

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

LOK SABHA
STARRED QUESTION NO. 326
TO BE ANSWERED ON THE 17TH MARCH, 2020

AMENDMENT OF PRADHAN MANTRI FASAL BIMA YOJANA

*326. SHRIMATI JASKAUR MEENA:
SHRI NIHAL CHAND:

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

- (a) whether the Government proposes to amend the Pradhan Mantri Fasal Bima Yojana;
- (b) if so, the details thereof along with the reasons therefor; and
- (c) the time by which the said amendments are likely to be carried out, give details?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 326 DUE FOR REPLY ON 17TH MARCH, 2020.

(a) to (c): The Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS) are regularly reviewed especially the challenges faced by the stakeholders in its implementation since their inception in Kharif 2016 season. Accordingly, this Department had made detailed consultations with all stakeholders viz. State Governments, farmer organizations, insurance companies, reinsurance companies, financial institutions, concerned organizations, and Central Government Departments at various forums to identify the challenges and finalise the possible solutions/remedial measures etc. Based on their feedback and suggestions changes have recently been incorporated in the provisions/ parameters of ongoing PMFBY/RWBCIS for its implementation from Kharif 2020. Details of Change made in the provisions/parameters of the schemes are given below :

- To address the demand of farmers, the scheme has been made voluntary for all farmers. There is no change in farmers' share of premium.
- The premium subsidy sharing pattern between Centre and North Eastern States has been changed from 50 : 50 to 90:10. This has been done to allow more States to notify the scheme and existing States to notify more crops and areas to facilitate greater coverage of farmers under the scheme. For remaining States, subsidy sharing pattern will continue as 50 : 50.
- Insurance companies will now be selected by the States for 3 years in a go instead of one year thereby increasing their commitment and accountability to the farmers.
- Option has been given to the States to choose the notional value of average yield or the Scale of Finance as sum insured in the interest of the farming community.

- The issue of high premium rate for few crops/areas due to adverse selection has been suitably addressed. The requisite central share of premium subsidy will be provided for areas/crops having gross premium rate upto 25% for irrigated and upto 30% for un-irrigated areas/crops. Besides, alternate risk mitigation measures will be explored for these areas/crops.
- In view of the demand of many states, option has been given to states to choose additional risk covers besides shortfall in yield-based cover depending upon the local weather challenges and requirements of the farmers.
- The states delaying the release of subsidy beyond stipulated timelines can not participate in upcoming seasons.
- Two-step process of crop yield estimation using weather and satellite indicators etc. is adopted, which will help in early assessment of loss.
- Use of smart sampling technique through satellite data for crop cutting experiments by some states has shown increased efficiency in implementation. This will now be universalized.
- The delay by some States in submission of crop yield data will now be suitably addressed using technological solutions.
- Provision has been made for earmarked administrative expenses @ 3% for strengthening the infrastructure and technology for better delivery of the Scheme.
