



Capacity Building for Entrepreneurship Centered Around Trees Outside Forests

Module 3: Market opportunities of tree-based products.
Lecture 4: Strategies for connecting entrepreneurial ventures.



INTRODUCTION

- Entrepreneurial ventures is starting a new business, organization, project by an individual or a group.
- It involves creating a new a innovative product and services.

Importance of Entrepreneurial ventures

- The initiative contributes to economic growth by enhancing the value of raw products, such as adding value to brooms through processing and branding.
- Create job opportunities for diverse groups of people at various stages, from the collection of tree-based products to the production of high-quality final goods.
- The export of high-quality tree-based products contributes significantly to the economy; for example, India exported shellac products worth USD 55.68 million in FY24.
- Different entrepreneurs promoting agroforestry thus promoting sustainable resource utilization.
- The process involves waste reduction by utilizing by-products such as sawdust and bark; for example, sawdust is used in the production of engineered wood.
- Habitat restoration by planting trees'
- Preservation of indigenous knowledge and cultural heritage.
- Innovation of new product and services
- Diversifying conventional market into niche markets like organic, fair trade, or handmade products ensures resilience against market fluctuations
- Successful ventures can influence policies to promote sustainable forest management and entrepreneurship.

Strategies to connect ventures



1. Traditional market place: Buyers are directly connected to producers.
Eg: Timber India
2. Digital market place: It brings buyers to different producers at one place.
Eg. Flipkart, Amazon
3. Collaborative Networks: This include all the organization, NGO's, associations.
Eg. ECOGREEN, ICFRE
4. Sustainability certifications: Eco labels, Organic certification, Indian forest and wood certification scheme. Eg: FSC, FSSAI
5. Application of technology: GIS and remote sensing for monitoring, phone-based applications
6. Government laws and policies: Start up India , National Bamboo Mission, Agroforestry Policy.
7. Financing and investment opportunities: NABARD, Angel investors, grants and subsidies
8. Skill development and training: Capacity building, Workshops, training, research and development, e-learning.





Business models

Model	Partnership	Value addition (actors and products)	Market linkage
Agroforestry	Cooperatives, public private partnership and farmers, institution	By Enterprises. Broom, essential oils, wood products.	Direct (market, e market), business to business networks
Sustainable Timber Processing and Furniture Manufacturing model	forest communities or private land owners	Wood processing units. plywood, MDF and particleboard	local craftsmanship and green production offline retail and online platforms
Tree Plantations	environmental organizations or government bodies OR COMMUNITIES OR INDIVIDUAL	Processing units, small scale industries and communities.	Organization, government, online and offline platforms
Bamboo	Farmers, rural communities, organization, institutions	Bamboo processing industries and units, small scale industries, communities. paper, pickles, furniture, coal	Local markets, trade fairs, e-commerce, eco tourism, institution, government
Herbal and Medicinal Product	local farmers, forest communities, traditional healers.	Communities, government, NGO's, Ayurveda institution and its associated firms Medicines.	Ayurvedic and natural wellness market, retail and e-commerce platforms for selling products, health and wellness brands for distribution.



Challenges:

- Lack of raw material: Seasonal variation, illegal extractions, monoculture practices
- Fragmented market ecosystem: Weak industry linkage, lack of collaborative platform for exchange of practices market intelligence
- Unsustainable and illegal harvesting practices: This reduces the raw material
- Limits access to certification or labels: This reduces competitiveness in the market
- Resistance from communities and gender disparity
- Lack of Awareness and capacity building
- Environmental and climatic challenges: It affects the yield of the product.
- Financial constraints and limited credit access
- Technology and skill gap
- Market challenges: Limited market access, lack of branding.
- Regulatory and policy barriers.



**Bamboo
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SIPMA

The South Indian Plywood Manufacturers

INDIAN LAMINATE
MANUFACTURERS ASSOCIATION



