

One District One Product Transforming Uttar Pradesh’s Economic Landscape

By Elets News Network 13-April-2024

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In a bid to revitalize its economic landscape and empower local communities, Uttar Pradesh brought a transformative policy – One District One Product (ODOP) scheme. Spearheaded by Chief Minister Yogi Adityanath, the initiative within a few years has amplified the state’s economic prowess and redefined the narrative of local entrepreneurship and innovation.

OVERVIEW

The One District One Product (ODOP) initiative, launched by the Government of Uttar Pradesh in 2018, is a comprehensive strategy designed to promote unique local crafts, industries, and products from each of the state’s 75 districts. This ambitious project aims to revive traditional industries, generate employment, and boost exports, with a vision to contribute significantly to the state’s goal of becoming a US\$ 1 trillion economy.

The ODOP initiative strategically identifies and selects one unique product from each district, focusing on sectors such as handicrafts, food processing, textiles, and more. This selection is based on the district’s historical, cultural, and economic significance, ensuring that the chosen product has the potential for growth, innovation, and market expansion.

Key achievements of the **ODOP** initiative include a substantial increase in exports, nearly doubling since the program’s launch. This success is attributed to several factors, including enhanced product quality, improved marketing strategies, and access to new markets. The initiative has also been pivotal in securing Geographical Indication (GI) tags for several products, protecting their unique identity and quality on a global platform.

To support the artisans and small businesses involved in the ODOP initiative, the Government of Uttar Pradesh has established Common Facility Centres (CFCs). These centres provide essential services such as training, quality control, and technological support, enabling producers to meet international standards and compete effectively in global markets.

The integration of various government schemes with the ODOP initiative has further amplified its impact. These schemes provide financial assistance, infrastructure development, and marketing support, creating an ecosystem that nurtures growth and innovation within the ODOP framework.

The ODOP initiative is set to expand its scope, with plans to include more products and districts. The goal is to create a sustainable model of development that leverages Uttar Pradesh’s rich cultural heritage and diverse industrial base, making a substantial contribution to the state’s ambitious economic targets.

ODOP INITIATIVES IN UP

- **Common Facility Centers (CFCs):** The completion of 10 ODOP CFCs and the ongoing development of 18 more CFCs stand out as significant achievements. These centers provide crucial infrastructure, from production to packaging and marketing, supporting artisans in enhancing the quality and marketability of their products.
- **Training and Toolkit Distribution:** A substantial number of artisans, approximately 83,473, have received training, and 80,872 have been provided with modern toolkits. This initiative has been critical in skill development and quality improvement across various ODOP sectors.
- **Financial Assistance:** Projects worth nearly ₹2,838 crores have been financed, providing a strong financial backbone for the initiative and facilitating the growth and sustainability of ODOP enterprises.
- **GI Tags:** The awarding of GI tags to 32 ODOP products and the application for GI tags for 20 more products have significantly contributed to the branding and global recognition of these products.
- **Promotional Activities:** Over 100 promotional events, including 9 ODOP summits and various fairs and exhibitions, have played a pivotal role in marketing and outreach, expanding the domestic and international footprint of ODOP products.
- **ODOPmart.com:** The launch of odopmart.com and the successful sale of over 20,000 products on e-commerce platforms marks a significant milestone in the digital marketing and sales strategy of the ODOP initiative.
- **ODOP Unity Malls:** Proposals for developing 3 ODOP Unity Malls in Agra, Varanasi, and Lucknow are under consideration, aiming to provide dedicated spaces for showcasing and selling ODOP products.
- **National Recognition:** The state of Uttar Pradesh was awarded the first prize in the ODOP category by the Government of India, recognizing the initiative’s success and impact.

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KEY ACTION POINTS:

- **Addressing Policy Gaps:** Developing globally benchmarked policies and schemes tailored to local needs.
- **ODOP Schemes:** Launch of schemes for margin money, skill development, toolkit distribution, market development assistance, and branding.
- **Improving Access to Finance:** Easing finance access through technology and partnerships with financial institutions.
- **Infrastructure Development:** Focused on the establishment of Common Facility Centres (CFCs) addressing design labs, testing labs, raw material banks, etc.
- **Quality Improvement:** Standardising quality parameters and encouraging the adoption of these standards.
- **Design Enhancements:** Creating design labs as part of CFC projects to improve market demand.
- **Packaging Improvements:** Developing packaging centers to enhance product appeal.
- **Skill Development:** Enhancing skills through specific programmes and leveraging existing schemes.
- **Branding and Marketing:** National and international brand awareness creation, leveraging digital, print, and electronic media.
- **Monitoring and Evaluation:** Regular assessment of the programme’s progress and impact.

KEY DISTRICTS AND PRODUCTS:

- **Agra:** Leather Products, Stone/ Marble Engraving Handicrahs.
- **Aligarh:** Metal Handicrahs, Locks & Hardware.
- **Kanpur Nagar:** Leather Products, Hosiery & Textile Products.
- **Varanasi:** Silk Products, Gulabi Meenakari, Wooden Lacquerware & Toys.
- **Moradabad:** Metal Crah.
- **Lucknow:** Chikankari & Zari-Zardozi.
- **Meerut:** Sports Goods.
- **Firozabad:** Glassware.

These districts exemplify the diverse industrial base of Uttar Pradesh, showcasing products ranging from traditional handicrafts to more industrial goods like leather and sports equipment. The **ODOP** initiative’s comprehensive approach, from policy formulation to skill development and marketing assistance, illustrates a concerted effort to uplift these local industries, providing a significant boost to the state’s economy and employment levels.

SCHEMES UNDER THE ODOP INITIATIVE

1. Skill Development & Toolkit Distribution Scheme

Objective: Capacity building of ODOP artisans/workers.

Assistance: Provide 10-day training with a stipend of INR 200 per day to unskilled artisans and Recognition of Prior Learning (RPL) certification, along with distribution of relevant advanced toolkits free of cost.

2. Marketing Development Assistance (MDA) Scheme

Objective: Encourage ODOP artisans’ participation in national and international fairs for better outreach and marketing promotion.

Assistance: Offers 75% reimbursement of stall charges, travel, and registration on e-commerce portals by the Government of Uttar Pradesh.

3. Common Facility Centre (CFC) Scheme

Objective: To address the infrastructural needs of ODOP manufacturers by developing Common Facility Centres, including Testing Labs, Design Centres, Raw Material Banks, Common Production Centres, Packaging, Labelling and Barcoding facilities, and Product Exhibition cum Selling Centres.

Assistance: Provides 60 to 90% of the project cost.

4. Financial Assistance (Margin Money) Scheme

Objective: To provide loans to ODOP artisans, workers, and entrepreneurs at subsidized rates for establishing their industries and achieving self-reliance.

Assistance: The margin money benefit ranges from 25% of the project cost for projects up to 25 lakh (max Rs. 6.25 lakh) to 10% for projects up to 1.5 Cr (Max Rs. 20 lakh). All national, rural, and scheduled banks are covered to provide these loans.

DOVETAILED PROGRAMS WITH ODOP:

- **PM’s Employment Generation Programme (PMEGP):** Offers financial assistance to set up new micro-enterprises, facilitating loans to ODOP artisans.
- **Indian Footwear and Leather Development Programme, MoCI:** Aims to develop and modernize the leather industry, enhancing competitiveness, increasing innovation, and promoting entrepreneurship.
- **Pradhan Mantri Mudra Yojana (PMMY):** Provides micro-enterprises in the non-corporate, non-farm sector access to financial services, including loans up to 10 lakh.
- **Atmanirbhar Bharat Rojgar Yojna (ABRY):** Encourages employers to create new jobs and reinstate those lost during the pandemic, offering subsidies for provident fund contributions for new employees.
- **Textile Park Scheme (MoT):** Develops infrastructure for the textile industry, promoting textile manufacturing and exports.

These schemes and programs are integral to the ODOP initiative, providing comprehensive support ranging from financial assistance and skill development to marketing and infrastructure development. They aim to empower local artisans and entrepreneurs, enhance product quality and marketability, and stimulate economic growth within Uttar Pradesh’s distinctive product sectors.

LOOKING FORWARD

The initiative has already showcased remarkable achievements, including the near doubling of exports from approximately ₹88,967 crores in 2017- 18 to ₹1.74 lakh crores in 2022-23, and the establishment of Common Facility Centres (CFCs) in needy clusters across Uttar Pradesh.

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The success of the ODOP initiative is a testament to the potential of focusing on local industries and crafts, leveraging traditional skills, and providing targeted support to artisans and entrepreneurs. As the initiative moves forward, it aims to significantly enhance the quality, production, and global market presence of ODOP products, thereby making a substantial contribution to the economic development of Uttar Pradesh and achieving the ambitious goal of a US\$ 1 trillion economy.