

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 3481
TO BE ANSWERED ON 16.03.2020

HIGH LEVEL EXPERT GROUP SET UP BY FINANCE COMMISSION

3481. SHRI BIDYUT BARAN MAHATO:
SHRI SUDHEER GUPTA:
SHRI GAJANAN KIRTIKAR:
SHRI SANJAY SADASHIV RAO MANDLIK:
DR. PRITAM GOPINATHRAO MUNDE:
SHRI CHANDRA SEKHAR SAHU:
SHRI SHRIRANG APPA BARNE:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a need to identify the impediments for private sector investments along the agricultural value chain and if so, the reaction of the Government in this regard;
- (b) whether the 15th Finance Commission has set up a high-level expert group to recommend measurable performance incentives for States to encourage agriculture exports and promote crops to enable high import substitution;
- (c) if so, the details thereof including the terms and references/composition of this group along with the mandate assigned to them and the time by which the said group is likely to submit its report;
- (d) the details of other steps taken to improve the Sector's global competitiveness; and
- (e) whether the Government has received the reports of 15th Finance Commission and if so, the details and the outcome thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) The Government has been promoting private investment in agriculture through Public Private Partnership in various schemes. The Government of India has also circulated a Model Act-Agriculture Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 and Model Act-Agriculture Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018, with the aim to encourage more investment in agriculture. The Government has also incorporated a "Framework for Supporting Public Private Partnership for Integrated Agricultural Development (PPPIAD)" under the Rashtriya Krishi Vikas Yojana - Remunerative Approaches for Agriculture and Allied Sector Rejuvenation (RKVY-RAFTAAR) in the scheme guidelines to facilitate integrated projects led by private sector players in the agriculture and allied sectors, with a view to aggregating farmers, providing additional income and integrating the agriculture supply chain.

(b) & (c) The Fifteenth Finance Commission has constituted a High-Level Expert Group on Agriculture Exports to recommend measurable performance incentives for States to encourage agricultural export as well as to promote crops to enable high import substitution. The Group is headed by Shri. Sanjiv Puri, Chairman and Managing Director, ITC and consists of other experts from the private and Government sectors. The Group is expected to submit its report to the Commission by May 2020.

(d) Government of India is implementing through State Government several crop development schemes/ programmes such as Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (MFSM), Rashtriya Krishi Vikas Yojana (RKVY), Bringing Green Revolution to Eastern India (BGREI), National Mission for Sustainable Agriculture (NASA), Pradhan Mantri Krishi Sinchai Yojana etc. Under these Schemes/ Programmes, funds are provided to States for implementation of State-specific agricultural strategies, including incentives to farmers for use of quality seeds, improve soil health under Integrated Pest Management (IPM), farm mechanization, cluster demonstrations on improved package of practices, demonstrations on cropping system, seed distribution of high yielding varieties , farm machineries etc. The States are also provided support for creation of agricultural infrastructure for optimal use of water and other natural resources. Also, Government has recently initiated a comprehensive “Agriculture Export Policy” aimed at doubling the agricultural exports and integrating Indian farmers and agricultural products with the global value chains along with creation of agri-cells in many Indian embassies abroad to take care of agricultural trade related issues.

(e)The Fifteenth Finance Commission has submitted its report for the year 2020-21 to the President of India which is available on the website of the Finance Commission: <https://fincomindia.nic.in/>.
