

Report on



भारतीय कृषि एवं खाद्य परिषद्
INDIAN COUNCIL OF FOOD AND AGRICULTURE

Round Table Conference

on

Agriculture Policy Agenda

for the New Government

June 12, 2019

Indian International Centre, New Delhi



National Round Table on Agriculture Policy Agenda for New Government

Agriculture forms a strong pillar of Indian economy, as more than 50% population draws its livelihood it, making it vital for economic growth and social transformation. India has made rapid strides in agriculture in the last five decades, it has not only moved from food scarce nation to food surplus one rather has emerged as largest producer as well as exporter of various commodities in the world. Agriculture in 21st century has been revolutionized by latest advancements in research and technology, supported by series of policy reforms. The economic reforms post liberalization have brought about opening up of the domestic markets, deregulation, and increased competitiveness in this sector, raising both challenges and opportunities. Though green revolution increased land productivity leading to food security, however the farmers continue to be marginalized. Further, issues like volatile prices, increasing global competition, and stringent quality and safety standards, if not soon addressed may put Indian agriculture in a compromising state. With advancements, the scope for agriculture and agri-business growth is huge, but creating a sustainable ecosystem is challenge, given the pressure of feeding more from less.

In India, agriculture is controlled by a large number of rules and regulations. And being a State subject, sector lacks uniformity in policies across the country. Though government is supporting the sector via focus on inputs, extension, exports, technology and value addition, aspects like land leasing, contract farming, farm subsidies, market linkages, power and irrigation and small farmers' livelihoods are inadequately addressed. The farm sector is vital for the economy and yet continues to receive low priority in national economic planning and policies.

Policies form the basis of sound economic and social development of a nation. Need based policy advocacy

supported by research, can play an important role in creating favourable policy and economic eco-system to advancing towards sustainable agriculture, and food and nutrition security for all. Policies must be reassessed to outline a clear long-term vision where inter-sectoral linkages are explicit. Growth, sustainability and farmers income top the focus list and institutional change spelling out new approaches and new institutions promoting self-help framework, investment priorities developing a consensus, and market related reforms to ensure greater gains to farmers. Power of policies is huge and needs to be leveraged upon to unleash the growth potential of food and agriculture sector as well as empowering the farms and farmers.

It is high time to work through a multi-stakeholder approach and engage in deliberations with government and key stake-holders while advancing towards a progressive regulation, seamless inflow of the information to create awareness and understanding among masses and effective advocacy through a series of engagement programs with the policy makers at the states and the national level, keeping global trends and emerging policy paradigm into account. In this context, ICFA has organized this consultation meeting with the key stakeholders to come out with actionable policy agenda for reforms, concerning the key areas of food and agriculture sector. Through this meeting we aim to prepare actionable policy agenda for the upcoming government. As the new government will soon take forward these reforms, in place agenda will support it to address various governance and development concerns of agriculture and agri-business sector.

Deliberations:

Dr. MJ Khan, Chairman ICFA welcomed all the dignitaries and opened the session by highlighting the fact that the scenario of Indian agriculture has changed over past few decades, so has the challenges to its growth and sustainability. The strategy to overcome these challenges

of sustainability and making agriculture a profitable venture need to be aligned with changing scenario of producing more from less, changing global market trends as well as new technologies. He stressed that strong inter-sectoral linkages could significantly improve growth and sustainability in the sector. He underlined that policies play a crucial role in development of any sector of the economy. As the new government has taken over and in place agenda will support it to address various governance and development concerns of agriculture and agri-business sector.

Dr. RB Singh, President Emeritus, NAAS second that situation has changed from past. India has transformed from food scarce, food importing nation into a food surplus, food exporting nation. India is largest agrarian economy in the world but continues to suffer with three major problems, viz. hunger, poverty and malnutrition. He expressed his concern that 40% children in the country were undernourished and 36% of world undernourished children are in India. The GDP growth had declined to from 7 and agriculture to under 4% with unemployment rate continuously increasing. It was government's priority to increase GDP growth back to 7-8% and bring unemployment rate under 2.5%, a cabinet committee had been formed by the government. Government had taken various initiatives as agriculture was not only an important pillar of country's economy, also serving humanity is highest priority. He underlined that successful models need to be established to attract youth to agriculture and government should stress on programs like EDP, Startup India, Make in India, Atal Innovation Mission to boost GDP growth, reduce unemployment. Another area of concern was extreme weather conditions, climate smart agriculture need to be aggressively promoted. Research for building mitigation and adaptation strategies need to be concentrated.

He opined that there was a crucial need to monitor efforts put in various schemes and initiatives, scheme such as soil health card did sound good but had not proved to be much beneficial in practicality. He also advocated that water should be charged, as any commodity/ resource available for free is not valued and if it was available at right time of right quality farmers would not hesitate to pay a small fraction. He supported the idea of paying farmers for bio-diversity conservation generation after generation. He was of the view that our education system was at turmoil, research fund is being utilized to pay staff salaries. Moreover private sector has not contributed as required. Government should come up with policy to encourage

private sector and take them as partners for facilitating necessary growth.

Dr. MJ Khan added that agriculture is a state subject owing to vast agro diversity and different needs. However, post production activities, such as processing, post-harvest management, food safety and quality aspects could be brought under concurrent list. He further suggested a supervising body to be constituted with the collaboration of NASS and Private sector for monitoring various initiatives undertaken for doubling farmers' incomes.

Dr. HS Gupta, underlined that bringing agriculture in concurrent list would not dilute the role of state. He stressed that farming needs to be made viable and to do so, horticulture and livestock were good options. Steps need to be taken for welfare of small and marginal farmers. He highlighted some of the major issues of Indian agriculture sector:

- I. We were not generating technologies as well as knowledge, no new technology has been generated for past 5 years in government agriculture system.
- ii. Extension today was the weakest link
- iii. Budget for agriculture needs to be doubled, to facilitate growth and investments
- iv. Education system was not efficient and is not generating competent manpower, after independence agriculture was boosted by competent manpower, which was lacking.

He brought to light that edible oil of worth Rs 70,000 crores was being imported in to the country while no significant steps have been undertaken to strengthen the cultivation and processing of groundnut and mustard. There existed a need of policy to check import of cheap palm oil into the country and safeguard the market of mustard and ground nut oil. He quoted that our farmers were well able and had prove the same by taking pulse production to 25 million tonnes and could replicate the same for oilseed sector, just policy support was required. He also backed that crops with high water requirement such as paddy should be shifted to area with more ground water. Lastly he expressed his concern about increasing agri colleges and universities in the country producing more and more number of agri graduates not meeting market requirements. There was an urgent need to check this existing situation before it worsens like engineering

graduates with no job. He suggested budget for R&D and education to be increased phase wise.

Dr. KL Chadha, President Indian Society of Horticulture and Chairman, ICFA Working Group on Horticulture pointed out that there were two ways to boost agriculture in the country viz. policy options and technology options and the need to go hand in hand. He stressed on the inadequate research and development in the country. The ground reality was that water is depleting and land is static, for any initiative to be rolled out these limitations are to be considered. He added that soil health card scheme had not been able to fulfill expectations. He stressed that there was a need to reduce the input cost by using practices like fertigation and integrated pest management. Deficiencies need to be looked upon and gap need to be filled. For increasing productivity, increasing land as well as water use efficiency is necessary. The alternative horticulture systems such as protected cultivation, peri-urban horticulture, hydroponics, aeroponics need to be promoted as they are capable of giving higher yields with low cost, thus high income. He further pointed that F1 hybrid seeds by private companies were highly priced for small farmers. Various low cost good quality varieties had been developed in public system but had not been multiplied by private sector. Various new technologies introduced like micro propagation, micro irrigation and high density planting (HDP), also new crops passion fruit, lecherry, cherry tomato introduced had been well adapted and are doing good. For more food there had to be more biomass. At the end he shared that indigenous crops produced in the country like bael, jamun and others were not regarded important nor promoted by the industry.

Dr. KML Pathak, Ex. DDG – AS, ICAR underscored the importance of livestock for providing employment in the rural areas. It was observed that initially people were hesitant to take it up as a full-fledged profession but with passing time youth and women have showed interest in livestock. It is a good measure for ensuring social security. He emphasized the importance of livestock rearing for organic farming as well and quoted that cattle urine had been used as biological insecticide. He further stressed that it was important to understand that majority of disease in humans were transmitted from animal and the pressing need for disease control programme for livestock was undeniable and all animals need to be vaccinated as children for polio. He also highlighted the importance of goatery and fishery for employment generation and doubling farmer income.

Mr. RD Kapoor, PI Industries stressed the need to build trust between farmers and industry. He appreciated private sector for building its own extension system when public extension system was weaning out. Proper value of agricultural produce should be provided to the farmers. In order to strengthen the extension system and educate farmers some sort of partnership between SAU and industry should be worked out. He highlighted that industry faced challenges in disseminating technologies to farmers as both government, academia as well as farmers lack trust in private sector. He expressed his concern over government not supporting GMO in the country, in spite of it entering in the country illegally. Policy discussion making system needs to be accelerated not to lose opportunities. He further stated that skill development programs need to be augmented to benefit farmers.

Sh Yudvir Singh, General Secretary, BKU highlighted the poor condition of farmers, especially small and marginal in the country. Agriculture in the country has grown tremendously since independence, yet the farmers' condition hadn't improved, he continued to be in debt. He stressed the need to strengthen policy framework as well as infrastructure in the country as major food grains are produced in surplus, resulting wastage or distress selling. He voiced the continued exploitation of farmers by middlemen. Farmers face a lot of technological issues. He quoted that farmer of the country is skilled and able to increase production, government should ensure good price for his produce. By ensuring good price for pulses government promoted farmers and production improved enormously. He stressed that ground realities from farmers' perspectives need to be checked. With the import of palm oil into the country the price of mustard dropped from Rs. 2600 to Rs 800 per Kg. Though the cheap variant was for industrial and not edible purpose, but due to low import duty was used in food industry until the duty for both the variants was brought to same level. Therefore practical approach towards implementation of policies should be adopted to safeguard interest of farming community. He also opined that practical model for subsidy to farmers needs to be established. He also opined that SAUs should undertake research on GMOs and come up with recommendations regarding its use.

Mr. TR Kesavan, President & COO, TAFE made four points,

I. There was a need to coordinate all the efforts being undertaken by various agencies, thus one department or

office need to coordinate as well as monitor schemes on different aspects.

ii. A more efficient model for subsidiaries need to be worked out as poor farmers were unable to avail the benefits, also farmers don't have choice of brand for availing subsidy. Another concern related to subsidy worth noticing is that equipment with subsidy have higher price than in market. . Also landless farmers are biggest sufferers unable to avail subsidies.

iii. In order to curb distress selling by farmers, small storage structures at village or cluster level should be created.

iv. Precision technology should be encouraged as it is not only beneficial for large farms, also more efficient in small farms.

He also appreciated Madhya Pradesh's Haldhar Yojna and Lego Model applied by Germans for small storage systems. He shared his opinion of spending 40 percent of the agricultural budget on the purchase of farm equipment.

Mr. JP Meena, Ex- secretary, MoFPI stated that in case of increased production government supported to a certain extent but in case of over-surplus production it draws back, which puts farmer in distress as market don't have capacity to absorb. Different economies work in production and processing system. He quoted that farmers produce table varieties which are not suitable for processing, a practical model need to be established for producing for industry, like for potatoes in Gujarat. He further stressed that suitable crops for particular area as per climatic conditions need to be promoted to reduce multiple investments on the use of technology and on other costs. Short term consumer oriented policies would not do any good for economy and farming community. Regarding subsidies he pointed that it left farmers with no choice for seeds, fertilizers and technology, rather it increases cost and inefficient technologies are percolated. He quoted a case of companies promoting barley to replace sugarcane, which had matching requirements and similar cost of resources by was rejected by the farmers. He opined that micro-planning for farm sector was essential. On the importance of infrastructure he felt that while new infrastructure need to be created, the existing one needed activation or deactivation simultaneously. No specific plan for state agriculture are prepared, whatsoever being done was never discussed amongst state and central governments.

Mr. Aleen Mukherjee, Executive Director, NCDEX underlined the importance of primary processing at farm gate, like cleaning, grading etc for increasing prospects of value addition through farm produce. He opined that

- Essential Commodity Act need to be debated.
- Creating direct marketing linkages at a larger scale.
- Collateral assets to be improved through back end channels.

Dr. M. Moni, Chairman, ICFA Working Group IT in Ag stressed on the importance of digitization in agriculture. Comprehensive information system for agriculture, farmer and at village level must be diffused at metro-climatic regions as well as smart village and smart farming opportunities should be facilitated. Agri-startups can benefit farm sector and farming communities in the long run. He also pointed that connectivity was still an issue, especially in distant areas, which need to be looked into and suggested having dedicated internet connectivity to farmers and farming community He put forward establishing Centre for IT in agriculture at National, State, district and block level. He proposed new courses like Agriculture Informatics to be brought in as human power with knowledge of agriculture dynamicity along with computer science is required.

Mr. Raju Kapoor, Director (Public and Industry Affair) FMC Ltd. underscored that there was unmet demand for input and technology in the domestic market which need to be fulfilled. He stressed on Public-Private partnerships & Private-Private partnerships. He shared that extension system in the country suffers farmer level disconnect and advocated that technologies developed must be disseminated and brought to farm gate. He highlighted that produce worth Rs. 2 lakh crore was wasted due to pests, which is not only the loss of crop rather all other involved resources. A clear system to address plant protection in a co-ordinated fashion between state and central government was needed. Moreover, the increasing concern about quality, sustainability and traceability especially in global market had made it necessary to move towards GAP. He further talked about the issues in registration of new molecules and spurious chemicals in the market.

Mr. KV Somani, MD Somani Kanak Seedz precisely made four points:

- i. There was a pressing need to make agriculture viable and profitable business to attract youth.
- ii. Various startups faced state level barriers in selling their products, hence an open system need to be created.
- iii. As large quantity of agricultural waste was generated, should be put to some use for benefit of farming community.
- iv. Large quantity of fresh fruits and vegetables placed in the country were not suitable for processing industry, therefore research to be oriented to processing industry.

Mr. Ajay Rana, MD Savannah Seed underscored the importance of prioritisation in agriculture. He quoted that 4ton/ha, 3.6ton/ha and 6ton/ha were the world, India and China average for paddy respectively, indicating huge growth scope for India. Paddy cultivation should be shifted to high potential are and DSR technology should be promoted as it was proved to reduce labour cost and bringing down total cost of production by 20% and water use by 25-30%. Public-Private partnership would benefit farming sector and farming community. He further advocated the GM seeds and bio efficiency and toxicity to be researched. The process need to be fast tracked as approval of Bt Cotton in the country took around 8 yrs.

Mr. MK Mero, Principal Secretary- Horticulture, Govt of Nagaland advocated NER to be given preference and allocated separate budget as state needs different policies given its different geography and agriculture. He further informed that house that North east would be certified organic the present year. Third party certification would be adopted for niche crops from exports perspective while for domestic consumption other certification system would be adopted. He stressed the need to strengthen the connectivity of the region with mainland for better benefits to farmers. He emphasized the need to have state level organic policy. He spoke of state's requirement of low cost and gender sensitive machinery as most of the farmers are women and hold small land holdings. He emphasized on the need to promote home scale processing

units considering the limited availability of land for industrial infrastructure. He also mentioned that SFAC should promote more and more SHGs for small processing units.

Mr. MH Khan, Former Secretary, GoI emphasized on the importance of water bodies for agriculture, need to be preserved for coming times. He said that farm management is different for small and large farms and model for small farm should be build. Regarding productivity he felt that comparative advantage principle should be followed. Last he believed that diversification had huge potential to bring in prosperity for farming community.

Dr. S Dhyani, Agroforestry Specialist, ICRAF apprised the house about agroforestry fulfilling 65% of timer requirement and 25% food processing requirement in the country. He further highlighted that as forests are degrading with passage of time, it became imperative to include trees in agricultural land. India is the first country to have its own agroforestry policy. He further opined that classifying bamboo and timber as agri-commodity would help in its marketing. He also advocated that primary processing should not be considered as industry, as it drew taxation.

Mr. PPS Pangli, President, Borlaug Farmers Association for South Asia expressed his concern over weak contract modeling act. He further suggested declaring MSP for pulses and edible oils, presently MSP is declared for 24 crops. He further stated that Canola oil imported from Canada is GM and no effect on health have been yet reported, government might consider approving Indian Canola. He also voiced the issue of Bt. Brinjal being imported from Bangladesh and being consumed in the country. He advocated that farmer should be free to choose any seed or technology that he wants to adopt that is available throughout the globe. He also informed the house about coloured wheat being produced in the Punjab, germplasm had been imported from Japan and US and multiplied here to suit the conditions. The coloured wheat was available in purple, blue and black wheat and had medical properties.

Dr. Soumitra Das, Director IZA pondered over fertilizer policy being skewed towards nitrogen (N) leading to imbalance in nutrient use in the country, hence micronutrients remain highly neglected. This imbalance resulted in poor yield as well as quality, which impacted soil health. He submitted that:

- i. Nutrient based subsidy which came in 2010 initially did not include urea, which resulted brought in change in fertilize use pattern, should be encouraged.
- ii. Fortification of nutrients should be promoted to maintain balance.
- iii. GST on micro nutrients is at 12%, which should be made at par with bulk nutrients.

Dr. S Kochhar, Expert – IPR and former ADG ICAR highlighted the multi-functionality of agriculture, which included four broader kind viz. green, blue, yellow and white functions. Green function referred to biodiversity maintenance, landscape and wildlife management and other similar functions. Blue services were said to include water management and creating wind energy. Yellow services comprised social and cultural aspects like rural cohesion and vitality, ambience and development, cultural and historical heritages and regional identity along with agro-tourism and agro-entertainment. Food safety and security aspects were covered under white services. He advocated having agricultural policy giving due consideration to these functionalities.

Dr. MJ Saxena, Chairman, Ayurvet Ltd. advocated having a separate line of public services for agriculture “India Agricultural Services” to bring in administrators with sound knowledge of agricultural scenario in the country. Indian agriculture worked on the principal of preservation for all and destruction of none. He backed the need to have separate research allocation from GDP to improve R&D situation in the country.

Mr. Pushpendra Singh, President, Kisan Shakti Sangh pitied the condition of farmers in the country nad stated them as being net givers nor takers. He opined of deregulating agriculture and let it be driven by market

forces. Farmer should be left free to make his own decision without any boundations. He also underlined that subsidies to farmers should be provided to farmers in the form of DBT @ Rs. 10,600/acre/ season.

Dr. R.P Singh, Executive secretary, IAUA encouraged including as subject for primary classes, schools in rural or semi-urban areas to be renamed to agri-schools. He second the idea of establishing small processing industries in village or hub (constituting 5-10 villages), which would employment opportunities in village itself. Highlighting the importance of TOP crops, he suggested channelizing the produce from high producing areas to no production areas instead of providing subsidies, i.e. creating new markets. Measures need to be taken to assure procurement of produce and eliminating middleman from the chain to increase returns to farmers by creating storage and warehouse facilities as well as village or hub level market.

Dr. BS Bisht, former ADG ICAR and former VC GBPUAT stressed on the need to increase processing for value addition to the produce and reduce wastage. He opined that manpower should be trained for all futuristic use. Agriculture GDP should be seen in absolute sense. He also underscored the need of specializing, like one district- one product for industry to flourish in the region. He stressed the need to promote use of solar energy in agriculture and have energy farms.

Mr. Vijay Sardana, Chairman- ICFA Working Group on Agri-business and trade stressed that recommendations and agenda should be politically acceptable and economically viable and should draw from ground realities which need priority. Farmers needed economic benefits to improve his situation.

Mr. Alok Sinha, Vice Chairman, ICFA thanked all the present for their valuable inputs and sought continued support.

Glimpses of Agriculture Policy Agenda



Glimpses of Agriculture Policy Agenda



Recommendations

1. Agriculture by its nature of diversity is acceptable as state subject, which gives the authority to state government to adapt or frame policies to suit its need. However, the post production activities, such as processing, post-harvest management, food safety and quality aspects should be brought under concurrent list for uniform policies and support.
2. Livestock is capable of providing good income, women and youth are attracted and are taking it up, it is also important for organic agriculture. Though livestock disease pose a serious challenge, government should initiate vaccination movement for livestock to make them disease free as was polio eradicated.
3. With GMO being accepted by various countries, India may pose challenge, government through its system of ICAR, SAUs and research institutes should undertake research on GMO for long term impact on human and environment health, and come up with its own recommendations for its decision.
4. Various efforts are being done by different agencies, government, private and non-government to improve the condition of farmers and agriculture in the country, which at times result in duplication of efforts. It might be suitable to create or designate one department or office to coordinate the efforts as well as monitor the programs and schemes.
5. In order to empower farmers for their upliftment, there is a need to create storage structures at village level to prevent distress selling as well as promoting FPOs and SHGs to take up primary processing at village or cluster level will add value to their produce while creating employment opportunities.
6. India being second largest populated country of the world has a huge responsibility to feed its population, especially the poor of the society. In order to fulfill the need, it has essential commodity act in place. However, it has been felt that the act is restricting the growth of agriculture as well as farming community. Hence it is desired to initiate the discussion on pros and cons of ECA with government, private companies and farmers. On similar lines, there is also need to review MSP system and to analyze to what extent the benefits are percolated to farmers, especially small and marginal.
7. With the increasing concern about quality, sustainability and traceability of products for good especially in global market may impact country's export soon. The system of Good Agricultural Practices "GAP" is in place to ensure quality, sustainability and traceability of agricultural produce. Therefore, there is a need to promote GAP certification especially for exporters. APEDA being apex body for agricultural exports may take concrete steps to enforce the GAP.
8. Research and Development forms the backbone of advancement in any sector. The R&D system in Indian agriculture has been degrading over time and has not been able to keep pace with global advancements. Thus a separate budget be marked for R&D in the country, focusing agri sector.
9. North east region of the country has immense potential and is also gate way to south east Asia. The state despite of their limited resources are doing well in horticulture, spices and other crops. Enhancing connectivity of the region with rest of the country will boost its economy. Better road and rail network and increased air connectivity will prove beneficial for the region and country as a whole.
10. For producing health crops besides major nutrients micro nutrients are equally important. Hence the tax on micro nutrients, which currently is at 12 % should be made at par with bulk nutrients. Also to reduce the burden on farmers, the GST on crop protection be reduced from 12 to 5%.



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