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## DOCUMENTATION

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In this section on DOCUMENTATION, it is proposed to print summaries of important reports of ad hoc committees, set up by the Central or State Government, relating to agriculture, forestry and fishery economy of Indian Union as well as the individual states. Obviously, this section will appear only when such reports are summarised. Readers are requested to bring to the notice of the Editor such reports, as and when they become available.

### **Report of the Task Force and Standing Working Groups on Transforming Agriculture and Allied Sectors in Chhattisgarh:**

Chair: Dinesh K. Marothia, Task Force – Agriculture and Allied Sectors, State Planning Commission, Government of Chhattisgarh 2018. Pp.298 (mimeo.).

The Chhattisgarh State Planning Commission soon after reorganisation constituted in November 2014, a Task Force to suggest pathways to transform agriculture and allied sectors. Based on the outcome of the dialogue with a large number of stakeholders, pertaining to innovations, institutions, governance and policy convergence, during two meetings of Agriculture and Allied Sectors Task Force, seven *Standing Working Groups* (SWGs) were constituted under the Chairmanship of eminent experts in their fields. The Task Force submitted its report to the Chhattisgarh State Planning Commission in March 2018. A specially prepared summary of this report is presented below. The Report running into 293 mimeographed pages includes 5 Sections and 5 Annexures some of which is reproduced in this issue (N.R.).

The SWGs covered themes like (i) Refocusing Agricultural Education, Research and development including Crops, Horticulture, Fisheries, Animal Husbandry and Dairying Activities - Chair: Dr. S.K. Patil, IGKV (ii) Revamping Agricultural Extension Management System - Chair: Dr. P.K. Joshi, IFPRI (iii) Strengthening Agribusiness Institutions and Inclusive Value Chains - Chair: Dr. Sukhpal Singh, IIMA (iv) Agroforestry, NTFP, Biodiversity and Forest Ecosystem - Chair: Dr. V.P. Singh, ICRAF (v) Surface and Groundwater Governance and Policy - Chair: Dr. Vishwa Ballabh, XLRI (vi) Wetland Conservation and Management - Chair: Prof. Brij Gopal, CIWSA and (vii) Role of Local Institutions in Context of Emerging Governance and Development - Chair: Dr. H.S. Shylendra, IRMA. A robust knowledge network of experts includes farmers and representatives of CBOs/NGOs, national and international institutions have been created to harness opportunities to transform Chhattisgarh Agriculture and Allied sectors. An Overview of Institutional Mechanisms developed for Transforming Agriculture and Allied Sectors,

Institutional Innovations for Advancing Farmers' Incomes, Proceedings of Task Force meetings and Actionable Recommendations emerging from each SWG. Many actionable recommendations have been implemented by concerned departments/institutions and it is hopeful that remaining recommendations will also be implemented in the coming months so that rural Chhattisgarh transform with equality.

#### SECTION I

##### TRANSFORMING AGRICULTURE AND ALLIED SECTORS: AN OVERVIEW OF INSTITUTIONAL MECHANISMS

After the reorganisation of Chhattisgarh State Planning Commission in November 2014, four Task Forces were constituted to induce institutional changes in the four broad areas concerned with the welfare of the people of the State. These areas included: (i) Agriculture, Environment, Agro-forestry and Allied Sectors (Referred hereafter as Agriculture and Allied Sectors), (ii) Industry, Skill Development and Employment, (iii) Social Sector Development and (iv) Poverty Alleviation. Each Task Force has been headed by a Non-official member. To transform agriculture and allied sectors, an Institutional Framework was developed, even prior to organising the first meeting of the Task Force, with the core attributes of acquiring, creating, imparting and applying knowledge to address pressing needs of the society engaged in rural economy in the State [1.1].

The final outcome of policy alternative includes - Developing institutional mechanism to link traditional water harvesting technology: (for example, Dabries and common water bodies) and water saving technology (for example, micro-irrigation and solar irrigation pumps), leveraging MGNREGA for constructing private wells, supporting irrigation distribution infrastructure for catalysing equitable irrigation service enterprises, investing in multiple avenues for decentralised water harvesting and groundwater recharge, and maximising conjunctive use in canal and tank commands with *PMKSY* to ensure "*Har Khet Ko Pani*". [1.4].

#### SECTION II

##### ACTIONABLE RECOMMENDATIONS FOR ADVANCING FARMERS' INCOMES

Based on the issues and recommendations emerged during two meetings of Agriculture and Allied Sectors Task Force, with a large number of stakeholders, seven Standing Working Groups (SWGs) were constituted dealing with (i) Refocusing Education, Research and development, Crops, Horticulture, Fisheries, Animal Husbandry and Dairying Activities (ii) Revamping Agriculture Extension Management System (iii) Agribusiness institutions and strengthening inclusive value chains (iv) Agroforestry, NTFP, Biodiversity and Forest Ecosystem (v) Surface and Groundwater Governance and Policy (vi) Wetland Conservation and Management,

and, (vii) Role of Local Institutions in Context of Emerging Governance and Development [2.1].

It was adequately debated and agreed during the meeting of Task Force that there are abundant opportunities to transform agriculture and allied sector in the State through breaking the weak link between production system/pattern and institutional mechanism to deal the rural economy in totality. Nearly 80% farmers are marginal, small and sizable rural households are landless and tenant (oral leases) engaged in low value agriculture with high production cost. Further, it is important to comprehend that MSP covers cost of production and leaves farmers with very small profit margin. Also many times market prices are lower than MSP (if govt procurement agency is non- functional). Farmers have to meet all family expenditure, e.g. health, education, social functions, and food consumption through income from MSP and borrowing money from institutional or non-institutional sources. Unless we create opportunities to introduce allied activities to supplement farmers' income from crops, it will be difficult to arrest the agrarian distress and shift farmers' income curve upward [2.2].

The important technological and institutional arrangements recommended for adoption and scaling up, after testing at KVKs and farmers' fields, included multiple land use planning with appropriate combination of farm enterprises, integrated farming system with crops, livestock, and agroforestry, community and cluster farming – pooling all natural, human, material, and financial resources with collective marketing system, promotion of organic farming for aromatic and medicinal rice through SHGs, FPOs with premium MSP, intensive and quality research to screen traditional rice and other crops varieties for medicinal and nutritional values to reduce malnutrition, promotion of nutritional gardens for tribal schools and establishment of mother orchard on tribal farms through convergence of different schemes targeted towards reducing hunger and malnutrition, developing value chain system for fruits-vegetables and flowers through FPOs, promotion of quality breed of goats with nutritional fodder through hydroponic techniques, establishment of breeding unit of Sahiwal and Gir cows, Kadaknath as backyard and small commercial Poultry units, utilisation of rice bunds for vegetables, fruits and pulses production to improve farmers' family income and nutritional items in consumption basket, lac cultivation through agro- forestry systems, promotion of organic fertilisers through vermin composting, processing and value addition of non timber forest produce to improve forest dwellers income, enhancing productivity of multi use water bodies through fresh water aquaculture and aquatic crops (Fox nut, water chestnut, lotus, water lettuce), scaling up of drip irrigation technology supported by solar energy and strengthening of KVKs for convergence of various schemes and programmes functional at district level [2.1.1].

In addition to above already adopted recommendations for developing sustainable farming systems, some of the following recommendations have also been placed into

action and initial feedback is quite encouraging. Remaining recommendations, hopefully, may be adopted by concerned departments in near future.

The KVK system is one of the best outreach of agricultural research system to link with the farmers. KVKs should be considered the technology and knowledge hub. To begin with three aspects can be taken up immediately.

*Chalo Gaon Ke Ore:* This innovation is designed to retain youth in farming through building critical mass of agricultural professionals. It is aimed to transform graduates into agri-professionals by involving in planning, development and operation of their own farms during the degree programme. To sustain this programme a multi- institutional mechanism can be developed to ensure continued financial support for a robust convergence model.

*Promotion of FPOs:* Resources for FPOs under various centrally funded schemes like SFAC, RKVY, NHM, NRLM, and NFSM may be used to create a nodal organisation/cell to provide long term support to stakeholders to address the need of promotional role for various schemes.

The APMC licenses should be extended liberally to any agro entrepreneur or rural youth and producer companies for more competition in these markets for better price discovery.

A network of technology Incubation, Innovation and Entrepreneurship (IIE) centre may be developed for entrepreneurship development at the university headquarters/KVKs/sub-centers to promote entrepreneurship among students, farmers and youths.

One of the weakest links in extension is limited number and competency of field extension workers. In order to effectively address these issues it is required to put in place an innovative system of knowledge, technology management and dissemination using tools of ICT to harness its potential for agricultural development.

Develop sector-specific and client- specific extension professional cadre to meet the specific extension needs.

The government may focus on Efficient Delivery of Input and Services

Engage private sector to complement efforts of the public sector extension.

Promotion of cluster dairying approach with necessary technical back- up for enhancing production of milk in the state for the development of milk grid/value chain.

*Establishment of Pure Breeding Units* at Block level.

*Value Chain in Fisheries:* At present there is no state policy for the organised marketing in the fisheries sector. Hence, it is recommended that a sub-committee be formed to study and formulate policy for the marketing of fish.

*Constitution of Chhattisgarh State Price Commission for NTFPs:* It is urgently needed to ensure institutionalisation of Minimum Support Price mechanism of non-nationalised NTFPs.

Implementation of the recommendations of the National Agroforestry Policy and making use of the resources available from the recently approved National Agroforestry Mission.

Critically review the existing energy-groundwater nexus (power pricing mechanism) and Participatory Irrigation Management (PIM) through Water Users Association for effective operation and maintenance of Canal network and conjunctive use of surface and groundwater.

*Develop institutional mechanism to link traditional water harvesting technology:* Leverage MGNREGA for promoting Drip and Sprinkler Irrigation/Micro-irrigation, Solar irrigation pumps, constructing private wells, Dabries and common water bodies and water saving technology.

It is recommended that a fresh look at Chhattisgarh's Groundwater socio-ecology is urgently required to reduce the water induced distress migration.

Wetland Inventory should be taken on priority basis to identify unique wetlands. Serious efforts are required to restore the wetland and aquatic ecosystems.

Increasing production and employment is a key challenge of the weavers cooperatives.

Gram Sabhas have to be energised for effective working of panchayats.

For efficient utilisation of financial and human resources convergence of various programs and schemes being implemented by different departments is required.

### SECTION – III

#### PROCEEDINGS OF TASK FORCE

##### *Issues and Sectors Covered*

- Innovation, Institutions, Governance and Policy Convergence Issues,
- Crop, horticulture and Agroforestry, Veterinary and animal Husbandry Fisheries,
- Non-timber forest products, biodiversity and other forest sector related sub-sectors,
- Surface and ground water resources, wetland and river eco-systems,
- Local institutions for self governance,
- Compatible climate development,
- Various schemes/programmes at the interface of Central and State Government.

### SECTION V

#### PROCEEDINGS OF STANDING WORKING GROUPS

##### *I. Standing Working Group-I*

*Refocusing, Education, Research and Development Activities-Crops, Horticulture, Fisheries, Animal Husbandry, Dairying*

Micro Land Use Planning (LUP) at village level should be essential component for the present land use system to make it more profit oriented. This should be based on land situation, its topography, fertility status including investment capacity and available market channels. The Land Use Planning will enable better utilisation of small and marginal land holdings which are the major parts of the present day scenario of the land Ownership.

## II. *Standing Working Group II*

### *Revamping Agriculture Extension Management System*

- Modernisation of the agriculture production system is essentially required and which only be accomplished through knowledge. Therefore, farmers must be provided such a delivery system so that he may get the information at the right point of time. The use of the modern information tools can be better option in this sphere.
- This input delivery systems to the farmers needs to revamp in favour of the growers. The produces must get right input at right time and at a right price at its door steps so that farmers can be able to devote his all energy for the production activities.
- The farmers must be exposed to the better remunerative farming business model based on its specific requirements. This can be accomplished by better training and exposure visits. The farmer producer organisation (FPO's) may be better option so that actual producer may get higher share in the consumer price.

## III. *Standing Working Group-III*

### *Reforming Agribusiness Institutions and Strengthening Inclusive Value Chains in Chhattisgarh*

- The amended act of APMC in Chhattisgarh makes the APMC as third party in the contract farming agreement. This provision is against the natural law as the APMC should not be any party in a business transaction between any contract agency and contract farmer.
- The APMC Act also states that both buyer and seller have to pay five rupees per quintal to the market functionaries. The taking of charges from the seller that is farmer is not desirable and this provision needs to amend in favour of the growers.
- The provision of the tax exemption to the processing units should be allowed to those units only who directly purchase raw material from the farmers.
- The State should take lead in the formation of Farmers Produces Organisation

(FPO) in all major commodities so that the actual producers can market its produce and get more shares in the consumer price and this system will discourage middleman from taking larger share of the profit.

- Similarly to reduce the cost of inputs as seed is costly input; the forming of Farmers Seed Producer Organisation (FSPO) should be technically and financially supported through State Govt. machinery.
- Primary processing and value addition centre of pulses, millets, fruits vegetables, flowers & other commodities should be encouraged through micro-financing to attract youth for entrepreneurship.

#### IV. *Standing Working Group-IV*

##### *Agro-forestry, NTFP, Biodiversity and Forest Ecosystem*

- Recommendation for development of suitable agro-forestry system in the vast length of large paddy bunds in the State. Assurance of availability of quality planting material for establishment of different types of agro-forestry systems.
- Recommendation for formulation of institutional mechanism for fixation of minimum support price of non-nationalised NTFP's in the form of State Price Commission on NTFP's.
- There is urgent need for revitalisation of activities of State Bio-diversity Board by supporting it in the form of technical experts and other necessary institutional support.
- Regeneration of NTFPs production system and capability building for sustainable harvesting of NTFPs.
- State should submit appropriate projects to National Agro-forestry Mission and National Mission for Sustainable Agriculture to take advantage of funds available for such initiatives

#### V. *Standing Working Group-V*

##### *Surface and Ground Water Governance and Policy*

- The Agro-climate wise and district wise secondary data on total availability and use of the water needs to be collected so that water balance of the entire state can be worked out for making concrete policy recommendations.
- The policy documents of various department (like water resources, PHE, Watershed, Agriculture etc.) needs to be collected and reviewed in a comprehensive manner. This will enable recommendations of suitable policy amendments for ensuring better co-ordination of institutional mechanism between the related departments.

- The two days workshop involving various stakeholders of water like irrigation department (both major & minor), PHED, Industry, NGOs, Agriculture, Groundwater Boards, Municipalities etc. needs to be conducted to derive better policy recommendations.

#### *VI Standing Working Group-VI*

##### *Wetland Conservation and Management*

- Wetlands are very important for livelihood of farmer and balance of the ecosystem. There is primary need to develop an exhaustive inventory of all the wetlands in the State which may include information on area, catchment, ownership, present use, economic benefits derived etc.
- Still there is no documented and identified Ramsar Wetland site in Chhattisgarh and this needs to be done with proper survey and study.
- There is urgent need for stronger co-ordination and linkage amongst various government agencies like Water Resources department, Fisheries, Agriculture, Rural development, Public Health Engineering, etc. for optimal use and sustainable management of the wetland sites.
- All the wetlands should be strictly protected against dumping of waste material, encroachments, alternate land system etc.
- The establishment of the State Wetland Authority will enable better co-ordination among concerned government agencies for sustainable use and management of the Wetlands in the Chhattisgarh State.

The Chhattisgarh should have a State level Remote Sensing Centre as most of the states have already established this type of centre.

#### *VII Standing Working Group-VII*

##### *Role of the Local Institutions in Context of Emerging Governance and Development in Chhattisgarh*

- The Main types of local institutions viz. Panchayats, Co-operatives, NGOs and Community Based Organisations (CBOs) needs to be looked for issues of improving their working and addressing their problems so as to enable them to contribute for sustainable development.
- There is need for elaborative study on the major social, economic legal, and institutional issue plaguing the local intuitions of the State by review of the relevant literature and secondary data on these institutions.
- There is a need to conduct a workshop of the stakeholders including experts of



all the categories of the local institutions of Chhattisgarh. This will result in getting of first hand information for making suitable policy recommendations to empower local institution so that they become harbinger of development in the state.

- Organisation of field sturdy trips to get *in-situ* insights and understanding of grass root level prevailing realities of these institutions in Chhattisgarh State.
- The expert needs to be co-opted for the needs of assessment studies as necessary required.

Some recommendations to address current agrarian distress:

1. The current agrarian distress in Chhattisgarh is the outcome of growing weak link between production system/pattern and institutional mechanism to deal the rural economy in totality.
2. The current agrarian distress cases are largely reported from Chhattisgarh plains. Nearly 80% farmers are marginal and small and sizable rural households are landless and tenant (oral leases) engaged in low value agriculture with high production cost.
3. Right now, only paddy and wheat are procured at MSP by government agencies. Govt. should develop mechanism to procure all commodities categorised under MSP system. Despite sizable marketable surplus, for example in pulses, there is no significant presence of Govt. procurement agency. As a result, pulses are being sold at much lower price than MSP. Non-functional procurement arrangements results in net income loss to the farmers.
4. It is important to comprehend that MSP covers cost of cultivation and leaves farmers with very small profit margin. Also many times market prices are lower than MSP (if govt procurement agency is non- functional). Farmers have to meet all family expenditure, e.g., education, social functions, and food consumption through income from MSP and borrowing money from institutional or non-institutional sources.
5. Unless we create opportunities for allied activities to supplement farmer's income from crops, it will be difficult to arrest the agrarian distress.
6. Canvas for institutional finance has to be extended to keep away farmers from the clutches of money lenders-who charge many fold higher rate of interest on short term loan.
7. For fruits, vegetables, flowers and Non-nationalised NTFPs, formation of FPOs is the most viable solution. FPOs should be designed to take care of total value chain system –from production to marketing and processing. Northern Surguja can be developed as horticulture hub and Bastar can be developed with a network of FPOs in NTFPs, traditional poultry (Kadaknath group).
8. For other high value crops also, FPOs should be promoted. Aromatic rice is one

such example.

9. To promote stall feeding and retaining common lands, hydroponic fodder technique can be promoted at Gram Panchayat level to help cattle (including goat and sheep) keepers- as these are largely landless farm laborers.
10. Fisheries leasing policy needs to be re-examined to further increase productivity from common water bodies.
11. To ensure quality seed supply, we need to critically reexamine the current seed policy, particularly the seed supply chain.
12. Quality plant materials of horticulture crops is generally not available in time , if horticulture activities are to be extended in the State through cluster farming system, it needs urgent action.
13. Quality of material/input provided through subsidy for drip, farm machineries and AH need to be monitored.
14. Quality of insecticides and pesticides need to be tested regularly, as a large number of farmers purchase this input on credit and spurious insecticides and pesticides can increase their cost of production to a large extent.

And finally, we need to craft and adopt a long term farm policy in the State to retain second generation of farmers in agriculture and allied sectors and to alleviate agrarian distress.