

(a) whether any periodic review for implementation of environmental policies and/or of the steps taken to combat the global warming is conducted; and

(b) if so, when the last review was conducted and with what results?

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI JAIRAM RAMESH): (a) A Coordination Committee chaired by Prime Minister called Prime Minister's Council on Climate Change to coordinate national action for assessment, adaptation and mitigation of climate change was constituted on 6th June 2007.

(b) The last Meeting of the Prime Minister's Council on Climate Change was held on 3rd June 2008. As decided by the Council, the National Action Plan on Climate Change (NAPCC) was released on 30th June 2008 to outline India's strategy to meet the challenge of Climate Change. The National Action Plan outlines steps that will enable the country to adapt to climate change and enhance the ecological sustainability of India's development path. National Missions envisaged under the NAPCC are at various stages of finalization.

#### **Processing of agricultural produce**

2461.SHRI B.K. HARIPRASAD: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether India currently processes only five per cent of its total agricultural produce;

(b) whether the value of agricultural produce wasted due to lack of cold chain and other infrastructure amounts to a staggering Rs. 30,000 crore a year;

(c) whether Government is attempting to raise the capacity of the food processing industries to process at least 20 per cent of the total agricultural produce by 2015; and

(d) if so, the details thereof?

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (d) It is estimated that the processing level in the food processing sector has gone up from 6% to 10 % and value addition has gone up from 20% to 26% during last five years. The level of wastage of agricultural food items is estimated to be about Rs. 50,000 crores occurring at various stages of handling after harvesting due to fragmented farming, lack of adequate post-harvest infrastructure such as lack of Primary Processing Centres, Collection Centres, cold chain facilities, transportation; proper storage facilities etc. However, there has been substantial increase in rate of growth of the food processing industry from 7% in 2003-04 to 14.06 % in 2006-07 which has contributed in reduction of wastages and better value addition.

To encourage setting up of cold chain facilities and backward linkages in the country, Ministry of Food Processing Industries (MFPI) has a Plan Scheme for Cold Chain, Value Addition and Preservation Infrastructure during the 11th Plan to provide financial assistance to project proposals received from public / private organizations for cold chain infrastructure development. The scheme

envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of Rs.10.00 crore. The initiatives are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure, establishing value addition with infrastructural facilities like sorting, grading, packaging and processing for horticulture including organic produce, marine, dairy, poultry, etc. Other agencies of the Government like National Horticulture Board (NHB), Agricultural and Processed Food Products Export Development Authority (APEDA), National Cooperative Development Corporation (NCDC) and State Government also provide assistance for cold storages under their respective schemes.

In order to increase level of processing and to promote food processing industries to exploit both, domestic as well as international market potential for processed food products, Vision 2015 Document has been finalized by the Ministry of Food Processing Industries (MFPI), which envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20% value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. An integrated strategy for promotion of agribusiness-Vision, Strategy and Action Plan for the Food Processing Sector has also been approved by the Government. There has been increase in substantial rate of growth of the food processing industry from 7% in 2003-04 to 14.06 % in 2006-07.

The Government, through its schemes for financial assistance and other promotional measures, facilitates creation of food related infrastructure including processing facilities aimed at reducing wastages, enhancing value addition and increasing shelf life. Ministry of Food Processing Industries (MFPI) has been implementing various schemes for promotion and development of food processing industries in the country. Under the Scheme for Technology Upgradation/ Modernization/ Establishment of Food Processing Industries, MFPI extends financial assistance to food processing units in the form of grant-in-aid @ 25% of the cost of plant and machinery and technical civil works subject to a maximum of Rs. 50.00 lakh in general area or 33.33% subject to maximum of Rs. 75.00 lakh in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and North Eastern States, A&N Islands, Lakshadweep and ITDP areas. In addition, under the Technology Mission for Integrated Development of Horticulture in North Eastern and Himalayan States, higher levels of assistance @ 50% upto Rs. 4.00 crore for setting up and Rs. 1.00 crore for Upgradation of fruit and vegetables processing is available. MFPI has also been implementing various other Plan schemes for promotion and development of food processing industries in the country. Under these schemes, financial assistance in the form of grant in aid is provided for development of infrastructure, human resource development, promotion of quality assurance, research & development and other promotional measures to encourage development of the food processing industries. Under the scheme of strengthening of institutions, the various developmental activities have been undertaken in

the area of Human Resource Development including food processing sector such as grapes, meat and poultry processing, through setting up of National Institute of Food Technology, Entrepreneurship and Management (NIFTEM), Indian Grape Processing Board, National Meat and Poultry Processing Board and Upgradation of Indian Institute of Crop Processing Technology (IICPT).

In order to give boost to growth of FPI sector, the Government has allowed under Income Tax Act, a deduction of 100% of profit for first five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Fruit & vegetable products are already exempted from payment of excise duty.

#### Level of food processing

2462.SHRI LALIT KISHORE CHATURVEDI:

DR. GYAN PRAKASH PILANIA:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) whether India's present level of food processing is extremely low and if so, the details thereof;
- (b) whether India's export of processed food in global trade is extremely poor;
- (c) how India compares with neighbouring/developed countries;
- (d) what has been the achievements during last five years; and
- (e) the steps taken by Government to improve the situation?

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) Although the processing level in our country has been low but it is improving now. The average processing level has improved from 6% in 2003-04 to 10% in 2007-08.

(b) India's share in global trade is 1.30%.

(c) The processing level in the country are relatively low as compared to the same in developed / some neighboring countries.

(d) During last five years the export data of processed food products is given below:

(Qty. in MT)

(Value in Rs. Lakhs)

2003-04		2004-05		2005-06		2006-07		2007-08	
Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
429798	112581	592281	155129	992556	262680	849258	267887	774849	245145

(Source: APEDA)