

**GOVERNMENT OF INDIA  
PANCHAYATI RAJ  
LOK SABHA**

UNSTARRED QUESTION NO:4250  
ANSWERED ON:07.08.2014  
MINOR FOREST PRODUCE  
Shekhawat Shri Gajendra Singh

**Will the Minister of PANCHAYATI RAJ be pleased to state:**

- (a) the major recommendations of the Minor Forest Produce (MFP) Committee with respect to development of competitive market for MFP and capacity building of MFP gatherers;
- (b) the steps being contemplated by the Government in this respect in the short term and long term;
- (c) whether any assistance is given to Panchayats for cooperative marketing, processing and storage of MFP; and
- (d) if so the details thereof?

**Answer**

MINISTER OF STATE FOR PANCHAYATI RAJ (SHRI Ā™PENDRA KUSHWAHA)

(a) A Committee under the chairmanship of Dr. T. Haque was constituted by the Government to suggest appropriate measures on ownership, price fixation, value addition and marketing of Minor Forest Produce (MFP). The major recommendations made by the Committee with respect to development of competitive market for MFP and capacity building of MFP gatherers are:

# There should be strategic government intervention in the short and medium term in the form of minimum support price (MSP) for at least 14 main MFPs.

# The MSP should be fixed at the national level by a specially constituted Central Price Fixation Commission, with technical support of Tribal Cooperative Marketing Development Federation of India Limited (TRIFED).

# It will be obligatory for the State Government to ensure payment of MSP through its agencies whose administrative and operational costs shall be borne by the Government, as envisaged under first proviso to Article 275(1) of the Constitution or any other provision.

# All agencies that undertake MSP operations have to be accountable to the Gram Sabha.

# The Commission would develop appropriate methods for calculation of MSP for selected MFPs. Under no circumstances, the gatherers of MFP should be paid less than the existing minimum wages under the MGNREGA or minimum wages in agriculture sector, whichever is higher.

# The MSP operation in the tribal areas should be seen as an anti-poverty measure. Losses incurred in the process of procurement of MFPs at minimum support prices and their disposal shall be borne by the Government, as envisaged under first proviso to Article 275(1) of the Constitution or any other provision.

# Market information system will be needed for proper planning of the procurement, value addition and marketing of MFP by the stake-holders. Therefore, it is necessary to develop advanced information and communication technology based schemes.

# To improve the bargaining power of the MFP gatherers, to enable them to get market-based better prices in the long run and also to ensure sustainable management of MFPs, it would be necessary to organize the gatherers in self-help groups or co-operatives or producer companies. The government should support such collectives through relevant government and non-government agencies.

# Promotion of MFP based value addition activities in a participatory manner should be accorded priority.

# To ensure sustainable regeneration, marketing and value addition, detailed information about the MFPs is needed and a systematic data base on these MFPs should be generated.

# Regeneration of MFP be made an integral part of the Forest Working Plans to ensure maximum participation from the community in all regeneration activities.

(b) The Government has launched a scheme namely, "Mechanism for Marketing of Minor Forest Produce (MFP) through Minimum Support Price and Development of Value Chain for MFP" during 2013-14 as a measure of social safety for MFP gatherers. It seeks to establish a system to ensure fair monetary returns for their efforts in collection, primary processing, storage, packaging,

transportation, etc., and aims to address other issues for sustainability of process. The minimum support price for 10 identified MFP has been announced in January/February, 2014. For the expeditious implementation of the Scheme, Operational Guidelines have been issued and necessary fund has also been released to the State agencies.

(c) and (d) No direct financial assistance is provided to Panchayats. However, assistance is provided to respective State Agencies for capacity building of Gram Sabha and Panchayati Raj Institutions and TRIFED to impart training to MFP gatherers for scientific collection, value addition, processing and marketing of MFP.