

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

LOK SABHA
UNSTARRED QUESTION NO.2481

TO BE ANSWERD ON THE 09TH MARCH, 2021

PALM OIL PRICING

2481. SHRI SRIDHAR KOTAGIRI

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

- (a) whether the formula for fixing Palm Oil pricing paid to farmers by manufacturers was fixed by Commission for Agricultural Costs and Prices (CACP) of Ministry of Agriculture, favouring industry to encourage investments in the initial stages, if so, the details thereof; and
- (b) whether the Government will relook and favour the farmers to help with doubling farmers income as well as increasing palm oil growth to save foreign exchange on imports and also since the industry has achieved maturity?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Commission for Agricultural Costs and Prices (CACP) had recommended the formula for fixing the price of Fresh Fruit Bunches (FFBs) in order to provide remunerative price to the farmers that promote efficiencies and investments, help in achieving self-sufficiency in edible oils and enhancing incomes of all those involved in Oil Palm sector. The formula is as under:

12.84 percent of net CPO weighted average price plus 75.69 percent on 9 percent recovery of palm kernel nuts weighted average price.

(b): Government is promoting Oil Palm cultivation in the country under National Food Security Mission (NFSM) – Oil Palm scheme. Under the programme, financial assistance is being provided to the farmers for area expansion under Oil Palm which help to increase palm oil production in the country and save the foreign exchange by reducing import of edible oils.
