

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3676
ANSWERED ON:23.08.2004
REFORMS IN AGRICULTURAL MARKETING
Scindia Shri Jyotiraditya Madhavrao; Tirath Smt. Krishna

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether a Conference of Agriculture Ministers was convened in New Delhi on January 7, 2004 to discuss reforms in agricultural marketing, land policy for agricultural growth;
- (b) if so, the decisions taken therein; and
- (c) the steps taken in pursuance thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA):

(a) Yes, Sir.

(b) In order to guide the States in implementation of the suggested reforms by the Inter-Ministerial Task Force on Agricultural Marketing Reforms, the Ministry of Agriculture has formulated a Model State Agricultural Produce Marketing (Development and Regulation) Act, which has provisions for setting up of private markets, direct marketing, contract farming, rationalization of market fees etc. These were discussed in the above conference. These States broadly agreed to implement these reforms measures. Regarding setting up of private market, suggestions were made by some State Government that this could first be tried in respect of horticulture produce, agro-processing industries and for promotion of exports.

Regarding land policy for agricultural grow, while States in general welcomed the suggestions with regard to opening of lease markets in land, formulation of land share company in agriculture and for allotment of homestead-cum-garden plots to poor farmers and landless labourers to enhance their income level.

(c) The States/UTs are being continuously pursued to implement the suggested reforms. Hon'ble Union Minister of Agriculture and Consumer Affairs, Food and Public Distribution has requested all the State Agriculture Ministers on 7th July, 2004 to implement reforms in agricultural marketing sector by suitably amending APMC Act in the overall national/state interest and more so in the interest of farmers.

The Matter relating to contract farming and land policy have been considered by a Standing Committee of Secretaries, which decided that proposal for joint stock companies in agriculture and lease of lands should be dropped. Regarding Model Contract Farming Agreement (MCFA), State Governments should take appropriate protective measures for farmers through their own legislation. where such arrangements were made. Waste land development for cropping and afforestation may be done under MCFA only after ensuring the protection of interest and rights of the farmer over the land.