



Operation Greens

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Why in News?

- Recently government approved guidelines for Rs 500 crore 'Operation Greens' program.
- Finance Minister of India had announced Operation Greens in the Union Budget 2018-19, on the line of 'Operation Flood'.

What is Operation Green?

- It is a price fixation scheme that aims to ensure farmers are given the right price for their produce.
- It aims to promote Farmer Producers Organizations (FPO), Agri-logistics, processing facilities and professional management of agri-produce.
- It focuses on organized marketing of Tomatoes, Onions and Potatoes (TOP vegetables) by connecting farmers with consumers.
- State Agriculture and other Marketing Federations, Farmer Producer Organizations (FPO), cooperatives, companies, Self-help groups, food processors etc. can avail the financial assistance under it.
- To help in the structural and infrastructure part of the scheme, agriculture market committee (APMCs) promoted markets will be connected to the e-NAM platform.
- The government will also help in development of 22,000 agricultural markets.

E-NAM (e-National Agriculture Market) is an important initiative of GoI to use pan-India electronic trading portal for bidding and network the existing APMC mandis to create a unified national market for agricultural commodities.

Agricultural Produce Market Committee (APMC) is a statutory market committee constituted by a State Government in respect of trade in certain notified agricultural or horticultural or livestock products, under the Agricultural Produce Market Committee Act issued by that state government.

Objectives

- Enhancing value realisation of TOP farmers by targeted interventions to strengthen TOP production clusters and their FPOs, and linking/connecting them with the market.
- Price stabilisation for producers and consumers by proper production planning in the TOP clusters and introduction of dual use varieties.
- Reduction in post-harvest losses by creation of farm gate infrastructure, development of suitable agro-logistics, creation of appropriate storage capacity linking consumption centres.
- Increase in food processing capacities and value addition in TOP value chain with firm linkages with production clusters.
- Setting up of a market intelligence network to collect and collate real time data on demand and supply and price of TOP crops.

Strategies

The scheme will have two-pronged strategy of Price stabilisation measures (for short term) and integrated value chain development projects (for long term).

- **Short term Price Stabilisation Measures:**
 - **National Agricultural Cooperative Marketing Federation of India (NAFED)** will be the Nodal Agency to implement price stabilization measure.
 - Ministry of Food Processing Industry will provide 50% of the subsidy on:
 - Transportation of Tomato Onion Potato(TOP) Crops from production to storage;
 - Hiring of appropriate storage facilities for TOP Crops
- **Long Term Integrated value chain development projects:**
 - Capacity Building of FPOs & their consortium
 - Quality production
 - Post-harvest processing facilities
 - Agri-Logistics
 - Marketing/Consumption Points
 - Creation and Management of e-platform for demand and supply management of TOP Crops.

Why Operation Greens?

The scheme is launched on the lines of **Operation Flood** and seeks to replicate the success of milk in fruits and vegetables.

Operation Flood

- Operation Flood was started by National Dairy Development Board (NDDB) in 1970s.

- It was also known as white revolution.
- Objective of the program was to create a nationwide milk grid and raise milk production in the country.
- It led to India becoming the largest producer of milk in 2016-17.
- Idea behind Operation Greens is to double the income of farmers by the end of 2022.
- The problem with vegetable commodities is that when their production increases sharply, their prices collapse because there is not enough modern storage capacity.
- The links between processing and organized retailing are very weak and small in India which often result in farmer receiving less than 1/4th of what consumers pay for their produce in major cities.
- Operation Greens will focus on these problems for basic ingredients and not on additional commodities in agriculture.

Challenges in Implementation

- 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, unlike in milk that is a relatively homogenous product produced round the year.
- Viable technology options for long-term storage, transport, and processing are still being developed.
- Energy intensity of available technologies, especially with rising fuel prices, poses additional challenge.
- Organized market at present is very small in relation to total production. The market has to be developed through a viable business model which is both time and cost consuming.
- The scheme has no provision for institutional setup in implementing the scheme like the National Dairy Development Board (NDDB) in Operation Flood.

Way Forward

- There is a need to link major consumption centre to major production centre with a minimal number of intermediaries.
- Linking the processing industry with organized retailing. On an average, about one-fourth of the produce must be processed. Budget announcement of increasing the allocation for the food processing industry by 100% is a welcome step in this regard.
- By developing forward and backward linkages, the government can ease large price fluctuations, raise farmers' share in the price paid by the consumer and at the same time, ensure lower prices for the consumers — a win-win situation for all.