



(Research Unit) Ministry of Information and Broadcasting Government of India



National Agriculture Market (e-NAM): Ensuring nationwide market access to farmers

One Nation One Market for agricultural commodities

1000 mandis integrated; 1.76 crore farmers & traders registered till 19th July 2022; Rs. 1.9 lakh crore trade value recorded

(Ministry of Agriculture & Farmers Welfare)

July 20, 2022

"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 Modi

Agriculture is one of the most important employment-generating sectors in India. As per Census 2011, the total number of agricultural workers in the country is 26.31 crore (11.88 crore cultivators and 14.43 crore agricultural labourers).¹ Central Government has initiated a slew of measures to increase the income of farmers, especially small and marginal farmers. With the concerted efforts of the government, agricultural production has increased exponentially during the last few years. The government has also ensured record procurement coupled with the highest MSP rates. These measures have resulted in '*Annadata*' becoming '*Atmanirbhar*'. For ensuring nationwide market access and remunerative prices to farmers, e-NAM (National Agriculture Market) has been one of the measures facilitating the farmers to sell their produce without barriers and at the best prices.

Here is an example: Cotton farmers of Telangana are realizing prices never seen before on e-NAM in Khammam market, Telangana. In one of the stances, Mr. Telu Veraiah, from village 'Gigollapally', highest price winning cotton farmer (got Rs 11,125/per quintal dated March 24, 2022), was felicitated by Asst. Collector of Khammam district in presence of the Chairperson -APMC Khammam and Selection Grade Secretary-APMC Khammam. Mr. Telu



Veeraiah sold a total of 1.96 quintals of cotton worth Rs. 22000 on the day. He regularly trades via e-NAM as he has found the process to be very transparent and quick and crating competition among traders.

¹https://pib.gov.in/PressReleasePage.aspx?PRID=1601902

In another incident, cotton sold at the highest price of Rs 12,001/- per quintal on e-NAM at Khammam market on March 26, 2022. A farmer from Aswraopuram of Kottagudem district in Telangana got this price.²

Such scenarios are becoming common across the country as a result of e-NAM.

In the six years of the launch of the portal, e-NAM's achievements have been significant:

- **1000 mandis** from **18 states and 3 UTs** integrated. 1000 more mandis to be integrated soon.³
- As of July 19 2022, **1.76 crore farmers** and traders registered on e-NAM platform.⁴
- 5.7 crore MT & nearly 14 crore numbers of commodities worth Rs. 1.9 lakh crore transacted



e-NAM: Overview⁵

National Agriculture Market (eNAM) is a pan-India electronic trading portal that networks the

existing APMC mandis to create a unified national market for agricultural commodities.

e-NAM was launched by Prime Minister Narendra Modi on <u>April</u> <u>14, 2016</u>⁶. It is completely funded by the Central Government and is implemented by <u>Small Farmers</u> <u>Agribusiness Consortium (SFAC)</u>⁷, under the aegis of the 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 Online trading of agricultural commodities Transparent price discovery method Better remunerative prices for farmers produce

price discovery system and online payment facility.

²<u>https://enam.gov.in/web/blog</u>

³ Twitter

⁴ <u>https://enam.gov.in/web/dashboard/stakeholder-data</u>

⁵https://www.enam.gov.in/web/

⁶<u>https://pib.gov.in/newsite/PrintRelease.aspx?relid=138891</u>

⁷<u>http://sfacindia.com/</u>

Vision

To promote uniformity in agriculture marketing by streamlining procedures across the integrated markets, removing information asymmetry between buyers and sellers, and promoting real-time price discovery based on actual demand and supply.



Launching of new features of e-NAM platform⁸:

On October 06, 2016⁹, e-NAM Mobile App was also launched.

On April 02, 2020, Union Minister of Agriculture & Farmers Welfare, Narendra Singh Tomar launched new features of the National Agriculture Market (e-NAM) Platform to strengthen agriculture marketing by farmers which reduced their need to physically come to wholesale mandis for selling their harvested produce, at a time when there was critical need to decongest mandis to effectively fight against COVID-19.

Negotiable Warehouse Receipt (e-NWRs) module

FPO trading modules

Logistic module

• For details on new modules, <u>click here</u>

⁸https://dmi.gov.in/Documents/NewFeatureNAM.pdf⁹http://www.cicr.org.in/pdf/press/6-10-2016.pdf

Why e-NAM?¹⁰

In the era before trade liberalization, the focus of the Government was to achieve food security for the mounting population, but with the advent of the LPG (Liberalization, Privatization, and Globalization) phase in 1991 and WTO in 1995, emphasis started shifting to trade-related aspects of Indian agriculture. But the then present agricultural marketing system in India was confronted with various loopholes and defects. The farmers and traders were facing several traditional marketing problems like lack of adequate storage facilities, grading facilities, processing facilities, transportation facilities, marketing information network etc.

In the context of LPG phase, some more problems were added to these traditional problems viz., lack of quality consciousness on the part of the farmers and traders, cultivating crop varieties not suitable for processing and importers' requirements, stringent Sanitary and Phytosanitary standards, no cost-effectiveness production, higher transaction costs, changing customers priorities or preferences towards Ready To Eat (RTE) & Ready To Cook (RTC) foods.

In view of these changing circumstances, the Government of India took up the challenge of making the agricultural marketing system in India more vibrant and responsive enough to ensure remunerative prices to the farmers in a fair and transparent manner. This led to the launch of e-NAM on April 14, 2016 to ensure an online trading platform for agricultural commodities.

Even some attractive features like MIS dashboard, BHIM, and other mobile payments, enhanced features on the mobile app such as gate entry and payment through mobile phones and farmers database is helping its adoption even more.

Platform of Platforms (POP) under eNAM¹¹

On July 14, 2022, Union Minister of Agriculture and Farmers Welfare launched the Platform of Platforms (POP) under the National Agriculture Market (e-NAM).

With the introduction of POP, farmers will be facilitated to sell the produce outside their state borders. This will increase farmers' digital access to multiple markets, buyers and service providers and bring transparency in business transactions along with improving price search mechanism and quality commensurate price realization. 41 service providers from different platforms are covered under POP facilitating various value chain services like trading, quality checks, warehousing, fintech, market information, transportation etc. The POP will create a digital ecosystem, which will benefit from the expertise of different platforms in different segments of the agricultural value chain.

The inclusion of various service providers will not only add to the value of the e-NAM platform, but will also give the users of the platform options to avail services from different

¹⁰ <u>https://ccsniam.gov.in/images/pdfs/Evaluation.pdf</u>

¹¹ <u>https://pib.gov.in/PressReleseDetail.aspx?PRID=1841544</u>

service providers. It enables farmers, FPOs, traders and other stakeholders to access a wide variety of goods and services across the agricultural value chain through a single window, thereby giving more options to the stakeholders. Moreover, while selecting a good quality Goods/Service Provider, it will save the time and labour of the stakeholders. The POP can be accessed through e-NAM mobile app which can be downloaded from Google Play Store.

Salient features of e-NAM¹²

- Help to integrate markets, at the state level and at the national level, through a common online platform that would facilitate a pan-India trade in agricultural commodities.
- Help to streamline marketing and transaction procedures and establish uniformity across all markets within the country to promote the efficient functioning of these markets.
- Enhance better marketing avenues for both the seller (farmers) and the buyers (traders).
- Put in place quality testing facilities that would help in better-informed bidding by buyers.
- Promote stability in pricing and ensure the availability of quality products to the consumers.



- Ensure transparent sale of produce and price discovery of agricultural commodities.
- Harmonization of quality standards of agricultural produce and provision for assaying (quality testing) infrastructure in every market to enable informed bidding by buyers.
- Single point levy of market fees, i.e., on the first wholesale purchase from the farmer.
- Provision of Soil Testing Laboratories in/ or near the selected mandi to facilitate visiting farmers to access this facility in the mandi itself.



Stakeholders

¹² <u>https://ccsniam.gov.in/images/pdfs/Evaluation.pdf</u>

4 For details on components, pre-requisites, process flow, stakeholders, monitoring and implementation of e-NAM, <u>Click here</u>

Beneficiaries & Benefits of the Scheme

e-NAM is designed and implemented to benefit all the stakeholders - farmers, mandis, traders, buyers, processors, and exporters.

The benefits to stakeholders include:

- Transparent online trading with enhanced accessibility to more markets & buyers.
- 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.
- The details of the price of the commodity sold along with quantity are received through SMS.
- Quality certification.
- More efficient supply chain & warehousebased sales.
- Online payment directly to the bank accounts of the farmers.

Efforts taken by the Government to promote e-NAM¹³



- FPO trading module has been launched whereby FPOs can trade their produce from their collection center/ premise without bringing the produce to APMC.
- Warehouse-based trading module is provided in e-NAM to facilitate trade from warehouses based on e-NWR.
- Further the e-NAM platform is made interoperable with <u>Rashtriya e Market Services</u> <u>Private Limited (ReMS)</u> platform of the Government of Karnataka which will facilitate farmers of either platform to sell their produce on the other platform thereby increasing their market access.
- **GPS-based e-NAM Mandi Locator:** Farmers / Sellers can locate their nearby e-NAM mandi using GPS-based mandi locator feature through e-NAM mobile app. This will help the farmers to easily locate and reach the selected mandis and sell their agriproduce.
- Weather Forecasting Details for e-NAM mandis.

¹³https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1808318

• **Integration with AGMARKNET platform:** Farmer can access the prevailing commodity prices & arrival information of e-NAM mandi as well as non e-NAM mandi on e-NAM mobile app prior to even going to the mandi.

Support from the government under e-NAM scheme

The Central Government is providing free e-NAM software and financial grant assistance for related hardware including quality assaying equipment and for creation of infrastructure like cleaning, grading, sorting, packaging and compost unit etc.

- Government gives grant as a one-time fixed cost to the States / UTs up to Rs. 75.00 lakh per mandi, for purchase of hardware, internet connection, assaying equipment, and related infrastructure including cleaning, grading, and packaging facilities and Bio-compost unit, to make the mandi ready for integration with e-NAM platform.
- A trained staff (Mandi Analyst) is deputed at each mandi, for an initial period of one year to provide day-to-day hand holding support to stakeholders and train other mandi staff.
- Helpdesk support: A toll-free No. (1800-2700-224) and email support (<u>enam.helpdesk@gmail.com</u>) is available to enable stakeholders to raise their query. Online tutorials are available on <u>www.enam.gov.in</u>
- Regular training of stakeholders (Farmers, Traders, FPOs, Mandi staff, etc.) are conducted to create awareness and handholding regarding e-NAM portal.

References:

- <u>https://enam.gov.in/web/resources/FAQs-of-eNam</u>
- <u>https://pib.gov.in/newsite/PrintRelease.aspx?relid=138891</u>
- <u>http://sfacindia.com/</u>
- <u>https://pib.gov.in/newsite/PrintRelease.aspx?relid=138891</u>
- <u>http://www.cicr.org.in/pdf/press/6-10-2016.pdf</u>
- <u>https://ccsniam.gov.in/images/pdfs/Evaluation.pdf</u>
- <u>https://darpg.gov.in/sites/default/files/enam_0.pdf</u>
- <u>https://dmi.gov.in/Documents/NewFeatureNAM.pdf</u>
- <u>https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1808318</u>
- <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1695193</u>
- <u>https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1738234</u>
- <u>https://pib.gov.in/PressReleseDetail.aspx?PRID=1841544</u>

Further readings:

- <u>http://164.100.47.193/Refinput/New_Reference_Notes/English/National%20Agriculture%20Market%2</u> <u>0Initiatives%20and%20Challenges.pdf</u>
- <u>https://agricoop.nic.in/sites/default/files/Operational%20Guidelines%20of%20National%20Agriculture %20Market%20%28e-NAM%29%20Scheme_0.pdf</u>
- <u>https://agricoop.nic.in/sites/default/files/FINALSchemeGuidelinesAIF%20%282%29.pdf</u>

- <u>https://ccsniam.gov.in/images/pdfs/Evaluation.pdf</u>
- <u>https://www.manage.gov.in/</u>
- <u>https://archive.pib.gov.in/documents/rlink/2018/feb/p20182101.pdf</u>
- <u>https://dea.gov.in/sites/default/files/ReportCommodityDerivativeMarkets042018.pdf</u>
- <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1795508</u>

Video Links:

- DD Kisan: National Agriculture Market eNAM special
- DD News: e-NAM trading portal boon to farmers | Ground report from Ranchi
- DD News: Ground Report: e-NAM Scheme benefits farmers to sell crops
- PIB India: <u>eNAM-National Agriculture Market</u>

Twitter Links:

- Agriculture INDIA@AgriGoI: Celebrating 5th anniversary of e-NAM and "Bharat ka Amrut Mahatsav"
- MyGovIndia @mygovindia: Progress of Budget 2020-21 so far!

AG/HP/AKP/SK