

## 1. MSP for Minor Forest Produce

**Prelims Syllabus:** Schemes

**Mains Syllabus:** GS-II Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these Vulnerable Sections.

### Why in News?

- According to experts, the Union government's 'mechanism for marketing of minor forest produce (MFP) through minimum support price (MSP) and development of value chain for MFP' scheme can offer respite to forest-dependent labourers in the wake of novel coronavirus (COVID-19) outbreak.

### About the Scheme:

- The Union Cabinet, in 2013, approved a Centrally Sponsored Scheme for marketing of non-nationalized / non monopolized Minor Forest Produce (MFP) and development of a value chain for MFP through Minimum Support Price (MSP).
  - ✓ This was a measure towards social safety for MFP gatherers, who are primarily members of the Scheduled Tribes (STs) most of them in Left Wing Extremism (LWE) areas.
  - ✓ The scheme had Rs. 967.28 crore as Central Government share and Rs. 249.50 crore as the States share for the current Plan period.

### Key Features of the Scheme:

- Ensure that the tribal population gets a remunerative price for the produce they collect from the forest and provide alternative employment avenues to them.
- Establish a system to ensure fair monetary returns for forest dweller's efforts in collection, primary processing, storage, packaging, transportation etc., while ensuring sustainability of the resource base.
- Get them a share of revenue from the sales proceeds with costs deducted.

### Coverage of the Scheme:

- Earlier, the scheme was extended only to Scheduled Areas in eight states and fixed MSPs for 12 MFPs. Later expanded to all states and UTs.
- Total number of MFPs covered under the list includes 49.
  - ✓ **Implementation:** The responsibility of purchasing MFP on MSP will be with State designated agencies.

- ✓ To ascertain market price, services of market correspondents would be availed by the designated agencies particularly for major markets trading in MFP.
- ✓ The scheme supports primary value addition as well as provides for supply chain infrastructure like cold storage, warehouses etc.
- ✓ The **Ministry of Tribal Affairs** will be the nodal Ministry for implementation and monitoring of the scheme. The Minimum Support Price would be determined by the Ministry with technical help of **TRIFED**.

### **What are the Significances of the Scheme?**

- The Minor Forest Produce (MFP), also known as Non-Timber Forest Produce (NTFP), is a major source of livelihood and provides essential food, nutrition, medicinal needs and cash income to a large number of STs who live in and around forests. An estimated 100 million forest dwellers depend on the Minor Forest Produce for food, shelter, medicines, cash income, etc.
- However, MFP production is highly dispersed spatially because of the poor accessibility of these areas and competitive market not having evolved. Consequently, MFP gatherers who are mostly poor are unable to bargain for fair prices. This package of intervention can help in organizing unstructured MFP markets.

