

**2015**

**Facilitating Self-reliant NTFP cooperatives: Expanding stake of primary gatherers in management and trade of NTFPs for sustainable livelihoods and economic democratization**

**REVIEW REPORT**

**Submitted to : HIVOS, RO, India**

**Submitted by:**

**VASUNDAHARA, Odisha.**

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## ANNUAL REVIEW-

Hivos asks for an annual review before the start of a new year. This annual review links the results and lesson learned of the past year to the activities and intended results of next year. The annual review therefore consists of a reflection on the past year (results and lessons learned), the activities of the following year (on project, program or institutional level), the budget and the funding plan. In addition to that we ask to report on a set of questions which are related to the result indicators of Hivos' overall programme. The reflection part especially is important for monitoring and dialogue. The data on results will be entered in our administration, therefore please take the following guidelines into account.

The information in the annual review concerns the organization as a whole but should relate clearly to the proposal referred to in the contract letter. The annual review contains information on:

### Part A. Administrative data (clearly visible)

- **Name of the organization:** Vasundhara,  
Plot No-1731C, Phase-II(Near Maruti Villa),  
Dash Mohapatra Complex,  
At/Po- KIIT Campus, Bhubaneswar-751024  
[www.vasundharorissa.org](http://www.vasundharorissa.org)
- **Status of the document ( approved by whom):** Executive Director, Vasundhara
- **Reporting period:** 1<sup>st</sup> April 2015 to 31<sup>st</sup> December 2015

### Part B. Reflection on past year (approximately 10 pages)

#### 1. Introduction and highlights past year (for own interpretation). (max. 1 page)

A large section of rural poor critically depend on forests for their livelihoods. This understanding has shaped variety of intervention by external agencies (government and non-government) to improve the lives and livelihood of forest dependent communities, not only in India but in many parts of the world where such conditions exist. HIVOS support to Vasundhara is one of the such intervention for the forest dependent communities to sustainably manage the forest and Non Timber Forest Produces (NTFP) for their bonafied livelihood and to control the local economy.

#### Highlights of the reporting year:

Few achievement of the intervention in collectivization of MFP trade for sustainable livelihood & economic democratization are given below.

- Banani Union able to provide 56% ( if sold in the local market, the MFP gatherers would have got Rs 4939/- in 4 commodity whereas Union provided them additional Rs 2770/-) more incremental income to the members those participated in the business

- Banani Union able to maintain a steady price in the local market to compete with the local buyers. This has also immensely benefitted the non members in the region to get fair price of the commodity that the Union dealt with.
- Banani has a turnover of Rs 20, 12,022/- where 846 members have participated. Similarly Banaja Union provided 32% more additional incremental value to the members.
- The total turnover of Banaja was Rs 14, 35,378/- where 925 members participated in various businesses. The Business Development Cell has now better market forecasting on MFP trade and understanding the market intelligence.
- Tamarind and dry mango was added to the trade basket of Banaja Union
- Undertaking value addition of Siali leaf and linkage established with Leaf Republic.
- 17 new collectives formed with the support of Gram Sabha in Jamjhari GP of Kandhamal districts.
- 3 MFP collectives successfully undertaken Siali leaf plate enterprise activities and established trade linkage with Leaf Republic.
- Wild Cashew nut was also another MFP item traded by 3 MFP collectives.
- The local MLA of Kandhamal was invited to flag up the vehicle loaded with Siali leaf plate. He encouraged the initiatives taken by the tribal women folk and declared to provide a sum of Rs 2 lakh for construction of ware house from the MLA fund. He also ensured to look after the other socio economic measures in the region
- 10 primary MFP of Banani union, they have developed a risk fund for managing the business losses, shortage of working capital, institutional management cost ( Meeting, honorarium, vehicles maintainence, telephone, sitting allowance to the BoDs etc) from the business surplus. Till reporting, a sum of 3.4 lakh's fund has been deposited in the respective accounts of 10 MFP .
- Both Unions are now performing more in democratic manner to achieve financial sustainability and the ownership towards the Institutions are visible in their plan of action. Now Unions are bearing their organization's cost of management from the business surplus. Banani Union has planned to bear six month entire cost (like BoD meeting, AGBM, house rent, vehicle maintenance etc.). Banaja has yet to devise such plan but have started working on this front.
- 4 MFP under Banani Union have been converged with Odisha Livelihood Mission (OLM). OLM have supported a grant amount of Rs 8.25 lakhs to these 4 MFP . These grant support was meant to bring institutional stability of these MFP to run their Institutions in a more democratic way by enhancing their skill and capacity.
- 22 MFP are being endorsed by the respective Gram Sabha as Primary Procurement Agency (PPA) to support TDCCOL, State Procurement Agency (SPA) under the Minimum Support Price Scheme on Minor Forest Produce, a social scheme meant for the MFP gatherers. TDCCOL has executed agreement with all the 22 MFP
- TDCCOL has given 33 no of electronic weighing machines to both the Unions to undertake proper weight measurement of the commodity during the business time. This has helped a lot to check the exploitation made by the middle men in weight of the produces. This has not only helped the members of the MFP to get proper price of their produces but also other MFP gatherers in the region were also benefitted due to proper weight measurement.
- 6 no of drying yard have been approved by the gram sabha and submitted it to TDCCOL. TDCCOL has facilitating construction of drying yard by involving Integrated Tribal

Development Agency (ITDA). Apart, Banabharati MFP collective, Panibhandar, Deogarh has constructed own ware house for storage of procured commodity by investing labour.

- Banani has purchased 0.25 acres of land at Barkot from its own fund to build up office and ware house.
- For leveraging support of the line departments like ITDA, Unions have organized many block level interface with Peoples representatives and line departments.
- TRIFED has chosen to install the bio gasifier for drying of MFP in Banabasi MFP Collective, Netrabahal village under Deogarh district.
- Vasundhara collaborated with the state nodal agency and procurement agency to roll down the scheme in its true letter and spirit. Vasundhara with TDCCOL, developed a joint action plan to sensitize all the stakeholders under the Scheme. A core team with in Vasundhara was formed to reach all the tribal districts exclusively to sensitize the government officials involved in MSP operations.
- Vasundhara also organized state and districts level consultation on MSP scheme in collaboration with TDCCOL, ORMAS, DWO, ITDA where PRIs members, Line department's officials and CSOs attended. Details modalities of MSP Scheme were discussed and a collective strategy was developed. Vasundhara also collaborated with district level NGOs for effective implementation of the Scheme.
- Vasundhara also developed various IEC materials describing the operational process as per the MoTA guideline in local language and shared it with line departments and other stakeholders like CSOs, NGOs, and PRIs members for generating awareness at district and GP level. This resulted in formation of district level committee in all the 23 districts.
- There was dearth of fund at TDCCOL level to sensitize the district administration and other stakeholders involved in the Scheme. After a lot of persuasion, Vasundhara able to leverage the support from ITDA/ORMAS to sensitize the PPAs and other stakeholders on MSP Scheme
- Vasundhara facilitated 22 no of MFP were also endorsed by the concerned gram sabha for the scheme and agreement with done with TDCCOL
- Gadabanikilo PPA for the 1<sup>st</sup> time procured 48quintal of Mohua seed under the MSP price and TDCCOL lifted the stock by paying the commission as the MSP Scheme.
- 10 primaries have been revived after lot of deliberation with members. Adequate focus was put to strengthen collective process. Monthly/Bimonthly BoDs meeting of both primary and secondary have been regularized.
- Annual general body meeting was organized by unions and primary at their respective level. Proper election process was followed and 236 new Board of Directors were elected to carry out the institutional functions. The primary were bear all the expenses that incurred during the annual general body meeting and part of expenses was borne by Union during the same.
- Both the Unions have taken some positive steps for self reliance and sustainability. Few key initiatives in this regards are, Banani Union has borne salary of the General Manager, Organizer and administration cost for 6 months in the reporting period. Focused discussion is going on to restructure the geographical location of the Unions and decisions will be taken after taking approval of the both Unions.

- A state level NTFP consortium has been formed with the likeminded organization where Vasundhara is lead partner for information dissemination on Minor Forest Produces. Vasundhara is part of national level Network on NTFP with NTFP-Exchange Programme.
- Vasundhara and Basix (ILRT) together developed the curriculum for the forest based livelihood promotion. Vasundhara has been part of big green livelihood with Fredirich Ebert Stiftung, a Germany based foundation promoting big green livelihood in Asia. Vasundhara is member of the Dist level committee in Deogarh district for MSP operation
- In Deogarh, MFP Collectives with the Support from the Unions are now filing petitions before the district administration for illegal plantation, tree felling from the Community managed Forest areas and the unnecessary hassels created by forest departments. Unions have leveraged support of local media to highlight the corruption and mal practices done by line departments which ultimately created institutional roadblocks for the MFP collectives to strengthen their livelihood and management of natural resources. Unnecessary hassles were meted out during procurement of MFPs by PPAs by enabling them to address their grievance before Line departments.
- In Deogarh, Goilo Gram Sabha lead by women folk challenged the forest department for illegal cutting of trees from their CFR areas and seized the loaded truck. This was a very encouraging experience for the MFP collectives towards establishing their rights on CFR areas where the forest department bow down before the gram sabha.MFP Collectives with the Support from the Unions are now filing petitions before the district administration for illegal plantation, tree felling from the Community managed Forest areas and the unnecessary hassles created by forest departments. Unions have leveraged support of local media to highlight the corruption and mal practices done by line departments which ultimately created institutional roadblocks for the MFP collectives to strengthen their livelihood and management of natural resources.
- The Odisha State took a decision to distribute Rs 100 Crores of the profit money incurred from the Kendu leaf business to all the registered Kendu leaves pluckers in the state by reducing 14% of the Forest Development Tax from 16%. The State also further deregulated Kendu leaf business in the Malkangiri district coming under Jeypur Division along with the Nabarangpur Kendu leaf division. Vasundhara constant advocacy effort made this to happen.
- The Government of India has taken a decision to implement the Scheme of “The Mechanism for Marketing of Minor Forest Produce through Minimum Support Price and Development of Value Chain”. The scheme has been designed as one of the social safety measure for the MFP gatherers, who are predominantly tribal. It seeks to establish a system to ensure fair monetary returns for their efforts in collection, primary processing, storage, packaging, transportation etc. The basic objective of the Scheme is to ensure fair returns to the MFP gatherers mainly through minimum support price for identified MFP collected by them along with necessary infrastructure at local level. Vasundhara has been one of the active members in the District Level Coordination and Monitoring Committee (DLCMC) in 4 districts for the effective implementation of MSP Scheme.

- More and more Cooperatives are recognized as Primary Procurement Agency (PPA) to procure Minor Forest Produces from the primary gatherers under the MSP Schemes and having a good rapport with TDCCOL ( State Procurement Agency)
- Vasundhara in collaboration with Nabarangpur & Malkangiri district administration organized district level consultations to develop modus operandies on Kendu Leaves deregulation
- Vasundhara organized several awareness and sensitization meeting at State and district level to make Civil Society Organization and Line departments aware about the implementation procedure of MSP Scheme. A state level workshop was organized in collaboration with the TDCCOL, State Procurement Agency (SPA) on MSP Scheme.
- TDCCOL provided 33 no of Weighing Machine to 33 Women Cooperatives this year for checking exploitation in weighing. Constant engagement with the State and other line departments to recognize Cooperative as Institutions of the poor and marginalized contributing to socio-economic empowerment of members.
- Four women cooperatives have access to the National Rural Livelihood Mission (NRLM) through the Odisha Livelihood Mission (OLM) and align with the flagship programme of the State and getting handholding support to continue their activities.
- Focus on core service i.e. marketing of NTFPs supported viability of cooperatives. Small lots and local sales was found to be easy to manage, less risky, requiring less capital, women friendly and overall more profitable
- Facilitation of systems and procedures like related to business plan, internal audit and regular meetings supported in sustainability of cooperatives.
- The business development plan of the primary cooperatives and the cooperative unions are based on incentive based for its human resources i.e. more business more incentive. As they are working in a business organization, in line with market practices, they could be offered performance based incentives. Banani Union has been able to bear the three months administrative and other cost of its human resources from the surplus generated out of the collective business. But Banaja Union could not able to generate surplus due to business loss during the Phailin, a natural calamity.
- To set up the community based enterprise, a comprehensive proposal was submitted to the District Supply & Marketing Society (DSMS) for Char and the proposal is under process
- Facilitating mobilization of working capital by primary cooperatives from their member's contribution in order to bring ownership of the members in the cooperatives to consolidate and strengthen the institutional and business aspect. More and more Primary Cooperatives were opened their bank accounts and having transaction in it.
- The opportunity provided by the Forest Rights Act, 2006 for legal rights on traditionally used community forest resources and NTFPs including the Kendu leaf and bamboo is huge. This holds special significance for our NTFP based cooperatives who do not have secured access and control over the resources.
- Collective support provided to the Narigaon Gram Sabha to present their grievance at the Public hearing meeting at the State Capital before the concerned authorities and bureaucrats carry out the community based Kendu Leaves management and trade after deregulation announced by the State in 2013.

**2. Outcome ( relate to the agreed indicators (if relevant), Describe:**

- **Progress made in the achievement of the objectives**

Objectives:

- To examine viability of cooperatives/ unions and identify areas of institutional re-designing for consolidation.
- To examine human resource at the cooperatives /union's level and facilitators level and devise strategies for optimum HR utilization.
- To understand issues related to up-scaling and out-scaling of such process and suggest strategies for the same. This would also involve understanding critically the upstream markets.
- To understand market opportunities including related to value addition and collective marketing for the primary and secondary cooperatives.
- To develop long term Perspective Plan supported by 3 years Business Plan for the Cooperatives and unions.
- To understand issues related to women empowerment in the process and suggest strategies for strengthening women's stake and control over the cooperative process in particular and their livelihoods in general
- Linkage with other Organization & Govt. for finance and infrastructure.
- Research related to livelihoods and cooperative process

**How did your organization realize (or contribute to) the changes**

The process of organising collective marketing of NTFPs by primary gatherers was an outcome of assemblage of several actors, factors, events and ideas over a period of time. The following order of representation of different components of this assemblage is not temporal and several things happened simultaneously.

State led interventions for reducing imperfection in the NTFP market failed to regulate the markets in the interests of the poor and deprived. Neither individual primary gatherers had the volume (quantity of produce) to engage in the market on their own terms

Vasundhara is always being a learning organization provides scope and opportunity to learn from the situations and the outcomes of the activities. Vasundhara felt the need of collectivization of the process by the active involvement of tribal and other forest dependent communities in their own term. It had the scope of including all the primary gatherers of the region willing to get involved in collective trading and its principles provided for democratic member participation and control of the institution. Moreover Vasundhara envisaged a larger vision behind the process. The process of collective trading and the cooperative imaginary was expected to make the primary gatherers self-governable, responsible and autonomous so that they can direct their life and livelihoods on their own terms. It was felt that economy is the doorway for social and political empowerment and thus collective trading was essentially a political process and primary gatherers were the `political actors`, a capacity which they had proved through their struggles around NTFP issues. Thus it was about re-inventing this community of primary gatherers through conscious political action of organising them.

### **Explanation of the difference between intended and realized changes (if any)**

Though the process of collective trading and cooperative building progressed, the pace of its growth didn't seem to indicate that the ideas of primary gatherers becoming self-governable, self-reliant, autonomous and responsible can be grounded within a reasonable period of time and there was stagnancy. It is important to discuss the disjuncture in this context: between cooperative disciplines and people's way of life and the paradox in the idea of collective trading through cooperative institutions.

Firstly, the cooperative as an institution came up with its own disciplines of management and rules. It would be incorrect to say that people didn't fit the entire system. Members did not show much interest in the regular board meeting, neither the board members could develop a habit of elaborating back to her members the details of their meeting. This was to do with their unfamiliarity with formal meetings. It was found that the Christian cooperative members more comfortable with the formal meetings and process of the cooperative as they were exposed to certain disciplines as a part of their religious practice. Few of the strong and articulate women leaders were also from this category. In general, however, cooperatives members were more enthusiastic about the annual general meeting as it was once a year and had a good congregation, a good opportunity for them to socialise. They were more interested to attend the Union general body as that also provided an opportunity to visit the nearest town and also a large gathering. People seem to like large gatherings. There was another problem with regular meetings too. As one of the cooperative leaders told , *'Nowadays we have 3-4 meeting every day in our village – cooperative meetings; SHG meeting; block (government program related) meetings; loan (MFI) meetings etc. How we can take out time to attend so many meetings?'*

While the members would form their business rules, they would again demand the cooperative to behave exactly like the traders in terms of declaring prices which were highly fluctuating and notional most of the times that occurred more in the cooperative areas to disturb the process.

The radical re-imagination for making the system more conformal to local ways was constrained as facilitators, cooperative workers and/or the leaders were bounded by certain ways of cooperative thinking that we learnt from the intensive trainings. But dynamics of NTFPs were completely different from that of other commodity. Thus 'deep' belief in traditional cooperative thinking very often limited evolutionary thinking.

For what is happening here is not the colonization of a previous space of freedom by control practices; community is actually instituted in its contemporary form as a sector of government. And this is not a process of social control if this be understood in the sense of mechanisms to ensure that members of a society conform to expectations. Rather in the institution of community, a sector is brought into existence whose vectors and forces can be mobilized, enrolled, deployed in novel programmes and techniques which encourage and harness active practices of self-management and identity construction, of personal ethics and collective allegiances."

However this idea was paradoxical. While there have been broader and open ended ideas of collective trading, self-reliance, responsabilization, autonomization of primary gatherers, it is again bounded by the idea of making it happen through the cooperatives a concept that didn't evolve locally. While on one hand, there is a tendency to allow people to decide about their improvement, but on the other hand, there is a tendency to set boundaries (the imaginary of cooperative in this case) within which such improvements should happen. In governmental action, the paradox in governing through community has been in a way seeing them capable and at the same time impaired as that they need to be 'mobilised, enrolled, deployed in novel programmes & techniques'

*The cooperative imaginary was thought to be something that would secure the security of individual forest collectors without encouraging dependency and without corroding the self-reliance which is required of the contemporary citizen by a modern, competitive and entrepreneurial nation*

Further the in cooperatives, members were bound by the rules and decisions to engage with the market which was different from the way they use to engage with the market, where they operated on their own individual will. In some ways individual freedom got restricted in a collective venture like this. Although conceptually cooperatives were only custodians of member's produce, but the practice of a business model was not aligned to their earlier practice. Indirect benefits of the process like correct weights, security of payment, stability in price were generally insignificant for most of the members as these didn't reflect any apparent monetary benefit. Besides collective trading brought newer risk of taking responsibilities like storing the produce, taking care of it, protecting it etc. Investment in all this was not considered at par with return. They had their own economics.

All this was opposite of how a cooperative was thought to 'secure the security of individual primary gatherers without encouraging dependency and without corroding self-reliance' which we believed was 'required of the contemporary citizen by a modern, competitive and entrepreneurial nation or in simpler terms to suit the neo-liberal economy and governance. This adoption would be thus important for survival.

### **Reflection on validity of strategies and assumptions**

The response to the collective trading process through cooperatives was mixed. The pace of positive response cases depend on the type of community. For example, in villages dominated by *Munda* tribes, the uptake was slow but became long-lasting once established. Thus responses of different sets of primary gatherers was based on their condition and relations to forest.

The cooperatives have virtually replaced the local agents and village level buyers to a large extent, which have made matters easy and convenient for the intermediary traders. They now get more quality produce, in correct weights and have to do away with the hassles of managing too many agents at the village level who would always cheat. But whenever the cooperatives would

try to cross over the intermediaries and attempt to contact markets or traders outside Orissa, they faced resistance. The State level intermediary operates in a cartel and play down any negotiation of the cooperatives with the bigger traders outside the State. The bigger trader who has established old ties with these intermediaries are also quite reluctant and apprehensive to enter into any contract with the cooperatives. While the cooperative staff mostly facilitates such negotiations, cooperative leadership is yet to take constructive leadership in this context, a factor that might have generated more confidence with the bigger traders who want a continuous and assured supply of produce and are not willing to jeopardize their relationship with the established channels. Thus, these islands of “diverse economies” are not in a position to create an edge in the market beyond a level which was originally thought of. They are constrained by business knowledge, acumen and skills which the businessmen/ local intermediaries are said to carry from their mother`s womb.

### **3. Output (relate to the agreed indicators or targets). Describe:**

#### **- Results of own concrete activities**

- Until now
- Expectation for the whole year (this figure will be registered by Hivos)
- Explanation of variance of planned output (if any)

The process of collective trading and the collective imaginary was expected to make the primary gatherers self-governable, responsible and autonomous so that they can direct their life and livelihoods on their own terms. The thrust area of the whole facilitation process of Vasundhara has been in terms of facilitating the regular activities of the with major emphasis on strengthening the democratic decision-making process. In addition to this, some efforts have been put towards strengthening and consolidation of the leadership base. Facilitating existing collective business was also another key area of the facilitation process. Besides capacity building inputs formed another major part of the facilitation process. Some of the major activities undertaken in this regard are briefly described as under:

- **Regularization of Meetings:** The leaders of the Primary need to meet every month at the Union in order to share and exchange views and ideas with each other and review of performance of the PCs. Based on the ideas emerged out of the discussion, the future plan and programmes are formulated. The financial position of the PCs and Union is also discussed here and corrective measures for any irregularities are planned for.

Union has been suffered with lack of human resources for which many were dormant. Dormant were revived by sensitizing them regularly by appointing volunteers. Many institutional issues which were effecting the functioning of the were sorted out. 10 primary have been revived after lot of deliberation with members. Adequate focus was put to strengthen collective process. Monthly/Bimonthly BoDs meeting of both primary and secondary have been regularized. Participation of the members and directors in the monthly and general body meeting seen rising. Annual general body meeting was organized by unions and primary at their respective level. Proper election process was followed and 236 new Board of Directors were elected to carry out the institutional

functions. The primary were bear all the expenses that incurred during the annual general body meeting and part of expenses was borne by Union during the same. Table 1 & Table 2 indicating the changes of the level of participation in the governance process and in terms of Institutional building.

Table-1:

<b>MFP Institutional Building</b>							
	<b>2013-14</b>			<b>2014-15</b>			
<b>Regions</b>	<b>Total MFP</b>	<b>Active</b>	<b>Dormant</b>	<b>Closed</b>	<b>Active</b>	<b>Dormant</b>	<b>Closed</b>
<b>Deogarh</b>	18	11	8	0	18	4	0
<b>Kuchinda</b>	26	23	6	0	26	6	0

Table-2:

<b>Regions</b>	<b>Frequency of BoD Meeting at Primary Level</b>	<b>% of Director Participation</b>	<b>Frequency of BoD meeting at Union Level</b>	<b>% of Director Participation</b>
<b>Deogarh</b>	<b>50%</b>	<b>65%</b>	<b>65%</b>	<b>75%</b>
<b>Kuchinda</b>	<b>45%</b>	<b>60%</b>	<b>60%</b>	<b>70%</b>

All the registers and records were kept at local level and were tracked at periodical level. This has helped in improving the communication in all tiers and brought greater transparency in the collective process. Organizational meetings of both primary and unions have been regularized up to 70% on average. The BoDs review the progress of the activities planned related to Institution, Business and Finance.

- **Capacity building:** For smooth functioning of any activity, skill development of facilitators is an important part. Without skill enhancement activity, good result will not achieve. Vasundhara organized many CB activities for the member's on collective education, enterprise development, record keeping, MIS etc. Union level training programmes were conducted to train the directors and front line leaders on the plan of action for its proper execution. Similarly in perspective areas, non members were also covered in the capacity building programme. Both the Unions have taken some positive steps for self reliance and sustainability. Few key initiatives in this regards are, Banani Union has borne salary of the General Manager, Organizer and administration cost for 6 months in the reporting period. Focused discussion is going on to restructure the geographical location of the Unions and decisions will be taken after taking approval of the both Unions.
- **Establishment of MIS:** Regularization of fixed activities of the and unions have been a major intervention area over the period. The Management Information System (MIS) that has evolved over the period both at the level of primary and the union, during the period, major emphasis was given to establish the MIS that flows logically and covers information sharing and opinion building at all levels of the . The MIS of the is a mix of

activities, which begins with internal audit followed by Review meeting that is followed by Board meeting at collective levels. Every activity produces a report that becomes a basis of review and planning of the following activity.

- **Development of Village Action Plan:** Vasundhara facilitated the Unions to undertake survey for development of village wise plan for 97 villages. The findings of the survey were shared with the different stakeholders in phase wise cluster level consultation. Such 9 cluster level meeting was organized focusing the status of claim making, scope of convergence, livelihood challenges etc. The consultation helped a lot to the PRIs and line department staffs to understand various issues and prioritized it to address. A Central level consultation was organized at Deogarh to present and share the findings came out during the survey before the district authorities.
- **Formation of new MFP in Kandhamal:** The collective process gained a momentum in the Jamujhari GP of Kandhamal districts. Till date 17 no of village based women have been formed and got endorsed by the respective gram sabhas. Exposure visits were made to Banaja and Banani Unions for cross learning where 48 gram sabha members participated. These all are formed with the notions of democracy and autonomy, both of which are challenging to achieve and maintain. Vasundhara's facilitation is mostly focused on these values which need to be strengthened and enhanced further. The process of maintaining independence and autonomy of the collective institution has been relatively far more successful as compared to several NGO – led interventions in different parts of the country
- **Network & Alliance Building:** A state level NTFP consortium has been formed with the likeminded organization where Vasundhara is lead partner for information dissemination on Minor Forest Produces. Vasundhara is part of national level Network on NTFP with NTFP-Exchange Programme. Vasundhara and Basix (ILRT) together developed the curriculum for the forest based livelihood promotion. Vasundhara has been part of big green livelihood with Fredirich Ebert Stiftung, a Germany based foundation promoting big green livelihood in Asia. Vasundhara is member of the Dist level committee in Deogarh district for MSP operation
- MFP with the Support from the Unions are now filing petitions before the district administration for illegal plantation, tree felling from the Community managed Forest areas and the unnecessary hassels created by forest departments. Unions have leveraged support of local media to highlight the corruption and mal practices done by line departments which ultimately created institutional roadblocks for the MFP to strengthen their livelihood and management of natural resources. Unnecessary hassles were meted out during procurement of MFPs by PPAs by enabling them to address their grievance before Line departments. In Deogarh, Goilo Gram Sabha lead by women folk challenged the forest department for illegal cutting of trees from their CFR areas and seized the loaded truck. This was a very encouraging experience for the MFP to wards establishing their rights on CFR areas where the forest department bowdown before the gram sabha.MFP with the Support from the Unions are now filing petitions before the district administration for illegal plantation, tree felling from the Community managed Forest areas and the unnecessary hassels created by forest departments. Unions have leveraged support of local media to highlight the corruption and mal practices done by line

departments which ultimately created institutional roadblocks for the MFP to strengthen their livelihood and management of natural resources.

### **Alternative Market Intervention by the MFP and their Unions:**

The NTFP market has been highly unstable with problems such as; dominance of traders and unethical trade practices, imperfection in flow of market information, lack of processing and storage facilities, absence of market yard, etc. Primary collectors deal in the market at the individual level with small quantities of products putting them at a disadvantage. At the policy level, the role of forest and forest product's in poverty alleviation and in sustaining livelihoods continues to be ignored.

Due to collectivization of MFP trade, Banani Union able to provide 56% ( if sold in the local market, the MFP gatherers would have got Rs 4939/- in 4 commodity whereas Union provided them additional Rs 2770/-) more incremental income to the members those participated in the business as compared to the local prevail market price in 4 commodity business. Banani Union able to maintain a steady price in the local market to compete with the local buyers. This has also immensely benefitted the non members in the region to get fair price of the commodity that the Union dealt with. Banani has a turnover of Rs 20, 12,022/- where 846 members have participated. Similarly Banaja Union provided 32% more additional incremental value to the members. The total turnover of Banaja was Rs 14, 35,378/- where 925 members participated in various businesses. The Business Development Cell has now better market forecasting on MFP trade and understanding the market intelligence.



Table-3: Business Development

<b>Business Development</b>														
<b>Regions</b>	<b>Siali Leaves</b>		<b>Mohua</b>		<b>Chungru</b>		<b>Char seed</b>		<b>Sal seed</b>		<b>Tamarind</b>		<b>Dry Mango</b>	
	<b>Participation of Members</b>		<b>Participation of Members</b>		<b>Participation of Members</b>		<b>Participation of Members</b>		<b>Participation of Members</b>		<b>Participation of Members</b>		<b>Participation of Members</b>	
	<b>2014</b>	<b>2015</b>												
<b>Deogarh</b>	<b>345</b>	<b>261</b>	<b>264</b>	<b>379</b>	<b>210</b>	<b>125</b>	<b>65</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Kuchinda</b>	<b>369</b>	<b>236</b>	<b>196</b>	<b>346</b>	<b>144</b>	<b>235</b>	<b>0</b>	<b>26</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>35</b>	<b>75</b>	<b>23</b>

In the reporting period, tamarind and dry mango was added to the trade basket of Banaja Union. Over the period, Mohua became the central MFP where more and more members are participated in the business. The Unions and primary have now better understanding on Mohua after subsequent loss in past years. In Char Seed trade, the market price was very low and it was also not procured by the State Procurement Agency though Char seed is one MFP under the MSP Scheme on ground of FAQ. Traders were paying Rs 70/- per kg which is much below than the MSP Price declared in Deogarh region. Banani Union and its MFP as PPAs procured Char Seed as per the MSP. This has compelled the traders to give the minimum support price for the char seed to the primary gatherers.

Table-4: Procurement details

<b>Procurement details in quintal</b>														
<b>Regions</b>	<b>Siali Leaves</b>		<b>Mohua</b>		<b>Chungru</b>		<b>Char seed</b>		<b>Sal seed</b>		<b>Tamarind</b>		<b>Dry Mango</b>	
	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>
<b>Deogarh</b>	486.91	198.96	626.72	634.9	81.14	102.74	5.08	6.99	0	0	0	0	<b>0</b>	<b>0</b>
<b>Kuchinda</b>	539.26	316.83	229.59	270.41	136.71	202.38	0	7.22	0	19.12	0	21.93	<b>14.78</b>	<b>5.6</b>

Table -5: Annual Turnover

Annual Turnover in Rs														
Regions	Siali Leaves		Mohua		Chungru		Chaar seed		Sal seed		Tamarind		Dry Mango	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Deogarh	881307	288492	1150658	1396780	186622	256850	48260	69900	0	0	0	0	0	0
Kuchinda	808890	438810	396272	469432	245805	420141	0	72200	0	20229	0	48246	40645	19600

Table-6: Local Market Price Vs Price Offered by MFP Collectives

Regions	Siali Leaves		Mohua		Chungru		Chaar seed		Sal seed		Tamarind		Dry mango	
	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member	Local market price	MFP collective Price given to member
Deogarh	2015	1100	1450	1250	2200	1400	2500	7000	10000	0	0	0	0	0
	2014	1000	1810	1250	1836	1250	2300	5500	9500	0	0	0	0	0
<b>Kuchinda</b>														
2015	1100	1358	1600	1736	1400	2076	7000	10000	850	1058	1300	2200	3000	3500
2014	1100	1500	1600	1726	1400	1798	0	0	0	0	0	0	2500	2750

For the first time, both Unions undertake procurement of Tamarind and Char Seed under the MSP Scheme in the region. Earlier Tamarind and Char seed were sold in a very throw away price where the local traders are getting benefitted. After interventions of the Union, the price of both the commodity were above the MSP price declared in the local market and traders were compelled to procure under the MSP price.

Now the MFP have started doing processing of Siali and Sal leaf in to plates. Earlier only raw materials trading were done at the MFP collective level and Union was marketing the procured leaf. Now as Union has explored a marketing agency named **Leaf Republic, Germany**. The Leaf Republic, Germany has given rounds of training to the members on maintaining the quality of the leaf plate and both Unions have made legal agreement with the Marketing Agency. This processing activity would give 5 times additional benefits to at least 1000 MFP gatherers. A single household would get Rs 3,000/- to Rs 3,500/- per month by getting involve in the processing activities. Under the claim making facilitation and forest protection process, in many gramsabha, to show conflict and its resolved by discussion with gram sabha.

#### **Finance:**

- 10 primary MFP of Banani union, they have developed a risk fund for managing the business losses, shortage of working capital, institutional management cost ( Meeting, honorarium, vehicles maintainence, telephone, sitting allowance to the BoDs etc) from the business surplus. Till reporting, a sum of 3.4 lakh's fund has been deposited in the respective accounts of 10 MFP .
- Both Unions are now performing more in democratic manner to achieve financial sustainability and the ownership towards the Institutions are visible in their plan of action. Now Unions are bearing their organization's cost of management from the business surplus. Banani Union has planned to bear six month entire cost (like BoD meeting, AGBM, house rent, vehicle maintenance etc.). Banaja has yet to devise such plan but have started working on this front.

#### **Linkages with line department:**

- 4 MFP under Banani Union have been converged with Odisha Livelihood Mission (OLM). OLM have supported a grant amount of Rs 8.25 lakhs to these 4 MFP . These grant support was meant to bring institutional stability of these MFP to run their Institutions in a more democratic way by enhancing their skill and capacity.
- 22 MFP are being endorsed by the respective Gram Sabha as Primary Procurement Agency (PPA) to support TDCCOL, State Procurement Agency (SPA) under the Minimum Support Price Scheme on Minor Forest Produce, a social scheme meant for the MFP gatherers. TDCCOL has executed agreement with all the 22 MFP
- TDCCOL has given 33 no of electronic weighing machines to both the Unions to undertake proper weight measurement of the commodity during the business time. This has helped a lot to check the exploitation made by the middle men in weight of the produces. This has not only helped the members of the MFP to get proper price of their produces but also other MFP gatherers in the region were also benefitted due to proper weight measurement.

- 6 no of drying yard have been approved by the gram sabha and submitted it to TDCCOL. TDCCOL has facilitating construction of drying yard by involving Integrated Tribal Development Agency (ITDA). Apart, Banabharati MFP collective, Panibhandar, Deogarh has constructed own ware house for storage of procured commodity by investing labour.
- Banani has purchased 0.25 acres of land at Barkot from its own fund to build up office and ware house.
- For leveraging support of the line departments like ITDA, Unions have organized many block level interface with Peoples representatives and line departments.
- TRIFED has chosen to install the bio gasifier for drying of MFP in Banabasi MFP Collective, Netrabahal village under Deogarh district.

### **Minimum Support Price on MFP**

The role of forests in the livelihoods of the poor is now a well-established fact. In India alone, around 275 million<sup>i</sup> people significantly depend on forest products, specifically non-timber forest products (NTFP). The state of Orissa, where this particular case study is situated, accounts for 7.38% of the country's forest and collection of forest products generates around 300 million woman days<sup>ii</sup>. As per a study, income from forests contributes around 15-40% of the total income of the poor household even at highly non-remunerative prices being offered to the primary collectors (Vasundhara 1998). Besides sustaining livelihoods of the poor, these do generate huge revenue for the State. E.g. Major NTFPs<sup>iii</sup> like Kendu Leaf (*Diospyros melaoxylon*), Sal Seed (*Shorea robusta*) and Bamboo (*Bamboosa sp.*) together generated revenue of around Rs. 900 million annually on an average (Vasundhara, 2005).

The NTFP market has been highly unstable with problems such as; dominance of traders and unethical trade practices, imperfection in flow of market information, lack of processing and storage facilities, absence of market yard, etc. Primary collectors deal in the market at the individual level with small quantities of products putting them at a disadvantage. At the policy level, the role of forest and forest product's in poverty alleviation and in sustaining livelihoods continues to be ignored.

The Forest Rights Act rendered this practice of states illegal by recognising the right of forest dwellers to own, manage and sell minor forest produce. 1<sup>st</sup> time in India, MSP (Minimum Support Price) scheme has been launched by Government of India under the aegis of Ministry of Tribal Affairs in the year 2013 – 2014. This scheme aims to establish a system to ensure fair returns to the primary gatherers, especially Scheduled Tribes, who's life and livelihood significantly depends on forests and forest products. It also aims to share the profit with gatherers after deduction of sale proceed, which is unique itself. Presently this scheme is implemented in the States having Scheduled Area and Scheduled Tribe in accordance with Fifth Schedule of the constitution of India. The total outlay of the project as approved by the cabinet for the 12<sup>th</sup> plan period is Rs. 1216.78 crore, of which Government of India would bear Rs.967.28 crores, which is 75% of total earmarked for the project.

This demand was based on the neo-liberal idea that the benefit of free and competitive market would go to the primary collectors. However this could be seen as migration of neo-liberal strategies that has the potential to benefit the primary gatherers.

The core sentiment of the scheme is to obliterate the intermediaries and reach tribals directly. The states have been given funds to modernise village haats and storage facilities. But the

procurement record is dismal with only limited procurement from the tribals. In Odisha, the scheme is being implemented in 23 districts from 1<sup>st</sup> July 2014. About Rs. 62 Crores has been received from Govt. of India and Govt. of Odisha as Revolving funds under the scheme. Rs. 8.2 Crores received from GoI for Infrastructure Development. (Godown/ Haats/ Cold Rooms).

STSC Development Department, GoO is State Nodal Dept. TRIFED at the Regional level to facilitate the SPA for smooth implementation of the scheme. ST & SC Development Department being the nodal agency took a longer phase to notify TDCCOL and OFDC as State Procurement Agency. On 4<sup>th</sup> of June 2014, STSC Development Department notified these two agencies as SPA, when already the collection of Sal Seed was in its peak stage. In this situation, there is hardly any time left to create awareness to the primary gatherers, Gram Sabhas. The Scheme was launched in 1<sup>st</sup> July 2014, until that time not a single Primary Procurement Agency was identified for procurement of MFP from the Primary gatherers. The MFP season was first approaching but District level Monitoring and Coordination Committees (to monitor the progress of the Scheme at the district level) were also not constituted. The Scheme was hardly known to the primary gatherers. TDCCOL capacity to properly manage this scheme is also a matter of concern having limited human resources (and this is partly because the government could not help TDCCOL retain its skills and capacity that it had 15 years ago). This created chaos among different stakeholders and many distress sell were reported during the period. TDCCOL though tried to declared about procurement of MFP, they could not succeed because PPAs and District Level Monitoring & Coordination Committee were constituted.

Looking to the gravity of the situation, Vasundhara collaborated with the state nodal agency and procurement agency to roll down the scheme in its true letter and spirit. Vasundhara with TDCCOL, developed a joint action plan to sensitize all the stakeholders under the Scheme. A core team within Vasundhara was formed to reach all the tribal districts exclusively to sensitize the government officials involved in MSP operations. Vasundhara also organized a state level consultation on MSP scheme with TDCCOL where PRIs members, Line department's officials and CSOs attended. Details modalities of MSP Scheme were discussed and a collective strategy was developed. Vasundhara also collaborated with district level NGOs for effective implementation of the Scheme. Vasundhara also developed various IEC materials describing the operational process as per the MoTA guideline in local language and shared it with line departments and other stakeholders like CSOs, NGOs, and PRIs members for generating awareness at district and GP level. This resulted in formation of district level committee in all the 23 districts.

Though the State Nodal Agency has instructed all the districts to complete the selection process of Primary Procurement Agencies (PPAs), but due to lack of awareness on the scheme at different level, especially at the district level, the selection process delayed for longer period which impede the procurement of MFP under the Scheme. Vasudhara provided IEC materials on selection of PPAs, its responsibility, Institutional process of MSP operations, FAQ parameters etc to dist administration and other local networks working at the district levels. SLCMC & DLCMC meeting has been convened in all districts. Vasundhara is one of the members in the DLCMC in its operational district. Vasundhara participated in the video conferencing and shared various field level issues that impede the progress of the scheme..Series of Communication activities such as wall writing, Drum Beating / Miking / distribution of leaflets etc. taken up at the grass-root level with the support of line departments and CSOs.

The success of implementation of the MSP Scheme on MFP largely depends upon optimal coordination with different stakeholders for smooth implementation and due coordination at the district level. This would require for meeting / discussion with the stakeholders, agencies etc. at regular interval. That apart the meeting at the District among the partner agencies, implementing officials etc. would be essential to ensure smooth and transparent implementation of the programme. Hence Vasundhara organized district level meetings in the following districts.

Name of the district	Collaboration made with	Nature of participants
Kandhamal	ITDA/Dist administration	TDCCOL, PPAs, SHGs, ITDA, ORMAS, MLA, NGOs personals
Sambalpur	ITDA	TDCCOL, PPAs, SHGs, ITDA, ORMAS, NGOs personals
Sundergarh	CIRTDA (NGO)	TDCCOL, PPAs, SHGs, ITDA, ORMAS, NGOs personals
Malkangiri	ITDA	TDCCOL, PPAs, SHGs, ITDA, ORMAS, NGOs personals
Deogarh	DWO/ORMAS	TDCCOL, PPAs, SHGs, ITDA, ORMAS, NGOs personals
Anugul	DWO/ORMAS	TDCCOL, PPAs, SHGs, ITDA, ORMAS,, NGOs personals
Bhubaneswar	STSC Dept/TDCCOL	TDCCOL, PPAs, SHGs, ITDA, ORMAS,, NGOs personals

This expedited the selection of PPAs at district level. About 580 Primary Procuring Agencies have been approved in consultation with the Gram Sabhas against about 980 identified.( Details of PPAs district wise attached as annexure).

There was dearth of fund at TDCCOL level to sensitize the district administration and other stakeholders involved in the Scheme. After a lot of persuasion, Vasundhara able to leverage the support from ITDA/ORMAS to sensitize the PPAs and other stakeholders on MSP Scheme. That was of the reason for which the project grant was underutilized. Vasundhara facilitated 22 no of MFP were also endorsed by the concerned gram sabha for the scheme and agreement with done with TDCCOL.. TDCCOL had able to procured an amount of Rs 99.09 lakh of MFP under the MSP Scheme by involving the PPAs. The details of procurement and fund utilization given in the below table

**Physical achievement:**

<b>District wise procurement Abstract 2015 Crop</b>							
District	Branch	Procurement (In Qtls.)					
		Harida	Seeded Tamarind	Char Seed	Karanja Seed	Sal Seed	Mahua Seed
Koraput	Sunabeda		452.60				3.00
Keonjhar	Keonjhar	4.95	143.63				2.80
Nabarangpur	Umerkote		614.44				25.50
Gajapati	Paralakhemundi		126.15				5.51
Mayurbhanj	Udala	38.30	313.16		146.64		85.79
Sambalpur	Sambalpur		478.00	9.84			
Balangir	Balangir	95.75	119.60	67.72			73.45
Deogarh	Lahunipara		87.60	17.21		76.40	104.43
	Deogarh		139.60			69.55	
Sundargarh	Sundargarh	93.94	555.22	10.51	14.12	86.44	15.11
Rayagada	Rayagada						182.00
	Muniguda						33.44
Kalahandi	Bh. Patna						32.90
Kandhamal	Baliguda						11.30
Nayagarh	Nayagarh						48.00
<b>Total</b>		<b>232.94</b>	<b>3030.00</b>	<b>105.28</b>	<b>160.76</b>	<b>232.39</b>	<b>623.23</b>

**Target Vs Achievement:**

Items	In Quintals			
	Tentative Potential	State Target Approved	Achievement	Achievement in (%)
<b>Harida</b>	20000	5000	232.94	4.66%

<b>Seeded Tamarind</b>	200000	50000	3030.00	6.10%
<b>Char Seed</b>	20000	5000	105.28	2.10
<b>Karanja Seed</b>	6000	1000	150.76	15.01
<b>Sal Seed</b>	400000	50000	232.39	0.46
<b>Mahua Seed</b>	100000	20000	622.23	3.11
<b>Wild Honey</b>	500	125	0	0.00

The table indicates that procurement of MFP from different district is very less. The basic reason for arbitray procurement is due to lack of sensitization among the primary gatherers and ineffective coordination between TDCCOL and dist administration. Lack of adequate human resources at TDCCOL level is one of the major factor.

From Vasundhar facilitated MFP , a total of 30.00 Quintal of Tamarind and 25.29 Quintal of Char Seed have been pooled which is amounting to Rs. 66,000/- and Rs. 2, 52, 900/- respectively under MSP. If we compare, their incremental income with the sale proceeds of stock in previous year prices, the primary collectors have gained more than 100%. For detail, the following table may be referred:

<b>Item</b>	<b>Pooled Quantity (In Quintal)</b>	<b>Price under MSP received (In Rupees)</b>	<b>Previous year market price prevailed in open market</b>	<b>Incremental Income</b>
<b>Char Seed</b>	25.29	2,52,900.00	1,13,805.00	122.22%
<b>Tamarind</b>	30.00	66,000.00	27,000.00	144.44%
<b>Total</b>		<b>3,18,900.00</b>	<b>1,40,805.00</b>	

Vasundhara engaged with Sambalpur, Deogarh, Anugul, Sunderagh, Nayagarh, Kandhamal district level monitoring agency regularly to sort out the hassels that rose during procurement of MFP by the PPA and delivering the stocks to TDCCOL. Due to the vigilant monitoring of the Scheme in the operational areas, TDCCOL was bound to procure the MFPs at the prescribed price which ultimately increased the income of the tribal and other forest dependent communities.

### Progress of MSP Scheme in Central India States:

Fund ( in Crores) Allocated to States under MSP Scheme:

Sl.No.	State	2014 (March-April)	2015
1	Odisha	40.00	-
2	Gujarat	5.00	-
3	Maharashtra	5.00	-
4	Rajasthan	0.20	-
5	Jharkhand (JHAMCOFED), Ranchi	24.15	-
6	Madhya Pradesh	34.89	-
7	Chhattisgarh	-	80.16
8	Jharkhand (JHASCOLAMPF) Ranchi	-	4.25
	<b>Total</b>	<b>109.24</b>	<b>84.41</b>

The Scenario is not so much different in the other Scheduled States where the MSP Scheme is being implemented. Vasundhara carried out a quick assessment in the few states to understand the preparedness of the state procurement agency to implement the scheme. In depth interaction was done with the officials involved in the implementation of the Scheme.

The minimum support price for minor forest produce (MFP), an initiative conceived as the next MNREGA and a welfare plan to cover about 100 million tribals, is floundering in the first year of its implementation. Two of the nine states Andhra Pradesh & Telengana, where the ambitious programme had to be implemented, have still not agreed to do away with the established system of procuring MFP and introducing the new procedure. At the end of the 2014-15, half of Rs 100 crore earmarked by the Tribal Affairs Ministry, the nodal agency for this scheme, lays unutilized. Till January this year, only Rs 48.29 crore has been spent. The scheme, which was conceived under UPA-II and rolled out at the end of 2013-14, was initially planned to be implemented in Andhra, Chhattisgarh, Gujarat, MP, Maharashtra, Odisha, Rajasthan, Jharkhand and Telangana. Despite lot of persuasion from Central Ministry to States to end monopoly on minor forest produce. This required a lot of time. States have refused to come around. Chhattisgarh has gradually came around to implement the Scheme and denationalize the Sal Seed in 2015.

As per the scheme, TRIFED will be the nodal agency. Every year, MSP will be decided on the basis of production, market value, value addition and the labour cost. The gatherers will be free to sell other non-nationalised MFPs in the open market if they get a better price. If the market price goes down, the government agencies will procure the MFP on the MSP. Profit made by the procuring agency, if any, will be ploughed back to the gatherers while loss in the trade will be absorbed by the government. Once, the MSP system gets established for non-nationalised MFPs, tendu leaves and bamboo should also be de-nationalised," However, it has to be seen whether states would be willing to relinquish control over this lucrative trade and what the tribal affairs ministry does to get the tribal people and forest dwellers their rights.

However in Odisha, the publicity of the MSP Scheme has resulted into rise in market price, which ensure better price realization by the Primary Collectors than before. Awareness of FAQ parameters among the PPA has improved. Aggregation of stock helped the Primary Collector to negotiate with traders for better price realization due to assured MSP declared. Initial level of coordination has established among the functionaries (TDCCOL, ORMAS & NGO)

There are certain gravity of issues which Vasundhara has planned to address by engaging with d State Nodal department in the fiscal year 2016 are

- Adequate publicity of the scheme.
- Inadequate manpower of TDCCOL at branch level.
- Inadequate sensitization programme for the PPAs on FAQ parameters.
- Non availability of basic machinery support for FAQ measurement.
- Inadequate working capital at PPA level Lack of funds for monitoring at district level
- Lack of skill and provisions at community level for value addition.
- 50% achievement of the physical target and optimum utilization of resources.
- Disposal of stock atleast at no loss no profit

#### **4. Outreach (relate to the agreed indicators). Describe:**

##### **- Number of direct beneficiaries/participants**

###### **o Until now**

Vasundhara is instrumental in promoting and facilitating 45 no primary cooperatives and 2 apex level institutions involving 2674 direct those and poor and marginalized tribal group habited in the most forested pockets of the state. The intervention covers 107 villages of 26 Gps in 8 CD blocks of 4 districts in the state of Odisha. Indirectly the intervention is catering the livelihood needs of the tribal around 5000 no who are the prospective members and would be covered in the coming days

###### **o Expectation for the whole year (this figure will be registered by Hivos)**

Discussion is going on to cover up the prospective members We have decided to consolidate the existing women primary gatherers (2674 no directly) in this year and planning to grounding the self reliant plan for the cooperatives in the coming year by promoting more no of village level producers cooperatives across the region by involving prospective members.

###### **o Specify for men and women**

All are women members involve in the cooperatives process

###### **o Specify for rural and non rural**

Only rural women are covered under this coperativization process facilitated by Vasundhara

#### **5. Main changes in your organization. Describe:**

##### **- In general**

No changes in the formal structure have taken place.

The frequency of Board Meeting is once during the year.

Diversity Table as on 31 <sup>st</sup> December 2014				
	SC/ST		General	
Board Members-	Female	Male	Female	Male
	0	0	3	4
1			Ms. Madhu Sarin	Mr. Y.giri Rao
2			Ms. Neera M. Singh	Prof. Banikant Mishra
3			Ms. V. Rukmini Rao	Mr. Nilakantha Panigrahi
4			Ms. Puspanjali Satpathy	Mr. Tushar Dash

The details of staffs during the reporting periods are:

Diversity Table	1 <sup>st</sup> April 2015			31 <sup>st</sup> December 2015		
	Male	Female	SC/ST/Dalit	Male	Female	SC/ST/Dalit
Programme level/Board level	13	5	3 (2-M, 1-F)	17	6	1
Admin/Support	5	2		4	3	0
<b>Total = 28</b>	17	7	4	<b>Total = 31</b>	20	2
<b>Board Members Total=7</b>	4	3		<b>Board Members Total = 8</b>	4	

- **The effect of capacity building trajectories, if any**

No.

**6. Other things you want to mention.**

No

**7. Conclusions or lessons learned for the next year(s).**

In one of the recent meetings with cooperative members few months back, one of the women leaders asked, “*How long we will be doing this (collecting produce from forest)?*” This was perhaps a sign of a change – a change within as being conscious cooperative subjects. She in fact wanted to say, how substantial a change in the livelihoods and incomes are possible from NTFPs trading and hinted at the need for some radical and progressive change. This is an example of change of local knowledge as:

“Local knowledge changes as local environments change and as people become implicated in new projects. This is obviously an uneven process, as memories of past practices continue to hold good for a while and as knowledge is transmitted through cultural practices which continue to take place even when the features of the world they refer to no longer exist in the same way.”

This calls for localisation of cooperative imaginary in terms of re-imagination of the concept and its disciplines from the perspective of primary gatherers so that it create conditions that enable engagement with the market in its own way without compromising the interest of primary gatherers. As a matter of approach in supporting and facilitating such a process, there is a need of ‘ethico-politics’ like

“This would be a politics whose ethos is a reluctance to govern too much, that minimizes codification and maximizes debate, that seeks to increase the opportunities for each individual to construct and transform his or her own forms of life, that validates diverse ethical criteria and encourages all to develop and refine their practical and experimental arts of existence.”

It is true that the idea of collective trading and the cooperative has taken a corner place in the imagination of primary gatherers who were involved in the process and has created new cooperative subjects, which gets amplified when they chant ‘*Jaya Samabaya*’ (Hail Cooperatives) spontaneously in all their meetings, gatherings and in some cases this has been seen replacing their normal exchange of pleasantries when they meet each other. It is true that any interventions as this shapes people in certain ways and are resisted in certain ways too. It is important to understand where such changes are required. While issues inherent in the idea and the process may be correctable, bringing changes in processes that are influenced by more macro-level issues need a greater fight. While the intention of this getting together to do collective trading of collective NTFP trading may be laudable, it would be important to see how it delivers itself in the future. As said earlier, this may require a radical change in understanding.

Such understanding must rest on the fact that primary gatherers have their own calculus and that is market based now

As explained earlier, there are other livelihood avenues of the forest dependent poor which are also important for their sustenance like artisan groups, agriculture, wage labour etc. wherein they stand equally exploited and any collective institution of them need to address the related livelihood concerns in the course of time for a comprehensive and holistic development. It has been normally seen that developmental interventions for poor be it in case of forest, agriculture, animal husbandry, wage labour etc. have been sectoral with little or no coordination between different departments and agencies, which considerably reduces utility and effectiveness of these interventions. For a poor forest dependent, livelihood is not looked through a single lens and any intervention must be integrated which would require high level of inter-sectoral coordination. Similar should be the approach for facilitating NTFP based collectives/ cooperatives. This also holds true for processes for formulating livelihood policies for poor.

- There is a need for a clear-cut policy of the State on promotion of democratic community based enterprises like cooperatives. Producers Company is one alternative at present.
- NTFP based development of poor must be the welfare agenda of the State as it would cost little to the exchequer to forgo revenue from NTFPs but it would be a big benefit to the resource dependent poor. The State can consider granting benefits alike special economic zones to collective enterprises of primary collectors in terms of tax benefits/ exemption from other regulations etc. It is normally contested that such collective community based institutions are actually not sustainable in the sense, as benefits to communities does not factor in the external costs incurred in facilitating such processes. However we need to understand that collectivization of poor in form of formal institution is infact a long drawn process where work is being done with vulnerable groups having low capital base, high level of drudgery involved in earning day to day living,
- For large scale spread of collective efforts like cooperatives and higher level unification of such initiatives, the State may set up a NTFP development fund which may be used for facilitating collective institution building across the State and building up a dedicated base of grassroot professionals for carrying out the massive task.
- In Odisha, the government has been declaring Minimum Procurement Price (MPP), which is now done at more decentralized fashion (at Block level) with the stated objective that tribals would at least get MPP for their collected NTFPs. But in absence of any ensuring mechanism, the entire scheme falls flat. Moreover the price fixation procedures have not been scientific. The State may undertake price support operation in NTFPs and designate agencies for the same. In practical this must be a continuous operation so that prices do not fall below Minimum Support Price. The role of the government would be limited to price fixation, providing budgetary support for carrying out price support operation and monitoring prices. Any Forest Development Corporation may be assigned the job of carrying out price support operation. This is suggested as interim arrangement for the period within which institutions of primary collectors gets strengthened enough to face the vagaries of market and have their federal marketing body which shall be accountable to them.

- Lack of suitable infrastructure for storage and value addition has been another constraining factor for community-based enterprises to develop and gain better control over the market. This is another area where the State is expected to play a more proactive role in providing requisite support for setting up infrastructures for collective enterprises.
- There is a need for deeper research in areas related to forest product conservation and development and role of institutions in the same. The institutional challenges put forth in the current paper are also important lines of enquiry, which needs to be understood deeply and develop methods that fully take into account perspectives of forest dependents.

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<sup>i</sup> Saxena, N.C., Policy and Legal Reforms for Poor in India, UNDP, New Delhi

<sup>ii</sup> Ojha Nabaghan, Strengthening forest-based livelihood in the new governance system: examples from Orissa, India (<http://www.ntfp.org/sub.php?gosub=exchangenews-art&page=2>)

<sup>iii</sup> NTFP – Non-timber Forest Product; it is also known as Minor Forest Produce (MFP) or Non-wood Forest Produce (NWFP) and is normally referred to as any product that is harvested from forests other than timber which is considered as major production from forests. In India, interestingly such produce has been defined for the first time only in the recently enacted Forest Rights Act where it is referred to as MFP. I will use the term NTFP for the purpose of this paper which clearly reflects its status, because the official categorisation is problematic as certain NTFPs like bamboo or Kendu Leaf are considered as ‘major’ because of their economic value by the government.

Hence the term MFP has been wrongly used in practice.