

## **Underutilization of Operation Greens Scheme**

**Source: DTE** 

## Why in News?

Recently, a <u>Parliamentary Standing Committee (PSC)</u> on Agriculture, Animal Husbandry and Food Processing tabled a report highlighting the underperformance <u>Operation Greens (OG) scheme</u>.

 The scheme's limited success raises concerns about the government's ability to address the challenges of volatile agricultural markets and post-harvest losses.

## What are the Key Findings of the PSC Report?

- **Underutilisation of Budget:** Only 34% (Rs 59.44 crore) of the Rs 173.40 crore allocated for the 2024-25 financial year has been spent by October 2024.
  - 65.73% of the allocated budget remains unspent, which raises concerns about meeting expenditure guidelines for the remaining fiscal year.
- Limited Impact on Price Stabilization: Despite the scheme's objective to stabilize crop prices, onion farmers in Maharashtra are facing a price crash, with onion prices falling by nearly 50%.
  - **Potato shortages** are being experienced in states like Odisha and Jharkhand, exacerbated by **production dips** in West Bengal due to weather conditions.
- Policy Inconsistencies: The government's inconsistent policies, like the export ban and its extension, and the imposition of export duties, have frustrated onion farmers, affecting their ability to secure fair prices.
- Challenges in Achieving Scheme's Mandate: The scheme has struggled to meet its dual objectives: ensuring farmers receive fair prices while maintaining affordable prices for consumers.
  - The underfunding and lack of progress highlight the challenges in stabilizing agricultural markets and addressing infrastructure gaps in post-harvest management.

## What is the Operation Greens Scheme?

- About: Operation Greens, a central sector scheme launched in 2018, under the <u>Pradhan</u>
  <u>Mantri Kisan SAMPADA Yojana</u>, aims to stabilize the prices of <u>perishable crops</u> and enhance farmers' earnings by drawing inspiration from <u>"Operation Flood (White Revolution)"</u>.
- Objectives:
  - Long-Term Interventions: Enhance farmers' value realization through support for production clusters and <u>Farmers Producer Organisations (FPOs)</u>.
    - Reduce **post-harvest losses** via farm gate infrastructure, agri-logistics, and storage facilities.
    - Boost <u>food processing</u> and value addition by linking production clusters with the market
  - Short-Term Interventions: Protect growers from distress sales and reduce postharvest losses.
- Implementation: OG is implemented by the Ministry of Food Processing Industries, with funding provided by the National Agricultural Cooperative Marketing Federation of India (NAFED).

- Expansion of Scope: The OG scheme initially focused on Tomato, Onion, and Potato (TOP).
  - However, as part of the <u>15<sup>th</sup> Financial Commission Cycle (2021-26)</u>, its scope expanded to include **22 perishable crops** such as **fruits** (e.g., Mango, Banana, Grapes), **vegetables** (e.g., Carrot, Beans, Okra), **gourd family** (e.g., Bottle Gourd, Bitter Gourd), and other crops like **Garlic, Ginger, and Shrimp.**

**Read more: Food Inflation: Trends, Factors and Control Measures** 

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