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Incorporating Stakeholder Perceptions in Participatory Forest Management in India – A Study on market-related actors in Harda

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Acronyms

CCF	Chief Conservator of Forests
DFO	Divisional Forest Officer
FD	Forest Department
FPC	Forest Protection Committee
JFM	Joint Forest Management
JFMC	Joint Forest Management Committee
NTFP	Non-Timber Forest Product
MTO	Mass Tribal Organisation
TWD	Tribal Welfare Department
VFC	Village Forest Committee

Glossary of Terms

Bansod	Bamboo craftsmen
Bidi	Small traditional cigarettes
Dheemar	Fishermen community
Gaddi	Collection unit of Tendu leaves – 50 leaves forms one Gaddi
Gattha	Head load of fuel wood usually 10 to 12 Kg
Gwali	Shepherd community
Haat	Local weekly markets
Manak Bora	Collection unit of tendu leaves – 50,000 leaves form one Manak Bora
Mandi	Large market for agricultural products and NTFPs
Nistaar	Collection of forest products mainly timber and fuel wood
Pai	Traditional unit of weight measurement – one <i>pai</i> is roughly 250 gms
Pala	Traditional unit of volume measurement – one <i>pala</i> is roughly 100 ml
Phad	<i>Tendu</i> leaf collection center

Executive Summary

Market forces play an important role in determining the amount of benefits that local communities derive from forests. Locally collected forest products reach the final market (within the district) through a dispersed channel comprising traders, middlemen, shopkeepers in village markets and so on. However, power differentials among these various market actors often prevent local collectors from realizing a fair share of the price of the produce, and results in conflicts.

The present study looks at perceptions of these various market actors towards the institution of Joint Forest Management and towards one another, as far as market relations are concerned.

The key findings of the study are summarized below:

- Harda district has a relatively smaller bundle of NTFPs that are commercially important. These include tendu, mahua, gulli and achaar.
- There is a negative correlation between average household income and dependence on NTFPs in study villages. This is expected since higher household incomes lead to substitution of forest products by manufactured goods.
- Trade in NTFP is almost always bundled with agricultural commodities; there are only a few traders who deal exclusively with NTFPs.
- The JFM Committees have been reasonably successful in infrastructure creation and forest protection; however their efforts at enhancing NTFP availability have been less successful
- Middlemen remain a key element of the market chain; several people feel that play a beneficial role since they buy off small volumes, whereas traders insist on larger quantities
- Middlemen feel that local collectors are not sufficiently aware of transactions costs of their operation, and hence insist on paying lower prices
- Local communities have gained in bargaining power, as they have better awareness of final prices; this is largely due to efforts of the JFM Committees
- Mahua trade provides for an interesting case, since village communities buy back a part of the mahua collection from traders in the off-season – this is due to absence of storage facilities and immediate cash requirements

CHAPTER 1 Introduction

1.1 JFM in Harda: Brief Historical Perspective

The first initiative of participatory forest management was taken in 1989 by the then Divisional Forest Officer (DFO) of Harda Division. He tried to incorporate the concept of participation in forestry operations amongst the Forest Department staff. This initiative of community involvement gained strength when Mr. B. M. S. Rathore (1990 – 1994) took over as the DFO. Harda division has a high concentration of teak forests. Due to the high commercial value of teak illegal felling was a major problem in the district. Mr. Rathore felt that without the cooperation of the community it would be difficult to preserve the forests. He started formulating strategies to initiate collaborative management of forests by reducing the conflicts between the forest communities and the FD staff. His idea of collaborative management was accepted by one and all. Thus, the first forest protection committee came into being in March 1991 in the village of Badwani in the Rahaetgaon range.

The main goals of the committee was to

- Check the influx of nomadic shepherds (*Girders*) from Rajasthan who came with their herds of sheep during the rainy season and also after the harvest as well as cattle from surrounding farms and villages that to the forest for grazing, and,
- Limit the damage caused by ground fires that effected approximately 50% of teak forest in the range.

At the inception of the JFM program in 1991, in which the Forest Department offered participating communities a 10% share of the timber income generated by the forest under their protection a number of villages in the area expressed interest in forming Village Forest Institutions (VFIs). JFM at Harda has since then undergone a full circle in evolution, having been hailed as a model of ‘good practice’ JFM, while activist groups and mass-based tribal organisations have criticised the model as iniquitous and being a means to strengthen the powers of forest department. Indeed, the withdrawal of international donor funding in the forestry sector in Madhya Pradesh is attributed to some extent to the massive protests engineered by local tribal groups, who claim the benefit-sharing mechanisms have remained skewed against the communities.

1.2 Details of Harda District

Name of the Division

Harda Forest Division, Madhya Pradesh

Boundaries:

North: Dewas and Sehore Districts;

East: Hosangabad Forest Division and Betul district

South: Betul and Khandwa Districts; and

West: Khandwa and Dewas Districts.

Geographical Area

Total: 3703.11 km²

Forest area

Reported Area: 1425.361 km² 38.5% of geographical area

Dense: 110662.852 ha (30% of Geographical area)

Open: 24942.090 ha

Per capita 0.27 ha

Percent area

Dense forest: 96.35 % of total forests

b. Open forest: 3.65% of total forests

Forest

Southern tropical dry deciduous slightly moist teak

Southern tropical dry deciduous dry teak

Southern tropical dry deciduous Mixed Forest

Pure teak 106258.493 ha

Mixed Forest 10251.579 ha

Soil Types

Black Cotton Soil: 55,710.269 ha

Laterritic Soil: 27,846.900 ha

Alluvial Soil: 905.625 ha

Others (Loam, sandy loam, clay, rocky etc.): 34,464.450 ha

Rainfall

Average: 1209.8mm

Variation: 787 to 2039 mm

CHAPTER 2 Methodology

2.1 Sampling

This study on NTFP status in Harda and the perceptions of the stakeholders was done in 12 villages¹. Insights from the full sample of 24 villages were used wherever appropriate. The villages were chosen on the basis of the following criteria:

- Presence of JFMC at any point in time in the past ten years
- In the same proportion as the forest and revenue villages in the district having JFMC
- In the same proportion as MTO and non-MTO influenced villages in the district having JFMC
- In the same proportion of the villages having JFMC in a range
- In the same proportion of the villages having JFMC in a block

On the basis of these criteria the villages selected for the study are the following:

Figure 2.1 Sampled Villages

	Village	Range	Tehsil	Type	Panchayat	Forest	MTO	JFMC
1	Keli	Borpani	Timarni	Revenue	Keli	PF	No	FPC
2	Rawang	Borpani	Timarni	Revenue	Rawang	PF	Yes	FPC
3	Dheki	Handia	Harda	Revenue	Sigaun	PF	No	VFC
4	Unchaan	Handia	Harda	Revenue	Nayapura	PF	No	VFC
5	Jhapnadeh	Magardha	Khirkiya	Revenue	Pataldah	PF	No	FPC
6	Bheempura	Makdai	Khirkiya	Revenue	Kukdapani	PF	Yes	VFC
7	Chikalpat	Makdai	Khirkiya	Revenue	Chikalpat	PF	No	VFC
8	Dhega	Borpani	Timarni	Forest	Bori	RF	Yes	FPC
9	Siganpur	Rahetgaon	Timarni	Revenue	Kasarni	PF	No	FPC
10	Aamba	Temagaon	Timarni	Forest	Badwani	RF	No	FPC
11	Bori	Temagaon	Timarni	Forest	Bori	RF	Yes	FPC
12	Dhanpadah	Rahetgaon	Timarni	Revenue	Cheerpura	PF	No	NA

In addition, the report incorporates findings from another four villages – Bothi (Forest Village; Temagaon), Badjhiri (Forest Village; Magardha), Bheempura (Revenue Village; Makdai) and Sigampur (Revenue Village; Rahetgaon) for which fairly detailed

¹ These villages form a sub-sample of the 24 sample villages chosen for the overall study.

investigations were carried out.²

To study the perceptions of the traders and the middlemen and also the dynamics of the NTFP trade in Harda, the local weekly markets nearest to each of the villages have been chosen. The markets visited are listed and the villages they cater to are:

Figure 2.2 The markets sampled

	Local weekly markets	Villages catered to
1	Kayada	Keli and Rawang
2	Nayapura	Unchaan and Dheki
3	Magardha	Jhapnadeh
4	Chirapatla	Bori and Dhega
5	Rahetgaon	Dhanpadah, Sigampur and Aamba
6	Morgadi	Bheempura and Chikalpat

In each of the villages 5% of the village community were interviewed. An attempt was made to cover all the major castes or tribes in the village or specially, and include the NTFP dependent communities like *Bansods*. The Beat Guard and the Deputy Ranger of the concerned village were interviewed as the field level representatives of the Forest Department.

At the local markets 50% of the traders were interviewed. The middlemen were interviewed either in the market or the villages according to convenience. An attempt was made to capture the perceptions of at least 4 middlemen visiting one particular village.

2.2 Tools and Techniques

Both primary as well as secondary data has been collected for the purpose of the present study. The various sources of secondary data are:

- The Forest Department
- The Sanket Field Team at Harda³

Primary data has been collected with the help of

² The study in these four villages were carried out largely by Kamal Deo Singh, Trainee from IIFM Bhopal

³ The field research team from Sanket, a Bhopal-based NGO, have provided much of the primary data for this study apart from facilitating the field work of the TERI team (as also other partners)

- Semi-structured interviews of villagers
- Participant observation

2.3 The analytical framework

The analytical framework for this study rests on an analysis of perceptions based on knowledge of theory, policy and change. In the context of markets, this translates roughly to the following:

Theory: NTFPs have the potential to contribute significantly to local livelihoods; at the same time, NTFPs are important for their biodiversity value, that is, a healthy mix of timber and non-timber species maintain the resilience of an ecosystem. Thus, the value of NTFPs are both local and global in nature.⁴ However, local availability of NTFPs often shows a tendency to be on the decline due to inadequate local stakes; this in turn occurs due to the low returns obtained by collectors, and the relatively high margins captured by traders and middlemen. There is therefore a case for state intervention or raising local stakes through alternate means, such as local value-addition or engineering (more) direct market links.

Policy: The typical response (in the policy domain) has been to establish a state monopoly over several products, and impose restrictions on others at varying degrees.⁵ Tendu, for example, has been brought under monopoly state control in Madhya Pradesh, and mahua is routed through licensed traders. It is to be noted that perception of what is defined as policy may differ according to the local context. At the local level, implications of global loss of an NTFP may not be felt, and traders may find it profitable to induce over-extraction of a high value product, or substitute a product on decline by another to maintain the same profit level.

Change: At the ground level, change may take the form of quantitative decline or price variations. In the absence of a competitive market, traders may make large 'monopoly gains' and collectors may obtain a price equivalent to subsistence wages. This is typical of NTFP markets across the country – collectors often end up receiving a disproportionately small amount of the NTFP value, while traders/middlemen mop up a

⁴ It has also been argued that medicinal plants, forming a significant chunk of NTFPs, have immense 'future values' – they have the potential for developing commercially valuable medicines (or other products) on account of far-reaching biotechnological innovations.

⁵ The report on legal issues – as part of the same study – discusses these in the Madhya Pradesh context.

much larger share. Lack of local storage facilities, lack of market linkages, immediate cash requirements, and weak social status are among the reasons for the primary collector receiving a low share. JFM Committees could potentially enhance the bargaining power of the collectors, but relatively lower preferences given to NTFPs in the JFM process often prevents this from happening in the real world.

CHAPTER 3 Importance of NTFPs

3.1 Introduction

Involving people in forestry operations have been going on in India since time immemorial. The working plans of Forest Department have allowed people to collect some forest products and also some lops and tops of harvested trees as fuel wood. However, participation in the process was viewed mostly as the opportunity to work as forest laborers. People did not have any role to play in the decision-making regarding the management of forests.

During the colonial period, government forest policy was basically aimed at meeting British industrial and commercial needs. Later on, the focus shifted to the needs of forest-based industries and the government of independent India imposed restrictions on village communities' in terms of their access to forests. These forest policies of the government alienated local people, who were primarily dependent on the forests for their survival. This led to indiscriminate exploitation of the forests of India.

Having realized the economic, social, and environmental implications of excluding local people from the management of forests, the Government of India the Indian Forest Policy was formulated in 1988, which for the first time recognized the importance of community involvement in the protection and management of forests. In 1990, the Government of India provided more specific guidelines for involving local people in forest management. Thus, the Joint Forest Management (JFM) came into being, which envisaged a formidable partnership between the people and foresters in a productive manner to protect and regenerate forests while meeting the needs of the community.

Under JFM, the legal ownership of land remains with the Forest Department (FD) but village committees (VCs) become 'co-managers' of forest resources and are entitled to shares in usufruct and timber. Studies on JFM and Self Initiated Forest Protection (SIFP) in various states of the country have recorded increases in bio-diversity and forest cover, often with increased production of several Non-Timber Forest Products. Indeed, there is a strong view that local community institutions are proving far more effective in protecting their forest than the FDs alone.

3.2 The recent emphasis on NTFP

Several government commissions notably the Dhebar Commission (1961), Hari Singh Committee (1967), the National Commission on Agriculture (1976) and several others have laid stress on the development of NTFP for the benefit of the local people. The Planning Commission through a position paper in 1999 laid stress and provided guidance on the proper management of NTFP for the benefit of the local people. However, relatively less importance has been paid to aspects of trade and trade-related benefits that could accrue to the tribal groups/ vulnerable sections of society.

Over the last decade or so, state-led efforts to enhance local returns from NTFPs have met with some success. Several states have created specialised agencies to deal with marketing of NTFPs, and Madhya Pradesh is no exception. Interestingly, several state governments are re-thinking the role of these agencies under a growing sentiment that local non-state enterprises could be better suited to managing and marketing NTFPs. In Andhra Pradesh, for example, the state-initiated Girijan Co-operative Corporation (GCC) currently maintain monopoly control over several prominent NTFPs, but its integration with local institutions is a subject of active debate.

3.3 Nationalised and non-nationalised NTFPs

The major nationalized NTFP of Madhya Pradesh is tendu patta – with an annual production of 25 lakh standard bags, it accounts for a fourth of the total production of the country. Other nationalised NTFPs of the state Chebulic myrobolan or Harra, Sal Seed and Gums.

The other major NTFPs of the state are Mahua, Aonla, Chirota, Neem, Mahul Patta, Chironji, Tamarind and honey. These are all non-nationalised. Villagers are free to collect and sell these products. Generally, after meeting their own requirements, the villagers sell the balance quantity to small local traders or middlemen at very low rates. These middlemen, in turn, earn high profits from these produce. The recent formation of Primary Cooperatives is one attempt to counter this price differential. (See box below) ⁶

⁶ www.mfpfederation.com (Accessed 15-08-04)

NTFPs and Primary Cooperative Societies

In Madhya Pradesh, Madhya Pradesh Minor Forest Produce Federation (MPMFPP) has been formed. It functions through Primary cooperative societies. There is a three-tier structure with primary cooperative societies at the grass root level with actual collectors as their members. At forest division level, there is District Forest Produce Union and at the apex level is the MPMFPP. At primary cooperative and district levels, the chairpersons are elected. Primary Cooperative society is member of the district forest product unions. All the district forest product unions federate at the apex level in the MPMFPP. Forest minister of the state is the chairperson of the federation. The federation deals in certain nationalized minor forest produces (MFPs). Collection wages are paid to the primary collectors. These wages are revised every year by the apex body with the advice of committees formed for the purpose. Representatives of collectors, people's representatives, NGOs, traders, eminent citizens, managers and administrators decide the wages for each collecting season on the basis of prevailing market and accommodating the needs and aspirations of the collectors. Besides wage and insurance premium, a bonus that is equal to the 50% of the net profit is also paid. The cooperatives receive commission. 30% of the net profit is invested in areas of resource base on infrastructure development. The primary collectors have to sell their collection of nationalized NTFPs to the federation.

Besides the nationalized NTFPs, there are numerous other NTFPs, which people collect and sell. Collection and sale of these items are also being organized through primary cooperatives. A primary collector is free to sell his collection in the open market. The new scheme is proving more beneficial to the otherwise exploited collector. By this arrangement, besides very remunerative rates to the people, the primary cooperative societies are building up big revolving funds and using them in various activities.

CHAPTER 4 The Available NTFP Species

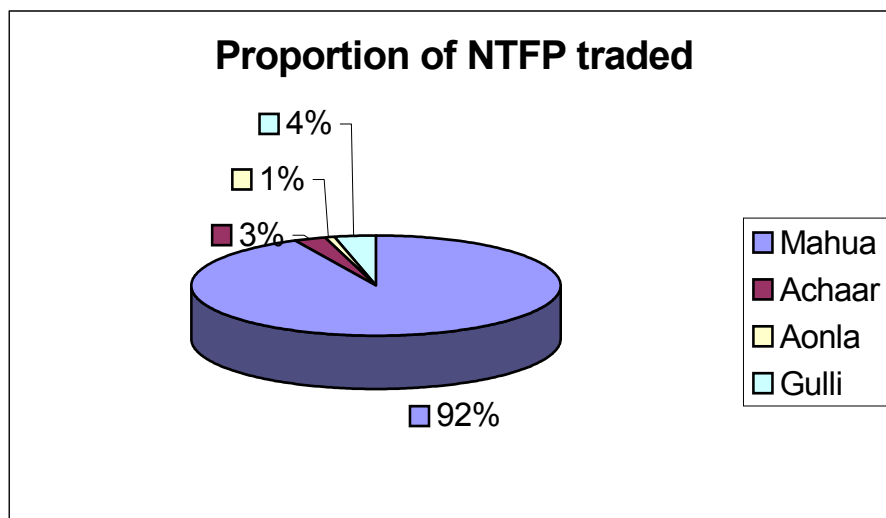
There are not many varieties of NTFP species available in the district of Harda. ⁷Even among those available only a few are in significant quantities. The species of NTFP available in the district are

Figure 4.1 Usage of the available NTFP

NTFP	Type of use	Used as
Mahua (<i>Madhuca indica</i>)(Flower)	Consumptive as well as commercial	As food and to prepare liquor
Gulli (<i>Madhuca indica</i>)(Fruit)	Consumptive and commercial now mainly consumptive	Edible oil is extracted from the fruits.
Achaar (<i>Buchnanian lanzan</i>)	Mainly consumptive, sometimes commercial	As fruit
Aonla (<i>Embllica officinalis</i>)	Consumptive; seldom commercial	As fruit
Tendu (<i>Diospyros melanoxylon</i>)	Commercial	To prepare <i>bidi</i>

Mahua accounts for bulk of the NTFPs (non-nationalised) traded in Harda, as the chart below shows:

Plate 4.1 Proportion of NTFP traded



Source: Primary survey in haats (See Annexure 1)

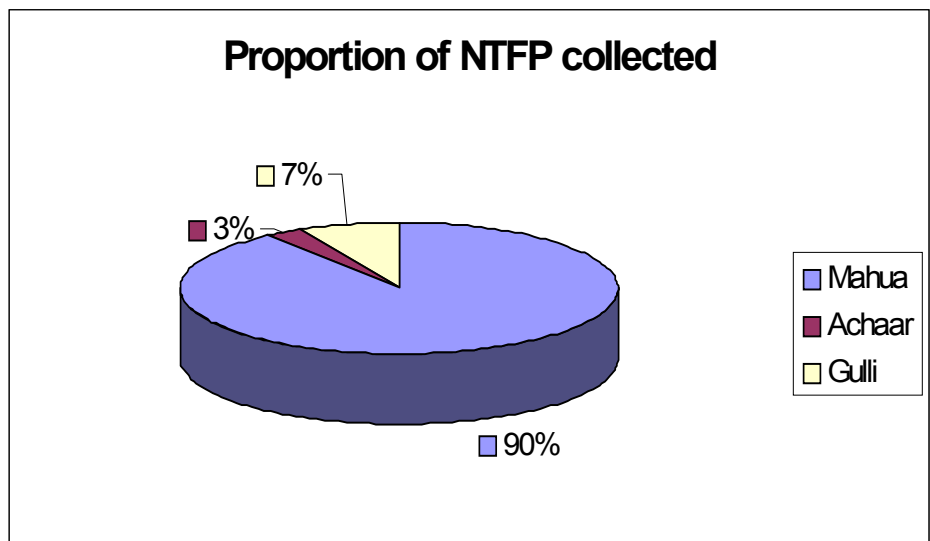
According to all the stakeholders, the availability of *Gulli*, the fruit of the *Mahua* tree has decreased remarkably over the last 4-5 years.

⁷ Harda is a relatively NTFP poor division – with the exception of tendu and mahua. Expectedly, dependence on NTFPs is less in relative terms, but as the paper argues, some of the NTFPs have high significance for local livelihoods and as means of ‘cash security’.

There has been a regular decline in availability of *Achaar*. This is attributed to unsustainable harvesting practices – sometimes, the entire tree or entire branches are cut down to obtain the fruits. (Since branches are weak, and it is often difficult to get on the branch to collect the fruit.)

There is a decline in the availability of *Aonla* too. This species was never very common in the district and only some regions had *Aonla* trees. The number of *Aonla* trees has reduced due to the same reason.

Plate 4.2 Proportion of NTFP collected (Non-nationalised)



Source: Primary survey in study villages

Other than these, the community extracts fuel wood, fodder and bamboo from the forests too. Fodder extraction is however not direct to a large extent - in the sense that the cattle are allowed to freely graze in the forests in almost every case. The bamboo used by the *Bansod* families is obtained from the *Nistaar* depots.

The average collection of fuel wood is around 10 kg to 15 kg per family every two days. Fuel wood is also available at the depots at a rate of Rs. 20 per *gattha* (a local bundle measure equal to about 12 kg).

In the forests where bamboo is available the community gets around 5 to 6 pieces on an average every year. This bamboo would cost them Rs. 12 per piece if obtained from the depots.

CHAPTER 5 Market Transaction for Non-Nationalized Product

5.1 The local haats

As is well known, the local *haats* or weekly markets play an important role in the lives of villagers. Typically, one *haat* caters to anything between 10 to 30 villages, and provides villagers a convenient way to obtain essential items like clothes, groceries and vegetables – items that villagers otherwise would need to purchase from regular shops in nearby towns.

Haats have both temporary and permanent shops depending upon the size of the market. Roughly speaking, a third of the shops in a *haat* would be permanent – the total number of shops vary widely - in our sample, Chirapatla was the largest with 165 shops, while Nayapura was the smallest with 55 shops.

Kayada bazaar is of special significance for the study. The number of permanent shops is very less here, and the *haat* caters mostly to the forest villages of Borpani and Temagaon range. It has the maximum variety of NTFPs and the quantity of each NTFP obtained is also the highest compared to the other markets of the district.

The system of transaction in these markets is normally monetary. But in some cases, the villagers who come to sell their NTFPs take certain essential commodities like oil or salt in exchange. In Morgadi bazaar, 1 kg of *Mahua* is at times exchanged for two *pala* of edible oil (one *pala* is close to 100ml).⁸

The most common shops that have been observed in the markets are the following:

- Groceries
- Vegetables
- Spices
- Clothes
- Shoes
- Utensils
- Ornaments

The shops for NTFPs and agricultural products are usually located just outside the main periphery of the *haat*.

⁸ One litre of edible oil costs Rs 40, so 2 *pala* (or roughly 200 ml) would cost Rs 8. This is more or less as the price of *mahua* in the *haat*.

5.2 Profitability of traders and middlemen

The middlemen are frequent visitors to the weekly markets. They buy agricultural products and NTFPs from the village sell them to the traders. They buy and sell the products in the same season, since traders would not buy their products in the off-season; moreover it is difficult for the middlemen to store the products.

The profit of the middlemen in the trade of *Mahua*, the most abundant NTFP, is around 26% of their expenditure on *Mahua* procurement.

Figure 5.1 Profitability of the middlemen

Average Procurement Cost (ACP)	6.63
Wastage (@ 5% of ACP)	0.33
Storage	0.20
Average Cost	7.16
Average Selling Price	9.75
Profit	2.59
Percentage Profit	26.56%

Figures in Rs./kg

The opportunity cost of labour is not taken into account, as the middlemen rarely visit a village to procure NTFP only. Their main purpose of visit is the procurement of agricultural products and they procure NTFP if, and whenever, available. For a similar reason the transport cost of NTFP is also not taken into account. This is a typical example of bundled trade, and is a common phenomenon in many Indian states. The low stakes in NTFP is due to the fact that there is very little exclusive dependance, even is there is potential for enhancing local returns.

The margin of profit similarly calculated is found to be a little lower for the traders. This can be attributed to the fact that though the traders store the products through the season and sell it back to the community in the off-season at a higher price, their storage cost and wastage is also more than that of the middlemen.

For the traders, the procurement and the selling of *Mahua* is not in. They procure the product during the season, that is, during the months of March to June. However, they sell the maximum of their products during the months of September to December. (Annexure – 6)

Figure 5.2 Profitability of the traders

Month	Mar-Apr	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb
Rate	9	9.5	11	12	0	0
Percentage Procurement	30%	40%	20%	10%	0	0
Average Cost of Procurement (ACP)						9.75
Month	Mar-Apr	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb
Rate	0	12	14	15	16	18
Percentage Sale	0	10%	15%	25%	40%	10%
Average Selling Price						15.25
Average Cost of Procurement (ACP)						9.75
Wastage (@ 10% of ACP)						0.98
Storage ⁹						0.8
Average cost						11.53
Average Selling Price						15.25
Profit						3.72
Percentage Profit						24.39%

All figures in Rs./kg

5.3 Market Channels

The main non-nationalized NTFP that is found in the district is *Mahua*.

Mahua collected in the region is almost completely consumed within the region. Interestingly, collectors most often buy back in the off-season the same product that they sell in the collection season. This is due to two main reasons:

- Collectors need money in the collection season, which they can readily obtain by selling off their mahua
- Lack of storage facilities at the local level leaves collectors with no option but to sell of the product to the traders

Although there is an established market channel¹⁰ for several other NTFPs, large scale transactions were not observed due to low availability.

⁹ The storage cost for traders have been taken as four times that of middlemen since traders typically store the product for one month, as against one week for middlemen.

¹⁰ The products normally reach Betul or Ratlam, from where they are transported to Indore, which acts as a hub for NTFPs in Western MP.

CHAPTER 6 Availability Trend of *Tendu*

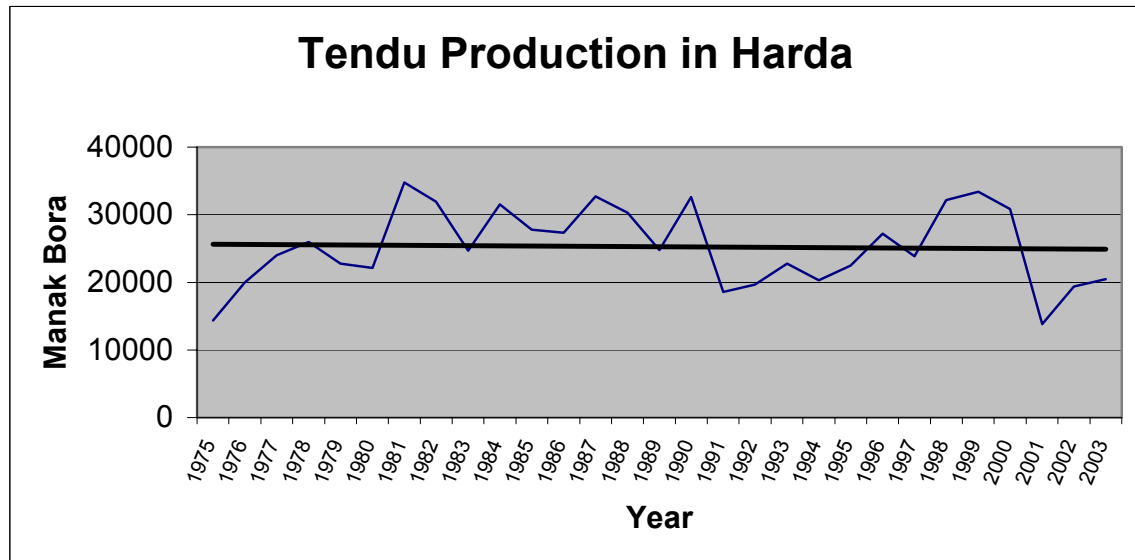
Tendu is among the most widely available NTFPs in Harda. Almost all the villagers in the study villages collect *Tendu* leaves, and the leaves are accumulated in village level collection centers – the *phads*. The *Tendu* leaves are collected by the community and bound in *gaddis*; each *gaddi* has 50 leaves. These *gaddis* are collected in *manak bora* or standard bags, where each standard bag has 1000 *gaddi*-s of *Tendu* leaves, or a total of 50,000 leaves.

Prior to 1964, *Tendu* was under the ‘contractor system’, in which the contractors used to collect the leaves at the village by direct payment. After the nationalization of the product in 1964¹¹ the collected leaves are transported by the Forest Department from the *phads* to the nearest *Tendu patta* depot (generally at the Range headquarters). Payment for the collection is done in two phases. The initial payment is done for the labour during the collection of the leaves at a rate of Rs.40/- for 100 *gaddis*. The *Tendu* leaves are auctioned from the depots. The profit accruing from the sale of *Tendu* is distributed to the community after deducting the operational charges. The distribution is done on the basis of the number of leaves collected by each family.

From the data of *Tendu* production of Harda division from 1975 to 2003 (Annexure – 2) it can be seen that there has not been any change in the overall pattern of production. The average production of *Tendu* produced has not been affected in any way by the formation of the JFM committees. The average production from 1981-1990 is 29832 *manak bora*, and from 1991-2000 it is 25114 *manak bora* (which is 16% lower than the 1981-90 figure). Overall, an almost flat trend is observed, as the chart below shows.

¹¹ The Government established monopoly over trade in *Tendu* leaves through *The M.P. Tendu Patta (Vyapar Vinimay) Adhin/yam 1964*

Plate 6.1 Trend of Tendu Production in Harda



The income from *Tendu*, constitutes the largest part of cash income from NTFPs for the community.

The system of state-controlled trade of tendu has largely had positive impact on the local collectors. However, in isolated cases, local collectors have felt that departmental quotas (set at the divisional level) have limited the local off-take even in conditions of abundance. Thus while overall trends have remained stable, local excesses and shortages have caused concern in a few cases. Tendu remains a principal cash earner among NTFPs, and it is perhaps understandable that a cap on tendu collection would have livelihood implications in a very local context. This is not a widespread occurrence though, and a part of the concern could simply be attributed to an inadequate understanding of the state-led quota system.

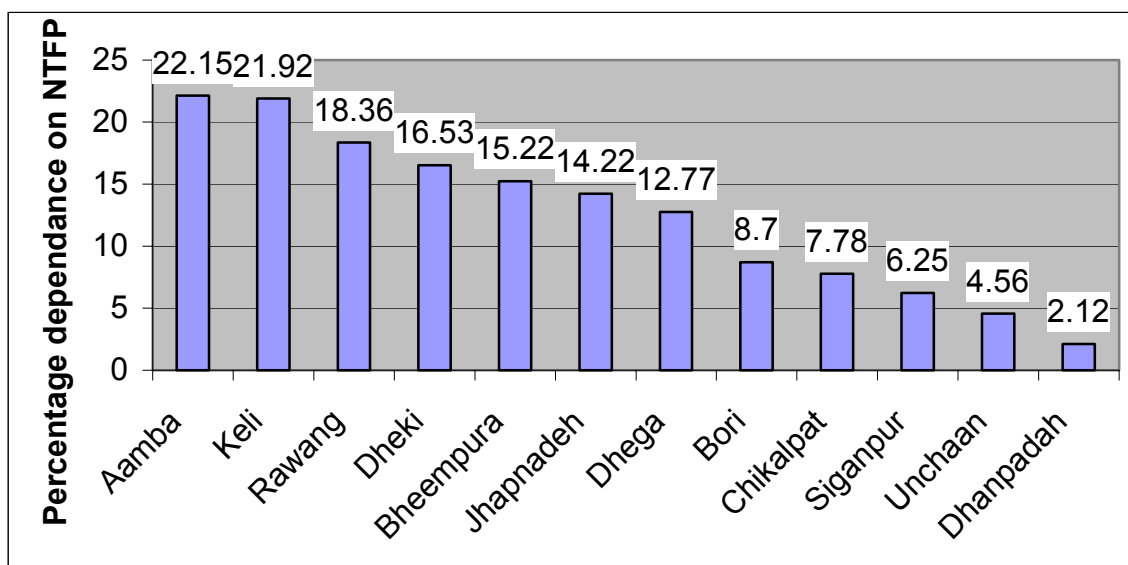
CHAPTER 7 Dependence on NTFP

7.1 Dependence of the community

The dependence on NTFP is quite low for the community in the district because of the degradation of forests and the lack of availability of NTFP. The community is largely dependent on agriculture and agricultural labour. The *Gwali* tribes, who are traditional shepherds, have gradually shifted to agriculture due to the degradation of forests in the district.

In the sample villages, income (cash income plus consumption valued at market price) from NTFPs account for 11.08% of the average annual household income. The income from *Mahua* is about 70% of the total income from NTFPs. Of the total collection of *Mahua*, one-third is sold and the rest consumed. Hence, if we consider cash income alone, *Tendu* contributes more than *Mahua* to the average household income. (Annexure – 3)

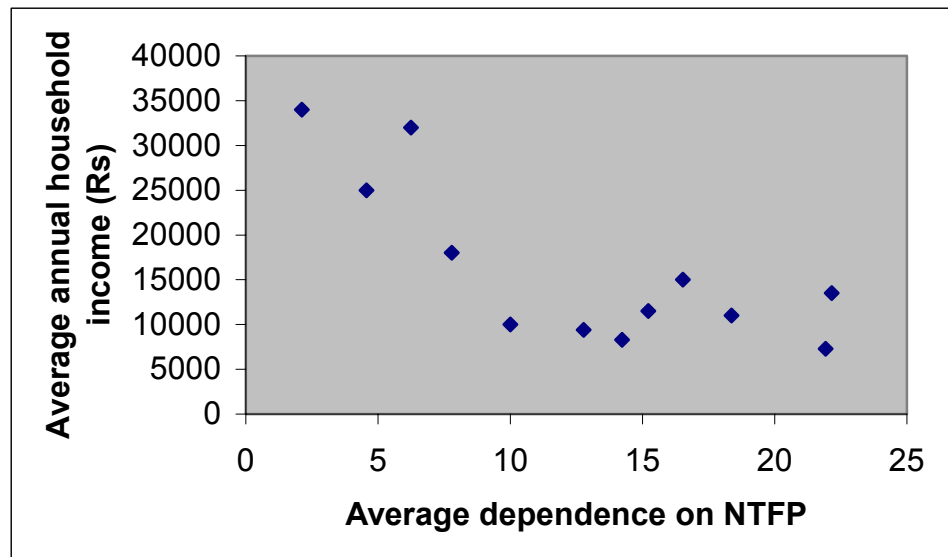
Plate 7.1 Village wise dependence on NTFP



A study of the village wise dependence on NTFP would show that the villages that are comparatively well off (having an average annual income equal to or more than Rs.18,000/-) are less dependent on NTFPs (See graph below). Their dependence can be calculated to be 5.18% of their average annual income. The dependence of the other villages can be calculated as 17.25% of their average annual income. A notable exception is the village Bori, which has an average annual income of about

Rs.12,000/- and is also a forest village is comparatively less dependent on NTFP than the other poor villages. This anomaly can be attributed to the conflict between the community and the Forest Department in this village.

Plate 7.2 Title of the Figure



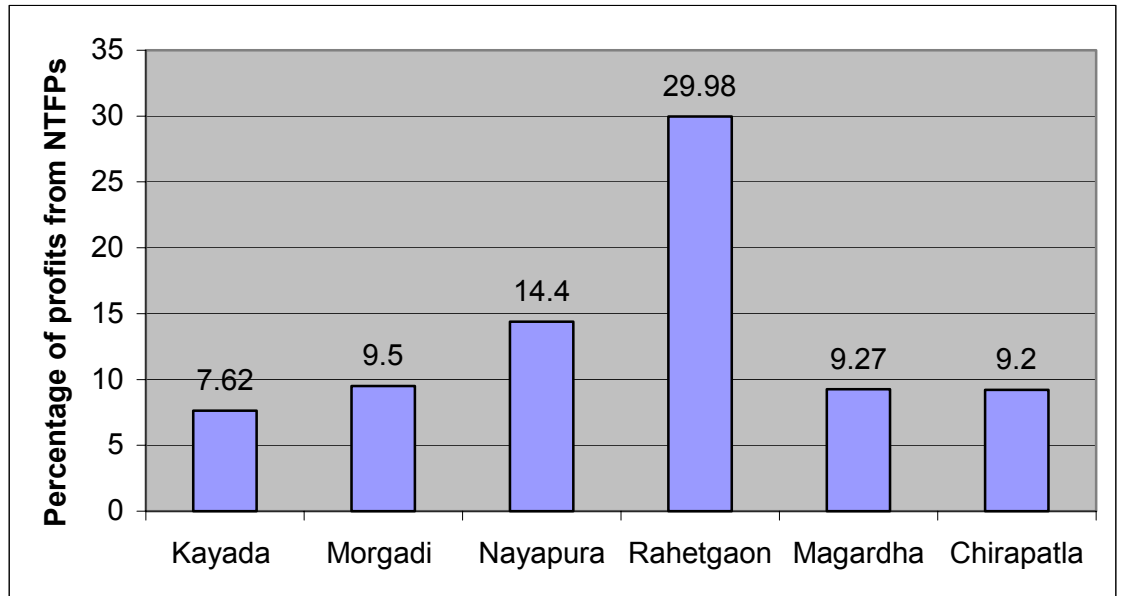
The dependence on NTFPs cannot be judged in monetary terms alone. Certain products simply do not have substitutes; and they are in effect essential for survival. For example, in monetary terms, fuelwood contributes 23% to the household income in study villages on an average, but because of absence of alternatives, 'actual' dependence is much higher. Similarly, bamboo contributes less than 1% to the household income, but bamboo is essential for repairing houses and fences.

Again, the dependence on *Mahua* is also very high because taking liquor is in the culture of the tribal people and they have no other alternative.

7.2 Dependence of traders

The traders in the sample markets have a low dependence on NTFPs. The NTFP trade is a secondary occupation for most of them. Many of the traders mainly trade in agricultural products but buy NTFPs when available. Some of them (observed at the Morgadi *haat*) are basically farmers, who trade in NTFP for additional income. The proportion of profit from NTFP out of total profit for traders (who deal with NTFP) is about 11%. Figures for each of the haats are shown in the graph below.

Plate 7.3 Dependence of traders on NTFP trade



At Rahetgaon, there is only one trader who deals with NTFPs. Expectedly, his level of diversification to other products is relatively less, and a relatively larger share of his profits come from NTFPs.

CHAPTER 8 Perceptions of Stakeholders

The perceptions of the different stakeholders involved in the trade of NTFP are captured in this section.

The following are the stakeholders in NTFP trade:

- The community (Includes primary collectors and consumers)
- The JFMC
- The FD
- The middlemen
- The traders

8.1 The community

8.1.1 Profile of the community

The two main NTFPs of the region, *Tendu* and *Mahua* are collected by more or less all the families in the villages. *Mahua* is mainly used for consumption by the community both as liquor and food. *Mahua* is sold when there is some excess. *Tendu* being a nationalized product is not traded in the market and neither do the primary collectors consume it.

Mahua is collected for about 15 days, which is the season for *Mahua* flowers, from the nearby forests. The tribal population of the district, mainly the Korkus and the Gonds, use it both as food and liquor. *Mahua* is used as food by the poorer families, like the landless labourers, who cannot produce enough grains to sustain themselves throughout the year. The Rajputs (observed in Unchaan) and the Bishnois (observed in Dheki) collect *Mahua* flowers purely for commercial purposes. It is sold in the weekly markets by the community.

If the weekly markets are not easily accessible, the community sells the NTFP to the middlemen who visit the villages. This is observed more in the villages of the Timarni block, Borpani and Temagaon range, where the markets are not accessible due to poor road conditions. The middlemen are also involved when the volume of the NTFP is less and the community does not want to take the pains of going to the market for that. However, they prefer to go to the weekly markets because they get better prices there.

Tendu is collected at the village level in local collection centers called *phads*. The community gets wage at a rate of 40p for 50

leaves for collection. They get a bonus from the profit earned by the FD after the leaves are sold. The profit from the sale of *Tendu* leaves is completely given out to the community on the basis of the number of leaves collected by each family.

Other NTFPs like *Achaar* and *Aonla* are collected by the community in negligible amounts. *Achaar* is observed, though in small quantities, in the Nayapura (in the Handia range of the Harda block) and the Kayada bazaar (in the Borpani range of Timarni block). These NTFPs are used as fruits by the community when they are available. The community is generally not dependent on these NTFPs.

8.1.2 Perceptions

On the JFM committees

The community feels that the JFMCs have been successful in protecting the forests from forest fire and illicit felling.¹²

However, the community in general feels that these efforts have not been enough to increase the volume of NTFP available in the forests. The volume of *Mahua* had been decreasing over the past few years, which did not stop even after the interventions of the JFMC. This decreasing trend is also observed in case of the other NTFPs like *Achaar* or *Aonla*. The availability of *Tendu* has remained more or less the same. The secondary data on *Tendu* leaves do not show any noticeable change in the productivity over the past two decades.

According to the community in Aamba the JFMC has been successful in building certain infrastructures in the village. The farmers in Bheempura observe that the JFMC has been of much help to them in providing loans before the commencement of the agricultural season. However, none of them feel that the operations of JFMC have had any effect on the NTFP in their region.

A notable exception is Sigampur, where the community feels that the NTFP scenario has improved due to the activities of the JFM. It would be interesting to note however, that the dependency on NTFP for this village is on the lower side of the average (around 6.25% of their average annual household income).

¹² The perceptions in Keli, a village with some sympathy for the MTO movement in Harda, vary as far as illegal felling is concerned. The community feels that the JFM program has increased the status of illegal felling, as the JFMC members themselves are involved in illegal felling of timber.

The community also feels that the JFMC has not been able to regulate the market conditions in favour of the community neither have they played any direct role in getting better prices for the community from the middlemen.

On the Forest Department

The community feels in general that the Forest Department does not promote the growth of NTFP species in the forests and this is the reason why the decline in the availability of the NTFP has not stopped. They feel that the reason for the FD not having plantations of the NTFP species is that these species do not bring profit to the Department. That is why, they feel, that the FD promotes plantations of teak and other timber species and not NTFP species.

There is a mixed feeling on the nationalization of *Tendu* done by the FD. In some of the villages there is a feeling that the nationalization has reduced the profits getting accrued from it, while in others the community feels that the profits have increased due to this act of the department. Though there is no clear trend as to the villages differing in their opinion but it can roughly be observed that the villages where the community got “bonus” (the share of the profit of the sale of *Tendu*) think that the nationalization has increased the profits and the others do not.

In one forest village, the people felt that the *Tendu* policy has reduced their profits and state that the Department stops the collection even when there is quite some amount of leaves in the plants. During the system of the contractors collecting the leaves, the community could pluck as much as they could and there were no restrictions.

However, in other forest villages in the same block, the community perceives that the nationalization of *Tendu* has increased their profits and they also feel that all other major NTFPs in the region should be nationalized in order to provide more benefit to the community. Thus, the FD should start regulating the trade of *Mahua* too, in a similar manner like that of *Tendu*.

Bansod families and bamboo

The Bansod families (observed in Siganpur) feels that though there is an increase in the bamboo forests in the region, it has not helped them. This is because bamboo *Nistaar* is not allowed directly from the forests. The Bansods need to collect the bamboo from the *Nistaar* depots. However, the bamboo found in the depots is not of the quality required. The Bansods are not even allowed to choose from the available bamboo culms. Thus, much of the bamboo that they get are rendered useless; and due to the lack of proper storage facilities the bamboo culms tend to dry up. These dry culms are of no use for the

On the middlemen

The community in most of the villages feels that the middlemen do try to cheat them (on weights and prices). However, the community is more aware now of market prices and measurements.¹³ This has made them less vulnerable to the middlemen. Earlier the community was not very clear about the conversion factor of the traditional measurement systems (like pai, pala etc.) to the metric system, which is the system the traders and middlemen use. Nowadays, they are more conversant with these conversion factors and thus they are not afraid of the middlemen any more. The villagers in Jhpnadeh however, feel that they are still oppressed by the middlemen but they do not have any other option, as the markets are not always accessible.

The community however, feels that the middlemen are essential for the trade of NTFP. The reasons they cite is that it is not always possible for them to carry their collection to the markets and sometimes the collection is so less that the traders simply refuse to buy it. The second reason is that the middlemen provide loans for the agricultural seasons, which is essential for the community.¹⁴ In Bheempura, though, the JFMC has started giving loans to the community at a lower interest rate than the middlemen.

Thus, the community feels that the middlemen do have a role to play in the market chain, even though they have a tendency to cheat.

¹³ At several places, collectors felt that middlemen find it a bit more difficult to cheat on prices in recent times (due to greater awareness about prices); however they (continue to) cheat on weights.

¹⁴ This is an example of 'interlocking of markets' in the classical sense, in this case credit and NTFP (trade) markets are mutually locked up.

On the traders

The community feels that the traders also try to cheat them on the weight of the products. However, sections of the community prefer to sell their products to the traders as they pay better prices. The villagers in Bori, Dhega, Rawang and Jhapnadeh feel that the traders are better to deal with but the only problem is that they do not entertain small amounts and want products in bulk amounts. These people also feel that the traders pay more and are not as oppressive as the middlemen.

However, in some villages like Chikalpat, the community feels that the traders are rude and they change the prices of products on their will. According to them, the traders act as dictators and are difficult to deal with.

This knowledge about the market condition has given them some bargaining power with the traders and there has been some rise in the prices of the products in the last few years.

8.2 The JFM committees

The committees have two bodies – the General Body, constituting of all the villagers of the concerned village, and the Executive Body, constituting of some elected members from the village, the President of the committee and the Secretary (the Forest Guard is the ex-officio Secretary).

The duties and the responsibilities of the Joint Forest Management Committees are:

1. The Forest Protection Committee will be entirely responsible for the full protection of the forest area allocated to the committee.
2. The JFMC shall prevent any attempt of illegal cutting, encroachments, illegal grazing, fire and theft of forest produce or damage to forests. For this purpose Forest Protection Committee will perform its protective function through its members.
3. The Forest Protection Committee shall manage and protect all common property resources created in the village.
4. The JFMC shall assist forest officer in carrying out regulatory controlled grazing, removal of dead fallen wood, grasses and non-nationalized MFP.
5. The JFMC shall ensure equitable distribution of benefits derived from allocated forest area and village resources.
6. The JFMC shall assist forest officers in apprehending the culprit and ensure safety of produce involved in the

offence. The offenders apprehended by the Committee and forest produce will be immediately handed over to the concerned forest officer. The Forest Protection Committee shall provide required assistance to the Forest Officer in investigation of the offence including prosecution of the offender in judicial court.

7. On the report of any illegal cutting of tree or any other offence committed by any member of the JFMC, the concerned forest officer will take immediate action and may request the committee to debar him from the membership of the committee.
8. If any member of the JFMC is found guilty, action can be taken against him as desired by the Committee, which can include the termination of membership from the Forest Protection Committee.
9. The VFC will bear the responsibility of compliance of directives issued by the State Government from time to time in connection with just and fair distribution of the forest produce derived from the allocated forest area.¹⁵

Source: www.teriin.org/jfm/guide/mp.pdf – 15/06/2004 (Office of the Principal Chief Conservator of Forest, Madhya Pradesh Forest Department, Government of Madhya Pradesh.)

8.2.1 Perceptions

On the community

The JFMCs (the President, vice-president or members of the EC) of most of the villages feel that though the awareness about the need of forest conservation and protection has been generated to some extent within the community, it is still not enough to stop them from continuing unsustainable harvesting practices. In Dheki, the JFMC president, a Bishnoi by caste, states that the tribal population still continues with the unsustainable harvesting practices. He even stated that taking any step against them is difficult as they complain to the Tribal Welfare Department (TWD). Thus, lopping of branches of even *Aonla* or *Achaar* trees, which are on the verge of extinction in the region, still continues at large. They feel that it will take a lot of time for these to stop and thus the present crisis of NTFPs would continue for some time, and by then some of the NTFPs may be locally extinct.

In the villages where there are active MTO supporters (Bori, Dhega and Rawang), the JFMC feels that the awareness about sustainable harvesting practices and forest protection and conservation was getting generated but the MTO leaders

¹⁵ It is to be noted that promotion of NTFPs is not among the explicitly stated functions of the Committee.

instigate the uneducated tribal people to destroy the forests “with more popular issues”. This widespread destruction of forests has had its effect on the availability of NTFPs. In Bheempura, which has a few MTO supporters, the JFMC president had given a written petition to Ms. Shameem Modi, the leader of the Shramik Adivasi Sangathan (the most active MTO in the district), requesting her not to instigate the uneducated tribal mass (mainly Korkus in the village) to destroy forests.

(There are more MTO influenced villages in the Timarni block than the others. However, even the villages, which are called the base of the MTO movement by the MTO workers, do not support the movement completely. Dhega, the village the MTO workers call their fort has around 35 households actively supporting the movement of a total of 91 households. Rawang and Bori, other strong MTO dominated villages, have only about 15 to 16 households of almost 100 to 120, supporting the movement. Most importantly the section of the villagers not supporting the movement are not passive but against the movement as they feel that the FD has stopped supporting them due this movement.)

An exception is the village Sigampur in the Rahetgaon range of Timarni block, where the JFMC feels that the awareness has been generated amongst the community but NTFP species, like *Mahua* or *Achaar*, was never very common in the forests, in any case.

On the Forest Department

According to the JFMC in most of the villages the Forest Department had tried to dominate decision-making and therefore the JFMC could not do much about the NTFP species. In Bheempura, the JFMC president states that the illiteracy of the people had helped the FD to take the over charge and dominate decision-making in the context of choice of species for plantations on degraded forest land.

In the villages having MTO support, the JFMC thinks that the Forest Department is oppressive and does not help the community. In the pre-JFM days the Department officials used to make the community pay bribes. This trend continued even after the formation of JFM committees. They even gave undue support to the villagers who paid such bribes. The only interest of the FD is the revenue from the timber in the forests and they are not concerned with the development of the villages. However, nowadays the FD does not continue with their oppression but they do not support the JFMC at the same time. In Dhega, the JFMC representatives state that the FD took away

all their support from the village after an attempted attack on the DFO by the villagers of Munda Burru, which is one of the hamlets of the village.

In Jhapnadeh however, the JFMC feel that the FD has done its bit in forest protection but the community has not been aware enough to protect the forests properly.

On the traders and the middlemen

The JFMC, as an institution, has minimal interaction with the traders and the middlemen. Whatever interaction the individual members of the committee have is as a primary collector of the forest produce.

8.3 The Forest Department

At the village level the Forest Department is represented by the field level FD staff, that is, the Forest Guard and the Deputy Range Officer. The duties and the responsibilities of the Department with respect to the JFM program are

1. The Forest Officer will extend his full cooperation and guidance of JFMC in preparation and implementation of the micro-management plan.
2. The Forest Officer will also make all efforts to arrange for the funds required for the implementation of the plan annually.
3. If the forest officer is satisfied that the VFC has successfully and voluntarily protected the allocated area against grazing, fire, theft, encroachment etc. the funds earmarked for these functions will be placed under Village Resource Development Plan (VRDP) funds and the funds so accrued shall be invested on village resource development in accordance with the provisions made in the micro-management plan.
4. The Divisional Forest Officer or an officer authorized by him will make quarterly review of the work done by the JFMC. Shortcomings noticed during the review will be put before the JFMC, who will take all necessary corrective measures to overcome all the shortcomings as early as possible and not later than the date of next review.
5. If the Forest Officer finds that funds released for the implementation of the plan are not being properly utilized he will be authorized to suspend execution of the micro-management plan.
6. The Forest Officer will also make available training facilities regarding raising and maintaining a forest nursery, tree plantation and forest management. He will

train the VFC about how to keep the accounts of the works executed by it. In brief, the aim of training is to make the VFC competent for successful implementation of the management plan. At that stage the Department will release, directly to the committee, the annual plan budget as required under the micro-management plan.

Source: www.teriin.org/jfm/guide/mp.pdf – 15/06/2004 (Office of the Principal Chief Conservator of Forest, Madhya Pradesh Forest Department, Government of Madhya Pradesh.)

8.3.1 Perceptions

On the community

The front-line staff of the Forest Department feels that the community has in general gained from the programme to a large extent. But, the availability of the NTFPs has not increased because of the uncontrolled lopping of branches and sometimes even the trees. These practices are mainly followed by the tribal people to collect the NTFP. The FD believes that the awareness level of the community has not increased to the desired extent. They are still not well aware of the consequences of unsustainable harvesting practices.

According to the FD officials in Bori and Dhega the people got external support from the Shramik Adivasi Sangathan and went against the FD. Thus, forest protection and conservation was difficult. This in turn took its toll on the availability of NTFP.

The beat guard in Unchaan stated that the villagers were very less dependent on the forests and were not interested in the forestry operations. The village being quite developed the villagers do not even pay heed to the decisions taken in the JFM meetings. The village Dhanpadah went one step further in dissolving the JFMC, as it did not suit them. The community in these villages extracts their essential requirements freely from the forests. However, their dependency on forests is very low (4.56% and 2.12% of the annual average household income for Unchaan and Dhanpadah respectively).

An additional reason of the decreasing trend is the lack of rainfall for the past few years, which has made the lack of availability even more visible. They feel that the community in general blames the program and the department for the lack of availability without taking these issues into consideration.

On the JFMC

The Forest Guard as well as the Deputy Range Officer feels that the community has got a little aware about the forestry issues through the working of the JFM. However, the level of

awareness that should have been generated has not occurred as of now. In Aamba, the Beat Guard states that though the JFMC has worked well in terms of forest protection but the awareness level of the villagers have not increased to the desired extent. In the MTO dominated villages the FD officials feel that the MTO targeted the JFMC representatives and the latter started cutting down forests. The JFMCs in these villages are practically defunct and the destruction of forests is continuing. Proper forest protection, according to him, would definitely show results and there would have been improvement in the availability of NTFP and eventually its trade.

8.4 The middlemen

The middlemen are normally villagers of the nearby villages who visit the villages in bicycles and collect all the agricultural products or the NTFPs that the villagers want to sell. Normally they collect products in small amounts (few kilograms). They carry out such collection from several villages and then move to the weekly markets where they sell the product to the larger traders.

Often the middlemen give loans to the villagers. These loans are mainly disbursed during the commencement of the agricultural season, once before the sowing of seeds and again before the harvesting of the crop. Repayment of these loans is done both in cash and kind (the agricultural products or NTFPs), depending upon the economic status of the farmer. Many marginal farmers, mainly in the tribal dominated villages do not produce enough products so as to sell them at the markets; so they normally pay in kind. The middlemen charge an interest rate of about 30% to 40% per month.

The presence of middlemen is not observed in all the sample villages. They were seen to operate in the forest villages or in the revenue villages with high tribal population. The villages where the middlemen do not operate are either close to the markets (like Aamba or Dheki) or are comparatively well off (like Siganpur) or both (like Dhanpadah and Unchaan).

8.4.1 Perceptions

On the community

The middlemen operating in the Borpani, Temagaon and Makdai ranges feel that the availability of NTFPs like *Mahua* has remained more or less the same. NTFPs available for trade has dropped since the consumption has increased due to the increase in the tribal population.

They feel that the community has definitely gained in terms of the understanding of the markets however, the limited bargaining power that they have can only satisfy them as the middlemen can cheat them whenever they want to. For example, the middlemen operating in the villages around Morgadi observe that the community is well aware of the market price of the NTFPs and is not ready to sell their products at a lesser price. Thus, some of the middlemen offer them the market price and extract their transaction costs by cheating on the weights.

However, the middlemen throughout the district feel that since the trade of NTFP is not a profitable business for them, they are more interested in trading in agricultural products or giving away loans to the farmers. With the trade of *Tendu* taken up by the government and lack of availability of *Mahua* for trade, many middlemen are planning to stop trading in NTFP.

On the Forest Department

The middlemen do not have much of an interaction with the FD officials, however, the FD policy of the nationalization of *Tendu* has given a blow to their business. They think that the trade of *Tendu* was one of the most profitable businesses for them. This is because the *Tendu* collected is completely used for commercial purpose and it is not consumed at all. The availability of this product in the forests is also satisfactory and the market demand is also high. The middlemen feel that they do not earn as much as they used to do before the nationalization. Many of the middlemen are now planning to leave the trade as more and more government policies are making business difficult for them.

8.5 The traders

The traders of NTFP operate in the weekly markets. The larger traders sometimes operate from the district headquarters of Harda. None of the traders observed in Harda were completely dependent on the NTFP trade. They trade in NTFP along with other agricultural products; some of the traders are farmers and NTFP trade is an additional income for them.¹⁶

The traders at the markets prefer to buy from the middlemen as the latter can provide them with bulk amount of products, which is easier for them in terms of transaction. Sometimes, they recruit agents, who go to the villages and collect NTFP for

¹⁶ The annual profit from NTFPs is estimated at 10% of the total profit on an average.

them.

8.5.1

8.5.2 Perceptions

On the community

The traders, like the middlemen, feel that the availability of NTFPs in the market has reduced because of the increase in consumption due to the increasing population. They do not feel that there is an absolute decrease in the number of trees that were there. For example, a trader in the Kayada market states that, “*the tribal population is increasing by leaps and bounds and even the kids drink. How will they have any Mahua to sell?*”

The traders feel that the limited knowledge of the community has made business dealings with the community difficult. This is a reason that they prefer to deal with the middlemen and not directly with the community. They feel that the community has learnt about the prices to some extent but they do not understand the market dynamics like price variation based on the demand in the market or the quality of the product. They have learnt about oppression and they try to fight it without understanding the limitations of the traders.

On the middlemen

The traders consider middlemen as help to their trade, mainly because they can get bulk amount of products, which makes the transaction easier for the traders. This view was shared by the traders of the Morgadi market. Another important reason for the preference of middlemen is that the traders consider it easier to deal with the middlemen, as they understand the market dynamics better than the community.

However, in the Borpani and Temagon ranges of the Timarni block, the traders consider the middlemen as a problem. This is because the middlemen are not able to collect substantial amount of NTFPs due to the lack of availability. However, they demand a better rate than the community as they bring a larger amount of products at a time.

CHAPTER 9 Discussion

On the basis of the secondary data and the observation, different issues relevant to the trade of NTFP at Harda can be discussed. This discussion can highlight the perceptions of the different stakeholders and the variance in the same. The perceptions can be seen to vary depending upon the background of the different sample villages.

9.1 Availability of NTFP

As far as the availability of the NTFP is concerned there has been a sharp decline in the availability of NTFPs like *Achaar* or *Aonla*. The decline is so much that *Aonla* can almost be considered to be locally extinct and *Achaar* is also following the same path. Thus, the dependency on these NTFPs has dropped too and the community uses it when it is available.

This has occurred due to widespread lopping of branches and sometimes even trees of these products. The branches of these plants (especially *Achaar*) are weak and thus it is difficult to get the fruits and the community normally lops the branches to get the fruits.

It is also true that the Forest Department did not try to revive the condition of the NTFP species through plantations under the JFM program or other large-scale programs of the department. An attempt was made in a small-scale in a few villages in the division to such an effect but till now there has not been any large-scale attempt by the Department.

This situation has not occurred with *Mahua*, as the flowers that are collected are normally picked from the floor. However, to make the collection process easier the community burns the dry leaves that gather around the trees. This process sometimes kills the seedlings of the trees. Thus, though the standing trees are not harmed, the regeneration process is definitely harmed to some extent. Therefore, the growth in number of *Mahua* trees, which was expected due to the forest conservation and protection, did not occur to the desired extent.

However, the Department cannot make any attempt for any revival of *Mahua*, as the Government does not promote the growth of this plant as it is primarily used to prepare liquor.¹⁷

¹⁷ This is based on discussion with DFO (Territorial) of Harda Forest Division

Tendu production data shows a flat trend – with an annual average of 25460 standard bags (and an SD of 6087 standard bags).

It is observed that the bamboo culms dry up while in the depot and many of the culms that the Bansod families get are not of any use to them. However, the cost involved in improving the storage facilities in the depots would be very high and it would not be practically possible for the Department to create a proper storage facility for the bamboo culms throughout the state. This would also create an unwanted rise in the price of bamboo owing to the increase in the operational costs.

9.2 Collection of NTFP

In the pre-JFM days there was no demarcation of the forests and the community were free to collect NTFPs from any part of the forest they wanted. The demarcation of forests was done to increase the productivity of forests mainly in terms of NTFP. However, the number of villages following this demarcation strictly is very less. The villages under MTO influence do not follow the restrictions at all. Even in some of the villages in the Harda block, , these restrictions are not strictly followed. The reasons for not following the demarcation are

1. The FD is inactive in places
2. The community feels that the such demarcation only creates conflicts
3. The JFMC members feel that they do not have enough power to impose the rules

However, the lack of the restrictions has put in substantial pressure on the forests and the effect can be seen in the lack of availability of the NTFPs. Thus, it can be concluded that the awareness that needed to be created within the community has not been done.

There is a perception about the collection of *Tendu* leaves that the Department sets targets and stops collection when there are enough leaves to be collected. The reasons for the setting up of target, as stated a senior official of the FD, are the following:

1. Madhya Pradesh is renowned for Tendu leaves. Thus, the FD does not want to compromise on quality for quantity.
2. The time period for collection from all the collection centers, stocking at the depot and then marketing of the product is not much. Thus, lot of time cannot be given

for collection

3. The FD has to arrange a lot of money for advance payments. This is normally taken from the banks as loans. Thus, a target is required to know the estimated costs. If collections exceed targets by a large amount, it gets difficult to arrange loans.

There were different views on the issue of the nationalization of NTFPs. A section of the community was in favour of the nationalization *Mahua*, as they felt that the nationalization of *Tendu* has helped them.

The CCF, Production stated the considerations on which an NTFP is nationalized.

1. High market demand or marketability of the product
2. The use pattern of the product by the community. (More the consumptive use less is the desirability of nationalizing it.)
3. The possibility of supply of the product on a large scale.

Mahua, the main non-nationalized NTFP of the district does not fulfill any of the criteria stated above and thus the nationalization of this product is less likely.

9.3 Trade of NTFP

The profitability of the middlemen and traders, as already shown, is about 26% of their expenditure, which can be considered to be very high. However, in absolute terms the trade in NTFP is not very profitable considering the availability of the NTFPs in Harda. Thus, the middlemen cannot operate in any village only for NTFPs as the transportation and opportunity costs involved would substantially reduce their profit margin.

Another perception concerning the trade of NTFP is the passive role played by the JFMC in regulating the market prices and providing a uniform market price. However, the JFM guidelines do not specify any such role for the JFMCs. Above all, since the traders and the middlemen are (usually) not members of the JFMC, any rule passed by the committee may not be binding on them. The regulation of the local weekly markets is done by the Village Panchayat, through the Mandi Samiti (an ad-hoc committee under the Panchayat) of the concerned village. Thus, the JFMC is not authorized to take decisions concerning the markets.

9.4 The analytical framework again

In this section, we attempt to link up the broad study findings with the analytical framework of the study. In other words, we try to see what factors are most important in defining the perceptions that market actors are seen to exhibit. These factors are summarised below:

- **Availability:** The availability of several NTFPs has declined, though the availability of tendu, the key nationalised NTFP has remained static. The decline is either due to unsustainable harvesting or inadequate attention given to NTFP species by the FD, or more generally by the JFM process. This factor lies partly in the domain of policy and partly in the domain of change. Clearly, current policy does not favour NTFP production to the needed extent; on the other hand, there is not enough ground-level awareness on the means to harvest the resources sustainably.
- **Collection:** Demarcations in principle restrict unsustainable collection; however the reasons due to which demarcations are not adhered to lie within the political sphere. In villages with significant MTO domination, demarcations are much less adhered to (or so is the perception of the community). This issue is technically, then, in the domain of change – the policy is in place, but ground level political dynamics help shape perceptions on this issue.
- **Trade:** JFM Committees, as mentioned earlier, do not have a clear mandate as far control of non-nationalised NTFP trade is concerned. The result is some awareness at the community level, but still dominance of middlemen and traders. Indeed, an overwhelming perception is that middlemen remain essential elements of the market chain – a perception shaped by both the (classical) perceived role of the middleman and ground realities like inadequate links with the market.

ANNEXURE – 1: The Availability of NTFP

The NTFPs available annually in the different markets (figures in Quintal)

NTFP	Kayada	Morgadi	Chirapatla	Magardha	Nayapura	Rahetgaon
Mahua	800	288	1200	600	396	120
Achaar	12	NA	50	10	30	NA
Aonla	8	NA	15	NA	NA	NA
Gulli	40	12	60	25	NA	NA

NA – Not Available

The per family annual collection of NTFP (figures in Kg)

Sl. No.	Village	Mahua	Achaar	Gulli
1	Aamba	200	5	20
2	Bheempura	150	NA	NA
3	Chikalpat	80	5	NA
4	Dheki	150	20	50
5	Rawang	200	4	NA
6	Unchaan	80	5	NA
7	Bori	50	NA	NA
8	Dhega	60	NA	NA
9	Jhapnadeh	80	4	
10	Keli	150	NA	30
11	Siganpur	80	NA	5
12	Dhanpadah	50	NA	5

NA – Not Available

Source: Primary survey

ANNEXURE – 2: TENDU PRODUCTION IN HARDA

Production of Tendu leaves from 1975 to 2003 (figures in *manak bora* (standard bags), 1000 *gaddis*, 1 *gaddi* contains 50 leaves).

Year	Production (in <i>Manak Bora</i>)
1975	14383.364
1976	19985.549
1977	23984.702
1978	25967.844
1979	22755.306
1980	22126.178
1981	34742.110
1982	31919.408
1983	24672.564
1984	31513.775
1985	27773.364
1986	27313.647
1987	32714.000
1988	30268.139
1989	24780.177
1990	32622.959
1991	18579.305
1992	19679.559
1993	22767.000
1994	20296.040
1995	22465.135
1996	27165.640
1997	23849.580
1998	32137.960
1999	33379.585
2000	36815.915
2001	13817.360
2002	19371.085
2003	20501.349

Source: Harda Forest Department Production Division

ANNEXURE – 3: AVERAGE ANNUAL HOUSEHOLD PROFIT FROM NTFP

	House holds	Average annual income per family	Mahua	Achaar	Gulli	Tendu	NTFP
Aamba	46	13500	1650	600	140	600	2990
Bori	48	11500	800	NA	NA	200	1000
Dhega	91	9400	800	NA	NA	400	1200
Keli	157	7300	1200	NA	NA	400	1600
Dheki	36	15000	1200	600	420	260	2480
Unchaan	53	25000	640	NA	NA	500	1140
Chikalpat	100	18000	1200	200	NA	NA	1400
Jhpnadeh	57	8300	880	NA	NA	300	1180
Dhanpadah	58	34000	720	NA	NA	NA	720
Rawang	184	11000	1600	120	NA	300	2020
Siganpur	65	32000	1200	NA	NA	800	2000
Bheempura	62	11500	1650	NA	NA	100	1750

Source: Field team reports and primary survey

ANNEXURE – 4: AVERAGE ANNUAL PROFIT OF TRADERS FROM NTFP

	Number of shops	Average profit per shop (in Rs.)	Average profit from NTFP (in Rs.)	Percentage profit from NTFP
Kayada	4	70000.00	5336.00	7.62%
Morgadi	6	208333.30	18795.00	9.50%
Nayapura	9	50555.56	7279.00	14.40%
Rahetgaon	1	40000.00	11990.00	29.98%
Magardha	5	62000.00	5748.00	9.27%
Chirapatla	4	61250.00	5637.50	9.20%

Source: Primary survey

ANNEXURE – 5: PROFILE OF HAATS (LOCAL WEEKLY MARKETS)

Kayada Market

Range: Borpani

Block: Timarni

Day of the Haat: Saturday

Total number of villages catered to: 15 – 20 (mostly forest villages)

The sampled villages catered to: Keli, Rawang

Area of the Haat: 7 acres

Tax paid to: Contractor of the Village Panchayat (*Mandi Samiti*)

Amount: Rs. 10/- at a flat rate

System of transaction: By money and in exchange of oil or salt

Traders: Mostly outsiders some local

Mode of transport: Tractor, bullock carts, horses, bicycles or by foot

NTFPs found: *Mahua, Aonla, Achaar, Baikumba*

Description of the Haat

Shops	Type	Number
Grocery	Temporary	15
Vegetable	Temporary	15
Spices	Permanent	10
Clothes	Temporary	8
Shoes	Temporary	5
Food	Permanent	1
	Temporary	7
Ornaments	Temporary	6
Other Services	Permanent	1
	Temporary	4
Agricultural products	Temporary	4
NTFP	Temporary	4

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount (in Qtl)
Mahua	200	4	800
Achaar	3	4	12
Aonla	2	4	8
Gulli	10	4	40

Baikumba	0.2	4	0.8
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Observation

The Kayada bazaar is a typical tribal market with very few permanent shops. The main products that are traded in the market are the household accessories, spices and vegetables. The variety of NTFP found is the maximum in this market but the amount of NTFPs other than *Mahua* are very less.

The traders are mainly from Betul or Maharashtra. They collect the food grains and NTFPs from Kayada and go to larger markets like Chicholi or even to Ratlam and Jhabua. One product called *Baikumba* (a plant with some medicinal value), found in very small amounts in the market is sold directly at the Delhi market.

Magardha market

Range: Magardha

Block: Khirkiya

Day of the Haat: Friday

Total number of villages catered to: Around 30 – 40 villages

The sampled villages catered to: Jhapnadeh

Area of the Haat: 10 acres

Tax paid to: Contractors of the Village Panchayat (*Mandi Samiti*)

Amount: Rs. 10/- per shop on a flat rate

System of transaction: By money

Traders: Local as well as outsiders

Mode of transport: Tractor, bullock carts, bicycles or by foot

NTFPs found: *Mahua, Achaar*

Description of the Haat

Shops	Type	Number
Grocery	Permanent	3
	Temporary	7
Vegetable	Temporary	10
Spices	Temporary	5
Clothes	Temporary	2
Food	Permanent	6
	Temporary	5
Ornaments	Temporary	1
Other services	Permanent	3
Agricultural products	Temporary	2
NTFP	Temporary	5

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount (in Qtl)
Mahua	60	5	300
Achaar	5	5	25

Rahetgaon market

Range: Rahetgaon

Block: Timarni

Day of the Haat: Sunday

Total number of villages catered to: Around 30 villages

The sampled villages catered to: Aamba, Gangradhana,
Dhanpadah, Sigampur

Area of the Haat: 20 acres

Tax paid to: Village Panchayat (*Mandi Samiti*)

Amount: Rs. 10/- for permanent shops, Rs 7/- for temporary shops

System of transaction: By money

Traders: Local as well as outsiders

Mode of transport: Tractor, bullock carts, bicycles or by foot

NTFPs found: *Mahua*

Description of the Haat

Shops	Type	Number
Grocery	Permanent	14
	Temporary	8
Vegetable	Temporary	20
Spices	Temporary	9
Clothes	Permanent	8
	Temporary	2
Shoes	Permanent	5
	Temporary	1
Food	Permanent	17
	Temporary	20
Ornaments	Permanent	5
	Temporary	2
Other services	Permanent	5
Agricultural products	Temporary	10
NTFP	Permanent	1

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount (in Qtl)
Mahua	120	1	120

Observation

The Rahetgaon market is a large one in this area. There are many permanent shops in the market and lots of transactions take place even in the other days. Rahetgaon is the range headquarters and quite a big township. More or less every type of shops and products are available.

The area does not have much of *Mahua* trees therefore the number of shops trading with the NTFP is much less.

Chirapatla market

District: Betul

Day of the Haat: Sunday

Total number of villages catered to: 15 – 20 (mostly forest villages)

The sampled villages catered to: Bori, Dhega

Area of the Haat: 15 acres

Tax paid to: Contractor of the Village Panchayat (*Mandi Samiti*)

Amount: Rs.2/-, Rs5/- and Rs10/- depending upon the size of the shop.

System of transaction: By money and in exchange of oil or salt

Traders: Mostly outsiders some local

Mode of transport: Tractor, bullock carts, horses, bicycles or by foot

NTFPs found: *Mahua, Achaar, Gulli*

Description of the Haat

Shops	Type	Number
Grocery	Temporary	20
	Permanent	5
Vegetable	Temporary	30
Spices	Temporary	20
Clothes	Temporary	40
	Permanent	5
Shoes	Temporary	10
Food	Permanent	5
	Temporary	4

Ornaments	Temporary	10
Other Services	Permanent	5
	Temporary	2
Agricultural products	Temporary	4
NTFP	Temporary	4

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount (in Qtl)
Mahua	48	4	192
Achaar	5	4	20
Gulli	3	4	12

Morgadi market

Range: Makdai

Block: Khirkiya

Day of the Haat: Sunday

Total number of villages catered to: 15 to 20 villages

The sampled villages catered to:

Area of the Haat: 5 – 6 acres

Tax paid to: Contractor of the Village Panchayat (*Mandi Samiti*)

Amount: Rs. 5/- per shop on a flat rate

System of transaction: By money

Traders: Local as well as outsiders

Mode of transport: Tractor, bullock carts, bicycles or by foot

NTFPs found: *Mahua, Gulli*

Description of the Haat

Shops	Type	Number
Grocery	Permanent	3
	Temporary	10
Vegetable	Temporary	15
Spices	Temporary	10
Clothes	Temporary	5
Shoes	Temporary	2
Food	Permanent	3
	Temporary	10
Utensils	Temporary	5
Ornaments	Temporary	8
	Permanent	3
Other services	Temporary	2
	Permanent	2
Agricultural products	Temporary	6
NTFP	Temporary	6

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount per annum (in Qtl)
Mahua	48	6	288
Gulli	2	6	12

Observation

Morgadi is a roadside haat in the Makdai range and is one of the largest in that region. The traders of NTFP and agricultural products are mainly outsiders. All the traders deal in both types of products and they are not large scale buyers. They normally sell the NTFPs to the traders from Chicholi at Morgadi after the season for the product is over.

Nayapura market

Range: Handia

Block: Harda

Day of the Haat: Tuesday

Total number of villages catered to: Around 20 villages

The sampled villages catered to: Unchaan, Dheki

Area of the Haat: 5 acres

Tax paid to: Contractors of the Village Panchayat (*Mandi Samiti*)

Amount: Rs. 5/- per shop on a flat rate

System of transaction: By money

Traders: Local

Mode of transport: Tractor, bullock carts, bicycles or by foot

NTFPs found: *Mahua, Achaar*

Description of the Haat

Shops	Type	Number
Grocery	Permanent	3
	Temporary	7
Vegetable	Temporary	10
Spices	Temporary	5
Clothes	Temporary	2
Food	Permanent	6
	Temporary	5
Ornaments	Temporary	1
Other services	Permanent	3
Agricultural products	Temporary	2
NTFP	Temporary	9

Amount of NTFP

NTFP	Average amount (in Qtl)	Number of shops	Total amount (in Qtl)
Mahua	44	9	396
Achaar	20	9	180

Observation

Nayapura is a small haat mainly for the NTFPs. The villagers arrive at the haat, sell the NTFP or the agricultural products that they have got and buy mainly vegetables and groceries with the money. The agricultural products that are sold are in small amounts and there is no large-scale buyer of the agricultural products.

ANNEXURE – 6: PRICE TREND OF MAHUA

Average Procurement Price (ACP)

	Kayada	Rahetgaon	Chirapatla	Magardha	Morgadi	Nayapura	Average Price
Amount Transacted	800	120	192	300	288	396	
Mar-Apr	9	8	9	9	11	8	9
May-Jun	9.5	9	9.5	9.5	11	8.5	9.5
Jul-Aug	11	10	11	11	12	10	10.9
Sep-Oct	12	11	12	12	13	11.5	12

Prices in Rs. per Kg

Average Selling Price

	Kayada	Rahetgaon	Chirapatla	Magardha	Morgadi	Nayapura	Average Price
Amount Transacted	800	120	192	300	288	396	
May-Jun	12	11	12	12	12.5	12	12
Jul-Aug	14	12	15	15	14	13.5	14
Sep-Oct	15	14	15.5	15.5	16	14	15
Nov-Dec	16	15	16.5	16.5	17	15	16
Jan-Feb	18	16.5	18	18	19	16.5	17.8

Prices in Rs. per Kg