Meghalaya Livelihoods and Access to Markets Project (Megha-LAMP)

Strengthening Farming Production and the Supply Chain

Presentation to UN ESCAP | 23 Nov 23

The Meghalaya Context

Meghalaya has unique challenges and immense opportunities that are yet untapped

- Known for its scenic beauty, rain and salubrious climate all year round
- 6th Schedule state – Land ownership and governance with the people
- Poor, predominantly rural, minimal industry
- Small, dispersed villages
- 80% dependent on agriculture and natural resource – organic, high quality produce
- Low farm productivity and low income – (Farm Mechanization 1.072 kW/ha against the recommended 2.5 kW/ha.)
- Landlocked
- Developing infrastructure - power supply, road connectivity
- Low bank penetration and unconnected to major markets
- **Huge potential in agriculture, tourism and allied sectors**

Rationale behind the LAMP Project

	01	02	03
	Integrated Natural Resource Management interventions will improve farm productivity, reduce drudgery and increase output	**Farmers need access to capital and other financial services to take on higher order activities in the value chain**	**Supply chain development is necessary to organize production and accommodate increased outputs**
What the project did	• Empower communities to develop and implement holistic NRM plans • Institutionalize a system of convergence • Promote Farm Mechanization to maximize returns from the lands	• Establish IVCS to provide basic financial services such as thrift and credit • Increase financial literacy through Capacity Building and training on banking practices • Link IVCS to formal banks to channelize resources of these banks to unserved areas	• Farmers collectivization • Establish Collective Marketing Centres • Establish and develop farmer-owned and farmer-managed Markets • Develop entrepreneurship cum incubation hubs to facilitate access to credit, technology, and high leverage markets

Project Snapshot

Development Objective:
Expanded and sustainable livelihood opportunities adapted to the hill environment and to the effects of climate change

Project Period:
2014 –2022; extended to 2024

Coverage:
1,350 villages; 18 Blocks; 11 districts

Components:

01

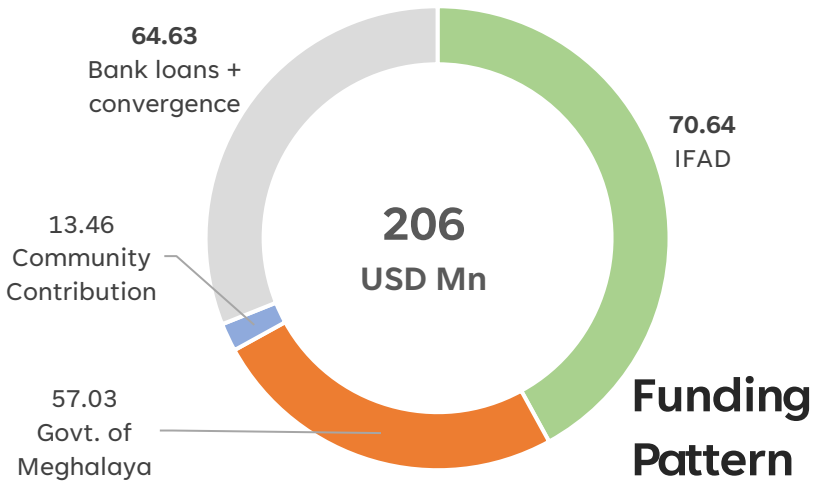
Integrated Natural Resource Management
Development and implementation of integrated NRM plans in 1,350 villages

02

Rural Finance
Enabling access to financial services through Integrated Village Cooperative Societies (IVCS)

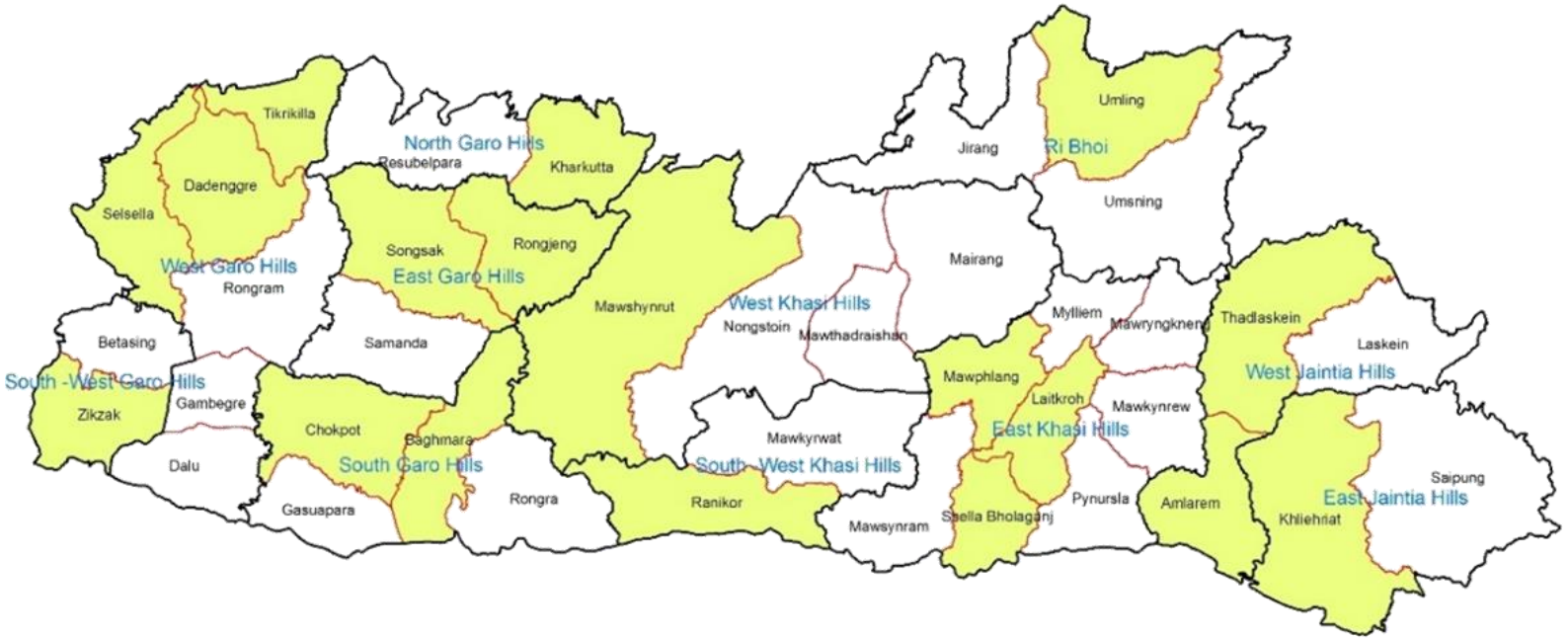
03

Inclusive Supply Chain & Enterprise Development
Facilitation and capacity building for inclusive growth of commodity supply chains



Funding Pattern

Funding from IFAD + GOM
128



Highlight of Project initiatives



Integrated Natural Resource Management (INRM)

Investment in NRM to Enhance Productivity and Reduce Drudgery



Empowering Communities to Develop and Implement Holistic NRM Plans

- Planning and implementation of community-collaborated Integrated NRM Plans across all 1,350 project villages benefiting total 118,524 households
- Improved water availability for both domestic and agricultural use for 1350 villages
- Reduced drudgery for women



Promoting Farm Mechanization

- To help the small and marginal farmers maximize returns from their lands, improve production efficiency, and create an agricultural surplus economy
- Established 72 Custom Hiring Centres (CHC) to provide fee-based custom hiring of agricultural machinery and farm tools at subsidized rates
- CHC currently covering 268 villages and benefiting 3460 households

Rural Finance (RF)

Setting Up IVCS to Enhance Access to Finance

423 Integrated Village Cooperative Societies (IVCS Ltd.) formed covering 53,538 HHs with 80,691 membership base

- Features of IVCS –
  - Community-owned and managed specialized cooperative societies
  - A single platform to access a variety of financial services including loans, savings, and access to formal banks
  - Farmers can also access collective aggregation and marketing centres , and rental services for farming tools and implements

- All IVCS currently in the process of being Computerized

- 200 IVCS as business correspondents

- 237 IVCS actively engaged in aggregation and marketing activities





Initiatives under the

Inclusive Supply Chain & Enterprise Development (ISC&ED)

component





Collectivization of Farmers

- Address issues related to productivity enhancement, extension services delivery, and value chain development for improved access to markets, credit services, and technology and for boosting bargaining power
- 11,933 Producer Groups supported comprising total of 121,839 members
- Start up of Rs.5000 given to these household for doing collective purchase of inputs or sale etc.
- Now a State Flagship program under FOCUS





CIPS – Apical Root Cutting collaboration – Seed Secure Meghalaya

- Establishment of low-cost formal and informal potato seed production system to enhance food security and income generation

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- 2 Tissue Labs Upgraded with capacity of 50,000 TC plant production
- 1,38,768 TC plants produced
- 4 Poly houses constructed for ARC production
- 3 Lakhs ARCs Produced
- 14 Net Houses constructed and Planted
- 47, 707 G0 tubers harvested from the Net houses
- 160 Seed Demonstration completed with 160 Farmers
- 48 MT Seeds Distribution to 160 farmers





Development of Farmer-owned and Farmer-managed Markets

- To address issue of existing markets being exploitative
- Set up to promote transparent and organized marketing practices
- Project is collaborating with NEC and is establishing 50 Farmers' Markets
    - 20 Markets under phase 1 @ INR 50 L
    - 20 Markets under phase 2 @ INR 50 L
    - 10 Markets under phase 2 @ INR 1 Cr



Establishing Collective Marketing Centres (CMC)

- One stop shops for farmers to get input supply, advisories and aggregation of produce
- 197 set up till date doing business on a regular basis.
- Interest free working capital of max Rs.5.00 lakhs per CMC
- Village aggregators or middleman (with social outlook) looped in to be part of the CMC; hence Supply Chain is not adversely disrupted.
- Gives advance money or “Bagan Booking” instead of traders from outside
- Equipped with storage bays, solar powered cold storage, processing unit, office space, parking and connected to major highways





Development of PRIME Hubs

- One-stop shops for providing support to entrepreneurs in agriculture and food processing sectors
- Designed to help entrepreneurs, farmers and producers gain access to credit, technology, mentoring support, and high leverage markets
- Production and Primary Value Addition done at sub cluster and cluster level (PRIME Spoke)
- Quality Control, Packaging, Testing etc. done at Block Level (PRIME Hub)
- 7 PRIME Hubs(Promotion and Incubation of Market-Driven Enterprises) set up with co-funding from NEC and SCSTE









Trial Marketing under Megha-LAMP









Silchang Dirimbri Palwang Ading IVCS, Silchang Gittim, Rongjeng Block and Napak Apal IVCS, Songsak Block, EGH

- 18MT of green pineapples (above 1.3kg)
- The sale to IQF Foods Private Ltd, Karnataka was facilitated jointly by DPMU EGH, MBMA and Dept of Horticulture, EGH.
- The buyer agreed to procure in the future seasons. Farmers received Rs 12-14 per kg for their pineapples for the entire amount of 12,000 pineapples traded





Umwang IVCS Ltd, RBD

About the Kew Pineapple Variety in Meghalaya

- Organic and high sugar content (brix value of 16-18)
- Low in residual pesticides making them suitable for exports to European markets

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- 2 MT of pineapples was transported to Satez Agro Pvt. Ltd on 15th July 2022 , Mirza, Assam by Umwang IVCS Ltd, Ri Bhoi District as part of the total consignment of 20 MT procured by the North Eastern Agricultural Marketing Corporation Ltd. (NERAMAC), a GoI enterprise.
- Aggregating 2MT Pineapples from Umwang CMC to Buyers from Bihar and shipment to Delhi.
- A buyer who has been linked by APART and agri business project from Assam and coordinated with MBMA



Ganga IVCS Ltd., SGH

- Ganga IVCS Ltd. exported Khasi Mandarin to Dubai
- Stood at special display inside the LuLu Hypermarket chain of Malls
- initiative was entirely done by the IVCS with minimal facilitation by the government



Multi-Stakeholders Platforms

- Platforms for different stakeholders and actors who share similar interests
- Platforms where they converge to improve the situations affecting them through a process of shared learning, joint decision-making and collective action
- Serves to scale up the production rates through inclusive and sustainable growth while identifying lasting solutions to large scale issues





2nd NE Buyer Seller Meet

- Ministry of External Affairs, Govt. of India and Indian Chamber of Commerce (ICC) organized 2nd North-East India Buyer Seller Meet
- Interaction gave detailing of buyers' requirements to sellers and provided a platform for one-to-one interaction between the entrepreneurs of Assam, Meghalaya, Nagaland, Mizoram, Sikkim, Arunachal Pradesh, Tripura, Manipur and rest of India and Bangladesh, Bhutan, Thailand and Laos
- Initiative was to promote trade and transaction

Outcome for IVCS participants

- IVCS member participants got exposure by displaying their products at the forum, were shown how to package their products better, and connections were made

Value Chain Development of the High-value Lakadong Turmeric

- One of the finest turmeric varieties in the world; Curcumin content of 7-12%
- Grown exclusively in the West Jaintia Hills of Meghalaya
- Widely sought after for use in food, pharmaceutical and cosmetic industries
- Undertaken in 123 villages by 13,000 women farmers and collectives



Interventions Taken

1 Planting material and technical support

- Quality Planting Material
- New farm technologies
- Training and capacity building

2 Set up of processing infrastructure

- 15 micro processing units
- Technical recommendation of Dept. of Science and Technology

3 Working capital assistance

- Interest-free loans to the micro processing units

4 Market connect

- Creation of an umbrella brand
- Farmer-buyer connects

Lakadong – Towards Doubling Farmers' Incomes

IMPACT MADE SO FAR

Enabling factors

- **Mission-mode implementation**
- Pro-active **Convergence agency**
- **Investments** – M-LAMP and North East Council

Better price realization for farmers
INR 25/kg to **35/kg**





Thank You

