

Standing Committee Report Summary

Implementation of Scheme for Integrated Cold Chain and Value Addition Infrastructure

- The Standing Committee on Agriculture (Chair: Mr. Hukm Deo Narayan Yadav) submitted a report on the 'Implementation of Scheme for Integrated Cold Chain and Value Addition Infrastructure' on August 28, 2017. The Scheme was launched in 2008 by the Ministry of Food Processing Industries. It aims to provide for cold chains, value addition, and infrastructure facilities for preservation to reduce post-harvest losses. Cold chain infrastructure includes processing units, cold storages, and refrigerated vans. Key observations and recommendations made by the Committee regarding the Scheme include:
 - **Progress of the Scheme:** Cold chain projects under the Scheme have been allocated phase-wise every year since 2008. Between 2008-09 and 2016-17, 102 projects have been completed. Currently, 134 projects are under implementation, of which 31 projects have been continued from previous years. The Committee noted that such slow pace of implementation defeats the purpose of the Scheme. It further noted that Rs 180 crore has been allocated to 103 projects in 2016-17 as compared to the same amount for 30 projects in the previous year. The Committee recommended that the appropriate financial allocation should be made commensurate with these additional projects.
 - **Value addition facilities:** Value addition involves sorting, grading, and pre-cooling harvested produce which increases the value of the produce. Facilities such as freezers, and ripening chambers are used for this purpose. The Committee observed that farmers need to be provided necessary training on value addition. Currently, the Ministry of Food Processing Industries does not provide such a training under the Scheme. The Committee recommended that a provision be made under the Scheme to create awareness and provide training to farmers on value addition.
- **Cold chain network:** Lack of storage facilities leads to post-harvest losses of perishable produce such as fruits and vegetables. The Committee noted that the yearly losses of major perishable agricultural produce is estimated to be Rs 92,651 crore. To minimise such losses, it recommended that a country-wide integrated cold chain infrastructure network at block and district levels should be created. It further recommended that a Cold Chain Coordination and Monitoring Committee should be constituted at the district-level. A Member of Parliament or a Member of Legislative Assembly can be part of this Monitoring Committee to facilitate implementation of the Scheme.
- **Distribution of cold chain projects:** The Committee observed that the number of cold chain projects in certain states like Uttar Pradesh, Bihar, Karnataka, and Madhya Pradesh did not match the states' contribution to agriculture. It recommended that such states need to be focused on for the distribution of cold chain projects.
- **Implementation of the Scheme in the North-Eastern region:** The Committee noted that 43 cold chain projects have been sanctioned in the North Eastern and Himalayan states. Of these, nine projects have been allocated in the North-Eastern region. Four out of these nine projects have been completed so far. The Committee noted that the implementation of the Scheme is slow considering most of these projects were allocated in 2011-12. Stating that the North-Eastern region has the potential to be a sunrise zone for food processing, it recommended that implementation of these projects should be expedited.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.