



**EASY EXPLANATION & QUICK REVISION!**



# 3 FARM



# BILLS 2020

Important for Exams, GDs, WATs, Pls



[instagram.com/knowvation/](https://www.instagram.com/knowvation/)



[knowvationindia@gmail.com](mailto:knowvationindia@gmail.com)



[fb.com/knowvationfb](https://www.facebook.com/knowvationfb)



[twitter.com/knowvation/](https://twitter.com/knowvation/)



[knowvation.in](https://www.knowvation.in)

# Name of the 3 bills

1. The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020
2. The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020
3. The Essential Commodities (Amendment) Bill 2020.



# Who introduced these bills in LS?



Union Minister of Agriculture & Farmers' Welfare, Rural Development & Panchayati Raj,

**Mr. Narendra Singh Tomar** introduced:

1. The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020
2. The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020



Source: The Economic Times

Minister of State for Consumer Affairs, Food & Public Distribution,  
**Mr. Raosaheb Patil Danve** introduced The Essential Commodities (Amendment) Bill, 2020 in the Lok Sabha.



# Important Terminologies:



## 1. APMC:

Agricultural Produce Market Committee (APMC) is a system operating under the State Government since agricultural marketing is a State subject. The APMC has Yards/Mandis in the market area that regulates the notified agricultural produce.

## 2. Essential Commodities:

By declaring a commodity as essential such as such as cereals, pulses, oilseeds, edible oils, onion and potatoes, the government can control the production, supply, and distribution of that commodity, and impose a stock limit.

## 3. Minimum Support Price:

The MSP is a minimum price guarantee that acts as a safety net or insurance for farmers when they sell particular crops. (Recent report: only 6% farmers sell at MSP)



# The Farmers' Produce Trade & Commerce (Promotion & Facilitation) Bill, 2020



## Main Provisions:

1. Create an ecosystem where the farmers and traders will enjoy freedom of choice of sale and purchase of agri-produce outside 'mandis' under state's APMCs.
2. It will also promote barrier-free inter-state and intra-state trade of farmer's produce.
3. The farmers will not be charged any cess or levy for sale of their produce.
4. The Bill also proposes an electronic trading in transaction platform.
5. Farmers will be able to engage in direct marketing thereby eliminating intermediaries.



# The Farmers (Empowerment & Protection) Agreement of Price Assurance & Farm Services Bill, 2020

## Main Provisions:

1. The new legislation will empower farmers for engaging with processors, wholesalers, aggregators, large retailers, exporters etc., on a level playing field.
2. Price assurance to farmers even before sowing of crops. In case of higher market price, farmers will be entitled to this price over and above the minimum price.
3. It will transfer the risk of market unpredictability from the farmer to the sponsor.
4. It will also enable the farmer to access modern technology, better seed and other inputs.
5. Effective dispute resolution mechanism has been provided for with clear time lines redressal.



# The Essential Commodities (Amendment) Bill 2020



## Main Provisions:

1. It provides that the central government may regulate the supply of certain food items including cereals, pulses, potatoes, onions, edible oilseeds, and oils, only under extraordinary circumstances like war, famine, extraordinary price rise or natural calamity of grave nature.
2. It requires that imposition of any stock limit on agricultural produce must be based on price rise. A stock limit may be imposed only if there is: (i) a 100% increase in retail price of horticultural produce; and (ii) a 50% increase in the retail price of non-perishable agricultural food items.
3. Remove commodities like cereals, pulses, oilseeds, edible oils, onion and potatoes from the list of essential commodities. Thus no excessive regulations.



# Farmer's Issues



1. The eventual end of the MSP – based procurement system.
2. Farmers in contract farming will be the weaker stakeholder in terms of their ability to negotiate contract, especially small farmers.
3. Large players may never deal with small and medium farmers.
4. Essential commodities Act 2020 will also encourage hoarding and black marketing.
5. Government not ready to make MSP a mandatory law.





# Thanks a lot for watching!



Like



Share



Subscribe



[instagram.com/knowvation/](https://www.instagram.com/knowvation/)



[knowvationindia@gmail.com](mailto:knowvationindia@gmail.com)



[fb.com/knowvationfb](https://www.facebook.com/knowvationfb)



[twitter.com/knowvation/](https://www.twitter.com/knowvation/)



[knowvation.in](https://www.knowvation.in)