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**Revision of Minimum Support Price for  
Minor Forest Produce**

**ANTHROPOLOGY SNIPPET-109**



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## **Revision of Minimum Support Price for Minor Forest Produce**



### **Why in News**

Recently, the Central government has revised the **Minimum Support Price (MSP)** for **Minor Forest Produce (MFP)**.

- The MSP is the rate at which the government buys produce from farmers and tribals.
- The idea of MSP is to **counter price volatility of commodities** due to the factors like variation in their supply, lack of market integration and information asymmetry.

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## Key Points

- The increased Minimum support price (MSP) ranges from 16% to 66%.
- MSP for MFPs is revised **once every three years** by the **Pricing Cell constituted under the Ministry of Tribal Affairs**.
  - However, the authorities have revised the MSP much earlier than 3 years.

- This will offer much-needed support to tribal gatherers in view of the "exceptional and very difficult" circumstances prevailing in the country due to the **Covid-19 pandemic**.
- The Centre has also asked all the states to speed up procurement operations.
- The central government has also created an **online monitoring dashboard, called the Van Dhan Monit Dashboard**, for reporting the procurement activities undertaken at the state level.
  - The dashboard is a part of the **"TRIFED E- Sampark Setu"** that aims to facilitate exchange of information to and from every Panchayat and **Van Dhan Kendra**, either through email or mobile phone.
- States have appointed the **Van Dhan Kendras** as their primary procurement agents for MFP procurements from haat bazaars.

## **Van Dhan Vikas Kendra**

- **Van Dhan Vikas Kendras** have been set up under the program 'Van Dhan Yojana' which was launched in 2018, in Chhattisgarh.
- The Van Dhan Vikas Kendra caters to ten Self Help Groups of thirty tribal gatherers each.
- The selection of the tribal beneficiaries and formation of the SHGs has been undertaken by the **Tribal Cooperative Marketing Development Federation of India (TRIFED)**.
- The Van Dhan Vikas Kendras boost the economic development of tribals involved in the collection of Minor Forest Produce (MFP) and provide a sustainable MFP-based livelihood in MFP-rich districts.

## **Minor Forest Produce (MFP)**

- **MFP includes all non-timber forest produce of plant origin** and includes

**bamboo, canes, fodder, leaves, gums, waxes, dyes, resins and many forms of food including nuts, wild fruits, honey, lac, tusser etc.**

- It provides both **subsistence and cash income** for people who live in or near forests. They form a major portion of their food, fruits, medicines and other consumption items and also provide cash income through sales.