

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

LOK SABHA
UNSTARRED QUESTION NO. 5489
TO BE ANSWERED ON THE 05TH APRIL, 2022

INCOME-BASED SUPPORT TO FARMERS

5489. SHRI T. R. BAALU:

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

- (a) whether the Government is contemplating to move away from price-based support to income-based support, which will not be trade-distorting under the Agreement on Agriculture (AoA) of the World Trade Organization (WTO), provided the income support is not linked to production; and
- (b) if so, the steps proposed to be taken by the Government in this regard?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि और किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): As per the WTO Agreement on Agriculture (AoA), market price support is provided through procurement of crops by the government at administered prices, that is, Minimum Support Price (MSP) and is subject to product-specific *de minimis* limit of 10 percent of value of the production of the crop concerned, in a year. Further, provisions of Agreement on Agriculture on Income Support not linked to production (Decoupled Income support) provide that eligibility for such payments shall be determined by clearly-defined criteria such as income, status as a producer or landowner factor use or production level in a defined and fixed base period.

Presently, there are schemes relating to farmers which are covered under price support and some under income support not linked to production (Decoupled Income Support) related to provisions of AoA.
