



ODOP: Handicraft Sector

For Prelims: One District One Product, Atmanirbhar Bharat, Schemes Related to Handicrafts

For Mains: Significance of Handicraft sector and Related Initiatives, Government Policies & Interventions

Why in News?

Recently, **the Ministry of Textile** inaugurated the 'Lota Shop' at National Crafts Museum, New Delhi.

- The shop was opened by **Central Cottage Industries Corporation of India Limited (CCIC)**, popularly known as the Central Cottage Industries Emporium.
 - It **showcases fine handcrafted curios, souvenirs, handicrafts and textiles** based on the traditional craft forms of India.
- The government also reiterated that it is working towards '**One District One Product**' which will give impetus to the **Handicraft sector as well as the Artisans**.

What is One District One Product?

- **About:**
 - The 'One District, One Product' (ODOP) was launched by the Ministry of Food Processing Industries, to **help districts reach their full potential, foster economic and socio-cultural growth**, and create employment opportunities, especially, in rural areas.
 - It was launched in January, 2018, by the Uttar Pradesh Government, and due to its success, was later adopted by the Central Government.
 - This initiative is carried out with the 'Districts as Exports Hub' initiative by the **Directorate General of Foreign Trade (DGFT)**, Department of Commerce.
 - 'Districts as Exports Hub' initiative provides **financial and technical assistance to the district level industries** so that the small-scale industries can be helped and they can provide employment opportunities to the local people.
- **Objectives:**
 - It aims to **identify, promote and brand a product** from one district.
 - To turn every district in India, **into an export hub through promotion of the product in which the district specialises**.
 - It envisions to accomplish this by scaling manufacturing, supporting local businesses, finding potential foreign customers and so on, thus helping to achieve the '**Atmanirbhar Bharat**' vision.

What is the Status of Handicraft Sector in India?

- **About:**
 - Handicrafts are items **that are constructed by hand using simple tools rather than mass production methods** and equipment. While very similar to basic arts and crafts, there is **one key difference with handicrafts**.
 - The items produced as a result of the efforts are designed for a specific function or

use as well as being ornamental in nature.

- The handloom and handicraft industry **has been the backbone of India's rural economy for decades.**
- India **produces** woodware, artmetal wares, handprinted textiles, embroidered goods, zari goods, imitation jewellery, sculptures, pottery, glassware, attars, agarbattis, etc.
- **Trade:**
 - India is one of the **largest handicraft exporting countries.**
 - In March 2022, the total handicraft export excluding handmade carpets from India was USD 174.26 million which **was an 8% increase from February 2022.** During 2021-22, the total exports of Indian handicrafts were valued at USD 4.35 billion; **a 25.7% increase from the previous year.**
- **Significance of the Sector:**
 - **Largest Employment Generator:**
 - It is one of the **largest employment generators after agriculture**, providing a key means of **livelihood to the country's rural and urban population.**
 - Handicraft is one of the most important sectors in the Indian economy employing more than seven million people.
 - **Eco-Friendly:**
 - The sector functions on a **self-sustaining business model, with craftsmen often growing their own raw materials and is well known for being a pioneer of environment-friendly zero-waste practices.**
- **Challenges:**
 - Artisans face challenges such as **inaccessibility of funds, low penetration of technology, absence of market intelligence and poor institutional framework** for growth.
 - In addition, the sector is plagued by implicit contradiction of handmade products, which are **typically at odds with scale of production.**

What Factors Support the Growth of the Sector?

- **Government Schemes:**
 - The central government is actively **working towards developing the industry to maximize its potential.**
 - The introduction of several schemes and initiatives is helping craftsmen to overcome the challenges they face.
- **Rise of Dedicated Trade Platforms:**
 - Few platforms like Craftezy, have emerged that lend the much-needed support to Indian artisans in finding visibility in domestic and global markets.
 - These global handicraft trade **platforms come with a free supplier induction process and aim at giving it an organized image in the global market.**
- **Using Technology for Inclusion:**
 - Technology that can help cross boundaries has proven to be a boon for the handicraft industry.
 - **E-commerce** has opened **doors to seamless access to consumer goods, and this has enabled inclusive growth** as all manufacturers in any part of the globe can showcase their products through these online platforms.
 - Even social media platforms are helping immensely with marketing Indian handicrafts globally.
- **Exports Vs Imports:**
 - In the last five years, **exports of Indian handicrafts have gone up by more than 40%**, as three-fourths of handicrafts are exported.
 - Indian handicrafts are majorly exported to more than a hundred countries, and the US alone constitutes about a third of India's handicrafts exports.
- **Change in Behavior of Artisans:**
 - To **generate enhanced income, artisans adapt to new skills** and create products that meet new market demands.
 - Thus, on account of the introduction of technology and the ease it brings to their table, there is a significant change in the behaviors of sellers and buyers of handicrafts.

What are the Related Government Initiatives?

- **Ambedkar Hastshilp Vikas Yojana:**
 - To support artisans with their infrastructure, technology and human resource development needs.
 - The objective of **mobilising artisans into self-help groups and societies with the agenda of facilitating bulk production and economies in procurement** of raw materials.
- **Mega Cluster Scheme:**
 - The objective of this scheme includes **employment generation and improvement** in the standard of living of artisans.
 - This programme **follows a cluster-based approach in scaling infrastructure** and production chains at handicraft centres, specifically in remote regions.
- **Marketing Support and Services Scheme:**
 - This scheme **provides interventions for domestic marketing events to artisans in the form of financial assistance** that aids them in organising and participating in trade fairs and exhibitions across the country and abroad.
- **Research and Development Scheme:**
 - This initiative was introduced to **generate feedback on economic, social, aesthetic and promotional aspects of crafts and artisans** in the sector, with the objective of supporting implementation of aforementioned schemes.
- **National Handicraft Development Programme:**
 - The important component of this programme is carrying out surveys, upgrading design and technology, developing human resources, providing insurance and credit facilities to artisans, R&D, infrastructure development and marketing support activities.
- **Comprehensive Handicrafts Cluster Development Scheme:**
 - The approach of this scheme is to scale up infrastructure and production chain at handicraft clusters. Additionally, this scheme aims to provide adequate infrastructure for production, value addition and quality assurance.
- **Export Promotion Council for Handicrafts:**
 - The main objective of the **council is to promote, support, protect, maintain and increase the export of handicrafts.**
 - The other activities of the council are knowledge dissemination, providing professional advice and support to members, organizing delegation visits and fairs, providing liaison between exporters and the government and carrying out awareness workshops.

Way Forward

- Indian craft sector has the **scope to become a billion-dollar marketplace with the right support and business environment.**
- Developing **a systematic approach, which nurtures the intrinsic value of craft skills** and opens avenues for product design and manufacturing will increase access to new markets.
- Alongside, capitalising on e-commerce **for online visibility and operational efficiencies will prove to be a critical success factor** as the sector evolves and gains further traction.
- The present time of **globalization, the handicraft sector has massive opportunities** in the domestic and global markets. While the **precarious condition of artisans needs careful interventions for their upliftment**, the government has already been making great strides by adopting measures that will make handicraft products competitive globally and improve the conditions of our craftsmen.

Source: PIB

