APEDA signs MoU with ICAR-IIMR to boost millet exports

Agricultural and Processed Food Products Export Development Authority (APEDA) inked an MoU with ICAR-Indian Institute of Millet Research for increasing exports through quality production and processing. The key focus of the MoU (Memorandum of Understanding) would be to promote commercial cultivation of processable varieties developed by ICAR-Indian Institute of Millet Research (ICAR-IIMR) for exports which are expected to promote value addition of millets, a cereal with high nutritive value. A joint coordination committee with representatives from APEDA and ICAR-IIMR would be set up to achieve the goals envisaged under the MoU. The objective of the MoU is to build the export-centric ecosystem with the requisite supply chain linkages, technological repository, clinical studies, awareness creation, policy changes, and pipeline of entrepreneurs. Both, APEDA and ICAR-IIMR would work for developing knowledge on the understanding of markets, consumer preferences, emerging segments, analyse export competitiveness, price volatility of markets, and market intelligence on standards, regulations, and trade policies.

Creation of a Millet Export Promotion Forum in collaboration with all the key stakeholders for identifying export clusters to source sizable quantities of produce and for linking stakeholders with FPO’s would be taken up jointly by both the organisations of repute. Millets are cereal crops with high nutritive value and are categorised as small-seeded grasses. The key varieties of millets include Sorghum, Pearl Millet, Ragi, Small Millet, Foxtail Millet, Barnyard Millet, Kodo Millet, and others.
Cotton, Bajara and Groundnut big drop in Acreage

As the kharif sowing season almost comes to an end, the acreage of cotton, bajra and groundnut has lagged the most, compared to the area covered last year. The latest data from the Department of Agriculture shows that area covered under cotton this year was 0.83 million hectares less than in 2020, while that covered under bajra was 0.52 million hectares less and groundnuts was 0.22 million hectares less. The total area covered under all crops was more than their normal area, which is the average of the last five years. Meanwhile, the extended breaks in monsoon seems to have pulled down the reservoir levels and unless it rains heavily in September (IMD has predicted September rains to be more than 110 per cent of the Long Period Average, which is 170 millimeters), reservoir levels could be a cause for concern going forward into the rabi sowing season.

Cabinet increases sugarcane FRP

The Cabinet Committee on Economic Affairs has approved Fair and Remunerative Price (FRP) of sugarcane for sugar season 2021-22 (October - September) at Rs. 290/- per quintal for a basic recovery rate of 10%, providing a premium of Rs. 2.90/qtl for each 0.1% increase in recovery over and above 10%, & reduction in FRP by Rs. 2.90/qtl for every 0.1% decrease in recovery. The Government's proactive approach to protect interest of farmers is also seen in the decision of no deduction in case of sugar mills where recovery is below 9.5%. Such farmers will get Rs. 275.50 per quintal for sugarcane in ensuing sugar season 2021-22 in place of Rs. 270.75/qtl in current sugar season 2020-21. The cost of production of sugarcane for the sugar season 2021-22 is Rs. 155 per quintal. This FRP of Rs. 290 per quintal at a recovery rate of 10% is higher by 87.1% over production cost, thereby giving the farmers a return of much more than 50% over their cost.

In the current sugar season 2020-21, about 2,976 lakh tons of sugarcane of worth Rs. 91,000 cr was purchased by sugar mills, which is at all time high level & is the second highest next to the procurement of paddy crop at Minimum Support Price. Keeping the expected increase in the production of sugarcane in the ensuing sugar season 2021-22, about 3,088 lakh tons of sugarcane is likely to be purchased by sugar mills. The total remittance to the sugarcane farmers will be about Rs. 1,00,000 crore. The Government through its pro-farmer measures will ensure that sugarcane farmers get their dues in time.

The FRP approved shall be applicable for purchase of sugarcane from the farmers in the sugar season 2021-22 (starting w.e.f. 1st October, 2021) by sugar mills. The sugar sector is an important agro-based sector that impacts the livelihood of about 5 crores sugarcane farmers and their dependents and around 5 lakh workers directly employed in sugar mills, apart from those employed in various ancillary activities including farm labour and transportation.

Fourth Advance Estimate of principal crops released

The Fourth Advance Estimate of production of major agricultural crops for 2020-21 have been released by the Department of Agriculture and Farmers Welfare. A record 308.65 million tonnes of food grains have been produced. As per Fourth Advance Estimates for 2020-21, total Foodgrain production in the country is estimated at record 308.65 million tonnes which is higher by 11.14
million tonnes than the production of foodgrain during 2019-20. The production during 2020-21 is higher by 29.77 million tonnes than the previous five years' (2015-16 to 2019-20) average production of foodgrains. As per 4th Advance Estimates, the estimated production of major crops during 2020-21 is as under:

- **Foodgrains** – 308.65 million tonnes. (record)
  - Rice – 122.27 million tonnes. (record)
  - Wheat – 109.52 million tonnes. (record)
  - Nutri / Coarse Cereals – 51.15 million tonnes.
  - Maize – 31.51 million tonnes. (record)
  - Pulses – 25.72 million tonnes. (record)
  - Tur – 4.28 million tonnes.
  - Gram – 11.99 million tonnes. (record)

- **Oilseeds** – 36.10 million tonnes. (record)
  - Groundnut – 10.21 million tonnes (record)
  - Soyabean – 12.90 million tonnes
  - Rapeseed and Mustard – 10.11 million tonnes (record)

- **Sugarcane** – 399.25 million tonnes

- **Cotton** – 35.38 million bales (of 170 kg each)

- **Jute & Mesta** – 9.56 million bales (of 180 kg each)

The Union Cabinet has approval to launch a new Mission on Oil palm to be known as the National Mission on Edible Oils – Oil Palm (NMEO-OP) as a new Centrally Sponsored Scheme with a special focus on the North east region and the Andaman and Nicobar Islands. Due to the heavy dependence on imports for edible oils, it is important to make efforts for increasing the domestic production of edible oils in which increasing area and productivity of oil palm plays an important part. A financial outlay of Rs.11,040 crore has been made for the scheme, out of which Rs.8,844 crore is the Government of India share and Rs.2,196 crore is State share and this includes the viability gap funding also. Under this scheme, it is proposed to cover an additional area of 6.5 lakh hectare (ha.) for oil palm till the year 2025-26 and thereby reaching the target of 10 lakh hectares ultimately. The production of Crude Palm Oil (CPO) is expected to go up to 11.20 lakh tonnes by 2025-26 and up to 28 lakh tonnes by 2029-30. The scheme will immensely benefit the oil palm farmers, increase capital investment, create employment generation, shall reduce the import dependence and also increase the income of the farmers. The oilseeds production has increased from 275 lakh tons in million tonnes.

Total production of Sugarcane in the country during 2020-21 is estimated at 399.25 million tonnes. The production of sugarcane during 2020-21 is higher by 37.18 million tonnes than the average sugarcane production of 362.07 million tonnes.

Production of Cotton is estimated at 35.38 million bales (of 170 kg each) is higher by 3.49 million bales than the average cotton production. Production of Jute & Mesta is estimated at 9.56 million bales (of 180 kg each).
2014-15 to 365.65 lakh tons in 2020-21. For harnessing the potential of palm oil production, in the year 2020, an assessment has been made by the Indian institute of Oil Palm Research (IIOPR) for cultivation of oil palm which has given an assessment of around 28 lakh ha. Thus, there is huge potential in oil palm plantation and subsequently production of Crude Palm Oil (CPO). At present only 3.70 lakh hectares is under Oil Palm cultivation. Oil palm produces 10 to 46 times more oil per hectare compared to other oilseed crops and has yield of around 4 tons oil per ha. Thus, it has enormous potential for cultivation. Keeping the above in view, and also the fact that even today around 98% of CPO is being imported, it is proposed to launch the Scheme to further increase the area and production of CPO in the country. The proposed scheme will subsume the current National Food Security Mission-Oil Palm programme.

There are two major focus areas of the Scheme. The oil palm farmers produce Fresh Fruit Bunches (FFBs) from which oil is extracted by the industry. Presently the prices of these FFBs are linked to the international CPO prices fluctuations. For the first time, the Government of India will give a price assurance to the oil palm farmers for the FFBs. This will be known as the Viability Price (VP). This will protect the farmers from the fluctuations of the international CPO prices and protect him from the volatility. This VP shall be the annual average CPO price of the last 5 years adjusted with the wholesale price index to be multiplied by 14.3%. This will be fixed yearly for the oil palm year from 1st November to 31st October. This assurance will inculcate confidence in the Indian oil palm farmers to go for increased area and thereby more production of palm oil. A Formula price (FP) will also be fixed which will be 14.3% of CPO and will be fixed on a monthly basis. The viability gap funding will be the VP-FP and if the need arises, it would be paid directly to the farmers accounts in the form of DBT.

The assurance to the farmers will be in the form of the viability gap funding and the industry will be mandated to pay 14.3% of the CPO price which will eventually go up to 15.3%. There is a sunset clause for the scheme which is 1st November 2037. To give impetus to the North-East and Andaman, the Government will additional bear a cost of 2% of the CPO price to ensure that the farmers are paid at par with the rest of India. The states who adopt the mechanism proposed by the Government of India would benefit from the viability gap payment proposed in the scheme and for this they will enter into MoUs with the Central Government.

The second major focus of the scheme is to substantially increase the assistance of inputs/interventions. A substantial increase has been made for planting material for oil palm and this has increased from Rs 12,000 per ha to Rs.29000 per ha. Further substantial increase has been made for maintenance and inter-cropping interventions. A special assistance @ Rs 250 per plant is being given to replant old gardens for rejuvenation of old gardens.

To address the issue of shortage of planting material in the country, seed gardens will be provided assistance up to Rs.80 lakhs for 15 ha. in Rest of India and Rs.100 lakhs for 15 ha in North-East and Andaman regions. Further, assistance for seed gardens @ Rs.40 lakhs and Rs.50 lakhs for Rest of India and North-East & Andaman regions respectively. Further Special assistance will be provided for the North-East and the Andaman regions in which special provisions is being made for half moon terrace cultivation, bio fencing and land clearance along with integrated farming. For capital assistance to the industry, for the North East states and Andamans, a provision of Rs 5 core of 5 mt/hr unit with pro rata increase for higher capacity. This will attract the industry to these regions.

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