



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

INVESTMENT IN AGRICULTURE

- **The State Government of Haryana has approved a comprehensive agriculture policy** aimed at attaining inclusive growth exceeding four per cent in the farm sector. Under the policy the state government will strive to ensure un-interrupted supply of electricity to the farmers for eight hours per day, focus on productivity of allied sectors and promote dairy- based integrated farming system. The policy will also focus on ensuring efficient credit and delivery systems, reforms in marketing system and safety net programs, processing and value addition, agricultural research and development and empowerment of women.
- To meet the stringent EU norms, **the State Government of Kerala plans to set up APEDA-certified integrated pack houses** at Ernakulam, Thiruvananthapuram, Kozhikode and Nadukara agro-processing factories. The EU imposed ban has hit Kerala's modest Rs 220-crore vegetable and fruit export industry. The state has been exporting pineapple, bananas, spices and red rice to growing markets such as France and Germany in the EU.
- **The State Government of Madhya Pradesh is readying a plan** to incentivise cultivation of onion this kharif season to meet the shortage of onions and ensure better returns to farmers. Madhya Pradesh also plans to create additional storage capacity for the onion crop.

PRODUCTION & PROCUREMENT

- **The third advance estimate of crop production in the 2013-14 crop year (July-June)** released by Ministry of Agriculture have revised food grain production estimates by over 1 million tonne to a record 264.38 million tonne on account of record wheat and rice output. According to the latest estimate, rice and wheat production is expected to be at an all-time high at 106.29 million tonne and 95.85 million tonne respectively, this year. In addition record 19.57 million tonne pulses are expected to be harvested in 2013-14, as against 18.34 million tonne in the previous year. While oilseeds production is expected to improve marginally to 32.4 million tonne from 30.9 million tonne in the review period.

- **Procurement of wheat by the Food Corporation of India and State agencies has crossed last year's 25 million tonnes (mt)**, with Haryana, Rajasthan and Madhya Pradesh registering an rise in purchases over the corresponding period a year ago. This is despite a delayed start to the commencement of harvest season this year on prolonged winter and unseasonal rains. The Government has set a procurement target of 31 mt for the current season.

AGRI MARKETING

- **All the 305 APMCs in Maharashtra have been directed** by the state government to come up with a 5-year business development plan (BDP) that includes backward and forward linkages for farmers. The objective is to strengthen and improve finances of APMCs.
- **Himachal Pradesh will bring standardisation in marketing of apples** as the state government is contemplating bringing amendments to the HP Agriculture and Horticulture Produce Marketing (Development and Regulation) Act of 2005 and the HP Agriculture and Horticulture Produce Marketing (General) Amendment Rules of 2006.

EXPORT

- **Saudi Arabia has started enforcing its ban on import of Indian green chilli** on the grounds that the Indian product contains unacceptable levels of chemical fertilizers and pesticides. The ban took effect with the Customs Department preventing the arrival of a six-tonne consignment this month. Saudi Arabia had issued an advisory to APEDA, pointing out that high levels of pesticide residues were found in some green chilli consignments from India, and warned that imports will be banned if the contamination continues. Following the advisory, APEDA had asked chilli exporters to test their products before shipping to make sure that the quality requirements are adhered to.
- **Iran, the principal driver of India's rice exports, has clamped curbs on the import of rice from India** resulting in a sharp slump in rice exports since January 2014. Iranian authorities have been asking India's exporters since January 2014 to furnish a series of documents on the good agricultural practices (GAP), ISO 22000. In addition, Iran has also revised the "accepted level" of arsenic in basmati rice from 150 ppm (parts per million) to 120 ppm. The process of getting certification for multiple agencies is time consuming and has slowed down exports in the last few months.

IMPORT

- **The European Union (EU) has lifted a five-year ban on the import of poultry meat from India**, but with some conditions. To export meat products, treated stomachs, bladders and intestines prepared from fresh meat of domestic poultry, including meat of farmed and wild game birds, exporters need an amended model health certificate, to be issued by the Export Inspection Council of India. A transition period of four months (up to September 30) has been given for consignments with existing health certificates, provided this is signed before July 30. Though initially very few companies will qualify for the stringent export norms set up by the EU but opening of the EU market will boost the overall sentiment for exports to other countries and will benefit the sector.

NEW INITIATIVES

- **The Department of Agriculture has set a target to cover 18,000 hectare area under maize crop** in Adampur, Bhogpur, Goraya, Jalandhar East, Jalandhar West, Lohian, Nakodar, Nurmahal, Phillaur and Shahkot blocks and reduce area under paddy crop. Earlier these blocks were declared as “dark zone” by Ministry of water resources due to depleting groundwater level and the alarming situation was a result of high paddy cultivation. In addition, the central government has sanctioned a third maize dryer plant in Bhogpur block of the district to improve prices to maize farmers who were not getting good returns on their crop due to wet grain.. Earlier two plants were set up in Nawanshahr and Hoshiarpur districts of the region.
- **The Government of Karnataka has started the process of setting up an agricultural price commission in the state** comprising of farmers and experts. As proposed in Karnataka Budget for 2013-14 the commission will fix suitable prices for agri produces based on the scientifically worked out recommendations.
- **The Department of Food has started preliminary work in implementing the Prime Minister’s idea of unbundling the Food Corporation of India (FCI)**. Unbundling of the corporation would entail creating three separate entities focused on procurement, storage and distribution of foodgrains.
- **ICRISAT and Self Employed Women’s Association (SEWA) of India have signed an MoU** to share ICT-based knowledge. The association also calls for collaboration in agricultural innovation initiatives to help improve productivity and profitability of small farmers. The agreement is expected to drive a series of innovative ICT platforms that aim to revitalise agricultural extension and education in rural areas and provide better access to knowledge and information by small farmers
- **Indian Council of Agricultural Research (ICAR) is showcasing the results of the National Agriculture Innovation Project (NAIP) through a ‘Krishi Parivartan Yatra’** across the country taking innovators and social entrepreneurs to different parts of country with the aim to build confidence among farmers by sharing success stories.

FERTILIZER

- **The Ministry of Fertilizers has made it compulsory for the fertiliser companies** to certify the correct price of their products entered in the online fertiliser monitoring system of the government while claiming subsidy on the potash and phosphorous variety of fertiliser. The decision was taken on account of the huge difference between the prices quoted on FMS and the actual market price (MRP). The department of fertilizers has also decided to collaborate with the ministry of consumer affairs in order to ascertain the actual price of fertilizer being sold to the farmers at the farm gate level.

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