

Most Immediate
Time Bound

F.No.18-1/2019-CC-ES
Ministry of Agriculture and Farmers Welfare
Department of Agriculture, Cooperation and Farmers Welfare
Directorate of Economics & Statistics
(Commercial Crops Division)

447, Krishi Bhawan, New Delhi.

Date: 23.03.2020

NOTIFICATION

Subject: Price Policy for Copra for 2020 season – Announcement of Minimum Support Price (MSP) for Copra.

The Government of India has approved the Price Policy for Copra for 2020 season and following decisions have been taken with respect to MSP of Copra:

- I. The MSP for Fair Average Quality (FAQ) of "Milling Copra" has been fixed at Rs 9,960/- per quintal for 2020 season.
- II. The MSP for Fair Average Quality of "Ball Copra" has been fixed at Rs 10,300/- per quintal for 2020 season.
- III. Based on the MSP of FAQ Variety of Milling Copra, the Department of Agriculture, Cooperation and Farmers Welfare will fix the MSP for mature de-husked Coconut for 2020 season.
- IV. National Agricultural Cooperative Marketing Federation of India Limited (NAFED) and National Cooperative Consumers' Federation (NCCF) will continue to act as Central Nodal Agencies (CNAs) for procurement of copra and de-husked coconut under Price Support Scheme (PSS). State agencies will be suitably engaged for procurement operations.
- V. Appropriate action may be taken by the concerned Ministries/Departments, State Governments and other agencies on Non-Price Recommendations of the CACP. **(Annexure 1)**

In this connection, concerned Ministries/Departments, State Governments and other agencies are requested to take appropriate action on the above decisions under intimation to this office.


(P.C. Bodh)
Adviser

Tele: 23383658

For information and necessary action:

- 1. Joint Secretary (Horticulture/MIDH),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 2. Joint Secretary (Cooperation),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 3. Adviser (Trade),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi**
- 4. Joint Secretary (Marketing),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 5. Joint Secretary (Crops),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 6. Joint Secretary (M &T),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 7. Joint Secretary (Credit),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 8. Joint Secretary (Plant Protection),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 9. Joint Secretary (Oilseeds),
Department of Agri. Coopn. & Farmers Welfare
Krishi Bhawan, New Delhi.**
- 10. Director General, ICAR,
Krishi Bhavan, New Delhi.
E mail : dg.icar@nic.in.**



**(P.C. Bodh)
Adviser**

Tele: 23383658

Copy for information and necessary action:

1. **Secretary, Department of Expenditure,
Ministry of Finance,**
129-A, North Block, New Delhi-110001
2. **Secretary, Department of Economic Affairs,
Ministry of Finance,**
130, North Block, New Delhi-110001
3. **Secretary, Department of Revenue,
Ministry of Finance,**
128-A, North Block, New Delhi-110001
4. **Secretary, Department of Food and Public Distribution,
Ministry of Consumer Affairs, Food and Public Distribution**
Krishi Bhawan, New Delhi-110001
5. **Secretary, Department of Consumer Affairs,
Ministry of Consumer Affairs, Food and Public Distribution**
Krishi Bhawan, New Delhi-110001
6. **Secretary, Ministry of Food Processing Industries,
Panchsheel Bhawan, August Kranti Marg**
Khelgaon, New Delhi-110049
7. **Secretary, Department of Commerce,
Ministry of Commerce and Industry**
143, Udyog Bhawan, New Delhi-110007
8. **CEO, NITI Aayog**
NITI Bhawan, New Delhi-110001
9. **Joint Secretary,
Prime Minister's Office**
South Block, New Delhi-110001
10. **Director, Cabinet Secretariat**
Rashtrapati Bhawan, New Delhi-110001



**(P.C. Bodh)
Adviser**

Tele: 23383658

Copy for information and necessary action:

1. **Chief Secretary,**
Government of Tamil Nadu,
Secretariat, Chennai 600 009
2. **Chief Secretary,**
Government of Kerala,
Thiruvanthapuram – 695015
3. **Chief Secretary,**
Government of Karnataka,
Room No. 320, Illrd Floor, Vidhan Saudha,
Bangalore – 560001
4. **Chief Secretary,**
Government of Andhra Pradesh,
L Block, 5th Floor,
Room no-506, Secretariat Office,
Hyderabad – 500002
5. **Chief Secretary,**
UT Administration of Andaman & Nicobar Islands,
P.O. Chatam, Port Blair – 744101
6. **Administrator,**
UT of Lakshadweep,
Kawaratti-682555



(P.C. Bodh)
Adviser
Tele: 23383658

Copy for Information to:

1. *Sr. PPS to Secretary (Agri, C&FW),* Krishi Bhavan, New Delhi
2. *PPS to Principal Adviser, DAC&FW,* Krishi Bhavan, New Delhi
3. *PS to ESA, DES,* Krishi Bhavan, New Delhi
4. *Adviser (FE), DES,* Krishi Bhavan, New Delhi.
5. *Adviser (Coord.), DES,* Krishi Bhavan, New Delhi
6. *Technical Director, National Informatics Centre, 341, Krishi Bhavan, New Delhi -*
with request to upload the notification on the site of DES and DAC&FW.



(P.C. Bodh)
Adviser
Tele: 23383658

Non-Price Recommendations Made by the CACP in its Report on Price Policy for Copra for 2020 Season

S.No	Recommendation
1.	<p>Although India is the largest producer of coconut in the world and has the highest productivity, it faces the twin challenges of large and persistent fluctuations in yield and stagnating productivity. For instance, Kerala, the largest producer of coconut in the country, has the lowest yield among major producers and productivity of coconut in the country has hovered around 7 tonnes per hectare during the last three decades. Therefore there is a pressing need to improve crop productivity and reduce yield variability to enhance profitability and competitiveness. Replanting/rejuvenation of senile old palms with quality planting material along with scientific management practices would help in improving crop yields. The Commission recommends that allocation for replanting and rejuvenation programme under the Mission for Integrated Development of Horticulture (MIDH) should be enhanced.</p>
2.	<p>Coconut production faces serious challenges ranging from diseases to damage by insect pests, which adversely affect crop productivity. Hence breeding and selection of varieties with resistance to pests and diseases is vital for sustainable development of coconut sector. There is also a need to promote integrated disease and pest management strategies among farmers to control coconut diseases and pests. Major coconut producing states should strengthen surveillance system for monitoring pests and diseases to enable timely and rapid response to emerging pests and diseases having substantial impact on livelihoods.</p>
3.	<p>Coconut farming is labour-intensive and crippled with scarce and expensive labour force over the years. Thus, there is a need to promote mechanization in harvesting and plant protection activities, which will reduce over dependence on manual labour. Various R&D institutes under ICAR, State Agricultural Universities (SAUs), Indian Institutes of Technology (IITs) and State Governments need to work in collaboration to develop appropriate machinery that is both affordable and viable to address the issue. Moreover, to mitigate the issue of high labour cost, certain coconut cultivation</p>

	activities like replanting/rejuvenation of coconut gardens, harvesting, etc should be permitted through convergence of MGNREGA and other coconut development schemes.
4.	In order to make the CPIS more attractive and relevant to farmers, the Operational guidelines of CPIS including the premium rate, sum insured and risks covered need to be reviewed as these guidelines were framed and issued in 2014. Concerted efforts should also be made to create awareness about the scheme, thereby improving farmers' participation in the CPIS.
5.	Majority of the coconut farmers are small and marginal and sell their produce as raw nuts due to lack of drying facilities and hence do not benefit from MSP operations. Therefore, in order to enable small and marginal farmers to benefit from procurement under price Support Scheme (PSS), it is necessary to organise farmers into groups, which could in turn be provided assistance to purchase drying units and other infrastructure to process coconut into copra and benefit from PSS operations.
6.	As coconut is a perennial crop , harvesting of coconuts continues throughout the year. Since the market arrivals of coconut are evenly distributed throughout the year, the Commission recommends that the procurement period be extended beyond six months and procurement agencies should be allowed to intervene in the market whenever prices fall below the MSP to improve effectiveness of pricing policy.
7.	Global demand for coconut value-added products has significantly increased and has opened up new opportunities for diversification into value-added products, thereby broadening the country's export base. As coconut oil will not be able to compete with other cheaper vegetable oils, there is a need to promote value-addition and product diversification in coconut including non-traditional coconut products. In order to exploit the potential of domestic market for packaged tender coconut water, the GST on packaged tender coconut water should be reduced. Improving quality standards, product diversification and higher productivity are some of the ways to make Indian coconut industry globally competitive.
8.	Various studies have shown that coconut based farming systems not only help in increasing farm income but also improve soil nutrients which in turn help in improving crop productivity. Various mixed/ intercropping models with fruits, spices,

	vegetables, etc have been developed by ICAR/SAUs for coconut based farming systems. However, these models/technologies need to be promoted among farmers to maximise farm profitability and reduce risks.
9	Adulteration of coconut oil with low price oils and fats has become a threat to coconut oil industry and is adversely affecting health. The Food Safety and Standards Authority of India(FSSAI) has banned some brands of coconut oil due to the detection of adulteration .However, the issue needs to be addressed through effective coordination, monitoring and enforcement mechanism with the support and cooperation of both industry and government.
10.	There is a high degree of consumption substitution among the vegetable oils and patterns of edible oil consumption in India have changed due to various factors. Coconut oil was an important cooking medium in Southern parts of the country but its relative importance has been declining due to availability of cheaper substitutes such as palm oil and soyabean oil. To boost domestic production of edible oils, the Commission reiterates that import duty structure on edible oils should be linked to world prices and higher import duty should be imposed on refined oils than crude oils.