

Competition in Agricultural **Marketing**

***Advantage Farmers ***

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Enhancing competition in Agricultural Markets

- Remunerative Prices to farmers.
- Competitive prices to consumers.
- Creation of competitive agri-markets.
- Rectification of information asymmetries
- Enabling competitive forces coming into play.

Have competing Production Technologies

- Domination of ICAR/SAU Research System.
- Lack of Documentation of farmer-driven technologies.
- Over dependence on Green Revolution practices.
- Absence of validation of ELISA / natural / organic farming
- Obsession with productivity instead of profitability.
- Technologies for Global Food Security undermining individual's livelihood security.

Have competing Agri- Input Supply

- Strong bias in favour of chemical inputs.
- Highly subsidised inputs for irrigated farming
: Electricity, Water, fertilizers.
- Monopoly of bought out inputs against farm grown inputs.
- Agricultural Credit restricted to formal banking channels
: F-SHG, MFI, buy back / contract farming ?

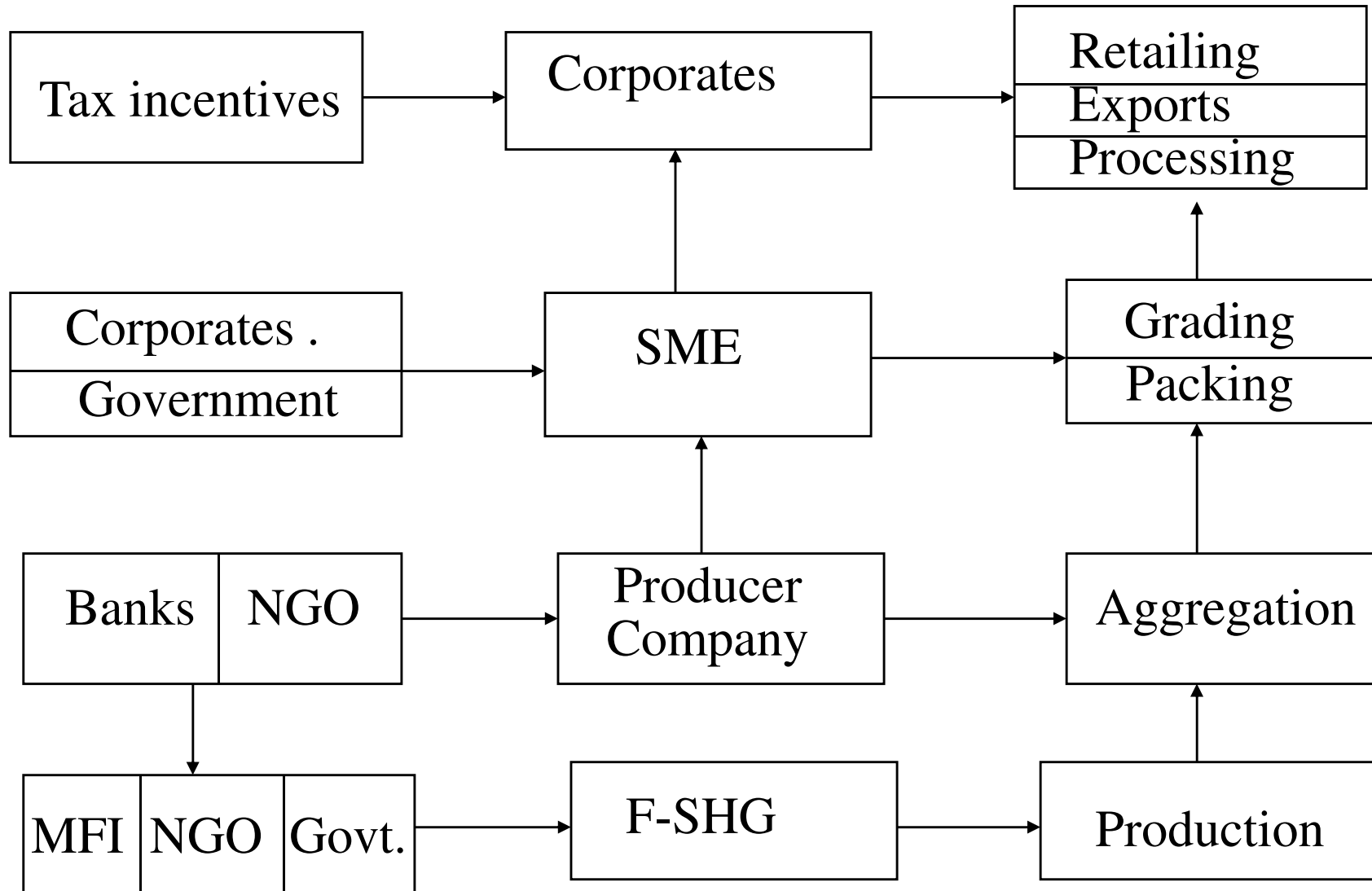
Have competing arrangements for risk management

- Monopoly of big irrigation projects - 40% Vs. 60%
- Neglect of watershed developments Vs. flow irrigation.
- Dominance of ex-situ against in-situ water conservation.
- Lack of moisture & market risk management.
- Absence of competitive environment in crop insurance sector.
- Huge market risks in absence of through competing channels

Have Competing Agricultural Markets

- Reforms in APMC Act unexplored by corporate sector -
: Direct Marketing, Private Markets, Contract farming.
- Budgetary incentives of 2004-05 / 2009-10 not yet exploited.
- Establish End-to-End value chain through convergence of all Government interventions.
- Have Warehousing Act/Rules quickly in place along with E-trading
- Create a framework for convergence -
Agri Investment Promotion Board ?

Enhancing competition through agri-network



Agri-investment promotion Framework

Thanks