

Speech by Shri Sharad Pawar, Union Minister for Agriculture and Consumer Affairs, Food and Public Distribution in the 53rd Meeting of the National Development Council to be held on 29th May, 2007.

Hon'ble Prime Minister, my cabinet colleagues, Chief Ministers, Members of Planning Commission and distinguished participants

2. I convey my sincere thanks to the Hon'ble Prime Minister for having convened this important NDC meeting, dedicated specially to the issues concerning Indian Agriculture. This demonstrates the commitment and resolve of our Government to address the critical issues currently being faced by the agriculture sector. I also extend a very warm welcome to the Chief Ministers of the States for being with us in this meeting and sharing the concerns on the agrarian economy. Your participation will indeed be of immense value in formulating strategies for the sustainable and accelerated development of this vital sector of the economy, influencing the livelihood of a majority of our population.

3. Growth of the agriculture sector has been considered important for sustaining food security and improving rural livelihood. In this endeavour, both the Central and State Governments have played a proactive role in mobilizing resources, creating infrastructure, facilitating easy availability of inputs, organizing research and technology development, institutional support services and putting in place contingency measures to safeguard the crop from the adverse effects of natural calamities. To these efforts, our farmers responded positively and ensured the country's self sufficiency in food. However, during the past decade, the momentum seems to have dissipated. The demand-supply imbalance was quite evident in 2006-07, especially in the case of wheat and pulses. Against the foodgrain production growth rate of more than 2% during seventies and eighties, the rate of growth has come down to about 1%, between 1995-96 and 2006-07, far lower than the population growth. The oilseed sector is another area where our dependence on imports is rising due to inadequate domestic

production. Coupled with this is a perceptible shift in food habits in non-traditional States and urban areas. There has been record procurement of rice during the last season, wheat production this season is higher and the off-take of foodgrains under the PDS has been increasing and has gone up from 23.9 million tonnes in 2003-04 to 31.3 million tonnes in 2006-07. However, a perceptible demand-supply mismatch is evident in the country.

4. These aspects, therefore, need to be addressed on priority, since the country will need about 25 million tonnes additional foodgrains to meet its demand by the end of 11th Five Year Plan (2011-12). This calls for intensifying our efforts to rejuvenate the agriculture sector. It is essential to make concerted efforts to increase the production of foodgrains, particularly of wheat, rice and pulses. The State Governments will have to play a proactive role to realize this goal.

5. Rural livelihood in our country is dependent on farming. Therefore, inclusive growth can only be ensured if we improve the economic viability of farming and ensure a minimum net income for our farmers. It is a matter of deep concern that, despite our best efforts, farmer's suicides are still being reported from various pockets of the country. We need to make all-out efforts to address the problem.

6. The twin objectives of ensuring food security and improving the lot of our farmers can be achieved through higher investments in the agriculture and allied sectors, including irrigation. However, the allocation to this crucial sector, in relation to other sectors, has been going down over the years. This needs to be reversed.

7. It is extremely important that ongoing irrigation projects are completed on time, without cost and time overruns. We have to also concentrate on the development of drylands, rainfed areas and water harvesting. With about 60%

area still dependent on rains for agriculture, productivity improvements cannot be achieved without added emphasis on efficient water management and full utilization of our irrigation potential.

8. I had the privilege to chair the Sub-Committee of the National Development Council constituted to examine in-depth the problems facing Indian agriculture. The wide ranging consultations, discussions and valuable contributions of the Chief Ministers of the States and several experts in the Sub Committee were of immense use in firming up our recommendations. The Working Groups of the Sub-Committee analysed crucial aspects such as Irrigation, Natural Resource Management, Animal Husbandry, Agro-Climatic Zonal Planning, Marketing, Credit, Technology and global issues. I would like to complement the Group for making valuable recommendations, which are essential for the sustainable and accelerated agricultural development.

9. States are the major stakeholders in the development of our agriculture. It is significant to note that the deceleration in agricultural growth coincided with the falling share of agriculture, irrigation and rural development in the State Plan outlays. Therefore, formulation of State specific plans, taking into account the respective agro climatic conditions and natural resource management with higher outlays, is of paramount importance. Enhancing investment and plan outlays has to be complemented with effective implementation of our programmes and schemes, for which the State Governments have a critical role to play. This would necessitate effective development and transfer of technology covering all aspects such as seeds, nutrients, mechanization and water resource management, besides strengthened institutional support for credit, extension, marketing and value addition.

10. Another important aspect is the development of horticulture, which provides immense opportunity for diversified growth of agriculture. In this regard, the National Horticulture Mission envisages a holistic growth of the

horticulture sector by adopting an area specific cluster approach, to deal with issues relating to production and productivity improvement, post-harvest management, processing and marketing.

11. We need to make all efforts to realize the 11th Plan vision of broad based, accelerated and inclusive growth, leading to faster poverty reduction and bridging the divide in the economic conditions of the people. We also have the benefit of the recommendations of National Commission on Farmers. I am also happy to inform that the National Rainfed Area Authority has started functioning and I am sure it will be instrumental in facilitating a renewed focus on improving rainfed agriculture.

12. The accelerated overall economic growth of 9% with 4% growth expectation from agriculture and allied sector calls for re-energizing the agriculture sector to harness its growth potential, reversing the deceleration experienced during the 9th and 10th Plan. Faster agricultural growth is also essential for realizing the objective of inclusive and broad based development. It will, therefore, require our sincere efforts to address those specific problems and issues, that have been the cause of agrarian distress and the barriers in growth in the past.

13. I would like to reiterate that one of the most critical issues faced by the sector is the vulnerability of food security. Our action points are accordingly focused on increasing production of wheat, rice and pulses. The development of Animal Husbandry and fisheries is equally essential for stimulating agricultural growth and improving the livelihood of the agrarian population.

14. Our strategies have to be harmonized with the strengthening of our Technology and Research institutions. The network of State Agricultural Universities, Research Institutions, Seed farms and talent pool of scientists are our strengths. The technological advancement needs to be harnessed to keep pace

with time. Measures would need to be suggested to alleviate the effects of climate change on agriculture, particularly production of foodgrains.

15. States need to integrate efforts under various schemes in the agriculture sector and other programmes such as RIDF, BRGF, NREG, minor irrigation projects and other rural development works and prepare State Plans on agriculture depending on the agro climatic conditions, natural resource management and technology in view. This would need to be backed up with an effective agricultural extension system, which should not only provide assistance to farmers on crop related activities but animal resources development as well. Extension should also go hand in hand with expansion of soil testing capacity in each district and facilities to test input quality. The private public partnership (PPP) model should be explored on a wider scale. Finally, the produce has to reach the market and hence market development attains paramount importance in today's commercial world. Enabling legal framework, by amendment of the APMC Act, would need to be put in place and markets through co-operatives of farmers, contract farming and other means tried out in a big way. To revive the cooperative sector, early implementation of the Vaidyanathan Committee recommendations has to be ensured.

16. This special meeting of the NDC provides an opportunity to all of us to re-energise Indian Agriculture. I would like to urge the States to contribute to our resolve to usher in a second green revolution and improve the overall well being of our farming community.

17. I am confident that the action points that would emerge out of the deliberations will enable all of us to prepare a road map for faster and broad based development of Indian Agriculture and uplift of farmers.

Thank you .