

## Shortfalls of e-NAM

### What is the issue?

\n\n

e-NAM which is introduced as an online trading platform for farm commodities is lagging to attain its goals.

\n\n

### What is e-Nam?

\n\n

\n

- Electronic National Agriculture Market (eNAM), is a pan-India electronic trading portal launched by Ministry of Agriculture & Farmers' Welfare.

\n

- The Portal is managed by Small Farmers' Agribusiness Consortium (SFAC) appointed by the Ministry.

\n

- It aims to facilitate farmers, traders, buyers, exporters and processors with a common platform for trading commodities.

\n

- It currently links 450 APMCs (Agriculture Produce Marketing Committees) from across 13 states.

\n

- 69 commodities including staple food grains, vegetables and fruits are currently listed in its list of commodities available for trade.

\n

- Traders and exporters need to get themselves registered with the portal to access its services.

\n

\n\n

### What are reasons for underperformance of e-Nam?

\n\n

\n

- State agricultural departments have been finding it difficult to convince all stakeholders like farmers, traders and commission agents to move to the

online platform.

\n

- The platform is not fully functional in any State as there are no scientific sorting/grading facilities or quality testing machines.
- Lack of technical expertise and internet facility at the State Agricultural Departments has also delayed the setting up of grading/assaying facilities.
- The huge share of the trade recorded in the e-NAM portal was actually carried out offline and the values were fed into the portal to make it look like genuine online transactions.
- This completely defeats the purpose as the main objective of an online auction portal is to help price discovery.

\n

\n\n

### **How this can be addressed?**

\n\n

\n

- For success of e-NAM every State need to amend its APMC Act to make a provision for electronic auction as a mode of price discovery.
- The States opting for e-NAM must introduce structural adjustments to address any inconveniences faced.
- Rashtriya Krishi Vikas Yojana aims to link release of funds to progress in agri reforms and in implementation of e-NAM may hopefully put pressure on the States.

\n

\n\n

\n\n

**Source: Business Line**

\n