

F.No.2/17/2013-CP&R
Government of India
Ministry of Tribal Affairs

R.No.281, August Kranti Bhawan
Bhikaji Cama Palace, New Delhi
Dated: 17.04.2014

To

1. The Chief Secretaries of all State Governments (except Jammu & Kashmir, Punjab, Haryana and Delhi)
2. The Administrator of all Union Territories
3. The Managing Director STDCCs
4. The Managing Director, TRIFED

Subject: Guidelines for the Scheme "Institutional Support for Development and Marketing of Tribal Products/ Produce" –Regarding.

Sir/Madam

I am directed to circulate herewith the Guidelines of the scheme "Institutional Support for Development and Marketing of Tribal Products/ Produce" emerged by revising and merging existing two separate schemes –" Market development of Tribal Products/ Produce" and 'Grant-in-Aid to State Tribal Development Cooperative Corporation for Minor Forest Produce Operation" for information.

Yours faithfully,

(Nivedita)

Deputy Secretary to the Govt. of India
Tel:26182428

To,

Director, NIC, Ministry of Tribal Affairs for uploading the circular on the website of the MOTA.

Guidelines for the Scheme

"Institutional Support for Development and Marketing of Tribal Products / Produce"

1. Introduction

1.1 The Ministry of Tribal Affairs, Government of India has taken a decision to implement the Scheme "*Institutional Support for Development and Marketing of Tribal Products / Produce*" by revising and merging existing two separate schemes – "*Market Development of Tribal Products / Produce*" and "*Grant-in-Aid to State Tribal Development Cooperative Corporation for Minor Forest Produce Operation*". The Scheme will be a Central Sector Scheme for the remaining period of the 12th Plan.

1.2 The Scope :

- (a) To give comprehensive support for people belonging to various tribes in the entire range of production, product development, reservation of traditional heritage, support to both forest and agricultural produce of tribal people, support to Institutions to carry the above activities, provision of better infrastructure, development of designs, dissemination of information about price and the agencies which are buying the products, support to Government agencies for sustainable marketing and thereby ensure a reasonable price regime.
- (b) Sharing of information with Gram Panchayat and Gram Sabha
- (c) Skill upgradation, development of utilitarian products for increase in value in market.

2. Institutional Mechanism : The Ministry of Tribal Affairs (MoTA), Government of India shall be the nodal Ministry for operationalising the Scheme. Support under the scheme will be made available to:

- (i) Tribal Cooperative Marketing Development Federation (TRIFED),
- (ii) State Tribal Development Cooperative Corporations,
- (iii) State Forest Development Corporations (SDCs),

- (iv) Minor Forest Produce (Trading and Development) Federations (MFPTDFs),
- (v) Other institutions identified for product design, development, export processing, training of tribal producers, patenting and trade mark, research, GI certification, and activities ancillary to the above.

3. Activities to be undertaken under the Scheme:

3.1 Market Intervention : The various aspects of marketing intervention which will be supported under this scheme are :-

- (a) fixation of equitable prices for existing products both manmade and natural,
- (b) Actual procurement by State agencies as a safety net program, and not monopoly / nationalization.,
- (c) Support during seasons of harvest when prices tend to get depressed,
- (d) Sharing of information on prices so that people can take informed and conscious decisions, and thereby markets become efficient,
- (e) Selling of products by the State agencies in urban areas and areas away from where they are produced to increase the demand for the products,
- (f) Grading of products,
- (g) Standardization,
- (h) Source certification / Patent etc.
- (i) Other promotional activities.

3.2 Training and skill upgradation:

- (a) Training for improved production and higher grade products
- (b) Training related to man made product for improving quality
- (c) Diversion to high value products
- (d) Development of improved quality and design.
- (e) Linkage with other department such as agriculture, horticulture, khadi and village industries, handlooms and handicrafts etc. for augmentation of training, skill upgradation and technological support.

3.3 R&D /IPR Activity:

- (a) New product development through new usage
- (b) Development of new products per se
- (c) Development of new cost effective processes for product development
- (d) Expansion of the market of the tribal products through R&D measures
- (e) The IPR regime would be to document traditional knowledge and craft for seeking benefits of royalty and protection against piracy
- (f) New technologies of harvesting, scientific harvesting practices etc. are other measures of R&D
- (g) Documentation and preservation of tangible and intangible heritage for promoting tourism etc.

3.4 Supply Chain Infrastructure Development:

- (a) Setting up of efficient warehousing facilities, godowns, cold storages etc., wherever necessary
- (b) Establishing processing industries for value addition
- (c) Sharing of information on inputs with the producers / gatherers
- (d) Develop product specific efficient warehousing both at the IA level and also at the village level.
- (e) Training related to product specific warehousing

3.5 Trade Information System – TRIBAL PRODUCT NET

TRIFED would establish a portal TRIBAL PRODUCT NET to become eventually the one-stop destination for all information about tribal products including MFP, tribal handicrafts and handlooms etc. This portal shall have provision for:

- (a) Capturing information about different tribal products related to the sources, types, potential, production, collection etc.
- (b) Collection and dissemination of trade information about tribal products – information about market rates of different MFP items shall be collected from different markets and disseminated through the portal for interested individuals / agencies.

- (c) Dissemination of information to the gatherers in association with NSTFDC. TRIFED, in association with NSTFDC, will also disseminate the above said market information through All India Radio.
- (d) Dissemination of information about R&D initiatives and new products / uses developed by TRIFED and STDCs through R&D.

3.6 In addition to above, following activities are also eligible for support

- (a) Creating brand or brands for tribal produce / products
- (b) Capacity building of trainers
- (c) Identification of Institutions for capacity Building.
- (d) Identification of target groups and development and maintaining scientific database of tribal beneficiaries
- (e) Ensuring efficiency and effectiveness in MSP operations by evolving professional set-up associating experts and business managers
- (f) Ensuring participation of Gram Sabha and attending Gram Sabha meetings on the issue related to MFP by the representatives of State agencies.
- (g) Collection of trade information about daily prices of different MFP from different markets and dissemination of the same for interested individuals / agencies through web and web enabled SMSs. Such information will be collected and forwarded to the STDCs by market correspondents.
- (h) Development of monitoring and evaluation segment in each of the activities for effective nailing of the problem areas and providing better policy input to the Ministry
- (i) Developing product designs keeping in view export market and support for exports.

4. Funding :

4.1 This would be a Central Sector Scheme and 100% Grant-in-aid will be provided by the Ministry of Tribal Affairs to Implementing Agencies.

4.2 The Implementing Agencies (IA) would be responsible to prepare proposal and detailed action plan along with budgetary requirement and submit it to the State Tribal / Welfare Department well in advance.

(a) Proposal from TRIFED would directly be submitted to the Ministry while for other IAs, the same has to reach the Ministry through their Nodal Ministry / Department.

(b) The proposal received from the implementing agencies should include the plan for the current financial year as well as a perspective plan with activities which may have to be completed in more than one financial year. As far as possible, the emphasis would be to establish systems, processes and mechanisms which are transparent and sustainable.

4.3 The Implementing Agencies will send their proposals incorporating above factors.

4.4 The proposals shall be accompanied by utilization certificates as per provisions of GFR.

4.5 No fund will be provided for the purpose for which fund has already been given under some other scheme. For this purpose, the Implementing Agencies will certify that it has not received funds from any other sources for the activities proposed under this scheme.

5. Monitoring .

5.1 The Ministry of Tribal Affairs (MoTA), Government of India will be responsible for concurrent monitoring through physical and financial progress reports and visits by officers of the Ministry to review the Scheme.

- 5.2 State governments will also be responsible for the IA whose proposals are sponsored by them.
- 5.3 The Scheme will be evaluated before the end of the 12th Plan Period through an independent agency.
- 5.4 Accounts of TRIFED and STDCs would be audited by the chartered auditors or as provided by the State Governments concerned.
- 5.5 2% of the outlay will be set apart for planning, monitoring, evaluating and promoting the scheme.
- 5.6 For transparency and efficient delivery of services, the information regarding the steps taken for promoting and marketing tribal products including prices will be shared with the Gram Panchayat / Gram Sabha where such products are procured, or where such products can be potentially produced.

Hrusikesh Panda
(Hrusikesh Panda) 6/2/2014
Secretary