

# Impact of an economic revitalization programme on export and employment generation: a case study of One District One Product Programme in Uttar Pradesh, India

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## Abstract

**Purpose** – The aim of this paper is to discuss the role of the economic revitalization programme, One District One Product (ODOP) implemented in the state of Uttar Pradesh of India in 2018, examine its strategy, and analyze its impact on employment generation, export promotion and economic growth of the state from 2018 to 2020.

**Design/methodology/approach** – Along with extensive literature, this paper uses case study approach for discussion. Arguments and facts are based on secondary data comprising of research by scholars, international agencies, government publications, websites, news reports, etc.

**Findings** – This paper presents positive impact of the systematically crafted ODOP programme. Nevertheless, for desired success, it signifies the inevitability of active participation and engagement of public that has always been a precarious subject in the literature of public administration and governance.

**Originality** – This paper offers a guiding live example for other states/countries to successfully implement ODOP programme which is a transformational step for realizing the true potential of each district. Strategies like ODOP may serve as an agent of change and be of immense help to governments in solving the problems of economic inequalities and regional imbalances.

**Keywords** One District One Product (ODOP), One Village One Product (OVOP), Employment, Export, Skill development, Uttar Pradesh

**Paper type** Case study

## Introduction

India, a union of states, is a sovereign, secular, democratic republic comprising of 28 states and 8 union territories. It has emerged as the fastest growing major economy in the world and appeared as fifth largest economy of the world in terms of nominal GDP (IMF, 2020). Majority of Indian population dwells in rural areas. According to the Census 2011, 72.4 percent of the workforce and 68.8 percent of Indian population reside in rural areas. A comparative look at censuses of 2001 and 2011 indicates a 31.80 percent increase in urban population as compared



to 12.18 percent increase in rural population during this period. Research indicates that more than 50 percent of surge in urban population is attributed either to the migration from rural areas to urban or re-classification of rural areas into the urban (Pradhan, 2013). The increasing trend of rural-urban migration with the hope of better employment opportunities results in unhygienic and depriving living conditions for migrants owing to tremendous pressure on urban infrastructure. It also creates a vacuum in the process of economic development of rural areas. Hence, to curb with unplanned migration from rural to urban areas and to ensure improved socio-economic conditions, revitalization of the rural economy is a pre-requisite.

Despite being a fast-growing economy, India is also listed among one of the most unequal countries of the world. The magnitude of economic inequality can be gauged from the fact that 77 percent of the total national wealth of the country is held by the top 10 percent of the Indian population. A close look at the plight of workers reveals that it would take 941 years for a minimum wage worker in rural India to earn what the top paid executive at a leading Indian garment company earns in a year (Oxfam, 2018). This trend with vicious cycle of rising economic inequality has triggered a huge rural-urban divide, thus urgently demanding for a planned scheme of economic revitalization not only to ensure inclusive growth but also to transform the dream of making India a USD5 trillion economy by 2025 a reality.

Under this backdrop, India has launched several economic revitalization programmes at both central and state level. In this series, One District One Product (ODOP) scheme launched by the government of Uttar Pradesh, an Indian state in 2018 is regarded as one of the most important schemes for regional economic revitalization. The concept of ODOP is similar as the Japanese model of One Village One Product (OVOP). In 1979, this model was introduced by Morihiko Hiramatsu, the then governor of Oita prefecture in Japan. The basic idea was to focus on one area per village, which had the bright prospects of a specific type of product for ensuring the transformation of wealth-making skills into profit-making ventures (Hiramatsu, 2008, cited in Claymone and Jaiborisudhi, 2011). Understanding the intent and goal of OVOP is important to compare ODOP with it. With a view to contribute to the existing body of knowledge, this paper examines the role, impact and magnitude of the economic revitalization programme ODOP implemented in Uttar Pradesh in 2018.

### Theoretical underpinnings of One Village One Product

One Village One Product (OVOP) is a concept which was originated in the 1980s in Oita, Japan. The story began from a group of women who used to produce home-made biscuits for selling them in a nearby local market. Swiftly the biscuits caught demand in the market and the women who were producing, started acquiring new set of skills such as book-keeping, marketing, etc. Eventually, the quality and packaging of the product were also improved with increasing awareness of the product. They also paid frequent visits to the local markets and tuned their products to match the expectations of customers (UNDP, 2017). This practice by a group of women of a small village empowered them to emerge as a successful entrepreneur of which Japan popularly named it as OVOP. It promoted competitive and staple product of an identified village to increase sales and thus improved the standard of living of the villagers. The revitalization programme of OVOP helped local population not only in generating funds and credit from local banks but also contributed to the creation of employment and modern facilities in their respective villages (UNDP, 2017).

For more than three decades, following its successful introduction and implementation in Japan, the OVOP concept has widely been adopted by different countries especially in developing regions because of its enormous potential to revitalize the economic development and reverse regional failures (Ndione and Suzuki, 2018). However, the evidence suggests that OVOP is not a panacea. A study of Claymone and Jaiborisudhi (2011) concluded that there

were three basic reasons behind the failure of equivalent schemes in Indonesia (OTOP – One Tambon One Product) and Thailand (Local Community Development Project with the name of “Back to Village Project):

1. The problem of not understanding the true philosophy and approach of the OVOP project;
2. The problem of the top-down policy, that is assuming it to be a purely government initiative; and
3. The quality and skill sets of human resources in the area.

The study suggested that given the success of Japan’s OVOP project followed by the failure of Thailand and Indonesia’s projects are valid instances of success and failure which offer key lessons to be learnt by the local community.

A comparison of OVOP and OTOP indicates that while OVOP was grounded on a long-term strategy which was gradual in nature, objective of OTOP was to ensure establishment of community entrepreneurship at a faster pace (Shakya, 2011). The time horizon of implementing the strategy determines the form of OVOP in each country. As the first country to implement OVOP strategy, Japan took roughly thirty years to be rated as successful. Thailand as a country after implementing it for approximately twenty years has now framed a system called “Star Certification System” which is regarded as a distinctive method (Meirina, 2013 cited in Ndione and Suzuki, 2019).

As regards the implementation of OVOP in Indonesia, a top-down approach was adopted and it required tremendous and sincere efforts for communicating the same to people at large with the help of a central personality from their respective community. Research indicates that presence of such central figure(s) will not only make the socialization process of OVOP effective but also position it as a self-development programme rather than limiting it to merely a government scheme (Meirina, 2013 cited in Ndione and Suzuki, 2019). The essence of OVOP is to encourage the utilization of unique features of every village for economic revitalization and community development. It requires customization as per the country, time and circumstances while guaranteeing the presence of three basic principles of OVOP — self-reliance and creativity, local yet global, and human resource development.

### Literature review

Public administration today is no more confined to the geographical boundaries of a country. It has progressively become international and comparative with an aim to find the best of strategies, administrative tools and processes from across the world to manage the challenges faced by any country. It has been substantiated by researchers that if governments aspire to establish, manage and improve their administrative acumen and capacity, a clear understanding of comparative public administration is vital (Jreisat, 2005). Comparative approach towards public administration helps researchers recognize the way different culture, institutions and administrative processes etc. offer opportunities and challenges in adopting best global practices for solving local problems. Albeit it is validated by research that in place of adopting exogenous innovations as it is, context specific adaptation and sustaining such innovations are regarded as smart practices (Bardach and Patashnik, 2019).

Adaptations of exogenous innovations are based on supposition that after learning and comparing different ideas and concepts, one must consider only those variables which are specific to the context in which such ideas are implemented (Jabbara and Dwivedi, 2004; Robinson, 2007; Rogers, 2003). One among different innovative practices widely replicated, adapted and implemented for economic revitalization around the world is the OVOP

programme. Active participation by the local community is a key factor for the success of such schemes in any region. The rationale behind the OVOP programme is to boost rural development via community-oriented activities by deploying local talents, resources and knowledge. This community-led economic revitalization programme could be regarded as a programme having endogenous rather than exogenous components as its vital physiognomies (Natsuda, 2011).

OVOP, in its true sense and philosophy, an endogenous model of development, is basically a strategic programme for and by the local people to identify local products of which they are proud of. It further proposes to transform such identified products into competitive products which shall, in turn, be accepted not only in the domestic market but also in the global market and shall eventually contribute to reinvigorate the economy at local level (Issa, 2014). The theorizers of endogenous development are of opinion that local/regional economic development cannot be determined merely by the capacity of any region to attract foreign firms. According to them, the capability of a region to create the conditions of transformation of its own productive structure is the sole determinant of its economic development (Dinis, 2006).

In order to ensure sustained economic development at local level, community development has to be carried out by community members themselves instead of only depending on supports from outsiders (Denpaiboon and Amatasawatdee, 2012). The role of government assistance to the success of small business enterprises are reported in numerous studies from different perspectives. Sarder (1997) conducted a primary research on 161 small enterprises in Bangladesh and drew the inference that firms getting support services, such as common facilities, marketing and technical services, etc. from the public or private agencies witnessed a significant increase in the quantum of sales, generation of employment and increase in the productivity. On the contrary, other researchers found that government assistance is not very important to the success of small business enterprises. A case study of three small manufacturing firms in Nigeria observed that the firms receiving credit and other forms of assistance and support did not perform better than their less privileged counterparts in terms of government support (Mambula, 2004).

As for policy implication, a research found that in order to achieve success in their business, small rural entrepreneurs irrespective of their coverage under the schemes named as OVOP, OTOP or any other, require strong and serious government support in the marketing and distribution activities of their products. This reflects the fact that the local workforce finds itself helpless (Radiah, 2009). The significance of local community in the success of OVOP programmes had also been proven by numerous research studies. Yoshimura's study (cited in Ndione and Suzuki, 2018) concludes that in addition to the substantial support by the government, the successful OTOP and OVOP entrepreneurs in Thailand and Japan respectively were reciprocally sustained by their local community capital.

It is important to mention that OVOP in Japan did not use government funding because it was basically a social movement based on the principle of self-reliance and creativity. It was the local community which took the initiative and tried the scheme independently for their own betterment. Use of their own collected funds made the community more responsible, vigilant and self-reliant (Meirina, 2013 cited in Ndione and Suzuki, 2019). Moreover, OVOP has obtained several key achievements by implementing another principle of local yet global. It has fashioned awareness among people and has discovered the latent potential of every village by incessant trials and relentless efforts while pursuing higher degree of value addition in products. OVOP has also developed markets and distribution channels for various products making local products globally competitive. Talents and skills of people have been well fostered and developed (Issa, 2014). The third principle of OVOP is human resource development which involves the partaking of local workforce in the process of holistic

community development. It consists of providing educational openings to the people who may either be the prospective leaders of OVOP or inheritors to family run businesses, groups of women involved in the OVOP scheme along with all those who may significantly contribute to human resource development in any capacity (Radiah, 2009). The next session will discuss the implementation of ODOP in Uttar Pradesh of India.

### 310 **Implementation of ODOP in Uttar Pradesh**

Uttar Pradesh, having 75 districts, under the present leadership of Yogi Adityanath envisioned and implemented the coveted programme of One District One Product (ODOP) in 2018, which followed the validated and experienced global idea of Japanese's OVOP. Uttar Pradesh has implemented ODOP programme with the objective of transforming every district of the state into an export hub by identifying products having export prospects, eliminating the tailbacks in exporting the products, scaling up their manufacturing at local levels, and eventually finding its potential buyers across the boundaries of the nation. The aim of ODOP programme is to offer a new identity to each district by having improvement in the quality of the traditionally famous product/craft of respective districts, and ensure the generation of employment at district level for contributing towards the economic development of respective districts, state and eventually the nation.

Across an area of 240,928 square kilometers, Uttar Pradesh is the 4<sup>th</sup> largest state of India (in terms of area) encompassing 7.3 percent of total area of India. As per 2011 census, Uttar Pradesh is the largest state of India in population hosting 16.5 percent of its total population. In terms of its economy, the state ranks second after Maharashtra, having a share of 8.79 percent of India's GDP at current prices in the year 2018-19, and is recording upward trend in the recent years (Ministry of Statistics and Programme Implementation, 2020). Micro Small and Medium Enterprises (MSME) sector plays a very significant role in the economy of Uttar Pradesh with nearly 9 million (90 Lakhs) MSME units, enriching the state to secure first position in the country. MSME is the largest contributor to employment after agriculture not only for the state but also the entire India (Table 1).

The MSMEs proudly contributed to 80 percent of exports of Uttar Pradesh valued at Rs 1.14 trillion in 2018-19. The share of Uttar Pradesh in total exports from India is 4.73 percent which may further be increased via ODOP. Role and contribution of MSMEs and the challenges faced by this sector offer great opportunity and scope for ODOP to revitalize the economy.

Considering these facts and prevalent problem of unemployment at the level of districts, the ODOP has been implemented with the following key objectives (Department of MSME and Export Promotion, 2020b):

- Preserving and developing local crafts and skills along with promotion of the art.
- Increasing the income of workforce and generating employment at local level (for ensuring decline in migration of workforce for employment).

Description	Major Success
No of MSMEs established Creation of self-employment	90 Lakh units For almost 5 lakhs individuals every year
Export of around Position occupied in terms of handicrafts, food processing, carpets, and ready-made garments	Rs. 89,000 crore and above First position
<b>Note(s):</b> One lakh equals to one hundred thousand; one crore equals to ten million	
<b>Source:</b> Department of MSME and Export Promotion (2021).	

**Table 1.**  
Achievements of  
MSME in Uttar  
Pradesh

- Improving the quality of products and development of requisite set of skills.
- Transforming the products in an artistic way (by branding and packaging).
- To link the production/products with tourism.
- To eliminate the problem of economic differences and regional imbalances owing to income disparity.
- After successful implementation of ODOP at state level, extending this concept to national and international level.

### *The ODOP Schemes*

ODOP programme of Uttar Pradesh comprises of four schemes — Common Facility Centre Scheme (CFC), Marketing Development Assistance Scheme (MDA), Financial Assistance Scheme (Margin Money Scheme) and Skill Development Scheme. The purpose and modus operandi of these schemes are as follows:

- 1. Common Facility Centre Scheme (CFC):** In order to revitalize and transform regional skills and provide a new identity to the illustrious products of every district, availability of basic infrastructural support is a pre-requisite. To ensure adequate infrastructural support, the scheme encompasses the following activities as key links for creating the value-chain:
  - Testing Lab Facility
  - Centre for Design Development and Training
  - Technical Research and Development Centre
  - Product exhibition cum Selling Centre
  - Raw Material Bank or Centre of Common Resource
  - Centre for Common Production or Processing
  - Centre for Common Logistics
  - Centre for Information, Communication and Broadcasting.
  - Facility of Packaging, Labeling and Barcoding.
  - Other such facilities associated to any of the missing link of value chain

Under this scheme, for the establishment of CFC, entities like NGOs (Non-Governmental Organizations), Self-Help Groups (SHGs), Volunteer Organizations, Private Limited Companies, Producer Companies, Cooperatives and Limited Liability Partnerships (LLPs) may come forth with their active participation and contribution.

Incentives provided by the state government to CFCs include:

- In case of CFCs having project cost up to INR 15 crores, the state government will provide financial assistance of up to 90 percent of the project cost, whereas a minimum of 10 percent of the cost would be borne by the Special Purpose Vehicle - SPV.
- Conditional financial assistance would be provided, that is, share of the state would be calculated on INR 15 crores only for the CFCs having project cost of more than INR 15 crores.
- The state government may also sanction capital for identical projects which were previously approved by the Central and the state governments but are incomplete due

to the scarcity of funds. Albeit, for supporting such incomplete projects, proper justification shall be a pre-requisite.

2. **Marketing Development Assistance Scheme (MDA):** The objective of the Scheme is to ensure fair pricing for the entrepreneurs, weavers, artisans and exporters of the ODOP products through improved and planned marketing. This scheme offers financial assistance to the participants of national and international fairs/exhibitions for demonstration, promotion and sale of the products selected under the ODOP project.
3. **Finance Assistance Scheme (Margin Money Scheme):** Department of Micro, Small and Medium Enterprises (MSME) along with Department of Export Promotion will release the ODOP margin money subsidy against the applications submitted, and all nationalized banks, Regional Rural Banks and other scheduled banks shall finance the scheme. The margin money shall be merged with the subsidy after the enterprise successfully completes two years of its operation.

The margin money subsidy is being offered at following rates as shown in [Table 2](#).

4. **Skill Development Scheme:** In order to match the present and future requirements of skilled workforce in the entire value chain of ODOP products across the state, another significant scheme named ODOP Skill Development and Tool Kit Distribution Scheme has been crafted. This scheme intends to equip artisans / workers through distribution of advanced tool kits.

Incentives under the scheme include:

- Artisans who are already skilled shall be imparted required training through Recognition of Prior Learning (RPL) and shall be certified through relevant Sector Skill Councils.
- For the artisans who are unskilled, there shall be a training programme of 10 days, post completion of which they will also be certified under RPL.
- In order to motivate in financial terms, all the trainees shall receive an honorarium of INR 200 per day during the training period.
- All the trained artisans shall be provided with an advanced toolkit, free of cost, by the department.

Enterprise with project cost	Margin Money Subsidy
a) Enterprises with project cost up to INR 25 lakhs	25% of the entire project cost subject to a maximum of INR 6.25 lakhs, whichever is less, shall be payable under the margin money scheme.
b) Enterprises with project cost between INR 25 lakhs to 50 lakhs	20% of the project cost or INR 6.25 lakhs whichever is more, shall be payable under the margin money scheme.
c) Enterprises with project cost between INR 50 lakhs to 150 lakhs	INR 10 lakhs or 10% of the project cost, whichever is more, shall be payable under the margin money scheme.
d) Enterprises with project costs exceeding INR 150 lakhs	10% of the entire amount subject to maximum of INR 20 lakhs, whichever is less, shall be payable under the margin money scheme.

**Source:** Department of MSME and Export Promotion (2020a).

**Table 2.**  
Rates of Margin Money Subsidy for enterprises with different project cost

For the implementation of ODOP programme, provision of INR 250 crores was made by Government of Uttar Pradesh under Budget 2018-19.

### Indian ODOP in the Motive and Approach Matrix of OVOP implementation in ASEAN

The project of Dipta (2014) found that countries in ASEAN inclined to adopt different approaches and motives while implementing OVOP programme in their respective countries. Diverse strategies were formulated by different countries to match their local realities. Based on different motives and approaches, countries can be categorized into four matrix arrangements numbered as 1, 2, 3 and 4 representing varying combinations of both components in initiating OVOP programme (Figure 1).

**‘BEST’ at the center of matrix represents middle path of India with Bottom-up initiative to achieve Economic- Social motive- with the support of Top-down Approach** (Acronym – ‘BEST’ coined by the authors for Indian Strategy based on the philosophy of ODOP in Uttar Pradesh, India).

**Quadrant 1: Myanmar, Cambodia, Vietnam and Laos:** Adopted a strategic mix of bottom-up approach and economic motives.

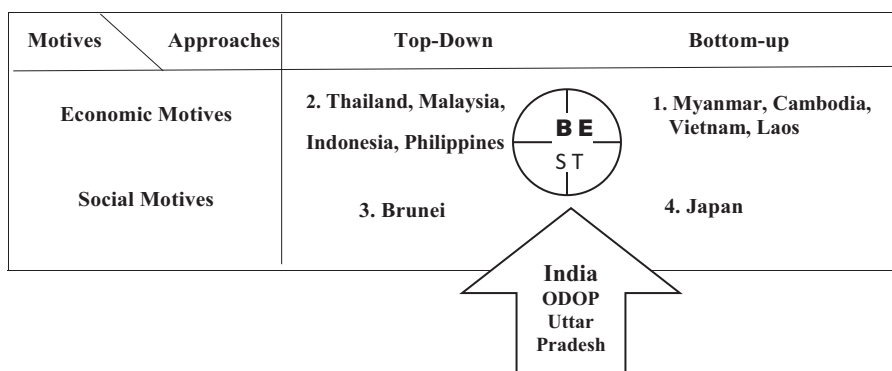
**Quadrant 2: Thailand, Malaysia, Indonesia and Philippines:** Top-down and economic motive where government played a significant role in OVOP adaptation and focus was on economic motives.

**Quadrant 3: Brunei Darussalam:** It combined top-down approach with social motives.

**Quadrant 4: Japan:** Started by local people (bottom-up approach) with the motive of social value. It is the only country in the fourth quadrant which combines the bottom-up approach with social motives in its OVOP movement.

*Center of the matrix: positioning of ODOP– Uttar Pradesh at the mid-path making ODOP a unique experiment*

Authors are of opinion that different schemes with which the flagship programme of ODOP is implemented in Uttar Pradesh of India, a reflection of synthesis of not only economic and social



**Figure 1.**  
Matrix of Development Strategy for OVOP in ASEAN Vis-à-vis ODOP in Uttar Pradesh, India

Source: Basic Matrix adapted from Dipta (2014, pp.27-28)

motives but also the top-down and bottom-up approaches is observed. In the matrix, the authors had placed ODOP of Uttar Pradesh at the centre of Matrix and assigned it an acronym of BEST (Bottom-up approach –for realizing Economic-Social motives-under Top-Down support of the government) representing a unique combination of the paired motive and approaches.

The observation and analysis of implementation of ODOP in Uttar Pradesh reveals that while the government is attempting to develop requisite infrastructure, its approach is top-down. On the contrary, the scheme of financial assistance seeking application from local entrepreneurs, offering only margin money by the government ensures that the local community must take the lead and should actively be involved. It is nothing else but implementation of bottom-up approach which was the essence of Japanese OVOP.

All four schemes of ODOP not only intends to realize the economic motives, but also the social ones. ODOP, in its simplest form aims to attain economic development, increased investment, export promotion and employment generation of the area along with the social motive of skilling, re-skilling of workforce, eliminating the regional imbalances and offering improved standard of living to all. All this make ODOP the rarest and the 'BEST' combination of paired approaches and motives.

### Success story of ODOP in Uttar Pradesh: impact on exports, employment, self-employment and investment

In order to examine the impact of ODOP programme on export, employment and investment, data published by the State Export Promotion Council, Economics and Statistics Division of Uttar Pradesh's State Planning Institute and database of Reserve Bank of India (2020) have been compiled and analyzed. The size of economy and per-capita income of the state are shown in Table 3.

The **Gross State Domestic Product** (GSDP) of the state for 2020-21 (at current prices) is estimated to be INR 17,91,263 crore. This is based on the estimate that the state's economy will grow at a rate of 6 percent from the year 2019-20. GSDP data of the state for different years have recorded a consistent upward trend even amidst the global pandemic of Covid-19.

The data of per-capita income of the state have also recorded the increasing trend with INR 42,270 in 2015-16, followed by INR 47,120 in 2016-17, INR 55,339 in 2017-18, INR 58,820 in 2018-19, INR 66,510 in 2019-20 and INR 70,419 in the Year 2020-21 which show remarkable success.

**ODOP and export of the state:** The relevant data indicates a substantial increase in the export of the state after implementing ODOP programme (Table 4).

In the last five years, Uttar Pradesh witnessed gradual increase in its exports from INR 81,218 crore in 2015-16 to INR 1,20,356 crore in 2019-20 – a substantial jump of 48 percent – with the highest increase in 2018-19. Officials of MSME and Export Promotion attributed this significant increase in the exports to the most celebrated ODOP scheme of the state which was launched in 2018.

Product-wise export data indicated that approximately 80 percent of products which have been exported from the state belonged to the ODOP category. The exports of identified

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Gross State Domestic Product (GSDP) at current prices	11,37,807.94 INR Crore	12,90,289.33 INR Crore	14,60,442.73 INR Crore	16,68,229.24 INR Crore	15,79,807 INR Crore	17,91,263 INR Crore (Estimated Value)
Per-capita income	Rs.42,270	Rs.47,120	Rs.55,339	Rs.58,820	Rs.66,510	Rs.70,419

Source: Directorate of Economics and Statistics, Government of Uttar Pradesh (2020).

**Table 3.**  
Size of economy and per-capita income of Uttar Pradesh

products at district levels have significantly increased in the last three years due to effective execution of new policies, and incentives for it. Success of the ODOP scheme may be validated from the fact that central government of India has notified implementation of ODOP across the nation. It is worth mentioning that Nepal, Bangladesh, and South Asian countries received a large number of ODOP products from Uttar Pradesh. During the global pandemic of Covid-19, goods worth INR 72,508 crore were exported from Uttar Pradesh between April and November 2020. In the fiscal year 2020-21 amidst pandemic induced lockdown, the exports in the ODOP category fell to INR 65,982 crore (estimated). However, during the same period, food products recorded a 36 percent rise as compared to last year and were pegged at INR 4909 crore as compared to INR 3620 crore in 2018-19 (Rehman, 2020).

Getting aligned to the central government's aim of increasing exports, the government of Uttar Pradesh has set for itself a highly ambitious target of exporting goods worth INR 3 lakh crore in the next four years from the present INR 1.2 lakh crore, which is an increase of nearly 250 percent and the only base for doing so is through ODOP.

#### *Financial assistance under ODOP: ground realities*

The government of Uttar Pradesh has provided financial assistance of INR 8,200 Crore benefiting 2,600 entrepreneurs in the last three years as an impetus to the traditional industry under ODOP. The scheme has already marked its footprints in the international markets as the specific products of all 75 districts of the state have found takers not only in domestic market but also abroad.

According to the statistics, more than 11,000 ODOP products are available on online shopping major Amazon and over 50,000 products worth INR 24 crore have already been sold so far. The MSME, umbrella department of ODOP, had given financial assistance of INR 3,134 Crore to 916 entrepreneurs in the financial year 2018-19 and provided employment opportunities to 10,733 people in this period. Similarly, during 2019-20, as many as 1,442 entrepreneurs were offered financial assistance of over INR 4,353 Crore and 15,253 people also got employment. In the financial year 2020-21 until August, 236 entrepreneurs have been given financial assistance of about INR 8 Crore, and 2,114 people were given employment (ANI, 2020) (Table 5).

Furthermore, zone-wise success stories of ODOP programmes have validated the positive impact and acceptance of ODOP (Department of MSME and Export Promotion, 2020b).

Year	Size of Export (in INR)	Jump (Percentage)
2015-16	81,218 Crore	-
2016-17	83,999 Crore	(+3.4%)
2017-18	88,967 Crore	(+5.9%)
<b>2018-19</b>	<b>1,14,042 Crore</b>	<b>(+28%)</b>
<b>2019-20</b>	<b>1,20,356 Crore</b>	<b>(+5.5%)</b>

Source: Rehman (2020).

**Table 4.**  
Year-wise size of  
export of Uttar Pradesh

Year	Amount of financial assistance	Entrepreneurs benefited	Employment opportunities created
<b>2018-19</b>	Rs 3,134 Crore	916 entrepreneurs	10,733 people
<b>2019-20</b>	Rs 4,353 Crore	1,442 entrepreneurs	15,253 people
<b>2020-21</b>	Rs 8 Crore (till August 2020)	236 entrepreneurs	2,114 people

Source: ANI (2020).

**Table 5.**  
Year-wise financial  
assistance  
under ODOP

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A close look at the government data of investments indicates that Uttar Pradesh has received over INR 1,88,000 crore (till January 2021) investment in the last three and a half years which is quite a significant achievement.

### Findings and observations

Given the success stories of ODOP from all 75 districts of Uttar Pradesh and the data released by the state on the success and contribution of ODOP, following observations are made:

1. The unique ODOP initiative of Uttar Pradesh has emerged as a transformational step forward towards realization of the true potential of each and every district of the state. It has fostered economic growth, generated employment at local level, and increased the standard of living of artisans/entrepreneurs.
2. The Unique Selling Proposition of ODOP model is its implementation as a Sensitization Programme for the local community. It is crafted in such a way that local people may actively get involved in quality enhancement and promotion of the identified product of their respective district, and a battery of financial as well as non-financial support of government is offered to them at each crucial step.
3. The product of local fame has significantly gained national as well global identity. Presence of illustrious products of different districts of the state on online shopping portals like Amazon is a testimony to it.
4. Success of ODOP has helped Uttar Pradesh in achieving the goal of *Atma-Nirbhar Bharat* (Self-Reliant India, another scheme of Government of India). By accepting it as a successful model, the government of India has now decided and notified to implement it in other parts of the country.
5. Magnitude of success can be gauged by the fact that in 2020, Department of Commerce through Director General-Foreign Trade has started its engagement with the state and central government agencies to promote ODOP ([Ministry of Commerce and Industry, 2020](#)).
6. Initially for the ODOP programme at central level, 106 products have been identified from 103 districts across 27 states. District Export Promotion Committee meetings have been convened in 510 districts of India, and Draft Export Action Plans were prepared for 451 districts till February 2021 ([Ministry of Commerce and Industry, 2021](#)).

### Discussion and conclusion

Review of literature on ODOP reflects that the most appropriate method of it can only be identified through its implementation and it is country specific. Majority of Indian population lives in rural areas and they depend on agriculture, allied activities and various crafts for their livelihood. Most of artisans and craft persons are struggling to somehow preserve the legacy of their family, village and state and living with small earnings just to keep their skills alive. Nevertheless, due to poor standard of living and low income being insufficient to fulfill their basic requirements, the new generation of such artisans have started moving towards the urban areas for employment opportunities and better living standard. And yet this increasing trend of rural-urban migration has not only created significant demographic challenges for the urban areas but also for the rural heartland. The plight of artisans and craftsmen specializing in different skills and enterprises along with increasing rate of unemployment led the government of Uttar Pradesh to come up with a well-planned strategy which may alleviate poor people, control the roaring rate of

urbanization, restore the lost identity of local artisans and crafts, thereby ensuring balanced and inclusive economic development.

In this background, government of Uttar Pradesh implemented the innovative concept of ODOP which is based on the distinct identity of handicrafts, agro, processed and many other specialized products of all 75 districts of the state. The initial results of ODOP in the state are quite encouraging. Notwithstanding the sincere efforts of the government of Uttar Pradesh in positioning ODOP strategy as a well-thought idea committed to ensure inclusive economic growth, it is actually the faith, involvement and active participation of local community (artisans and craftsmen) from each district that will determine the fate of ODOP scheme in the long run.

Conclusively, the authors are of opinion that the outstanding success of regional economic revitalization programme of ODOP implemented in Uttar Pradesh has set an example for the other 27 states and 8 Union Territories of the country. ODOP, a customized global solution for the problems faced by India offers the unique pairing of motives and approaches which the authors referred as 'BEST' in this paper. ODOP has shown encouraging results after its implementation in Uttar Pradesh since last three years, however, the best of it is yet to be realized.

Given the positive results and impact of the concept of OVOP, it will be of immense benefit for economic revitalization and inclusive development of those countries which are facing the problem of income inequality, increasing pressure of rural-urban migration, fading local skills and crafts and lack of employment opportunities. This study of ODOP programme in Uttar Pradesh presents a live example of experimenting with motive-approach matrix. This case is a contribution to the body of knowledge on OVOP which can further be replicated by other countries.

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