Conducive Policy and Regulatory Regimes are Key to Success of Agroforestry in India

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Introduction

- Development of agroforestry sector in India is heavily dependent upon conducive policy and regulatory regimes.

- With launch of National Agroforestry Policy 2014, India attempted to overcome many challenges that limit its adoption at a large scale. However, the impacts on the ground are short of expectations.

- This paper examines the impact of various policy and regulatory regimes concerning agroforestry. Also, we have assessed the existing gaps that need to be addressed urgently and explored viable the options.

- Based on a comprehensive review of the above, we have made some recommendations that are crucial to success of agroforestry in India.

Agroforestry contribution in India

- A High-Level Expert Group on "Growing India's agricultural exports through crop-specific, state-led plans" constituted by the XV Finance Commission, in its report submitted in July 2020, has mentioned that some **72% of the industrial wood requirement is met from Trees outside Forests** (ToF), 5% from forests and 23% from imports.

- The current area under agroforestry is estimated at 25.31 million hectares (8.2% of geographical area).

- Agroforestry is contributing significantly in land use and farm income diversification, natural resource management and meeting the demands of fuel, fodder, timber, thus helping in economic transformation of the farmers.

- There is scope of increasing the area under agroforestry substantially and that will increase farmers' income, create job opportunities and augment availability of raw materials for the industries.

- Agroforestry contributes towards achieving 33% target of forest/tree cover, as envisaged in the National Forest Policy (1988), and in meeting India's Nationally Determined Contributions of increasing additional carbon sink by 2.5 –3 billion tons by 2030 through additional forest and tree cover.

Need to align the relevant policies and guidelines

- National Forest Policy,1988

- National Agriculture Policy, 2000

- National policy on Farmers, 2007

- Guidelines for Felling and Transit Regulations for Tree Species Grown on Non-forest/Private Land, 2014

- National Agroforestry Policy, 2014

- National Transit Pass System, 2020

Coherence with Other Programmes

- National Mission on Sustainable Agriculture (NMSA); sub mission on Agroforestry

- National Bamboo Mission

- Model Contract Farming act – Encourage partnership between industries/private parties and farmers

- Green India Mission

- National Afforestation Programme

- Externally Aided afforestation/ NRM /Livelihood Projects

- Green Climate Fund

- Global Environment Facility

- National Adaptation Fund on Climate Change

- Mission for Integrated development of Horticulture

- National Mission on Oil Seeds and Oil Palm (NMOOP)

- NABARD – Providing credit to farmers involved in Agroforestry

- National Initiative on Climate Resilient Agriculture

Current scenario

- India attempted to eliminate many challenges and fill the gaps in the agroforestry sector by adopting the National Agroforestry Policy in 2014.

- The Ministry of Environment, Forest, and Climate Change (MoEF&CC) Government of India has issued guidelines to the State Governments from time to time for simplification of felling and transit rules for the tree species grown on non-forest/private lands to accelerate agroforestry.

- MOEFCC has also launched the National Transit Pass System (NTPS) on 23 July 2020 in two Indian states Madhya Pradesh and Telangana on a pilot basis.

- Depending on its success, NTPS will be implemented pan India.

- It is expected that all others Transit conditions/requirements will be subsumed into this system.

- NTPS to help in monitoring & keeping records of Transit Pass (TP) for **inter-state** and **intra-state** transportation of **timber** and **bamboo** from private lands/ government/private depot and other minor forest produce. It will allow online registration and submission of applications for TP or NOC through web-portal and mobile app.

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Current scenario contd…

- Ministry of Agriculture and Farmers Welfare has launched the National Sub Mission on Agroforestry and have put conditions that funding assistance will be provided to such States only, as have taken adequate measures for simplification of felling and transit rules.

- Under this mission many states have exempted agroforestry species from TP/Felling Rules but the exemption is not sufficient and isn't uniform across the country.

- States have different Transit Rules & Felling Permit Regulations, which hinder the smooth movement of timber/non-timber both intra-state and inter-state.

- As of October 2020, more than 50 percent of Indian states have liberalized regulatory regimes on felling and transit and exempted agroforestry species from these rules.

- These states are Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Manipur, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttarakhand, Nagaland, Tripura, Telangana, and Uttar Pradesh.

Key findings and results

NAP-2014 addressed the challenges faced by farmers for adopting agroforestry. However, Agroforestry has not gained the desired importance due to various reasons, stated below:-

- No institutional set up at national and local level

- Complicated regulatory mechanism in tree felling and transit , lack of storage depots, facilities for value addition and, marketing of various NTFPs

- Lack of availability Quality Planting Material

- Weak market linkages and unfavorable price regimes

- Lack of incentives and credit support

- Use of technology at low/ limited scale (modern nursery technology, GIS/drone, etc.)

- Unsecure land tenure and tenancy rights

- Inadequate investment in Research & Development

- Unavailability of data on region-specific agroforestry models

Yamunanagar Agroforestry Model

Fig 1: Poplar based agroforestry model,
Source: Haryana Forest Department

Yamunanagar known as "plywood capital of the country" as this district produces about 50% of the plywood of the country. This model has increased the income of farmers and created employment & business opportunities for different stakeholders like laborers, contractors, commission agents, factory owners, etc.

Factors responsible for development of Yamunanagar model are:-

1. Developed infrastructure facility (excellent road and train route/network)
2. Strategic location (surrounded by regions like western U.P, Uttarakhand, Himachal Pradesh, northern Haryana)
3. Extensive R&D in Agroforestry
4. Availability of QPM by industries and forest department
5. Suitable geography and climatic condition
6. Presence of industries like WIMCO and BILT, lack of regulations on tree crops
7. Popularization of agroforestry through appropriate extension measures

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ITC Farm Forestry Model

Fig 2: Eucalyptus and paddy based agroforestry model
Source: ITC PSPD portal

ITC developed good infrastructure in Bhadrachalam and provided almost every facility to farmers for adoption of Farm Forestry. Main reasons of ITC's success are:-

1. Heavy investment on research and development

2. Establishment of clonal production units at Bhadrachalam for development of better clones/QPM and providing to farmers at negligible cost

3. Strategic harvesting and supply chain through various channel (vendors, farmers and ITC area manager)

4. Buyback arrangements with the farmers

Recommendations

Following three major areas are to be addressed for success of Agroforestry:

- **Policy and Regulatory Regimes:** To develop and adopt effective and nationally accepted felling, harvesting and transit rules for agroforestry species.

- **Financial Security** to farmers, e.g. Incentives and credit support in the form of QPM, subsidies, loans at low-interest rate, insurance cover for standing trees, financing mechanism through private banks and microfinance, out-grower schemes (Contract farming), capacity building of farmers so they can grow as entrepreneurs.

- **Institutional Setup** to address challenges associated with mainstreaming agroforestry policies & guidelines, including to manage and guide, state and local level agencies responsible to increase the efficiency and capability of farmers and local communities.

Some other generic suggestions

- Development of strong market infrastructure in every state

- Supply of certified quality planting material in rural areas

- Secure land tenure and tenancy rights

- Integration of new technology in nursery development

- Managing database and assessment of agroforestry area

- Investment in Research & Development

- Increase multi-stakeholders' participation

- Strengthening market linkages and favorable price regimes

- Development of a strategic plan for agroforestry and an easy to implement the roadmap

- Develop new markets for agroforestry products like carbon market, import substitution and, export incentives

- Adopt standards and certification systems for agroforestry trees for sustainability and better pricing mechanism for farmers.

Thank you!!