



MAKAAM

महिला किसान अधिकार मंच
MAHILA KISAN ADHIKAAR MANCH

30.09.2020

Not in the interest of women farmers!

MAKAAM opposes the farm acts

[Mahila Kisan Adhikaar Manch](#) (MAKAAM) opposes the unilateral and undemocratic passage of the 3 farm-related Bills in the Parliament by the BJP led government at the Center, which subsequently received presidential assent. Though these legislations were brought in in the name of farmers, there has been no evidence proffered about how this is so, and clearly, these are meant to facilitate the businesses of agri-corporations.

These Acts will adversely and disproportionately impact a majority of women farmers, who form the bulk of the small and marginal sections in the Indian agricultural sector as well as a majority of the women agricultural workers, who are dependent on the sector for their survival and livelihood. In a context where women farmers in India already face multiple pre-existing challenges in terms of lack of recognition as farmers, unequal rights over key resources such as land, water, forests, etc., gendered access to support systems and services related to agricultural credit, inputs, subsidies, budgets and marketing their produce, the 3 latest legislations will subject them to a new set of vulnerabilities and livelihood threats.

While women cultivators will be adversely affected more directly, impacts would also be seen on women agricultural workers, whose wages are expected to become unstable in the event of price volatility in the market. These 3 legislations will potentially have adverse impacts on natural resources, food security base and the rich biodiversity of forest regions.

The three Acts bypass and move away from the need for state intervention in the farm sector at a time when it needs it the most. The rising agrarian distress has long standing impacts on women farmers as they end up carrying the burden of working on degraded lands, walking long distances to fetch water and fuelwood, diversifying their livelihood portfolio just so that survival is ensured. The present Acts will do nothing to alleviate the distress or protect the women and marginalized farmers but rather have opened up more avenues to further aggravate it.

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As a network working to ensure recognition and voice to women farmers, MAKAAAM is concerned about the likely impacts the three Acts would collectively have on women farmers.

MAKAAAM is in broad agreement with the various arguments laid out against the Acts by [experts](#), [farmers' organisations](#) and several other civil society groups.

Farmers' Produce and Trade and Commerce (Promotion and Facilitation) Act, 2020:

This Act is primarily aimed at bypassing the state level APMC regime. Although not explicit, it holds the potential to do away with determining remunerative prices and guaranteeing those to the farmers by shunning a transparent price discovery mechanism with government oversight as of now. As the 70th round of NSSO report on the [Situation of Agricultural households in India](#) shows, only 10.5% agricultural households sold their food grains to any procurement agency at MSP. Data also points to only 36% of the produce being sold in regulated markets. Then there is no new 'freedom' that this Act offers to the farmers given that most farmers sell most produce outside the regulated regime. Further, most state APMCs already give that statutory freedom to farmers to sell wherever they like. In fact, by weakening the APMCs by placing them on an unequal footing compared to the new "trade areas" to be regulated by the Centre, it opens up the field for big players to exploit the small and marginal farmers without any regulation or oversight.

The Act is premised on the assumption that all farmers are equally mobile and have equal access to transportation facilities to become potentially mobile to sell or purchase their agricultural produce anywhere in the country. Women farmers, with their poor mobility and access to transport facilities, are especially on an unequal footing when it comes to traveling to another place to trade their produce or bargain around better prices. In fact, what women farmers need is proximal markets but with oversight to protect them from exploitation by buyers/traders.

Current situation: As the [recent study](#) in Maharashtra shows, women farmers mainly sell their produce through private traders, some of which finds its way into the APMCs but most of it is outside of the APMCs.

Private traders are usually from the neighbourhood, are known to them, extend credit and support for agricultural inputs in times of need. This is also one of the reasons why women farmers (like other marginalised farmers like tenant farmers, marginal holders etc.) sell their produce to these traders to whom they owe money. Besides, the produce from small unirrigated lands that women cultivate is very negligible in quantity and often wanting in the desired quality. Moreover, lack of storage facilities, transportation costs, need for cash for new investments, paying off old dues and meeting household expenses often mean that women farmers cannot stock and wait for better prices to sell their produce. They may also not be able to wait out the delayed payments compared to upfront cash payments. The male-dominated APMCs as they operate in the current form have never really benefitted the women farmers, especially single women who often have to deal with the marketing of their produce.

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If women are anyway out of the APMC net, why are we concerned?

Exploitative as the private traders may have been, they still provided the support that a woman farmer needed by way of seed, credit and purchase of her small quantities of produce and paid her upfront. The new Act defines a trade area outside of the mandi which is likely to bring in new and bigger private players who may not see profit in trading with smaller farmers and would finally move towards the aggregation of produce through a new set of intermediaries who will operate in a very different ecosystem than what the women farmers were familiar with or even have access to due to the pervasive gender discrimination and restrictions on their mobility.

Although many women farmers sell to private traders, the existence of an APMC ensured that prices remained somewhere close to MSPs and therefore narrowing the margins of exploitation. The role of the APMCs to signal prices has allowed for some bargaining power to negotiate prices and is thus important even if they sell outside of the APMCs.

Increasingly women are getting organized into Farmer Producer Organisations and struggling to market the produce through them. However, instead of supporting them through market and credit linkages, the present Act puts these upcoming institutions at par with existing traders and other big corporations, seeks to over-regulate what are essentially autonomous entities of farmers themselves and creates an unequal playing field.

Instead of bringing in reforms that regulate the traders outside of the APMCs and correct the anomalies in the APMC to make it more women farmer-friendly, the Act has proposed to bypass the APMC and usher in an era of fragmented and unregulated markets. For instance, Telangana uses women's self-help groups to strengthen farmgate procurement. Andhra Pradesh has direct marketing avenues for adivasi and other farmers in the form of Rythu Bazaars where infrastructure specially meant for women farmers has been set up. The Central Acts are not in this direction, however. Withdrawal of the government with direct interventions in the market as well as regulatory oversight effectively means that the small and marginal farmers would be left at the mercy of the big sharks in agribusiness.

Instead of investing in appropriate infrastructure to address the distress of the women and marginalized farmers, it is completely non-committal, moving away from the real issues of these farmers.

These Acts and MSP/Procurement regimes: While the Acts do not mention MSP, there is a clear connection that protesting farmers see here. For one thing, they want to know why MSP to farmers cannot be embedded within these Acts if the government is so confident that these statutes will result in remunerative prices for farmers. Farmers are asking for all trade transactions with them to have MSP as a statutorily guaranteed floor price.

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Much as it requires reforms, the Minimum Support Price (MSP) scheme is an important policy of the Union Government to determine the floor price of major agricultural commodities every year for protecting the farmers from the middlemen and fluctuating market conditions as it puts out a price signal to all market channels. At present, MSP is not a legal entitlement for farmers and is also not remunerative. Its expansion to more than 24 crops, however, had hoped to make it more inclusive for small and marginal farmers among whom are women. However, [NITI Aayog's study \(2016\)](#) points to various barriers in reaching out to small and marginal farmers growing crops like jowar, bajra, moong for example. Despite the expansion of the basket, paddy and wheat continue to be the major crops procured pointing to either weak procurement infrastructure or failure in promoting diversification of crops.

The study shows that MSPs failed to meet the costs of cultivation that have increased over time, including the costs of investments in groundwater. Lack of information about MSPs, centralized procurement agencies, high costs incurred in transporting the produce to procurement agencies that are located further from the farms, delay in payments, corruption in weights, insistence on production of land records are some of the barriers for a large number of farmers. Large farmers have benefitted from both the MSPs and the open markets.

The NITI Aayog study completely missed out on women farmers and their concerns related to the marketing of produce. In fact, if the findings of the study are taken on board it would amount to revising the MSP as per the Swaminathan report and guaranteeing remuneration as a legal entitlement.

The demand from women has consistently been to add pulses and oil at the minimum along with the food grains in the PDS. Instead, we believe that this Act provides a legislative framework to further the unstated and unfinished agenda of the dismantling of the FCI and thereby of PDS and MSP as proposed by the [Shanta Kumar Committee in 2015](#). This Committee had recommended that the coverage under NFSA 2013 be curtailed; PDS be replaced by cash transfers which in turn meant that the government would no longer have to procure from the farmers.

MAKAAM believes that MSP and procurement regime can be strengthened, expanded and recast in a decentralised manner with farmgate procurement that focuses on food grains other than rice and wheat too, to have universal PDS that ensures food as well as nutrition security, thereby supporting neglected farmers, neglected grains and neglected areas, even as environmental sustainability that has gone wrong with the earlier procurement regime is addressed squarely.

The Essential Commodities (Amendment) Act, 2020: Food security at stake:

The PDS has been a lifeline for food access for all citizens during the pandemic, with even the government using it for distribution of relief food rations under the PMGKY.

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The proposal to remove cereals, pulses, potatoes from the list of essential commodities is bound to impact food security goals. It is also an invitation to attract big corporates FDI into grain trade at a time when rest of the industry is in the doldrums and 90 metric tonnes is lying in the godowns and more to come by way of Kharif procurement. The haste in bringing in the act is quite evident.

The current PDS system supports poor families with only one cereal grain on a monthly basis and this is inadequate to meet all food and nutrition needs of a family. Further, many households are out of the PDS net given the targeted approach rather than universalised approach adopted in this food security scheme.

The changes in the ECA which now more or less de-regulates fully the food supply systems in India, except for potentially ineffective regulation during 'extra-ordinary circumstances' would have serious implications on the food availability of the most vulnerable populations when such food is (invisibly) hoarded and becomes unaffordable. When 38% of our children under the age of 5 years are stunted, 50% of pregnant women (15-49 years) are anaemic, the government should expand its PDS to address hunger and malnutrition. The pandemic more than ever has reiterated the need for strengthening public systems and has demonstrated how despite some weaknesses, the PDS and MNREGA have been the saviours for the poor.

Under the Essential Commodities Act, with the cap on storage and pricing being taken away (except under extraordinary situations), women as farmers, agricultural workers, consumers as well as beneficiaries of the PDS will be adversely affected in future.

Farmers (Empowerment & Protection) Agreement of Price Assurance and Farm Services Act, 2020 aka Contract Farming Act 2020

The Farmers Empowerment, Protection, Agreement on Price Assurance and Farm Services Act 2020 seeks to legalize contract farming across the country while claiming to enable farmers to get into other agreements related to seeds, other inputs and prior agreed price etc.

Read from the perspective of a majority of women farmers, who are dependent on small and marginal holdings, either as direct cultivators or tenants, these provisions are neither empowering nor provide any protection in reality! Firstly, given the poor literacy levels amongst women in general in the country and specifically amongst women engaged in the farm sector, they are barely in a position as empowered agents who can either understand or negotiate (written) agreements with traders and corporate entities who are seeking to enter into agreements with the farmers to purchase their produce or for other services. Further, given the fact that women farmers and workers are placed at a particular disadvantage along with their class, caste and gendered positions in the rural agrarian structure means that they will clearly be in a weak bargaining position while entering into any contracts that are in turn determined by networks of knowledge, power and prior market intelligence.

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Secondly, the conciliation or dispute arbitration framework that is provided in the above Act is clearly weighed against small and marginal farmers in general and women farmers in particular. The new Act seeks to transfer powers equivalent to the civil court to the SDM and the Collector in the event of any non-compliance or dispute related to the written agreements.

In addition to the above challenges, women farmers in general and especially those who are single will barely be in a position to afford the time and financial resources to get their problems redressed under the new framework. The new dispute redressal framework visualized under the Act, with no appellate authority is barely gender-sensitive and in fact, effectively forecloses any option available to small and marginal farmers and especially women to get their problems addressed in a favourable manner.

Despite assurance from the Central Government that Minimum Support Price for farm produce will continue, this is not written into this Act either anywhere.

There is no dearth of [examples](#) of how contract farming has in fact failed the farmers on many an occasion. These experiences across the various states which have experimented with these models do not seem to deter the government from introducing such an Act. Large corporations that enter into contracts with farmers also tend to dictate the choice of crops, and practices of cultivation that are often in favour of large industries bypassing agro-climatic concerns. The chemical paradigm with large corporations taking control over the sector has also been the major reason for increasing numbers of farm suicides which have rendered women as widows and powerless wage labourers.

While our Hon. Prime Minister talks of a shift to chemical-free agriculture, contract farming, as experience shows, is likely to promote intensive use of chemicals and GM varieties, and mono-cropping to achieve the desired results for the companies.

Reallocation of water towards such kind of farming would have detrimental impacts on the work burdens of women farmers both because it would impact the availability of water for domestic uses, but also because it would impact the availability of protective irrigation for food crops. Agrarian distress caused due to such an agricultural paradigm is known to increase farm suicides, the burden of which again falls on women farmers of the household.

MAKAAM, therefore, makes the following demands

In the medium to long term, protecting farmers' rights is not only about assuring markets and remunerative prices but also about ensuring the necessary supports to improve yields without harming nature, promote bio-diverse models based on agro-ecological principles in agriculture that ensure diversification of crops, provide for protective irrigation for promoting bio-diverse models, and provide support for other agricultural inputs and practices. -In brief, reforms in agriculture need large scale investments in protecting farmers and not just agri-businesses. Small and marginal farmers among whom are a significant number of women form the backbone of this sector and need to be protected through robust investments towards enhancing their capacities and knowledge.

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In the immediate term, MAKAAAM appeals that

President withdraws his approval to the Acts or the Government of India itself repeals the Acts.

Government must direct its attention to supporting the small and marginal farmers who are in distress due to the pandemic by a) providing cash transfers and loan deferments and b) supplement those with expanding the MNREGA, providing seed and market support.

The Government should guarantee at least the MSP in all market transactions involving farmers, whatever the marketing channel might be. This should be a legal entitlement for all farmers.

Government must bring in reforms in the APMCs that would ensure easy access to women farmers who trade at the local level. This could be on the lines of the initiatives taken by the government of Andhra Pradesh and Telangana to hand over procurement to women's SHGs at the village level and also support direct marketing initiatives.

The government ensures (a) incentivising decentralised procurement including procurement of coarse grains; (b) geographical diversification of procurement operations; (c) augmentation of adequate decentralised modern and scientific storage; (d) giving top priority to the movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.

The government rolls out a time-bound plan to ensure at least the mandated 30% representation of women farmers in the local market committees. **For this MAKAAAM calls for a large scale study on systemic obstacles in women farmers' safe access to markets.**

Create an enabling environment that promotes women's FPOs by giving them higher equity grant and working capital at low interests; encourages it in procurement at the local level. This could be done by introducing a reasonable target of all women FPOs in the recently introduced operational guidelines of FPOs (July 2020). The government should also remove FPOs from the purview of the Acts brought in.

Bring in a separate law that guarantees remunerative prices for farmers for diverse crops and ensure all payments are made jointly to farmer households, against the current practice of only remunerating the landowner.

Universalize and expand PDS to include millets, pulses and oil that could be procured through decentralized procurement systems by guaranteeing remunerative prices. It would address the concerns of the procurement of farm produce as well as fulfill the goal of eliminating hunger. Women farmers often produce a diverse set of crops such as moong, urad, ragi and other millets which can find guaranteed markets if the PDS, MDMS and ICDS programmes are revised to include these foods.

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