Reflection and Learning on Partnerships for Innovation CPHP Workshop Hyderabad 11th-12th March 2004

Project Title: 'Integrating Markets, Products and Partners: An Action-Research to explore and develop a Management System for linking Tribal Community to Markets through Value Addition'.

Partners: a) Center for Community Development (CCD)

b) Orissa University of Agriculture and Technology (OUAT)

c) International Development Enterprises, India (IDEI)

Present Project Status

1. IDEI

- Livelihood Analysis and Institutional Study have been completed and Draft Report is being reviewed.
- Market Analysis and Consumer Survey of Osmo-Dehydrated Pineapple slices and Pineapple squash (in a limited scale) was conducted with the help of M/s Jagannath Merchandising Pvt Ltd. in Bhubaneswar and Cuttack. Draft Report is being reviewed.
- Market Study is in progress. Already covered are primary markets like the local *haats*, secondary markets like district headquarters and tertiary high-value markets like Bhubaneswar, Behrampur, Palasa, Kolkata, etc.
- Packaging and sealing options being surveyed. Technical institutions (like RRL, CIPET) processing plants of OMFED, M/s Aaren Foods, M/s Sabita Agro-Foods, M/s Mamta Foods, etc have been surveyed for information assimilation and possibilities of linkages.
- Coordination for testing and experimentation with crops like custard apple, lemon, orange, pineapple and guava.
- IDEI has been instrumental in facilitating the linkage between CCD and M/s Areen Foods Pvt. Ltd. for the procurement of horticulture crops like Pineapple, Cashew, Tamarind and Lemon from the project area. Negotiations with OMFED are in progress and we expect a similar tie-up soon.
- Samples of various innovative processed food-products are collected and used for analysis in labs. Like procurement of premium quality packaging materials, organically dried fruits, local pickles, foreign brands, etc.
- KASAM, an apex marketing NGO in Phulbani, involved in the processing and marketing of Turmeric, Ginger, Mustard Seeds and other Forest Produces has, in principle, agreed to procure the desired spices from the project area, provide expertise to the community for simple nonmechanized processing, will initially utilize its Organic License for the project area and will gradually assist CCD in obtaining a license for the produce.

• IDEI used its network of contacts for facilitating CCD for the development of a proposal for the set-up of a processing plant in Parlekhmundi. Center for Technology Development (CTD) conducted a feasibility study in the area and helped in placing the final proposal to DST.

2. OUAT

- Shelf-life analysis and other technical aspects of pineapple, orange, custard-apple value added products have been completed.
- Product Costing of Pineapple osmo-dehydrated slices and squash has been done and will be
 presented in a separate technical report.
- Has assimilated information and documented the process for obtaining FPO (Food Product Order) for processed products.
- Comparative Analysis of on-farm and in-lab prepared value added products is in progress.

3. CCD

- Three Value Addition training conducted for 60 SHG members in the project area with crops like custard apple, pineapple, guava, lemon and orange.
- 14 progressive farmers have attended training-cum-exposure program in Sambhav NGO, an expert in organic farming and advocating, for obtaining inputs on Horticulture Crop Management and Organic practices. The farmers are already incorporating the practices that they observed there.
- Personnel from Center of Technology Development (CTD) conducted a feasibility study for the setup of a food-processing unit in the project area. Based on the study, a proposal has been submitted to Dept. of Science and Technology (DST). Moreover, one project proposal is also being prepared by CCD for submission to CAPART, under the Advancement of Rural Technology Scheme (ARTS).
- Discussions with M/s Areen Foods have resulted in an agreement in principle for procurement of tamarind, cashew, pineapple and lemon from the project area.
- The various CPHP studies like the Livelihood Analysis, Market Analysis, Intensive Crop Survey, etc has helped CCD in interventions in other blocks as well.
- The Principal Investigator and Project Coordinator visited Siliguri for an exposure to the Horticulture crops and cultivation practices of fruits in the region.
- Has obtained corking and sealing machines from Kolkata, which will be utilized by SHGs during
 value addition training programs and their own simple processing and packaging.

Experiences/ Learning

The experiences and the learning in the project during this one-year have been presented under the heading of three main measurable domains, which are:

- 1. The Lives of the Poor People
- 2. Capacities of the Partner Organizations
- 3. Policy Environment in which we Operate

1. The Lives of the Poor People

- We have been able to conduct exhaustive studies for assessment of Tribal Livelihood System, the major govt. and non-govt. institutions that have an impact on the Livelihood System, varieties and volumes of the main Horticulture produces and spices, the dynamics in the local market, district level secondary markets and tertiary high-value markets. Also, have covered the major processed forms of the available produces, both branded and un-branded in and around the project area. These efforts have been successful in assimilating area-specific information and gaining a holistic perspective of the food sector. More importantly, it helped in making direct interactions with the community and obtain their perspective.
- Conducted three Value Addition (VA) trainings for SHG members with crops like Orange, Pineapple, Custard Apple, Guava and Lemon and prepared processed products like Pickle, Squash, RTS, Jam, candy, etc. This not only helped in creating awareness about Value Addition and its impotence but also marginally enhanced their skill for mechanized/ non-mechanized processing. (Like Pickle making, its storage techniques, simple procedures that can increase the shelf-life of fruits).
- We then moved from a vocational-skill provider to providing a whole bundle of services. There was a felt need of other services like access to right horticulture cultivation practices from Hort. Department, importance and ways of organic farming from experts like Sambhav NGO, exposure to hort. Rich areas like Siliguri, etc.
- Activities like these brought us closer to the community and they developed confidence in the project and its partners. It was also observed that by merely providing VA skills the community was not benefiting because we were not addressing *their* needs.
- However, at a time the expectations of the community had increased and they expressed that they wanted to sell the produce prepared by them during trainings. This was a time of SELF-EVALUATION. We needed to re-emphasize the objectives of the project and make them realize that VA is one step only. They have still not perfected the VA art and marketing them is not as simple as putting it on a stall. Also learned that over-expectations is a risk that can be faced in any project and should be handled carefully.
- Thinking out-of-the box and keeping the options open is very important. During discussions, one of the project partners said that it is not sufficient to provide VA trainings only. We should also create an opportunity for the tribals to use these skills, maybe by setting up a processing plant in the project area. Initially, we were skeptical about addressing the issue, but one thing led to another and today we are closer to the actual implementation of what seemed a mere idea at that time.

Meetings and discussions brought out a fact that tribal SHGs are not keen for tamarind de-seeding and M/s Aaren foods (a private processing plant having a prominent market presence in the processed food market) is willing to pay a premium for such a product! We were able to use this demand for encouraging SHGs to take up tamarind de-seeding as IGAs.

2. Capacities of the Partner Organizations

- The partners were non-formally well acquainted with each other and the formal partnership in the project brought them closer. This was helpful in exchanging competencies and expertise. Like IDEI was able to provide leads for conducting the feasibility study and proposal for setting up a processing unit in Parlekhemundi. Similarly, OUAT is able to provide technical-inputs for horticulture crops as well as spices. Also, this relationship made the working environment more amicable and transparent.
- There was a lesson we learnt during technology transfer. OUAT had prepared perfect samples of Osmo-Dehydrated pineapple slices and Ready To Serve Drinks (RTS) in the lab and all partners were confident that this could be easily transferred to tribals. But during training we realized obtaining a low-cost and user-friendly technology is a challenge. What seemed easy in the lab in a controlled environment was difficult in the fields, in the absences of sophisticated instruments. We were compelled to think of the utility of a technology that cannot be used by the common man. A need was also felt to encourage in a larger scale simple processing methods like picking, grading, sorting.
- We learnt an important lesson in these few quarters in the project; Stay one step ahead. In order to extract achievements from the other project partners, we were continuously tinkering with options. Like in the case with OUAT, we were in our own capacity, looking at avenues in packaging, licensing, technology options, etc. This was helpful in not only keeping abreast with the innovations in the sector, but also suggesting new deliverables to OUAT. Like, during the Quarterly Partner Meetings, we were able to suggest to OUAT to try out new value added products from guava and lemon, apart from the traditional pickles and jams. The efforts bore fruit and Lemon Citric Acid and Guava Candies have been successfully tried out in OUAT labs.
- Frequent interactions with experts like technical institutions like OUAT, CIPET or foodprocessing plants like M/s Aaren Foods, M/s Mamta Agro-Foods, M/s Sabita Foods etc and food products marketing firms like Jagannath Merchandising Pvt. Ltd. have increased the knowledge base of the partners. For eg. few people know that the most crucial factor for processing of guava is not the color or the taste of the fruit but the seed content, or fact that the Siliguri variety of pineapple is available round-the-year. During these interactions there was another fact that we learnt; unlike other countries, in India, the fruit drinks have to be necessarily sweetened in order to sell. The Indian population has an exceptionally high penchant for sweetened drinks, thus most of the international brands have to alter their formulas to suit the taste buds of Indians.
- Also, sometimes efforts are doubly awarded. Negotiations were in progress with M/s Aaren for procurement linkages for pineapple, but at the end of the day, Aaren not only agreed for pineapple but also cashew and citrus.
- Projects with multiple partners need to be more immediate and prompt. After the first VA trainings, the desired food-quality could not be achieved, for which OUAT and CCD were not blaming each-other. But once they sat face-to-face, differences and lacunae were cleared.

• Seeing the development in the project, CCD is motivated to create assets well in time before the completion of the project. It has already purchased simple manual processing machines (like pouch sealing machine, metal corking machine, tamarind de-seeding machine from one of IDEI's manufacturer) that can be utilized by the community directly or can be rotated in the SHGs.

3. Policy Environment in which we Operate

- Due to the frequent VA tranings and pineapple procurement for processing in the lab, the price of pineapple in local market had increased from Rs 3 per piece in previous year to Rs 5 per piece in the 2003. This was an achievement because, we in a small way, were able create competition in the local market and bring better returns to the growers.
- When OD pineapple was tested in the Bhubaneswar and Cuttack, the local retailers were happy with the product and wanted to stock as soon a sit came in the market. This has created way for niche products in the consumer mind-set.
- Due to the goodwill shared by CCD in the govt. and non-govt. sector, the project benefited as got
 positive response from many and obtained assistance in information assimilation during the studies.
 Thus, many of the actors in the policy environment are today sharing the same vision as us for the
 project.
- The project status so far has been able to create opportunities for SHGs, microenterprises, and entrepreneurs. SHGs are soon adopting simple processing techniques for tamarind, turmeric, cashew, etc and obtain sufficient income out of it. Similarly, the processing plant coming up will benefit many women and men SHG members and farmers. Youths are volunteering to be local representatives for collection centers or for coordinating between farmers and project staff.

Activities in Progress and Future Plans

- Utilize NGOs like KASAM for linkages and technology transfer in processing of spices
- Transfer required truckloads to M/s Areen and OMFED in this season
- Finalize raw produce that will be processed, its form, mode of marketing and potential partners
- Continue experimenting with new products
- Follow-up for Processing plant set-up