



KAMARAJ IAS ACADEMY
Only IAS Academy by Grandson of "Perunthalsivam Kamarajar"

Pradhan Mantri Van-Dhan Yojana

Published On: 07-06-2023

Why is in news? 9 years of Modi Govt: Pradhan Mantri Van-Dhan Yojana proving to be boon for tribal population in Chhattisgarh

- Pradhan Mantri Van-Dhan Yojana scheme is **proving to be a boon for tribal population in tribal-dominated states** like Chhattisgarh.
- 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 Minor Forest Produce 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:

- 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 Self Help Groups 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.

Significance:

- Through this initiative, the share of tribals in the value chain of Non-Timber Forest Produce is expected to rise from the present 20% to around 60%.

Implementation of the scheme:

- 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. **Training and**

Kamaraj IAS Academy

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthi Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: **044 4353 9988 / 98403 94477 / Whatsapp : 09710729833**

technical support is provided by TRIFED.

- **Value addition assumes critical importance in ensuring remunerative prices** to the tribals in this approach. Three stage value addition would be the corner stone for enhancing incomes of the tribals under the scheme. The grass root level procurement is proposed to be undertaken through Self Help Groups associated with implementing agencies.
- The **stock after primary processing shall be supplied by these SHGs to the State Implementing Agencies** or direct tie up for supply to corporate secondary processor. For creation of secondary level value addition facility at district level and tertiary level value addition facility at State level, Big Corporates shall be **involved under PPP model.**
- The Van Dhan Vikas Kendras will be **important milestone in economic development of tribals** involved in collection of MFPs by helping them in optimum utilization of natural resources and provide sustainable MFP-based livelihood in MFP-rich districts.