NTFP marketing through co-operative efforts

A Case from Orissa

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1. **1. Title**
2. **2. Abstract**

NTFP MARKETING THROUGH COOPERATIVE EFFORTS

Tribal and forest dependant people of Orissa has a history of acute dependence on forest products for their livelihood and sustenance. The government policies and programmes never supported their cause. During the last 20 years many policies has been implemented to look after the interests of tribal communities in trade and management of NTFPs without much impact. Therefore, to come out of the vicious circle, the communities designed their own plans of NTFP management and trade for sustaining themselves without little help from anybody. This plans basic objective was convergence of interest and take the cause into own hands. In this process stable institutions were borne and a new mechanism was developed for management and trade of NTFP.

This paper provides a detail discussion on the forest policies and its impact, NTFP ad the dependence of tribal people on it, new trade and management practices followed by the indigenous communitie s to protect their own interests.

3. Key words
MFP (Minor forest product), NTFP (Non-timber forest product), co-operatives, marketing, ownership, control, management, panchayat and capacity building.

4. Background and objectives

Orissa is one of the poorest states of India, about 46% of population living below poverty line. 22% of the total population are tribals and almost half the area of the 30 districts come under scheduled areas. According to the forest survey of India the forest cover stands at 47, 033 sq. km, about 30.2% of the geographical area of the state. The state forest department put the forest area at 58, 135 sq. km (08.12.97)

i.e. 37.34% of the geographical area of the state. Major forest types available in the state are northern-tropical semi evergreen, northern tropical moist deciduous, dry deciduous and littoral and swampy. The forests are uniformly distributed in the state except coastal districts where they are scarce. By legal status, the Reserved Forest constitutes 47.37%, Protected Forest 52.60% and Unclassed Forest 0.03%. About 0.503 million ha, constituting 8.8% of total forest area, is affected by shifting cultivation. Apart from timber and firewood that are conceived as major forest produces in the State, NTFP include all products obtainable from forest. Important NTFP of the State are Bamboo, Kendu Leaf (KL), Sal seed, Mahua flower and seed, Tassar cocoons, Myrobolans, Lac, Honey, Broom grass, Tamarind, Sal resin, Sal leaf, Siali leaf and fibre, Nux vomica, Chironji, Fodder grass, Thatching grass, Arrowroot etc. Potentiality of major NTFP in important forest divisions is given in ***Table-5.1***.

The Socio-economic importance of NTFPs is paramount to tribal livelihood in the state. In most of the forested areas, forest produces have been supporting tribals for more than 6-8 months a year. It fulfills the livelihood needs, both in terms of sustenance and cash income. The decreasing trends in agricultural production, non-farm activities and failure of employment opportunity schemes of the state have made the matter worse. Studies conducted by Vasundhara, RCDC and other organisation at different points of time show that poor and landless people heavily depend on NTFP. For poor upto 50 per cent of annual income comes from forest products. According to a study carried out by RCDC in Talapalaput village of Koraput district, the income per household varies between Rs. 1100 – 1200 from unprocessed tamarind excluding domestic consumption during the month of February-April. Fair prices would undoubtedly double this income. A study in 7 villages spread over 4 districts of Orissa shows that 98 per cent of women & 91 percent men living in these villages depend on forest for collection of NTFPs. 50 per cent of income comes from NTFPs for those who earn about Rs. 3000 annually and those who earn more than Rs. 6000, their share from NTFP is 21 per cent (Radhamohan Mallick, 1994). Another study in 10 villages of Western Orissa shows that 20 per cent of the annual income comes from NTFPs, which does not include the household consumption.

Not only NTFP contributes at the individual level. It also contributes substantially to the state's economy in many forms as well. They provide food security, ingredients for health care, fodder & construction materials. The income from NTFP for the State has been between 75 to 90 per cent of the forest revenue after ban on timber felling in 1990 (Green felling again started in 11 divisions from dt.12.7.05). Currently, NTFP are the only available forest produces through which Government has some control and authority.

Table-4.1.1: NTFPs OF ORISSA

Sl	Name	Botanical Name	Use	Potential in MT	Assumed Price / KG	Potential Value (Crores)	Labour Days
1	Kusum seed	Schleichera oleosa	Oil seed, medicine & soap	820 (2000)	5.5	1.1	80000
2	Neem seed	Azadirachta indica	Oil seed, medicine & insecticide	840 (3000)	5.5	1.65	240000
3	Karanj seed	Derris indica Syn: Pongamia Pinnata	Oil seed, medicine & insecticide	639 (1500)	4.25	0.64	60000
4	Mahua seed (Tola)	Madhuca indica	Oil seed & soap	15400 (20000)	7.5	15	800000
5	Chironji or Char seed	Buchanania lanzan	Food additives and sweets	2950 (4000)	50	20	1600000

6	Siali leaves	Bauhinia vahili	Leaf plates	370 (500)	7	0.35	150000
7	Nux-vomica	Strychnos nux vomica	Insecticide, medicine	1020			
8	Tamarind	Tamarindus indica	Food, tannin, & medicine	35000			
9	Mahua flower	Madhuca indica	Manufacturer of liquor spirits and cattle feed	61000 (80000)	5	40	16000000
10	Sal seed	Shorea robusta	Oil seed & oil cake	21724 (80000)	3.5	28	8000000
11	Kendu leaves	Diospyros melanoxylon	Manufacture of beedi	500000 (1000000)	30	150	20000000
12	Sal leaf	Shorea robusta	Leaf plate	12180 (20000)	3	6	600000
13	Thorn brooms	Aristida setacea	Manufacture of brooms	374 (1000)	9	0.9	60000
14	Hill brooms	Arundinella setosa	Brooms for sweeping floors	1600000 NO.			
15	Belerric Myrobolan	Terminalia bellerica	Medicine, tannin and hair oil		4	1.6	320000
	Chebulic Myrobolan	Terminalia chebula	Tannin & ayurvedic medicine				
	Aonla	Emblica Emblica officianalis	Vitamin C & medicine				

Source: Decade of forestry, Forest Department, Orissa.

4.1 MFP Vs NTFP – Definition ambiguities

'Definition and classification' of NTFP is always an area of confusion and conflict. The frequent term used in the state's documents is MFP – minor forest produces. The distinction between major and minor forest produce was created based on the revenue they generate. Timber in common parlance is understood to be a major forest produce. However, after the ban on green felling, questions have been raised about timber being a major forest produce. Apart from that, MFP has neither been defined in OFA (Orissa Forest Act) nor in Orissa Forest Produce (control of trade) Act of 1981. Prior to 1980, it was commonly understood that MFPs mean any forest produce other than timber, firewood and charcoal. In almost all the administrative reports of the govt., the above-mentioned products are noted as major forest produce and others are described as MFPs.

4.2 Government policy before 2000

This period can be subdivided into two parts, pre 1990 and post 1990. From the British period upto the Forest Conservation Act of 1981, forests are being used for revenue purposes, primarily timber. There was no particular policy for the management of NTFPs. During this period the state was empowered to declare any produce as specified produce from time to time considering the market demand, certain produces were leased out to private traders. The products, those are declared as specified, even if found in private lands, were treated as specified. In one sense, the state has almost total control over all forest produces in different names like nationalized, specified or leasing (state had the royalty as well as ownership) Then came the MFP policy of December 1990, three agencies promoted by the state TDCC (Tribal Development Co-operative Corporation), OFDC (Orissa Forest Development Corporation) and AMCS (Agency Marketing Co-operative Society) and a joint sector company UFPL (Utkal Forest Products Ltd) were given lease on long term basis to procure and sale the products from respective divisions and pay royalty on the collection quantity to the state. This phase saw flourishing illegal trade and several problems were noticed out of the lease to the private parties. The major problems came out of the process are non-payment of royalties, arbitrary procurement and non-payment of minimum support price to the tribal collectors. During this period though the panchayats has the legal recognition in a limited way, the panchayats stay away from the NTFP trade.

4.3 March 2000 policy

Considering the anomalies in the previous policy and in order to streamline the system of collection and disposal of NTFP the State Govt came out with a new policy guideline on 31.03.2000 as a move towards formalising transfer of ownership over MFPs to GPs (Gram Panchayats) in line with PESA. This gives ownership rights to the Gram Panchayat (village councils - lowest unit of local self-governance) not only in scheduled areas but also in the entire State. The policy had become over due after promulgation of PESA (Panchayat Extension to Schedule Areas Act) and subsequent state confirmatory act, Orissa Gram Panchayat Act in 1997.

The new policy handed over 60 MFP items to Gram Panchayats for ownership, control and management. This policy introduced many things for the first time.

1. 1. The State recognised the importance of MFPs in forest dwellers' life as well as demonstrated a strong political will to strike a balance between state revenue and protection of livelihood.
2. 2. it initiated a process of transfer of ownership over MFPs from OFD (Orissa Forest Department) to the GPs.
3. 3. it introduced multiple buyers doing away with monopoly trade arrangement that

had restricted primary collectors' choice as regards to sale, storage and market.
4. 4. the policy decentralised and de-bureaucratised, as far as possible, the trading arrangements to encourage and motivate producers co-operatives, primary groups, people's organisations to get into processing and trading at the local level.

In August 2000, Orissa Forest Department handed over 8 more MFPs to the panchayats. After the GPs were given the responsibility of facilitating and supervising MFP trade in their territorial jurisdiction, anybody from business houses to government owned corporations are supposed to register themselves with the panchayats if they want to operate or trade within the panchayat boundaries. However priority would be given to the VSSs (Vana Samrakshan Samitties) and its members for collection and trading of MFPs. 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.

4.4 NTFPs under public sector monopoly

Institutions like TDCC, OFDC, ORMAS (Orissa Rural Marketing Society) and TRIFED (Tribal Federation) have been involved in procurement and sale of NTFPs. But these institutions have failed to protect the rights of the forest dependent population in ensuring their livelihood. This is mainly because of the policies of the government and lack of dynamism in the organisations. These agencies have been playing the role of a procurer and not what they are supposed to do i.e. to promote fair and competitive market for the NTFPs. In absence of buyers in the conventional market, these agencies have failed to even play the procurers role effectively.

Among the 4 organizations TDCC has the maximum responsibility of market support. It was created as an apex cooperative for development of the tribal communities of the state through elimination of exploitation by the middlemen and traders in the sale of NTFPs. 202 LAMPS, 35 other cooperatives, 47 Panchayat Samitis and the state government are the members of this apex cooperative. The members are all dysfunctional for the purpose they were created. TRIFED the main buyer from TDCC also faced severe crisis in fetching better market for NTFPs. The basic objective of TRIFED is to support the state cooperatives and corporations by finding proper market for NTFPs and SAPs (Surplus Agricultural Produces) collected or harvested by tribals and to train them on scientific collection of produces. In Orissa, it does not operate as a direct lessee but as a marketing agency for them. But it has been saddled with its own problems and has failed to live up to its expected role. Similarly the state government created ORMAS in 1989 as an autonomous agency under the Department of Panchayat Raj. The organisation was created keeping in mind that it would play an important role in mobilisation and organisation of the rural poor for livelihood purpose by formation of groups, imparting of new skills and upgrading existing skills and helping in the process of creation of a trained reservoir of manpower. But has yet to come up with any significant achievement.

4.5 Policy level issues in MFP management and trade

Inspite of so many policy changes, the market situation for the MFP dependant communities has not been Changed. The policies have not able to break the chain of trade. The MFP market is still controlled by few traders and under a monopolistic situation. This has restricted the dependant masses from getting the market price of the produce. Continuous deprivation has also made them against the MFP market. This negative development about the market has resulted in sharp decline in production.

The problem in this is basically due to the poor management on the part of the government. After handing over of the responsibility to the GP, no serious effort have been made by the government to sensitise, educate and train the Panchayats to own, control and manage MFPs. Most of the GPs don't have the desired information with them on the devolution of power and authority. The ownership status that has been given to the panchayats is very confusing in the matters of MFPs. In most GPs, the understanding of ownership, control and management of MFPs is nothing but issuing license to the traders. They know that they have to issue license to the traders for procurement of MFPs and the traders have to pay Rs. 100 for each MFP. In the GP meetings also, most of the discussion on MFPs is concentrated on issuing license to the traders.

Though there was an important provision of fixation of minimum procurement price of MFPs before the season, very few panchayat samitties comply. Either they do not give adequate importance to the process or they lack capacity to perform the functions. In some panchayats the traders fixed the price. Even in some panchayats, though there is minimum procurement price, the traders don't accept that price and purchase on the prices fixed by them. In absence of any regulatory mechanism, these activities made the minimum procurement price fixation a mockery.

4.6 Marketing issues after the new policy

NTFP trade has always been a buyers' market and has never operated in a typical demand-supply principle. Even after withdrawal of the monopoly system and ownership transfer to the gram panchayats, problems of procurement and trade continued and it is the big traders who call the shots. The big traders seem to have joined hands to freeze the price and control the trade as before. As for the primary collectors eliminating intermediaries and jumping beyond the block level market is almost impossible.

The projections of the change in policy was to immediately dismantle the centralised trade structures as well as do away with the long term lease systems in order to tilt the market in favour of the forest dependent communities. And ensure regular and timely procurement and just prices to primary collectors. However, it still remains a challenge to any agency

(Government or private) intending to bring fundamental changes in the lives of the forest dependent communities. The policy has its limitations in addressing the structural shortcomings of the earlier trading systems. There have been no significant changes with the functioning of the Government procuring agencies like the TDCC, OFDC, TRIFED etc. They have merely played as procuring outfits whenever they had the funds and are still lamenting over shortage of funds and as a result are almost non-functional. This has brought the problem back to square one, i.e., sellers or the primary collectors are once again at the mercy of the private buyers.

It has been realised that along with the structural reforms, greater attention was required with regard to strengthening the procuring systems and the marketing arrangement. Moreover, the avowed intention was to give the primary collectors choice in selling their produces through creating competition between traders. In the absence of a reliable (preferably a Govt outfit) procuring agency, the policy has failed to encourage competition between local traders. Even after so much learnings, the marketing agencies are not into priority things like market research, market support and promotion, collecting market information, product development etc. In the inaccessible areas although there is abundance of a variety of forest produces no buyer is available. The result is distinct shift from collection and sale of NTFP by the tribal people to wage work in other sectors of economy. The government is not in a position to effectively protect the rights and interests of tribal and forest dependent communities from the traders.

On the primary collectors part one of the formidable depriving factors was his/her inability to find and penetrate the market. Even in hey days of monopoly with restricted trade, there were individuals, groups and institutions who at their own levels went all out to explore markets which hold the key to self-reliance. Some directly challenged the existing trade arrangement with a demand to function as parallel market securing agencies. Some others have played a support and facilitating role by providing relevant market information to primary collectors and their co-operatives. These interventions could be seen as direct and indirect ones both aiming at better prices and eventually better market for primary collectors. However, this have had limited success in the overall trading scenario due to various constraints.

4.7 Value Addition & Processing

During the monopoly there were restrictions on procurement and trading on NTFPs. Government encouraged proactively freer access to raw materials for private industries and processors through sops and subsidised pricing. This was evidently clear in the case of nationalised produces like bamboo and Sal seed where the state gave bamboo cheaply to the paper industries for decades together and in case of Sal seed, the state went out of the way many a times to appease the traders and solvent extraction plants.

The result of the controlled trade was of negative effect on the resource base as well for the environment. Due to the lack of value addition at the state level most of the NTFPs went out of the state in unprocessed form. In many of the instances the same raw produces after being processed in other states came back to Orissa to be sold in the form of final products. The state did not make any effort to encourage primary value additions like grading or storage at the level of primary collectors. While grading would have required a little information dissemination, storage required investment in infrastructure and capital at the village level. This would have definitely given higher returns to the state as in the monopoly era it was the agencies of the state that held the rights to procurement and trade.

The restrictions on development were basically enforced on the primary collectors or other organisations that wanted to help primary collectors in micro enterprise. The spontaneous antagonism in the state's policies to any group endeavours in value addition, storage or local trading for income generation was more than evident. Though the restrictive policies on value addition are almost similar, they have manifested differently in different products. Worst hit were those products that have immense scope for local level processing like tamarind, hill broom, and Mahua etc.

Now when the state still holds the monopoly rights over nationalised produces – bamboo, KL and Sal seed, restrictions have been removed on processing of some other produces. In a development related to this, the state has also passed a new co-operative act that limits the interference of the state in functioning of unaided co-operative societies. However both this developments have not yet shown results in the form of enterprises controlled by people's organisation to come up. Decades of controlled regime have obviously taken its toll.

4.8 Statement of the problem

From the above analysis it is very clear that forest products are no more the resources of nature, others have exercised control and authority and apparently established monopoly over its usufruct and management. The difference is that previously it was under state control and now it is under the trader's control. But the fundamental thing is that the real owners of the products, the tribals don't have any control over there own resources. Still they are in the mercy of others. In this process, they never realize the absolute benefit. The traders and intermediaries always play very important role in their life, they were perceived as the most reliable, though exploitative, buyers from the primary collectors. And they reap the benefit out of this process. After trying for several years, the state couldn't unshackle the web spread by the traders or develop a favorable trading scenario. Therefore it is high time to break the momentum of exploitation by creating strong institutions, which can have large coverage, more bargaining power, grater control over trade and management. Which can in turn develop mechanisms for grater involvement of the primary collectors or any other smaller groups. In this regards management by federations, co-operatives are definitely a welcome gesture.

5. Methodology

The paper is the result of the author's involvement in the NTFP market sector for the last 5 years in Orissa. During these years a lot of discussion and deliberations were carried out with various stakeholders on NTFP management and trade NGOs, forest dwellers, traders, foresters and policy makers, cooperatives involved in forest produces processing and marketing, forest producers associations, traders/contractors/agents, industries/enterprises etc and documented those over time-. To make it an updated, some empirical investigation and participatory methods and tools have been used. The following tools have been used for data collection.

- Discussions with different stakeholders including the primary collectors with checklists at the state and local (village) level.
- Discussion with co-operatives, NGO facilitators and other officials.
- Survey of literature.
- Studying the field situation of 2 co-operatives

6. Description

6.1 Background of the study area

The study areas are the blocks of Jharigaon in Nowrangpur district and Dasmantpur of Koraput district. These two blocks are previously in the undivided Koraput district, part of the infamous KBK (Kalahandi-Bolangir-Koraput) districts. Koraput district was considered to be second largest district in the country next to Bastar in the former state of Madhya Pradesh. However, Koraput was vivisected into four districts in the year 1992 for better administrative control, The districts that came out of Koraput were **Koraput, Nowrangpur,** Malkangiri and Rayagada.

As per 1991 Census, about 38.72% people of these districts belong to the Scheduled Tribes (ST) including four primitive tribal groups (PTG), i.e., Bondas, Didai, Langia Sauras and Dangaria Kandhas. In addition, 16.63% population belongs to the Scheduled Castes (SC) as per 1991 Census. According to the report of "the Committee on the Constitution of Separate Development Board in Orissa", 96% of CD Blocks in these districts are either "very backward" or "backward".

The KBK districts have been historically rich in forest resources. Though the people have been using these forests very intensively and eking out their livelihood from this source, forests of this region have not received adequate investments and managerial inputs over time. Intensive use of forests for sustenance coupled with lack of insufficient investments and managerial inputs are, thus, continuously leading to forest degradation. Although one third (16,131 sq.km.) of the geographical area of this region is recorded as forests, only 11.3% (5,473 sq.km) is actually dense forest (i.e., with crown density over 40%) as per satellite imagery data.

6.2 ***Koraput after division***

The new district of Koraput is located between $18^{0}13'$ and $19^{0}10'$ north latitudes and $82^{0}5'$ and $83^{0}23'$ east longitudes. On the north it is bounded by Nowrangpur, on the west by Bastar district, on the south by the districts of Vizainagaram and Vishakhapatnam and in the east districts of Srikakulam and Rayagada.

The district has 226 gram panchayats and 1997 villa ges. It is the largest district in Orissa. According to the 2001 census the total geographical area of Koraput was 8807 sq. kms. Total cultivable integrated area (Kharif) 78, 000 ha and integrated area (Rabi) is 46, 000 ha. Total forest area is 187, 978.32 ha, out of which reserve forest is 47, 886.10 ha, demarcated protected forest is 97, 338.64 ha, undemarcated protected forest area is 1, 124.26 ha.

According to Mr. R.C.S.Bell, the name of the town is “Kora-putti” or “the hamlet of the Nux-vomica (A forest produce called strychnous nux-vomica)”, that must at one time have been prominent near the site. The district is famous for Hindustan Aeronautics Limited (HAL), Sunabeda and NALCO, Damonjodi.

Table-6.2.1 - Demographic details of the district

Total Population	11,77,954
Total Male Population	589,438
Total Female Population	588,516
Percentage of Literacy	36.20%
Percentage of ST Population	50.66%
Percentage of SC Population	13.41%

6.3 Nowrangpur district after division

Nowrangpur district was created on 2nd October 2002. The geographical area of the district is 5294.5 Sq Kms. And is situated at 190-14’ Latitude and 82.32’ Longitude at an Elevation of 1876’ from Sea level. The district extends in the west upto Bastar district, in the east upto Kalahandi district, in the North upto Raipur district and in the South to Koraput. The district’s demographic profile makes it clear that it is predominantly tribal and backward district with 55.58% tribals and 73% of the rural families below poverty line (BPL). There are 1 subdivision, 10 blocks, and 14 tahsils. Paraja, Kondhas, Gadava are the primitive tribes found in the district.

Table-6.3.1- Demographic profile of the district

Total Population	SC	SC%	ST	ST%	Others/General	% of Others	Total BPL Families	% of BPL Families
846659 (1991 Census)	127800	15.09	467919	55.27	250940	23.64	137504	90%

7.CASE-1 – PRIYANKA WOMEN FEDERATION, DASMANTPUR, KORAPUT

Dasmantpur block is about 40-50 kilometers from the district headquarter Koraput. It comes under eastern ghat highland agro climatic zone and situated at an elevation of 600-1000 m above mean sea level. Total Number of villages in the block is 179 (inhabited- 167, un-inhabited-12), no of households is 15058 and the total forest area is approximately 928ha.

Table-7.1.1- Details of Dasmantpur block

Sl. No	Area sq. km.	Total population	S.C. Population	S.T. population	Literacy
1	663.93	61, 528	6, 559	34, 610	11.65

Table-7.1.2- Workforce engaged in different occupation

Sl. No	Agricultural Workers (cultivators)	Agricultural labourers	Other workers	Total
1	17899	7712	6802	32413

Most of the population of the block is below poverty line, though the block is not very isolated. Livelihood options mainly revolve around seasonal agriculture, wage employment and forest products. Agriculture and allied activities provides income options for a very short period because of unreliable farming system, similar in the case of wage employment. Therefore, dependence on forest products is very high, particularly in the remote areas, where people don't have access to any other forms of livelihood. Availability of forest produces is very high and certain species of economic importance (*details of availability given in the table*) is plenty.

7.1 NTFP trade scenario before 2002

As such there is no concrete basis for taking year 2002 as base year. But during the study maximum change in trading pattern could be notice before and after this year. Prior to 2002

(Physical intervention of co-operative and start of Self Help Group movements) the local trade situation was in favour of the traders. Small traders (otherwise known as *kutchias*, mostly operate at the village level, lowest level trader, go village to village in cycles and collect produces for the mahajans or sahukars) and middle level (traders operating at the block or district level) traders used to come to the village markets on the haat days and take the products. Traders mostly from Kotpad, a small town on Boriguma- Jagdalpur highway, about 140 kms from the field area used to come to the markets regularly and purchase all types of produces, who in turn used to sale the traders of Jagdalpur. Which is very near to Kotpad, from Jagdalpur produces go to Dhamtari or Raipur, from where it supplied to other parts of the country. Sometimes the traders of Jagdalpur directly come to the villages and take the produce through kutchias.

As the traders are mostly from outside and in the absence of alternative buyers, the exploitation on the price front was very high and produces from accessible points are only taken care of. The traders who come to collect the forest produces usually take materials through barter system, which is very common in case of NTFP trading in Orissa. In barter system forest products are exchanged with salt. Salt is used for human consumption as well as in cattle feeds. Barter system is used for various reasons. One of the important among them is that, in the lean seasons or during any emergency like medical or marriage, primary collectors borrow money from the traders directly or through their agents. The traders pay the required amount generously, considering future prospects. And accordingly in the NTFP season these traders come to the tribal collectors and ask for repayment. Mostly the primary collectors are not able to make payments, therefore they repay by supplying forest products, whatever extra quantity they supply, they get salt for it. Because the traders in normal circumstances are also provisional store owners, so they carry salt with them.

7.1.3- Markets nearby, where MFPs sold regularly

Sl. No	Name of the market	Operational days	Produces sold in the market
1.	Koraput	Sunday	All NTFPs
2.	Podagada	Wednesday	All NTFPs
3.	Nandigaon	Friday	All NTFPs
4.	Machhara	Monday	All NTFPs
5.	Badamguda	Tuesday	All NTFPs

The value of salt is very less in comparison to the produces. For example, traders purchase 2 kgs of dhawai flower for 1 kg salt, which hardly costs 2 rupees. That means for 1 kg of dhawai flower costs 1 rupees. Even after that the traders don’t have a proper weighing mechanism and cheat tribals in weight, as the tribals don’t know the metric system. In this way, the trade situation went to the lowest possible stage, where few collectors are interested for forest products trade inspite of the need, unless until somebody is in serious need of cash. There are lot other problems, like the inaccessibility of area, information about market prices etc. created much more problems.

7.2 Market scenario after institutional trade

The above mentioned situations created multi faceted problems in the life of the forest dependant communities. Due to the lack of organized and competitive market tribals lost hope on NTFP trade. At the same time Kutchias with the help of certain progressive communities started marketing of forest produces without much care for sustainability. The intention was to make some quick bucks. For example, this area is used to have 60-70 metric tonnes of amla. When the amla prices rose to 44 rupees per kg in the year 2002, people cut the trees to collect more and more produces with ease. And in subsequent years the production decreased, the current production of amla in the area is about 20 metric tonnes.

Considering all these problems institutional trading arrangements gained momentum in the locality. It all started with the SHGs initially. Few SHGs started using the revolving funds that they received from NGOs or the government programmes for trading of Niger seed, a surplus agricultural product available in huge quantity in the area. In the initial years the groups were able to generate small profits. The operational plan for the group was based on simple ideology of unity. They realized that through unity they have more bargaining power, better knowledge due to diverse thoughts and the ultimate influence. When the activities started the groups doesn't have the networking among other SHGs. They used to procure produces through their primary members and sale to a trader in the village itself. Slowly the process gained momentum and collection quantities increased. Because of which traders also preferred to come to the village rather than the local haat (market) to purchase products. In this way primary collectors learned the basic principles of trade and gained confidence. This stride also created interest in the cooperative or federation mode of marketing. The stakeholders of the movement considered if they form greater institutions then there will be more control and authority over the external marketing forces, than the SHGs. This is how the federation started operating in the area.

After the initial planning's the federation thought of marketing the produces in a well-organized way. Accordingly all the groups are merged. And the federation was born and christened as Priyanka self-help federation. It was formed in the year 2003, total no of SHGs involved are 20 having total membership of 243. The total area of the federation is under 4 gram panchayats, those are Nandigaon, A.malkangiri, phulbeda and podagada and 11 villages.

Table-7.1.4 - Demography details of the villages involved in the co-operative

Sl. No	Village	ST		SC		OC		APL/ BPL	Total population	
		M	F	M	F	M	F		M	F
1.	Kharaguda	65	72	2	5	-	-	BPL	67	77
2.	Banuaguda	75	88	14	18	27	24	BPL	116	130
3.	Bagribeda	92	105	5	8	-	-	BPL	97	113
4.	P.Maliguda	48	59	17	24	91	112	BPL	156	195
5.	Rajuguda	8	5	-	-	21	25	BPL	29	30
6.	K.Chandalguda	65	89	-	-	29	33	BPL	94	122
7.	Mainamala	72	81	22	27	15	19	BPL	109	127
8.	Pandas	67	76	12	15	-	-	BPL	79	91
9.	Kachaguda	42	39	3	6	5	8	BPL	50	53
10.	Nandigaon	62	70	31	37	35	47	BPL	130	154

After the formation of the federation, organized trade intervention started in 2004 with the help of an NGO called National Education for Welfare Society (NEWS), this NGO is also instrumental in forming the federation by creating awareness and continuous capacity building. As mentioned earlier, the trade situation was very depressing at that time. Clandestine operation was carried out for few produces by the kutchias at a very low rate. More than half of the production capacity of many produces was unutilized, like in the case of Dhawai flower, Hill brooms and bai bidang (*Embellica Ribes*). The total production

capacity for Dhawai flower of the area is more than 200 MTs, whereas total sales used to be maximum 20 MTs, similar in the case of Hill broom and Bai bidang. Not only the sale quantity was the problem, sales price was also a major crisis, primary collectors used to get a maximum of 1 rupees. The situation for other produces was pitiable. On the mercy of the trader.

Table-7.1.5 - Information on forest resources of the area

Name of the forest	Approx area of the forest	Type of forest	Villages depending on the forest	Distance from forest	NTFP available in the forest
Nandigaon village forest	300 ha.	Semi dense	Nandigaon	200 mtr	Amla, harida, bahada, karanja,

					bhalia and dhawai flower
Pandas reserve forest	1000 ha.	Dense	Pandas, Kachaguda, Kharaguda	1-2 km	Amla, harida, bahada, karanja, bhalia, tamarind and dhawai flower
Chandalguda village forest/ Reserve forest	500 ha.	Dense	Chandalguda, Rajuguda	500 mtr- 1 KM	Amla, harida, bahada, karanja, bhalia, tamarind, bel and dhawai flower
Banuaguda Reserve forest	400 ha.	Semi Dense	Banuaguda	1km	Amla, harida, bahada, karanja, bhalia, tamarind, bel, thorn broom, sisal fibre and dhawai flower

N.B. The given area is estimation by the local people, which do not have any authenticity

The main objective of the members of the federation was to address the problem of unfair trading practices (wrongful barter system, proper weighing mechanisms and payment harassments by the traders) by utilising strength of being together. This is how the process started and then the federation move onto forest produces trading activity through business plans, considering various pros and cons of the trade. One of the strong deliberations of the process was safeguarding the environment by following sustainable means of collection of produce. The underlying assumption behind this was that, unless until we protect the forest, how we will reap the benefits for lifetime, generation after generation.

On the trade side focus was more on value additions, grading etc. in a manner, which the market prescribes and maximize return on investments. They tried to cater the market on the basis of what the market wants, not what they want, which lead to finding various means for increasing the value. The intervention strategy was very clear. However it took some time for them to understand the trade complicacies. In the first year certain amount of success came and the next year they almost got the right value of the produces apart from maximizing returns through value addition. Since last two years 9 groups namely bhairavi, tangedasil, jagat janani, jogimali, manamohini, dadibudha, deomali, motibudhiand sankhalai are directly involved in Dhawai flower collection, processing and marketing. In the wholesale category, In 2003-04 federation supplied 70 metric tones of flowers to a trader based at Jagdalpur. In the year 2004-05 it supplied 50 metric tones of flowers and 5 tonnes of processed amla. Apart from that 5 groups were involved in preparation of amla squash and murabba and sale it in local level district festivals and other events. All these interventions are through the federation. Many other produces like Nux-vomica, tamarind and bai bidang, patal garuda (*Rawolfia Serpentina*) are traded at the SHG level because of the lesser volume. These produces are sold both to the traders directly by the groups or groups sold it in the local weakly markets (given in the box), where traders come and competitive price is realized.

7.3 Process of marketing

Federation has identified 3 produces for market intervention in large scale, and few other produces in small scale. Every year before the NTFP season (September 1st to October 31st) a potential survey is made, in which an estimate of production is made for the year, and accordingly traders were contacted with the help of NGO's or any other organizations. The potential survey is done by discussion with various village members, who has knowledge about the pattern of crop production. The whole planning process is documented in a business plan, which covers the details of supply, demand, buyers and sellers, fund requirement and disbursement strategy. The business plan is prepared with discussions with the groups individually and collectively. Any SHGs interested for selling their produce can give their name in the business plan and accordingly supply the material. At the time of finalisation of business plan the prices were fixed for different layers i.e. the price for the primary collectors, the price for SHGs, the price for the federation etc. It is also finalized that who will take extra responsibilities if needed, like packing and loading. And the overall coordination is taken care by the federation apart from risk handling.

7.4 Impact

Though it is very early to project the impact of the work done, but certainly there is evident impact on the overall process of the trade apart from general rise in the price and demand for certain products. The achievements or impacts are both within the process as well as the final development. In the process the impacts are on the rising understanding and bargaining power among the primary collectors, who now if not given the market price are not willing to sale their produce and wait for the right time and place, secondly greater idea about product developments, grading, packaging and transporting. Earlier, people were unable to sale produces. They used to sale produces either in the local market or kutchias used to collect from their homes at a very uncompetitive price. Now the groups are known for their good quality products, because of which orders are pouring in. Last year about one lakh fifty thousand rupees circulated among groups during the season. Here the remarkable achievement is the certainty of market, which they got for their efficient work. Below given the increase price of the product during the last three year. And the price what they are getting now is almost equivalent to the market price

Increase in price over the last 3 years at the primary collector level

4

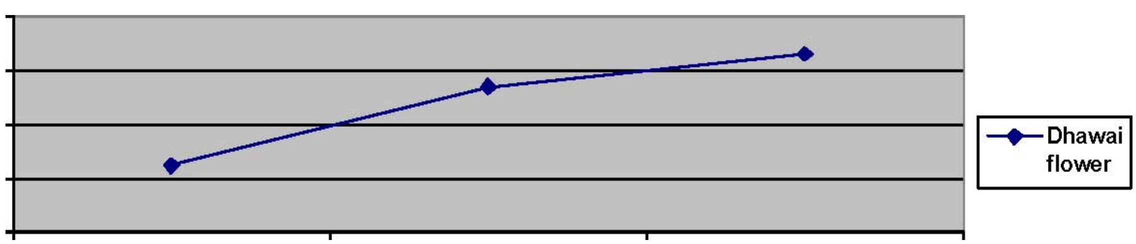
3

2

1

0

2003 2004 2005



Because of the involvement of the federation in the NTFP marketing, many families in the remote areas of the block are getting some sort of income. The federation and SHGs, due to the high turnovers in business have realized the worth of the produces; accordingly taking care of the resources and lots of revolving money is created for the development of market or any common properties for the federation.

8. CASE-2 – ANCHALIKA MAHILA VIKAS SAMABAYA SANGHA, JHARIGAON, NPR

Jharigaon block is situated at a very remote place of the district, where options of livelihood is not enough. Therefore the importance of forest products in livelihood support of the local people is very crucial. Since years, tribals here derive benefits from forest products marketing, but at individual level, generally the better off people of the village were into trade. These people appoint other people of the village, mostly poor and landless to collect the produces. Like any other areas of the state the problem of poverty and backwardness is same in the area.

8.1 Market scenario prior to SHG movement

This block used to be very important in the NTFP trade for various reasons, one is the intense availability of produces (high quality mahua flower is available more than 3000 MTs), second is quality of produces is known to be of higher qualities (the local tamarind is considered to be the best quality tamarind available in the state) and lastly the remoteness of the area and the backwardness of the people serves as heaven for the traders. The strategic location of the place is also very crucial in the sense that, it is located in close proximity with other trading centers of Chattisgarh like Jagdalpur and Raipur. One of the nearby trading centers of the block is Umerkote (about 30 kms) in Orissa, where maximum traders are migrated from Chattisgarh, therefore the trade links between both the states are very good.

Traders from Umerkote and other district level trading centers come here in their vehicles to collect produces. They distribute operational areas among themselves. They usually sit in the village entry and exit points with their weighing machines and ask the people to sale produces to them, people who are on their way to markets normally change their mind and sale to these traders, because they know that this person will help them in times of need. Traders take the produces in exchange of rice as well as salt. And keep the produces in their godowns until they have huge stock. In some cases traders get the help of kutchias in arranging their produces. Till the season ends for any particular produces, the traders go on purchasing and store them in their godowns. They have godowns mostly in the nearby villages taken on rent or purchased permanently. While purchase, the traders always cheat the sellers in weighing. In many cases, the weighing systems were also not the normal metric system. In this system on an average 1 kg of the trader weighs about 1.7 kgs. Monetary transactions were very low due to the debt trap.

1. ***8.1.1 Demography details of the villages involved in the Co-operative***
2. **8.2 After the SHG movement**

Sl no	Name of the village	ST		SC		OC		Total population	
		M	F	M	F	M	F	M	F
1	Gobaguda	194	226	86	88	144	147	424	424
2	Tarabeda	172	182	9	6	137	146	318	334
3	Bhejiguda	82	65	21	20	149	141	252	226

Sl no	Name of the village	ST		SC		OC		Total population	
		M	F	M	F	M	F	M	F
4	Dabirimunda	42	41	34	39	144	167	220	247
5	Thatabeda	234	222	3	5	59	52	296	279
6	Ichhapur	378	345	22	21	69	80	469	446
7	Sindhipara	212	220	63	59	3	3	278	282
8	Kadamali	147	141	3	5	152	137	302	283
9	Mundimala	255	262	21	20	27	22	303	304
10	Karlapada	320	336	17	16	74	67	411	419
11	Dhumam	321	398	0	0	19	14	340	412
12	Chacha	90	96	14	13	114	102	218	211
	Total	**2447**	**2534**	**293**	**292**	**1091**	**1078**	**3831**	**3904**

On this backdrop, AMVS was born in the year 2001 with an objective of fighting against local exploitation and poverty by organizing the poor, building their confidence, creating awareness and strengthening unity. When it all started the objective was not only focused on NTFP management or forest management rather institution building and people empowerment through economic activities. 63 Self Help Groups formed the co-operative. The total number of members of the co-operative was 1026. And geographically extended to one gram panchayat, which has 6 villages.

The management of the co-operative was entrusted on the elected/ selected executive body and general council body members. Generally body meetings were held annually and executive council members meeting are held on monthly and quarterly. Apart from the main objective of strengthening the cooperative body, other major activities were to lobby and advocate proper management of local resources as well as panchayat resources, management of natural resources and development of resource management plan with help of local institutions and social institutions.

1. ***8.1.2 Information on forest resources of the area***
2. **8.3 Interventions on NTFP collection, processing and marketing**

Name of the forest	Approx. area of forest	Type of forest	Name of village depending on the forest	Distance from the forest	NTFP available in the forest
Medana (RF/VF)	200 ha.	Semi-Dense	Chacha GP Chakalapadar GP	1km. – 5km.	Tamarind, Amla, Harida, Bahada, Siali Leaf Mahua Flower Sal Seed

Panabeda (RF/VF)	400 ha	Semi-Dense	Chacha GP Chakalapadar GP	1km. – 5km.	Tamarind, Amla, Harida, Bahada, Siali Leaf Sal Seed
Choimatiguda Village Forest	50 ha	Semi-Dense	Choimatiguda Arjunaguda Thatabeda Surumunda Dabirimunda	1Km- 3Km	Tamarind, Amla, Harida, Bahada, Siali Leaf Sal Seed

The NTFP market intervention through SHG and co-operative efforts started in 2002, when the local tribals realized, that NTFPs could provide them a descent income, if traded in an efficient manner. Accordingly with the help of few local organizations and their own initiative they identified key areas on which immediate attention needed. The first area was to build strong institutions, like the co-operatives and SHGs and then develop a blue print for marketing interventions. This blue print identified problem areas and the ways to address. The major problem areas identified were unavailability of reliable markets, updated information on markets and prices, proper and technically sound storing facilities, lack of idea on pre and post harvesting (grading, packaging) methodologies and value addition and negotiation skills.

After addressing the issues to some extent, in the first year of trade the co-operative faced serious competition from the local traders, fight was mainly on price. The initiative of AMVS has made the market more competitive, previously the market was on monopoly without competition. In the subsequent years, AMVS developed expertise on marketing systems and gained considerable orders for the cooperative. Apart from that they developed their expertise in value addition of certain produces. Value additions were not always of very high level, grading, packaging in many cases also served the problem.

8.1.3- List of local traders

Slno	Name of the traders/ Address	Operational area	Produces dealing	Category of trader

1	Ram Avatar	Chacha Chakalapadar Bada Temera	All NTFP & MAP	Big trader
2	Manmohan Jain	Chacha Chakalapadar Bada Temera	All NTFP & MAP	Big trader
3	Manjit Seth	Chacha	All NTFP & MAP	Trader
4	Pattnaik	Bada Temera	All NTFP	Trader
5	Champulal Jain	Jharigam	Sal Seed	Trader
6	TDCC	Jharigam Block	Sal Seed	Big trader

8.4 Maximisation through value addition

One of the advantageous aspect of AMVS is that, its members clearly understands the advantage of value addition and their mindset is tilted in favour of it. Before going for any collection and supply activity, they explore value addition possibilities. The value additions were done at SHG levels, clear-cut production responsibility lies with the particular SHG and the overall marketing responsibility is with the co-operative. However, if the SHG directly fetches better price they can sale their produce.

The produces that are value added by AMVS and its SHGs were Kalmegh, Amla, Tamarind, Siali leaf, Harida, Mahua flower. From Siali leaf, dining plates are prepared by stitching. Sewing machines were planted in 2-3 locations with the help of various organisations. In case of Kalmegh, at present grading and packaging is done as a common value addition, apart from that powder is made of it and sold in district level fares and exhibitions. Similarly for Amla and Harida, drying and deseeding is done for better price. While doing drying deseeding careful steps were taken, so that the produce won't change its colour. From Mahua they prepare tonic, local mild intoxicant apart from drying and grading.

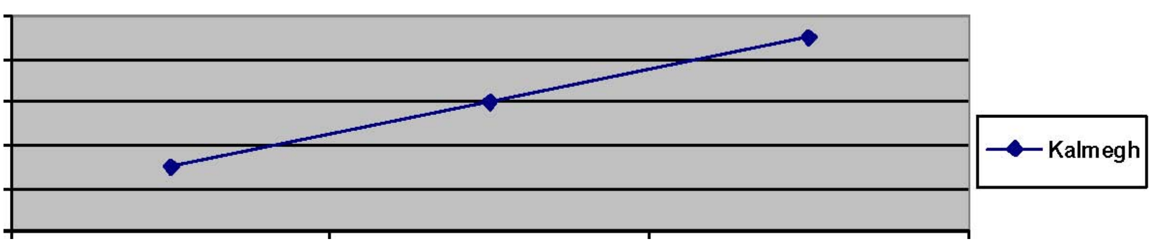
1. ***7.1.4 Markets nearby, where NTFP is sold regularly***
2. **8.5 Impact**

Sl.No.	Name of the Market	Operational Days	Produces sold in the Market (Season Time)
1.	Chacha	Tues day	NTFP and MAP
2.	Bada Temera	Sunday	NTFP and MAP
3.	Chakalapadar	Monday	NTFP and MAP
4	Ichhapur	Friday	NTFP and MAP
5	Rampuriaguda	Friday	NTFP and MAP
6	Jharigam	Saturday	NTFP and MAP

Considering the remoteness of the co-operative, what they have done is noteworthy. They haven't done any thing different, rather did things differently. The leadership improvement was extremely good. The members who are not able to utter a word, is now making business plans. They did a lot of work on market linkage. As mentioned this areas is rich in many produces, now the co-operatives has arranged buyers and traded many produces of their own. For ex. Kalmegh, medicinal specie is adequately available in the area, people previously, without knowing its worth as well due to unavailability of market, are into unsustainable means of harvesting without getting good bucks. But now they are able to sale the produce at a good quantity considering its sustainability. The co-operative also looks into low value produces like Harida, which does not have very good market. The co-operative used to make it deseeded and sale it outside the state with higher returns.

Increase in price over the last 3 years at the primary collector level

5
4
3
2
1
0
2003 2004 2005



It's not only about the increase in price, the volume as well, last year; the co-operative sold more than 20 MTs of Kalmegh in wholesale to various companies. They made products out of it for the retail intervention and sold it in district level cultural festivals. Apart from Kalmegh, they are able to sale deseeded Harida more than 10 MTs every year, which doesn't have many takers. Definitely this is a new beginning as well as experience, but the dedication with which they are carrying this is important and in future days to come they will definitely improves their skills and became independent.

9. Role of NGOs in the process of marketing and processing

After the devolution of power, it is the NGOs, who initiated the process of capacitating the primary groups and their associations by telling them there rights and privileges and their potential. In the case of these co-operatives, RCDC- a state level NGO working in the districts taken various measures to educate them and provide them with market related information. The process of building the capacity and unleashing the potential took very long time and went on a very systematic approach. When it all started, the problems were manifold, starting from information to value addition to education (of the importance of NTFPs). Regular training programmes were organized at the SHG levels as well as the co-operative levels; product related materials were provided in the form of booklets for better understanding of the products with value addition options and contact addresses of the traders. The importance of institution building has been created in the mindsets. Basic trade related bargaining skills were provided through trainings. Monitoring of sustainable collection was done regularly. During all these activities in many case the local NGOs also helped in facilitation. In these 2-3 years it has been noticed that leaders now coming out of the process, who bargain and establish their rights in case of disparities in trade.

10. Policy Recommendations

In the history of management and control of NTFP, lots of policy changes has been made, but the root cause couldn't be addressed. Starting from private control to State control, monopoly to devolution, the ultimate problem still looms large. Its not that the Government is intentionally anti people, but somehow the larger community is not benefited by the act of the govt. In the last five decades, the government has focused more on revenue aspects and general forest practices like plantation, rehabilitation and wildlife management. Little attention was given on the management aspect of the Minor forest products. What about the social objectives of a welfare state, where many tribals and other backward communities completely depend on forests for sustenance and livelihood. State has the resource and power to perform certain activities, which needs to be done immediately before it gets too late and forests vanish. The present day demand could be written under three thematic areas i.e. institutional support, capacity building and information.

10.1 Institutional support

Most of the NTFPs are yet to get the attention they require, still they have been considered for traditional uses without any economic values. As these are mostly traded outside the marketing system, is not considered as potential or remunerative enterprises. The government agencies that were previously into it, now taken back-step. However, it should be the key area or concern for the state for the promotion of NTFP. It has to help TDCC, OFDC and ORMAS to restructure their policies, programs and operations in order work as market promotion agencies not as procuring agencies. Ideally these agencies should work collectively to meet some common objectives. These agencies should be given a grater role other than marketing, that is technological developments for low cost value addition units, which can be implemented at the grass root level, marketing technologies should be provided.

There is need for efforts to set up Market Promotion Board or any similar body at the district level. This board should be formed with the representations from the district administration such as the Collectors, Forest Department, DRDA (District Rural Development Agency), Research Organizations, Banks including the representatives of NABARD, TDCC, ORMAS/DSMS, OFDC, selected traders, leaders of forest protection networks, leaders of cooperatives involved in NTFP marketing, representatives of the NGOs. The Market promotion board can be helpful in developing annual plan of action for management and trade of NTFP, which would definitely help the stakeholders and also the traders for convergence of programs and proper allocation of resources. It can help panchayat samitis and panchayats to fix up prices of NTFP and regulate proper payment of prices, proper harvesting of quality products and develop rules, regulation, tax structure etc. Collect information from traders and establish linkages with traders and market promotion agencies, multinational corporations and set up market information system. Regularly interact with various marketing agencies at the state level for market promotion. Facilitate technological research on selected NTFP especially medicinal species and explore possibilities for certification of forest produces,

State has also formed Forest Development Agencies (FDA) in order to achieve more decentralized management of forest and forest development programs. The JFM committee/VSSs are central to the FDA. It is the right time to influence the government to make FDAs committed to help GPs and VSSs in management and trading of NTFP. FDAs should work as market promotion agencies or they should become central to set up market promotion boards.

10.2 Capacity building

Even though the state has transferred 68 items to the panchayats by giving ownership rights, the government should take the responsibility of capacitating them on their rights. There is a strong need for awareness building among the primary collectors, Gram Sabha and PRI members on the management of forest products.

In this regard the state has to create a facilitating environment for ensuring the rights and duties of primary collectors, Gram Sabha and the gram panchayat. The other areas on which immediate attention is needed were NTFP harvesting practices based on the conservation and ecological factors, ensuring fair price for procurement and develop ways to ensure it, commercial production of certain NTFPs, may be through plantation programmes (Giving privilege to NTFP species in RLTAP (Revised Long Term Action Plan) etc.), Primary and secondary level of processing including gradation/classification, drying, packing, storage etc.

The state has to build up their own capacity. The bureaucracy at the sub-district/block level should work closely with the GPs or help the GPs to function. The forest officials should not wash their hand as the ownership has gone to GPs. They should work with the GPs helping them how to manage NTFP effectively. Ideally the lower level forest officials such as Forester and Guard should work under the Panchayat Samiti and GP as these are the local self-government bodies.

Government, state owned corporations with civil society organizations could lend a hand through planning and fund transfers. The areas on which the GPs immediately need to improve are developing operational rules and regulations for control and management of NTFP in its territory, develop taxation/royalty/levy structure for dealing with NTFP trade, should work with the Panchayat Samiti to fix up prices and develop ways and means to ensure payment of fair prices to the primary collectors and their organizations, should assess the potentiality of NTFP before the season, negotiate with the traders or influence the Panchayat Samiti and/or market promotion board for marketing, proper register the traders, develop mechanisms for supervision and monitoring of procurement and sale in its area., work with other GPs to develop collective management strategies, influence the government for creation of infrastructure such as storage space, manpower etc, develop collective action plan along with NGOs, CFM (Community Forest Management) groups, VSSs, SHGs etc, Once district market promotion board is set up.

10.3 Information

Dearth of information is the major obstacle in NTFP market sector because of its secretive trade practices. Information from local and national markets is the least developed sector. Poor availability of marketing information is closely related to the lack of capabilities in marketing. Infrastructures and institutions would require strengthening to give better support to marketing activities. Cooperation and exchange of information among existing institutions at the national and international level is needed.

Government has to develop an intensive and dynamic database or information system on NTFPs. The marketing information system should focus on potentiality, production, value addition and marketing and assess the real status of NTFP management and trade in state and come out with clear cut policies for conservation, promotion of NTFP species, sustainable harvest, procurement, processing and marketing of NTFP. The state needs to have a perspective for future to deal with NTFP that should be both for policies and programs. Relevant information on the value addition and market promotion to the primary and secondary stakeholders. Undertake research and development for conservation, promotion, harvesting practices, value addition and product development for NTFP (more emphasis should be given on medicinal plants/species). Gather domestic and international market information. Develop packages for enterprise development based on NTFP and influence the government for its promotion through regular programs or specialised programs.

11. Key Learning’s

The main leanings of this case study is based on the simple theory of convergence, During the monopoly, the forest dependant communities has little bargaining power to control and negotiate in the business. They were sort of isolated in their own world. However after the devolution, when the partial ownership came into the hands of the communities, they realized their worth and accordingly develop their skills and competencies. They came out of their shells, came to know about the market dynamics, got information about the market, they realized it is easier to fulfill the interests through institution building, by doing so they will have more bargaining power and can survive in the market.

12. Conclusions

During the last four to five decades forest policies in the state have greater impact in a negative sense on the forest dependant population. If we analyse the policies, it can be easily found out that the policies are skewed in favour of the business houses and the state. Because of which the communities are deprived of their rights and couldn't came up as should be. Even the devolution policies that emerged were of centralist ideologies that dominated governments during much of these decades. However, after a long battle for more than a decade by the civil society, forest produces are finally owned by the communities and accordingly started various experiments to nurture them. In this process they realized that they have to capture the market by making their stance very clear. And institution building is one of the ways by which the stance can be made. Now in many backward districts of Orissa various institutions in many forms are seriously getting into enterprise mode. These institutions are in the forms of co-operatives and federations and involving themselves into various types of marketing and value addition experiments. And in many cases they have become successful.

13. Acknowledgement

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Working with RCDC- Centre for forestry and governance for the last four years. My areas of interest are market development of NTFPs, market research and institution building.