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Trade and marketing issues when dealing with tribal products

Mani, a tribal man, was puzzled. An organization was going round purchasing bees wax – it was weird! He could not understand why people should purchase bees wax and at price higher than that being paid for honey. For him, wax was just the crumbs in the whole operation of honeyhunting. However, bees were his fascination and he was an enthusiastic part of any group going for honey collection from the wild bee (Apis dorsata).

Then, he found that the organization was also teaching people in his community how to rear bees (a different species of bee, Apis cerana) in small bee boxes. He started learning and soon he had a few boxes under his care. However, he found that whenever he hived a new colony, they spent a lot of time in starting up, building their combs. It was then that the organization started providing him with 'comb foundation sheets' to reduce the workload for the bees and to encourage honey production. And yes, it was made out of bees wax that he had recently sold to the office. Pretty soon, the entire valley had named this organization 'then aphis' meaning 'the honey office'.

Then, he found that the same bees wax was being used to make candles. This was too good to be true. Now, he not only sold the wax but was also helping create new employment to make bees wax candles. It was then he understood the value of bees wax. It was truly a wonderful by-product.

n the eyes of Mani, a radical change was taking place in his village. A few of the young people in the village were now part of a small centre that was producing candles. When not doing so, they were involved in making other products – candy, mouth fresheners, silk and cotton products and pickles. They were now, even experimenting with making balms out of bees wax.

Kotagiri, a small town in the Nilgiris district, is situated in the Western Ghats, a mountain range that stretches all the way down peninsular India. It is a diverse area with a rich flora and fauna, and goes up to a height of 2600 metres. A number of distinct tribal communities belong to this region.

Land holdings in this area are very close to the forested areas at middle elevations of 800-1000 metres. The area is in the humid or semi humid tropics, and is one of the most ecologically fragile areas in India. Traditional forests have been depleted and are under further threat from the growth of large tea plantations and substantial destruction of natural vegetation through the introduction of exotic commercial tree plantations. Half of all the cultivated area (30,000 ha) now consists of tea plantations. Although no hard figures are available, it is common knowledge that these conventional tea plantations make heavy use of chemical fertilizers and pesticides, and reduce the water retention capacity of the soil. Such conditions have brought attention to the problem, and recently the area has been declared a hotspot under the Man & Biosphere Programme of UNESCO.

Keystone, a NGO concerned with development and natural resource issues, particularly those affecting indigenous communities, began working with these communities in 1995. One of the organisation's primary concerns was to provide support on the marketing front. The entry point for work was bees and honey – the Kurumba and Irula communities are traditional hunter-gatherers and slash-and-burn agriculturists. Honey hunting is an important part of their tradition and nearly two to three months in a year are spent in this activity.

The immediate concern was to help raise the procurement price of the honey as the rates being offered by traders and middlemen were very low. Coupled with that was the problem of irregular payments and unreliable methods of measuring the volume of honey for sale. Despite initial suspicion, the tribals slowly started trickling in with their products and pretty soon it became quite a flood. Apart from members of villages where Keystone staff actually had direct contact, there were others who heard about the project and made their way in. It was tough for these people as not only did they have to spend time and money on travel (sometimes walking 3-4 hours before catching a bus), but also had to face other hazards like local residents and officials bullying them out of some bottles of honey. However, they saw the benefits and that kept them coming.

Intervention had to be on many fronts.

Apart from the fact that the procurement

price was raised, it was important that there was a purchase guarantee for the tribal communities. In the earlier times honey formed an important part of the barter trade and hence had a value. However,





in today's economy of cash transaction, honey's value had reduced. Thus, the activity of honey collection had remained a tradition but was without the associated functional value. This project provided a financial security net. The next important intervention by Keystone was at the producer's end, looking at the quality of the honey. Long used to selling honey in beer bottles without any check for quality, this effort impressed upon the tribals the importance of selling a product to a customer.

Pretty soon, there was a whole range of products – coffee, pepper, mustard, silk cotton and spices – on offer. All the products were organic but there was no certification. As with small growers in many parts of the world the problems of high costs, poor accessibility, no documentation, etc., presented hurdles that stood in the way of formal certification. However, a premium on the prevailing market wholesale rate ensured that they were encouraged to remain organic.

For Keystone the effort revolved around the following:

- Quality control at the processing and packing end.
- · Value adding to the raw materials.
- · Building marketing channels.

Project success required a paradigm shift in many ways – 'business and profits' were terms that had to become a part of the work. Pressure was also generated from a decision to take a loan from a development bank, thus economic viability was crucial. Local shops, owned by the project were added to its public face. An effort that began with honey and bees wax was slowly building into a wide range of products.

Some of the key features that the Keystone tried to build into the system were:

- Simple
- Replicable
- · Quality standards
- · Transparent

The risky step of opening the self-owned shops in the local markets was taken after much debate. It meant initial investments had to be made for ventures that could turn out to be complete failures. However, thankfully, they have been successful, and have helped establish the credibility of the organisation.

An initial step has been taken to slowly hand over responsibility to local groups. This has meant having a small production centre in the village and slowly enabling it to work on an order basis. A small portion of the centre's profit is set aside to use to make them independent in the long run – this is a trial and Keystone hopes that at least the production end will become decentralized.



Left: Unique shola (indigenous forest) and grassland ecosystem. Above: coloured bees wax candles for sale in the shop. Below: Keystone logo.

Two issues have recently been looked into: certification and registering trademarks. Organic certification has always been a matter of discussion and debate within the organization, specifically whether the current definitions of 'organic' encompasses the 'wholeness' of the system. Another point of discussion was whether certification, with all the effort required to achieve it, was necessary for a 'local' market. However, Keystone felt that when the products went to markets too far away for the local credibility to have any influence, it would be helpful to have a third party assurance. The main difficulty that remained was the high cost involved, especially when the only option was to use an international certification body. However, last year the Indian government produced its own organic guidelines and certain agencies became accredited to provide organic certification for the Indian market. Keystone has taken the first steps towards certification, and one village will be receiving its certificate soon.

The other step that has been initiated relates to trade marks. For an organization operating in a limited area of influence this was an uncharacteristic step, but

it is part of Keystone's long-term vision and commitment to the concept of 'development enterprise'.



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