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PRESS INFORMATION BUREAU (Research Unit) Ministry of Information and Broadcasting Government of India



National Agriculture Market (e-NAM)

One Nation One Market for Agricultural produce (Ministry of Agriculture and Farmers' Welfare)

November 25, 2021

"I firmly believe that now my farmers would decide where, when and at what price their produce will be sold. And it is my belief that there would be no burden on the consumer."

- Prime Minister Narendra Modi¹

Introduction

National Agriculture Market (e-NAM) is a pan-India electronic trading portal which networks the existing <u>Agricultural Produce Market Committee</u>²(APMC) mandis to create a unified national market for agricultural commodities. Launched by Prime Minister Shri Narendra Modi on 14th April, 2016, e-NAM is completely funded by the Central Government and is implemented by <u>Small Farmers Agribusiness Consortium</u>³(SFAC), under the aegis of Ministry of Agriculture and Farmers' Welfare. e-NAM platform promotes better marketing opportunities for the farmers to sell their produce through online competitive and transparent price discovery system and online payment facility.

Former Union Agriculture and Farmers' Welfare Minister, Shri Radha Mohan Singh on the occasion of the launch event said, "Baba Saheb Dr.Bhim Rao Ambedkar dedicated his life to the poor, down trodden section of the people as well as farmers. That is why the Prime Minister, Shri Narendra Modi made up his mind to launch National Agriculture Market for the farmers on 125th birth anniversary of Baba Saheb." He added that for the first time in India, "one nation and one market" is being developed and this market status will be elevated to the status of international market.⁴

¹https://archive.pib.gov.in/archive2/erelease.aspx

²https://enam.gov.in/web/stakeholders-Involved/Apmcs

³<u>http://sfacindia.com/</u>

⁴<u>https://pib.gov.in/newsite/PrintRelease.aspx?relid=138891</u>

While launching the new features of National Agriculture Market (e-NAM) Platform⁵ on April 02, 2020, Union Minister for Agriculture & Farmers' Welfare, Shri Narendra Singh Tomar said e-NAM provides for contactless remote bidding and mobile-based anytime payment for which traders do not need to either visit *mandis* or banks.



In a written reply to Rajya Sabha on July 23, 2021⁶, Shri Narendra Singh Tomar informed that during FY 2020-21, a total 37.73 lakh farmers & during FY 2021-22 (till 30th June 2021) a total 8.78 lakh farmers have used National Agriculture Market (e-NAM) platform to sell their agricultural produces. The major crops which are traded on e-NAM platform by farmers are paddy, wheat, cotton, chilli, soyabeans, maize, potato, chana, tomato, groundnut, mustard seeds, gaur seeds, onion, turmeric, arhar (tur/ red gram), bajra, moong whole (green gram), castor seed, lentil (masur), sweet lemon etc.1000 Agricultural Produce Market Committees (APMCs) markets have been integrated to the platform in 18 States and 03 UTs.

The e-NAM portal provides single window services for all APMC related information and services. This includes commodity arrivals, quality & prices, buy & sell offers and e-payment settlement directly into farmers' account, among other services. It aims to promote uniformity in agriculture marketing by streamlining of procedures across the integrated markets, removing information asymmetry between buyers and sellers and promoting real-time price discovery based on actual demand and supply.

⁵<u>https://pib.gov.in/PressReleaselframePage.aspx?PRID=1610454</u> ⁶<u>https://pib.gov.in/PressReleaselframePage.aspx?PRID=1738234</u>



Objectives

- To integrate markets first at the level of the States and eventually across the country through a common online market platform, to facilitate pan-India trade in agricultural commodities.
- To streamline marketing/transaction procedures and make them uniform across all markets to promote efficient functioning of the markets.
- To promote better marketing opportunities for farmers/sellers through online access to more buyers/markets, removal of information asymmetry between farmer and trader, better and real-time price discovery based on actual demand and supply of agricommodities, transparency in auction process, prices commensurate with quality of produce, online payment etc. that contribute to marketing efficiency.
- To establish quality assaying systems for quality assurance to promote informed bidding by buyers.
- To promote stable prices and availability of quality produce to consumers.

Scheme Components

 Selection of State's/UT's APMCs/Regulated Market Committees (RMCs) is undertaken after mandatory reforms in their APMC/RMC Acts as prescribed in the Scheme and approval of their Detailed Project Report (DPR) by Project Appraisal Committee (PAC). Details of eligibility to avail assistance under the scheme are outlined in the scheme guidelines.

- Provision of e-NAM software to States/UTs free of cost.
- Based on their Detailed Project Reports (DPR), financial assistance will be provided to State/UT for selected APMCs/RMCs up to a maximum of Rs.30.00 lakhs per market, for purchase of hardware, five internet connections, assaying equipment and related infrastructure to make the market ready for integration with e-NAM platform. State Government/ UT/ their agencies would bear the balance fund requirement, if any, for making arrangement for electronic trading in proposed markets.
- Technical Assistance: Small Farmers Agribusiness Consortium (SFAC), the Lead Implementing Agency (LIA), through Strategic Partner (SP) <u>Nagarjuna Fertilizers & Chemicals Ltd.</u>⁷(NFCL) for implementation of e-NAM, will depute at all APMCs/ RMCs free of cost one Mandi Analyst at each market, for a period of one year to provide day-to-day hand holding support to stakeholders for its successful implementation. e-NAM portal access to private markets may be considered by the Project Appraisal Committee (PAC) provided they are recommended by the competent authority of the concerned State/UT. However, in such cases they must provide for Mandi Analyst, related hardware, assaying facilities and other support services at their own cost.
- **Capacity building:** Orientation of APMC/RMC line staff, awareness to farmers through Market talk, Gram Sabha, Print & Electronic media would be undertaken with support of strategic partner.

Pre-requisites for e-NAM

There are three basic criteria for a state to propose Mandis for e-NAM:

- The state APMC Act must have a specific provision for e-auction/electronic trading as mode of price discovery.
- There must be one single trading license to be valid across the state/UT
- A single point levy of market fee across the State/UT.

Beneficiaries & Benefits of the Scheme

e-NAM is designed and implemented to benefit all the stakeholders- farmers, *mandis*, traders, buyers, processers and the exporters. The benefits to stakeholders include:

- Transparent online trading with enhanced accessibility to the market.
- Real time price discovery for better & stable price realization for producers.
- Reduced transaction cost for buyers.
- Availability of information on e-NAM mobile app about commodity prices.

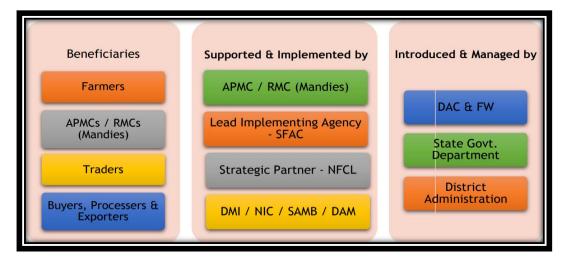
⁷http://www.nagarjunafertilizers.com/

- The details of price of commodity sold along with quantity are received through SMS.
- Quality certification.
- More efficient supply chain & warehouse based sales.
- Online payment directly to the bank accounts of the farmers.



Stakeholders:

The different stakeholders of the Scheme are:



Monitoring of the Scheme:

• Monitoring by combination of periodic desk review, field visits and web-based mechanism are adopted to track the physical progress of integration of existing *mandis* to e-NAM portal. Overall monitoring of the progress of the scheme interventions in all the states and national level is undertaken by PAC.

- A coordinated approach for monitoring and evaluation by involving following agencies will be undertaken:
 - National level- lead implementing agency (SFAC) along with DMI/NIC with the support of SP (NFCL)
 - State level- respective department with supporting agencies (SAMB/DAM/NFCL)

Outcome of the Scheme:

- Single license for trading across all markets in a State.
- Single point of market fee.
- Electronic auction for transparent price discovery.
- Easier norms for obtaining trading licenses.
- Abolition of fragmented markets.
- Seamless transfer of agricultural commodities.
- Improved supply-chain and reduced wastage.
- Increased price share for the farmers.
- Wholesale based sales.
- Quality based informed training.

District Level Structure:

Schematic representation of administrative structure at District Level is:



New Features incorporated (As on January 2021)

 During COVID-19 pandemic, e-NAM platform /mobile application has been further strengthened by launching FPO (Farmer Producer Organisation) trading module in e-NAM whereby FPOs can trade their produce from their collection center without bringing the produce to APMC.

- Warehouse based trading module was also launched in e-NAM to facilitate trade from warehouses based on e-NWR (electronic-Negotiable Warehouse Receipt).
- e-NAM is now developing as "Platform of Platforms" to create a digital ecosystem that leverage the expertise of individual platforms across various segments of agri- value chain viz. developing and integrating service platform with e-NAM (QC services, transportation & delivery services, sorting/grading services, packaging services, insurance, trade finance, warehouses etc.), enabling the farmers to add value to their produce and facilitate them with ease of agri-marketing.

Achievements (As on January 2021)

- More than 1.69 crore Farmers & 1.55 Lakh traders have registered on e-NAM platform.
- Total trade volume of 4.13 Crores MT of bulk commodities & 3.68 Crores of Coconut & Bamboo worth approximately Rs 1.22 Lakhs crore has been recorded on e-NAM platform.
- 1844 FPOs have been on board on e-NAM platform.

Video References:

- 1. E-NAM (National Agriculture Market)- https://youtu.be/Twl4--EiYSM
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3. <u>https://economictimes.indiatimes.com/news/economy/agriculture/centre-integrates-trading-system-with-agricultural-services-on-enam/articleshow/80688897.cms?from=mdr</u>

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3. https://twitter.com/DDNewslive/status/1220238985143808000?t=07RruHdSx-

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4. https://twitter.com/_DigitalIndia/status/1412781229557092363?s=19

5. <u>https://twitter.com/pspoffice/status/1292365409656610816?t=rTZyZuEc9yiafnJbchqGHg&s=19</u>

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