

CENTRE TO SIMPLIFY COFFEE ACT AND PROMOTE EASE OF DOING BUSINESS - SHRI PIYUSH GOYAL

Relevant for: Economy | Topic: Issues relating to Growth & Development - Industry & Services Sector incl. MSMEs and PSUs

The Minister for Commerce & Industry held a detailed interaction with Coffee Growers, Roasters, Exporters and other stakeholders at Coffee Board Head Office, Bengaluru. The important outcomes of the meeting are as follows:

I. Simplification of Coffee Act:

The present Coffee Act was enacted in 1942 and it has many provisions which have become redundant and are impediments to the coffee trade. Therefore, it was decided in the meeting to completely relook at the provisions of the Act and to remove the provisions which are restrictive and regulatory in nature so as to bring-out a simple Act that suits to the present needs of the coffee sector and facilitates its growth.

II. SARFAESI Act:

The coffee growers expressed concerns of losing their lands in view of the notices issued by the banks under SARFAESI Act. After detailed interaction, the Hon'ble Minister assured the grower fraternity that the issue will be favourably discussed with other related Ministries and a suitable solution would be found at an early date.

III. Increased Assistance under Transport and Marketing Assistance Scheme (TMA):

Several exporters have raised concern that due to increase in international freight rates, the Indian agri-exports to several destinations have become un-competitive. If the Government do not hand hold the agri-exporters with increased assistance under Transport and Marketing Assistance Scheme (TMA), India may lose many markets for agri exports forever to other competing origins. Hon'ble Minister assured the exporters that a special package to assist agri-exports at least for one year will be considered under TMA Scheme to tide over the present crisis.

IV. Issue of Coffee

White Stem Borer: The Minister after understanding the seriousness of the damage caused by White Stem Borer pest in coffee, from the coffee growers and also considering the fact that the Research Wing under Coffee Board has limited resources, assured the growers that a request will be made to Agriculture Department and Indian Council of Agricultural Research (ICAR) to initiate advanced research on Coffee White Stem Borer.

V. Special package for restructuring of coffee loans and Interest subvention:

In the meeting, the Chairman Coffee Board requested the Minister to announce re-structuring of all existing loans into a single term loan with long repayment period and also extend fresh working capital with soft interest.

The Minister expressed his solidarity with the coffee growers in this period of distress and assured to work out a feasible package in discussion with the concerned Ministries.

VI. Strengthening the Extension activities of Coffee Board:

The Minister has directed Coffee Board to develop a Dashboard for real time updation of extension activities including field visits, workshops, demonstrations, seminars etc. to be undertaken by the extension personnel in the farmers' fields and to effectively monitor the same.

In the meeting, the Minister emphatically dispelled the apprehensions of the stakeholders and assured them that the Government of India do not have any intention to close the Coffee Board. However, in order to provide better services to the coffee growers especially small growers, it is proposed to shift the Coffee Board from the Ministry of Commerce to Ministry of Agriculture. This will ensure that the benefits of all the schemes of agriculture are extended to the coffee growers.

Overall, all the coffee stakeholders expressed their gratitude and appreciation to the Minister for Commerce & Industry for responding to their issues compassionately.

They also assured the Minister that they will all join hands together to scale up the production of coffee, exports and work towards increasing the returns to the coffee growers.

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