

13. Role of One District One Product" (ODOP) Initiative

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Abstract:

The 'One District One Product' (ODOP) initiative is a government-driven program designed to promote local industries and products within specific districts. This initiative aims to boost economic development, create employment opportunities, preserve local traditions, and support small and medium-sized enterprises (SMEs). Implemented through various strategies and partnerships, ODOP plays a pivotal role in fostering sustainable development, empowering local communities, and reducing regional economic disparities. Several districts have experienced remarkable success, demonstrating the initiative's potential. Despite challenges, the ODOP initiative holds promise for a brighter economic future, with continuous growth and improvement on the horizon.

Keywords:

Economic development, Small and Medium-sized Enterprises, Sustainable development, Employment, Empowerment.

13.1 Introduction:

An economic development programme called "One District One Product" (ODOP) was started by the Uttar Pradesh government in India. In January 2018, the Uttar Pradesh government introduced it. The program's goal is to raise awareness of the traditional and indigenous businesses and goods found in the state's many districts.

Through the identification and development of a distinctive industry or product in each district of Uttar Pradesh, the ODOP aims to promote local entrepreneurship and stimulate the economy. As a result of its success, the Central Government eventually accepted the programme. Later, in 2018, the Ministry of Food and Processing Industries introduced the "One District, One Product (ODOP)" initiative to support districts in realising their full potential and promoting economic and sociocultural development, as well as generate jobs, particularly in rural areas.

The 'One District, One Product (ODOP) was later launched by the Ministry of Food Processing Industries in 2018, to help districts reach their full potential, foster economic and socio-cultural growth, and create employment opportunities, especially in rural areas. The Directorate General Directorate of Foreign Trade (DGFT), Department of Commerce, implements the programme through the "Districts as Exports Hub" initiative. It is a federally supported programme that the federal government and the states will split 60:40. The objective of the ODOP project is to actualize the vision of the Honourable Prime Minister of India, which is to promote equitable regional development throughout all of the nation's districts. The idea is to select, brand, and promote One Product from each District of the country.

- To create jobs in the district.
- To draw investment to increase manufacturing and exports.
- To facilitate comprehensive socioeconomic progress throughout all regions;
- To establish an environment that fosters innovation and technology use at the district level, enabling them to compete in both the local and global markets.

It suggests achieving this through locating possible overseas clients, growing manufacturing, assisting regional companies, and other means, all of which contribute to realising the goal of "Atmanirbhar Bharat.

"Origin of One District One Product (ODOP):

The One District One Product (ODOP) scheme, originally from Japan, has been implemented in various countries including India and Indonesia. In India, the scheme aims to promote indigenous and specialized products, providing a platform for their sale and encouraging employment.

In Tamil Nadu, the scheme has been implemented with a medium level of perception among government officials. In Indonesia, the scheme has been applied at the sub-district level, with a focus on developing the district as the center of economic growth. The One Village One Product (OVOP) program, a similar concept, has been implemented in Indonesia, focusing on local economic development through public-private partnerships.

13.2 Mission & Vision of One District One Product (ODOP):

The goal of Uttar Pradesh's One District One Product initiative is to establish product-specific traditional industrial clusters in each of the state's 75 districts, fostering traditional industries that are closely associated with each district.

How will One District One Product (ODOP) achieve this?

- The programme uses the One District One Product (ODOP) strategy to take advantage of economies of scale when it comes to purchasing inputs, using shared services, and promoting products.
- The plan's ODOP will offer the structure for developing the value chain and coordinating the supporting infrastructure.

- In a single district, there could be multiple ODOP product clusters. A State may have a cluster of ODOP products made up of many neighbouring districts.

A. "One District One Product" Approach:

The programme uses the One District One Product (ODOP) strategy to take advantage of economies of scale when it comes to purchasing inputs, using shared services, and promoting products. The framework for value chain development and support infrastructure alignment will be provided by ODOP for the plan. In a single district, there could be multiple ODOP product clusters. A State may have a cluster of ODOP products made up of many neighboring districts.

The State will choose the food item for a district while keeping in mind that the programme is centred around perishables. A perishable agricultural product, a cereal-based product, or a food product that is extensively produced in a district and its affiliated sectors could be the ODOP product. Support for agricultural products would include processing, appropriate assaying, marketing, and storage, as well as initiatives to minimize waste. Preference would be given to companies making ODOP products for supporting current individual micro-units for capital investment. But current businesses that manufacture other goods would also receive assistance. If groups were to make capital investments, they would mostly support those who are active in ODOP products.

Those organizations already processing certain items and possessing sufficient technical, financial, and entrepreneurial strength would be eligible for support from groups processing other products in similar districts. Only ODOP products would receive support for new units, whether they were for people or groups. Only ODOP goods would receive marketing and branding support, as well as shared infrastructure. The same items from districts without ODOP could potentially be included if there is support for marketing and branding at the state or regional level.

B. The Following Are the One District One Product Program's Primary Goals:

- The preservation, advancement, and promotion of regional crafts and artistic talents.
- A rise in wages and employment in the area (which discourages migration in search of work).
- Enhancement of skill development and product quality.
- Using branding and packaging to creatively transform the products.
- Using a live demonstration and sales outlet for gifts and souvenirs to link the manufacturing to tourism.
- To address the problems of regional imbalance and economic disparity.
- Expanding the ODOP idea to the national and international arena following its effective state-level implementation.

In instance of more than one product having distinct identity from a district, the product with potential of generating more employment and development has been selected in the first state. Gradually, other product will also be included under the purview of scheme.

C. Regarding Execution of The Scheme, Following Actions Are to Be Taken for Products from Each District:

- To prepare database regarding circulation, stakeholders, total production, export, availability of raw material and to arrange training.
- Research of possibilities regarding production, development, marketing of the product.
- To prepare a micro plan for product development, marketing promotion and to provide additional opportunities of employment and wage increment of the concerned artisans and workers.
- To provide advertising, publicity and marketing opportunities at district, state, national and international level.
- Necessary coordination with MUDRA, PMEGP, Stand Up Schemes of Government of India as well as Mukhya Mantri Yuva Swarajgar Yojna and Vishwakarma Shram Samman Yojna of Government of UP for providing required finance to new and existing units. To start new schemes for the purpose as needed.
- To setup Co-operatives and Self-Help Groups.
- General and technical training of the craft and technology development.

D. Key Features of the "One District One Product" Program Include:

- Promoting local crafts and industries: The program identifies specific products or industries that have a historical or cultural significance in each district. These products are then promoted to generate employment and increase economic growth.
- Skill development: ODOP focuses on skill development and training programs to enhance the quality of products and empower local artisans and entrepreneurs.
- Market access: The government provides support to these local businesses to access national and international markets, helping them reach a wider customer base.
- Financial assistance: Financial assistance and incentives are provided to entrepreneurs and businesses involved in the selected products or industries.
- Infrastructure development: The government invests in improving the infrastructure and facilities related to the chosen products or industries.
- Branding and marketing: The program helps in branding and marketing the local products to make them more competitive in the market.
- Employment generation: By promoting local industries, ODOP aims to create employment opportunities within the districts, reducing the need for migration to urban areas.

E. The "One District One Product" (ODOP) initiative plays several important roles in the economic and social development of a region. Its key roles include:

- a. Economic Development:** ODOP promotes economic growth by identifying and nurturing specific products or industries in each district. This leads to increased production, sales, and revenue, ultimately contributing to the economic prosperity of the district and the state.
- b. Employment Generation:** By supporting and promoting local industries, ODOP creates job opportunities for local residents. This can help reduce unemployment and migration to urban areas, leading to a more balanced and sustainable workforce.

- c. **Skill Development:** ODOP focuses on skill enhancement and training programs for artisans, craftsmen, and entrepreneurs involved in the chosen products or industries. This not only improves the quality of products but also empowers local talent with valuable skills.
- d. **Revival of Traditional Crafts:** Many ODOP initiatives revolve around traditional and indigenous crafts that are at risk of being lost. The program helps revive and preserve these cultural and historical crafts, promoting heritage and preserving the cultural identity of the region.
- e. **Infrastructure Improvement:** The government invests in infrastructure development associated to the selected product or industry. This includes improving transportation, storage facilities, and other infrastructure to sustain the growth of these businesses.
- f. **Market Access:** ODOP assists local businesses in accessing national and international markets. By facilitating market linkages and providing marketing support, the initiative helps local products reach a wider customer base.
- g. **Branding and Promotion:** ODOP helps in branding and marketing the products from each district, making them more competitive in the market. This branding can enhance the reputation and value of the local products.
- h. **Regional Balance:** The program aims to reduce regional disparities by promoting economic development in each district. It ensures that the profits of economic growth are more consistently distributed across the state.
- i. **Sustainability:** ODOP encourages sustainable production practices and safeguards that the chosen products are environmentally friendly. This promotes ecological awareness and a commitment to long-term sustainability.
- j. **Entrepreneurship Promotion:** The initiative fosters an entrepreneurial spirit by supporting local artisans and businesses. It encourages the establishment of new enterprises and helps existing ones grow.

F. An initiative One District One Product (ODOP) Aims to Promote District-Level Economic Growth. Most Recent Advancements in The Project:

The government made public its goal of achieving One District One Product (ODOP), which will support craftsmen and the handicraft industry.

- The National Crafts Museum in New Delhi recently opened the "Lota Shop," which was inaugurated by the Ministry of Textiles.
- The Central Cottage Industries Corporation of India Limited (CCIC), also referred to as the Central Cottage Industries Emporium, opened the store.

It features exquisite, handcrafted fabrics, curios, souvenirs, and handicrafts that are modelled by Indian traditional craft forms. The One District One Product (ODOP) Programme of the Uttar Pradesh government sought to promote unique, native goods and crafts produced in the state that are not found anywhere else, such as:

- The renowned chikankari and zari-zardozi work on clothing.
- The uncommon and fascinating wheat-stalk craft; the age-old and nutrient-dense "Kala Namak" rice

- The exquisite and beautiful horn-bone craftsmanship, which substitutes ivory with the remnants of deceased animals rather than living ones in an environmentally beneficial manner.

13.3 ODOP For the Food Processing Sector:

- The State Government would conduct a baseline study.
- The States would determine the food product for an area, taking into account the scheme's emphasis on perishables.
- An illustrative list of such products includes fisheries, poultry, meat, tapioca, kinnu, bhujia, petha, papad, pickle, millet-based products, mango, potato, litchi, tomato, and tapioca.
- The ODOP product may also be a perishable agricultural product or a cereal-based product that is widely produced in a district and its allied sectors.
- In addition, the Scheme may support a few other conventional and novel items, such as waste-to-wealth products.
- As an illustration, consider honey, small-scale forest goods in tribal regions, and traditional Indian herbal foods like Haldi, amla, and turmeric.

In order to support exports under the Agriculture Export Policy, the Department of Commerce is concentrating on agricultural crops through a cluster approach, and the Ministry of Agriculture is likewise concentrating on a cluster approach for the development of particular agriproducts in districts with a comparative advantage. The ODOP strategy would make it easier to provide shared facilities and other support services.

Sr. No	District	ODOP
1	Adilabad	Soya based products- Soya tofu, Soya milk, Soya curd
2	Bhadadri Kothagudem	Chillies
3	Hyderabad	Snacks, Savories and Swagruha foods
4	Jagitial	Mango
5	Jangaon	Scented Rice (Chittimuthyalu) based products
6	Jayashankar Bhupally	Chillies
7	Jogulamba Gadwal	Groundnut products
8	Kamareddy	Soya based products- Soya tofu, Soya milk, Soya curd
9	Karimnagar	Products based on Rice
10	Khammam	Chillies

13.4 Advantages of the One District One Product (ODOP) Initiative:

The One District One Product (ODOP) initiative offers several advantages, including:

- Improved market exposure, information access, and formalization for several micro-enterprises. They will be able to grow, formalize, and become competitive both domestically and internationally.

- It's possible that the initiative will produce worthwhile skilled and semi-skilled jobs.
- The programme aims to give women, businesses in the Aspirational Districts, and current micro-food processors greater access to financing.
- Improved connection with organised marketplaces will support local vendors and artists.
- Another benefit will be easier access to standard services like grading, sorting, processing, packing, and storing.

13.5 Conclusion:

- Indian crafts, agriculture, and food products, if given the chance to expand and get recognition on a systemic level, have the potential to become global market leaders. The ODOP seeks to do this by offering the appropriate business environment and assistance.
- E-commerce gives access to new markets, which creates more opportunities for improved outreach and stimulation of product design and manufacture.
- Handicrafts and other regional industries will profit immensely from such initiatives, given the current condition of globalisation.
- These industries confront a number of difficulties, such as difficulty obtaining finance, high institutional loan costs, restricted access to contemporary technology, difficulties integrating with the supply chain, and adherence to safety regulations.
- Enhancing these elements through One District One Product (ODOP) will decrease waste, provide employment, and help the government reach its goal of tripling the income of farmers and regional craftsmen.

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