



Tribal Products Development to Institutional Marketing Support and Opportunities in India

Dr .Srikantha Nayaka G

Guest Faculty

P G Department of Economics

Field Marshal K M Cariappa College
Madkeri, Kodagu Karnataka 571201.

Abstract: This paper based on qualitative research, presents an analysis of central govt agency support in integrating tribal producers with markets and changes taking place in their livelihoods. The forestry sector has significant potential to enhance the income of the forest-dependent communities, including tribals, through sustainable harvesting, processing, value addition, and marketing of Minor Forest Produce. The Mechanism for marketing of Minor Forest Produce through Minimum Support Price and development of Value Chain for Minor Forest Produce is a centrally sponsored scheme. The scheme seeks to establish a system to ensure fair monetary returns for their efforts in collection, primary processing, storage, packing, transportation, etc. The Emphasis on strengthening & expanding supplier base and an equal emphasis on creating sustainable marketing system is crucial to a balanced growth of livelihood opportunities for tribals on a sustainable basis. The long-term issues like sustainable collection, value addition knowledge base expansion of Minor Forest Produce, market intelligence development. The Tribal Cooperative Marketing Development Federation is engaged in creating institutional framework for such marketing system and opportunities. The empowering them with knowledge and tools to better their operations in a systematic, scientific manner and also assist them in developing their marketing approach. It also helps them in exploring and creating opportunities to market the developed products in national and international markets on a sustainable basis. The arrangement is being located in position with Dalit Indian Chamber of Commerce & Industry for expansion of franchisee outlets wherein tribal entrepreneurs/ members of chambers shall operate franchisee of Tribes India for promotion & sale of tribal products. To examine marketing development activities schemes in the country with analyses Institutional Support for Development and Marketing of Tribal Products

Key words: Tribal Products, Marketing Support and Opportunities

I Introduction

The forests form an intricate element of the social and cultural life of tribals, and it is estimated that in India, about 300 million tribal and other local people depend on forests for their subsistence and livelihood. India has an estimated diversity of 3,000 plant species from which NTFPs, generally known as

Minor Forest Produces (MFP). Majority of the tribals live in the forest areas and depend to a large extent for their livelihood and income generation on Minor Forest Produce which form a major source of subsistence and cash income for the tribal community. the total forest cover of the country is 712,249 square kilometres (21.67 percent of India's total geographical area) slightly



up from 708,273 sq. The Minor Forest Produce also form a major portion food, fruits, medicines and other consumption items for tribals. The many tribal people and other forest dwelling communities, forests are the source of livelihood, identity, customs and traditions. The forest dwelling scheduled tribes and other traditional forest dwellers inhabiting forests for generations were in occupation of the forest land for centuries. The Minor Forest Produce (MFP), also known as Non Timber Forest Produce (NTFP), is a major source of livelihood and provides essential food, nutrition, medicinal needs and cash income to a large number of Scheduled Tribes who live in and around forests. An estimated 100 million forest dwellers depend on the Minor Forest Produce for food, shelter, medicines, cash income, etc

A Scheme “Mechanism for Marketing of Minor Forest Produce (MFP) through Minimum Support Price (MSP) and Development of Value Chain for MFP” was introduced by the Ministry of Tribal Affairs in the year 2013-14, to provide much needed safety net and support to people belonging to Scheduled Tribes and other traditional forest dwellers whose very livelihood depends on collection and selling of MFP. The National Scheduled Tribes Finance and Development Corporation (NSTFDC) provides financial assistance to meet Working Capital requirement of agencies engaged in procurement and marketing of Minor Forest Produce (MFP) and other tribal products.

II. Objectives of the Study

- 1.To analyses Institutional Support for Development and Marketing of Tribal Products
- 2.To examine marketing development

activities schemes in the country

III. Methodology

The present paper is based on purely secondary data., various reports, books journals , table, and maps descriptive and analytical system will be used it.

IV. Discussion

Tribals constitute about 8.6 per cent of India’s total population. The absolute number of Scheduled Tribe population in India, according to 2011 census, was 104.3 million of which 94.1 million live in remote rural areas. Tribals are the integral part of the forest ecosystem and their economy depends on the forest resources. Tribal villages are mostly enclosures located within the forest area. The improve the productivity of the forests close to the tribal settlements, afforestation works over an extent of 15,000 ha was undertaken to plant useful tree species yielding Minor MFP. the total and rural tribal population in India in 2020 is about 125 million and 112 million, respectively. Above 50 per cent of the tribal population live in forests, and derive their livelihoods from land and forest resources. It has been estimated that nearly 40 to 60 per cent annual earnings of tribals, especially tribal women, is from the collection and sale of minor forest produce Almost 60-70% income of the forest dwellers depends on collection and sale of minor forest produce (MFP) which is part of their subsistence level income.

Relation between Forest and The Scheduled Tribes

Tribal were the original human settlers of forests. They depended on forest as a resource for fulfilling their basic needs and to use as a balance productive ecosystem; hunting wild life,



collecting wild fruits, seeds, gum, flower, fire wood, fodder and water for cattle, fishing, plantation, orchards etc., as and when they may be available. It has been noticed by the studies of prevailing resourceutilization patterns of tribal societies that most of the animal and plant species usefully utilised by them are either uneconomical or unwanted for technologically advanced societies. In fact, some of the wild plants used by tribals for the purposes of medicine, food, fiber, building materials, etc., are being progressively replaced by commercially useful and exotic, fast growing species. Following are the few basic elements of resources of tribes living in or around forest: For hunting, tribals impose a discipline on themselves not to hunt certain kinds of birds and animals in a certain season or area. The forest offers varieties of berries, nuts, honey, fruits and roots, tribals know which are edible, where they are available and for how long , etc.,

Tribal people in general, derive either directly or indirectly a substantial amount of their livelihood from the forests. They subsist on edible leaves and roots, honey, wild game and fish. They build their homes with timber and bamboo and practice cottage crafts with the help of local raw materials. They use herbs and medicinal plants to cure their diseases and even their religion and folklore are woven round the spirits of the forest. Commercial transaction is predominantly by barter, trade being left mostly to the outsiders who control the money economy.

The forest cover in India's hill districts is 284,006 sq. km, which is 40.30 percent of the total geographical area of these districts, and according to the ISFR 2019, there is an increase of 544 sq. km.

in 140 hill districts of the country. The total forest cover in the tribal districts is 422,351 sq. km. which is 37.54 percent of the geographical area of these districts. There are 218 tribal districts identified by the government of India across 27 states and union territories. The Forests support the livelihood of a large section of the people, especially the tribal who depend almost entirely on this forest for their survival. Most of the tribes in and around the world are intimately associated with forest for their habitat and ecology. The tribes, who are known as forest dwellers are diligent, they depend directly on the natural produce for their survival, livelihood, occupation and employment. The relation of ecology is the relationship with the environment, the forest, the nature, because a tribe looks upon the forest as its natural environment and starts depending on it. This relationship of dependency in certain features characterises the tribal society and its economic system.

The MFP collected is traded over approx. 5,000 village markets or the "haat bazars" deep inside forest areas. These are weekly markets which take place in open grounds. Haat Bazars play an important role in aggregation of MFP produce for forward linkages and facilitating tribal MFP gatherers in direct sale of their produce to consumers/bulk consumers and reducing intermediaries. The additionally, they depend on cultivation of single crop in a year on tiny holdings with low productivity and poor returns, and some wage earnings. Institutional Support for Development and Marketing of Tribal Products TRIFED etc. The Grants-in-aid are also given to Tribal Cooperative Marketing Development Federation of India Ltd. And State Tribal Development



Cooperative Corporations etc. to support marketing and development, of livelihood activities of Scheduled Tribes

An important source of livelihoods for tribal people are non-wood forest products or MFP. This includes non-timber forest produce of plant origin such as bamboo, canes, fodder, leaves, gums, waxes, dyes, resins and many forms of food including nuts, wild fruits, honey, and lac. The recent estimates by TRIFED indicate the trade value at approx. Rs. 20,000 Crores for 55 economically important MFPs. An estimated 100 million people derive their source of livelihood directly from the collection and marketing of MFPs. According to a World Bank estimate, the MFP economy is fragile but supports close to 275 million people in rural India. Ministry of Tribal Affairs has announced Inclusion of 23 additional MFP items and stipulation of their MSP under the Centrally Sponsored Scheme titled "Mechanism for Marketing of MFP through MSP and development of value

chain .

IV. Implementation of the scheme in India

The livelihood Division of this Ministry provided assistances towards strengthening sustainable livelihood for tribal populations under one of the major livelihood schemes in India. Initially, the scheme included 10 MFPs in the Fifth Schedule Areas that are covered under Panchayath Extension Scheduled Areas Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Rajasthan and Telangana. States. It was later expanded to 50 MFPs and all States. The Scheme is implemented through State Level Agency (SLA) appointed by the State Government. The Ministry of Tribal Affairs, Govt. of India provides a revolving fund to the SLA. Loss, if any, is shared by Centre and State in the ratio of 75:25. Presently, the scheme has coverage of 73, Commodities (Map No -1)

Map No -1 Importance of Tribal collected by Scheduled Tribal Forest Minor Scheduled Tribal Population

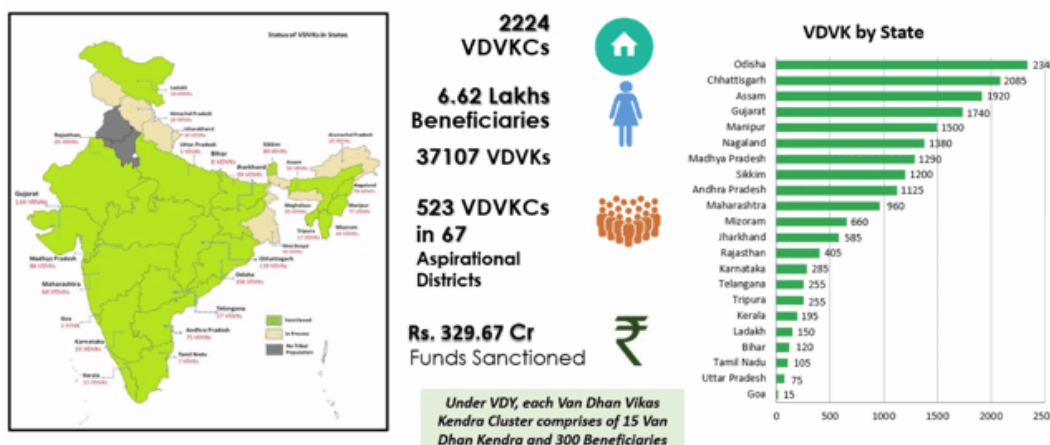
Map No -2 State Wise Forest Produces in India



products ranging from fruit candy (amla, pineapple, wild apple, ginger, fig, tamarind), jam (pineapple, amla, plum), juice & squash (pineapple, amla, wild apple, plum, Burmese grapes), spices (dalchini, turmeric, ginger), pickles (bamboo shoot, king chilly), processed giloy. The Skill development has emerged as an important agenda for the Government of India with it being recognized as a driving force of economic

growth and social development. High priority has been given by the Ministry to provide skill development opportunities to ST people for faster and inclusive growth All of which have reached the market This is in addition to 25,000 varieties of handlooms and handicrafts produced by Tribal clusters of the country. All these are being marketed on TribesIndia.com and through the 137 Tribes India outlets across the country.

Map No 3-VanDhan Yojane -Current Status in India



The Tribal Cooperative Marketing Development Federation of India Limited (TRIFED) is a Multi-State Cooperative Society set up in 1987 under the Multi State Cooperative Societies Act, 1984 (now the Multi State Cooperative Societies Act, 2002) which functions both as a service provider and market developer for tribal products. TRIFED, as the apex national organisation involved in the improvement of the livelihood and empowerment of these tribal people, is the nodal agency for the implementation of the scheme. It markets tribal products through the network of its retail outlets Tribes India 'in the country. As a capacity builder, it also imparts training

to Scheduled Tribe Artisans and MFP gatherers. The TRIFED undertakes marketing of tribal products through network of Retail Outlets "Tribes India" and Exhibitions across the country.

Beneficial Effects of Marketing

The role of marketing in socio-economic development is accepted in spite of the persisting debate whether marketing precedes or follows development (Hosley and Wee 1988). Marketing improves position of producers, as it can facilitate creation and distribution of values among market participants, through transactions and relationships. Creation and distribution of value inherently



implies win-win for buyers and sellers (Sheth et al. 1988). Marketing assists in infrastructure development, enhances employment and personal income, contributes to reduction of risk by providing adequate and timely information, draws subsistence producers into the exchange economy with assured prices and mass market efficiencies and provides necessary organizational framework to coordinate production and consumption activities (Wilkie and Moore 1999). However, marketing needs to view people holistically as producers and consumers (Pandya 1988)

Beneficial Effects of Marketing

The role of marketing in socio-economic development is accepted in spite of the persisting debate whether marketing precedes or follows development. The Marketing improves position of producers, as it can facilitate creation and distribution of values among market participants, through transactions and relationships. Creation and distribution of value inherently implies win-win for buyers and sellers. The Marketing assists in infrastructure development, enhances employment and personal income, contributes to reduction of risk by providing adequate and timely information, draws subsistence producers into the exchange economy with assured prices and mass market efficiencies and provides necessary organizational framework to coordinate production and consumption activities. However, marketing needs to view people holistically as producers (forest in the Collect by Tribals)and consumers .The many tribal people and other forest dwelling communities, forests are the source of livelihood, identity, customs and traditions. The forest dwelling scheduled

tribes and other traditional forest dwellers inhabiting forests for generations were in occupation of the forest land for centuries. The implementation will be done through District Implementing Units/ State Level Implementing Agencies nominated by the State Governments as it is envisaged that it would play a vital role in producing tribal entrepreneurs, which will help in improving overall economy of tribal community of our country. TRIFED undertakes various activities under the following schemes:

1. Institutional Support for Development and Marketing of Tribal Products/ Produce.
2. Mechanism for Marketing of MFP through MSP and Development of Value Chain for MFP.

The TRIFED aims to serve the interests of its members in more than one State for the social and economic betterment of its members by conducting its affairs in professional, democratic and autonomous manner through self-help and mutual (Large Adivasi Multipurpose Co Cooperative Societies or Girijan (Tribal)Cooperative Societies) cooperation for undertaking marketing development of the tribal products. The TRIFED has established a Retail network chain of 73 Own TRIBES India Outlets, 33 Consignment Outlets and 15 Franchise Outlets. The Ministry of Tribal Affairs and TRIFED also organized National Tribal Festivals titled Aadi Mahotsav at Ooty (Tamil Nadu), Shimla (Himachal Pradesh), Indore (Madhya Pradesh), Leh (Jammu), Vizag (Telaghana),Pune (Maharashtra), Noida, (Uttara Pradesh) Bhubaneswar (Odissa), New Delhi, Jaipur(jaipur). Puducherry, Bhopal (Madhya Pradesh,) Goa (Panaji),



Lucknow (Uttara Pradesh) Prayagraj (Uttara Pradesh) and Ranchi. (Jharkhand)

The TRIFED, and while revising MSP of the 10 MFP items that had been a part of scheme since its inception, 40 more MFP items were added in the MSP list. Subsequently, more number of items included in the MSP list and the Ministry revised the MSP of the MFP items. The scheme now caters to total 73 items. Besides this, keeping in view the slow sales during the current pandemic from the shops, TRIFED has launched a e-market place and on boarding tribal artisans with their products for online sales. This was launched by Hon'ble Minister of Tribal Affairs Shri Arjun Munda at the glittering ceremony organized by TRIFED/ Ministry of Tribal Affairs on 02.10.2020. So far 3093 artisans have been enrolled and 12760 products (as on 31.10.2020) have been uploaded in e-market place. The current (2021-21) financial year, TRIFED has generated a business of Rs. 211.86 lakhs.

Table No 1: Institutional Support for Marketing and Development of Tribal Products/Produce (2017-18 to 2020-21)

State/ Institution	2017-18	2018-19	2019-20	2020-21
TRIFED	39.00	62.50	118.50	40.00

Sources: Ministry of Tribal Affairs ,2021 Report, New Delhi.

The above table shows that Grant-in-aid released under the scheme Institutional Support for Marketing and Development of Tribal Products/Produce from 2017-18 to 2020-21. The decline of the 2020-21. The TRIFED under the scheme “ Mechanism for Marketing of MFPs through MSP and Development of

Value Chain for MFP. The Corporation provides financial assistance for income generation activities and marketing support assistance for economic upliftment of Scheduled Tribes. The marketing development activities undertaken by TRIFED undertakes marketing of tribal products through network of Retail Outlets “Tribes India” and Exhibitions across the country. During the current financial year, TRIFED has generated a business of Rs. 211.86 lakhs as on 31.10. 2020. So far 3093 artisans have been enrolled and 12760 products (as on 31.10.2020) have been uploaded in e-market place. The TRIFED has made the sales of Rs. 71.50 lakhs in the financial year 2019-20.

V. Conclusion

The majority of the existing Haat bazaars, however, largely remain unorganized. These lack proper oversight-systems and institutional mechanisms for orderly sale purchase transaction of the MFP produce. An open market is a market where market factors such as demand, supply and quality determine the price of the products traded in the market, with each market player competing with others. However, there is strong need for setting up of National Board for MFPs as an apex body to provide guidelines for promotion and sustainable management of MFPs in the country. This will provide the necessary insight for coordinated and effective action to cope with the expanding global MFPs market. Such an over view could form the basis of a renewed development of India’s MiFPs sector and a strategic exploitation of its comparative advantage in the global market on a sustainable and equitable basis. The enterprises, STs to the aim is to achieve economies of scale and promote high value addition produce.



The entire forest on depending tribal population may be benefitted. Hence, the successful implementation of these planned initiatives in the succeeding future days, TRIFED and state level Tribal (SHGs) & co-operative Societies is occupied to a comprehensive renovation of the tribal ecosystem across the nation,

References

- Haque. T (August 2020) Securing Forest Rights and Livelihoods of Tribals Challenges and Way Forward National Institute of Rural Development and Panchayati Raj Hyderabad.
- Ashley, C., and Hussein, K. 2000. 'Developing Methodologies for Livelihood Impact Assessment: Experience of the African Wildlife Foundation in East Africa,' Working Paper 129, Overseas Development Institute, UK. <http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2750.pdf> (accessed as on 12 August 2014).
- Bingen, J., A. Serrano and J. Howard. 2003. 'Linking Farmers to Markets: Different Approaches to Human Capital Development', Food Policy, 28 (24): 405-419.
- Committee on the Welfare of Scheduled Castes and Scheduled Tribes. 2004-2005. Working of the Tribal Cooperative Marketing Development Federation Limited: SCST No 649. New Delhi: Ministry of Tribal Affairs.
- Das, B.K. 2005. 'Role of NTFPs among Forest Villagers in a Protected Area of West Bengal', Journal of Human Ecology, 18 (2): 129-136. <http://www.krepublishers.com/02-Journals/JHE/JHE-18-0-000-000-2005-Web/JHE-18-2-000-000-2005-Abst-PDF/JHE-18-2-129-136-2005-1295-Das-B-Kanti/JHE-18-2-129-136-2005-1295-Das-B-Kanti-Full-Text.pdf> (accessed on 11 August 2014).
- Dhruva. 2010. Details of SHG Activities, Dhruva Annual Report 2009-10. BAIF.
- Ellis, F. 2000. 'Livelihoods, Diversification and Agrarian Change', in Rural Livelihoods and Diversity in Developing Countries. New York: Oxford University Press.
- Ferrand, D., A. Gibson and H. Scott. 2004. Making Markets Work for Poor: An Objective and an Approach for Government and Development Agencies, p. 12. South Africa: The ComMark Trust. http://webarchive.nationalarchives.gov.uk/+http://www.dfid.gov.uk/news/files/trade_news/adb-workshop-makingmarkets.pdf (accessed on 24 June 2014).
- Frankenberger, T.R., M. Drinkwater, and D. Maxwell. 2000. 'Operationalizing Household Livelihood Security: A Holistic Approach for Addressing Poverty and Vulnerability', CARE, United States of America, <http://pqdl.care.org/Practice/HLS%20>



- %20
Operationalizing%20HLS%20-%20A%20Holistic%20Approach.pdf (accessed on 15 November 2013).
- Frederick, D.A. 1997. An Introduction to Cooperatives, Cooperative Information Report
55. Rural Business-cooperative Service, U.S. Department of Agriculture. <http://www.rurdev.usda.gov/rbs/pub/cir55/cir55rpt.htm> (accessed on 13 December 2013).
- Galbraith, J.K. and R.H. Holton. 1995. Marketing Efficiency in Puerto Rico. Cambridge, MA: Harvard University Press.
- Ganguly, B.K. and K. Chaudhary. 2003. 'Forest Products of Bastar: A Story of Tribal Exploitation', Economic and Political Weekly, 38 (28), 12 July: 2985-2989.
- Hegde, N.C. 2006. 'Livestock Development for Sustainable Livelihood of Small Farmers', Souvenir of the 39th Annual General Meeting and 48th National Symposium on
- Hosley, S. and C.H. Wee. 1988. 'Marketing and Economic Development: Focussing on the Less Developed Countries', Journal of Macromarketing, 8 (1): 43-53
- Govt of India, Tribal Cooperative Marketing Development Federation of India Ltd. (28th February 2019) National Workshop on Mechanism for Marketing of Minor Forest Produce through Minimum Support Price & Development of Value Chain for MFP, New Delhi.
- Govt of India, Ministry of Tribal Affairs ,2021 Report, New Delhi.
- Govt of India, Report of the National Committee on Forest Rights Act, 2011 New Delhi.
- Government of India (2019), TRIFED -A Brief Note on Scheme for Marketing of Minor Forest Produce through MSP and Value Chain Development, January.
- Pandya, Anil. 1988. 'Rethinking Marketing's Role in Development', Marketing and Economic Development: Issues and Opinions, Proceedings of the second international conference on marketing and development, Karl Marx University of Economic Sciences, 10-13 July, Budapest, Hungary
- Pandya, Anil.(1988.) Rethinking Marketing's Role in Development Marketing and Economic Development: Issues and Opinions, Proceedings of the second international conference on marketing and development, Karl Marx University of Economic Sciences, 10-13 July, Budapest, Hungary
- Saha, S.P. and S.K. Sahu. 2004. 'Role of LAMPS in Tribal Economy: A Study of Jharkhand', Southern Economist, 42 (20), 15 February
- Srikantha Nayaka,G and Uma H R (2010) Minor Forest Produces through Tribals Economic Development: Role of LAMPCS Yojana Kannada April 2010



Vol.No.3 .

Srikantha Nayaka,G (2016)Collection and Marketing of Minor Forest Produces in Tribal Areas: An Analysis's of Skill Development Programmes for Women: *Skill India and Development: Emerging Debates, Book Edits*, Dinesh P.T, National Centre for Inclusive Growth& Development Research, Mysore.

Srikantha Nayaka,G (2018) Sustainable Development through Joint Forest Management: Minor Forest Produce Dependent Communities in India, *Economic Growth and Sustainable Development: Emerging Trends* ,Edit: Parusuraman N.R. SDMI Management Development Mysuru,