आत्मनिर्भर भारत

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Government Of India

Part-3: Agriculture

15.05.2020

Yesterday’s announcements related to farmers

1. Rs 30,000 crore Additional Emergency Working Capital for farmers through NABARD

- NABARD will extend additional re-finance support of **Rs 30,000 crore** over and above the Rs 90,000 already being provided by NABARD for meeting crop loan requirement of **Rural Cooperative Banks and RRBs**.
- Will benefit **3 crore farmers**, mostly small and marginal.

2. Rs 2 lakh crore credit boost to 2.5 crore farmers under Kisan Credit Card Scheme

- A special drive to provide concessional credit to PM-KISAN beneficiaries through Kisan Credit Cards.
- Fisherman and Animal Husbandry Farmers will also be included in this drive.
- Will inject a**dditional liquidity of Rs 2 lakh crore to 2.5 crore farmers**

Agriculture : Additional Steps during COVID

- A number of measures supporting farmers was explained yesterday.
- Additional measures taken during last 2 months are below
- During lockdown period **Minimum Support Price (MSP) purchases** of amount more than **Rs 74,300 crores**
- **PM KISAN fund Transfer** of **Rs 18,700 crores**
- PM Fasal Bima Yojana claim payment of **Rs 6,400 crores**

Animal Husbandry : Additional Steps during COVID

- During Lockdown, Demand of Milk reduced by 20-25%.
- 560 Lakh litre per day(LLPD) procured by cooperatives against daily sale of 360 LLPD.
- Total 111 Crore Litres extra procured ensuring payment of Rs 4100 Cr.
- A new scheme to provide **interest subvention @2% per annum** to dairy cooperatives for 20-21.
- Additional 2% p.a interest subvention on prompt payment/interest servicing.
- This scheme will **unlock 5000 Cr additional liquidity, benefitting 2 Cr farmers.**

Fisheries: Additional Steps during COVID

- **All 4 COVID related announcements for fisheries implemented**
  - Validity of Sanitary Import Permits (SIPs) for import of Shrimp Broodstock extended by 3 months
  - Condoned delay up to 1 month in arrival of Brood stock consignments
  - Allowed rebooking of Quarantine cubicles for cancelled consignments with no additional charges
  - Verification of documents and grant of NOC for Quarantine relaxed from 7 days to 3 days
- **Registration of 242 Registered Shrimp hatcheries and Nauplii Rearing Hatcheries** expiring on 31.03.2020 **extended for 3 months**
- **Operations of Marine Capture Fisheries and Aquaculture relaxed to cover Inland Fisheries**

Agriculture

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Measures to strengthen Infrastructure Logistics and Capacity Building

Rs 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers

- Lack of adequate cold chain & Post Harvest Management infrastructure in the vicinity of farm-gate causing gaps in value chains.
- Focus has been on short term crop loans while investment in long term agriculture infrastructure has often not been enough.
- **Financing facility of Rs. 1,00,000 crore** will be provided for funding Agriculture Infrastructure Projects at farm-gate & aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organisations, Agriculture entrepreneurs, Start-ups, etc.)
- Impetus for development of farm-gate & aggregation point, affordable and financially viable Post Harvest Management infrastructure
- Fund will be created immediately.

Rs 10,000 crores scheme for Formalisation of Micro Food Enterprises (MFE)

- Scheme promotes vision of Hon. PM: ‘***Vocal for Local with Global outreach***’
- Unorganised MFEs units *need* technical upgradation to attain FSSAI food standards, build brands and marketing
- A Scheme will be launched to **help 2 lakh MFEs attain attain above goals**
- Existing micro food enterprises, Farmer Producer Organisations, Self Help Groups and Cooperatives to be supported
- **Cluster based approach** (e.g. Mango in UP, Kesar in J&K, Bamboo shoots in North-East, Chilli in Andhra Pradesh, Tapioca in Tamil Nadu etc.)
- **Expected outcomes:** Improved health and safety standards, integration with retail markets, improved incomes
- Will also help in reaching untapped export markets in view of improved health consciousness.

Rs 20,000 crores for Fishermen through Pradhan Mantri Matsya Sampada Yojana (PMMSY)

- **Critical gaps** in fisheries value chain
- **Government will launch the PMMSY for integrated, sustainable, inclusive development of marine and inland fisheries.**
- **Rs 11,000 Cr for activities** in Marine, Inland fisheries and Aquaculture
- **Rs. 9000 Cr for Infrastructure** - Fishing Harbours, Cold chain, Markets etc.
- Cage Culture, Seaweed farming, Ornamental Fisheries as well as New Fishing Vessels, Traceability, Laboratory Network etc. will be key activities.
- Provisions of Ban Period Support to fishermen (during the period fishing is not permitted), Personal & Boat Insurance
- Will lead to **Additional Fish Production of 70 lakh tonnes over 5 years**.
- **Employment to over 55 lakh persons; double exports** to Rs 1,00,000 Cr.
- **Focus** on Islands, Himalayan States, North-east and Aspirational Districts.

National Animal Disease Control Programme

- National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis launched with total outlay of **Rs. 13,343 crores**.
- It ensures **100% vaccination of** cattle, buffalo, sheep, goat and pig population (total **53 crore animals**) for Foot and Mouth Disease (FMD) and for brucellosis.
- Till date, **1.5 crore cows & buffaloes tagged and vaccinated**.

Animal Husbandry Infrastructure Development Fund - Rs. 15,000 crore

- Many areas in country with high milk production having great potential for private investment in Dairy
- Aim to support private investment in Dairy Processing, value addition and cattle feed infrastructure
- **An Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crore will be set up.**
- Incentives to be given for establishing plants for export of niche products.

Promotion of Herbal Cultivation : Rs. 4000 crore

- **National Medicinal Plants Board (NMPB)** has supported 2.25 lac hectare area under cultivation of medicinal plants
- **10,00,000 hectare will be covered under Herbal cultivation in next two years with outlay of Rs. 4000 crore**
- Will lead to Rs. 5,000 crores income generation for farmers
- Network of regional Mandis for Medicinal Plants.
- **NMPB will bring 800 hectare area by developing a corridor of medicinal plants along the banks of Ganga.**

Beekeeping initiatives –Rs 500 crores

- Beekeeping is a livelihood supporting activity for rural areas;
- **Increases yield & quality of crops** through pollination;
- Provides honey and other beehive products like wax.

Government will implement a scheme for:

- Infrastructure development related to Integrated Beekeeping Development Centres, Collection, Marketing and Storage Centres, Post Harvest & value Addition facilities etc;
- Implementation of standards & Developing traceability system
- Capacity building with thrust on women;
- Development of quality nucleus stock and bee breeders.

This will lead to increase in income for 2 lakh beekeepers and quality honey to consumers.

From ‘TOP’ to TOTAL - Rs 500 crores

- Supply chains have been disrupted and farmers are not being able to sell their produce in the markets
- Distress sale and reduction of price of perishable fruits and vegetables at the farm level needs to be prevented.
- **Operation Green** will be extended from Tomatoes, Onion and Potatoes (TOP) **to ALL fruits and vegetables (TOTAL).**
- **Scheme features will be as follows:**
  - 50% subsidy on transportation from surplus to deficient markets.
  - 50% subsidy on storage, including cold storages.
- **Pilot for 6 months** – Will be expanded and extended
- **Expected outcomes:** Better price realisation to farmers**,** reduced wastages, affordability of products for consumers

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Governance and Administrative Reforms

Amendments to Essential Commodities Act to enable better price realisation for farmers

- EC Act, 1955 was enacted in days of scarcity.
- Need to enable better price realisation for farmers by attracting investments and making agriculture sector competitive
- Agriculture food stuffs including **cereals, edible oils, oilseeds, pulses, onions and potato to be deregulated.**
- Stock limit to be imposed under very exceptional circumstances like national calamities, famine with surge in prices.
- No such stock limit shall apply to processors or value chain participant, subject to their installed capacity or to any exporter subject to the export demand.
- **Government will amend Essential Commodities Act**.

Agriculture Marketing Reforms to provide marketing choices to farmers

- Farmers bound to sell agriculture produce only to Licensees in APMCs
- Such restriction of sale is not there for any industrial produce
- Results in Hindrances in free flow of Agricultural Produce and Fragmentation of Markets and Supply Chain;
- Less price realization for farmers.

A Central law will be formulated to provide -

- Adequate choices to farmer to sell produce at attractive price;
- Barrier free Inter-State Trade;
- Framework for e-trading of agriculture produce.

Agriculture Produce Price and Quality Assurance

- Farmers lack an enforceable standard mechanism for predictable prices of crops at the time of sowing.
- Private sector investment in provision of inputs and knowhow in the agriculture sector hindered
- **Facilitative legal framework** will be created to enable farmers for engaging with processors, aggregators, large retailers, exporters etc. in a fair and transparent manner.
- **Risk mitigation** for farmers, **assured returns** and **quality standardisation** shall form integral part of the framework.

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Thank You