



Uttarakhand

ADDRESS OF

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CHIEF MINISTER, UTTARAKHAND**

IN THE

53rd MEETING

OF

NATIONAL DEVELOPMENT COUNCIL

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Hon'ble Prime Minister, Hon'ble Ministers of the Union Cabinet, Deputy Chairman Planning Commission, Hon'ble Chief Ministers and other dignitaries assembled here;

I deem it an honour to be part of this august forum at a time when the country as a whole is passing through a period of spectacular growth. After decades of high expectations, our economy seems to be moving at a rapid pace but there are areas of concern because this growth is not uniformly spread across all sectors and all regions and we need to urgently address some of the problem areas before it is too late. In this regard, I applaud the Prime Minister for his initiative in focusing on food security and agricultural development as the two most critical areas in the perspective of national development.

It is universally acknowledged that agriculture continues to provide the principal means of livelihood to the majority of our population. It is, however, not so often recognized that across the economy, there has been a steady decline in its share of the GDP. The picture is the same in the economy of our state Uttarakhand. This has not only created severe imbalances but also led to growing impoverishment of a large segment of our population,

escalated agrarian tension and precipitated large scale rural urban migration with all its concomitant consequences.

While agriculture will continue to remain the mainstay of our rural economy in the medium term, the efforts made at the policy and strategy levels for improving agricultural performance or for ameliorating the conditions of all those engaged in agricultural and allied activities leave much to be desired. The report of the National Farmers Commission does give a ray of hope but a lot needs to be done before we actually arrive at the proverbial Golden Gates.

We, in Uttarakhand have made some promising beginnings. At the time of inception of the state, the agricultural growth rate was estimated to be 0.76% in the Uttarakhand region during the 9th Five Year Plan period against the all India average of 1.99% during the same period. After creation of Uttarakhand, it registered a fairly high growth rate of 3.11% as against the 1.03% all India average. Consequently, the Planning Commission has assigned us a growth target of 3.0% for the 11th Five Year Plan period with an overall economic growth target of 9.9 percent.

Let me now deal with some specific aspects of growth in this sector:-

A) Inclusive Growth

The agricultural situation in Uttarakhand presents sharp contrast between hill and plains. In the hills, agriculture is largely rainfed and only 12% of net sown area has assured irrigation. This has resulted in restricted use of high yielding varieties of seeds and fertilizers and persistence of age old practices of cropping and cultivation. The consequence is low productivity and subsistence level of economic activity.

Traditional hill agriculture has never been commercially viable. While cereal crops are cultivated in irrigated areas, millets, pulses and tuber crops are mixed with cereals in the rainfed areas. Moreover, agricultural holdings are small, the average being less than one acre. This is clearly not enough to ensure livelihood support for a family. The consequence is migration to plains in search of employment. We in Uttarakhand, are devising strategies and schemes to arrest this situation. Hence, our emphasis has shifted to cultivation of off season vegetables and diversification of horticulture. While the larger objective is of course, economic integration, there is also the goal of removing regional imbalance and ensuring equity in the distribution of economic benefits among all classes and communities.

B) Constraints

The main constraint in the way of diversification of agriculture into commercial crops like horticulture, floriculture, medicinal and aromatic plants/ herbs, in the mid and high Himalayas is the weakness of marketing and credit facilities, shortage of warehouses/cold chains, and the high cost of transportation from field to road head and further on to markets.

About 71% of our holdings are below one hectare where economies of scale can not be achieved, and so the inputs cost per unit of output is high. This is further compounded by the scattered and fragmented holdings of land.

C) Initiatives

We have a newly elected Government in the State which is committed to meet the high expectations of the people. Our target is to provide local employment and ensure that the mass migration of our youth from the hills can be curtailed.

In this context, the thrust areas chosen by us are seed development, organic farming, natural resource management, and creation / activation of multi agency extension network.

Yield gap analysis has been carried out for major crops and within the same agro-climatic niche lower productivity areas have been targeted for soil amelioration through proper dosages of soil amendments and major / micro-nutrients. We have also targeted to provide all Kisan Credit Card holders with soil health cards in the next three years. Progressive farmers and contact farmers have been selected respectively in each of the 670 Nyay Panchayats and 16629 villages for imparting extensive training in packages of improved agronomic practices. In order to stabilize farmers income despite climatic aberrations, biotic and a-biotic stresses, conservation of rain water coupled with protected cultivation of high value crops is being promoted in areas where infrastructural constraints are relatively fewer.

The state has recognized the need for different policies, different programmes, different strategies and mechanism for implementation in hills with emphasis on diversification in off-season vegetables and fruits.

The hill region of Uttarakhand is surplus in production of traditional crops like millets, buckwheat, traditional pulse crops and other lesser known crops. Of late there is growing interest in these crops in export as well as niche markets owing to these being rich in minerals, vitamins, crude fibers, specific proteins etc. Seed lines and

agronomic package of practices are now being developed for these crops.

We are promoting the idea of shifting the paradigm from “**Subsistence to Sustainability**”. This calls for adherence to a more holistic farming system approach, emphasis on raising farm incomes, use of low external inputs, sustainable agriculture methods and multi-pronged marketing interventions.

D) Issues

1. Uttarakhand has a well established and reputed seed production company, one of the earliest in the country known as Uttarakhand Seed and Tarai Development Corporation. The production figures for this corporation are comparable to that of the National Seed Corporation (NSC) and State Farm Corporation of India (SFCI). However, this corporation is not getting the subsidy on sale of certified seeds like NSC or SFCI get in other states. The Government of India is requested to consider such subsidy to it at a rate of par with what is admissible to NSC or SFCI.
2. The benefits of Green Revolution were garnered by the plains areas of the state while the hill areas were unfortunately left behind. In order to remedy the situation we have initiated a Core Valley Seed

Production Programme in hills to give the required boost to the seed replacement rate in hills. An elaborate Five Year Seed Development Plan has been formulated. We hope to achieve satisfactory levels in this regard in the coming three years. Hybrid rice and hybrid maize have shown impressive results. However high cost of seeds and risks deter farmers from adopting these crops. It will be in the fitness of things that seeds of these crops be subsidized to the extent of 50% by Government of India.

3. **Provision of subsidy to Organic Farming**

At present chemical fertilizer / pesticides based farming in irrigated areas receives an average aggregate subsidy to the tune of **Rs. 2340.00** per hectare. In case of Organic farming, subsidy is required for certification of Organic produce as well as for inputs like microbial preparations or bio-pesticides, which are locally not available.

Hence there is a case for giving central subsidy to Organic farming **@ Rs. 1000.00 per hectare** per annum (*or equivalently 0.55 Rs. Per kg of produce on average*) for hill states in particular which have not received subsidies on fertilizers / pesticides and other chemicals since the advent of Green

Revolution i.e. since early '70^s as they were outside its ambit and were primarily organic by default sans certification. This demand is still much less than the subsidy passed on to chemical fertilizer/pesticide based farming. Moreover, if granted, this subsidy will be passed on directly to the farmers at the time of certification of their produce by our internal agency and thus will benefit farmers directly besides ensuring that production is up to the agreed standards.

4. A serious problem that our state faces is the High incidence of soil erosion. It is estimated that 88% of our land area is experiencing soil erosion at the rate of more than 10 Tons per hectare per year (above permissible soil loss limit) and 35% of our area is suffering from very severe soil erosion amounting to even 40 Tons per hectare per year. This is an alarming situation and we would require extensive Government of India assistance in planning and executing soil and water conservation projects targeted to deal with it.
5. The launching of Horticulture Technology Mission (HTM) with the support of Government of India is another initiative which is helping the farmers in augmenting their income base. Development of

Agri Export Zones for *Litchi*, *Basmati*, Medicinal and Aromatic Plants and Floriculture are the other initiatives of Uttarakhand. In the coming year, we propose to include export of walnut and off-season vegetables in the above schemes.

Beside HTM, assistance is being taken of NHB and APEDA. However, there is a need to put all these activities under one umbrella for getting better results. The Government of India may like to consider bringing about an integration of all horticulture and allied activities under one agency.

Our state has considerable river and lake water resources with much potential for development of fisheries. The production potential has been estimated at around 62,000 MTs while the current production is only 8,000 MTs. The Government of India may consider launching of a Fisheries Technology Mission on the lines of Horticulture Technology Mission in this regard.

E) Marketing and transport support

A major constraint faced by small farmers in our state is the lack of an adequate marketing infrastructure. At present, they sell their produce to middlemen either in their fields or in their mandies. This deprives them of

remunerative prices and ultimately depresses overall growth in this sector. These problems need to be addressed with appropriate policies and measures. We are in the process of enacting our own APMC Act and also devising schemes for the construction of roads and ropeways for transportation of agricultural and horticultural produce.

F) The use of information technology for increasing agricultural productivity.

We in Uttarakhand have decided to develop a Agriculture Portal which would encompass all the needs of farmers as an integrated **one stop shop** for all his needs. This portal would provide valuable information on a continuous basis about the best cropping practices, plant diseases, markets, availability of seeds and other inputs, agricultural credit etc.

Finally, much has been said about giving primacy to agriculture and agriculture productivity. With us in Uttarakhand, this is an article of faith because we believe that the vast majority of our population is dependent on it for their livelihood and therefore, any incremental growth in this sector will promote their welfare most decisively. We have therefore decided that as far as possible, given our scarcity of agricultural land, no more of such land would be used for non-agricultural purposes.

II- Food Security

We in Uttarakhand, are committed to provide total food security and food availability to all our citizens. The challenge is to ensure their supply all the year round in a most difficult geographical terrain through proper supply chain management.

The hill region of our state, which has accessibility problems, is largely dependent for food from outside. Therefore, a strong supply and storage system is necessary as the area is prone to various forms of natural calamities, blocking the accessibility particularly during the monsoon season.

The State Government is engaged in procurement of food grains with prior approval of Government of India for its own consumption under state pool. However, there is limited scope for enhancement in food production as most of the cultivated area, particularly in the hills, has little assured irrigation. We have therefore requested for additional wheat quota to be enhanced from 1666 MT per month to 12000 MT per month.

Further, to meet local demand as well as pilgrims' demands during the "yatra" season and in order to reduce growing pressure on forests and to safeguard the

environment, we have requested that the kerosene oil quota of the state may be enhanced from the existing 9571 KL per month to at least 14000 KL per month. A similar enhancement in the LPG gas availability would go a long way in reducing the drudgery in the lives of the rural poor community in our state.

To safeguard the food security of our state, we have decided to use only uncultivable and other waste land for industrial and other purposes. This would conserve productive agricultural land and retain it for enhancing productivity in the primary sector.

In conclusion, I would like to reaffirm our commitment to both increasing agricultural production and enhancing food security in our state. I would also like to thank the Prime Minister once again for having chosen these two vital sectors for discussion this morning. I believe that the very survival of our economy depends on their performance and any step that we may take to improve the situation will go towards building a stronger and more progressive India for all of us.

Maj Gen (Retd) B. C. Khanduri, AVSM