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GOVERNMENT OF ORISSA

SPEECH OF  
**SHRI NAVEEN PATNAIK**  
HON'BLE CHIEF MINISTER  
ORISSA

IN THE  
53<sup>RD</sup> MEETING OF  
NATIONAL DEVELOPMENT COUNCIL  
AT NEW DELHI

29<sup>TH</sup> MAY, 2007

(47)

Hon'ble Prime Minister, Deputy Chairman and other members of the Planning commission, Union Ministers, Colleague Chief Ministers of other States present here, Senior Officers and other distinguished participants. At the outset, I thank Hon'ble Prime Minister for convening this special meeting of the NDC to discuss exclusively the issues pertaining to Agriculture and allied sectors. Slowing down of growth trend in this sector calls for special attention and drawing up of effective strategies to accelerate its growth during Eleventh Plan period.

2. Orissa has achieved an average annual growth rate of 3% during the first four years of the 10<sup>th</sup> Plan. We have targeted an ambitious annual growth rate of 4% or more for this crucially important sector.
3. The need for appropriate growth strategies for Agriculture and allied sectors has been strongly felt for some time past. The revised growth strategies need to focus on exploiting untapped potential of Agricultural Sector in less developed regions including Orissa while simultaneously pursuing further technological upgradation in the agriculturally developed regions. This requires identification of the areas in different agro-climatic regions which have lagged behind in agricultural development and prepare special packages for adoption of appropriate crop

husbandry, fisheries and livestock development practices in these areas to fully exploit their available potential.

4. The NDC Sub-Committee on Agriculture has analyzed the present level of development in crop husbandry practices in different agro-climatic conditions, available potential for alternative crops, and various constraints faced by the sector and has proposed specific Action Plans for each region. The Sub-Committee has also recommended the Centre to prepare detailed guidelines for grounding of Action Plans, ensuring necessary support of the different Ministries for making available various inputs and above all ensuring funding of these Action Plans through operation of a special ACA. I am sure this blue print for region specific growth strategies will go a long way in accelerating agricultural growth which will be both rapid and inclusive.
5. The Sub-Committee has further recommended for up-scaling of public investment, simultaneously addressing regional imbalances and sharing of the additional required investment between the Centre and the States on in an equitable manner. Water being the key component for agricultural development, the NDC Sub-Committee has rightly emphasized speedy completion of all on-going irrigation projects and to cover selected projects under AIBP funding. Orissa has set a target for providing assured irrigation to 35% of agricultural land in all Blocks during

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Eleventh Plan period. Funding under AIBP therefore needs to be stepped up substantially and the funding of Lift Irrigation projects, should be permitted under AIBP.

6. The Report of the Sub-committee has strongly emphasized the need for Watershed Development approach for sustainable rainwater harvesting. In this context it has been rightly suggested to take up watershed plus approach to ensure that efficient and sustainable rainwater management while focusing on increase in productivity in a sustainable manner, need to contribute to livelihood security of the local people.
7. Well functioning markets are a pre-requisite for accelerated growth in agriculture sector. In this context, recommendations for early adoption of Model APMC Act drafted by the Agriculture Ministry appears to be justified in order to meet the urgent requirement for promotion of direct marketing, contract farming and setting up of markets in private and cooperative sectors. I would like to mention in this connection that Orissa has made necessary amendments in the APMC Act to permit setting up of rural market and contract farming in the private sector. The Rules under the amended APMC Act is in process. In this context, the observation of the Sub-Committee not to encourage any legal provision for handing over of land to sponsoring firms for cultivation and management, making

the farmer a mere rent collector or a labourer, is a well thought out safety measure to protect the interests of farmers.

8. Fisheries and Livestock sector also have great potential for providing livelihood support to a large section of agriculture dependent population. There exists large unexploited potential for promotion of all kinds of livestock in Orissa and other States. The recommendations of the Sub-Committee on feed and fodder availability, animal health care, development of small animals, fisheries and poultry will be quite helpful in State Government's endeavour.

A focused approach needs to be adopted in the 11<sup>th</sup> Five Year Plan to ensure farmer – friendly support services covering an efficient extension system, assured and remunerative prices for farm produce, timely agricultural Credit linked to risk management (crop insurance), availability of quality inputs (seeds, fertilizers and pesticides), etc.

In the State of Orissa, the agrarian structure presents a case to have a preferential policy support. About 83.8 % of farm holdings belong to small and marginal farmers; about 73% of the land is rainfed and the production and productivity of major food crops are below the national average. Although the agricultural sector is at cross roads, there are immense opportunities as well. Our Govt. has taken a lot of pro-farmer

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initiatives, but support from Govt. of India can enable us to effectively reach to the tillers.

9. The Seed Replacement Ratio (SRR) of a number of crops needs to be enhanced in the State. Increasing "quality seed production programme" needs support from Govt. of India. There is also need for establishment of more seed processing plants and seed godowns. Govt. of India may also think of introducing "Buffer Stock Scheme for seeds", as recently done in case of fertilizers to ensure availability of quality seeds.

10. Strengthening the extension system needs also support from the Centre as there is a growing gap or knowledge deficit in the R-E-F (Research-Extension-Farmer) linkage. Coupled with the support to State Extension Program for extension Reforms (ATMA) in all the districts of the State, the KVKs (Krishi Vigyan Kendras) should be supported effectively for bridging the gap between laboratory know-how and field level do-how.

11. As 70% of Orissa soil is acidic, soil amelioration should be taken as a separate program for Orissa. As Gypsum could be used as an additive to correct the soil status, transportation subsidy should be allowed for its use in large scale which will be also an environment friendly initiative to reduce its hazardous load on environment.

Moreover, there should be adequate buffer stocking of Urea and other fertilizers, as the per hectare consumption of fertilizers is still at a lesser level in Orissa.

As some of the tribal districts of Orissa by default are into organic agriculture, Govt. of India may promote marketing of organic produce by arranging for their certification.

12. There has been positive results of watershed development activities in the backward KBK and other rainfed regions of the State. The recently set-up National Rainfed Areas authority (NRAA) can focus on the problems and potentials of these backward regions of Orissa and Govt. of India may allocate more funds for the macro and micro – watersheds.

Moreover, there should be additional funding under AIBP and other Govt. of India schemes to augment irrigation infrastructure in the State. As such, our State Government is promoting Participatory Irrigation Management (PIM) by organising Pani Panchayats in the State. Under AIBP, new minor and lift irrigation projects should also be allowed to be taken up.

13. The use of enhanced farm machinery and power has a direct bearing on production and productivity of major food and cash crops. There should be increased and preferential allocation under the work plan for farm mechanization in Orissa.

14. The agricultural strategy put forth before the NDC meeting talks of the states developing and adopting their own models of risk management in agriculture. Adequate support should be provided from Govt. of India to a resource poor State like Orissa.

In many backward parts of Orissa, a large number of small and marginal farmers are switching over to cotton from upland paddy. The suggestion that proposed crop insurance would not cover high risk crops may hit poor farmers of Orissa. This may be reviewed in its realistic perspective.