



# STATE MEDICINAL PLANTS BOARD, ORISSA

(Forest & Environment Department, Government of Orissa)

Mayur Bhawan, Sahid Nagar, Bhubaneswar, Orissa, Pin - 751007

Tel: +91674-2543911, Fax : +91674-2544911, Web : [www.smpborissa.org.in](http://www.smpborissa.org.in), E-mail : [smpborissa@gmail.com](mailto:smpborissa@gmail.com)

(Society Registration No : 23098/105 of 2009-2010, Dated : 07.01.2010)

No: 1104 / 2011

Dated: 21<sup>st</sup> October, 2011

## Invitation of Proposals for Fair Trading & Supporting Sustainable Collection/Harvest of Medicinal Plants in Orissa

State Medicinal Plants Board, Orissa (SMPB, Orissa) was constituted in the year 2002 under an Orissa Govt. Resolution and at present SMPB, Orissa is registered as a society under Society Registration Act-1860. This society functions under Forest and Environment Department, Govt. of Orissa. One of the major objectives of this society is to support Conservation and Sustainable Utilization of Medicinal Plants resources in Orissa through the involvement of communities living in and around the Forest Areas.

To further this objective Expressions of Interest *in the form of Project Proposals* are invited from Registered Pharmaceutical Companies, Business Organisations, Trading Houses, Voluntary Organisations, Govt. Bodies and Non-Government Organisations having sound Financial and Ethical Records track records in Medicinal Plants Sector Programmes to undertake Marketing of medicinal plants in a PPP Mode in association with State Medicinal Plants Board, Orissa, Forest development Agencies of Various Forest Divisions and Community Organisations like VSSs/JFMCs/ SHGs in rural areas of Orissa.

In this venture the Infrastructure, Hardware and Human Resource Development Supports to the Community Organisations and Field Forest Organisations will be provided by the Govt. / SMPB Orissa and the Fair-Trading support will be provided by the organisation. The initiative envisages harnessing the benefits and encouragements provided by National medicinal Plants Board, New Delhi and other Govt. agencies through their various schemes in vogue.

Ref. [www.nmpb.nic.in/schemes](http://www.nmpb.nic.in/schemes)

Detailed proposals covering the Financial, Social and Sustainability aspects of the project along with the Usual Credential documents of the Organisations necessary for a project proposal may please be submitted to the undersigned within 23<sup>rd</sup> November, 2011 by registered post. The project must be designed on the line of NMPB's Guidelines on Central Sector Schemes.

The conceptual outline of this project is furnished below for guidance of the Organisations.

## **Conceptual Outline of the Project:**

### **1. Principles of Business Collaboration/partnership with the Rural Communities:**

- The proposal envisages the principles of Fair Trading and Sustained Availability of Medicinal Plants species in their endemic and naturalized habitats in perpetuity. This is a part and parcel of our JFM programme which envisages conservation of our natural resource involving the Forest and Forest Fringe dwellers and providing due monetary benefits to the people who are involved in the conservation process.
- The communities involved in Medicinal plants Conservation efforts should obtain rational returns through Sustainable Harvest and Fair Trading practice. This must be supported by the Organisation involved in Fair Trading under a PPP mode. For this purpose, protocol for sustainable harvesting shall be based upon Orissa JFM Policy Resolution-2011 & NMPB's Guidelines on GFCP (Good Field Collection Practices).
- In addition to the harvesting processes, the project envisages to work upon In-situ and Ex-situ Conservation and Resource augmentation etc. Accordingly, all the species covered under the business plan shall be taken-up for continuous production /enrichment *in and around* the forest areas. Along with the Conservation of Medicinal Plants in the endemic forest areas, limited/small scale cultivation of Medicinal Plants by the communities in the Forest fringed Non-Forest Private Lands is envisaged.

### **2. Selection of focused Species and Operational Areas:**

- To start with following species and forest Division have been shortlisted - for project coverage. This shortlist may be revised or modified depending on the Agro-climatic Zones, Endemicity, threat Status, resource augmentation and trade requirements. Other Divisions /Districts and species also can be considered depending on Sustainability and commercial Viability.

Species and Forest Divisions/FDAs :

Sl.No	Divisions in 1 <sup>st</sup> Phase	Suggested Species	Suggested Aggregation Point	Transacting FDA
1	Khariar	<i>Terminalia bellerica</i>	Khariar Road	FDA, Khariar
		<i>Terminalia chebula</i>		
2	Bargarh	<i>Terminalia bellerica</i>	Narsinghnath	FDA, Bargarh
		<i>Terminalia chebula</i>		
3	Khurda	<i>Asparagus racemosus</i>	Balugaon	FDA, Khurda
		<i>Curculigo orchioides</i>		
4	Phulbani	<i>Emblica officinalis</i>	Phulbani	FDA , Phulbani
		<i>Terminalia bellerica</i>		
		<i>Terminalia chebula</i>		
5	Deogarh	<i>Messua ferrea</i>	Pallhara	FDA, Deogarh
6	Koraput	<i>Piper longum ,</i>	Koraput	FDA, Koraput
		<i>Rauwolfia serepentiana</i>		
7	Ghumsur-North	<i>Pueraria tuberosa</i>	Bhanjanagar	FDA, Ghumsur-North
		<i>Terminalia bellerica</i>		
		<i>Terminalia chebula</i>		

- It may be necessary and desirable to involve nearby FDAs/ Forest divisions for collection and trading purposes. However, trade transaction (Billing, Payments & Transport) shall be processed only by the agency supported by the Trading organisation in association with the designated FDA.
- Collections would be strictly carried out by groups like JFMCs/ VSS/SHGs operating in each of the collection zones ***excluding protected areas***. It is expected to involve 25-30 collection groups in each of the forest divisions under the project. However, if the identified species are more than one or there is a greater potential it is expected that, the beneficiary groups (VSS/JFMCs/SHGs) may go up to 50.
- In each of the collection groups, one enterprising member of the VSS/ JFMC shall be designated as Business-in charge. He/ she shall be responsible to pool the harvested stocks and their transportation to the aggregation site.

- The aggregation site shall be under the Joint control of the FDA and the Organisation. The DFO who is the CEO of the FDA may please engage a dedicated staff / VSS representative for the purpose. The Aggregation Centre shall be located in a secure premise. For all practical purposes, the FDA shall function as Primary Producer's Company- for this project.
- The quality certification of Collection, Primary Processing, and the Final Produce, will be done by the Organisation and the Stocks will be transported by the Organisation. Payments will be made by the Organisation to the FDA within a fortnight from the date of transport. Payments will be disbursed by the concerned FDAs to the VSS within a week.
- SMPB Orissa will facilitate the overall operation as per the State Govt. and NMPB guidelines.
- Necessary Schemes will be prepared by the FDAs in collaboration with the organisation to obtain financial assistance for the infrastructure development, Training, facilitation etcetera either from NMPB or Other funding Agencies in State Govt. or Central Govt. under the generic Schemes of "Conservation, Development and Sustainable Management of Medicinal Plants". In this process Organisation will give a buy-back agreement for 5 Years to the FDAs/ Communities /Cluster of Communities as a part of the Scheme.

### **3. Preparatory Phase:**

- For each forest division to be covered under the project, primary information would be collated from field resources/ local experts as regards to the perceived abundance of species.
- This information shall be ascertained, through a joint survey by organization's experts and local experts and workable volume of collection would be estimated from these surveys. The final list of collection points shall be prepared on the basis of these field assessments
- During this survey, communities would be consulted and their experiences in harvesting practices would be elicited.

- One round of orientation programme will be conducted at each of forest Division shortlisted for collection. The orientation programme shall be jointly conducted by the experts from the Organisation and other designated local experts.
- The orientation programme shall also include a pilot level collection demo and also a detailed discussion on material costing at base level.
- Each of the collection group shall be provided with essential tools which will be specifically needed for collection and primary processing of individual species.
- During the preparatory phase, the FDAs would be required to obtain ST/ VAT registration numbers/ PAN registration for statutory documentation purposes. The FDA shall be working at 5-10% margins *ad-valorem* so as to cover the administrative overheads.
- During the preparatory phase, Organisation would be signing formalized Memorandum of Understanding with, the FDAs ensuring its compliance to the obligations.

#### **4. Post harvesting Management & Quality Assurance:**

- After the completion of collection, drying and packing is completed by the collection groups, the material would be pooled at the aggregation centres. At this stage, an expert would visit the site and undertakes a detailed material inspection. If so needed, a secondary sorting will be carried out under his supervision.
- The billing process at FDA level shall be evolved in consultation with the Organisation and a local chartered accountant- in order to maintain business sanctity of the process.

#### **Fully Operationalize the Programme:**

- After initiating the first business transaction, the Organisation will submit the following proposals to the National Medicinal Plants Board through SMPB-Orissa.
  - A project proposal for promotion of Infrastructure- for primary processing at grassroots level- such as drying platforms, storage facilities , Primary Processing etc
  - A project for resource augmentation in project areas for all the species to covered under business plan.
  - The Organisation should support the SMPB in preparation of presentations before the NMPB and shall play its due role as a business partner in pursuing the project at NMPB and Govt. of India .

- In addition, Organisation should support the local communities on long run in the following directions.
  - Mobilization of business partners for these/ other plant species through its contacts/ business associations like Chambers of Industry and commerce etc.
  - Extension of emerging technologies in conservation, promotion and sustainable resource management for those species which have a high-degree of sustainability threats.

-Sd-

Chief Executive

State Medicinal Plants Board, Orissa