All India single market for farmers

2164. SHRI V. VIJAYASAI REDDY: Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether it is a fact that agricultural market segmentation prevents gains for farmers as it reduces competition, efficient resource allocation and high number of intermediaries between farmers and buyers;
- (b) what have been identified presently as the major causes of agricultural market segmentation;
- (c) how does Government propose to reduce the negatives of market segmentation in the short run;
- (d) whether any steps have been taken to bring about an all-India single market for agriculture; and
- (e) if so, the details of creating a single market for farmers across the country in 2016-17?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE (SHRI PARSHOTTAM RUPALA): (a) and (b) The Agriculture Produce Marketing Committee (APMC) Acts of States divide the entire area of the respective State into numerous notified market areas and assign the responsibility of regulated marketing of agriculture produce in such areas to concerned APMCs. Thus, the market of agricultural produce has become highly fragmented, not only across the country but even at the level of the State itself, which restricts integration of the markets and also the development of required infrastructure for handling the produce.

(c) to (e) In order to reduce the negatives of market segmentation, the Government has launched a reform linked Central Sector Scheme National Agricultural Market (e-NAM) on 14th April, 2016. Under the Scheme, a national level e-trading portal has been developed to link 585 regulated wholesale markets across the country by March, 2018. Further, the mandatory requirements by the States to undertake reforms in their marketing regulations in respect of (i) a single license to be valid across the State, (ii) single point levy of market fee and (iii) provision for electronic auction as a mode for price discovery, to join the e-NAM portal, will facilitate to create a single market for farmers across the State/Country.