

Draft

Best Practice

Decentralised Model of Harvest Procurement in COVID Times

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Introduction

Haryana is an agricultural state and plays a major role as producer and contributor to the central food grains pool. The agricultural produce in Haryana is being regulated under the Punjab Agricultural Produce Markets Act, 1961. The preamble of the Act is “to provide for improved regulation in marketing of agricultural produce, development of efficient marketing system, promotion of agri-processing and agricultural export and the establishment and proper administration of markets for agricultural produce in the state of Haryana and to put in place an effective infrastructure for marketing of agricultural produce and lay down procedures and system thereto”.

Rationale for New initiative

Amid rising Coronavirus cases in India and the ongoing nationwide lockdown to deal with the pandemic, the agriculture sector has stumbled under a crisis relating to the procurement of Rabi crop. In several states, most of the Rabi crop was harvested and farmers were awaiting an appropriate announcement from the government regarding the procurement of crops and their management. Haryana, along with Punjab contribute about 65% of the grain for the National Food Security Scheme.

The Central and state procurement agencies play a crucial role in ensuring that farmers receive remunerative prices for their crops and government has enough stock of food grain to feed its people throughout the year. The delay or inappropriate strategy in procurement will not only affect the implementation of welfare schemes but also every individual of nation. The problem may also cripple the Public Distribution System, causing depression among farmers due to fear of loss of income. Many a timesuch unfavourable conditions induce suicidal tendency among farmers.

In order to facilitate the farmers during the ensuing Rabi procurement season in these difficult times of the COVID-19 pandemic, the Haryana government introduced new procurement facilities nearest to the farm gate so that farmers can sell their produce at their door step or at a point nearest to their produce so that more and more number of buyers reach to the farmers for purchase of their produce.

Procurement Procedures

At the central level, there are mainly two methods of procurement. First, the FCI procures excess stocks for the central pool through the state or its own agencies. The second is the Decentralised Procurement System (DCP) under which the state government itself undertakes the direct purchase of grains, their storage and distribution in the state. The surplus that remains after the allocation of food grains for welfare schemes in the state is then handed over to FCI for the central pool stocks. In case, there is a shortage of essential food grains in a

state under the National Food Security Act (NFSA), the FCI meets the demands by procuring grains from other states.

The Government of Haryana has embarked on a revolutionary e-governance initiative through the two portals, *Meri Fasal Mera Byora* and *e-Kharid*. Both the portals are important tools for planning and management of every procurement season to bring transparency in food grain procurement process and to enable ease of doing business to the traders and empower the farmers by providing real time information and timely payment. It also enables farmers to sell their harvest to the trader of their own choice. The data uploaded on portals is used for finalizing the district wise / block wise / market wise and also village level number of Mandi, sub-yards and purchase centers to be fixed and allotted for procurement of the farmers' produce. The manpower, machinery, equipment and facilities required for management and handling of the produce in these purchase centers are deployed and allotted on the basis of the estimates collected from these portals.

New Initiative

The present situation in the wake of COVID-19 makes maintain proper social distancing essential for all the activities. The new policy was announced to reduce crowding at the procurement centres and Mandis and enforce social distances amongst the farmers, labourers, commission agents (arhatiyas) and other persons visiting in the market yards. To stagger procurement points, the number of purchase centers for wheat are increased from 470 in the Year 2019 to about 1900 during the Rabi season 2020. Similarly, in case of Mustard these purchase centers are increased from about 60 during Rabi 2019 to about 170 in Rabi 2020. To ensure fair opportunity to all farmers, the earlier limit of 50 quintals per individual at a time in Mandi and a 72-hour rotation, but new guidelines fix the upper limit to 40 quintals. Farmers are informed a day in advance by telephone or SMS to bring produce for procurement. The secretaries of the market committees have been directed to provide masks, sanitizers, and thermo-scanners at the Mandi gates for farmers, traders, and laborers working in the Mandi. The revised MSP for wheat and mustard for Rabi 2020 has been fixed at Rs. 1925 and Rs. 4425 per quintal respectively. In the Mandi, a

All other Standard Operating Procedure are to be observed by the Purchase Officer (PURCHASER).

Implementers

The key implementers and collaborators in the implementation of practice includes, Haryana State Agriculture Marketing Board, Department of Food & Supplies, Department of Agriculture, Food Corporation of India, Haryana State Warehousing Corporation, HAFED, farmers, arhatiyas, market committees, labour association, etc.

The decentralized system of procurement requires all the implementers and collaborators to be present at ground level. Two approaches exist for this in terms of time duration for procurement. More days for procurement means less resources are required. During lockdown the approach of Haryana Government was to spread the resources so that procurement can be done in less number of days while ensuring social distancing guidelines. For the effective implementation, besides the representative of District Magistrate and

Arhatiya, government has also involved other departments like health, Revenue & DM, PWD to supply the required manpower for smooth procurement. Certain temporary Mandi are paid places. Administration also arranged electricity connections and smoothening of roads for comfortable approach to these Mandi nearby to farmers.

Positive Outcomes

With the collaborative efforts of different stakeholders like state and district administration, HSAMB, Arhatiyas, farmers, etc. the significant outcome can be noted as follows;

1. The procurement process of Rabi crop for 2020 is done in timely manner without much hassle.
2. Farmers have advanced information about their movement towards Mandi (to pursue the physical distancing norms) and MSP of their harvest.
3. Increase in number of purchase centres ensured decentralised procurement and professionalized delivery of agricultural services and better value for the farmer's produce.
4. Registration of more than 9 lakh farmers and about 25,000 thousand commission agents/traders throughout Haryana on "e-kharid" portal.
5. Social distancing measures for the containment of COVID-19 undertaken by the administration have been ensured in the Mandis too through minimum movement of manpower in different slots, etc.

Lessons Learnt

The new procurement guidelines were introduced with the purpose of checking any possibility of overcrowding and panic which was hazardous in the Corona crisis. The increase in number of purchase centres has reduced the transaction costs involved and thereby enhancing the efficiency of procurement. Enforcement of mandatory use of masks and sanitizers for villagers, labourers and traders on entry into the market and social distancing norms helped in preventing any contagion in spite of large number of people and large scale movement of trucks, tractors and people. An ideal layout plan for every Mandi and procurement centre was circulated to all districts to ensure that no farmer, labourer, Arhatiya or transporter gets infected even as every single grain of wheat, gram, mustard and sunflower of every Haryana farmer is procured at MSP.

It systematized the whole system by maximizing local procurement and thereby extending the benefits of MSP to local farmers. An orderly procurement procedure expanded volumes at lowest possible transaction cost. Shift wise deployment of two Mandi supervisors to resolve the procurement related issues of the farmers was another welcome step. The prior information through mobile alerts about schedule to bring produce for procurement and regulation of crop arrival in Mandi has saved the time and efforts of both seller and buyer. The number of farmers during a given time-slot was

controlled by allowing not more than 50 farmers from 8 AM to 2 PM, and in the second batch between 2:30 to 6 PM in the Mandi.

Challenges to Implementation

Decentralised procurement requires continuous monitoring at ground level which itself is a difficult task. “MeriFasalMeraByora” portal allows registration by anyone irrespective of farmer, owner, etc. which allows possibility of duplicate or triplicate entry. Many a time, farmers do not have adequate knowledge and wrong verifications are being done by patwaris. With the upper limit of 40 quintals, on several occasions, farmers with 50 quintal or nearby quantity of harvest have to make two rounds to mandi with remaining harvest for which they may not get immediate date since the farmers mapping is done by marketing committee and some privileged farmers get dates to sell their harvest just after a day or two.

Labour Shortage

Reverse migration of labour from UP, Bihar, West Bengal posed a big challenge for the agriculture market. Though the administration passed the list of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for workers to arhatiyas but the labour shortage remained a big worry for the loading, unloading and transportation of crop. In Ambala district only 43% crop could be stored while remaining is still lying in Mandi open to hazards of unexpected rains.

Unfair Practices

Farmers sometimes register khata number where no harvesting is done in the season and which does not match with girdawari. They purchase the crop of other farmers of Haryana or neighbouring state from open market at lower price and then with the availability of gate pass sell it to state government at higher price.

Disregard to Social Distancing

Despite of all the possible efforts to maintain social distancing, it has been seen at many places that farmers in a group of 5-10 are sitting together and are in close contact with each other.

Conclusion

When the entire world is enduring with the pandemic of COVID-19 and the difficulties faced due to lockdown have necessitated that appropriate initiatives are taken by the Government of Haryana to mitigate the problems faced by farmers. Harvesting is the most important period for a farmer. The state government was prompt to take effective measures for facilitating smooth procurement post-harvesting since it could have long lasting effect on the food grain availability during the coming year. By using decentralised procurement system and increasing the number of procurement centres all through the state, administration raised the dignity of farmers and supported them at the most crucial time when their harvest was ready for procurement. The crop procured on scheduled time would feed the entire state and also some parts of nation throughout the year.

Recommendations

Adequately and profuse information should be provided by awareness campaigns about any such new initiative or guideline impacting a large number of farmers. Also:

1. Close monitoring at state borders to prevent illegal entry and smuggling of farm produce from other states for sale in local Mandis with the collusion of farmers and arhatiyas.
2. Mandis should be secured with a boundary wall to prevent unauthorised entry.
3. The physical verification through issue of kutchra and pucca passes could be replaced with the installation of CCTV.
4. All the lorry weighbridges (dharmkantas) should be located in Mandi.
5. Farmers must be always present near his heap. In his absence, procurement of harvest should not be allowed.
6. Warehouse and Godown should be located at convenient distance from the Mandi especially to save the crop from rain or other natural calamity.
7. The number of Mandis should be increased to stabilize decentralised procurement. Provision should be made for basic requirements like weighing machine, tarpaulin, electricity, road, warehouse, etc.
8. Patwari should register the farmers on “Meri Fasal Mera Byora” portal from girdawari to avoid duplicate entries and verification process.

References

The document is prepared with the support of information provided by HSAMB and officer trainees posted in procurement process. At present, there are no documents for further reference.