

## News Brief

8 - 14 August, 2020

### Government Aid and Policies

[On 9th August 2020, Prime Minister Modi launched the new scheme of financing facility under the Agriculture Infrastructure Fund of EUR 11.3 billion and the first sanction of over EUR 113 million was made to over 2,280 farmer societies.](#) Under this scheme, announced as part of *Atmanirbhar Bharat* package, banks and financial institutions will provide EUR 11.3 billion in loans to cooperative societies, farmer producer companies, self-help groups, entrepreneurs, startups and infrastructure providers. The objective is to provide medium to long-term debt financing for setting up of post-harvest infrastructure and community assets for marketing of farm produce. All loans up to EUR 0.23 million will be disbursed with a 3% interest subsidy. The loans will be disbursed over four years— EUR 1.1 billion in 2020-21, and EUR 3.4 billion in the next three years.

[The sixth instalment of EUR 1.92 billion of the PM-KISAN scheme has been deposited into bank accounts of 85 million farmers.](#) Under this scheme launched in December 2018, the government provides EUR 68 annually in three equal installments to 140 million farmers. The amount is directly transferred into the bank accounts of the beneficiaries through direct benefit transfer (DBT) mode. Till now, over EUR 8.5 billion have been transferred to more than 99 million farmers. The scheme has also been instrumental in supporting farmers during the Covid-19 pandemic, through the release of nearly EUR 2.5 billion to aid the farmers during the lockdown period.

[The Centre has released EUR 62.5 million to states under The Sub-Mission on Agricultural Mechanization \(SMAM\), launched in April 2014, to promote mechanization in the agriculture sector.](#) In 2020-21, budget of EUR 117 million has been provided for the scheme, out of which EUR 62.5 million has been released. EUR 62 million under the Crop Residue Management (CRM) scheme have also been released to the States of Punjab, Haryana, Uttar Pradesh and the National Capital Territory. The CRM scheme was initiated in 2018 with the objective of moving farmers away from the practice of crop residue burning, a major cause of pollution in the northern part of the country. Under this scheme, farmers are provided machinery for crop residue management through establishment of CHCs (Custom Hiring Centres).

[Agriculture Minister Narendra Singh Tomar has said that the farm sector of the country has remained largely unaffected by the economic crisis triggered by the COVID-19 pandemic.](#) The rural economy has remained stable and there has been a bumper harvest of the *rabi* (winter) crops and the sowing in the ongoing *kharif* (summer) season is progressing well. He added that the new agricultural reforms of liberalization of agricultural markets and contract farming will help farmers get remunerative prices. The government is also stressing on organic farming, which will help the farmers to get better prices of their produce and also facilitate exports.

[The agriculture ministry has announced that it will fund 234 more startups in the agriculture and allied sectors with a sum of EUR 2.81 million under the \*Rashtriya Krishi Vikas Yojana\* \(RKVY\) scheme in 2020-2021.](#) This is in addition to 112 startups already funded for a sum of EUR 1.34 million. The government is promoting innovation and entrepreneurship in the agriculture sector by providing financial support and nurturing the incubation ecosystem under the RKVY scheme. The agri startups selected are working in the field of agro-processing, artificial intelligence, digital agriculture, farm mechanisation, waste to wealth, dairy and fisheries among others.

[The Ministry of Road Transport and Highways has issued draft notification for separate emission norms for agriculture machinery and construction equipment vehicles and has invited suggestions and comments from public and all the stakeholders.](#) The notification also aims at changing the nomenclature of emission norms from Bharat Stage (CEV/TREM)-IV and Bharat Stage (CEV/TREM) -V to TREM Stage-IV and TREM Stage-V for agricultural tractors and other equipment and CEV Stage - IV and CEV Stage-V for the construction equipment vehicles. Furthermore, the implementation of the next stage of emission norms for tractors (TREM Stage-IV) which would have been applicable from October 1, 2020, has been deferred to October 1, 2021.

### **Locust Attack**

[The government has said that locust swarms are still present in some areas but they have caused only minor crop loss in some districts of Rajasthan.](#) No significant crop losses have been reported in the other States. The Food and Agriculture Organization's Locust Status Update of Aug 7 says that only a few spring-breed adult groups and swarms remain in northern Rajasthan as most of the first-generation laying has finished. As a result, widespread hatching and the formation of hopper groups and bands is underway. Control operations continue and 260 000 hectares in Rajasthan, Madhya Pradesh, Punjab, Gujarat, Uttar Pradesh and Haryana have been covered by Locust Circle Offices (LCOs) since April 11, 2020.

[However, last week the Rajasthan Minister had requested the Prime Minister to declare the locust attack a nationwide catastrophe so that farmers are compensated for crop loss,](#) which he said could be around EUR 113 million in the country's worst hit State.

### **Monsoon and Kharif sowing**

[Farmers have planted crops on 90% of the cultivable area across India, 10% more than last year, helped by good monsoon rainfall in most parts of the country.](#) Planting had slowed down as the monsoon weakened in July, but its revival in the first week of August has accelerated farm activity. Area under rice is 17.36% more than that last year while oilseeds area is up by 15.50%.

### **Food Safety**

The Food Safety and Standards Authority of India (FSSAI) has notified several amendments to the Food Safety and Standards Regulations in the gazette of India.

- [Food Safety and Standards \(Food Products Standards and Food Additives\) First Amendment Regulations, 2020](#) relating to microbiological standards for meat, milk and fruits & vegetables and the requirement for salmonella in poultry (chicken) meat. The regulations are in force and the Food Business Operators have to comply with all the provisions of these regulations by 1st January, 2021.
- [Food Safety and Standards \(Food Products Standards and Food Additives\) Fifth Amendment Regulations, 2020](#), prescribing standards for frozen beans, frozen cauliflower, frozen peas and frozen spinach. The regulations are in force and the Food Business Operators are to comply with all the provisions of these regulations by 1st July, 2021.
- [Food Safety and Standards \(Laboratory and sample Analysis\) First Amendment Regulations, 2020](#) relating to Rapid Analytical Food Testing Kit, Equipment or Method and are in force since their publication in the gazette on 27<sup>th</sup> July 2020.
- [Food safety and Standards \(Prohibition and Restrictions on sales\) First Amendment regulations 2020](#) related to sale of beverages containing artificial sweeteners through vending machines and are in force since their publication in the gazette on 28<sup>th</sup> July 2020.

Draft notifications have also been published and are open for objections or suggestions from stakeholders till 4<sup>th</sup> October 2020

- [Draft Food Safety and Standards \(Food Product Standards and Food Additives\) Amendment Regulations, 2020](#) related to new standards of Dairy Analogue and revision of standards of Ghee and other Milk Fat Products.
- [Draft Food Safety and Standards \(Food Products Standards and Food Additives\) Amendment Regulations, 2020](#) related to standards of Shea Butter and Borneo Tallow/Illipe butter.
- [Draft Food Safety and Standards \(Prohibition and Restrictions on sales\) Amendment Regulations, 2020](#) related to incidental occurring of *Khesari* dal in grams/pulses.

[The FSSAI has restricted the sale unhealthy foods high in fat, salt and sugar \(HFSS\) in canteens of schools and other educational institutions and within 50 metres of the school campus.](#) This is to ensure a safe, nutritious and healthy diet for schoolchildren. Moreover, canteen, mess, kitchen operating in a school, and food business operators contracted by the government for the Mid-Day Meal scheme are required to have a licence from FSSAI. School authorities have also been asked to promote the consumption of a safe and balanced diet in the school as per the guidelines issued by the National Institute of Nutrition (NIN).

[The central government has advised all States to strengthen scrutiny over slaughter houses and wildlife consumption as a preventive measure against zoonotic diseases like coronavirus.](#) Food Safety and Standards Authority of India (FSSAI) also warned that non-compliance of the government rules will lead to cancellation of licences of the slaughterhouses. The FSSAI keeps a strict watch on slaughterhouses across states, but now the States have been asked to further scrutinize these facilities. Meanwhile, the Federation of Indian Animal Protection Organisations (FIAPO) has filed a petition before the Minister of Health & Family Welfare Dr. Vardhan to enforce rules to prevent future recurrence of covid-like of

pandemics. According to FIAPPO, an estimated 2000-4000 illegal meat or wet shops are there in the country selling less commonly eaten animals like porcupine, turtles, boars among others.

## Trade

[India has deferred the requirement of a Certificate of Inspection from Export Inspection Council \(EIC\) or Export Inspection Agency \(EIA\) for exporting rice](#) to European countries (except EU members and Iceland, Liechtenstein, Norway and Switzerland) to January 1, 2021. The export of rice (Basmati and Non-Basmati) to EU member states and other European Countries namely Iceland, Liechtenstein, Norway and Switzerland only will [require a Certificate of Inspection](#) from EIC or EIA. EIC is the official export certification body of India which ensures quality and safety of products exported from India.

[India's exports of non-basmati rice in the first two months of FY2020-21 has increased 52.5% to 1.11 million tonnes from 0.7 million tonnes in the same period last year.](#) Africa has emerged as the major buyer of non-basmati rice and volumes are expected to increase further when Bangladesh starts importing this variety. Exports of non-basmati rice had gone down in the last two years as the government had procured huge quantities of paddy at an increased minimum support price of paddy and farmers were not interested in exports.

[The Tea Board is seeking to curb the movement of illegally imported tea, mostly from Nepal, within the country by making it mandatory to mention the country of origin and the full address of the importer.](#) Buyer and distribution licences may be cancelled by the Tea Board if this information is missing from consignments. It has come to the notice of the Tea Board that 60.35 million kgs of tea have been imported in the past three years. Of this, 23.43 million kg has been re-exported, while 36.92 million kgs have been sold in India, which cannot be traced. The move will help the Darjeeling tea industry the most as it has been suffering from the onslaught of Nepal teas for many years.

## Other News

[The Indian agriculture ministry has issued an alert about suspicious seed parcels after reports of such unsolicited packets of suspected Chinese origin reaching people in USA and Europe.](#) The alert has been issued to states, agricultural universities, seed associations, certification agencies and the Indian Council for Agricultural Research.

[Prime Minister Modi has urged farmers to significantly reduce their use of urea to save money and to improve soil health.](#) India is a large importer of urea and experts have said excessive use of the subsidised nutrient damages the soil's chemistry and degrades the environment.

[The government is also considering making the purchase of bio-fertiliser compulsory for every bag of urea a farmer buys to promote organic nutrients and slash the use of chemical fertilisers.](#) A task force for promoting balanced and sustainable use of chemical fertilisers has suggested bundling bio-fertiliser with urea bags. It has also asked government to promote drip-fertigation technique in which fertiliser is incorporated within the irrigation water by the drip system. It conserves 30-40% nutrients and cut down

water use by 50%.

[JK Bovagenix has announced India's first set of IVF buffalo calves born on a large farm near Pune in Maharashtra.](#) JK Bovagenix is operational in the field of animal husbandry and is currently implementing 'Cattle and Buffalo Breed Improvement Programme' throughout the country. It is in line with the national program '[Rashtriya Gokul Mission](#)' which aims at the development and conservation of indigenous breeds through selective breeding. The buffalo calves are of the indigenous *Murrah* breed. During the last one and a half year, JK Bovagenix has also been fundamental to establish 94 IVF pregnancies from a *Gir* donor cow called 'Gauri', of which 39 calves are born and remaining calves are expected to be born in the next few months. This IVF programme is expected to pave the way for rapid multiplication of superior female animals at a much faster pace and lead India to excel in animal husbandry field.

Meanwhile, [the Assam government has approved a new Cattle and Buffalo Breeding Policy 2020 which limits cross breeding.](#) To improve the productivity of local milch cows, cross breeding/ up gradation with recognised dairy breeds was done earlier, under the Revised Breeding Policy established in 1998. However, the new policy puts a cap on the cross breeding to protect the domestic varieties.