

**Ensuring Sustainable Tenurial and  
Livelihood Security of Tribal and Marginal  
Communities of Odisha through Effective  
Implementation of FRA**

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## **NTFP Based Livelihoods**

Forests, particularly Non Timber Forest Products (NTFPs) constitute an important part of the livelihood of the poor in the most backward and tribal regions of Odisha. The major focus of Vasundhara's work is on establishing rights of the local primary gatherers over these products and their markets after the policy became liberal in the year 2000. This had graduated Vasundhara from policy research to a role of facilitator for collectivization of the trade through an alternate trade system/network owned and managed by the primary gatherers in the form of cooperatives, and develop market information system.

NTFP-based livelihood can be sustained not only by adopting sustainable harvesting techniques but also by reducing the pressure on the resource-base by diverting the work force in non-forest activities such as processing and marketing. This strategy becomes more fruitful and effective with collectivization of the process, and collectivization with proper institutional mechanism & capacity finally leads to economic democratization of the poor primary gatherers most of whom are women.

Vasundhara has promoted self-reliant cooperatives of primary gatherers in 5 tribal districts of Odisha. The major activities are building vibrant NTFP enterprises of tribal communities at the local level, capacitating them to manage the institution and go for collective trade & procurement of NTFPs, and entrepreneurial development for income- and employment generating activities. Conservation and sustainable management of forest & NTFPs has been given special attention in the orientation & capacity building programme. Years of effort has now made these cooperatives an NTFP-based livelihood model, not only in the region but also in the country.

### **Sustainable Livelihoods require Institutional Strength**

Sustainability of NTFP based livelihood enhancement requires strong women's groups and their federations. Over the last two and half years our work has ensured revitalisation of existing collectives and formation of new collectives in unreached areas.

#### **Change in Number of Collectives and Membership**

Name of Union/Region	2014		2017	
	Collectives	Membership	Collectives	Membership
BBS, Kuchinda	26	1513	35	1768
BMS, Deogarh	18	934	22	1109
kandhamal Collectives, Kandhamal	0	0	19	295

In the new area of Kandhamal, 19 collectives have been formed with a membership of 295 women. At an average of about 16 members per group, this points to the small and remote hamlets in Kandhamal which has also meant that the grip of traders has been even more strong in these villages than in Deogarh and Kuchinda. In Deogarh and Kuchinda where there was already a well developed system of collectives, the project added a total of 13 more collectives. Some of these were to rationalise the operational area of some of the larger collectives which extended beyond one village and couldn't do justice to the outlying villages.

The formation of Secondary Structure in Kandhamal and the revitalisation of the Secondary Structure in Deogarh and Kuchinda have been major areas of work. In fact, for the first time ever,



Mahua (Quintal)	856.31	1,546,930	670.91	2,455,305	1,807	3,660	908,375
Siali Leaf (Quintal)	1,244.02	2,122,624	289.33	405,062	1,706	1,400	(1,717,562)
Dry Mango	14.78	40645	-	-	2,750		(40,645)
Char Seed (Quintal)	5.08	27,940	53.66	536,600	5,500	10,000	508,660
Tamarind (Quintal)	-	-	337.39	766,443	NA	2,272	766,443
Sal Seed (Quintal)	-	-	556.61	556,610	NA	1,000	556,610
Siali Leaf Plate (000s')	-	-	1,850	2,750,000	NA	1,486	2,750,000
Bhalia	-	-	16	21,000	NA	1,300	21,000
Grand Total		3,738,139		7,491,020			3,752,881

A second significant contributor to the increase was the role of the Minimum Support Price Scheme. In 2014-15 when the scheme had not yet been operationalised in Odisha, the collectives were able to enter the business of neither Sal Seed nor Tamarind. These two items accounted for 13.2 lakh rupees in 2016-17 while in 2014-15 there was no turnover for the same. Apart from creating new business possibilities for the collectives, as in case of Sal Seed and Tamarind, the MSP Scheme also helped increase in price of Char Seed which was already part of the business of collectives in 2014, but fetched very low prices. In 2016-17 the price went up by 82% from 55 rupees per KG to 100 rupees per KG as per the MSP. The higher prices also pushed the turnover of the collectives from a mere 5 Quintals in 2014-15 to 54 quintals in 2016-17.

Research, Advocacy and Collaboration Work on MSP for MFP thus constitutes a major area of work to enhance incomes of NTFP dependent communities in our operational area as well as forest dependent people all over the state – and one dare say the country. The increase in procurement by TDCC was to a significant extent influenced by the advocacy and grassroots action done by Vasundhara. The Caravan process to spread awareness on the scheme was a major contributor to the enhanced procurement. Between 2014-15 and 2016-17 expenditure on procurement by TDCC under the MSP for MFP scheme went up from a mere 4 lakh rupees to 1.64 crore rupees. Even if we ignore the first year and compare with 2015-16, the expenditure went up from 95 lakh rupees to 1.64 lakh rupees – an increase of 73%. Further work on the scheme, especially in the context of expansion of the scheme to cover 14 new items as well as the reduction in prices of the existing items, will be critical to NTFP based livelihoods in Odisha and India.

The most important work on the MSP for MFP Scheme would be the development of FAQ for the newly added items and awareness building/training on the same. Apart from this there is a need also to analyse the reduction in MSP of many existing items and advocating for the enhancement of their price. One of the key value addition areas identified for intervention by Vasundhara is also dependent on the better implementation of the MSP for MFP Scheme. The new list includes deseeded tamarind and if we can successfully advocate for its implementation in Odisha, women collecting Tamarind can expect to get an additional income from the higher price as well as the sale of Tamarind Seed that generally gets wasted.

Another way to look at the benefits accruing from the formation and facilitation of the women's enterprise is to take stock of the additional benefit from higher prices available through aggregation, storage, processing and collective bargaining. In the financial year 2016-17, for instance, the women's collectives in the three regions earned an additional income of 40 lakh rupees as compared what the women might have earned individually. It is also significant to notice that this was more than a doubling of what the women would have received if they hadn't organised and if they hadn't been able to store beyond the harvest season.

#### **Additional Income on account of Collective Collection, Storage and Bargaining**

Commodity	Procurement	Total Sale Proceeds (Rs)	Minimum Local Price	Estimated Value @ Local Price	Total Additional Profit
Mahua (Quintal)	671	2,455,305	1,500	1,341,820	1,113,485
Tamarind (Quintal)	337	766,443	500	484,544	281,899
Char Seed (Quintal)	54	536,600	4000	268,300	268,300
Sal Seed (Quintal)	557	556,610	500	364,607	192,003
Siali Leaf (Quintal)	289	405,062	700	347,196	57,866
Siali Leaf Plate (Thousands)	1,850	2,750,000	150	682,500	2,067,500
Bhalia-Wild Cashew (Quintal)	16	21,000	500	81	20,919
<b>Grand Total</b>		<b>7,491,020</b>		<b>3,488,967</b>	<b>4,002,053</b>

### **Awareness building campaign ( MSP for MFP Caravan)**

The actual progress of the Scheme at the ground level is very slow due to inadequate publicity and institutional road blocks impeding the primary gatherers and their institutions to connect with TDCCOL to get fair price on the procured MFPs under the Scheme. Although TDCCOL has taken care to expedite rolling of the Scheme, apart from Tamarind and Myrabolan, other MFPs were either not procured or the procurement volume is very low. The low procurement of MFPs also one of the factors behind the severe losses faced by TDCCOL in the marketing of the produce. The major reason could be attributed to lack of effective awareness at the ground level that actually created a barrier for the primary gatherers to reach to TDCCOL with their MFPs. This is evident from the low expenditure/ utilization of the working capital meant for the Scheme.

Last year, in collaboration with TDCCOL, we had organized a Caravan Campaign in 8 districts of Odisha with the local support from likeminded CSOs working on tribal livelihood to sensitize primary gatherers on the modalities of the Scheme and the MSP. This had led to greater awareness building among the people, which led to them being able to sell their produce to TDCC. Even more importantly, the knowledge of assured purchase by TDCC, enabled people to negotiate with the local traders by increasing their bargaining strength. As a result, the local market price of major MFPs like Sal Seed, Tamarind, and Char Seed increased and primary gatherers were able to realize fair price. The exploitation from the local traders/ middle men was checked to a great extent due to the Caravan. The Caravan also popularised the concept of "Fair Average Quality (FAQ)" and the need to ensure quality in harvesting and storage of the collected MFPs.

This year, Vasundhara collaborated with Antaranga (a network of NGOs in Kandhamal district) to create awareness on the scheme. Antaranga has helped the community at the village level to form youth clubs in order to bring a visible change in the life and livelihood of poor and marginalized section. The volunteers of the youth clubs were oriented on the provisions of the Scheme. Volunteers of the youth clubs formed twenty teams ( each team was having two volunteers those will be part of Caravan riding in a two wheeler to sensitize the primary gatherers). 20 such teams (40 volunteers visited more than 480 villages in 12 blocks of the district on 20 motor cycles. They had taken the message of MSP for MFP to all the potential villages and also identified potential volunteers for continuous interaction with TDCCOL and the local CSOs/NGOs. and also with the Primary Procurement Agencies (PPAs). During the Caravan process, primary gatherers ,their collectives and gram sabhas also sent post cards to his excellency, the Governor of Odisha demanding higher prices and better procurement by the state procurement agency, i.e, TDCCOL .

Drawing from the experiences of the last Caravan, Vasundhara in association with the NTFP Support Group placed a proposal before TDCC to undertake an enhanced version of such process covering

about 750 Gram Panchayats in 15 priority districts of Odisha. 30 like minded NGOs working in those districts shown interest to be part of this campaign.

### **Approach of the Caravan Campaign was**

The Caravan Campaign was based on the approach of trained committed volunteers who traveled to the Habitations and the Haats in the selected GPs and shared about the scheme through oral and visual medium while identifying village level volunteers and institutions who could connect to the TDCC as volunteers and PPAs. The volunteers on the caravan process used two Wheelers decked with awareness material. During the campaign they used banners, posters and miking for awareness building, booklets/leaflets for providing more in-depth knowledge about the scheme, and meetings in habitations/haats for dialogue and for identification of volunteers.

The expected outcomes of the proposed Caravan were:

- To create adequate awareness at the ground level on the modalities of the Scheme
- To connect more and more MFP gatherers and their institutions to TDCCOL to enhance the procurement of MFPs under the Scheme.
- To identify the potential areas where Primary Procurement Agencies are yet to be constituted/activated and ensure that through identification/recognition of new PPAs or activation of existing ones, the NTFP collectors would be connected to TDCCOL and with the Scheme
- To familiarize the primary gatherers and their institutions on FAQ and to work with them in the future on the principles and practices of sustainable harvesting.

### **Change Stories:**

#### **The Sweeter Tamarind:**

Tamarind is perhaps the one non timber forest produce that enters every kitchen in India. Many people do not even know that it's a designated forest produce. In reality too most tamarind trees are on non-forest land. However it's designated as a MFP and the MSP for MFP Scheme has included Tamarind in the list of items. While Tamarind has a strong demand across the country – especially in South India – and abroad, the market is still dominated by informal set-ups that have ensured very low prices to the producers / collectors. This is especially so in remote areas. Kandhamal happens to be one of the most remote districts in



Odisha (for instance it has no railway connectivity) and the price of tamarind in the local market has always been extremely low. So much so that a number of trees remain un-harvested. This year the local traders were paying villagers only 5 rupees a kilogram for ripe & dry tamarind. In fact the traders do not even buy tamarind from the people but buy the entire tamarind in a tree based on an ocular estimation. The real price in such a case may be even lower than the Rs 5/- per KG that is the stated price. Once the trader buys the produce on the tree, he employs a local labourer (often, ironically, employing the owner of the tree itself as a poorly paid labourer) to harvest the tree and hand over the produce to him.

It is in such a context that Vasundhara and the alliance of CSOs it had facilitated in Kandhamal organised the 'MSP for MFP' caravan. The caravan went around villages in Phulbani for 10 days, travelling a total of more than 1200 kilometres and touching people from more than 200 villages. Staff of Vasundhara and the other CSOs which were part of the caravan along with TDCC staff, and local volunteers played recorded audio messages in the local language, and held wayside as well as planned meetings at village / panchayat headquarters, local market places, and other places of assembly such as PDS shops etc. They explained the provisions of the schemes and told people how to access the same. The MSP for Tamarind was 22/- rupees per kg<sup>1</sup>. When people learnt about this, they refused to sell their tamarind to the local traders. The MFP collectives facilitated by Vasundhara in the Jamjhari Gram Panchayat of Phulbani block began procuring at at 22/- rupees per KG as the TDCC promised to buy it from them after paying a further commission of 2%. However once they began buying, the local traders panicked and offered them a much higher price than TDCC. Finally the collectives were able to procure 80 quintals of tamarind from 119 households in 12 villages of the Panchayat and sold it at Rs 25.50/- to a district level trader who sells directly in the large Raipur Market. The taste of selling the sour tamarind was indeed sweeter this year.



Often people ask how much can an agency like TDCC buy to ensure that producers are able to get the MSP? The experience in Kandhamal suggests that the very fact of people having an option to sell to TDCC at the MSP improves their bargaining power and enables them to sell at the MSP or even higher.

Total Tamarind Sold: 8000 kilograms

Potential Income at local price: 40,000 rupees

Actual Income to Producers at MSP: Rs 1,76,000

Profit earned by Collectives: Rs 28,000/-

Profit Distributed to members as Bonus: Rs 14,000/-

Profit retained for enhancing working capital of collectives: Rs 14,000/-

Total benefit to the community as a result of MSP: Rs 1,64,000/-

Average additional income per member selling tamarind: 1340/- rupees

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<sup>1</sup> Unfortunately reduced this year to 18 rupees per KG

## Case 2

No winter evening in Northern India is really complete without a helping of Gajar ka Halwa. And it's impossible to imagine good Gajar ka Halwa (or for that matter many other north Indian sweets and kheer) without the mandatory Chironjee kernels. Good quality Chironjee kernels are usually available for more than 1400 rupees per kilogram. But the tribal and other forest depending communities who collect the seeds have to sell the seeds at prices as low as 40/- rupees per kg. This is roughly the equivalent of getting paid Rs 120/- for a kilogram of Chironjee kernels that sell for about 1400/- rupees – less than 9% of the market price. Such low prices have been maintained over the years through ensuring lack of competition at the local level and lack of processing facilities with the people.

The declaration of MSP for Chironjee at Rs 100/- per kilogram was therefore a major advantage for the people collecting Chironjee nuts. Mere declaration of MSP, however, is no guarantee of actual change in the lives of the people. So even after almost two years of the MSP being declared, tribal women in Sundargarh district of Odisha were continuing to get cheated. But when CIRTD, a CSO working with tribal people in Sundargarh was contacted by Vasundhara to become part of the MSP Caravan, they picked up Chironjee as the principal focal point of their caravan. But as people came to know about the MSP and collected Chironjee seed for handing over to TDCC, they were told that they can't do so as they do not have a local PPA (Primary Procuring Agency registered with TDCC). As TDCC initially refused to collect, the villagers went to the District Collector and petitioned him. As a result of the petition a PPA was formed within 15 days and the TDCC finally lifted 7.8 quintals of Chironjee seed. What would have fetched the collectors about 31,200 rupees in the local market ultimately earned them 78,000 rupees - an incremental benefit of 46,800/- rupees ( a hefty 150% more than what they'd have got otherwise).

While the TDCC ultimately bought only a very small part of the total Chironjee seeds sold in the region, because of this intervention local price of Chironjee seeds went up to more than 60 to 70 rupees per kilogram. With this one example of success this year, the other villages are also getting ready to assert their right to MSP and in the coming season (May-June 2017) the total benefit to people in the region from the MSP provision for Chironjee is likely to increase manifold. *(Unfortunately, however, the MSP for Chironjee seed has been reduced for the coming season to Rs 60/- per KG. The people of Sundargarh as well as Chironjee collecting forest dependent communities across Odisha are already raising their voice against the decision)*

### Publication and Media Coverage for larger Outreach:

<http://www.downtoearth.org.in/blog/the-silence-on-minimum-support-price-for-minor-forest-produce-58149>

<http://www.downtoearth.org.in/news/15-lakh-tribals-in-odisha-hit-by-18-gst-on-sal-leaf-58533>

<http://www.pressinstitute.in/the-humble-soap-nut-helps-tribal-women-turn-the-tide/>

<http://orissadiary.com/csd-displeased-poor-implementation-msp-minor-forest-produce-odisha/>

<https://www.google.co.in/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwiF26bik8XXAhUY8KHWZiCMoQFgqIMAA&url=http%3A%2F%2Fwww.dailypioneer.com%2Fstate-editions%2Fbhubaneswar%2Fpoverty-hit-women-stitch-siali-leaf-plates-earn-handsomely.html&usq=AOvVaw2tYNNp3SahnCsRC2vc0poc>