

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO- 1555
ANSWERED ON- 10.12.2021

NEW FOOD PROCESSING POLICY

1555. SHRI PRABHAKAR REDDY VEMIREDDY:

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

- (a) the details of critical gaps that the food processing sector is plagued with;
- (b) how the proposed New Food Processing Policy aims to address the critical gaps which are hampering the growth of food processing sector;
- (c) the key objectives of the proposed policy; and
- (d) by when the proposed policy is going to be unveiled?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI PRAHLAD SINGH PATEL)

(a) & (b): The Food Processing Sector has emerged as an important segment of the Indian economy and it constitutes as much as 9.9 percent and 11.4 percent share of GVA in Manufacturing and Agriculture sector respectively in 2019-20 at 2011-12 prices. However, some of the key challenges facing the sector are- Supply chain infrastructure gaps; Institutional gaps; Relatively low level of processing; Technological gaps, Lack of seamless Linkage between Agri-Production and Processing, Credit availability gaps etc. The draft National Food Processing Policy lays down strategy for unhindered growth of the sector by addressing these challenge through Promotion of clusters; Convergence of services provided by different Ministries/ Departments; Focused interventions for improving competitiveness; Promotion of India's Unique Selling Proposition (USP); Strengthening unorganized food processing units; Increased access to institutional credit at affordable cost.

(c): Some of the key objectives of the draft policy are-

- (i) Attaining a higher growth trajectory through significant increase in investment for strengthening supply chain infrastructure and expansion of processing capacity particularly in perishables;
- (ii) Improving Competitiveness through technology upgradation, Research & Development, Branding and strengthening India's USP in food sector;
- (iii) Attaining long term sustainability in growth of the sector through efficient use of water, energy, adoption eco-friendly technology in processing, storage, packaging and use of waste from FPI industry.

(d): The draft policy had already been unveiled and circulated in November 2019 for comments of concerned Ministries/ Departments/State Governments and stakeholders at large (through ministry website). However, unforeseen economic challenges arising out of COVID Pandemic has necessitated substantial changes to it.