

Proceedings of

THE NATIONAL CONSULTATION ON CORPORATE INITIATIVES IN DEVELOPING THE NTFP SECTOR : SCOPE & STRATEGIES



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Background: Indian industries have been sourcing their raw materials from the rich & diverse non-timber forest product(NTFP) resources of the country since long. As detailed below they use either one or more of these products and are in some cases almost exclusively or critically dependent on the same:

Paper industry: Bamboo(critical¹), sabai grass

Bidi industry: Tendu leaf(critical)

Lac processing industries: Lac(critical)

Leather industry: Chebulic myrobalan and some other natural tan-stuff from forest

Pharmaceuticals: Wide range of NTFPs used(critical in some cases, like *Boswellia serrata* cream produced by CIPLA)

Cosmetics: Wide range of NTFPs used(critical in some cases)

Agarbatti industry: bamboo stick, glutinous bark, sal resin, guggul, etc.(critical)

Vanaspati industry: mahua oil, sal seed oil, etc.

Bio-fuel industry: karanj seed, etc.

The confectionary industry uses or can also use various NTFPs like chironjee, and the chocolate industry would be able to use sal seed butter and other cocoa butter equivalents produced from NTFPs once the Food Adulteration Act is amended to that effect.

Besides there are a number of cottage industries depending upon NTFPs. They produce natural dyes, and decorative items, etc.. Non-edible oil seeds can yield bio-manures and bio-pesticides.

Role of the corporate sector in NTFP development:

While the corporate sector has been keen on ensuring supply of NTFPs that are critical to it, it has rather taken a defensive position so far utilization of the vast potential of the NTFP sector is concerned. That is to say, it has remained dependent on the clues known to it or made available to it through R&D, and has not done much on its own to develop this sector. However, there is a growing perception that a public-private partnership is the need of the hour.

The corporate sector can invest in developing the NTFP sector for and in the following areas:

Securing existing raw material supply: For instance insecure supply of glutinous bark(producing *jigat* powder, a binding agent) for agarbatti industry has been a matter of concern since many years. In July 2000 the Federation of Indian Export Organizations openly shared this. The corporate can contribute to conservation, propagation and sustainable management of the resource base.

¹ Suggests here the importance as a raw material for the concerned industry.

Developing new products through R&D: Intensive & well-conceived R&D activities can discover how the inherent properties of natural products can be utilized for the benefit of humanity. Further, it can also invent mechanisms to give new dimensions to the material properties. And such type of focused, well-targeted and dynamic R&D work is more expected from the corporate sector.

Using NTFPs for low-cost & eco-friendly pollution control measures under Clean Development

Mechanism(CDM): Studies have shown that natural products can provide low-cost, eco-friendly solutions to pollution, particularly for

treatment of industrial effluents. Recently one such mechanism was adopted by TATA in its Sukinda mines to treat effluents toxic with hexavalent chromium using harda(*Terminalia chebula*).

R&D that revolutionized NTFP sector

In 1950s Jagdish Lath a timber merchant of Sambalpur, Odisha by chance got a taste of tribal cake prepared with sal seed oil. He sent the oil samples to various industries which confirmed that sal fat can be used as cocoa butter equivalent in chocolate making. Odia scientist Dr. Dasharathi Mishra proved that sal fat can have confectionary applications. Lath then started commercial collection of sal seed which gradually spread over to other states. Millions of poor people could now earn from a forest produce that was hitherto wasted. This revolutionized the NTFP trade in India and gradually more items followed this line.

As a part of corporate social responsibility (CSR): Whereas most of the industries & mines are established in forest areas, and the deforestation caused for this purpose can't simple be compensated by a calculation based on timber value because loss to the ecosystem & the socio-economic system dependent on that go much beyond the physical loss in terms of tree cutting, CSR activities should include regeneration, conservation & protection of available forest resources, and also providing support like value addition units for NTFPs, capacity building, microgrants to NTFP collectors, etc.. Even supporting patent claims on behalf of or for the communities or indigenous knowledge systems can be included under CSR.

Community partnership is mandatory for the private sector:

Whereas in Scheduled Areas the local communities (their Gram sabha or Panchayat) are the legal owners of the minor forest produce(which includes bamboo and kendu leaf, lac, tassar, gum, etc. as defined in the Forest Rights Act,2006) of their respective areas as per the Provision of Panchayats Extension to Scheduled Areas Act(PESA), the Forest Rights Act recognizes community ownership over the MFP in both scheduled and non-scheduled areas of the country where the forest rights are recognized . This also means that state or private monopoly over such produce is legally invalid, so state monopolies on bamboo and tendu patta can be challenged in the court of law. Moreover, the Biological Diversity Act provides for constitution of Biodiversity Management Committees(BMCs) at the level of panchayat(also Panchayat Samiti and Zilla Parishad) and urban municipal authorities, and these committees will supervise/regulate the access to local biological materials by all stakeholders; which means that without the approval of BMC/State Biodiversity Board no commercial procurement of NTFPs or biological materials would be legally valid. Some agencies are already following this process in Andhra Pradesh. Hence, the private/corporate sector has to enter into a partnership agreement with the local communities if it wants to ensure raw material supply from their areas. Not only for the purposes of an effective monitoring but also to have a dignified

partnership the raw material procurers must remain accountable to the local communities and their authorised institutions, and should be prepared for social audits too.

Social activists/organizations have been expressing concern over the fact that private procurement has often been exploitative and corrupt in nature, in addition to environmental degradation. They have organized the primary collectors into institutions so as to check this exploitation to a possible extent and to better bargain for their rights. However, it is also true that the NTFP sector has survived almost solely because of the private sector. Even the public sector marketing agencies ultimately depend on the private sector for the bulk sale of their produce. It is too late but still highly relevant that both the private/corporate² sector and the social sector recognize each others' plus points, skills, advantages, and also the benefits of a mutual partnership; and work out a mechanism that establishes a sustainable, dignified, and remunerative partnership between the industries and the communities.

About RCDC: Regional Centre of Development Corporation (RCDC) is one of the premier NGOs of Odisha engaged in research, advocacy, and field interventions relating to natural resource management, community livelihood and environmental issues. It has emerged as one of the leading organisations of India in the research and policy advocacy on NTFPs. RCDC is a member of many networks including NTFP-Exchange Program India, Ecosystem Alliance, and the International Union of Forest Research Organisations(IUFRO). More details are available at www.rcdcindia.org and www.banajata.org ..

Objective of the Workshop: RCDC has been promoting the sustainable development of the NTFP sector since long. It has observed that while on one hand the industrial sector has not contributed



much towards this goal while exploiting the NTFP resources heavily, it has on the other hand been noticed that traditional forest dwellers(particularly the young and educated generation) are gradually showing disinterest in NTFP collection. This is most likely because the way the modern educational system trains the society, NTFP collection or wild collection seems to be rather a retrograde occupation, and this perception gets critical when various government-sponsored income generation schemes appear to be more securing and remunerative than the forest collection. However, NTFP collection has in itself the potential to provide a more sustainable occupation than the government schemes; and the need of the hour is to make best use of this

This forest oil seed, unlike the well-known oil seed of *Madhuca indica*, is lesser known and lesser used despite its usefulness to produce edible oil. R&D, and other initiatives are necessary in such cases. Photo: RCDC.

‘ Bikash Rath would like to clarify here that he has consciously chosen to emphasize on the term ‘corporate sector’ instead of ‘private sector’ because he sees that the former represents a more well-organized, aggressive, expansive, and advanced(technically) form of the latter that can be more open to new concepts including a more socially responsible approach. We may recall here that the term ‘private sector’ may be misleading also because even the public sector companies have been alleged to be manipulative enough in their environmental and social responsibilities/compliances. On the other hand, corporate touch in R&D is likely to make research more dynamic, focused, target oriented, time-bound, and productive.

potential by adding value to the conventional dynamics involved; i.e. creating new marketability for the single-use or otherwise obscure NTFPs through R&D, proving/making the conventionally used items more useful /beneficial than thought previously, helping the primary collectors for a collective and dignified NTFP trading, and facilitating for resource conservation & development. Since it is a fact that the whole NTFP trade dynamics has sustained itself for more than a century chiefly because of the private entrepreneurship, and the corporate sector understands the growing global demand for herbal consumer products, hence instead of just rejecting or ignoring any role of the private/corporate sector in NTFP business development, Bikash Rath, a researcher and currently working for RCDC in the capacity of Sr. Programme Manager(NTFP research & advocacy) sought to explore the avenues of a possible corporate involvement in developing the NTFP sector. He acknowledges that the subject “Corporate Initiatives in Developing the NTFP Sector” is highly controversial. However, it was felt that the subject should be broached for active debate on the pros and cons in a transparent and participatory manner; involving all the major stakeholders including the corporate representatives so that the gap between the corporate and the society, the promoters and the primary producers, and the scientists and the NGOs can be bridged for a common cause: the optimum development of the NTFP sector for a dignified identity and remunerative & sustainable income to lakhs of forest dwellers while contributing to the list of reliable green consumables. Through this workshop RCDC tried to do exactly that, and more.

The presentations that were made in the workshop were selected for the following reasons:

- CCD, Madurai has demonstrated a well-established model of successful and mutually beneficial tie up between the community (primary collectors) and the company (raw material user). CCD was requested to present the NGO- and community perspective of this tie up.
- Natural Remedies, Bangaluru is one of the companies which has entered into this kind of tie up, and was requested to present the corporate perspective of this collaboration.
- ORMAS, a government of Odisha agency working for livelihood development, has entered into a tie up with ITC Limited(agarbatti division) and with the latter’s support has helped revolutionize agarbatti making in the state. It was requested to share this model.
- BioIndia Biologicals, Hyderabad has demonstrated several models of complying with the Biological Diversity Act for commercial procurement of NTFP/herbs. It was requested to share these models. The Biodiversity Management Committee’s experience was also desired to be shared alongwith this.
- Dr. P.L.Nayak, a senior nanotechnologist had developed biodegradable polymer from tamarind kernel. He was requested to share how nanotechnology can help revolutionize the present day NTFP value addition and marketing.
- JK Paper Ltd., through its representative Mr. Gaikwad (Sr. Manager, forest) was requested to present on the company’s views on tie up with the local communities in the light of Forest Rights Act and PESA, for bamboo operations.
- Bidarva Nature Conservation Society working in the Gadchiroli area of Maharastra was requested to share how the local communities are managing and benefiting from the bamboo resources after they received the community forest rights.

The Workshop: The workshop started with a mixed hope and expectations. The participants were from various backgrounds. There were community leaders, independent observers, NGO leaders and workers and also corporate representatives. The topic was relatively new and ‘adventurous’ for many of them.



The proceedings began with the welcome address of Sri Bikash Rath.

Bikash Rath: Namaskar. On behalf of RCDC I welcome every one. This program is unique. The theme and focus is controversial. The very fact that we are trying to combine the community with the corporate can and will raise eyebrows, and we know that. I thank RCDC that it has allowed me to organize this consultation on such a controversial subject; but let it be very clear that I assume personal responsibility for whatever controversial statement and discussion made/done during this meeting and RCDC should not be held responsible for that.

The corporate world is expanding. Globalisation has led to privatisation. The government is retreating and the corporate is taking over. This is partly because people have misutilised or taken undue advantage of the government machinery/services (this aspect in no way undermines the major factors: to reduce the burden of investment and to accelerate availability of state-of-art services/products for public access, if the alleged lobby/conspiracy behind is put aside for the moment). But, privatization seems to have benefited the government (politicians/bureaucrats) more than the people. Now, the corporate has started ruling over us and bending rules. It is normal that business is for profit, but if it is only for profit(without any proportionate social responsibility) we should oppose that. If we look at the mining sector we see how the corporate has effectively destroyed everything where they have mined. This is simply unacceptable.

The government has made laws which say that the communities own NTFP. But this is being overlooked.

Today we have all stakeholders present here. The community, the corporate, the CSO, all are present here. I invite all to learn and benefit. Please learn from the experiences of each other. Today we will discuss many models. None are perfect. But they can serve as pointers.

FIRST PRESENTATION

“CORPORATE Vs COMMUNITIES: FROM CONFLICT TO COLLABORATION IN NTFP SECTOR”

- Bikash Rath

There was an ambiguity as regards the definition of NTFP and/or MFP. As per the Indian Forest Act, 1927 NTFP or Minor Forest Produce (MFP) was not supposed to include Bamboo! Bamboo was to be treated at par with timber so far sharing the final harvest in JFM forest was concerned! This was unfortunately tolerated. Very few objected, but to no avail. I filed a RTI application asking them to provide necessary details of their provision for bamboo. But they did not have any! After that they changed their stance. They declared that 100% bamboo would be allowed to VSS and that the VSS would have 100% right. But even then this is still not in conformity with PESA. There is still ambiguity. The government is yet to make any arrangement. It continues to ignore legal provisions and follows the older regime. The corporate tends to follow the government. Therefore the government must revise its own practices.

Now the MFP has been defined. All must abide by this definition, as the law requires that. However I would request all to be cautious about this. The corporate too must be aware. The NTFP sector is still not organised. Things are chaotic.

The definition of MFP now is, "Minor Forest Produces' includes all non timber forest produce of plant origin including bamboo, brush wood, stumps, cane, tussar, honey, wax, lac, tendu or kendu leaves, medicinal plants and herbs, roots, tubers and the like." (Forest Rights Act, 2006)

The annual turnover of the NTFP/MFP sector is more than Rs. 5000 crores. The primary producers are the tribal and other disadvantaged groups. About 275 million people are dependent on this. The major stakeholders by gender are women. Today industries have grown up around NTFP's.

There is a perception that the corporate and community are two entirely different entities. This is only partially true. Though there may be differences, there are also similarities. Let us first look at the similarities. They both use natural resources for their livelihood/business. They both want more income/turnover. They both tend to pay less attention to conservation and for the sustainable management of the resource base. They both focus on individual survival and growth.

Now let us look at the differences. The communities are organised socially while the corporate is organised commercially/and or technically. Community culture is intimate with the resource base; it is more close to the heart, and as a result they find it difficult to adapt to the changes of time. The corporate culture evolves round the targets, the strategies and achievements; and is thus closer to the mind. They can thus easily adapt with the changes for business requirements. The communities (normally) expand unconsciously but the corporate very consciously and strategically.

There are certain characteristics of the corporate sector which cannot be found in the community. The corporate is an aggressive entrepreneur. It has sharp target lines. There is continuous innovation for survival. There is an urge and effort to be updated on the latest developments of immediate interest. It has a well structured and organised human resource. There is personal care for the performance of the company. There are well developed presentation skills.

But more important, we must analyse; where does the divide lie? This is not difficult to find out. The dynamism of the corporate and the community is different and is difficult to match. The community resents that the corporate is not transparent. This is evident to all of us. We must also acknowledge that the community is not much organised (vis-a-vis resource management and utilization). This leads to a number of difficulties. There is hardly any sincere quality control. There is no consistency in supply. There can be many other examples. To compound this, the government is indifferent. There is an unfavourable policy environment.

Difficulties are there. But there is scope for reconciliation. All the three laws, PESA, FRA and Biodiversity Act make it mandatory that commercial exploitation of NTFPs is possible only when there is permission of local communities (hence the industrial procurers have to honour this). Present efforts reflect that there is an attempt to convert SHGs/Cooperatives into public limited companies. This is being done to boost entrepreneurship. And again, in every sphere there is an effort to encourage Public-Private-Partnership or PPP as it is being popularly termed. The Minister for Rural Development Sri Jairam Ramesh adds one more 'P' to this, i.e. the panchayat. Various strategies are being mooted for this collaboration. MoU's/agreements can be signed with the Gram Sabha/Panchayat/Community Organisations. There can also be centralised procurement and marketing by the State Government/TRIFED for and on behalf of the communities for necessary items.

There can be various avenues for this PPP. For example, there can be partnership for research and development, conserving and developing the resource base, partnership in skills development, in marketing and in developing marketing intelligence, in developing revolving funds, in institutional development, in infrastructure development, and in support for Intellectual Property Rights.

We invite all to participate wholeheartedly in the discussion process. Please remember that we have simply initiated the process. This will be a long drawn out process.

SECOND PRESENTATION

“COMMUNITY CORPORATE COLLECTIVE”

- Utkarsh Ghate, CCD

The issue of NTFP is very dear to RCDC. I am delighted to be present here. I have come to learn and share. The topic for discussion that I have chosen is “Community Corporate Collective”. There is a saying in English, “If you cannot beat them, join them”. But we all know that the nature of the corporate and the nature of the collective, both are different. There are barriers that cannot be denied. It will take time and effort to bring down those barriers.

CCD is not a profit seeking organisation. It cannot do business. So we simply do things that others do not. We have our unique way of working. You can understand this as I proceed with my presentation. I will now present the CCD-GMCL model.

Gram Moolige Co Ltd or GMCL is owned by women's groups since the year 2000. This was with CCD and FRLHT efforts. It is a democratic organisation with the groups' representatives on the Governing Board. Initially the working capital came from the Tata Trust and Ford Foundation grants. Now it runs with bank loans. This organisation benefits 2000 women in 50 villages with assured, fair market in dry, lean season in the dry land plains of Southern Tamilnadu. In the year 2008 it expanded to Madhya Pradesh, and now it has presence in Chhattisgarh and Odisha.

There were merits and constraints in its workings. Among the merits, there was an assured market, fair and pre-fixed price; there was door to door pick up and no waste. There were collateral benefits like loan and insurance. The jobs were restricted to storage and dispatch. The constraints were there was occasional price loss, and value addition was not a priority.

The mechanism of operation is somewhat like this; the groups provide seed capital of Rs. 5000 each. The working capital comes from grants/revolving funds. The growth is sustained by bank loans, cash credits etc. Infrastructure needs are met from term loans. Market linkages are made through known

companies. There are collaborations with local traders. The SSI registration was made through the District Industries Centre. The NABARD, MSME, NRLM scheme provided funding scope.

The Public-Private-Partnership or the PPP was then adopted for evolution. As the first step the trade was selected and developed. Then a contract was entered for production. The company invested in the process. There was a joint venture for management. This model is now preferred by the government for rural development.

The impacts of the initiative were soon apparent. The community benefited by way of market security. The income increased though there was not any appreciable increase in price. Some of the losses that were being incurred earlier were now avoided. Employment was generated. There was dignity in work, increased facilities. The community gained by the way of greater empowerment. What the corporate benefited was they got quality raw material. They saved by the way of costs. There was assured supply. There was also the branding of the product.

This mode gave other benefits as well. GMCL got stock management from Natural Remedies(a Bangaluru-based company) after a gap of 10 years. There were tie ups for the sake of agri-business. The mango pulp factory was used for amla pulp making for Himalaya(the drug company). There was intercropping of orchards with medicinal plants. The organisation received purchase orders and guarantees from buyer companies. It also received cash credits for working capital.

Our suggestions in this regard are; there is a need to regenerate wild resources due to depletion. This is truer of forest species. The industry is today gearing up for plantation. However quality planting material remains a big challenge. The MGNREGS can help in resource regeneration if utilised properly.

There are ambitious future plans. Expansion to poor Central Indian states is a distinct possibility. NRLM, MKSP, NTFP scheme support can be extended to 7500 families in MP, Chhattisgarh and Odisha. Food, nutrition and health security can be achieved by local use. There are plans to raise the income level from the current Rs. 3000/- to Rs. 10,000/-. For the next three years, good collection and farming training is envisaged for year one and two. For the third year there are plans to have partnership with Dabur, Himalaya and Natural Remedies.

Bikash Rath: All companies present here can benefit from this model. All can mould themselves according to their needs. We have natural resources but we do not know how to utilise them effectively. We have to deliver good quality. CCD has shown the way by asking the corporate to purchase from their community and told community to deliver accordingly. Both have agreed as reflected in the model. The community has agreed to deliver quality products on time and in the desired quantity. Now this model is functioning in an effective manner. We should learn from this.

THIRD PRESENTATION

'MARKETING OF NTFP IN ODISHA : OPPOSITION & CHALLENGES'

- Prof. Dr P. L. Nayak

Thank you all for providing me a good opportunity to project my ideas. The nanotechnology I am going to present is unique. I will present how this technology will help mankind.

Plastic, as we all know is not degradable. This is causing so many problems. This plastic is called 'white' plastic whereas the biodegradable plastic is known as 'green' plastic. I was the first to evolve polymer from Castor oil . Polyethylene can be produced from mahua flower. There are also other

uses of nanotechnology. There are medical uses. We can cure so many diseases with this ! We have identified 200 products from NTFP. We can cure cancer from turmeric. The active ingredient is *curcumin*.

Nanotechnology will revolutionise the utilisation of NTFP. We will transform and change everything in an innovative manner. Our vision statement is, "To sustainably meet the needs of present and future generations for wood-based materials and products by applying nanotechnology science and engineering to efficiently and effectively capture the entire range of values that wood-based lignocellulosic materials are capable of providing."

Controlled Drug Delivery is the clue to make optimum and effective use of the medicines. Similarly, Controlled Pesticide Delivery can reduce the amount of pesticide use while making it substantially effective (for instance, instead of 5 kg we may need only 5 grams). These are all the principles of nanotechnology. With a little amount we can have greater results, thanks to this technology. Nanopaint from shellac can last for 50 years. We can have nanometals like nanogold and nanosilver.

Our strategy is to adapt and deploy existing nanotechnologies and also to create and deploy novel new nanotechnologies. To reach its goals, the forest products industry must align with the greater nanotechnology research community. Nanotechnology holds the promise of changing virtually all the processes by which wood and paper products are now made, transforming the sector from a resource-based to a knowledge-based industry with much better prospects for long-term stability.

Mr. Jagannath Chatterjee raised a question as to why the nanotechnological know how should not be made available to the society for free. However, Dr. Nayak, while asserting that because of the investments made in R&D the scientist has the right to patent his/her invention and charge for transfer of this technology, invited the participants to visit his laboratory and see how they are using the nanotechnology. He also gave an example of how simple can be this technological process, like to make nanosilver one can take some silver nitrate with distilled water, and then add some tulsi juice (leaf extract- aqueous) to that to get the silver nano. This nano silver is being used in the treatment of AIDS.

FOURTH PRESENTATION

'LIVELIHOOD GENERATION THROUGH AGARBATTI MAKING ACTIVITY'

- Ms. Sanghamitra Nayak, ORMAS

We produce local products and seek local markets. For sustainable income we make sustainable products. We have various products but here we will focus on agarbatti.

Ours is a success story. Before 2007 we had low and irregular production. The access to local market was only through middlemen. The income was erratic. In the year 2007 we studied the situation. Then we started a pilot cluster in Nayagarh. We invested in technology, did skill training, organised scouring of raw material from the local market, and for market access we tied up with an approved vendor of ITC Limited. Very soon we achieved results. We achieved an adequate regular monthly production and we had a regular direct income which reached a very respectable figure.



Agarbatti making has now become a more skilled job in Odisha, thanks to the tie up between ORMAS and ITC Ltd.. Photo courtesy: ORMAS

Then in Oct 2009 we had a business tie-up with ITC. There was a buy back agreement of incense sticks produced by SHGs. And also there were standardised pricing and procurement methods. This soon spread to 11 districts in Odisha. Around 3900 rural women SHG members were provided capital assistance. Soon 4 crores(Rs.) worth of business volume was achieved. The average monthly production was 50 tonnes.

In the intervention areas there was capacity building, infrastructure support, and financial support; there was provision of quality raw materials, and there was also the introduction of a low cost technology model which led to increase in production. The Activity Federation Model was adopted and monitoring was very regular. Two methods of agarbatti processing were adopted, one handmade and the other was through a pedal operated system.

The roles and responsibilities of ORMAS and ITC Limited were clearly defined. ORMAS looked after identification of cluster/rollers, the engagement of SHPI(Self-help Promoting Institutions), organisation of regular training, arrangement of support for infrastructure and training, and overall monitoring of the project. ITC was engaged in technical support for production and quality control, quality input support for raw material, quality checking, distribution of raw material, collection of finished goods, and on time payments to producers (buy back).

The impacts were very evident. The tie up and help ensured assured market for the product, and created organised business models. The community received assured income at their doorstep and using leisure time. There was a vast change in the quality of the agarbatti. A low cost technology was successfully introduced.

But there were challenges also. This was mostly the lack of in time availability of raw market. Next was quality, mostly for pedal rolled agarbattis. Again the maintenance of the pedals was a problem because of the untimely availability of spare parts.

For the future, expansion is the key area both for hand rolled and extruded battis. Battis require fine bamboo sticks. Plans are afoot to make this a livelihood option. There are also plans to decentralise the supply chain management.

This activity has led to the proposal an ambitious 3-year project titled, "Creation of an Integrated Network for Value Addition & Marketing". This has to be launched in 200 blocks of 20 districts in Odisha. It covers 1857 villages and embraces 9000 families. This is again in collaboration with ITC

and partners various CBOs, NGOs and SHGs. There have been also other projects like bamboo plantations, bamboo stick making unit, raw agarbatti making, and perfuming and packaging agarbattis.

Bikash Rath: It is encouraging that ITC has evinced interest in NTFP. It is comforting that they are going forward in a sustainable manner.

FIFTH PRESENTATION³:

By Natural Remedies Pvt Limited, Bangalore
– Represented by Ravi Shadija

We are into medicinal plants. The corporate needs specific products with good quality, assured production and delivery on time. The community is also responding to these demands. Natural Remedies also wishes to expand. The question is, “whether our resources are safe in their hands?”

We are a Bangalore based company which is a leading research driven herbal based organization. More than 100 scientists are working in our Research & Development Centre which is approved by DSIR. We manufacture herbal veterinary products and standardized herbal extracts. We procure more than 6000 tons of dried herbs every year from the various parts of the country.

We wish to emphasize that different herbs grow in different seasons and therefore the procurement and collection is round the year. This is a blessing as this activity is providing good opportunity throughout the year for the herb collectors.

We procure more than 70 different natural herbs providing vast opportunity for the collectors in various regions. We have the desire to get directly linked with the herbs collectors through NGOs to ensure sustainable collection and better quality material.



Training by Natural Remedies on quality control and sustainable harvesting. Photo courtesy: Mr. Ravi Shadija

As pointed out by GMCL we are working with them to replicate the model they have developed (in Tamil Nadu) in Odisha, Madhya Pradesh and Chhattisgarh for NTFP. The supply chain will start from the collectors, and through NGOs they will reach Natural Remedy Private Limited. This we think is appropriate and will keep all stakeholders happy and will ensure that all terms of the trade are made in a just and equitable fashion. The monitoring and supervision will also be proper.

Not only that, as a part of our own initiative and to ensure fair play we will train all the collectors in sustainable harvesting practice and also in ways and means to improve

quality. This we will achieve by working in tandem with NGOs.

³ This presentation alongwith the next one did not have any specific title of their own.

We wish to put on record the initiatives taken by our company for extension activities towards sustainable harvesting and quality improvement of medicinal herbs. We do this by conducting regular workshops at the procurement centers wherein we educate about sustainable harvesting, propagation and quality improvement. In the workshops we educate about the season of collection, the parts of the plant to be collected, and post harvesting care and packaging.

These workshops have had a very positive impact by increasing both the quantity and quality of collection. We are happy to inform that GMCL is facilitating more than 200 tons of collection and supplying to us.

However, the road is not altogether smooth. There are challenges. The collectors and tribals do not possess documents for transporting the material. They do not possess the requisite Sales Tax registration which creates difficulty in transportation. Another big challenge is getting transit permit from the forest department. Though we are providing the training, tribals do end up collecting poor quality material and therefore are forced to sell it at lower prices to middlemen often forced by the problem of liquidity. This is aggravated by their lack of storage space and knowledge of preservation.

We have a few suggestions to make. As in Tamil Nadu, in other states also there should be Sales Tax exemption for medicinal herbs. This exemption has made Tamil Nadu one of the leading suppliers of medicinal herbs throughout the country. Again medicinal herbs should have a special classification differentiating it from timber, therefore transit permit should either be exempted or should be made very easy for transportation⁴.

In our concluding remarks we should state that a model similar to GMCL in Tamil Nadu should be encouraged for creating proper link between the collectors and the industry. Training programs for collectors for encouraging more tribal people should be supported by the government. This sector is very important particularly as it provides employment and earning potential for middle aged and elderly women and is a very good livelihood option for them.

We would like to thank RCDC for arranging this workshop and giving us an opportunity to present our case. We are extremely hopeful that under the aegis of RCDC work can be carried forward in Odisha. We look forward to a fruitful association.

SIXTH PRESENTATION

By Mr. Sriram Gangadhar, Bio-India Biologicals, Hyderabad

Sri Gangadhar first explained in some detail the concept of biodiversity, the Biological Diversity Act, the National Biodiversity Authority (NBA), its activities, the State Biodiversity Board (SBB), and the Biodiversity Management Committee (BMC). He then proceeded to present a few case studies about how biological resources could be commercially harnessed by remaining and operating within the ambit of the Biological Diversity Act 2002.

The first case study was of the Neem leaf. The procedure was as follows: The Bio India Biologicals Corporation entered into an agreement with NBA for commercialising the biological resource – Neem. The company consulted the SBB for terms and conditions in entering into an agreement with

⁴ Shri Shadija was later informed that 69 MFP items (many of which are medicinal) have been handed over to the panchayats and require no transit permit from the Forest Department.

NBA for access. Then it founded the Biodiversity Management Committee (BMC) under the supervision of the SBB taking into consideration the nativity of the biological resource. Then a local Amarchintha Biodiversity Management Committee (ABMC) was formed electing the local community representatives as founder members of the BMC. A resolution was drawn by the SBB stating the NBA to permit access of biological resources.

Then was the stage of the agreement for the commercialisation of the biological resource. This also required a lot of preparation. The necessary resolutions were first passed by NBA and ABMC for benefit sharing on the use of and access to biological resources. The BIB Corporation was given the status of approved member for accessing the biological resource. The BIBC agreed to share a part of the income with the ABMC and the NBA for encouraging conservation measures. The agreement needs to be renewed at regular intervals. As the Neem tree has multifarious uses, like many other biological resources, such agreements are carefully drafted to effectively check over-exploitation.

The sourcing of the Neem leaf was then done very carefully. Care was taken to see that it provided the local people with a livelihood option. The wage was fixed judiciously. Care was taken to see that the procurement was done without in any way harming the tree. Agreement norms and procedural rules were followed.

The process of benefit sharing is very interesting. On the basis of the procurement bill issued by the BMC, 5% was paid to ABMC. This amount was added to the "local biodiversity fund" which was utilised for the welfare activities of the local biodiversity and the people associated with it. Another 5% was paid as royalty to the NBA. The funds so raised were moved to respective local representative offices of NBA for further boosting up the mechanism of sustainable use of biological resources.

Sri Gangadhar then presented two more case studies on the above lines. One was a kind of weed (*Glinus oppositifolius*) for which the BIB Corporation made an agreement with the Gavinivaripallem BMC, and the other Nux Vomica seeds (tie up with Madahavanipally BMC, vide annexure-4 for the application letter). What (*Gl. oppositifolius*, locally known as Chadarasa chada) the local people thought useless could fetch them Rs.8/kg (fresh roots), thanks to this tie up.

Bikash Rath: I would like to mention for the information of all that Sri Gangadhar is in touch with RCDC since last two years. He wanted to procure two biological resources (lotus leaf and water lily flower) from Odisha, but through the process desired in the Biological Diversity Act. He was emphatic that he wanted sustainability. Moreover, he also stressed on the fact that the primary collector should get the major share of the price. Unfortunately the Government of Odisha has not formed BMCs. The community also did not cooperate and the government was totally indifferent and was obviously not interested. This is very unfortunate. It is severely hampering our progress.



Collection of *Glinus oppositifolius*. Photo courtesy: Mr. Sriram Gangadhar

Mr. Gangadhar's presentation was supplemented with a sharing by Mr. G.Srinivalulu, representative of Gavinivaripale BMC confirming a mutually beneficial tie up between the two parties adhering to the mandate of the Biological Diversity Act.

SEVENTH PRESENTATION:

'BAMBOO, A PAPER INDUSTRY RAW MATERIAL IN ODISHA – STATUS AND OPTIONS'

- Mr. Sushil Gaikwad, J. K. Paper Mills

J. K. Paper Mills was established in the 1960s and was based upon Bamboo as raw material. It began with a consumption of 50,000 metric tonnes per year. Peak bamboo consumption in the period 1993-97 was one lakh metric tonnes per year. Now we are facing a huge problem. The current bamboo availability is 0.4 to 0.5 lakh metric tonne per year! The mill is going to complete 50 years and the current scale of operation is generating employment to the tune of 2.3 lakh mandays per year.

However, we have a history of sustainable working. We strictly adhere to silviculture rules as prescribed by the Forest Department in our working plans from time to time. We follow the scientific norms given for harvesting of bamboo from forest areas. Only mature bamboo is removed. Fire protection measures are followed. We follow the rules of improvement in health of bamboo forest.

We also fulfil our social responsibilities. We conduct medical camps in tribal areas where bamboo is grown and from where we extract bamboos. We conduct training workshops both for vocational training and for alternative employment generation. We help school going children by distributing uniforms and text books. We conduct awareness camps on health and hygiene, by focussing on mothers and adolescent girls. We enable tribals to benefit from government supported schemes. We have opened adult education centres.

The scenario in Odisha is not very good, yet. There were four bamboo based paper mills in operation in the year 1993. However by 2006 there were only two. And what was alarming was that available bamboo was not sufficient even for the two paper mills. Both availability and cost, also quality, posed serious problems. The only option that remained before the two surviving mills was farm forestry, with a basket of four fast growing tree species. This was taken up since 1991-92.

We have studied the factors responsible for bamboo depletion in the state. First of all there is increase in biotic pressure, both due to cattle and humans. There is increase in pressure on forest due to livelihood, particularly in rural areas. The slash and burn cultivation increased in frequency and had its effect. The demand of sprouting bamboo shoots as food affected the growth of bamboo clumps and annual increment of clumps. Artisans harvest immature bamboos for baskets/mats making. Frequent forest fires, decreasing binding capacity and fertility of soil are other factors. It is a pity that different stakeholders hold different opinions on bamboo conservation and management.

There are other factors also like insurgency, effect of anti-social elements like Maoists that hinder bamboo harvesting, conservation and management. Shrinking availability of bamboo cutters is a big hindrance. Delayed work order for bamboo cutting each year leads to non-achievement of target. Discontinuance of schemes for bamboo cutters like the World Food Program further discouraged the cutters.

I had mentioned conflicting interest of stakeholders. We can discuss this in slight detail as this is very important. The paper industry harvests only old and mature bamboo. It knows that bamboo less than three years old has to be protected. The artisans need one to two year old bamboo. This however reduces photosynthesis, and suppresses new shoot development leading to immature bamboo. The local tribals tend to cut bamboo at chest height. This leads to clump congestion that can be a fire hazard and also silviculture damage to clump resulting in loss of productivity. And also as we had mentioned the use of bamboo shoots as food is a direct hindrance to mature bamboo. The remaining portion of shoot is branchy that leads to low quality for commercial use. The future resource development programs need to work out solutions for these divergent requirements.

The paper industry needs a particular type of bamboo that is found in North East India, Chile and Brazil. This has low or nil silica content which is “solid bamboo” with high pulp yield. Availability is a huge factor to cut down on costs and management. There is reduction in transport costs, and consequent reduction in carbon footprint.

We have our own time tested plans for making bamboo a commercial resource. These have been employed in other parts of the country. What is needed is that the various stakeholders must converse on these points. These plans combine convenience with technology. There is also convergence on use which can be productive in the long term. We now advocate plantations through Joint Forest Management. We can rope in other suitable government schemes for this. Bamboo is an excellent green cover crop and has efficient carbon absorption properties.

In response to the emphasis of Bikash Rath on a direct agreement between the paper mills and the local communities/panchayats, Mr Gaikwad then gave an interesting example of the extraordinary initiative taken by him on behalf of his company. He had suggested to the DFO, Berhampur that in VSS areas other than those allotted to the paper mills, the local communities could directly approach the company and supply their harvest of bamboo so that they can get the total benefit. About 20 tons of bamboo was then received that way after which it was discontinued. He said that different VSSs(communities) had different demands which was not found viable by the company to comply with (and this is a reason why the company is not much interested for direct arrangement with the communities when a consistent policy of the government is available⁵).

Mr. C.R. Das, associated with Ballarpur Industries (paper mill), drew the attention of the House to the fact that some of the best bamboo productive areas now lie inside the sanctuaries where commercial harvesting is strictly prohibited, and the is a major cause for significant reduction both in quality and quantity of bamboo production in the state.

However, Mr.Das categorically said that his company would go as per government instructions only(and not what the CSOs think should be as per the law).

Utkarsh Ghate: The VSS should unite and form a producer company. This should deal with the corporate. Bamboo can be planted in wasteland. I would request RCDC to take a lead to design a PPP model along with the government.

⁵ This means, the government has fixed prices of bamboo all over the state whereas communities may differ in their rates from area to area. Inconsistency in community norms and rates was obviously not in favour of a viable operation.

EIGHTH PRESENTATION

“Vidarbha Nature Conservation Society”
- Mr. Dilip Gode

VNCS is a charitable organisation with its Head Office at Nagpur. Its vision is the conservation of ecological balance through nature conservation for equal and peaceful life to all. Its mission is to promote the cause of the protection and management of natural resources through community involvement. We work in the states of Maharashtra, Chhattisgarh and Madhya Pradesh in the field of environment and natural resource management. We are actually a group of experts. We directly and indirectly work in over 200 villages. We are involved in several national level studies.

Here we would like to talk about the work we do in the Gadchiroli district. The tribal population is about 38%. There are around 1676 villages here with more than 60% literacy. Agriculture and forest recourse provide the main livelihood support. There are mainly marginalised agriculturists and/or landless workers. What we did was to implement the Community Forest Rights.

There was indeed a perceptible change. It was a scheduled area under Section 5 and also governed by PESA. The Biological Diversity Act gives regulatory powers whereas the Forest Rights Act actually settles the rights which is why we used FRA for community rights resulting in Community Forest Rights recognized in more than 475 villages on 3,50,000 acres of forest land. We also introduced rights on water bodies, and dealt with IPR, biodiversity and management rights. Besides, we have facilitated bamboo plantation in considerable areas.

The community had much strength. It had ample resources of NTFP, bamboo and other medicinal herbs. The villagers are conscious and conserve the biological resources they depend upon. They have formed community institutions under FRA/PESA through Gram Sabha. They have also arranged convergence with state schemes.

However there are glaring weaknesses as well. There is lack of community institutions to negotiate for their rights. There is no capital investment. The Tribal Development Corporation (TDC) is weak. There is no assured price for their products. The traders are looting them. A paper industry is operating in the area without proper compensation.

As the way forward we have proposed the following; the sustainable collection of NTFP through village institutions; a ban on the paper industry to collect bamboos from CFR areas; the setting up of an institutional mechanism for collection, value addition and marketing through women and youth, and a community private partnership.

Mr Gode declared that unless until the paper mill makes a direct agreement/arrangement with the local communities for bamboo extraction (since being CFR holders the local communities are now the legal holders of bamboo and other MFPs of the area), it would not be allowed to take bamboo. This led to a sharp debate with the paper mill representatives who asserted that if the communities/NGOs stopped the mills from extracting bamboo, then that would not matter much for the companies as they would make alternate arrangements.

The Concluding Session

With the presentations over now, Sri Suresh Bisoyi, Director (Field Operations), RCDC invited response and comments of other participants present in the workshop.

Connor Ryan: This was a very good workshop. We heard many interesting things. It was good to listen to the debate. There is some potential for a public private partnership.

Chittaranjan Pani, Vasundhara: I am actually very afraid of the PPP model. This is because no one knows the exact potential for NTFP. We should be very careful about this sort of intervention mostly because of the fact that the corporate is known for their exploitative methods.

Sasmita Mohanty, MD, Anchalika Mahila Vikash Samabaya Ltd, Chacha: The people have enough resources. They also know how to handle them. Probably some guidance is required. We are happy that the private players are coming forward for a discussion. We must however be careful and the community's interest should be in everyone's mind.

A community member: The NTFP trade was discussed. We will be happy if a solution is found. The solution has to be sustainable as our resources are very important to us. It is our bread and butter.

Ashis Prasad Singh, Solidarity for Development of Communities, Berhampur: I was listening to everything and observing everything. I do not really like the idea of letting the corporate into the NTFP sector. However there was a debate today. It is up to all present to decide. Probably the community's views should have been heard. However it cannot be denied that I have learnt a lot from this workshop.

Prashant Kumar Mallick, Chief Executive Director, Royal Tribal Multi-purpose Self-help Cooperative Ltd., Mohana: I am grateful that at last and at the very end I have been given a chance to speak. The government, as we have seen, has absolutely no planning or coordination. Now may be it is the chance of the corporate. Let us keep our fingers crossed.

Gachha baba⁶(literally meaning the saint devoted to plants), an extraordinary person, drew the attention of the House to a different dimension. He said: The super cyclone destroyed us. Similarly the modern civilisation is also destroying us. The land produces everything. Nature is always ready to provide us things necessary to sustain our life. But people are abandoning the land, they are abandoning nature. I embraced the land and also started minutely observing nature. The land and nature provided everything. Let this message guide the findings of this workshop.

He meant the modern way of life(which is getting increasingly commoditised and commercialized, thanks to the corporate policy and opportunistic attitude of the people) is becoming vulnerable by losing intimacy with mother nature; and we must not ignore this for a profitable arrangement.

Suresh Bisoyi: RCDC does not believe in marketing at the cost of the forest. We are a little disappointed by the attendance today. We had written to 25 NGOs to participate. Only 10 or 11 have participated. The corporate is trying to spend CSR funds. As NGOs most of us are apprehensive of such funds. However, can we stop the corporate from going ahead with CSR activities? We

⁶ His name is Sri Khokun Behura, and his work on conserving and propagating trees in the Mahanga area of Jagatsinghpur district has been very much appreciated.

cannot. So I think it will be good to debate on how to unite as NGOs and utilise the CSR funds wisely, intelligently and in the interest of the community. This is possible only if we all sit down and discuss. It will not be possible if we stay away and avoid the situation. Hence through this workshop we again call upon all civil society members to please participate in the discussion process. Today as expected there has been a lot of difference in opinion. We have always, and will always love our community. We want our community to be happy. There are some fundamental issues which have to be addressed. Communities are not interested to gather NTFP anymore for want of market support. This issue needs to be tackled. Let the discussions and debates continue till we arrive at an acceptable solution. Let us all agree to discuss. Let us all agree to debate. Let us participate in the process.

Conclusion:

This workshop was never planned or designed to be an exhaustive one to discuss and conclude the debate of expecting corporate initiatives in developing NTFP sector, rather it was supposed to be a preliminary round chiefly aimed at bringing the corporate and the CSOs close to each other on a common issue. The community leaders represented by self-help cooperatives were expected to learn from the presentations/sharings like the GMCL model or BIB Corporation model. They were reminded by Bikash Rath of the instance in which some local communities failed to supply to committed quantity of bhuineem (*Andrographis paniculata*) to a committed trader, and whatever they finally supplied was not commercially viable as due to want of proper compressing the dried plant parts became so voluminous that instead of weighing 9-10 tons/truckload it actually weighed about 2.5 tons. This happened because of lack of proper assessment of the resources, and also the know how to make the supply commercially viable. It is heartening to note that as a follow up to this workshop Natural Remedies has expressed interest to work with the community producer organizations in the state of Odisha in a model similar to that of GMCL, and this has encouraged cooperatives like AMVS and VARASA to revive the trade of bhuineem with technical support (for compression) from Natural Remedies.

However, the responses (or lack of it) from most of the key invitees suggested that neither the corporate world as a whole nor the CSOs as a whole are truly interested for a productive dialogue with an open mind to sort out the mutually concerning issues. Instead of using this opportunity both sides preferred to rather ignore it, for reasons of their own. The corporate doesn't seem to accept its social responsibility beyond health camps or other such small interventions, and even if wants to intervene in a big way, then that too often is dubious because of the strategy and approach adopted. The CSOs on the other hand have adopted a differential stand on working with the corporate. Needless to say, this is a very negative gesture that has to be condemned in public interest. Interestingly, it also appeared as if the subject is too early to discuss as the concerned stakeholders have not yet prepared themselves for that.

However, the workshop has challenged and helped to change some traditional mindset on the subject of private-community partnership. It has demonstrated examples of how conflicts (between the corporate, the community, and the CSOs) can be transformed into collaborations. The corporate, monitored and supervised by the entire stakeholders, can act as the go-between and work within the ambit of various laws implemented and to be implemented in the future. The community, the corporate, the government and the civil society, all must come forward.

Annexure-1

National Consultation

On

Corporate Initiatives in Developing the NTFP Sector: Scope & Strategies

Date: 14-03-2012

Venue: Hotel Presidency, Nayapalli, Bhubaneswar

PROGRAMME

Time	Agenda	Resource person/organization
10.30 a.m.-11.00 a.m.	Welcome, objective sharing, and presentation on 'Corporates versus Communities: From Conflicts to Collaboration'	Bikash Rath, Sr. Programme Manager, RCDC
11.00 a.m.-11.15 a.m.	Self-introduction by participants	-----
11.15 a.m.-11.30 a.m.	Tea break	-----
11.30 a.m.-12.00 p.m.	From Conflicts to Collaboration: Model-1	Presentation by: CCD-GMCL
12.00 p.m.-12.30 p.m.	From Conflicts to Collaboration: Model-2	Presentation by: Natural Remedies
12.30 p.m.-1.00 p.m.	From Conflicts to Collaboration: Model-3	Presentation by: ORMAS
1.00 p.m.-1.30 p.m.	High technology for NTFP-based small enterprises	Dr. P.L.Nayak, Nanotechnologist
1.30 p.m.-2.15 p.m.	Lunch break	
2.15 p.m.-2.45 p.m.	From Conflicts to Collaboration: Model-4	Presentation by: BioIndia Biologicals
2.45 p.m.-3.15 p.m.	An approach through bamboo	Presentation by: JK Paper Ltd.
3.15 p.m.-4.00 p.m.	The Gadchiroli perspective	Bidarva Nature Conservation Society
4.00 p.m.-4.30 p.m.	Open discussion	
4.45 p.m.-5 p.m.	Summing up & valedictory	Sri Suresh Bisoyi, Director, Field Operations, RCDC

Annexure-2

List of invitee companies⁷

1. Advenus Therapeutics Ltd.
2. Tata Chemicals
3. Godrej Industries
4. Priti Oil Ltd.
5. ITC (agarbatti division)
6. Laxmi Enterprises(exporters of gum)
7. CHEMEXCIL
8. Confederation of Indian Industries
9. Federation of Indian Export Organizations
10. Indian Paper Manufacturers'
Association(IPMA)
11. Solvent Extractors' Association of India
12. Himalaya Drugs
13. Dabur
14. Shellac & Forest Products Export Promotion
Council
15. Natural Remedies
16. BioIndia Biologicals (BIB Corporation)

⁷ This list was carefully prepared on the basis of several parameters, like the company's use of natural plant products as raw material, demonstrated models, interest for possible partnership with communities/NGOs, scope of R&D, etc.. For instance, Godrej Agrovet was particularly expected to explore the possibility of developing mahua(and other NTFP)-based organic fodder. The Solvent Extractors' Association was particularly invited to consider R&D on low-profile but useful forest oil seeds like *Olax scandens*. Some of these agencies were selected because they participated in the PPP meet organized on 3rd February 2012 at Delhi by UNDP and Ministry of Rural Development. Unfortunately, except for Natural Remedies, BIB Corporation and also the indirect representation of IPMA through the representatives of JK Paper and BILT, none of the other agencies actually participated in the national consultation although the Solvent Extractors' Association of India had initially confirmed the participation of the Chairman, SEA Minor Oilseed Development Council but later informed that he would be unable to make it.

Annexure-3

(Letter of invitation with a clarification subsequently issued)

Dear all,

This has reference to the following mail which we sent on 14th February. In the meantime we have received some queries against which we would like to clarify that the proposed event is not for immediate business development, but to discuss, design, and promote a community-private partnership model for an effective & sustainable business development in near future, for all the industries/agencies that depend on the non-timber forest products. Hence those who have that kind of vision are expected to contribute to this process and we look forward to meet them in this event. Please confirm your participation latest by 21st February with relevant details(name, company/agency, itinerary).

Bikash Rath

From: Bikash Rath [mailto:bikash.rath@rcdcindia.org]
Sent: 14 February 2012 17:05

Dear Sirs/Madams,

Regional Centre for Development Cooperation, whom the Planning Commission selected as an Civil Society(NGO) representative in formulating the plan for the development of non-timber forest products sector in India during the 12th Plan, is organizing a national consultation on **Corporate Initiatives in Developing the NTFP Sector: Scope & Strategies** at Bhubaneswar on 14th March 2012 where representatives of the corporate sector and their allied agencies shall be intimated, through an interaction with select experts from the civil societies, about the latest developments in the legal framework regarding raw material procurement from forest areas; and shall also be suggested some strategies so as to comply with this framework for developing an effective and feasible partnership with the local communities who legally own the NTFPs of their areas. They will be further suggested some measures to bring a second revolution in the NTFP sector that would help meet the genuine demands of mankind for safe, reliable, eco-friendly, sustainable, and cost effective products.

I take this opportunity to invite your organizations/companies for an effective and fruitful participation in this proposed consultation. You may, as a sign of this partnership, kindly consider bearing the travel expenses while RCDC shall be happy to arrange a modest accommodation for you alongwith food and local travel facilities.

Please refer to the attached concept paper for more details and contact the undersigned for any clarification. An early confirmation from your end is requested. The agenda and other details shall be sent later.

Annexure-4

The letter of application by BIB Corporation for accessing nux-vomica seeds as per the Biological Diversity Act



BIO-INDIA BIOLOGICALS CORPORATION

12th November, 2011.

The Chairman
Madhavanipally Biodiversity Management Committee
Madhavanipally Grampachayathi Karyalayam
Madhavanipally Village, Achampet Taluka
Mahaboob Nagar District
Andhra Pradesh

16, 2nd floor, Akbar Road, Diamond Point,
Sikh village, Hyderabad-500 009, India.

Phone : 0091 40 6550 5187
0091 93 9248 5187
Fax : 0091 40 4012 3187
Email : info@bibcorporation.com

Sub: Accessing Strychnus Nux-vomica Seeds

Respected Sir,

We are Bio-India Biologicals Corporation, based in Hyderabad involved in commercialisation of Biological resources.

We privileged to know that you are constituted Biodiversity Management committee as per the Biological Diversity Act, 2002 from Mr. Venkateshwarlu who happened to be your committee's Member Secretary. We appreciate your interest and responsibility for conservation and sustainable utilisation of biological resources of your village.

As per the discussion we had with Mr. Venkateshwarlu on 11th November, 2011 at Project launch of Access and Benefit Sharing Implementation as per the provision of Biological Diversity Act, 2002 in Aranya Bhavan, Hyderabad that you are village has abundantly available Mushti ginjalu (Nux-vomica) and also people from your village are supplying the same to local market who procure them regular basis.


We would like put here our interest to work with you as the following terms on accessing the resources called Mushti ginjalu.

- Biological resources : Strychnos nux-vomica dried Seeds
 - Telugu Name: Mushti Ginjalu
- Specification : Free from aflotoxin, fungus, other foreign materials
 - Moisture not more than 5%
- Quantities require : Approximately 1000-3000 Kg per annum
- Price : 25% more from the local market price
- Benefit sharing : Rs.10/Kg to Biodiversity Management committee
Rs.5000.00 is as a grant for initiate programs on conservation of the accessing resources like raising nursery or plantation in around village with proper protection.

Kindly discuss with your committee members, villagers on our proposal and let us know your comments. We are committed for development of village communities with sustainable use of biodiversity resources. Many of our villages are abundantly available these resources and poverty can be alleviated if we could use them in properly sustainable manner. This is a small initiative and we would come up many like these on co-ordination manner on your acceptance.

Look forward to hear from you soon.

Yours sincerely,
For Bio-India biological Corporation
For Bio-India Biologicals (Pvt.) Corporation


Sriram gangadhar, Proprietor
Proprietor
(Sriram Gangadhar)

Regd Office: # 406, Block-D, Shanti Gardens, Nacharam, Hyderabad 500 076, INDIA.
www.bibcorporation.com nature<<>>science<<>>future

(Courtesy: Mr. Sriram Gangadhar, BIB Corporation)