



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

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NEW INITIATIVE

- **The Agriculture Department of Karnataka has recently launched a new project called CHAMAN** (Coordinated programme on Horticulture Assessment and Management using geo informatics) to use geo-spatial applications for the assessment and management of horticultural crops. The project is implemented at a cost of Rs. 13.38 crore for duration of three years starting 2014 till 2017. Fruits such as banana, mango, citrus and vegetables such as potato, tomato, onion and chilli will be covered under the project.
- **Government has launched “Grow Safe Food” campaign** to improve agriculture output without comprising on nutrition and quality of the produce. It has also directed licensed dealers and retailers of crop protection products to refrain from selling, exhibiting and distribution of such products.
- **The Government of Arunachal Pradesh has signed a MoU with the Spices Board** to boost cultivation of spices. The state government will allot 25 acres of land for the establishment of a centre of excellence in large cardamom research, a common facility center, a training center, a quality testing lab and demonstration plots having accessibility to road, electricity, water and other infrastructure.
- **The Ministry of Agriculture has proposed amendments to the National Cooperative Development Corporation (NCDC) Act** to include farmer producer organisations (FPOs) for extending financial assistance and government subsidies. Currently, NCDC provides financial assistance to cooperatives including those from weaker sections, for infrastructure and business development among others for production, processing, marketing, storage, export and import of agricultural produce and other notified commodities.
- **The Government of Andhra Pradesh has launched Rythu Saadhikara Samstha** (Farmers Empowerment Corporation) to provide agricultural debt redemption to farmers and also to act as a ‘one-stop-shop’ for farmer development, welfare and empowerment activities. All eligible farmers who availed crop loans up to Rs 1.5 lakh would be covered under the debt redemption scheme.

- **The Government of Meghalaya is set to initiate a process to get its horticultural and agricultural produce certified as “organically produced”.** But unlike Mizoram, Sikkim and Nagaland, Meghalaya will not be an entirely organic state and will take about 20,000 hectares of land a year with a plan to convert 10,000 farms into organic-certified ones.

AGRI MARKETING

- **The State Government of Orissa has decided to amend the Odisha Agricultural Produce Market (OAPM) Act, 1958,** to include a provision of e-market for the farmers and open the sector to private players. The amended Act aims to provide farmers a barrier-free market. A Bill is likely to be brought in this regard in the next session of the Assembly.

The amendment will facilitate establishment of agricultural markets and development of marketing infrastructure under PPP mode, so as to promote private sector investment. Besides this, commodity specific special markets will be set up to enable the farmers to sell their produce directly, both to Regulated Marketing Committee (RMC) and private buyers.

- **NCDEX Spot Exchange is planning to form a national Agricultural Produce Marketing Committee (APMC)** which will be a unified electronic platform. National e-APMCs will enable a farmer or a trader to trade in any of the linked mandis through an electronic platform provided by the NCDEX spot exchange. NCDEX has already implemented this in Karnataka where it unified 35 APMCs, or mandis electronically. Gujarat, Haryana and Maharashtra are also the beneficiaries of this e-venture. States like Telangana, Andhra Pradesh and Tamil Nadu has expressed their interest in this programme.
- **APEDA has signed a MoU with Maharashtra State Warehousing Corporation, (MSWC)** for setting up of infrastructure for cold storage at Gultekdi, the wholesale market yard in Pune. The proposed project involves facilities for cold storage, pre-cooling and blast freezing with two 400 tonne cold storage chamber for fruits and processed vegetables, a 1200 tonne cold store for dry fruit, spices and fruits. The identified products for the project are pomegranate, grapes, raisins, dairy products and frozen vegetables.

PUBLIC PRIVATE PARTNERSHIP

- **The National Skill Development Corporation (NSDC) has signed a MoU with Assocom India Pvt Ltd** (one of India’s premier food consulting and skill education companies) to create employment opportunities for the youth by imparting quality

training in the baking, milling and food technology sectors. The training programme would focus on fresh students, unskilled workers, to-be entrepreneurs and entrepreneurs without formal training. It aims at up-skilling unskilled workers, to-be entrepreneurs and entrepreneurs without formal training, and imparting on-site training to working professionals in the targeted sector.

- **The State Government of Madhya Pradesh has signed MoUs with two top global companies one from each from Italy and Japan.** The Italian company would help boost production of soybean, maize and cotton through advanced technologies and machines while the Japanese company would help the agriculture department in enhancing productivity of paddy in the state.

EXPORT

- **India's Basmati rice exports to Iran are expected to fall this fiscal due to a hefty 45% duty on imports, imposed three months ago.** Earlier Iran used to impose only 10% duty on rice import. However, it hiked the import duty a couple of months ago to protect its domestic farmers. Besides the Iranian government's insistence on certification on Good Agricultural Practices (GAP) and ISO 2200, which deals with food-safety management and packaging protocols have also slowed down the exports. As per the latest data, in the first four months of current fiscal (April-July 2014), Basmati rice exports have declined 12% to 1.19 million tonne, mainly due to slow down in the shipment to Iran.
- **A team from European Unions's Food and Veterinary Office (FVO)** visited a number of APEDA approved pack-houses located across Kolkata, Bangalore, Mumbai, Kochi and other cities in September and have found significant improvement in India's quarantine inspection facilities for export of agricultural goods, which could boost export potential in the future. Following a favourable report by the team, European Union could consider lifting the export ban on India's premium Alphonso mangoes, brinjal, bitter gourd, snake gourd and the taro plant.

The Indian Government has already made it mandatory for mangoes and a few vegetables, being exported to European Union, to get plant quarantine approval from 25 approved pack houses before they are exported. The inspections are being carried out by officials from National Plant Protection Organisation (NPPO).

IMPORT

- **China, the world's largest cotton buyer, has decided to reduce cotton imports** a move that is expected to hurt Indian farmers by accelerating the fall in prices. Beijing will only provide import quotas next year for the 894,000 tonnes that it is

required to offer at low duties under commitments with the World Trade Organisation. Previously, China has offered another type of quota, in addition to the one compliant with the WTO, but no additional quota would be made available next year. Non-quota imports are subject to a 40 per cent tariff, so the restricted availability of import quotas will dampen Chinese demand for foreign cotton.

DAIRY

- **The Government plans set up two National Khamdenu Breeding Centres** with an outlay of Rs 50 crore. The purpose of the centre is to raise productivity of indigenous cattle and buffalo to meet the growing demand for milk and its products in a scientific manner.
- **A team of experts from the Ministry of Agriculture of the Russian Federation** commenced an inspection of some milk processing units in India to explore the possibility of Russian imports of dairy items from India. The opportunity came after Russia banned fruits, vegetables, meat, fish, milk and dairy imports from the US, EU, Australia and Canada in response to sanctions imposed on it. Russia is among the many countries that had put a ban on import of meat and poultry products from India due to occurrence of foot and mouth disease years ago. While other countries lifted the ban, Russia continued with the restriction.

INVESTMENT IN AGRICULTURE

- **NABARD has rolled out Rs 100 crore area development scheme (ADS) on fresh water fish farming** in five districts of Odisha. Out of the Rs 100 crore outlay, about Rs 75 crore will be in the form of bank credit and the balance will be invested by the beneficiaries. Activities like fish farming in both new and renovated ponds, eco-hatcheries, integrated farming with horticulture and livestock, fish seed banks and aqua shops have been included in the scheme along with the farm models. The scheme will be operational from March 2015.
- **NABARD's Haryana Regional Office has sanctioned a loan of Rs 236.49 crore to the Government of Haryana** under 20th tranche of RIDF (Rural Infrastructure Development Fund) for 2014-15. The amount is for execution of 64 Irrigation Works for Better Water Management and Increasing Intensity of Irrigation and Recharge Works in 13 districts of Haryana State - Ambala, Bhiwani, Hisar, Fatehabad, Jhajjar, Jind, Kaithal, Kurukshetra, Panipat, Rewari, Rohtak, Sirsa and Sonapat.
- **The Government of Germany has sanctioned a Rs 320-crore project** to study the eco-system, climate change and its impact and mitigation in Kangra, Palampur and Chamba areas of Himachal Pradesh. Reclaiming the land by weeding out Lantana

grass and make it suitable for agriculture would be major thrust of the project. Also experts from Germany would share their skills to study the eco-system and climate change, its impact on farming and ways to mitigate the adverse fallout.

MINIMUM SUPPORT PRICE

- **The Centre has raised the minimum support price (MSP) of wheat** by Rs 50 a quintal to Rs 1,450 a quintal for the 2015-16 crop marketing season, and that of mustard by an equal amount to Rs 3,100 a quintal.

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