Report on Round Table Meeting of ICFA Policy Group on “Farmers’ Welfare – Identifying the Issues”
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The seven decade old Ministry of Agriculture has been recently renamed as the ‘Ministry of Agriculture and Farmers’ Welfare’. In the light of the prevailing agrarian distress in the farming community, especially among smallholder farmers in ecologically stressed regions, instances of farmer suicides have come to light and the issue of farmer’s welfare has acquired greater importance. The renaming of the Ministry was a clear signal to the farming community that the government proposes to focus not only on increasing agricultural production and productivity but also bringing issues of farmers’ welfare to centre-stage. It is in this context that the ICFA Working Group on Policy Affairs, chaired by Dr. Rita Sharma, IAS (retd.), former Secretary to the Government of India, Ministry of Rural Development organized its first meeting on “Farmers’ Welfare – Identifying the Issues” in New Delhi on February 10, 2016 to discuss with various stakeholders these issues and to identify further the critical aspects of what encompasses Farmers’ Welfare. Opening the session, Mr. Alok Sinha, DG, ICFA and former CMD, FCI said that the multi stakeholder group consists of representatives from government, corporate, NGOs, think tank, who can identify the issues from different perspectives on farmers’ welfare. There is need to better coordinate and converge on the various items of farmer welfare in various ministries and sectors. The idea is to coordinate and interlink various players to achieve the twin objectives of sustainable agricultural production and a heightened orientation to farmers’ welfare. Elaborating on the definition of farmer and farmers’ welfare, Dr. Sharma said that we need to understand what does farmer welfare encompass and whether economic empowerment of farmers through improvement of income and livelihood is enough for their empowerment. She raised questions like whether social empowerment of farmers also required for a more holistic definition of welfare, who will address these issues and what implications does it have for the on-going policy and programmes of the central government and state governments. Dr. Sharma discussed various social and economic issues for farmer welfare report Round Table Meeting of ICFA Policy Group on “Farmers’ Welfare – Identifying the Issues” March 2016 AGRICULTURE TODAY 51 such as land issues, tenancy issues, credit indebtedness, integration of value chain, increasing market volatility, coping with natural disaster, water and land degradation challenges, climate smart agriculture, resource conservation, insurance, off farm income and agriculture diversification, which can help in transformation of agriculture. Ministry of agriculture is already working for the economic empowerment of farmers through various schemes and programs but there is need for monitoring the ongoing projects to assess the effectiveness of programs implemented. The other set of economic empowerment is rejuvenating the natural resources, said Dr. Sharma. She urged to focus on climate smart agriculture and building resilience for the small and marginal farmers. She talked about agrarian distress and way forward for creating social security and safety net for farmers to cope with frequent crop failure and natural disasters. She suggested effective execution of the relief work and planning 100-150 days of employment under MNREGA in case of drought situation. She emphasized on institutional strengthening through farmers collective, and credit accessibility issue of Pradhan Mantri Jan DhanYojana and Pradhan Mantri Fasal Bima Yojana and difficulty and complexity of various insurance schemes introduced in the past. Dr. Sharma opined that farmers’ welfare is affected by the quality, nature and scope of agricultural extension and delivery systems that provide various agri- services to farmers. By embedding “Farmers’ Welfare” firmly in the nomenclature of the Ministry, it is expected that a more holistic approach will be taken towards extension. A more inclusive agricultural extension service would be responsive to farmers’ demands related to applying most appropriate science and technology options; optimizing use of inputs; diversifying farming systems; developing value chain interventions; assessing consumer and market demands for products; facilitating access to remunerative markets, price information and trade; working with
Cooperative societies have played and continue to play a significant role in the delivery of agricultural inputs as well as in the marketing of farm produce. Ms. Sharma said that proliferation of an increasingly complex, pluralistic institutional environment is redefining government’s role, away from direct intervention in production, service provision and markets, towards one of coordination, facilitation, collaboration, convergence, partnerships and empowerment. Government’s role as coordinator, regulator and facilitator is not all about control mechanisms, but more about promoting exchange of information, providing a platform for discussion, creating a forum for interface, collaborating with partners and bringing different actors together to address common issues of farmer empowerment through technology transfer and other livelihood requirements, said Dr. Sharma. Dr. JNL Srivastava, ED, IFFCO Foundation and former Union Agriculture Secretary observed that a lot of progress has been achieved in the production side of agriculture but expressed reservation whether farmers also progressed. “We need to think what extra has to be done to make the food producers happy, once we have added the name farmers’ welfare with the Ministry of Agriculture and Cooperation”, said Dr. Srivastava. He advised to treat all the small and marginal farmer under the Below Poverty line, as covering them under the generic definition will provide them with all the benefit of BPL. He complimented agriculture department for coming out with the very good program of agriculture insurance, which is very important part of farmers’ welfare. He emphasized the need to improve rural education system and health sector and need to recognize small cooperatives and FPOs for empowering farmers through their own organisation. He opined that very healthy and active organisation is not emerging due to lack of policy support. “Issue of governance is important. If we really want farmer welfare then distrust between government and implementing organization should be removed”, said Dr. Srivastava. Dr. RB Singh, Chancellor, Central Agriculture University and Member of National Commission on Farmers recalled the recommendations of Farmers Commission. He said that renaming of the ministry was recommended in 2007 and the report on National Commission on Farmers says on top of the page “saving farmers, save farming”. “Saving of farmers is well defined in the National Commission on Farmers report. The farmer behind the plough was highlighted in the implementation part of the National Commission on Farmers and humanitarian report, and the definition of farmer is well defined in the report. Definition of farmer should be in line with definition of agriculture. It should include the value chain, horticulture, livestock etc. Then the farmer will be identified”, said Dr. Singh. He highlighted that distress and depression of farmers today is due to inequity, and gap between farmer and non-farmer income has gone up to 1:4. There is a very strong plea in NCF report on definition of farmer, and what should be the minimum pay and pension for farmers. He stressed on issues like women empowerment through livestock, retaining youth in agriculture, food security, nutritional security, health and education. He advised for not creating any nomenclatures for farmers as OBC or backward because it can hurt the sentiments. “Convergence can’t come if we don’t have the differentiation. Inclusiveness is the way forward”, said Dr. Singh. Dr. Dinesh Singh, Joint Secretary, Ministry of
Agriculture said that agriculture is a state subject and farmers’ welfare is not only looked after by the Ministry of Agriculture but it is multi departmental work. Department of Chemical & Fertilizers, MOEF, MORD these are the departments which are directly or indirectly affecting the fortune of farmers, and there is need for proper coordination and convergence among the departments.

Elaborating on the work of ministry, Dr. Singh talked about various new programs initiated by the ministry in the last two years like soil health card, Neem coated urea, Paramparagath Krishi Vikas Yojana, Prime Minister Fasal Bima Yojana, PM Krishi Sinchaai Yojana for economic empowerment of farmers and for reducing their hardship. “We need to encourage farmers to shift their focus to high value agriculture and horticulture farming as two third of agri GDP is contributed by high value agriculture and horticulture. Rather than creating nomenclatures for farmers as BPL or OBCs, we should focus on increasing welfare by economic empowerment”, added Dr. Singh. Mr. Biraj Patnaik, Principal Adviser, Office of Commissioners to the Supreme Court suggested that one of the areas where ICFA should look at is implication of International trade today, particularly what has been discussed in WTO on farmers. “So far we have been comfortable with doha round of negotiations, but now things have changed, and we don’t know in what direction it will go. Implication of ongoing WTO negotiation has potential implication for farmers. There is need to deliberate on it”, said Mr. Patnaik.

Ms. Renana Jhabvala, National Coordinator, SEWA advocated for feminization of agriculture. She said that there is predominance of women in the small and marginal farm, in shared croppers and in agri labours and hence there is need to recognize that the farmer is woman even if the land is owned by the men. This will enable women farmers to get recognition, equivalent wages, avail kisan credit card and various extension services. She emphasised the need to have women farmers collective like SHG, federations, companies, cooperatives as lot of services can be converged through the collectives. She also recommended having collectives, which can help lending small sums to farmers at the time of cultivation. She questioned the last mile connectivity of the commercial banks. She talked about lack of policy encouragement for farmers collective as it takes one year to register a cooperative in one district. She suggested increasing processing and marketing for increasing farmers’ income.

Mr. Sharon talked about National Food Security act and its non implementation in various states. Giving example of Andhra Pradesh as ideal state for implementation of NFS act, Mr. Sharon elaborated the actions that enabled proper implementation of the act like displaying of complete list of beneficiaries, state summary, district summary etc. on the portal. He explained various schemes such as computerization with improved online allocation of food grains through fair price shops. “We also have component for supply chain management such as computerization of supply chain, where movement of food grains from the godown to the fair price shops can be seen online. Transparency and better targeting is the key to the success. The whole transaction is electronically done, so that the beneficiary can’t be denied. We are hopeful that remaining states will also participate”, said Mr. Sharon.

Dr. KL Chadha, Pioneer of Indian horticulture revolution said that the present discussion should focus on farmers’ welfare who should do it and who should coordinate it. The whole issue of ministry of agriculture should be divided into three parts namely agri production, management and categorization of issues. It is important to identify the large number of issues indicated and identify various issues under different ministries. We should identify the right ministry who should really deal with various social, economic and security issues, said Dr. Chadha. Dr. JV Meenakshi, Professor, Delhi School of Economics emphasized the need to look at issues in a holistic manner and suggested to use matrix to access the developments. “Not necessary it has to be single matrix. Once we have a certain set of conceptual framework and matrix, we can put some of the ideas generated and will be able to identify who is falling behind on how many matrix”, said Dr. Meenakshi. She stressed the need to identify the difference between men and women farmers’ welfare and working towards welfare of women.
farmers. She suggested harnessing the power of ICT in agriculture for enabling farmers to take better decisions. We need to identify the enabling environment, so that better decision making happens at farmers’ level, not just in terms of an intervention, added Dr. Meenakshi. Mr. Kapil Mehan, Group CEO, Adventz suggested looking farming as a business activity and enabling it to report March 2016 AGRICULTURE TODAY 53 prosper as we have enabled other businesses to grow. He advised on making farming a profitable business and enabling farmers to own these businesses. Mr. Mehan said that lot has been done by the government for social empowerment but the challenges and issues is remoteness of reach of those government programs and interventions, whether it is financial inclusion, healthcare, and education. We have achieved many development in the production side like introduction of new varieties and productivity enhancement but very little has been done on the demand side of farming sector, whether it is marketing of agriculture produce, discovery of price, value addition and enabling farmers to get best price for its produce. There is no system, no process or institution which enable farmers to manage the surplus production and mitigate the risk of supply for that short period. They lose when they produce less, they lose when they produce more, stated Mr. Mehan. He stressed on ensuring MSPs to farmers and helping them in the marketing reform as they are restricted to very narrow markets. He also talked about modernization of intermediary structure, storage infrastructure, value addition, and risk mitigation for insuring protection of farmers’ income. Mr. Siraj Chaudhry, Chairman, Cargill India stressed on the need to focus more on the demand side rather than production. He said that industry needs to be included in the equation as it is very important element of the demand side of the equation. Industry has been kept out because it has been looked at as trade and the one exploiting the farmers but whenever the industry and farmers have teamed up together, though on very small scale, the condition of farmers has improved, said Mr. Chaudhary. He emphasised the importance of food processing and compared it to other geographies where ratio of converting agriculture to agri business is good. ‘Value addition to agriculture is minimum in this country and that is because lot of farmers’ activities is linked to the government. The farmer produces either for subsistence or for handing it over to the government’, said Mr. Chaudhary. He urged the need to encourage high value agriculture to meet the demand side and for better earning. He felt the need for having strong farmers’ organization for better protection of the interest of the farmers. Mr. Krishan Bir Chaudhary, President, Bharatiya Krishak Samaj criticized the corporate agriculture model. He talked about farmers’ suicide. He said that policy is made by the government, but there is huge difference between its implementation and reality. He questioned on the accountability of all the money allocated by the government for agriculture work as there is no permanent infrastructure created and no irrigation in many places. He stressed the need for introducing better varieties other than GM technology which are not suitable for rainfed areas. He demanded total subsidy of agriculture on basis of landholding and it should be given directly to small and marginal farmers. Fertiliser, food and irrigation subsidy should be plugged together and should be given directly to the farmers for increasing production. Mr. Chaudhary suggested improving storage capacity in rural areas and partnership to be given to farmers for warehousing at zero interest. He stressed on the need for connecting farmers directly to consumers and removal of intermediaries. He demanded seed right for farmer, result oriented research and improvement in dairy sector by preserving Indian breeds. Dr. S Maurya stressed on the importance of Intellectual Property Rights and taking the farmers, variety towards logical end and realizing the economic potential of farmers’ variety. He talked about farmers’ community and how geographical Indication on agriculture products can be converted into strong farmers’ community right. He said that government is not investing in quality Indian food and as a society we are going backward in our understanding on Indian food. Indian products are rejected in the global market due to adulteration. There is need to maintain food standards and quality to compete in the global environment. We need to continue mapping biological resources in agriculture through good academic research on IP issues and biodiversity in agriculture, said Dr. Maurya. He also advised for litigation mapping and
Legal research in the area of food & agriculture. Dr. Sudhir Kochhar, Former National Coordinator (NAIP/ICAR), Agricultural Biodiversity and Intellectual Property Expert talked about differentially benefitting the lower most segment of the farmer by treating them at par with others and ensuring their social upliftment by treating them as BPL. He emphasised the need for economic upliftment of farmers and officially recognizing incentivisation of farmers. He felt the need for engaging more in contract farming, NGOs participation in production and public sector leaded technology demonstration, skill development and business incubation. He said that like PM relief fund there should be national farmers welfare fund where all the interested donors can contribute for the farmers’ welfare. There should be atleast cabinet committee on farmers’ welfare or at least a group of ministers to oversee all the functioning. Bringing states in committed mode is crucial, added Mr. Kochhar. He opined that very strong communication and documentation of farmers’ families is required. Dr. Vibha Dhawan, Deputy Director, BISA said that if we take care of improving the economic situation of the farmers, social factor and risk taking capacity will develop on its own. She emphasised the need for introducing education at village level having different skill sets to enable them to contribute at village level to farming and agri business. Ms. Dhawan suggested changing the farm both in terms of sizes of farms and farming community for making it competent, report 54 AGRICULTURE TODAY March 2016 and introduction of farm machines which will be suitable for small farms and women. She appreciated the initiative of the government for starting the kisan channel and suggested making small programs on good agriculture practices, which can be made available to farmers throughout the day. Government should look at using the subsidy for larger benefit. We should combine agriculture with energy and promote the concept of model villages, said Dr. Dhawan. Dr. AK Rajput, ED, All India Poultry Association said that currently there is lack of clarity with regard to poultry industry which leads to interpretation and disputes. The entire poultry farming and birds rearing is carried out by the farmer in the rural India. They grow the birds in the agricultural area with minimum infrastructure. There was previous direction by GOI to classify poultry under agricultural activities and accordingly few states like Orissa have marked it under Agriculture industry. To uplift the farmers lives and to energize rural India, poultry activities may have to be classified under direct agricultural activity, suggested Dr. Rajput.

Key challenges faced by the industry, other than high feed costs, include inadequate cold chain and transportation infrastructure, high vulnerability to disease outbreaks and high volatile realizations affecting cash flows, added Dr. Rajput. Mr. S. Kannan, CFO, Suguna Foods recommended boosting the growth of Indian poultry sector. He said that Indian poultry sector possess tremendous untapped growth potential, India is the fourth largest poultry producer globally and currently the industry is employing above 5 Million people, a majority being from rural population. Poultry industrial size is estimated at around USD 10 Billion (Rs.64000 Crores) and this is one of the industries which are focusing on food security of the nation. He suggested that under the proposed GST, the poultry live birds, grain items, agri-commodities, feed supplements and ingredients shall be continued to be in the exempted list against GST. Live bird including slaughter meat in the form of chilled, frozen and portions shall have to be treated as exempted list. However marinated, cooked, preserved meat can be treated as processed meat and can be taxed under food processing segment in the GST. He also suggested reclassifying the freight tariff of maize as it is essential for poultry industry, and for the success of make in India concept, poultry to be supported at par with other industries for exports. He recommended that poultry and poultry activities, loans should be continued under priority sector lending; exemption of APMC cess when there is direct farmer selling to end consumer; and ban against FDI in farming sector. For poultry technology upgradation scheme, enough funds need to be sanctioned by the government to create more infrastructures and upgrading the technology, said Mr. Kannan. Prof. M. Moni, Chairman, ICFAm orking Group on ICT stressed on the importance of facilitating agriculture education among children of farmers, through agricultural schools, agricultural polytechnics and agricultural ITIs, in school education level for developing skill based learning in rural India, for
generating employment opportunities in agriculture and allied sector, and promoting “Technology based Farming” in India. He said that policy paper on rural informatics is needed for digitalization of agricultural systems using ICT for the benefit of farming community for productivity increase and income rise. Prof. Moni described about the importance of undertaking “SMART Village” projects, initiated during the 10th Five Year Plan period by him and its relevance now in view of “Digital India Programme”. He also informed that SMART VILLAGE Project has been initiated for Pilot Projects by the Centre for Agricultural informatics and e-Governance Research Studies, Shobhit University Meerut, in collaboration with IACG, New Delhi. He also emphasised the need for undertaking “natural resource acreport counting” at panchayat level. He also informed that this requirement was sent to Dr. Asthuri Rangan, Former Member, Planning Commission, as it could generate employment for geographers having Remote Sensing and GIS Technology (Geo-Spatial Technology) capabilities at panchayat level. Decision Support System (DSS) based on Geo-Spatial Technology is required to undertake micro-level planning at village level and also to overcome conflicts of various social issues at grassroots level. Dr. MJ Khan, President of Agrculture Today Group and Founder of ICFA said that farmers’ dignity part need to be emphasised more. There is a need to make farming dignified profession, attracting youth in farming and making farming as career option or youth. Dignity involved has many dimensions and dignity of farmers’ profession can be highlighted as part of farmers’ agenda. He suggested having a subcommittee on farmers’ welfare, and a separate department for farmers’ welfare who can coordinate with various ministries. This can be operational strategy of the government for coordinating effectively. ICFA working group on farmers can convene a meeting of its members to make sure that little broader perspective can come on the subject of farmers welfare, said Dr. Khan. Dr. Sharma while concluding suggested that some of the issues which have come on the table has specific bearing on farmers’ welfare and it need to be discussed more. She pointed out that there is need to map out various interventions and what schemes in various ministries relate to the various dimensions and then see in the conceptual framework what need to be done in term of priority. She suggested developing a framework for putting up the suggestions. She also emphasised on the need of having farmers collective for their social strengthening and forming subgroups who can look at the whole issue of farmers’ collective, pension, economic and social matters related to farmer welfare.