



Operation Green & Flood

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This article is based on **“A project of slow motion”** which was published in The Indian Express on 01/03/2021. It talks about what operation green can learn from the success story of operation flood.

Recently, the Government of India, while presenting the Union budget 2021, announced that **Operation Green** (OG) will be expanded beyond tomatoes, onions, and potatoes (TOP) to 22 perishable commodities.

Operation Green was originally launched in 2018. The idea was to build value chains of TOP on the lines of “Operation Flood” (AMUL model) for milk in such a way that will ensure a higher share of consumer’s rupee goes to farmers and stabilizes their prices.

There were three basic objectives when OG was launched viz. containing the wide price volatility, building efficient value chains, and reducing the post-harvest losses.

However, a closer examination of the scheme in terms of achieving its objectives reveals that the progress of OG is in slow motion. Therefore, in order to replicate the success story of the White revolution, there is a lot to learn from the operation flood.

Objectives of Operation Green

- **Containing Price Volatility:** It should contain the wide price volatility in the three largest vegetables of India (TOP)
 - Tomatoes-onions-potatoes (TOP) are the three basic vegetables that face extreme price volatility and the government often finds itself on the edge in fulfilling its dual objectives of ensuring remunerative prices for farmers and affordable prices for consumers.
 - For price stabilization, NAFED has to intervene in the market wherever prices crashed due to a glut, to procure some excess arrivals from the surplus regions to store them near major consuming centers.

- **Building Efficient Value Chains:** It envisages building efficient value chains of these from fresh to value-added products with a view to give a larger share of the consumers' rupee to the farmers.
In order to fulfill this target, there is a provision of providing subsidy to the Farmer Producer Organisation (FPO).
- **Reducing the Post-Harvest Losses:** It should reduce the post-harvest losses by building modern warehouses, cold storage wherever needed, and food processing clusters.

Issues in Operation Green Replicating Operation Flood

- **Heterogenous TOP:** Each commodity under OG has its own specificity, production and consumption cycle, unlike the homogeneity of milk as a single commodity.
There are so many varieties of TOP vegetables, grown in different climatic conditions and in different seasons, making marketing intervention (processing and storage) all the more complex.
- **APMC Barrier:** Milk does not pass through any APMC, involves no commissions, and farmers normally get 75-80% of the consumer's rupee.
However, TOP are mostly traded in APMC markets, with layers of mandi fees and commissions, and farmers get less than one-third of the consumer's rupee.

Way Forward

In contrast to this situation in the horticulture sector, in the milk sector. Operation Flood (OF) transformed India's milk sector, making the country the world's largest milk producer, crossing almost 200 million tonnes of production by now. In order to replicate the success of Operation flood following steps can be taken:

- **Separate Regulating Bodies:** There has to be a separate board to strategize and implement the OG scheme, more on the lines of the National Dairy Development Board (NDDB) for milk, which keeps itself at arm's length from government control.
- **Planned Strategy:** First and foremost is that results are not going to come in three to four years. Operation Flood lasted for almost 20 years before milk value chains were put on the track of efficiency and inclusiveness.
Thus, the need is to give at least a five-year term, ample resources, and be made accountable for delivering results.

- **Increasing Higher Processing-to-Production Share:** Milk is the least volatile because of the higher processing-to-production share.
 - The AMUL model is based on large procurement of milk from farmers' cooperatives, processing, storing of excess milk in skimmed milk powder form during the flush season and using it during the lean season, and distributing milk through an organized retail network.
 - Thus, the government needs to promote the food processing units in horticulture. In this context, the announcement in the budget, to create an additional 10,000 FPOs along with the Agriculture Infrastructure Fund is all promising but needs to be implemented fast.
 - Further, to propagate the use of processed products (tomato puree, onion flakes, powder) among urban and bulk consumers, the government should run campaigns in association with industry organizations, as was done for eggs.
- **Need for Market Reforms:** The success of operation flood shows that there is a need for market reforms in APMC, overhauling the infrastructure of existing APMC mandis contract farming, etc.

The new farm laws intend to carry out market reforms. However, it needs to take into account the most important stakeholder i.e. farmers in the policy formation process.

Conclusion

The idea behind Operation Greens is to double the income of farmers by the end of 2022. However, the main challenge is to carry out marketing reforms to enable operation green to flourish on the lines of operation flood.

Drishti Mains Question

Analyze the roadblocks in the path of operation green to achieve the same feat as operation revolution had.