NITI Aayog's agriculture agenda

Why in news?

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NITI Aayog recently released its three-year action agenda (TYAA) for the government for reforming various sectors of the economy including agriculture.

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What are the problems in this regard?

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- NITI Aayog's TYAA basically talks of action regarding\n\n
    1. increasing productivity of land and water
    2. reforming agri-markets on the lines of e-NAM
    3. reforming tenancy law
    4. relief measures in the event of natural disasters
- However, there is a need for prioritising policy actions and emphasising the role of trade policy in agriculture.
- **MSP** - Minimum Support Prices scheme has not improved profitability in cultivation in the last three years.
- The situation is worse for producers of basic vegetables like potatoes, onions and tomatoes as prices at harvest time plunged to low levels.
- **Market** - Attempts to reform APMC markets on the lines of model Act of 2003, and now of APLM, 2017, have not succeeded much.
- The e-NAM scheme, which is supposed to create an all India market ensuring better prices to farmers, also has some bottlenecks.

- It is still installing software in mandis to switch auctions to electronic ones, and also Inter-mandi and inter-state transactions are very rare.
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What should be done?

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- **Market** - Government should devise plans to buy directly from farmers' group such as Farmer Producer Organisations.
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- The necessary logistics for grading, storage, movement, and linking them to organised retail (including e-retail) has to be set up.
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- Government should also change certain laws including Export Credit Agency laws to facilitate easy credit to local exporters of agri products.
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- These would make market initiatives to have a more pro-farmer approach.
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- **Profitability** - one way to improve farmers' profitability is to open up exports of all agri-products, without any restrictions.
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- Government can allow storage by private trade to build global value chains.
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- Government should ensure that Pradhan Mantri Fasal Bima Yojana delivers its objectives on compensation to farmers well in time to reduce loss in times of disaster.
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- **Irrigation** - Government should ensure that Pradhan Mantri Krishi Sinchayee Yojana and NABARD's Long-Term Irrigation Fund are carried out as per the plan.
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- However, besides these, government should take forward the micro-irrigation (drip and sprinklers) projects to have a high water-use efficiency.
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- Enhancing Direct Benefit Transfer of food and fertiliser subsidies to targeted beneficiaries is needed, as this can release resources for investments.
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- A firm, wholesome action on all these fronts can bring the desired growth in the agriculture sector.
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Source: Financial Express

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