



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

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INVESTMENT IN AGRICULTURE

- **Integrated Scheme of Oilseeds, Pulses, Oil Palm and Maize (ISOPOM)** is being implemented in 14 major oilseed growing States to promote the cultivation of oilseeds including soybean in the country. Under the centrally sponsored scheme, financial assistance is provided for purchase of breeder seed, production of foundation seed, production and distribution of certified seed, distribution of seed mini kits, distribution of plant protection chemicals/equipments, weedicides, supply of micro nutrients & improved agricultural implements, supply of rhizobium culture/phosphate solubilising bacteria, distribution of gypsum/pyrite/liming/dolomite, distribution of sprinkler sets and water carrying pipes, training, publicity, etc..
- **Tamil Nadu Government's horticulture department's 'Peri-metro Project'** will set up collection centres in Thondamuthur and Pollachi, from where traders, vegetable vendors or bulk purchasers can purchase fruits and vegetables. According to the Commissioner of Horticulture and Plantation Crops, Government of Tamil Nadu the centres will start functioning from September 1. Along with the two, the Department will establish 19 such centres in 9 districts in the State. Attached to the collection centres will be farmers' clusters and the volume and quality of produce will help the farmers.
- **A Rs 10,000 crore Dryland Agriculture Mission (DAM)** is launched by the Government of Maharashtra for the rainfed areas in the state. In the first phase of the programme, one village from each rainfed taluka will be selected. The components of DAM include agricultural development through farmers groups, farm ponds, micro irrigation, controlled agriculture, inter-cropping and double cropping, processing, value addition and marketing.
- **The Cabinet Committee on Economic Affairs (CCEA)** has approved the setting up of 12 new Mega Food Park projects, as per 11th Plan pattern of assistance, with an allocation of Rs 1,714 crore. The Centre grant will provide 50 per cent of the eligible project cost in general areas and 75 per cent in difficult and hilly areas; subject to a maximum of Rs 50 crore per project. These food parks would help create adequate infrastructure for efficient supply chain management from farm gate to retail outlet in the country.

MINIMUM SUPPORT PRICE (MSP)

- **The Commission for Agricultural Costs and Prices (CACP)** has changed the annual pattern of calculating Minimum Support Price (MSP) of raw jute. Under the new system, MSP is determined on the overall demand and supply of raw jute, trend in the domestic and international price, cost of production and inter-crop price parity with the paddy crop and the terms of trade prevailing with non- agriculture products and industries. Previously, CACP calculated the MSP based on the existing support price of TD 5 grade raw jute produced in Assam but this system lost its relevance as jute cultivation has expanded to newer areas in the country.

AGRICULTURE MARKETING

- **Karnataka government has passed the State Agricultural Produce Marketing** (Regulation and Development) (Second Amendment) Bill, 2013. This bill aims for warehouse-based sales and a unified license to traders. Here, a direct purchase centre would buy notified agricultural produce directly from an agriculturist. In addition the bill seeks to set up a registering authority for addressing disputes arising out of contract farming. Other benefits of the Bill include limited/ no role for middlemen in APMCs, where traders instead can sell produce in any state market.

TRADE

EXPORTS

- **Center has allowed Cotton Corporation of India (CCI)** to export cotton for the season October-September 2012-13. Typically, CCI's role is limited to buying cotton from market when prices fall below the MSP and thus stabilize the market. The center's decision is likely to help farmers get better prices. The corporation would also get cash in-flow to help procure new cotton in October, when the new season begins.

IMPORT

- **US Department of Commerce (DoC)** has cut the countervailing duty (CVD) on shrimps imported from India to 5.85 per cent (earlier it was 5.91 per cent). The duty on India, China, Vietnam, Indonesia, Thailand, Malaysia and Ecuador was levied post a complaint by the Coalition of Shrimp Industries. The coalition represented American shrimp farmers and processors, and their complaint said that these seven countries offered huge subsidies to their respective shrimp industries, which collectively was hurting the competitive US shrimp industry.
- **China has launched an anti-dumping investigation into imports** of Indian tert-butylhydroquinone (TBHQ), an organic compound used widely in food industry. The investigation is expected to take at least a year, and may be extended to February, 2015.
- **India has asked Russia** to lift the temporary suspension on rice imports on the sidelines of the ASEAN ministerial meeting in Brunei. The temporary ban was imposed following detection of Khapra Beetle in rice consignments from India. The issues once resolved will increase market access for Indian agriculture products.

DAIRY

- **The Union government has launched an insurance scheme for milch cows** to protect the farmer and his family from economic crisis in case of accidental death of milch cows. Beneficiaries would get an insurance cover for two cows/buffaloes for one, two or three years. Fifty per cent of the premium, based on the value of the dairy animal, would be paid by the government. The balance (50 per cent) would have to be borne by the beneficiaries.

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