

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO.3434**  
TO BE ANSWERED ON THE 1<sup>ST</sup> JANUARY, 2019

**CULTIVATION OF PALM TREES**

3434. SHRI V. PANNEERSELVAM:  
DR. SUNIL BALIRAM GAIKWAD:  
SHRI KUNDARIYA MOHAN BHAI KALYANJI BHAI:  
PROF. PREM SINGH CHANDUMAJRA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government has encouraged farmers to grow palm oil trees in order to meet the scarcity and demand for edible oils in the country;
- (b) if so, the details thereof and the facilities provided to farmers in this regard;
- (c) whether the farmers have incurred heavy losses due to non-declaration of remunerative prices for palm oil, if so, the reasons therefor; and
- (d) the other steps taken by the Government to save palm oil tree growers and pay them minimum remunerative prices?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री ( SHRI PARSHOTTAM RUPALA)

(a) & (b): Yes, Government of India is promoting palm oil trees cultivation through National Food Security Mission on Oilseeds & Oil Palm (NFSM- Oilseeds & Oil Palm) in order to supplement the requirement of edible oils in the country. The programme is being implemented in 13 States.

Under NFSM-Oilseeds & Oil Palm, financial assistance is provided to the farmers for cost of planting material, maintenance of plantation and inputs for intercropping up to 4 years, installation of drip irrigation, tube-well/ bore well, water harvesting structure, pump sets, vermicompost, machinery, harvesting tools, and training.

(c): In order to provide remunerative prices for Fresh Fruit Bunches (FFBs) to the farmers, CACP has developed FFBs price fixation mechanism/ formula based on International Crude Palm Oil (CPO) prices and Oil Extraction Ratio (OER) which are being fixed by the prices fixation committee of the respective States every month.

(d): The Government of India has increased the assistance for planting material, maintenance cost, inputs for intercropping and bore well with effect from April, 2017. Another step taken is that the area limitation beyond 25 ha has been relaxed to encourage the oil palm cultivation on larger areas.

In order to protect the interest of oil palm farmers, Government of India has enhanced the duty structure several times during last three years. The import duty on Crude Palm Oil has been increased from 30% to 44% and Refined Palmolein oil from 40% to 54% on 01.03.2018.