

ADDRESS OF SHRI SHARAD PAWAR, MINISTER OF AGRICULTURE & FOOD PROCESSING INDUSTRIES ON THE OCCASION OF CONFERENCE OF FOOD MINISTERS AND FOOD SECRETARIES ON 1ST OCTOBER, 2013, NASC

My colleagues, Food Minister Prof K V Thomas, ~~Cabinet Secretary~~ Shri Ajit Seth, Food Ministers of various states present here, senior officers from Government of India and state governments, ladies and gentlemen,

2. At the outset, let me congratulate Prof K V Thomas and his team for successfully piloting the historical Food Security Act in the monsoon session of the parliament and fulfilling one of the most important promises of the UPA Government. This Act is the outcome of sincere efforts of last 4-5 years involving wide consultation with stakeholders and state governments. Today's conference is being held at right time as the success of this legislation completely rests on its implementation by the State Governments. I am sure; today's conference will chalk out a detailed road map to ensure that benefits of food security reach the targeted section.

3. A lot has been talked about my reservations on the food security bill. There is no question of having any reservations for a social security programme covering the poor and needy sector of the society. I have always taken pride in mentioning that we run world's largest public distribution system. Now, by legally guaranteeing food grains to more than 80 Cr populations, we are having world's largest social security programme. This is a monumental task involving

production, procurement, storage, movement and distribution. And in all my earlier deliberations, I have emphasised on the need for complete re-engineering on the same for successful implementation of the act. I am also of the firm opinion that we must enshrine the food security on the strong foundation of domestic production and not on the imported grains.

4. Food security, broadly has two important aspects, one is overall availability of food grains and the other, its efficient distribution. On the availability front, we have had very satisfactory performance during last few years. Since the last two years, our food grain production has been above 250 million tons despite incidence of floods and drought. I am happy to mention that the program of "Bringing Green Revolution in Eastern India" is showing commendable progress and paddy production in the country is poised to steadily increase in the coming years. Few years back, we had to resort to import of wheat. Today, however, we have crossed all records in exports of agriculture produce. Last year our exports of agriculture produce touched Rs. 2.32 lakh crores with exports of 6.5 million tons of wheat and 10 million tons of rice. Thanks to our farmers, we have obtained stability in food production thereby giving confidence to the policy makers to roll out the food security act.

5. However, with the increase in paddy production in Eastern States due to success of BGREI, we need to strengthen the procurement machinery in these states, not only to ensure remunerative prices for farmers but also to diversify the geographical coverage as the traditional procurement states, namely Punjab and Haryana have reached a stage of saturation. I would also like to emphasize on the procurement of hitherto neglected coarse cereals demands of which might increase as they are also part of food security act. Our country spends around Rs. 10,000 Cr on the import of pulses and we have taken up a mission mode programme for enhancing pulse production. I would like to flag here that our success in wheat and rice production can be largely attributed towards effective procurement arrangements. If we could develop similar arrangements for pulses and ensure MSP to the farmer, then I am confident that in a short time we can become self-sufficient.

6. I would also like to impress upon you to remain vigilant on the price being paid to the farmers by the private trade. Tendency to suppress the price because of large arrivals due to bumper harvest is quite common. Monitoring of prices especially in places where organized markets do not exist or where markets have been completely deregulated is an added responsibility which the State Marketing Boards should discharge diligently. It is necessary to safeguard farmers' interests by opening more procurement centres.

We need to make constant efforts to ensure that payment is directly made in the bank account of the farmers selling their produce at the procurement centres.

7. Distribution side involving procurement-transportation-storage and distribution is extremely complex, voluminous, multi-layer system posing tremendous challenges to the administration. This very complexity makes it vulnerable at every stage. Many studies have shown that we need to go a long way before we can make the system fool proof and citizen friendly. I am convinced that by appropriate and innovative use of the available technology, the states will be able to plug loopholes in PDS to ensure that leakages are brought to the lowest possible and the grain reaches the intended beneficiaries.

8. I would like to stress upon the need for availability of sufficient storage facility at all levels. I would request State Governments to avail benefits of Gramin Bhandaran Yojana (GBY) and Agricultural Marketing Infrastructure, Grading and Standardization Scheme (AMIGS) of the Ministry of Agriculture. I am sure; the PEG scheme of construction of godowns with the help of private entrepreneurs must be progressing as per targets.

9. The Finance Minister will agree with me that his major challenge must be providing subsidies to three F's that is Fuel, Fertiliser and Food. While we anticipate spending more than Rs.1 lakh crore subsidy on food, which is almost Rs. 1000 per person per year, we must ensure that each and every grain reaches to the right beneficiary. With huge difference between the market price and issue price, the incentive for diversion will be very high and the state machinery should gear up to be more vigilant to ensure that such diversion does not take place. Exemplary punishment should be accorded if cases of diversion of grains meant for poor are noticed. If our pipeline is leaking, then no matter how much grains we pump, its impact on poor man will not be visible. Hence I urge the food ministers and secretaries present here to work strategies to re-engineer the distribution channel and implement the same in mission mode. As I mentioned earlier, kindly address all five aspects of food security that is production, procurement, transportation, storage and distribution. While doing these operations kindly don't forget to ensure the proper quality of food grains. During the last financial year, FCI has exported grains of approximately 4 million MT and sold around 7 million MT in the open market from the central pool. The acceptability of such huge quantity in the market reflects on the quality of food grains procured by the procuring agencies. I urge them to put in extra effort at all stages of operations in ensuring that beneficiaries get the quality food grains.

10. I am confident that today's conference will dwell upon these various issues and all of us will also learn from each other's success. Given the complex and diverse nature of our administrative structure, it may not be a good idea to have a central tailor-made approach for reengineering the distribution system. But each state must take up the agenda in Mission Mode to implement the food security act in its true spirit. I wish the conference a great success.

Thank you!