



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

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NEW INITIATIVE

- **The Ministry of Agriculture has approved setting up of a price stabilisation fund (PSF)**, with a corpus of Rs 500 crore. The objective is to support market interventions for price control of perishable agri-horticultural commodities. Initially the fund will be used only for onion and potato and losses incurred, if any, in the operations will be shared between the Centre and the State. The operational guidelines in regard to the scheme are now available.
- **Soil Health Card, a nationwide scheme has been launched in February 2015** to help farmers prevent soil deterioration through balanced use of fertilisers and application of right nutrients. Under the scheme, soil health cards will be issued to the farmers across the country and they will be provided help in scientifically monitoring the condition of soil at their farms at regular intervals. About 14 crore cards are envisaged to be issued over the next three years. A budget for this scheme is being made available to the state governments and the first instalment has already been sent to states.
- **The Government has launched a Scheme for Promotion of Innovation, Entrepreneurship and Agro-Industry** with an initial investment of Rs 200 crore. The scheme envisages creation of a framework for start-up promotion through Small Industries Development Bank of India (SIDBI) by using innovative means of finance like equity, quasi-equity, angel fund, venture capital fund, impact funds and challenge funds. In order to ensure that credit is available for start-ups, a fund of funds of Rs 60 crore is created which will be channelized through SIDBI.
- **The State Bank of India will provide Rs 100 crore as finance** to benefit 3,000 small tea growers in the North East. Assistance will be provided to tea growers who have proper basic documents of their existing garden as per Tea Board of India norms. The benefit will also be offered to new tea garden growing states such as Arunachal Pradesh, Nagaland and Meghalaya.

INITIATIVES BY STATE GOVERNMENT

- **The Government of Meghalaya has cut the subsidy on the chemical fertilizer** to discourage its use. The step is taken to promote organic cultivation in the state but the farmers have opposed the discontinuation of subsidy.
- **A high-powered expert group on agriculture has been set up in Uttarakhand**, under the Chief Minister, for the development of the agriculture sector by reviewing the policies of forest and rural development departments and recommending amendments, if necessary.

- **The Government of Maharashtra will implement the Central scheme of distributing solar pumps** to farmers in the state on pilot basis. The Cabinet Committee has sanctioned to distribute 7540 solar pumps as a pilot project, with an estimated expenditure of Rs 445 crore. Farmers with less than five acres of land for irrigation, especially in drought-prone areas as well as those in remote areas where there is a shortage of electricity would be benefited from the scheme.
- **The Government of Assam has launched an ambitious scheme, 'Momai Tamuli Barbaruah Krishak Bondhu Scheme**, to increase agricultural production by providing facilities and assistance to farmers for double cropping in their lands.

EXPORT

- **India is working with the European Union (EU) to revoke import ban on** brinjal, snake gourd, taro and bitter gourd. The ban was imposed last year after fruit flies were found in some consignments from India. India subsequently made it mandatory for exports of all perishable items to the EU be routed through pack-houses certified by APEDA. India's argument is import of mangoes, which had been prohibited along with the four vegetables, has been resumed earlier this year. The total value of the exports of the four vegetables to the EU is just about ₹9 crore a year (\$1.5 million), but the objective is to protest the arbitrary ban on agriculture products.
- **India may be able to export basmati rice to China from this year**, with rice-shelling and exporting units registered with the National Plant Protection Organisation (NPPO) being declared infestation-free. By June 30, the Indian government will send a list of credited Indian rice mills with the NPPO certification of being free from 'khapra beetle' infestation after which Chinese companies are expected to start placing orders. Besides China, South Africa and Mexico are the other new markets that Indian companies have been exploring to augment basmati rice exports.

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