



## States' Share in PMMSY and FME

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### Why in News

Recently, the Cabinet has approved the implementation of the **Pradhan Mantri Matsya Sampada Yojana (PMMSY)** and **Formalisation of Micro Food Processing Enterprises (FME)**.

- Both the schemes were **announced in the third tranche of the Rs. 20 lakh crore economic package under Atmanirbhar Bharat Abhiyan.**
- It has been observed that about **Rs. 30,000 crore** worth of above schemes will rely on **40% share from states**.

### Pradhan Mantri Matsya Sampada Yojana

- **Aim:** The Pradhan Mantri Matsya Sampada Yojana (PMMSY) was first mentioned during the 2019-20 Budget.
  - It aims to bring a **blue revolution** through sustainable and responsible development of the fisheries sector in India.
  - It also intends to augment fish production and productivity at an **annual growth rate of 9%** to achieve a target of 22 million metric tons by 2024-25.
  - It strives to create **direct employment to 15 lakh** fishers, fish farmers, etc. and about **thrice this number as indirect employment** opportunities.
  - It also aims to double the incomes of fishers, fish farmers and fish workers by 2024.
- **Time Period:** The Scheme will be implemented during a period of **5 years** from the Financial Year (FY) 2020-21 to FY 2024-25.
- **Funding:** It has a total estimated investment of **Rs 20,050 crore**. The investment share is segregated as:
  - **Central Share:** Rs 9,407 crores.
  - **States' Share:** Rs 4,880 crores.
  - **Beneficiaries' Share:** Rs 5,763 crores.

- **Implementation:**The PMMSY will be implemented as an umbrella scheme with two separate Components namely,
  - **Central Sector Scheme (CS):**
    - **Non-beneficiary Oriented:** The entire project cost will be borne by the Central government (i.e. 100% central funding).
    - **Beneficiary Oriented:** The individual/group activities undertaken by the entities of central government including the National Fisheries Development Board (NFDB), the central assistance will be **up to 40%** of the project cost for **General category** and **60% for SC/ST/Women category**.
  - **Centrally Sponsored Scheme (CSS):**
    - **Non-beneficiary Oriented:** All the sub-components/activities will be implemented by the States/UTs, the **entire project/unit cost** will be **shared between Centre and State**.
    - **Beneficiary Oriented:** The individual/group activities under this component to be implemented by the States/UTs. The financial assistance of both **Centre and State/UTs governments together** will be limited to **40% of the project cost** for **General category** and **60% of the project cost for SC/ST/Women**.
  - The Centre and State financial assistance for **CS** and **CSS** as mentioned above will be shared as given below:
    - **North Eastern & Himalayan States:** 90% Central share and 10% State share.
    - **Other States:** 60% Central share and 40% State share.
    - **Union Territories (with legislature and without legislature):** 100% Central share.

## Formalisation of Micro Food Processing Enterprises

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- **Aim:**
  - The Scheme for Formalisation of Micro Food Processing Enterprises (FME) intends to **increase access to finance and revenue targets** for the micro **food processing enterprises**. It also targets **2,00,000** micro-enterprises to be assisted with **credit linked subsidies**.
  - It envisages increased access to credit by existing micro food processing entrepreneurs, women entrepreneurs and entrepreneurs in the **Aspirational Districts**.
  - The project is likely to generate **9 lakh skilled and semi-skilled** jobs.
  - It will also help to **integrate** micro food processing enterprises with the **organized markets**.

- **Features:**

- It is a **Centrally Sponsored Scheme (CSS)** on **All India basis** with an outlay of **Rs. 10,000 crore**.
- The expenditure will be shared by the **Centre and the States** in a ratio of **60:40**.
- Scheme will be implemented over a **5 year period** from 2020-21 to 2024-25.
- The Scheme will majorly **focus on perishables**.
- The Scheme would be monitored at Centre by an **Inter-Ministerial Empowered Committee (IMEC)** under the **Chairmanship** of **Food Processing Industries Minister**.
- A State/UT Level Committee (SLC) chaired by the **Chief Secretary** will monitor and sanction/recommend proposals for expansion of micro units and setting up of new units by the **Self Help Groups (SHGs)/Farmer Producer Organizations (FPOs)**/ Cooperatives.
- The Scheme also envisages the **third party evaluation** and mid-term review mechanism in the programme.

**Source: IE**