



INNOVATIONS IN THE MAHUA FLOWER VALUE CHAIN, MADHYA PRADESH

Central India has a pronounced dry season during which most forests lose all their leaves and forest-dependent communities, after harvesting rabi crops, prepare themselves for the long wait until the monsoon rains. At the beginning of this long and dry period, when income generating opportunities are hard to find, women like Shilta Uyke (pictured above) help their families cope by collecting and selling mahua flowers. This wild flower can be turned into a variety of consumable products and provides a steady source of income for the rural women. A household reaps an average of Rs. 2,500-5,000 in a normal year from mahua harvest.

The mahua (*Madhuca longifolia*) flower is an important non-timber forest product (NTFP) for the region. It has a significant place in the livelihoods, food security and culture of the forest-dependent communities, especially among the tribal population.

Because forest-dependent communities are typically poor, live in remote locations, and are not well-connected to mainstream markets, local traders who can provide credit and market access to mahua collectors are in an advantageous position in this value chain. Mahua flower traders typically require flower collectors to settle their loans by selling them the mahua flowers they collect, usually at lower rates than what mahua demands in the open market. Since collectors do not have storage facilities, they then buy the flowers back from traders after a few months for self-consumption at a much higher price than they sold them. For example, a collector could expect to sell mahua flower for Rs. 12 a kilogram, and buy a portion of it back in three months at Rs. 50 a kilogram. Forest-PLUS, however, has changed this imbalanced practice in one village using simple technologies that can be widely replicated.

INNOVATIONS INTRODUCED BY FOREST-PLUS HELP FARMERS ESCAPE DEBT TRAP

To find ways to increase collectors' income from mahua, Forest-PLUS surveyed and consulted with community forest management groups to understand what could be done to improve the situation. The principal barriers identified to accessing a higher price were storage facilities and access to credit.

Forest-PLUS then worked with Joint Forest Management Committees (a partnership between the Madhya Pradesh State Forest Department and communities to manage degraded forest land) in the Sukhtawa and Itarsi ranges of Hoshangabad Forest Division to pilot an approach to break these barriers.

Using simple iron storage bins and commercially available netting, clean and high-quality flowers were collected and stored in a room provided by the community. By storing the flower in bulk in a clean setting, the community is able to secure a higher price at the beginning and the end of the season, and is, in some cases, able to forego purchase of mahua altogether. Building on this experience, Forest-PLUS also motivated a group of collectors to undertake further value addition to the flowers through the preparation of an indigenous sweet (*Ladoo*). Initial results have been very encouraging: a cooperative has been formed and based on its business plan they project a sale of 1,000 kilograms of *ladoo* at Rs. 400 per kilogram with a profit margin of 30-50 percent in the first year of operation.

THE PAYOFF

According to Shilta Uyke, one of the members of the cooperative formed for this business, she received approximately double the return from selling mahua kernel to the cooperative collection depot this year. Traders in the market were buying mahua at Rs.12/kg while at the depot she sold it for Rs. 22/kg.

After selling 30 kg of mahua kernel, Ms. Uyke received a total of Rs. 300 extra for her season's harvest.



NETTING FOR MAHUA | PHOTO: FOREST-PLUS

The nets and storage bins can pay for themselves by the second year if collectors simply sell to the cooperative collection depot rather than middlemen, making this approach for working with mahua a viable commercial model for further development. Small loans or other options to scale it up in convergence with various government schemes like National Rural Livelihoods Mission (NRLM) and the Mahatma

Gandhi National Rural Employment Guarantee Act (MGNREGA) can easily meet the financial and equipment needs for overcoming barriers to increased income generation from mahua collection.