GOVERNMENT OF INDIA AGRICULTURE LOK SABHA

UNSTARRED QUESTION NO:2312 ANSWERED ON:16.08.2011 DEVELOPMENT OF FLORICULTURE Jakhar Shri Badri Ram

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the country's share in the world flower market is less despite the vast potential for increase in the area of land under floriculture in the country;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) whether the small and marginal farmers in the country are unable to produce new varieties of flower due to high rate of royalty; and
- (d) if so, the steps taken by the Government to encourage the export of flowers, provide new variety of flowers to small and marginal farmers and address their concerns regarding high rate of royalty?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS(SHRI HARISH RAWAT)

- (a) & (b): Yes, Madam. India's share in World Flower Market is less than 1.00%. The reasons for India's low share in world floriculture trade are as under:
- (i) High international air-freight rates for flowers make them uncompetitive in the international market.
- (ii) Because of rapid increase in domestic demand of floriculture products, the domestic market has become lucrative impacting exports.
- (c) & (d): At present, the royalty for new varieties of flowers is built in the cost of the planting material when it is imported. The small and marginal farmers who are into flower cultivation and cater for domestic market do not face this problem:
- (i) The Department of Agriculture & Cooperation is implementing two Centrally Sponsored Schemes, viz., (a) Horticulture Mission for North-East and Himalayan States (HMNEH) and (b) National Horticulture Mission (NHM) for the holistic development of horticultural crops including flowers in the country. The details of assistance are Annexed.
- (ii) To augment the export of flowers, Agricultural and Processed Food Products Export Development Authority (APEDA) has taken following steps:
- (a) Assistance is provided to the registered members of APEDA under following plan schemes:
- # Scheme for Market Development.
- # Scheme for Infrastructure Development.
- # Scheme for Quality Development.
- # Scheme for Research and Development.
- # Transport Assistance Scheme.
- (b) Transport assistance is provided on export of floriculture products during the XI Plan period as shown below:
- # For Air Shipments (For Fresh Cut Flowers / Bouquets -fresh), least of:
- # 20% of FOB Value as against 10% for other eligible products.
- # 25% of freight
- # Specific rate (Rs. Per kg)

For Sea Shipments (Fresh cut flowers / Dried Flowers), least of:

#10% of FOB Value

25% of freight

Specific rate (Rs. Per kg)

- (c) Centres for Perishable Cargo (CPC) at airports: APEDA has set up Centres for Perishable Cargo at the key airports of New Delhi, Mumbai, Chennai, Thiruananthapuram, Cochin, Nasik, Bangalore, Hyderabad, Goa, Bagdogra, Kolkata and Amritsar. These CPCs are in operation.
- (d) Walk in type refrigerated container facilities have also been set up by APEDA at Jaipur, Lucknow, Bhubaneshwar, Guwahati, Ahmedabad and Coimabatore airports.
- (e) To develop a market locally (and a supply base for exports), Flower Auction-cum-Market Facilitation Centres have been set up at Bangalore, Mumbai, NOIDA. Such centers have been set up for providing a readymade market centre for trading and price discovery for a variety of flowers, both for the export and domestic markets.