

## **New Agriculture Farm Reforms 2020 for Benefits of Farmers**

ICAR-CIARI has been doing research for the development of island agriculture through the various technologies and has significantly contributed in increasing the agriculture production. Along with other sister institutes of ICAR all over the country, the CIARI has been conducting capacity building programmes, awareness about the various schemes for doubling the farmers income, farmers first programme through various platform. The implementation of the recent new Agriculture Farm Reforms Act 2020, has created an ecosystem to provide the farmers and traders with full hand freedom of choice to sale and purchase of any agriculture produces and promote free inter and intra state trade and business without any barrier. Under the new farmers reforms three Acts parliaments has passed three Acts viz. Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, Farmers (Empowerment and Protection) Agreement of Price Assurance, Farm Services Act, 2020, and the Essential Commodities (Amendment) Act, 2020. The important benefits of the new reforms are:

- Freedom of Choice of sale & purchase of farmers' produce at remunerative prices
  - Efficient transparent and barrier free inter and intra-state trade and commerce outside physical premises of APMCs
  - APMCs will continue to function: Act provides farmers with additional marketing channels
  - No bearing on MSP. MSP continues to act as safety net for farmers
  - Payment has to be made to farmers on the same day or within 3 working days where procedure so requires
  - Permits online trading
  - Legal framework for agreements between farmers and sponsors for purchase of farming produce and provision of farm services entered into before harvest
  - Guidelines for model farming agreements by Central Government
  - Price of the produce will be clearly mentioned in the contract
  - Clearly specified dispute resolution mechanism thus **protecting rights of both farmers and buyers**
  - **Imposition of stock limits only be based on price rise** and can only be imposed if there is 100% increase in retail price of horticultural produce and a 50% increase in the retail price of non-perishable produce
  - Reduction in market fees, taxes etc. and better price discovery
  - Development of infrastructure close to farm gate
- Contract farming: Form of price assurance and boost linkages with food processing sector