KALIA Scheme – Odisha

Why in news?

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The Odisha government recently launched the Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme.

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What does the scheme contain?

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- KALIA stands for Krushak Assistance for Livelihood and Income Augmentation.
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- The scheme involves payments to encourage cultivation and associated activities.
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- The scheme will benefit 92% of the cultivators in the state and include every category from big farmers to landless cultivators.
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- Under the scheme, all farmers in the state will be provided Rs 10,000 per family as assistance for cultivation.
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- Each family will get Rs 5,000 separately in the kharif and rabi seasons, for five cropping seasons between 2018-19 and 2021-22.
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- Since the scheme is not linked to the amount of land owned, it will greatly benefit sharecroppers and cultivators, most of whom own little or no land.
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- Additionally, the scheme will assist the elderly, sick and differently-abled population who are unable to take up cultivation, by providing Rs 10,000 per household per year.
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- This is meant to be used for sustenance.
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- However, this component will not be implemented immediately, as Odisha already offers free healthcare and disburses old-age pensions.

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- It also includes a life insurance cover of Rs 2 lakh and additional personal accident coverage of the same amount for 57 lakh households.
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- It further provides that crop loans up to Rs 50,000 are interest-free.
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How does the scheme benefits landless labourers?

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- The scheme targets 10 lakh landless households, and specifically SC and ST families.
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- They will be supported with a unit cost of Rs 12,500 for activities like goat rearing, mushroom cultivation, beekeeping, poultry farming and fishery.
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- The beneficiary is encouraged to choose an activity with which he is familiar because these trades require some skill and network.
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- The idea behind this is to identify an existing capacity of a beneficiary and build on it.
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- The government is also working on a skilling component to be added to this form of assistance.
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How does the scheme makes targeted interventions?

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- The scheme is going to be an area-specific scheme wherein an input support for a particular trade, say mushroom cultivation, will be provided if it is prevalent throughout that locality so that there is aggregation of produce.
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- A critical trade like dairy production has deliberately been kept out of the scheme.
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- This is because keeping a cow is more expensive, while milk production needs to have a collection route or agency that processes and refines this low shelf-life product.
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- On the other hand, poultry farming and fishery do not need a strong ecosystem to survive and has a ready market of consumption or cheap method of preservation.
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- Similarly, beekeeping is done by many self-help groups, so they are already familiar with the networks of that trade.
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- Hence, activities like mushroom cultivation, poultry farming and beekeeping are covered under the scheme.
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How does the scheme differ from loan waiver?

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- Unlike a loan waiver, through which banks appease a few farmers, KALIA's main targets are rural activities as a whole.
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- The scheme will support farming on a small scale like sharecropping, fishing, animal herding, which are not covered under bank loans, but are caught in debt traps set up by local moneylenders.
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- Also, a farm loan waiver will reduce credit available to farmers in the long term.
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- On the other hand, income support can be used to make a repayment or at least activate a bank account which can then receive a loan.
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Source: The Indian Express

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