

## Van Dhan Scheme

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The Van Dhan Scheme is an initiative of the Ministry of Tribal Affairs and TRIFED. It was launched on 14th April, 2018 and seeks to improve tribal incomes through value addition of tribal products.

The scheme will be implemented through Ministry of Tribal Affairs as Nodal Department at the Central Level and TRIFED as Nodal Agency at the National Level.

At State level, the State Nodal Agency for MFPs and the District collectors are envisaged to play a pivot role in scheme implementation at grassroot level.

Locally the Kendras are proposed to be managed by a Managing Committee (an SHG) consisting of representatives of Van Dhan SHGs in the cluster.

### Minor Forest Produce and tribal livelihoods

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- **Minor Forest Produce (MFP)** is a major source of livelihood for tribals living in forest areas.
- **The importance of MFPs for this section of the society can be gauged from the fact that around 100 million forest dwellers depend on MFPs for food, shelter, medicines and cash income.**
- It provides them critical subsistence during the lean seasons, particularly for primitive tribal groups such as hunter gatherers, and the landless.
- **Tribals derive 20-40% of their annual income from MFP on which they spend major portion of their time.**
- This activity has strong linkage to women's financial empowerment as most of the MFPs are collected and used/sold by women.
- **MFP sector has the potential to create about 10 million workdays annually in the country.**

#### Key Highlights of Van Dhan Initiative

At unit level, aggregation of produce would be done by SHGs having about 30 members each forming Van Dhan Vikas 'Samuh'. The SHGs would also undertake primary value addition of the MFPs using equipment such as small cutting and sieving tools, decorticator, dryer, packaging tool etc based on MFPs available in the area.

A typical Van Dhan Vikas Samuh would have the following facilities:

- Provision for required building/ infrastructure support to be established in one of the beneficiary's house/ part of house or Government/ gram panchayat building
- Equipment/ Tool Kit comprising of equipment such as small cutting and sieving tools, decorticator, dryer, packaging tool etc. based on MFPs available in the area
- Fully equipped training facilities for a batch of 30 trainees with provision for raw material for training purpose and supply of trainee kits (comprising of bag, scribbling pad, pen, brochures, training manual, booklet etc)
- Provisioning of working capital for the SHGs through tie up with financial institutions, banks, NSTFDC etc
- A cluster of ten such SHGs within the same village shall form a Van Dhan Vikas Kendra. Subject to successful operations of the samuhs in a Kendra, common infrastructure facilities (pucca Kendra) may be provided to the Kendra in the next phase in terms of building, warehouse, etc. for use of the samuh members
- An illustrative list of major MFPs which may be covered under the initiative are tamarind, mahua flower, mahua seed, hill broom, chironjee, honey, sal seed, sal leaves, bamboo split, myrobalan, mango (amchur), aonla (churan/candy), seed lac, tez patta, cardamom, black pepper, turmeric, dry ginger, cinnamon, coffee, tea, sea buckthorn tea, etc. Apart from these, any other MFP with potential for value addition may be included.

## Van Dhan Vikas Kendra

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Under Van Dhan, 10 Self Help Groups of 30 Tribal gatherers is constituted. **The establishment of "Van Dhan Vikas Kendra" is for providing skill upgradation and capacity building training and setting up of primary processing and value addition facility.**

They are then trained and provided with working capital to add value to the products, which they collect from the jungle.

Working under the leadership of Collector these groups can then market their products not only within the States but also outside the States.

**Training and technical support is provided by TRIFED. It is proposed to develop 3,000 such centres in the country.**

**The Ministry of Tribal Affairs has given its approval for the establishment of the first ever multipurpose 'Van Dhan Vikas Kendra' on pilot basis in Bijapur district of Chhattisgarh** for providing skill upgradation and capacity building training and setting up of primary processing and value addition facility.

**This first model Van Dhan Vikas Kendra is being implemented for the training of 300 beneficiaries with a total outlay of Rs. 43.38 lakhs for the purpose of training,** providing equipments and tool for primary level processing and infrastructure and building for housing the Kendra.

## Van Dhan Scheme in Recent Times

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The Union Tribal Affairs Minister, Jual Oram launched the Minimum Support Price for Minor Forest Produces and the Value Addition component of Van Dhan scheme on February 28, 2019 at a workshop organised by TRIFED at Dr. Ambedkar International Centre in New Delhi.

The day-long workshop saw participation from representatives from 30 state governments and stakeholding organisations. Primarily, the rollout and implementation plan of the scheme was discussed with the delegates.

### Key Highlights

- The Van Dhan Scheme was launched by Prime Minister Narendra Modi in Bijapur District of Chhattisgarh in April 2018.
- The Ministry of Tribal Affairs is now scaling up the Van Dhan Scheme and is ready to extend it to all tribal districts of the country in phases starting with the aspirational districts with substantial tribal population.
- The Ministry has also decided to expand the coverage of the Minimum Support Price for Minor Forest Produce scheme to 50 minor forest produce.
- The MSP has also been raised between 30 per cent and 40 per cent in case of each of the commodities.