Historic Boost to Rural India
PM chairs Cabinet Meeting to give historic boost to Rural India

Landmark decisions to benefit farmers and transform the agriculture sector taken

Regulatory environment liberalized for farmers through amendment to Essential Commodities Act

Ordinance to promote barrier-free inter-state and intra-state trade in agriculture produce approved

Farmers empowered to engage with processors, aggregators, wholesalers, large retailers, exporters
#1YearofModi2

**Historic Amendment to Essential Commodities Act**

Visionary step towards transformation of **agriculture and raising farmers’ income**

India has achieved near self-sufficiency in many **essential food items**

However, farmers have been unable to realize better prices due to lack of investment in **cold storage, processing and export**

Entrepreneurial spirit dampened due to stringent provisions of **Essential Commodities Act**

Farmers suffer huge losses when there are **bumper harvests of perishable commodities**

With adequate processing facilities, much of this **wastage can be reduced**
Historic Amendment to Essential Commodities Act

Key Features:

- Cereals, pulses, oilseeds, edible oils, onion and potatoes to be removed from list of essential commodities

- Will remove fears of private investors of excessive regulatory interference

- Freedom to produce, hold, move, distribute and supply will lead to harnessing economies of scale

- Help attract private sector/foreign direct investment in agriculture sector

- Will help drive investment in cold storages and modernization of food supply chain
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**Historic Amendment to Essential Commodities Act**
Safeguarding interest of Consumers

Interests of consumers are safeguarded while liberalizing regulatory environment.

Provides for regulation of agriculture commodities in situations of war, famine, extraordinary price rise and natural calamity.

Adequate protection of installed capacity of a value chain participant and export demand of an exporter.

To help both farmers and consumers while bringing in price stability.

Will prevent wastage of agri-produce that happens due to lack of storage facilities.
Barrier-free trade in agriculture produce

A Historic Step to Promote Intra-state and Inter-State Trade in Agriculture

'The Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020' approved by Union Cabinet

Challenges addressed

- Restrictions in selling agri-produce outside the notified APMC market yards.
- Restriction to sell the produce only to registered licensees of the State Governments.
- Barriers in free flow of agriculture produce between various States due to multiple APMC regulations of State Governments.
Barrier-free trade in agriculture produce
Benefits of the Ordinance

Farmers and traders to get freedom of choice of sale and purchase of agri-produce

Promote barrier-free inter-state and intra-state trade and commerce outside the physical markets notified under State Agricultural Produce Marketing Legislations

Historic-step in unlocking the vastly regulated agricultural markets in the country

More choices for the farmer, reduce marketing costs for the farmers and help them in getting better prices

Farmers of regions with surplus produce to get better prices

Consumers of regions with shortages to get lower costs

Electronic trading in transaction platform to be set up for ensuring seamless trade electronically
One India, One Agriculture Market

Ordinance basically aims at creating additional trading opportunities outside the APMC market yards

To help farmers get remunerative prices due to additional competition

Will help create One India, One Agriculture Market

To ensure golden harvests for our hard working farmers
Farmers empowered to engage with processors, aggregators, wholesalers, large retailers, exporters

Cabinet approved ‘The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020’

Indian Agriculture characterised by fragmentation due to small land holdings

Weaknesses like weather dependence, production uncertainties and market unpredictability

Makes agriculture risky and inefficient in respect of both input and output management
Farmers empowered to engage with processors, aggregators, wholesalers, large retailers, exporters etc. without any fear of exploitation

Transfer the risk of market unpredictability from the farmer to the sponsor

Enable the farmer to access modern technology and better inputs

Reduce cost of marketing and improve income of farmers
Act as a catalyst to attract private sector investment for building supply chains for Indian farm produce to global markets

Eliminate intermediaries resulting in full realization of price for farmers

Ensures adequate protection for farmers and effective dispute resolution mechanism with clear time lines for redressal
Government committed to the cause of farmer welfare (1/2)

Series of steps were announced as part of the Aatmanirbhar Bharat Abhiyaan

To provide a boost to those engaged in agriculture and allied activities

These include:

- Provision of concessional credit through Kisan Credit Cards
- Financing facility for agri-infra projects
- Pradhan Mantri Matsya Sampada Yojana measures to strengthen fisheries
- Vaccination against Foot & Mouth Disease and Brucellosis
- Herbal Cultivation promotion, boost to beekeeping & Operation Green etc
Under PM KISAN, over 9.54 crore farmer families have benefited and an amount of Rs. 19,515 crore has been disbursed so far during the lockdown period.

Under PM Fasal Bima Yojana, an amount of Rs 8090 crores has been paid during lockdown period.

Government committed to championing the cause of welfare of the hardworking farmers of India.

*Data as on 1 June, 2020*