketing. Such flexibility as required on case-by-case shall be approved by District Level Coordination & Monitoring Committee (DLCMC) in the case of District Implementation Unit (DIU) receiving funds directly from TRIFED or by SLCMC for State-wide approval in the case of State Implementation agency receiving funds from TRIFED.

Ministry of Tribal Affairs has provided authority for administrative & financial approvals & sanctions to MD TRIFED on 27 Aug 2019 and since, TRIFED has conducted over 100 meetings & discussions with State Nodal Departments, Implementing Agencies, District Collectors, etc. TRIFED has sanctioned 353 VDVKs in 13 States till date and work has commenced in these States for value addition & processing of MFP items.

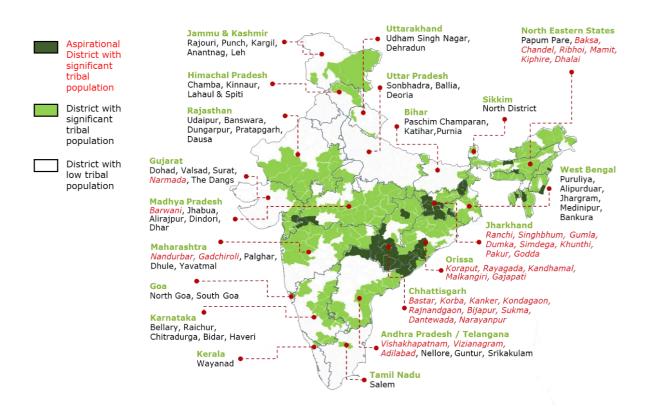
#### **B.** Objective

- (i) To promote tribal entrepreneurship & livelihood opportunities leading to enhanced income generation among tribal gatherers
- (ii) To engage 9 lakhs tribal gatherers in the first year with the plan to reach around 45 lakhs tribal gatherers in the next five years
- (iii) To provide sustainability to MFP based livelihoods of the tribal gatherer in the MFP rich districts and boost MFP production & trade in the country for development of mainstream MFP based industries
- (iv) To identify and onboard tribal SHG and non-SHG members engaged in gathering of MFP through the Van Dhan program.

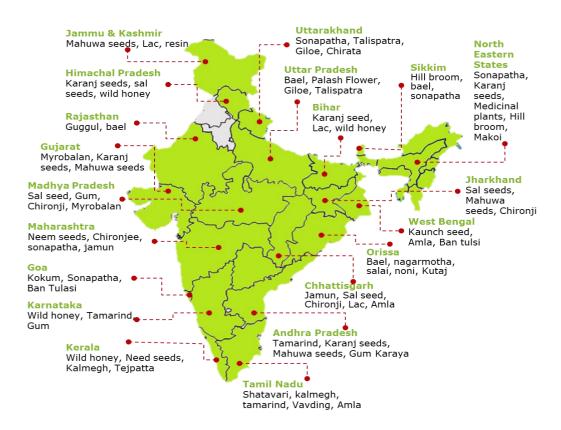
- (v) To identify and onboard village haats and warehouses where MFP products are sold and stored respectively.
- (vi) To form of Van Dhan SHGs and cluster then into Van Dhan Vikas Kendras (VDVKs) in coordination with the State Implementing Agencies/ District Implementing Units (DIUs) appointed by the State Nodal Department.
- (vii) To promote branding & retail-marketing of value added MFP products through tribal enterprises

## 2. Geographical Area & MFP Coverage

The scheme will cover all the **27 states & 307 predominant tribal districts** of the country. Under the 100-day plan, it is envisaged to establish 600 VDVK units in the 307 Districts with at least 2 VDVK units in each District. The map indicating the States & Districts is shown below-



The Van Dhan program will majorly include VDVKs engaging in the collection & value addition of the 50 MFP items along with other forest produce collected by tribal from the forest areas. Ann indicative map for the availability of MFP in different States is shown below -

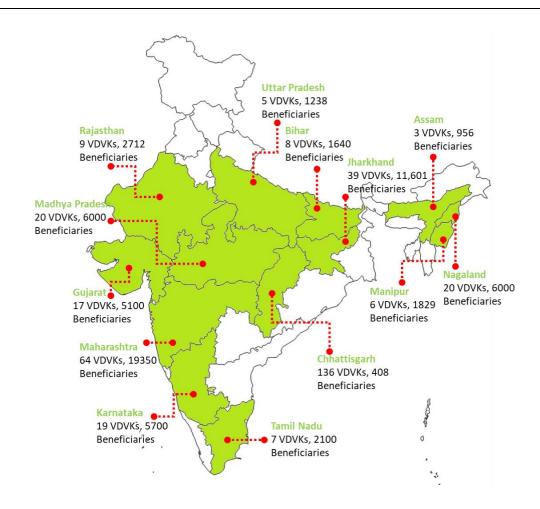


## 3. Work Progress - Month's Highlights:

After the formations of 14 teams comprising of officials from TRIFED head office, Regional Managers, Advisors & Project Management Unit for the 27 States and conducting more than 100 meetings with the State Government Officials including Chief Ministers, Tribal Development Ministers, Chief Secretary, Principal Secretary, State Nodal Department, Implementing Agencies, District Authorities etc., the preparation of State plans for Van Dhan program initiated with the appointment of State Implementing Agencies / District Implementing Units (DIUs) and identification of tribal gatherers at the District level. The details of the work carried out at National & State level are mentioned below:

#### 1. Sanctioning of 353 VDVKs in 13 States under Pradhan Mantri Van Dhan Yojana (PMVDY):

The proposals for 662 VDVKs from 22 States have been prepared under the 100-day plan and TRIFED has provided approvals & sanctions to 353 VDVKs in 13 States including Nagaland, Jharkhand, Maharashtra, Gujarat, Karnataka, Uttar Pradesh, Bihar, Manipur, Assam, Rajasthan, Madhya Pradesh, Chhattisgarh, and Tamil Nadu. The VDVKs will cover around 1.10 lakh tribal beneficiaries for promoting tribal enterprises & livelihood generation.



#### 2. Commencement of Value Addition & Processing of MFPs in Nagaland:

TRIFED has sanctioned **20 VDVKs in the State of Nagaland** on 2 Sep 2019 for setting up of processing, value addition, packaging & marketing units for **Hill Grass, Basil Leaves**, and other forest produce collected by tribal gatherers. The VDVK units have commenced value addition work in Hill Grass for making Hill Brooms in the districts of Tuensang, Longleng, Mon & Kiphire. This value addition work carried out by the VDVK led to the price realization of around 3 times over the raw MFP value.

Fig: Broom Processing & Production Facilities at Tobu Tehsil, Mon District, Nagaland









#### 3. Commencement of Value Addition & Processing of MFPs in Maharashtra:

TRIFED has sanctioned **64 VDVKs in the State of Maharashtra** on 5 Sep 2019 for setting up of processing, value addition, packaging & marketing units for **Amla, Marking Nut, Baheda**, Giloe, and other forest produce collected by tribal gatherers. The VDVK units have commenced value addition work in **Marking Nut** at Malegaon Tehsil, Washim District.





Fig: Marking Nut Value Addition & Processing facility at VDVK- Malegaon, Washim District, Maharashtra





Fig: Marking Nut Value Addition & Processing facility at VDVK- Malegaon, Washim District, Maharashtra

#### 4. Commencement of Value Addition & Processing of MFPs in Assam:

TRIFED has sanctioned **03 VDVKs** in the State of Assam on 14 Sep 2019 for setting up of processing, value addition, packaging & marketing units for **Honey**, **Bamboo**, and other forest produce collected by tribal gatherers. The VDVK units have commenced value addition work in **Honey** at Barbari Village, Baksa District and Goalpara District.





Fig: Honey Value Addition & Processing Facility at VDVK Dhanubanga, Rangjuli, Goalpara, Assam





Fig: Honey Value Addition & Processing at VDVK Barbari, Baksa District, Assam

#### 5. Commencement of Value Addition & Processing of MFPs in Rajasthan:

TRIFED has sanctioned **09 VDVKs in the State of Rajasthan on 09** Sep 2019 for setting up of processing, value addition, packaging & marketing units for **Custard Apple**, **Aloe vera**, **Amla** and other forest produce collected by tribal gatherers. The VDVK units have commenced value addition work in **Custard Apple** & **Aloe vera** at Gogrud **Village**, **Udaipur District** 





Fig: Custard Apple pulp extraction unit, VDVK Gogrud, Udaipur, Rajasthan





Fig: Aloe vera processing unit, VDVK Gogrud, Udaipur, Rajasthan

#### 6. TRIFOOD Project:

TRIFED has appointed a Project Management Consultancy (PMC) for assisting in the implementation of the two TRIFOOD projects at Jagdalpur, Chhattisgarh & Raigad, Maharashtra. The field survey work at the project location has been initiated and topographical survey work has been completed. The projects are launch-ready at the convenience of the Hon'ble Prime Minister, Hon'ble Union Minister for Tribal Affairs.





Fig: TRIFOOD Project Site Location at Semra Village, Jagdalpur, Chhattisgarh

# 7. United Nations Convention to Combat Desertification – Bamboo Processing & Value Added Products:

TRIFED in participation with GIZ had organized an workshop at the United Nations Convention to Combat Desertification (UNCCD)- COP14 on 13 Sep 2019. The event focussed on TRIFED's initiatives for combating desertification through promotion of Bamboo & Bamboo Value added products and the role of PMVDY in establishing Bamboo processing units primarily in the North-East region of the country.

# 4. Other activities

# A. Meetings with Stakeholders:

The following meetings were organized with the stakeholders at the State levels for the sensitization & promotion of the scheme & implementation of the Van Dhan program:

Date of	Participants	Detail of the Meeting
Meeting 05 Sep 2019	Meeting held with Shri Sanjay Thade, Principal Secretary, Tribal Development Department, West Bengal, MD WBTDCC	the Principal Secretary Tribal
06 Sep 2019	Meeting held with Sh. Samrat Mukherjee, DGM NABARD, Kolkata	with DGM NABARD Kolkata, to discuss about the scheme and the implementation of the Van Dhan program in the State.
07 Sep 2019	Meeting held with Advisor to Hon'ble CM of Karnataka, Director NRLM Karnataka & other officials	
07 Sep 2019	Meeting with Director Kalinga Institute of Social Sciences (KISS), Bhubaneswar	
10 Sep 2019	Meeting held with Principal Secretary, SC/ST Development Department & Director SC/ST Dev., Odisha along with other officials	The team from TRIFED had meeting with the Principal Secretary and other Stakeholders for promoting the Van Dhan program and sensitizing the State authorities about the scheme for preparation of the State Van Dhan plan
09 Sep 2019	Meeting held with District Collector, Dang, Tapi & Navsari Districts, Gujarat	The team from TRIFED had meeting with
17 Sep 2019	Meeting held with District Collector, Wayanad Districts, NRLM Officials Kerala	The team from TRIFED had meeting with

		authorities about the scheme for preparation of the State Van Dhan plan.
20 Sep 2019	Meeting held with District Collector, Godhra District, Gujarat	The team from TRIFED had meeting with the District Collector and other Stakeholders for promoting the Van Dhan program and sensitizing the State authorities about the scheme for preparation of the State Van Dhan plan.
22 Sep 2019	Meeting held with Akhil Bhartiya Vanwasi Kalyan Ashram & MD TRIFED, at Dehradun, Uttarakhand	

# **B. Snapshots of Meetings:**

1. Meeting held with Hon'ble Chief Minister of Chhattisgarh, Chief Secretary of Chhattisgarh on 05.08.2019 along with the TRIFED team at Raipur, Chhattisgarh





2. Meeting held with Hon'ble Minister, Chhattisgarh Shri T S Singh Deo by Advisors TRIFED, RO Team on 07.08.2019 at Raipur, Chhattisgarh





3. Meeting with Hon'ble Tribal Development Minister, Government of Maharashtra and MD, MSCTDC on 12.08.2019





4. Meeting of Meeting held with Chief Secretary, Government of Bihar, Secretary Tribal Development Department & CEO Jeevika (SRLM) on 12.08.2019





5. State Level Advocacy workshop held at Conference Hall, New Sachivalaya, Gandhi Nagar, Gujarat on 13.08.2019





6. Meeting held with Forest Development Minister, Government of Madhya Pradesh along with other officials on 26.08.2019 at Bhopal, Madhya Pradesh





7. Meeting held with MD Madhya Pradesh MFP Federation along with other officials on 28.08.2019 at Bhopal Madhya Pradesh



