

**ORISSA UNIVERSITY OF AGRICULTURE AND  
TECHNOLOGY, BHUBANESWAR**

**Challenges in marketing of different commodities particularly the  
minor forest produces in the tribal sub plan areas in Odisha**

**An empirical study in Rayagada district of Odisha**



**A Project Report Submitted to**

Department of Agriculture Business and Management  
Centre for Post Graduate Studies, OUAT in partial fulfilment of the requirement  
for award of degree of Master of Business Administration  
(Agri-Business Management)

By

Subrata Kumar Kar  
Roll No – 22, ABM, 2102

**Under the Supervision of**

Dr. Debdutt Behura  
Asst. Professor, ABM, CPGS, OUAT

Department of Agri Business Management,  
CPGS, OUAT, Bhubaneswar, 2014

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For Project fulfilment of the requirement for award of degree of Master of Business Administration - Agri-Business Management

By

Subrata Kumar Kar  
22, ABM/ 2012

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## **DECLARATION**

I do here by declare that the dissertation entitled “Challenges in Marketing of different commodities particularly the minor forest produces in the tribal Sub Plan areas in Odisha - **An empirical study in Rayagada district of Odisha**” is submitted by me for the fulfilment of requirement of MBA in **Agribusiness Management, Deptt. of ABM, CPGS, OUAT, Bhubaneswar** is an original work done by me and it does not form the basis for the award of any other degree of this university or any other institutions elsewhere.

Place: Bhubaneswar

(Subrata Kumar Kar)

Date: 23/06/2013

Roll. No-22, ABM, 2012

**Sri Susant Nanda, IFS**  
**Managing Director, TDCCOL**  
**Bhubaneswar**

**Certificate**

This is to certify that the Project Titled “Challenges in marketing of different commodities particularly the minor forest produces in the tribal sub plan areas in Odisha” has been taken up Sri Subrata Kumar Kar with the support of Tribal Development Cooperative Corporation of Odisha Limited for the partial fulfilment of the requirement for award of Master of Business Administration (Agribusiness Management) in OUAT, Bhubaneswar.

The study taken up by Sri Kar is very much contextual and need of the hour. The findings and recommendation given in the report would be highly useful for any organisation / agency / individual associated in this sector to devise suitable strategies to address the market related issues and in reducing the exploitation of tribal communities at large. The findings of the study could also be used in devising a comprehensive plan in strengthening the marketing scenario in the rural and tribal belts of Odisha.

I wish all the best to Mr. Kar for success in his future endeavour.

**Managing Director,**  
TDCCOL, Bhubaneswar

**Dr. Debdutt Behura**  
Asst. Professor, ABM, OUAT  
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## CERTIFICATE

This is to certify that the Project titled “Challenges in Marketing of different commodities particularly the minor forest produces in the tribal Sub Plan areas in Odisha - **An empirical study in Rayagada district of Odisha**” is submitted to Department of ABM, CPGS, OUAT for the award of the **MBA Degree in Agri Business Management** by **Subrata Kumar Kar** is an outcome of his own research work carried out by him under my guidance and supervision. To the best of my knowledge, no work with such caption & contents has been previously submitted to this University for the award of any degree.

**Dr. Debdutt Behura**  
Asst. Professor, ABM, OUAT  
Supervisor

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(Subrata Kumar Kar)

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## ABBREVIATION

<b>ANR</b>	<b>Assisted Natural Regeneration</b>
<b>CAPART:</b>	<b>Council for Advancement of People's Action and Rural Technology</b>
<b>CFM:</b>	<b>Community Forest Management</b>
<b>DSMS:</b>	<b>District Supply and marketing Societies</b>
<b>DFO</b>	<b>District Forest Officer</b>
<b>FD:</b>	<b>Forest Department</b>
<b>FSI :</b>	<b>Forest Survey of India</b>
<b>FGD</b>	<b>Focused Group Discussion</b>
<b>GoO:</b>	<b>Government of Odisha</b>
<b>GP:</b>	<b>Gram Panchayat</b>
<b>IEC</b>	<b>Information, Education and Communication</b>
<b>IIFM:</b>	<b>Indian Institute of Forest Management</b>
<b>JFM:</b>	<b>Joint Forest Management</b>
<b>LAMPS:</b>	<b>Large Size Multi Purpose Societies</b>
<b>MFP:</b>	<b>Minor Forest Produce</b>
<b>MGNREGA:</b>	<b>Mahatma Gandhi National Rural Employment Guarantee Act</b>
<b>MOTA</b>	<b>Ministry of Tribal Affairs</b>
<b>MOPR</b>	<b>Ministry of Panchayat Raj</b>
<b>NTFP</b>	<b>Non-Timber Forest Product</b>
<b>NABARD:</b>	<b>National Bank for Agriculture and Rural Development</b>
<b>ORMAS:</b>	<b>Orissa Rural Marketing Society</b>
<b>OFDC:</b>	<b>Orissa Forest Development Corporation</b>
<b>OTELP:</b>	<b>Orissa Tribal Empowerment &amp; Livelihoods Programme</b>
<b>PESA:</b>	<b>Provisions of Panchayat (Extension for Scheduled Areas) Act</b>
<b>PPP:</b>	<b>Public Private Partnership</b>
<b>PRI</b>	<b>Participatory Rural Appraisal</b>
<b>RET</b>	<b>Rare, Endangered and Threatened</b>
<b>TRIFED:</b>	<b>Tribal Cooperative Marketing Development Federation</b>
<b>KL:</b>	<b>Kendu Leaf</b>
<b>PS:</b>	<b>Panchayat Samiti</b>
<b>UFPL:</b>	<b>Utkal Forest Product Limited</b>
<b>VAT:</b>	<b>Value Added Tax</b>
<b>VSS:</b>	<b>Van Sanrakhyana Samiti</b>
<b>WORLP:</b>	<b>Western Odisha Rural Livelihoods Mission</b>

## **Abstract:**

Rural poverty in India is generally considered to be linked with the lack of access to cultivable land, lack of irrigated land, poor infrastructure, no knowledge know-how or with its low productivity. Changes in the collection of gathered items from common property resources such as forests go largely unnoticed, and are not even presented in the national accounts. However, about 100 million people living in and around forests in India derive their livelihood support from the collection and marketing of non-timber forest products (NTFPs). Thus the issue of rights and access to, and income from, NTFPs is basic to sustenance and livelihood for the forest dwellers. Market plays significant role to ripe the effect of different schemes and to augment the benefit to the primary dwellers on a sustainable manner.

Studies in India have revealed that, NTFPs provide substantial inputs to the livelihoods of forest dependent population, many of whom have limited non agricultural income opportunities. About 70 % of the NTFP collection in India takes place in the tribal belt of the country (Mitchell et al., 2003). It would be seen from the literature that the NTFP based small scale enterprises provide up to 50 % of income for 20 to 30 % of the rural labour force. Whereas 55 % of employment in forestry sector is attributed to the sector alone. Therefore collection of NTFPs was a major source of income and employment for forest dwellers. For instance, kendu leaf collection was observed to provide about 90 days of employment to about 7.5 million people every year in India.

Marketing of Non- Timber Forest Products play a vital role in livelihood of people in and around the forests in Odisha. Due to lack of marketing facilities, it is seen that the dependency from forest is decreasing fast and leading to migration, malnutrition, poverty etc. That apart, the bonding of people with forest and natural vegetation is also declining at a faster rate and people do not take interest for the safe guard of the forest, which impacts the environment and climate significantly.

The study revealed that forest coverage is gradually depleting. Forest as source of livelihoods is also decreasing day by day not due to non-availability of minor forest produces but largely due to lack of organised market sectors. Tribal, the major stakeholders of the forest are extensively cheated by different groups associated in marketing. Issues and challenges in marketing of NTFP and other agricultural items in remote areas of Odisha are studied and reported in the study.

The study aims at to find the cause and effect of market with the livelihoods system of the people live in rural and tribal pockets. It covers all sector i.e Agriculture, Horticulture, Animal Husbandry with focus on Minor Forest Produces. The main objective of the study to analyse the factors that lead to reduce the marketability of the products and to find the challenges, which can be addressed to ensure the marketability of produces increased to ensure sustainable livelihoods and in keeping the ecology conducive to mankind.

## INTRODUCTION

In the changing scenario of rural livelihoods, dependency on Non Timber Forest Products (NTFP) as an important source of livelihoods has reduced significantly, but still plays a crucial role to the food basket of tribal communities live in and around the forest not only during lean season but also contributes significantly on nutritional aspects of the people live in rural belts. That apart, the poorest of poor households are largely dependant on Minor Forest Produces for their subsistence. All the forest products other than timber are collectively referred as MFP. It is seen that the dwellers around the forest and hilly region in the state of Odisha are mostly from tribal communities. Tribal communities and forest has organic linkages since time immemorial and the existence of both is detrimental to each other. Forest contributes significantly towards the food basket of the dwellers living in and around, on the contrary, the sustenance and growth of forest is largely dependant on the ownership of the people live around. Minor Forest Produces, which are available in plenty round the year, include bamboo, Mahua flower, Neem, Anla, Tamarind fruit, Sal seeds, Sal Leave, Karanja, Honey, lac, Gum Karaya, Mahua Seed etc. Currently marketing of 68 types of MFPS have been kept under the control of Gram Panchayat to ensure the primary collectors are paid with remunerative price.

Non-Timber Forest Products constitute an important source of livelihood for the millions of people from forest fringe communities across the world. Besides, past decade has witnessed a rapid growth of interest on conservation of MFP product and its environmental significance has increasingly attracted the attention of academicians, environmentalists and planners in many developing countries. This can be attributed to increasing recognition of contribution that MFP make to livelihoods of large number of people in developing countries. There is a great employment opportunity for millions of people in Asia Pacific from MFPS processing and collection. In India about 7.5 million people are engaged part time as collectors of Kendu leaves and another 3 millions process the leaves to Bidi (local cigarette). For millennia, non-timber forest products have been essential for subsistence and economic activities all around the world. People have been using MFP in one form and another. NTFP sector alone is able to create about 10 million workdays annually in the country. They are also among the oldest and most long-standing of internationally traded commodities, dating back thousands of years to ancient times continuing in the present day. According to FAO

1997, 80% of the population of the developing world use Minor Forest Products to meet some of their health and nutritional needs.

Forests are State property and all products growing in forests are owned by the State. The State's control extends even to the designated forest products (such as kendu or mango kernel) growing on private lands and non-forest common lands. Three of the most economically important NTFP items (kendu leaf, lac and bamboo) are nationalised and brought by law under the direct control of the State Agencies. In addition, until March 2000, the State exercised control over many other NTFPs through administrative orders, generally to create public monopolies up to 1985, and after that the State encouraged private leases. Thus for about fifteen years (1985–2000) NTFP policy in Orissa was a source of political patronage rather than a support for people's livelihoods.

Until 2000, even the State agencies entrusted with the objective of giving a 'fair' price to gatherers exploited the poor. In principle, they worked with multiple objectives – to maximise their profits; to protect the interests of the gatherers as sellers; and to satisfy the conflicting demands by industry and other end users. In practice, a hierarchy of objectives developed – industry and other large end users had the first charge on the product at low and subsidised rates; revenue was maximised subject to the first objective which implied that there was no consistent policy to encourage value addition at lower levels (local processing was in fact discouraged for many commodities, such as kendu and hill brooms; criminal cases were initiated against those who tried to process or store these NTFPs); and the interests of the poor gatherers was relegated to the third level.

Other Indian states have also passed similar laws and orders, but the number of items covered by state intervention up to March 2000 was particularly high in Orissa. Second, although many States supplied subsidised raw material to industry, Orissa went far ahead, and gave the industry monopoly rights of collection, especially during 1990–2000, amounting to a near-surrender of state control over forests.

### **Dependency of Tribal Communities on Minor Forest Produces**

Globally, it is estimated that more than two billion people are dwelling in forest and depending on MFP in many ways for subsistence, income and livelihood security. MFPs till date in the tribal regions considered to be most important for the subsistence of tribal

communities and for assured livelihoods particularly in dry and lean season. It is estimated that about 80 % of the population of the developing world uses MFPs to meet some of their health and nutritional needs (FAO, 2008). So it is an important source of income for the tribals and rural poor people in many developing countries. The corresponding figure in India reveals that over 50 million people are dependent on NTFPs for their subsistence and cash income. It is estimated that minor forest produces contribute to 50% of household income for about 20% of rural population particularly for tribal. Potentially, around 3000 species of forest products are found to be useful, but only 126 have developed marketability. Thus it can be inferred that MFPs forms one of the mainstays for livelihoods and sustenance for many tribal communities across the globe.

Historically, the NTFP sector was neglected for many decades from main stream forestry, and they were considered as 'minor' (Minor Forest Produce), despite the fact that monopoly rights over several such NTFPs/MFPs fetched a good income for the Forest Department. After the ban on green felling, the income from NTFPs in the total income of the Department became the major one with that from timber marginalized, in many states. Export of NTFPs and its products contributes 68% of the total export from forestry sector.

### **Marketing Challenges in Odisha:**

Odisha provide home to about 16% of tribal population of the state. Besides, Odisha is a forest-rich state covering over 31% of geographical area (FSI, 2003). The state has the largest number of forest dependent people including tribal in particular. Several studies have established that about 30-40% of the households income of forest fringe villages come from NTFPs. Poor tribal colonies in the study region mainly depend on NTFPs that about 15 million of people in Odisha are directly and partly dependent on NTFPs for a livelihood (TRIFED, 2000, Bhattacharya,2006).

Govt. of India along with State Govt. has taken series of initiatives to productivity enhancement and in imparting skill to the forest dwellers for scientific harvest of minor forest produces. Input facilities like seed, fertilizers, pesticides along with machinery support for improved agriculture are being regularly provided. Besides through different schemes, financial inputs are also provided. The statistics indicates that the productivity in the rural pockets are increasing gradually. Enhancement of production and productivity creates a

situation of surplus commodities at the village points. Similarly different Minor Forest produces such as Tamarind, Sal Seed, Harida, Bahada, Amla, Karanja Seed, Lac, Honey, Char Seed, Sal Leaves, Siali Leave, Hill Brooms etc. are available in different parts of Odisha in plenty. Effective management of these produces has the potential to change the face of the rural belt to great extent. People live in the rural belt often sale their surplus / harvested produces to meet other social and economical requirements which include, health, education, festivals, cultures etc. However, it is most heartening fact that people in rural pockets still struggle to dispose off their commodities at remunerative price. Often they come under the cluster of money lenders and many others, who exploit them at fullest possible. Forward linkage is seen to be the biggest challenge to ensure sustained economy in the tribal pockets in India and Odisha in particular.

Many factors are responsible for poor marketability of exclusive products available in the most remote areas in the state. These products have high medicinal values, nutritive value and over the Minor Forest Products are limited to only certain geographic locations in the State.

### **Agencies associated in marketing of Minor Forest Produces:**

With growing commercial importance of MFP, many states started nationalizing major MFP presumably to protect tribal interest as against business ones. In Odisha, the procurement and marketing of designated MFPs was initially done by developmental agencies i.e. TDCC, OFDC and few selective Cooperatives like AMCS, LAMP till 1999. These agencies are as follows.

- **Tribal Development Cooperative Corporation(TDCC):**

TDCCOL is operational in Odisha since 1964. It has underwent different nomenclatures based on changes of its mandate and functionality. However during 1972 after winding up the then forest produce marketing cooperative society, this organization was registered as Tribal Development Cooperative Corporation and now is operational under the administrative control of ST & SC Development Department, Govt. of Odisha. The main objective of TDCCOL is to provide market linkage to the inhabitants live in rural and most interior pockets in the State. Currently TDCCOL operates from 11 branches in Odisha covering all 118 tribal dominated blocks in Odisha. TDCCOL covers up all the schedule

areas comes under Article 273 to extend market support to ensure that the tribals gets the remunerative price for the products they sale.

TDCCOL had monopoly on MFP trading till 1999. TDCCOL in collaboration with other agencies, used to purchase commodities directly from the farmers and sale at remunerative price to end users. Being marketing is the focused intervention of TDCCOL in the tribal sub plan areas, TDCCOL has branches in 10 districts in the state. Up to 1999, TDCCOL had exclusive rights to 4 MFP items – Tamarind, Hill Broom, Honey and Mahua in all the 27 forest divisions of the state. The objectives of TDCCOL are as below:

- a) To procure Minor Forest Produces (MFPs) and Surplus Agricultural Produces (SAPs) collected by ST households at fair and remunerative price and arrange for their marketing.
- b) Prevent Exploitation from Middle man
- c) Strengthening the community level institutions for product aggregation, grading, sorting, value addition etc.
- d) Strengthening the Livelihood Clusters in Tribal Sub Plan areas in Odisha.
- e) Building the capacity of primary gatherers for processing & value addition through Institutional framework

TDCCOL, while focusing to facilitate the marketing of Minor Forest produces and Surplus Agricultural Produces to ensure that the best price is offered to the inhabitants, TDCCOL is also focusing to promote the rich heritage of tribal communities in manufacturing handicraft, handloom, and tribal art and paint in Odisha. Many outlets across the State has been opened up by TDCCOL in partnership of different corporate bodies for sale of all produces including the items from handicraft, handloom. Recently, TDCCOL has been nominated as State Procurement Agency for marketing of Minor Forest Produces under the Minimum Support Price Scheme in Odisha. Primary Institutions are being shortlisted by TDCCOL as Primary Procurement Agency at the grass-root level for procuring the MFP commodities at MSP price.

To achieve the missions, TDCCOL has partnered with many corporate bodies within and outside the state to enhance the skills of tribal communities and to sale their products across the globe.

- **Orissa Forest Development Corporation (OFDC)**

Orissa Forest Corporation (OFC), a fully government owned and managed public limited company was created in September 1962. It is the sole authorized agency to trade in kendu leaves and shares the responsibility with TDCC in case of sal seeds. In 1991 it was renamed OFDC with merger of Orissa Plantation Development Corporation, Simlipal Forest Development Corporation and later Orissa Composite Board also merged into it. Broadly OFDC deals in Kendu (Monopoly), Sal seeds (duopoly), Sal leaf, honey, arrowroot etc.

- **Large Size Multi Purpose Societies (LAMPS)**

LAMPS were formed in 1977 on the recommendation of Bawa committee, each covering a population of 10000-20000 when it was realized that the tribals were not enjoying fruits of their labour in the forest produce collection. Most of the LAMPS in the tribal regions of the State are operation in collaboration with other State level Corporations like TDCCOL, OFDC etc. LAMPS were very active till end of 2000 and were contributing considerably for marketing of minor forest produces and agricultural surplus produces in the State. However with the implementation of NTFP policy 2000, these LAMPS slowly lost its scope of work and of late not much associated in marketing of NTFP items. The LAMPS operational in the districts, now mostly facilitate in marketing of paddy under the MSP Scheme along with assured in put support for production and productivity enhancement.

- **Gram Panchayat**

Under the initiatives of Govt. to decentralize the power and to involve Panchayati Raj Institutions in the development processes, the Gram Panchayats were bestowed with ownership right for MFP transactions not only in the schedule area but also in the entire State. This policy was launched on 31<sup>st</sup> March, 2000. Such initiative resulted into reducing the monopoly of the private traders enabling the remunerative price to the tribal gatherers. Besides, State Govt. was also able regulate the MFP transaction with optimum transparency with revenue gain.

- **Orissa Rural Marketing Society (ORMAS)**

ORMAS was created by the state government in 1989 as an autonomous agency under the Department of Panchayat Raj. It is mandated to create institutional outlets at various levels for marketing rural produces at a remunerative price, and to play a leading role

in mobilization and organisation of the unorganised rural poor for livelihood security. ORMAS has set up District Supply and Marketing Societies (DSMS) in all districts for group formation, promotion of value addition of different agriculture and forest produces and their marketing. It has organized a number of fairs and exhibitions in the state and also has participated in similar fairs and exhibitions organised by CAPART to give a boost in particular to the income of the rural artisans and DWCRA groups. With the assistance of the government it implements the Special Swarnajayanti Gram Swarajgar Yojana (SGSY) in different districts to help SHGs in setting up small enterprises based on NTFP and agricultural produces. It has been playing vital role in processing and marketing of hill broom, leaf plates (both Sal and Siali), oil seeds etc. In the project areas of WORLP efforts have been taken up by DSMS to set up common facility centres for processing of different NTFP such as thorn broom, neem and mahua seeds.

- **Tribal Cooperative Marketing Development Federation (TRIFED)**

Tribal Cooperative Marketing Development Federation (TRIFED) was set up under the Ministry of Social Welfare in 1987 under the multi State Cooperatives Societies Act, 1984. The basic objective is to support the state cooperatives and corporations by finding proper market for NTFP and SAPs collected or harvested by tribal, and to train them on scientific collection of produces. TRIFED operates with head office in New Delhi with its branches in the tribal dominated states in India. In Orissa, it closely works with TDCCOL for forward sale of a few products.

Functioning of TRIFED observed to be reduced considerably during the last decade. Other than certain skill building programmes taken up by TRIFED in collaboration with the State Tribal Development Cooperative Corporations, significant achievement in other sectors particularly in marketing of MFP & SAP are almost negligible. However, in recent past, TRIFED has been declared as nodal agency at the national level to implement the Government of India Scheme on Minimum Support Price on MFP in the PESA States, launched on 26<sup>th</sup> January, 2014.

## **Orissa Gram Panchayats (Minor Forest Produce Administration) Rules 2002:**

The salient features of the Orissa Gram Panchayats (Minor Forest Produce Administration) Rules 2002 are as follows:

- The GP shall have the power to regulate procurement and trading of MFP, whether produced in government lands and forest areas within the limits of Grama or collected from the Reserved Forests and brought into the Grama.
- Price fixation would be done by the Panchayat Samiti (PS) in September and would be circulated to different offices of district administration and to all the GPs.
- If Panchayat Samiti fails to fix the price then the District Collector would call a meeting of PS preferably in October to fix up the minimum procurement prices.
- The traders are needed to be registered from GP to procure NTFPs.
- The GP shall furnish an annual return on the procurement and sale to the Forest Range Officer.
- Gram Sabha has been empowered to settle the disputes regarding non-abiding the rules by the traders and may cancel the registration, if required.

## **NTFP Policy of 2000:**

The government of Orissa came out with a new policy guideline on 31 March 2000 and vested the ownership and control right to GPs to regulate the purchase, procurement and trade of NTFP as well as abolish monopoly lease system in interest of proper price realization by the primary gatherers. In the new policy, the GPs are given the power to register the traders at the local level and also to monitor their functions with regard to procurement price. Further, the GPs are now vested with the authority to cancel the registration of any trader in the event of procuring NTFPs at a rate lower than the minimum procurement price fixed by the government for that product. Business houses and Government corporations who earlier controlled the trade would now operate as traders provided they get themselves registered with the concerned GPs as traders for particular MFP items for a particular season.

There is no restriction on the traders on number and volume of produces that they want to trade and transact provided they pay the registration fees. As per the policy, the GPs cannot use their discretion in registering the traders though they can always reprimand unscrupulous

ones involved in low payment, irregular procurement etc. However, in the process of empowering GPs to regulate the procurement and trade of NTFPs since 2000, the government is still in the process of making desired amendments/formulating a set of rules under the GP Act and Orissa Timber and other Forest Produce Transit Rules 1980.

### **Policy change in Orissa in March 2000**

Orissa's policy of creating private monopolies attracted a great deal of criticism, both from the Government of India (GoI) and civil society. In December 1996, Govt. of India passed a new law, according to which *Panchayats* in tribal areas are the owners of NTFPs. These developments forced the GoO to review its lease-oriented policies. It passed a new order on 31st March 2000 vesting on the *Gram Panchayats* (GPs) the authority to regulate the purchase, procurement and trade so that the primary gatherers get a 'fair price for the NTFPs gathered by them'. Although kendu, bamboo and sal seeds continue to be under government monopoly, 68 other NTFPs, such as tamarind, honey, myrabolans, etc, have been kept under the control of *Panchayats* throughout the State. There would be no requirement of trade and transit permit, no levies and no royalties for these 68 items.

The new policy abolished the 'leasing system' and *Panchayats* were given the power to register the traders at local level and to monitor their function especially with regard to price. Although three years have passed since the declaration of the policy vesting control with the GPs, the situation in the market has not changed for the better. Prices of most of the NTFPs have remained below the minimum procurement price fixed by the District Collectors. Most traders are still unregistered and *Panchayats* make no efforts to enforce the price fixed by the District Magistrates.

According to NGOs, the returns to gatherers can be improved only through support price-based aggressive buying of NTFPs by state agencies, just as it is done for wheat and rice. This alone, according to them, can break the dominance of the traders and their linkages with the village level market. Government can implement Minimum Support Price Scheme under Price Support System as a Safety-net scheme to ensure the commodities can be purchased ensuring remunerative price to the primary collectors. Government has long experience of similar schemes with Paddy transaction in association with Food Corporation of India. However the challenges faced in Paddy transaction with MSP Support need to be properly analysed and appropriate strategies are to be adopted to ensure procuring of

commodities from the primary collectors to the maximum extent possible. The success of the scheme largely depend upon involvement of Gram Sabha in implementation of the scheme having complete understanding.

The price fixation by Magistrates has another practical problem. Often the price fixed is higher than what the market can bear, as no Magistrate would like to be criticised in the Legislative Assembly or the Press for fixing a low price. When the price fixed is unrealistic, not only are village councils unable to find buyers at that price, but government commercial agencies withdraw themselves from the market. This reduces the number of buyers, and thus acts against the interest of primary producer or gatherer.

## **OBJECTIVES OF THE STUDY**

100 million people in India live in and around forest area and are highly dependant on forest produces for their subsistence. Market plays vital role to augment appropriate price to the tribal communities for sale of MFP and Surplus Agricultural produces for their survival. Often the produces collected / harvested by the people in the tribal sub plan areas do not fetch appropriate price due to various reasons. Distress sale are reported to be rampant in these areas due to lack of organized marketing approach in these localities.

The study aims at to identify the constraints that reduce the marketability of the products collected /harvested by the people with a focus to Minor Forest Produces in the Tribal Sub Plan areas in Odisha and to find most suitable strategies to promote the marketing of their produces at fair and remunerative price ensuring establishing a sustainable livelihood system in the tribal sub plan areas in Odisha. The broad objectives envisaged are as follows:

### **Objectives of the Study:**

1. To study the existing market scenario in the rural pockets of Odisha.
2. To identify the structural and functional barriers for marketing in tribal pockets.
3. To identify the different factors contributing poor market facilities in the rural pockets
4. To work out the possible solutions to address the issues related to marketing
5. To suggest a comprehensive action points in strengthening marketing scenario in the State.
6. To flag up multi dimensional issues for future action.

## Review of Literature

NTFPs have remained unorganized not only in India but in other countries like Canada too, resulting in lack of proper assessment of their actual production/collection, procurement, dependent population, and trade transactions. Although few items like bamboo have relatively organized procurement and marketing thanks to the consistency in industrial demand, the picture regarding most of the NTFPs is rather grey. However, the potential of this sector alongwith its contribution to the livelihood of millions of poor and disadvantaged people across the world attracted international interventions, be it the NTFP-Exchange Programme in South Asia or IUFRO's exclusive sub-division on NTFP research and knowledge sharing.

While globalization with economic liberalization increased the scope of accessing NTFP-based international market coinciding more or less with an increasing global demand for natural products, it also increased the competition with more emphasis on quality control and resource conservation (which is how certification became an important necessity). China could take much advantage of this global demand because of its centralized policy control and implementation mechanisms, whereas some other countries could ensure their better market share chiefly due to effective entrepreneurship. India neither had the centralized control nor the required extent of effective entrepreneurship. If it still secured its position in the global NTFP market then that is partly because of the fact that like China it has a rich tradition of indigenous knowledge of NTFP-based health care products, and partly because many valuable NTFPs are produced here. Otherwise it lags behind when it comes to bamboo-based entrepreneurship of Taiwan or product standardization of the US. Fortunately, for natural reasons, India still remains No.1 in case of few items like lac because it is only here that the best quality lac is produced that too in substantial quantities. According to a study the Indian share of global medicinal plants trade is increasing at an annual growth rate of 23%, and India stood 3rd among the biggest exporters of medicinal plants during 2009 after China and Canada respectively. Any type of study or analysis of any projects is useless, unless we go through the review of literature. So this chapter is intended to report the findings and understandings of past research studies conducted by various research specialists as well as their views and opinions about different aspects of study in the light of the objectives set forth. This would facilitate the present research study to use meaningful information and

subject them to sound reasoning and strong interpretation. As our topic is procurement and marketing of NTFPs in Kalahandi district of Odisha, here we will discuss the review of literature relating to it.

Ganapathy (1998) studied the role of NTFPs in tribal economy of Kollegal Taluk of Karnatak. He reported that NTFPs generated the maximum employment (42.96 %) for tribal households followed by the firm employment (22.06 %), allied employment (12.72%), wage employment (11.86%) and other sources of employment (10.40%). The analysis of the composition of income of the tribal households revealed that NTFPs was the main income generator. It contributed about 34.09% of the total income of the households.

Pradhan (1995) studied the collection of NTFPs in Keonjhar district of Odisha. The study revealed that sal seeds were collected by men, women and children. Sal leaves were predominately collected by women while tassar and weed for building materials were by men. With regards to all other NTFPs collected in the region, the collectors were predominately women and children.

Chopra (1994), in her study on marketing of NTFPs in Raipur district of Madhya Pradesh found that five marketing channels were operating in the trade of NTFPs .They are (i) sale to tribal agent who sold to consumer (ii) sale to the agent of wholesaler (iii) direct sale to primary retailer in local market (iv) sale to primary wholesaler who sold to the secondary wholesalers (v) sale to the secondary wholesalers.

Patel et al (2008) studied the collection of minor forest products in Gujrat . He found the high variability of in the collection of these products that is decrease in the collection of products like tendu leaves, mahua flowers and doli, but the production of gum and other products had increased. He opined that the overall decrease in collection reflected with depletion in forest resources or existence of an inefficient collection system.

S. D. Rout, S.K. Panda, N. Mishra and T. Panda (2010), studied the role of tribals in the collection of Non-Timber Forest Products in Mayurbhanj district of Odisha. They observed that the NTFPs collection contributes to the economy benefits significantly in day to day to the tribal community, where the basic needs and livelihood earnings are significantly supported from collection and processing of these items. The NTFPs provide

employment opportunities to the local tribals. (Mitchell et al., 2003) about 70 % of the NTFP collection in India takes place in the tribal belt of the country. It would be seen from the literature that the NTFP based small scale enterprises provide up to 50 % of income for 20 to 30 % of the rural labour force. Whereas 55 % of employment in forestry sector is attributed to the sector alone (Joshi, 2003). Therefore collection of NTFPs was a major source of income and employment for forest dwellers.

Raut et al., 1992) a study on employment, income and expenditure pattern of tribals in the Nasik district of Maharashtra found that the collection of minor forest products (MFPs) was found to be the only source of income during the summer season. Wage earning was the prime source of income for landless group, which amounted to the tune of 50 % of the total income.

The study by Namdeo and Pant (1994) highlighted that, Sal seeds had potential to provide employment to 4.5 million persons for a period of 40 days and regular employment of 300 days per year for 0.436 million persons in processing of Sal seeds. The annual production of the gum Karaya was about 6000 tons and creation of 600000 mandays of work at the rate of 10 kg per person per day. The study by Rao and Singh (1996) estimated that non- wood forest products offer employment to about one million people every year.

Prasad (1993) stated that production of NTFPs fluctuated also between years. He observed that the rural communities living in and around such forests depended only on selling forest produce. The situation could be altered only with alternative sources of employment opportunities for cash income. The income and labour relationships in collection of minor forest products examined by Alibaba et al. (2000) showed that labour spent on gum and tamarind collection was significant in generating income by tribals in forest areas. Their study concluded that all the tribal households faced problems in searching minor forest products and danger of wild animals. Further more there was a need for controlled exploitation of minor forest products in order to give scope for rejuvenation of forests

Sudarsen and Sumathi (2003) reported that Malayali schedule tribe<sup>17</sup> of Tamil Nadu heavily depends on the forest for their livelihood. With the increasing strictures on access to the forest resources and changes in the policies created by government departments, they are facing acute problems in utilizing the resources. The major problem is to have a secondary

source of income or more precisely to generate their minimum needs of food during the crisis period. The impact of external agencies like non-tribal moneylenders, traders and extremist's activities creating unrests among the interior tribals result into disturbances in their livelihood. The non-tribal private traders also buy the minor forest produce items from the tribals at low price and false weights and measures (Subramanyam, 2003). NTFP collected and sold in unprocessed form through co-operatives in a tribal sub plan area in Rajasthan fetched lower prices (Chakravarty and Verma, 1991). Endeavour by the co-operatives in marketing of NTFPs is an important step in saving the tribals from exploitation by the middleman. In Sundergarh district of Orissa, India (Mahapatra, 1992) money lenders of the area advanced loan to villagers only after they handed over the minor forest products (MFPs) collected. Thus became obligatory for the tribals to sell minor forest products to the lender at a price fixed by the trader. An attempt has been made by Kulirani (2003) to present on social, political and economic changes that have happened in Wayanad from a socio- historical point of view and the shrinking livelihood strategies of the Paniyar. Vast majority of tribals still have many unresolved problems especially landlessness in their traditional home land.

Mishra (2007) reported that some social support system to cope during drought periods existed in Oraon tribe. At household level, reduction of food consumption and change in the pattern of food consumption are important coping strategies. The majority of people in this area changed their occupation, when agriculture fails due to drought. Also many households either sold or mortgaged their lands and household assets. Some of the people, including young children migrated temporarily to other places for livelihood. OTELP (2007) points out that ecological degradation, erratic rainfall and a high risk of drought in the area have resulted in high food insecurity, increasing out-migration and periodic deaths from starvation. Among the disasters ecological imbalance is now seriously undermining the livelihood patterns and increasing vulnerability. In addition to these, a small land base, low agricultural productivity and low incomes have led to rising indebtedness, trapping tribals into a vicious circle of exploitation. The life of the tribals is increasingly vulnerable due to a persistent lack of assured entitlements to their resource base. Land alienation has deprived them of their land; forest legislation has turned them into encroachers on land they have always used; and they have also been disproportionately affected by displacement due to mining operations, irrigation projects, wildlife sanctuaries, etc.

Scherr et al., (2004) studied that many hundreds of millions of people across the developing world trade in a diverse range of non-timber forest products (NTFPs) everyday, which are marketed primarily in local and regional domestic markets. Building materials, fuel wood, charcoal, indigenous foodstuffs, medicines, craft items (from wood, grass, reeds, and vines), farm and household implements, furniture, and other more specialized products such as resins, honey, oils and alcoholic beverages are examples of some of products that may be found for sale in the vast majority of rural markets and in nearby towns and cities. Local markets can provide a guaranteed way of reaching some of the poorest people, and play a crucial role in strengthening livelihoods and improving income opportunities. Consumers of locally marketed forest products may include local people, poor urban residents or outsiders. The production of NTFPs for local markets can be a part time, seasonal, occasional or full-time, year round activity, with this varying across products, locations and individual households.

Andel (2006) in his study stated that food products include: wild fruits, vegetables, nuts, edible roots, bush meat, edible insects, honey and food additives like spices, flavorings, food colorants, fermentation agents. Many non-timber forest products are harvested each year from forests around the world. Many of the products harvested are forest botanicals that are used personally or are sold as commercial trade in the food products industry. Berries, herbs and mushrooms are among some of the most valuable non-timber forest products being harvested and sold to established markets throughout the world. Other food products include essential oils, honey, nuts, seeds, spices, coffee, teas and saps. In many developing countries, wild forest plants comprise a great portion of the daily diet for many people. In central and West Africa, for example, approximately 1,500 species of wild plants are collected for consumption. Oiled seeds, leaves and fruit are among the non-timber forest products which contain many of the necessary vitamins and other nutritional elements for survival.

A study (Mallik 1992) shows that deforestation in recent years in Orissa has not only increased the drudgery of the women in spending more time, but also in covering huge distances (2 to 5 kms & above) to collect firewood, NTFPs and other forest products, but also, has caused collection of inferior fuel, such as leaves, branches, twigs, tree roots, shrubs and weeds. Further, forest products, available free of cost to forest dwellers, in the recent past, are now available on purchase. Also, it has begun to affect the livestock economy adversely due to non-availability of common grazing field. It is reported that the afforestation

programme and the ensuing protection to it along with the emerging institutions such as Joint forest Management (JFM) /Community Forest Management (CFM), have further aggravated the hardships of women in collection of biomass products from the protected areas due to emerging stringent protection and conservation measures. Though self employment in sale of firewood, livestock rearing, collection, processing and marketing of NTFPs have wide avenues in creating wide opportunities for tribals to earn some income for sustaining their livelihood, these activities are by and large restricted/prevented by rules/laws, Acts, stringent protection measures by CFM/JFM, ongoing deforestation and community compulsions.

Ganesan (1993) studied the extraction of Non Timber Forest products (NTFPs) including fodder and fuel wood by the tribal people of Mudumalai region in Tamil Nadu. He reported that the gathers of fuel wood were predominantly women as the burden of collection fell primarily on women. It was found that on an average, the women went to the forest to collect fuel wood twice a week and covered a distance of one to two km. On an average, one head load of fuel wood weighed slightly over 30 kg. And the price realized was approximately Rs. 30 for a head load of fuel wood.

Kumar (1996) studied the marketing of Non-Timber Forest Products (NTFPs) in Rohtas district of Bihar. He found that chiraunji (dry fruit) was exchanged by weight for rice by middlemen. The market price appeared to be 25 times higher than the prices received by tribals indicating the exploitation of tribals in a marketing system, which is predominantly pre – capitalist.

Das (2003) studied the marketing channels involved in the marketing of sal leaf plates in Medinipur, Bankura and Purulia district of West Bengal. He found that when the producer sold the sal leaf plates directly to the consumer, he realized the maximum price and as the number of intermediaries increased in the marketing channel, the price realized by the producer went on decreasing. The channels involved were (I) producer – consumer (ii) producer – retailer – consumer (iii) producer – wholesaler – retailer consumer and (iv) producer - commission agent – local wholesale – wholesaler of city retailer – consumer.

NTFP collection is undertaken by the poorest sections of villages as it is labour-intensive and there turns are quite low. Precise estimates of dependence on NTFPs for poor people's own

consumption or sale are not available. However, a study conducted by the Indian Institute of Forest Management in 1996 (MoEF, 1998) gives a fair idea about the contribution of forests to the economy of three tribes (Kondhs, Mundas and Saoras) in Orissa. The study was conducted in 301 randomly selected households, spread over six districts of Orissa (Boudh, Pholbani, Keonjhar, Mayurbhanj, Sundargarh and Gajapati). It was observed that an average tribal family drew about half of its annual income from forests, 18% from agriculture, 13% from cattle and 18% from other employment.

A socio-economic survey (Singh, 1997) of 329 households, living in four villages on the fringes of forests in Sambalpur, Mayurbhanj and Ganjam districts, revealed that an average household draws as much as 49.2% of its total annual income/benefits from forests. Labour including wage labour contributes another 24.6% to the mean annual household income. Incomes from cultivation and cattle amount to about 18.6% and 7.6%, respectively. For about six months, from April to September, most households in the forested regions in western and southern Orissa subsist on nearby forests. Due to the gender division of labour, it is primarily women who are the major gatherers of a wide range of NTFPs both for subsistence and income. It is estimated (Mallik, 2001) that in Orissa more than 45,000 tonnes of kendu leaves are gathered annually by 1.8 million women. According to another estimate, the total women labour engaged in the collection of forest produce in Orissa is as high as 300 million woman days. According to one all-India estimate, NTFP collection accounts for 1062.7 million person days of employment in India, while a similar figure applied to Madhya Pradesh would amount to 233.8 million person days (Khare, 1993: 17). The collection of some NTFPs entails risks. For instance, in the case of hill brooms, there is a risk of snake bite, or falling into deep pits (IAMR, 1998). The collection of honey is also risky due to the danger of beestings.

# Materials and Method

**4.1 Material & Methods:** Research methodology plays important role for carrying out any research in a systematic manner. This guides the researcher to in identifying appropriate topic, formulating hypothesis, finalization of research area, application of appropriate tools and technologies, sampling size etc., which contribute to conduct the research in systematic manner and to do it on time without wastage of resources. Research methodology provide a blue print of the research work to be taken up. Appropriate sampling techniques helps to ensure due representation of the universe and to get a cross sectional information on the topic without bias. Similarly Research Tools & Technique helps in identifying appropriate tools to collect information with utmost clarity and without bias.

The study of challenges of marketing of different commodities particularly minor forest produces in the tribal sub plan areas of the State has been taken up in Rayagada due to large concentration of tribal population and dependency of people on minor forest produces for their subsistence.

**4.2 Selection of Block:** Two blocks namely Bissamcuttack and Muniguda have been selected purposefully, which are adjacent block with relative high concentration of tribal population. Besides, the inhabitants of these blocks are also considered to be in better up place in view of communication, advantages in term of its location, market, various facilities like health, education etc. The main objective of selection of two adjacent blocks is to concentrate a small geographical area with focused approach to understand the various dynamics linked to challenges in marketing.

**4.3 Selection of Villages:** Five villages from two blocks namely Bissamcuttack and Muniguda have been selected purposefully for the study. Three villages from Bisamcuttcak and two villages from Muniguda were selected for study purpose.

**Criteria of village selection:** Villages with high concentration of tribal communities and have access to forest were the primary consideration for selection of the villages. Besides, efforts were also made to select villages from different socio-economic back ground, locational differences, accessibility factors etc. also considered while selecting the villages.

Villages are selected through purposive sampling method based on consultation with the officials from different department in Rayagada.

**Table-1: List of villages selected:**

Villages Selected	Bissamcuttack Block	Muniguda Block
5 Villages from two blocks selected	<b>Jhigidi</b>	<b>Jamjhodi</b>
	<b>Pattamunda</b>	<b>Rotadi</b>
	<b>Khejuri</b>	

**4.4 Selection of Households:** From the records available with the officials of OTELP an innovative livelihoods and empowerment programme being implemented by ST & SC Development Department, it was ascertained that there are altogether 230 households in these five villages. To make the same representative, it was decided to cover 30% to 40% of hhs from each village. However, selection of households in respective villages was done following the random sampling techniques. Nos. of household covered in each villages are given below:

**Table-2: Household Sample Size**

Block	Villages	Total no HHs	Sample Size
<b>Bissamcuttack</b>	<b>Jhigidi</b>	65	20
	<b>Pattamunda</b>	25	10
	<b>Khejuri</b>	40	10
<b>Muniguda</b>	<b>Jamjhodi</b>	50	20
	<b>Rotadi</b>	50	20
<b>Total</b>		230	80

**4.5 Tools for data Collection:**

Tools for data collection have been decided very meticulously keeping in mind the low literacy level of the people being covered in the area of study. Efforts were given to find most appropriate / suitable tools to facilitate the data collection without much hindrance to the respondents to understand the questions and to draw most appropriate answers without any confusion. In view of above factors, the techniques for data collections finalized are as below:

- Interview Schedule
- Focused Group Discussion.
- Case Study
- Secondary data collection etc.

**Interview Schedule:** Interview Schedule was prepared based on the topic finalized. The Interview Schedule had primarily five sections i.e Demographic Section, Livelihoods Section, Market section, section of challenges perceived by the respondents and feedback and suggestion section for improvement. 100 respondents were covered during data collection through Interview Schedule. The interview schedule formulated initially was put into test check for finalization. The feedback received from the respondents was incorporated in the Interview Schedule and finalized.

**Focused Group Discussion:** Some key checklist prepared on the thematic area of the study was administered in focused group discussion to understand the issues and challenges related to marketing of forestry commodities and other commodity as well. The questions raised in the FGD are as below...

1. What are the major challenges in marketing of the MFP Commodities
2. What are the possible solutions to the issues related marketing.
3. Facilities provided by different Govt. and Non Govt. agencies to cater the market need in the communities.
4. Role of Grass-root level organizations / Youths etc. in facilitating market facilities.

**Collection of Secondary Data:** The secondary data was collected from various sources such as data / information published by ST & SC Development Department, Govt. of Odisha, Reports published by different agencies, thesis submitted by the research papers etc. Policies relating information on MFP / NTFP were collected from Web Portal of Ministry of Tribal Welfare, Government of India and ST & SC Development Department, Government of Odisha. The secondary data and information about market challenges in tribal areas and particularly on MFP was collected from various reports generated by Vasundhara & RCDC a leading NGO operational in the State. Similarly reports of different committees (Sexana Committee/ Sub Committee/ Work Committee) of different thematic groups associated in similar studies also referred to understand the different dynamics operating on marketing of Minor Forest Products in the State.

#### **4.6 Data analysis & Interpretation**

Both qualitative and quantitative methods have been used for analysis and interpretation. The data were synthesized and inputted in Excel software. In this study, quantitative and qualitative methods were applied for analyzing the data and information collected. Descriptive and inference analyses were applied to quantify perception of farmers for household interviewing.



**5.2 Table – 3: Rayagada at a Glance:**

I. No.	ITEM	DETAILS	
01	Geographical Area	7584.7 Sq. Kms.	
02	GramPanchayats	171	
02	Villages		
	Inhabited	2445	
	Uninhabited	222	
03	Population, 2001 Census (Provisional)	8,23,000	
	SC	1,17,524 (14.28 %)	
	ST	4,61,209 (56.04 %)	
	OC	2,44,266 (29.68%)	
	Sex Ratio (Females per '000 males) 2001 (P)	1029	
	Population Density (per Sqr. Km.) 2001 (P)	116	
03	Literacy Rates 2001(P):		
	Male	47.35	
	Female	24.31	
	Total	35.61	
04	Production of Major Crops (2000-01) (in Qtl.):		
	Paddy	1106918	
	Maize	42061	
	Ragi	71818	
	Mung	1329	
	Biri	3616	
	Kulthi	3220	
	Til	7579	
	Groundnut	2036	
	Mustard	1066	
	Sugarcane	63246	
05	Rain fall:		
	Normal rainfall (M.M)	1521.8	
	Actual rainfall 2000 (M.M)	876.8	
	Deviation from normal (M.M)	(-) 645.0	
10	Animal Husbandry: (2000-01):		
	Hospitals & Dispensaries	16	
	A.I. centres	25	
	Production of Milk (in '000 MT)	26.96	
	Production of Egg (Mil No.)	29.28	
	Meat (in MT)	576.20	
	Total area of cultivable land in Hect.	184014	
	Area under major food crops	147170 Hect	
	Area under major millets/course cereals	45867 Hect.	
	Area under pulses	34100 Hect.	
	Area under Oil seeds	27500 Hect.	
	Total farming families in the District	140000	
	Irrigated lands in Hect.:	(i) Khariff	42115 Hect.
		(ii) Rabi	11360 Hect
17	Forest (Area in Sq. KMs)		
	Reserve Forest	771.62	
	Demarcated Protected Forest	1147.19	
	Unclassified Forest Area	0.96	
	Other forest	892.56	
	Total	2812.33	

### 5.3 Demography Feature:

As of 2001 India [census](#), Rayagada had a population of 57,732. Males constitute 51% of the population and females 49%. Rayagada has an average literacy rate of 36%, which is much lesser than the national average. Similarly the male literacy of Rayagada is 47% and female literacy is 24.31%. In Rayagada, 12% of the population is under 6 years of age.

### 5.4 Physiography:

The physiography of Rayagada gives a perfect platform for the tribals in sustaining their ethno-cultural identity in the district. Forest area covers an extent of 2812.33 Sq. KM. out of which 771.62 Sq. Km. is Reserved Forest. The district has been the homeland of various tribal communities with their sub-tribes, who are found in different level of development depending upon their assimilation with the so-called mainstream or modern communities. The *kondhas* and its subsection constitute the major percentage of tribal population in the district and the *Souras* stand second. There are also many other tribal communities who are, however, negligible in number but definitely contribute to the exotic intermingling culture of the district.

In the ethno-cultural map of Orissa, two tribes stand out quite prominently for their educational backwardness and continuing ethnic and cultural identity. Firstly, the Kondhas are one of the primitive tribes, inhabiting almost all the blocks of the district. Their highest concentration is found in the blocks of Rayagada, Kashipur, Kalyansinghpur, Bissamcuttack and Muniguda. Secondly, the Souras or Lanjia Souras as they are often called due to their dress pattern wear a loin cloth hanging from behind & which could be mistakenly identified as a tail by a stranger. They inhabit blocks of Gunupur, Padmapur and Gudari. Their highest concentration is found in the Puttasing area, approximately 25 Kms. away from Gunupur NAC. Although, they are close to the assimilation process, yet some interior GPs like Rejingtal, Sagada and Puttasing have Souras who still retain their traditional tribal customs and traditions.

### 5.5 Topography of Rayagada



## 5.6 FOREST COVERAGE

Forests occupy about 40% of the total geographical area in the district. The principal species generally found are sal, bamboo, teak and other mixed varieties. The minor forest produce species are Tamarind, Mahua, Char, Kendu, Myrobalan and Amla, Kendu Leaf, Harida etc. Rayagada district has stretches of water lands such as degraded lands, water logged soils, soil erosion, desertification etc. The major category of the wasteland is upland with or without scrub, degraded forest land and shifting cultivation area. Bamboo being the versatile perennial grass species is distributed in a wide range of agro-climatic and soil conditions. Rayagada is a potential district for bamboo cultivation. Besides, other horticultural produces like Pine apple, tamarind, ginger etc. are also harvested in large quantity in Ryagada.

### 4.6 (Table – 4) MFP Potential in Rayagada:

MFP	Potential in Qtls	Rayagada	Kasipur	Gunupur	Chandrapur	Ksinghpur	Muniguda
Tamarind	50000						
Hill Brooms	2000						
Siali Leaves	4000						
Mohua Flowers	6000						
Amla	2000						
Harida	500						
Bahada	200						
Mohua seeds	4000						
Karanj seeds	2000						

## Results and Discussions

### 6.1 Education Scenario in the villages covered:

Primarily the objective of the study was to ascertain the livelihood system available in the community and focused on the challenges faced by the villagers in marketing of their produces. Accordingly, 80 respondents were covered during the study. The survey finding indicates that about 40% of the members from the respondent households are illiterate, which is more than illiteracy level in the district. About 37% of the populations covered in the study area are reported to have primary education. However most of them seem to have forgotten to read and write but can just put their signature as symbol. Noticeably, 6-7 youths mostly boys reported to be educated up to graduation and above, but without any engagement. Most importantly, it was seen that women literacy in these locations was abysmally low.

About 13% children covered in the study are within the age group of five years. Most of the villages in the study area have a primary school within the village or having a school in the nearby village within a distance of one kilometer. Similarly, the study indicates that the most of the children in the age group of 14 yrs in the study villages are attending primary education. However, it is reported by the parents that the drop out starts after the primary education due to financial constraints, non availability of high school in the nearby areas and often the children are put to some labour work to contribute to household income.

**Table -5: Educational Status of the respondents:**

Block	Village	Literacy in Percentage					Others
		Illiterate	Up to Primary	Up to High School	Up to Graduation	Above Graduation	
Bissamcuttack	Jhigidi	35	42	9	3	0	14
	Pattamunda	45	40	5	3	0	7
	Khejuri	44	38	5	0	0	13
Muniguda	Jamjhodi	35	40	9	4	2	11
	Rotadi	42	35	6	2	1	14
<b>Total</b>		<b>40</b>	<b>37</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>13</b>

## 6.2 Livelihoods Profile:

Villages covered for the study purpose are mostly located in the interior part of the blocks. Most of the villages covered are almost 10 kms – 30 kms away from the block head quarters. During the focused group discussion, it is ascertained that people of these locations largely depend upon daily wages for their livelihoods. But scanty labour work along with low wages compels the villagers to depend upon forest produces throughout the year and particularly during lean seasons. Analysis of the data reveals that more than 60% of the respondent households are dependant on daily wage for their livelihoods. NTFP is reported to be second source of income in



all the villages. About 10% to 15% households have reported that agriculture is the primary source of income. However, about 20% respondents from Jamjhodi village in Muniguda and Khejuri village in Bissamcuttack have reported to depend on agriculture as major source of employment. However the responses from the elderly members of the communities as regards scope of livelihoods in the communities during the FGD are as follows:

- There is hardly any suitable land for agricultural activities.
- Most of the land are up land without irrigation provisions.
- Productivity in the locality is too low due to various factors.
- People prefer to go for daily wage for livelihoods.
- There is significant wage variation among the male and female worker at contract work and other private work as well.
- Scope of wage work in and around the villages is scanty.
- People need to go far off for daily wage earning.
- People struggle to find any engagement to meet the daily subsistence for more than six months in a year.
- NTFP plays a role of savior for the survival of the community members in the lean period particularly in rainy and summer season.

**Table – 6: Livelihoods Profile of the Respondents:**

Block	Village	Principal Employment of the members in Percentage				
		Agriculture	Livestock	NTFP	Daily Wage	Others
Bissamcuttack	Jhigidi	10	0	15	57	18
	Pattamunda	12	0	15	68	5
	Khejuri	18	0	20	60	2
Muniguda	Jamjhodi	20	0	20	60	0
	Rotadi	15	0	25	60	0

It is ascertained that livestock is not considered to constitute as a source of income, though many of the households have few poultry birds, goat etc. It was stated by the villagers that the goats are sold in the nearby market to meet the financial need of the families, particularly during festivals and other family functions. They also relate goat as ready cash and viewed that households having goat as a means to survive during the stress. But many respondent in Rotadi village stated that keeping goat is becoming challenge due to wild animals, who kills these goats. That apart, villagers also stated that lack of knowledge on timely vaccination and non availability of para-vets in and around the village resulted in to continuous deaths of the poultry birds and goats in these villages.

Villagers from Jhigidi have been trained on Dokhra casting by Anwesa, a State level agencies associated in promotion of handicraft and handloom in Odisha and district administration about a decade back and now they are associated in casting dokhra craft with the marketing assistance from TDCCOL for last couple of years.

### 6.3 Average Income from different source of employment:

The table -7 indicates the average annual household income from different sources of employment. The interpretation of the table given below indicates that the villagers are associated in multiple source of employment round the year to meet the household expenditure. However, lack of adequate resources / facilities for engagement in any particular sector, round the year, compels the people to opt for alternative source of income for their survival. The table-7 also gives an indication that villagers earn only Rs.12000/- to Rs. 14,000/- at most from any two sources of employment opportunity available to them. The annual income as calculated observed to be significantly low as compared to the minimum annual income of a household to be considered under BPL Category. The above findings confirms the status of BPL Cards received by 100% of the households covered under the study. However, occurrence of any sort of natural calamity such as draught, which is stated to be very common in the study area impacts severely the livelihoods of the people. Issues like seasonal migration, severe mal nutrition, high IMR & MMR etc. found to be rampant due to low income level of the households.

**Table – 7: Average Annual Income from Different Source of Employment**

Block	Village	Source of Employment				
		Agriculture	Livestock	NTFP	Daily Wage	Others
Bissamcuttack	Jhigidi	6000 -7000	2000	4000	6000-7000	15000
	Pattamunda	4500 – 5500	0	3000	6000-7000	0
	Khejuri	8000-9000	0	4000	5000-6000	0
Muniguda	Jamjhodi	7000 – 8000	1500 – 2000	4000	6000-7000	0
	Rotadi	7000 – 8000	1500 – 2000	4000	6000-7000	0

The table -8 shows that the households, who are landless, can hardly get work of 220 days at-most in a year. The situation is largely similar across the villages covered except, Jhigidi, where the people have an opportunity to work for Dokhra Craft, which contribute significantly to their household income. The villagers of Pattamunda had reported that they are forced to go far up places in search of daily wage as the income they earn from other sources is not enough to sustain the household expenditure.

**Table – 8: Engagement profile of respondents in different Employment:**

Block	Village	Involvement in Employment in no of days/ Year				
		Agriculture	Livestock	NTFP	Daily Wage	Others
Bissamcuttack	Jhigidi	120 days	0	120 days	100 days	120 days
	Pattamunda	120 days	0	120 days	120 days	0
	Khejuri	150 days	0	120 days	100 days	0
Muniguda	Jamjhodi	120 days	0	120 days	100 days	0
	Rotadi	120 days	0	120 days	100 days	0

#### 6.4 Land Ownership Status:

Table – 9 indicates more than 65% of households covered in the study are found to be landless. Only 12% of households possess land to the extent of two acres to four acres. Provision of allocation of land to land less under the FRA Act of Government of Odisha is being implemented in the villages under study. However, it is reported that the villagers in the studied village are not being benefited much from the scheme due to non availability of appropriate land to be awarded for record of right. Besides, the table-8 also indicates that entire land available for cultivation are of rain-fed (upland) category, where only single crop is being harvested during monsoon. It is also reported that 46% of respondents cultivate encroached land, but as reported, the size of encroach land varies from 0.5 acre to one acre at most.

**Table- 9: Land ownership Status:**

Land Size	Respondents Land Holding Status		Irrigation Status in %		Land Type (In Percentage)		
	Nos.	Percentage	Irrigated	Non Irrigated	Low	Medium	Upland
No Land	52	65	0	NA	0	0	100
Less than 1 Ac of land	18	23	0	100			
IHc- 2 Ac Land	6	7	0	100			
2 Hc. To 4 Ac	4	5	0	100			
More than 4 Ac of land	0	0	0	NA			
Encroached Land	23	46	0	100			

## 6.5 Cropping Particulars:

Table – 10 indicates that only 35% of the total respondents do possess land of different size. The interpretation of facts and figure reveals that 23% of respondents covered in the study possess land up to one acre and only 12% of households possess more than two acres of cultivable land. As the land possessed by the respondents are devoid of irrigation facilities, the people of the study villages, largely depend upon rain for cultivation. The yield reported to be very low. While probing on the low yield, it was opined by the respondents that the factors such as infertile soil, low use of quality inputs like seed, fertilizer, excessive poverty are important factors for low productivity and production.

**Table – 10: Crop Cultivation Status:**

<b>Crop Type</b>	<b>Yield (Qtl. / Acre)</b>	<b>Avg. Total Production (In Qtl.)</b>	<b>Self Consumption (In Qtl)</b>	<b>For Sale (In Qtl.)</b>
<b>Paddy</b>	7-8	450l	250	200
<b>Ragi</b>	3-4	200	200	Nil
<b>Khosla</b>	2-3	100.	70	30
<b>Biri</b>	2-3	70	Nil	70
<b>Alsi</b>	2-3	100	100	Nil
<b>Rasi</b>	2-3	50	Nil	50

Major commodities harvested by the families living in this area are Paddy, Ragi, Black Gram, Rasi, Khosla etc. It is reported that about 50% of paddy is being sold by the respondents, as almost all the respondent families are covered under the BPL Category receive 25 kgs to 35 kgs of Rice at Rs.1/- per kg under Social Safety-net Scheme of Government. So about 50% of paddy produced are being sold to the local trader at the doorstep. It is also reported that at the door step, local traders pay Rs.1100/- to Rs.1150/- per quintal as against Rs.1310/- prevailing in the Mandi. Most of the respondents reported to prefer to sale paddy at village level than at Mandi, as they face lot of difficulties to take paddy to the nearest Mandi and to maintain the quality parameters finalized to be transacted through Mandi. Other products like Ragi & Alsi mostly grown for consumption purpose. Most of the respondents stated that most of the villagers harvest of Ragi and Alsi crops for self consumption.

Products like Black Gram, Khosla (Dal), Rasi etc. are being harvested as cash crop. In addition to agricultural commodities, people in this localities, particularly villagers of Khejuri, Rotadi etc. grow horticultural commodities like Pine Apple, Turmeric, Ginger etc. It is reported that the climate of the study area is highly suitable for these items but due to lack

of market assurance, villagers are not confident to invest more to bring the scale of economy for commercialization.

### 6.6 NTFP Collection:

Majority of the villagers in the study area are in opinion that forest contribute significantly to the livelihoods baskets of the inhabitants particularly during lean season. Other than fire wood, which they collect round the year, the major commodities reported of being collected by the people are Kendu Leaf, Tamarind, Mahua Flower, Mahua Seed etc. In few pockets of the studied area, people also collect Amla, Hill Broom and Siali leaf from the forest. As stated by the respondents, all commodities except Mahua Seed are primarily collected for sale, whereas Mahua Seed is processed within or outside the village and used as edible oil in the community. Kendu Leaf is a lease barred item, which is being purchased through Forest Department. Other items like Tamarind, Mahua Flower, Mahua Seed, Hill Broom, Siali Leaf etc. do not have any restriction for open sale in the market.

**Tbale-11: Major NTFP Items Collected:**

Crop Type	No of HHs	Total Collection	Total Avg. Collection/ HHs	% of Consumption	% of Sale
Tamarind	58	112 Qtl.	1.93 qtl.	10	90
Mahua	65	22 Qtl.	0.34 qtl.	0	100
Kendu Leaf	50	100000 (Bida)	2000 (Bida)	0	100
Mahua Seed	65	35 Qtl.	0.54 qtl.	60	40
Amla	22	10 Qtl.	0.45 qtl.	0	100
Hill Broom	28	12 Qtl.	0.43 qtl.	0	100
Siali Laef	30	30000 (Bida)	1000 (Bida)	0	100

It is reported that average income per household from NTFP commodities ranges from Rs. 3000/- to Rs. 7000/- per annum. Villagers in Pattamunda have reported that huge depletion of forest in last couple of decades, resulted in to non availability of MFP products in and around their village. The villagers are to track for long distance to collect forest product. However, all the villagers have reported that they are highly dependant on forest for their livelihoods throughout the year. Availability of various forest produces and its potential in Rayagada district as per the report of District Administration, Rayagada is presented in Table -12.

**Tbale-12: Potential of different products in Rayagada:**

MFP	Potential in Qtls	Rayagada	Kasipur	Gunupur	Chandrapur	Ksinghpur	Muniguda
Tamarind	50000						
Hill Brooms	2000						
Siali Leaves	4000						
Mohua Flowers	6000						
Amla	2000						
Harida	500						
Bahada	200						
Mohua seeds	4000						
Karanj seeds	2000						

### 6.7 Calendar of NTFPs Collection in Odisha

Each product has its own cycle. Tamarind is basically harvested during February to April, similarly Sal seed is harvested during May to June. Most importantly, Sal seed fruiting occurs in different quantity in a four years cycle. It goes decreasing every year by about 25% from the preceding year and by the end of fourth year it comes with the bumper crop. The calendar of MFP items in presented in Table-13.



**Table-13: Calendar of NTFPs Collection in Odisha.**

NTFPs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Amla												
Bahada												
Gum												
Grass												
Jhuna												
Karanj Seed												
Kendu Leaf												
Kusum												
Lac												
Mahua Flow												
Sal Seeds												
Siali Leave												
Tamarind												

**Note:**

	Products Available in Study Villages
	Products not available in plenty

## **Factors of unorganized Market**

**6.8 Factors of unorganized Market:** Marketing is stated to be major stumble block for all forestry and non forestry products including the handicraft and handloom in the studied villages. Markets in rural pockets observed to be highly volatile. There are many factors attributed to non receipt of remunerative price for the produces collected / harvested by the tribal communities. Often it is reported that tribal do not able to fetch their investment due to unorganized market in the rural pockets. Factors responsible for poor marketability of the commodities that tribal households receive from the study villages are as follows:

### **6.9 Lack to attain Scale of Economy:**

It is often seen that the farmers at the community level struggle to fetch remunerative price for their product, whereas the same product is being sold at higher price some other places. This happens due to inability to attain the scale of economy in term of volume. The traders operating in the terminal markets always prefer to take large volume i.e truck load or cart load etc. So the main traders don't come to village to lift the product. In return the small kuchias, local traders take the advantage of situation and aggregate the product at lesser price and get the lion share of the commodities by selling to the big traders by attending the scale of economy.

### **6.10 No Formal Institutional Set up:**

The products are being sold at the community level on individual household basis. Each households either to go to near by hats to sale their commodities or they sell their products to the middle man. Concept of grass-root institution on marketing is grossly missing. Primary institutions like Self Help Group, Primary Cooperatives, Village development Committee, Vana Sangrakhyana Samiti, etc. are in operation in these villages, but not ventured into Institutional marketing. Advantage of such situation are being taken by the middle man, money lenders, who operates like intermediary institute to purchase from the primary gatherers and do the deferred sale at much higher price.

### **6.11 Less production and productivity:**

Low production and productivity is always a challenge to target the terminal markets, who offer the best return. Lack of awareness on the modern agricultural practices, scientific

harvest, use of appropriate technologies and inputs like seed, fertilizer, skilled labour, machineries etc. are the important cause of low productivity hence the yield is much lesser than the desired level. Less production results in to less surplus for dispose and ultimately failed to attain the scale of economy to fetch traders from terminal market, who generally offer best price. Production and productivity in all the villages observed to be very low and it is observed that the prevalence of kuchias and first level traders are very rampant for the above reason. Low production and productivity resulted significantly in getting comparative price of the products harvested / gathered by the farmers.

### **6.12 Low shelf life of the commodities:**

Low shelf lives of the commodities collected / harvested by the people in the studied area are also reported as an important factor for distress sale. It was observed some products, which has low shelf life like Pine Apple, Mahua Flower and other horticultural items are sold at very less price. As reported by the villagers, the fruits being harvested on a particular point of time, compels the farmers to sell immediately otherwise the entire stock will be perished. Such compulsion is attributed due to non availability of appropriate storage place with cold chamber facility and lack of appropriate facilities to process the items.

**Table-14: Storage facility at the Community level:**

Availability of Storage facility	Response in %	
	Yes	No
<b>Traditional facility</b>	100	0
<b>Community Storage</b>	0	100
<b>Commercial Storage</b>	20	80
<b>Cold Storage</b>	0	100

### **6.13 Inadequate Infrastructure facilities:**

Infrastructure found to be an impediment for growth of agriculture and allied secotrs in the communities covered. As reported by the people all the villages are devoid of basic infrastructure facilities, which significantly impact for production, productivity and value addition of the products. Infrastructure such as storage space, drying yard, Grain bank, Seed Bank, weighing scale, processing units etc. are not available in the villages covered. Respondents have expressed desire to have these infrastructure facilities to take the economic activities forward. However due to poverty and many other reasons, the villagers unable to come up with the facilities, but looking forward for support from Govt and other agencies to address the cause for their wellbeing.

**Table 15: Availability of different facilities:**

Items	Locations of facility availability		Expectation of Villagers
	Within Village	Outside Village	
Grain Bank	No	Yes	Essential
Storage Facility	No	No	Highly Essential
Drying Yard	No	No	Highly Essential
Processing Units	No	Yes	Essential
Community level Institutions	No	Yes	Essential

**6.14 Excessive Poverty:**

Poverty reported to be one of the major hindrance for fetching better price for the commodities collected / harvested by the people in the surveyed villages. It is interpreted that many items collected by the people in the study area can be stored for certain period to fetch better market, when the demand goes up. The farmers reported to have adequate knowledge on demand supply chain and its marketability effect to fetch remunerative price, but poverty compels them to dispose the items immediately soon after harvest to meet their day to day expenditure and to repay the amount borrowed during lean season. This implies that poverty is a stumbling block for the inhabitants of the villages covered to fetch better price with deferred sale.

**6.15 No Processing/ Value Addition:**

Provision of value addition and processing of items at the village level found to be absent in all the villages covered. Villagers, during the discussion stated that they prefer to dispose the commodities in raw form without any value addition due to immediate financial need and also attributed to non availability of processing units in the village they live in. Even the villagers have reported to go to nearby villages for expelling Mohua Seed to use as edible oil. Villagers in Khejuri reported that huge quantity of Pine Apple get perished, but none of them any idea for processing and to extract pine apple juice for better return. However, when probed, they had expressed desire to take up processing unit, if provided.

**6.16 Lack in bargaining Power:**

The people in these villages do not have much exposure outside the world nor they are educated enough to understand the mischief of the local traders, who cheat these people in multiple aspects. Often the villagers are being cheated by price and weighment. Besides other aspect, that people generally not aware of that they are being constantly cheated is weighment. Most importantly, even if the villagers understand that they are cheated, but

prefer to remain quite, as they have not access to the alternative market. The bargaining power of the villagers to demand the prevailing price for the products was found to be dismal. The cartel among the traders is one of the major reasons, why villagers are forced to sell their produces at the price offered by the local traders. The factors that compels the primary collectors to remain quite against the manipulation are include inability to attain the scale of economy, no alternative market, excessive poverty, lack to hoarding capacity for long, no infrastructure to store etc.

### **6.17 Lack in market information:**

Information is knowledge and knowledge is power. Both are absolutely missing in the villages covered. All the villagers are reported that the traders do come to their village or nearby village to lift the produces. Though it was studied that the villagers sale their produces at almost 20% - 30% less than the actual price to the middle man, but the villagers were of the opinion that they do get almost the similar price as offered by the traders in the nearby market. Villagers neither well aware of the price index of the similar product in different terminals nor they have much knowledge on the possibility of value addition, which can fetch better price to them.

**Table 16: Source of Market Information:**

<b>Source of Information on Sale Price</b>	<b>Major Source of Information in %</b>
Agent / Middleman	70
Market	15
Radio	10
Govt. / Gram Panchayat	25
Friends / Community Members	10
RMC	5
Others	5

### **6.18 No institutional back up like Minimum Support Price**

It is well known fact that the tribal dwellers forced to sale their produces at throw=away price due to non availability of organized market. Existing poverty level of the tribal community perpetuates due to lack of ability to sale the products at remunerative price. It is calculated that the extent of time, energy and resources spent by the tribal families for collection, / harvest of the produces, is not compatible with the returns.

Many Acts have been passed to support the tribal dwellers for their well being and progress. The PESA, NTFP Policy, 2000, JFM Act, Orissa Gram Panchayats (Minor Forest Produce

Administration) Rules 2002 etc. have been enacted and efforts have been to implemented the act with true spirit. But the outcome of the act is observed to be far reaching. Minimum Support Price Scheme under the Price Support System of Safety net scheme is an answer to extend support to the rural communities to avoid distress sale. Recently Minimum Support Price Scheme has been launched by Central Govt. for 12 minor forest products. The scheme will be implemented in all PESA States except Himachal Pradesh.

The 12 products covered under the MSP Scheme of MFP include Tamarind, Sal Seed, Mahua Seed, Karanja Seed, Harida, Honey, Gum Karaya, Lac, Chiranjee, Sal Leaf etc. Support price of the above products have been finalized centrally considering the time spent by the forest dwellers and the opportunity cost based on the daily wage for 8 hours. TRIFED at the national level has been nominated as coordinating agency, whereas Ministry of Tribal Affairs is the implementing agency. Similarly all Tribal Development Cooperative Corporations of each States have been identified as State Procurement Agency under the administrative control of Department of ST & SC Development Department.

Such initiative has been welcomed by the activist, planners and intellectual mass and all are looking forward for its effective and transparent implementation across the Country.

#### **6.19 Lack of Micro Credit Facilities:**

Micro Credit is one of the important input for any transaction. People live in these areas are also reported to have dependant for micro credit both for consumption and production purposes. Lack of financial institution both formal and informal compelled the villagers to take loan from private money lenders, who exploit the tribal / rural people for time immemorial. Table 17 shows that the villagers do not much access to formal institutions for financial support rather they depend upon the private bank or other informal institutions for their credit need.

**Table-17: Major Source of Financial Inputs**

Source	Preference for loan in %	Source of Loan in %
Bank	100	15
Private Financial Institutes	0	55
SHG / Cooperatives	0	25
Family / Relatives	0	5
Others	0	0

It is reported during the FGD that villagers used to obtain loan from money lender @5% to 7% rate of interest per month from the local money lenders. People of couple of the villages also reported that the corpus funds made available at the SHG level through Orissa Tribal Empowerment & Livelihoods Programme (OTELP) of ST & SC Development Department is also being utilized for production purpose at nominal rate of interest as fixed by the SHGs. In other villages, non availability of bank reported to be one of the important factor, why people forced to avail loan form private players at very high rate for the production and consumption purpose.

## 6.20 Lack of External Support

It was reported in three villages that OTELP, an external supported project helped significantly during last three years. Lots of initiatives on land & Water Management have been taken up along with certain focused activities to empower the women communities in the villages. Revolving funds provided under the OTELP is being extensively used to meet the productive and consumption need of the community. People from other villages were also expecting similar programme to be implemented in their respective villages.

**Table- 18: Price of products at different market points**

Items Agriculture & MFP	% of Commodities Sold		Price at Village/ Qtl	Price at Outside Village / Qtl	Price at Hat/ Qtl
	Village	Outside			
Paddy	60	40	1150	1150	1310
Nizer (Alsi)	70	30	2600	2700	2700
Til	70	30	7000	7000	7500
Black Gram	100	0	2500	2600	3000
Horse Gram	100	00	2500	2600	3000
Pine Apple	100	0	8/ Piece	10/Piece	15/ Piece
Ginger	100	0			
Turmeric	100	0	7000	7000	8000
Tamarind	100	0	1500	1600	1800
Mahua Seed	100	0	1300	1400	1600
Mahua Flower	100	0	1400	1500	1700
Amla	100	0	3000	3200	3400
Kendu	100	0	100	100	100
Hill Broom	100	0	50 / Kg.	55 / kg	55 / Kg

**Table- 19: Processing Facilities at the Community level:**

Items	% of total quantity processed	Location of Processing		
		In Village	Nearby village	Away from village
Paddy	40	No	Yes	No
Mahua Seed	80	No	Yes	No
Ragi	90	No	Yes	No
Ginger	20	No	Yes	No
Turmeric	0	NA	NA	NA
Amla	0	NA	NA	NA
Pine Apple	0	NA	NA	NA
Black Gram	0	NA	NA	NA

**6.21 Challenges in Marketing in Rural Pockets:**

The challenges faced by the tribal farmers for marketing their products as per their perception and ranking are being analyzed. Individual respondent as well as community were engaged in discussion in the Focused Group discussion held in couple of villages to understand the dynamics of market in the villages covered. The responses of the people on challenges in marketing in rural pockets are ranked and placed in table – 20.

**Table – 20: Perceived Challenges in Marketing:**

Sl. No	Challenges	In order of Priority
1	No formal Market	1
2	No Storage facility	4
3	Lack of Market Information	3
4	Low Shelf life	2
5	Lack of exposure	6
6	Lack of Institutional Support	5
7	Lack of demand of the products	7
8	Poor Quality of the products	8
9	Remoteness of the village	9
10	Others (No political Will)	10

The table indicates that farmers are constrained to sell their produce mainly because of lack of formal market followed by poor shelf life of products and as such could not be stored for longer period to get the remunerative prices. Other major constraints are found to be poor market information, no storage facility, poor institution support etc.

## **Factors Analysis:**

The NTFP sector has remained underdeveloped in comparison to its vast potential chiefly because of some of the serious gaps that have been existing since long, as under:

**6.22 Issues at policy level:** There is no national clarity at policy level on NTFP management. Stake in NTFP sector has been a major issue of confrontation between the Forest Department and the local communities, particularly after PESA and FRA. Grey areas exist even in legal provisions, and access/transit regime is incompatible across the country. For example, bamboo as per FRA is a minor forest produce; but Indian Forest Act, 1927 treats it at par with timber and the Forest Department is not ready to lose its stake in bamboo. The then Minister for Environment & Forest, Mr. Jayram Ramesh wrote letters to state Chief Ministers including to the Odisha chief minister to recognize bamboo as a MFP and transfer ownership of the same to local communities accordingly; but the state forest departments are hardly willing to accept that. Monopoly rights of states are legally questionable though they still continue with that.

**6.23 Issues at institutional level:** National level organisation at Centre to coordinate the effective functioning and implementation of different schemes on NTFP and to address the emerging issues on rights and management perspective is grossly missing. Similarly the agencies operational at the State level are also struggling to manage the trade without clear cut guideline and assistance. Further the State level agencies lack adequate capacity and skill to successfully manage the NTFP operation through private traders; and local institutions of primary collectors due to ambiguity in policies.

**6.24 Production level:** While conservation and regeneration of NTFP species do not receive adequate attention in the timber-centric forest management system, unsustainable harvesting practices along with diversion of forest land for non-forest use causes substantial degradation of the resource base. Of late medicinal plants received some special attention which helped in promoting their commercial cultivation, but not the NTFPs as a whole.

**6.25 Issues at management level:** NTFP management protocols for most of the products are hardly available. Protocol like FAQ, Scientific Harvest, issues of rights on MFP etc., are grossly missing. Different schemes such as Joint Forest Management (JFM), Community

Forest Management (CFM) evolved during the last decade for effective management of forest, is still struggling for finalisation. Orissa and Kerala adopted some NTFP management guidelines, but overall achievement of the same seems to be poor. Moreover, there is a dilemma regarding ownership of communities, and even community forestry hasn't yet evolved to take up this challenge independently and effectively.

**6.26 Issues at market level:** The NTFP market is mostly unorganized in nature (except for few items like tendu patta or bamboo) and uncertainty in market demand makes it difficult to survive with one or two items only. Lack of value addition (like, cleaning, grading, sorting etc.) at primary level causes the primary supplier lose a substantial part of the possible income. Few items are almost exclusively dependent on export market due to unfavourable domestic policy (as in case of Sal seed butter which can be used in Europe in chocolate making but not in India). Procurement agencies lack market intelligence to trade successfully. Marketing rights for most of the MFP items have been deregulated in Odisha since implementation of NTFP Policy 2000 and overall transaction right has been handed over to Gram Panchayat for all products except Kendu and bamboo.

**6.27 High exploitation and poor regeneration-**Due to unrestricted collection, over use of products and unscientific collection, and also rapid deforestation for non-forest use, the NTFP producing trees have reduced over the years, and their regeneration in many forest areas has gone down. Besides due to lack of clear management policy on rights aspect, the ownership of the forest dwellers is found to be decreasing day by day. Departure of ownership of the tribals and forest dwellers from forest pave the way for mafias to manipulate the entire flora and fauna system, which is going to be great challenge to address the issues on Climate Change.

**6.28 Inadequate NTFP baseline data on demand supply scenario-**For national level planning and management a reliable data base on NTFP is required which however is not available properly to determine the quantity available, collected, self- consumed, value added and traded, mature trees available and their production potential, per hectore number of trees, etc. Since NTFP collections are seasonal and may vary from year to year (though the average size of the dependent population may remain more or less the same for quite some time) it is difficult to provide demand and supply data until a dedicated system prevails. In different

agro-ecological zones and specific forest types, mapping/inventorization through GIS system is to be developed.

**6.29 Absence of sustainable harvesting protocols-** Sustainable harvest means ,“the level of *harvest at which a species can maintain its population at natural or near-natural levels and the harvest will not change the species composition of the community*’. Understanding of sustainable harvesting is not an easy task, and suitable robust thumb rules are to be followed for different plant parts – roots, leaf, bark, flowers, gums & resin, whole plant etc. Sustainable harvesting protocols have not yet been developed for most of the NTFPs and whatever protocols are available remain unpracticed in many cases. People live around the forest do not have adequate knowledge on the sustainable harvest management. Besides, the agencies associated in management of forest and related aspects of forest at the National and State level are not also adequately equipped to promote sustainable harvest protocols.

**6.30 Unorganized sector-** Traditionally the whole NTFP sector, particularly its collection, trade and local value addition are managed in an unsystematic and unorganized manner. Gram Sabhas and Panchayats were given some responsibilities for NTFP management but are still not in a position to independently & successfully handle the overall management of NTFP. Ownership has not been defined in the concerned law. What the Haque Committee (MoPR) quoted can’t be applicable to common property resources where the right to disposal has to be exercised in a manner justifiable to the society. State regimes widely vary. Same item may be free in one state and restricted in the other.

**6.31 Policy-level inconsistencies:** As stated earlier various states have got different management processes, procedures and control mechanisms for NTFPs, and that’s because forest is a concurrent subject; but the concurrency has resulted in a kind of highly incompatible regime across the country thereby hampering the development of the NTFP sector. There are many grey areas like ownership of Gram Sabha in PESA areas over produce cultivated privately on trees on private land or community land, or rights of the Forest Department over NTFPs that are not traditionally collected by communities entitled under FRA outside PESA areas, which are to be addressed for clarity in a national policy.

**6.32 Inadequate infrastructure, and post-harvesting facilities/skills-** In most places in India neither the Forest Department nor the procurement agencies nor the Gram Sabha /

Panchayat nor the institutions of primary collectors have proper storage facilities. Most NTFPs are seasonal products; and several products being perishable require immediate disposal in absence of appropriate storage facility. This means that the primary collector is vulnerable to distress sale or sale at a low price due to lack of adequate storage facility. Further, lack of value addition deprives the gatherer of better bargain power. Some products like lac, tassar, medicinal plant, several gums and fruits require cold storage while some like char seeds and kalmegh fail to provide the potential return without value addition.

**6.33 Volatile market-** NTFP market is highly diverse, and fluctuates quite frequently; hence interventions based on assumptions of market stability or expectations of stable/growing market often become non-viable commercially. This discourages private entrepreneurship in the sector so far commercial farming is concerned. Primary collectors and producers get the least share from their hard earned product, so there is a need of Minimum Support Price (MSP) from the government side.

**6.34 Incompatible tax structure** - The present tax structure for many NTFP (kendu patta, lac, gum, mahua, medicinal plants etc.) is incompatible across the country which needs to be restructured. VAT has been a matter of major concern for public sector procurement & trading agencies in NTFP who advocate for exemption of the same. In some cases imposition of both central sales tax and state sales tax even led to litigations.

**6.35 Inadequate capacity and knowledge in NTFP management-** Previously forestry trainings were mostly oriented towards timber, even community forestry was also timber-centric. As a result these conventional forest management systems are unable to meet the requirement of much broader, finer, integrated and complex challenges of the present era like biodiversity conservation and climate adaptation.

**6.36 Poor progress in Research & Development:** R&D is very much required to develop the NTFP sector, but there is very inadequate investment on the same. Some commercially important NTFPs like mahua and Kendu leaf have only one market use which is why they are very much vulnerable to fluctuations in demand. There are many high volume NTFPs that either remain unsold or sold at a meagre price due to absence of better marketability options. Unfortunately the research institutions have not been able to address these issues satisfactorily. Project-based approach along with bureaucratic attitude has made the scientists

deviate from the spirit and vision of research. On the other hand NTFP silvi-culture has not developed much. Poor R&D focus has been partly responsible for under harnessing of the actual potential of the NTFP sector.

**6.37 Minimum Support Price (MSP) for NTFPs:-** Procurement of collected products providing an uniform minimum assured price will immensely help the gatherers who are often exploited by the local level traders. Although NTFPs are not same as agricultural products, some of them (particularly medicinal plants) are cultivated too while others are vital to the poor forest dwellers, which is why MSP for NTFPs has been advocated for since long. It is also true that similar attempt has been made in the past in few cases/areas often with drastic financial results, but the experiences have also suggested that without the government guarantee for compensation for the losses to be accrued (if any) and without a compatible policy regime (including tax structure) in the country, MSP can't be successful or sustainable in the long run. The Ministry of Panchayati Raj had constituted a Committee on ownership, price fixing, value addition and marketing of minor forest produce under the Chairmanship of Dr. T. Haque, Member, Planning Commission. The Committee has submitted its report in May, 2011 with a recommendation to start MSP for 14 minor forest produces initially. However, it took almost two years to ground the scheme. It is learnt that the scheme has been launched by Centre Govt in recent past and it is about to roll on in Odisha shortly.

**6.38 No Plan for NTFP Crop Failures:** MSP can't help the primary collector in case there is a crop failure. Periodic crop failure is a natural phenomenon for many NTFPs, but climate change has increased the frequency. NTFP crop failure or bad crop severely affects primitive tribal groups and hunter gatherers, but there is no policy or mechanism to provide some support in such cases to the critically dependents forest dwellers.

**6.39 Lost Interest at Community level:** Uncertain market and reduced production followed by availability of more secured options like MGNREGS has reduced the interest of primary collectors (particularly males) in NTFP collection in many areas. This is similar to the labour crisis in agriculture, and is one of the reasons of under harnessing of the vast potential of the sector.

## **Summary, Recommendation & Conclusion**

7.1 The study shows that people in the rural pockets have long association with forest and agriculture for their sustained livelihoods. Absence of appropriate facilities like enabling policies, infrastructure, timely provisioning of required inputs at affordable price etc. lead to gradual decline of interest of the people on forestry as a means of livelihoods. Such apathy towards forestry produces not only promotes the forced migration across the state but also detrimental on other human development index like education, malnutrition, IMR, MMR etc.

There is a felt need to address the issues with utmost priority at all level to bring positive changes in this sector. Otherwise, the system may destroy entire ecology system and affect every sphere of life across the globe. While emphasizing the overall development in forestry management, the issues on forward and backward linkages to ensure establishment of effective market system is to be taken care from beginning. Marketing in the rural pockets have been identified as one of the most volatile and are very much unorganized. Efforts are to be given to provide appropriate skill to the dwellers to grow or to harvest the produces scientifically without disturbing the regeneration cycle of the trees and herbs. Besides scientific management of produces are also identified as need of the hour to get the best support form the forest.

Infrastructure such as storage facility, provision for basic value addition, processing etc. are grossly missing, which need to be developed in consultation with the community and Panchaytraj Members of the communities. Availability of corpus fund for both production and consumption purpose is to be made available at the door step at suitable rate of interest to ensure more and more involvement of the people in this sector.

Ecology is highly dependant based on the life cycle of the people, who live in and around the forest. If the forest is not being taken care by the inhabitants, no agency can protect the same. The disturbance of forestry will be devastating and may destroy the entire flora and fauna within no time. In this regard the right perspectives of the forest dweller are to be considered on their rights and responsibilities towards safe protection of the forest with due return to them for sustained livelihoods.

**7.2 Recommendations and Suggestions:** Based on the above factors and issues discussed in earlier chapter, it is essential that comprehensive attention is to be given to ensure the continuity of dependence of the rural population on Forestry with assured return and without challenging the environment. Priority should be given to address the following issues and challenges in subsequent planning processes both at micro and macro level:

1. Understanding the dependency of people on Forest and its produces.
2. Depleting resource base and its conservation/regeneration
3. Immediate inventory of resources and possible value addition
4. Fine tuning the policy to support the dwellers with marketing rights
5. Addressing the skill enhancing & capacity building among the stakeholders at various levels on value chain development
6. Infrastructure Support, Processing, Value Addition etc.
7. Involvement of Gram Sabha / Palli Sabha
8. Provision of MSP under Price Support System
9. Ensuring the alternative livelihoods
10. Strengthening institutional support furthering the causes for better management of NTFPs
11. Continuous Research & Development on Scientific Harvest and Forestry Management.
12. Augmenting alternative sources of livelihoods for critically dependent communities during distress and natural calamities if any.
13. Effective marketing linkages

Many broad challenging areas have been identified by different researchers and policy makers for effective management of NTFP by giving optimum ownership of the people without challenging the ecological system. Besides, NTFP sector has strong potential to address the socioeconomic development of the disadvantaged people with assured income. Volatile market is one of the major challenges but the government is not supposed to totally control the market as that would be unsustainable in many ways. However, the government can create enabling environment that reduce this volatility at least for some species, and enhance the resilience of the primary collectors and their institutions to withstand the adverse impacts of market dynamics.

### **Proposed Strategies:**

The NTFP management on sustainable basis has remained a complex process for the last several decades but in the present scenario, there is a need to adopt multipronged strategies, as under, to build up an environment to strengthen community based management and trade of NTFPs which in turn would strengthen the livelihood of poor forest dependant population.

**7.3 Resource Augmentation Plan /incentives for growing NTFP crops in private land:** Due to unrestricted & unscientific collection and over-use of products, the NTFP resources have greatly been depleted in past years while their regeneration in many forest areas has gone down. Planned effort is required for reducing the pressure on forest by cultivating selected species outside forest areas and undertaking intensive conservation of existing forests supported by ANR and other conservation activities. The increased production thereby would not only reduce the gaps between demand and supply but also shall become the ground for sustainable NTFP development.

**7.4 Detailed inventory and prioritization of suitable species:** Odisha has got very rich Bio-diversity. Large numbers of NTFP species having medicinal value are in active trade. While the knowledge and data base on all species are needed, a gradual process of understanding and developing management programme would be appropriate and therefore, there would be a high need of district wise inventory and prioritization of the various NTFPs.

**7.5 Forward and backward linkages for trade:** There is a need to involve financial institutions to promote community based micro-enterprises with clear benefit sharing mechanisms. Involve financial institutions like NABARD and other public sector banks in NTFP enterprise development. Just as they have a target for Small and Medium Enterprises in the industry sector, similarly, this approach can be customized towards Small Forestry Enterprises. In such effort PPP model must be developed which may help achieve the objectives of private sector involvement for bringing technology and capacity in the remote areas.

**7.6 Capacity Building of Primary Stakeholders:** Skill/capacity development is very much important for the foresters (particularly the sub-ordinate field staff) to successfully face the emerging challenges of accommodating community rights in forest conservation, ensuring biodiversity conservation, and managing climate change. At the same time,

complimentary facilitation should be made for forest protecting /forest managing communities too in the form of NTFP management protocols. Trainings to primary collectors, processors, and traders, and also to the front line staff require basic and advance training to build their confidence.

**7.7 Involvement of PRI on Forestry Management:** The success of implementation of any project largely depends upon the involvement and ownership of people from beginning. People participation in species selection, growth management, scientific harvest, market is the key issues to be considered with appropriate legislation. Panchayati Raj Institutions are to be empowered along with skill development programme to participate in the process with full spirit and knowledge. Adequate support in term of infrastructure, man power, skills etc. to be rendered immediately.

**7.8 Food security and Poverty alleviation:** For empowerment of community and sustainable forests, a symbiotic relationship between forests and forest dwellers must be maintained in order to provide food security for forest dwellers and income generation for the poor population. Women are mostly dependent on NTFPs due to the nature of its production, quantity, collection procedure, processing and local selling. Therefore, in order to improve upon the subsistence level, programmes supporting to ensure food security would be required with specific concern for the landless, hunter gatherers and primitive tribes.

**7.9 Research and Development:** Special Research & Development drive is required to develop suitable techniques for marketability for low value and high volume NTFP items. R&D focus is also necessary to develop NTFP silvi-culture, sustainable harvesting protocols, low-cost and user-friendly (preferably women-friendly) value addition techniques and processing machines, eco-friendly and safe storage methods, and methods for using otherwise waste biomass in forest.

Research and Development activities in the past were more or less timber centric. Except for few NTFPs like lac, resin, tendu patta, etc. most have been ignored even though they are highly exploited. There is a need of action oriented R & D in areas of developing new/alternate marketability particularly for low value & high volume NTFPs on the basis of a special drive, post harvesting, semi processing, genetics, management, nursery, plantation, collection, storage, chemical analysis for useful contents, etc. Research is required on

biological, social, trade and market, and economic dimensions. Special emphasis can be given on research over natural fibres, aromatic plants, unutilized/underutilized biomass, and weeds, etc.

**7.10 Need for an Apex body for NTFP development:** The overall development of NTFP sector, despite its vast potential, has not been a priority in the past. To develop the NTFP sector in a holistic way by coordinating/guiding various government sponsored activities/programmes on the same along with managing the knowledge, developing package and practice, ensuring capacity development of stakeholders and providing overall guidance over the NTFP sector, an apex & autonomous agency like the Rubber Board or Spice Board would be very much required. This agency may be called the NTFP Development Board, and can have its state offices/branches.

#### **7.11 Value Chain Development, Infrastructure / Enterprises/ Marketing**

NTFP sector is still unorganized. There are no comprehensive studies available on most of the NTFPs. Only few species are recognized and traded on regional basis while no or a little centralized data is available for them. A first-hand knowledge towards the identification of species should be available at a centralized place. Then prioritization of these species has to be done on a district basis for the entire state. The knowledge and data base on all species, however, are needed but a gradual process of understanding and developing management programme would be practical. Importance would also be given to those species which come under RET (rare, endangered and threatened) categories. For each prioritized species, value chain analysis and development would be carried out followed by need-based infrastructure development, processing facilities, standardization, certification, enterprise development, arrangements for working capital / loans etc.

The subject of Certification is emerging very fast and promotion of certification of NTFPs including medicinal and aromatic plants has many direct and indirect benefits. Works initiated by some of the national institutes such as IIFM in this regard can be taken as a benchmark and the Ministry of Environment & Forests can take forward the initiative to have a proper mechanism in place for NTFP product certification which, unlike timber certification, has been a difficult and complex matter till date. While Minimum Support Price is a need of the hour, a preliminary estimate suggests that MSP on all the items suggested by Dr. Haque committee. The MSP Scheme on Minor Forest Produces has been launched Centrally and

will be operationlized in all PESA states excluding Himachal Pradesh. MSP Scheme will be operational in Odisha for 12 items and is expected to roll in the state of Odisha shortly.

### **7.12 Awareness, Social Mobilization and Capacity Development**

Farmers, community institutions, line departments, project staff and other stakeholders shall have to be trained. For a wider social mobilization intensive awareness campaign would be required along with National and International exposure visits, exhibitions and other capacity development measures. The capacity of the rural communities in the NTFP sector is very weak. Concentrated efforts are required to build capacity of primary forest produce gatherers, officials of forest department, and executives of government procurement agencies on different aspects of NTFP management, processing and marketing. Similarly, knowledge of the available models of sustainable harvesting like Lac, honey collection in Odisha and Chhattisgarh, satabar collection in Madhya Pradesh and broom grass collection in Meghalaya and Odisha are to be well disseminated through exposures and/or on spot training by experts and user-friendly IEC materials.

### **7.13 Enabling policy & institutionalization**

An autonomous organization on NTFP development, similar to Coir Board or Rubber Board, is proposed to be created under the Ministry of Environment & Forests with state level units, and with various goals and responsibilities. However, its basic function would be to look at the overall development of the NTFP sector at the national level and take care of the research needs, capacity building needs, publications, documentation, package of practice, etc. Apart from this, there is a need for compensatory provisions in case of NTFP crop failure, favourable taxation regime including exemptions, and special schemes for left-wing extremism affected areas, mountain areas and ecologically challenged and in assessable terrains.

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## Appendix- I

### Interview Schedule:

#### Challenges in marketing of different commodities particularly the minor forest produces in the tribal sub plan areas in Odisha.

Interview Particulars:

Date of Interview:

Name of village:

Gram Panchayat:

Block / Cluster:

District:

Name of the Interviewer:

#### 2. Respondent Profile:

Name:			
Father'/ Husband's Name			
Relation with head of HHs:		Self	1
		Wife	2
		Son	3
		Daughter	4
		Others (specify) 99	99
Age			
Sex		Male	1
		Female	2
Qualification		Not Formally Literate	1
		Up to 5 <sup>th</sup> Standard	2
		Up to 10 <sup>th</sup> Standard	3
		Up to 12 <sup>th</sup> Standard	4
		Up to Graduate	5
		Other Degree (Specify)	99

#### 3. Demographic Profile:

Sl. No	Name	Sex		Age	Relation with HoH		Education		Marital Status	
		M	F							
		M	1		Self	1	Not formally literate	1	Married	1
		F	2		Wife	2	Up to 5 <sup>th</sup> standard	2	Un-Married	2
					Son	3	Up to 10 <sup>th</sup> standard	3		
					Daughter	4	12 <sup>th</sup> standard	4		
					Others (Specify)	99	Graduate	5		
							Others	99		

Sl. No	Name	Sex		Age	Relation with HoH		Education		Marital Status	
		M	F							
		M	1		Self	1	Not formally literate	1	Married	1
		F	2		Wife	2	Up to 5 <sup>th</sup> standard	2	Un-Married	2
					Son	3	Up to 10 <sup>th</sup> standard	3		
					Daughter	4	12 <sup>th</sup> standard	4		
					Others (Specify)	99	Graduate	5		
							Others	99		

#### 4. Household Livelihoods Profile

Name	Principal Employment		Avg. Days Involved	Annual Income	Secondary Employment		Avg. Days Involved	Annual Income
	Activity Type				Activity Type			
	Agri	1			Agri	1		
	Livestock	2			Livestock	2		
	NTFP	3			NTFP	3		
	Labour	4			Labour	4		
	Others	99			Others	99		

#### 5. Land Ownership Status:

Sl. No	Household Type	Tick appropriate row
1	<b>Landless</b> (No Cultivable Patta Land owned or leased in)	1
2	<b>Marginal farmers</b> (less than 1 Ha. Of Land)	2
3	<b>Small farmers</b> (1-2 Ha. of Land) 3	3
4	<b>Medium farmers</b> (2-4 Ha. of Land)	4
5	<b>Large farmers</b> (More than 4 Ha. Of Land)	5

#### 6. Crop Cultivation Status:

Crop		Season	Production in Qtl (last year)	Crop was used for own consumption	Crop Sold
Variety (MFP / SAP / Oil Seed Etc.)	Name				

#### 7. Details of Crop Sold

Crop	Quantum sold last year (In qtl)	Amount	Name / agency that purchased	Place of sale

#### 8. NTFP Products Marketing Particulars:

Product	Approximate Quantity collected daily	Own use (In Kg.)	Marketable Surplus. (In Kg)	Place at which sold (Options)	Price at which sold	Annual income from NTFP

Options: Neighbours-1, Local Shop-2, Haat – 3, Trader outside village-5, Trader outside village-4, Any other-5

#### 8.1 Market Information

How do you get information about the selling price of commodities	<b>Source of Information</b>
	Agent/ middleman 1
	Bazaar 2
	Radio 3
	Government source/ Gram Panchayat -4
	Friends/ Members of the community 5
Others – 6 (Specify)	

## 8.2 Storage Systems -

What are the storage systems in place	Traditional systems of storage (sacks / bins etc)	1
	Community storage	2
	Commercial storage	3
	Others (specify)	99

## 8.3 Processing System:

Do you Process any item before sale Yes / No

If Yes, give details

Item processed	Quantity in qtl. Harvested	Quantity In Qtl. Processed	Processing Location	
			Where	Distance from your village

If the processing of items helps you to realise better remuneration? Yes / No

If Yes

Item Processed	Sale without Process			Sale by Processing			
	Quantity in Qtl.	Sale rate of Raw Materials / Qtl	Other expenses for sale per quintal	Sale rate of Processed Materials / Qtl	Processing Expenses/ Qtl	Other Expenses for sale per quintal	Net Profit / Qtl

## 8.4 Marketing of processed Product:

Where do you sale your finished products?

Items	Where do you sale	Distance from village	Approx. % of finished products marketed	Where do you get maximum remuneration
	Own village: 1			In City / Town: 1
	Weekly Hat: 2			By Middle man: 2
	Near by Villages: 3			In Hats: 3
	Middle man: 4			Near by Village: 4
	Town / City: 5			In own village: 5
	Other: 99 (Specify)			

## 9. Input Support:

Did you avail any financial inputs for marketing of MFP or Agricultural commodities? Yes / No

If Yes, please state the below...

Financial Institutions	Institution on Order of Priority *	Rank the institution based on easy to access **	Rank whom you want to be the financial source ***
Bank			
Private Financial Institutions			
SHG / Cooperatives			
Relatives			
Money Lander			
Others (Specify)			

\* Rank 1 as most priority and onwards)

\*\* Rank 1 for most easy to access and onwards

\*\*\* Rank 1 with most suitable source and onwards

### 9.1 Constraints in availing Financial Support.

Do you find difficulties in availing finance for MFP & Agricultural Activities.  
If yes, please mark the difficulties in order of merit...

**Yes / No**

Sl. No	Financial Institutions	Difficulties	Priority (1 as top most difficult)
1	Bank	Not available in nearby areas	
		Lots of documentation required	
		Takes long time to avail loan	
		High rate of interest	
		Others (Specify)	
2	Private Financial Institutions	Not available in nearby areas	
		Lots of documentation required	
		Takes long time to avail loan	
		High rate of interest	
		Others (Specify)	
3	SHG / Cooperative	Not available in nearby areas	
		Lots of documentation required	
		Takes long time to avail loan	
		High rate of interest	
		Others (Specify)	
4	Relatives / Family	Not available in nearby areas	
		Lots of documentation required	
		Takes long time to avail loan	
		High rate of interest	
		Others (Specify)	
5	Others (Specify)	No Bank in near by areas	
		Lots of documentation required	
		Takes long time to avail loan	
		High rate of interest	
		Others (Specify)	

### 10. Technical Support:

Do you ever received any technical support from....

Nature of support	Received (Yes/ No)	If Yes (How many times in last two years)	Agency
Training on Scientific harvest			
Input Support (Seed, fertiliser, equipment etc.)			
Entrepreneurship Development			
Training on Processing & Value Addition			
Storage & maintenance			
Marketing			
Others (Specify)			

**11. Challenges in Marketing:**

What are the major challenges in marketing of MFP and Agricultural produces:

Challenges	Priority	Possible Solution (Take note of the statement)
No formal market yards		
No storage facility		
Lack of market Information		
Less Shelf life		
Lack of Exposure		
No Demand of the products		
Transportation Problem		
Poor Quality Product		
Remoteness of the village		
Others (Specify)		
Others (Specify)		

**12. External Agencies associated in Livelihoods Improvement & MFP Marketing:**

Does any agency/ies support for marketing of your products.

Name of the agency	Nature of support	Since when	Satisfaction level (In scale 1-5)

1: Not satisfactory, 2: below average 3. Average, 4 Satisfactory, 5. Highly satisfactory

**13. Community level Institution:**

Does any community level organization operate in your village?

Yes / No

If yes, please state below...

Types of Organisation	Organisations in Nos.	Major Activities	If they have received external support	
			Nature of Support	Particulars of support

13.1 If the Community level organisations are associated in marketing activities. **Yes / No**

13.2 If yes, what are the challenges the Community level organisations face for effective marketing of their products? Please tick the major challenges opined in order of priority

Challenges	Response
No capacity to take up business	
Funds constraints	
Do not operate effectively	
Exploitation by middle man	
Being cheated by traders / middleman by weight, price etc.	
No effective market system in and nearby village	
No infrastructure (Storage, drying yard)	
No processing unit	
Communication	
No Market information	
Others (Specify)	
Others (Specify)	

**14. Information on Market related policies of Govt:**

14.1 Do you aware of MSP Scheme of Govt? Yes / No

If yes, have you availed MSP Scheme for any products? Yes / No

If yes, state the following

For which product	Where did you sold	What was the MSP	Did you got full MSP	Have you received the full amount?

(Inquire for last year only)

14.2 Did you find any difficulties in MSP Scheme of Govt. for marketing of your products Yes / No

If, yes, please narrate in brief..

Sl. No	Difficulties

**15. Suggestion for Market Improvement:**

Suggestions to improve marketing of products at remunerative price: (Important five points at most)

- ✓
- ✓
- ✓
- ✓