

Ministry of Food Processing Industries'

**National Mission on Food
Processing (NMFP)**

Background

- Food processing sector critical for achieving growth in the agricultural sector which in turn a pre-requisite for healthy growth of Indian economy
- Growth of sector essential to meet the twin national objectives of “inclusive growth” and “food security”.
- The 11th Plan- significant progress of the sector in terms of both approach and scale of the Government programmes, with stress on appropriate backward linkages and emphasis on synergy between production and processing.

Approach to the 12th Plan

- Takes into consideration learning and experiences during implementation of the 11th Plan programmes.
- Emphasis on infrastructure development continues
- The driving principles would be inclusiveness of growth, food security, innovation, food safety and quality, enterprise promotion and skill development.
- Focus on decentralization- aimed at making food processing a truly national initiative and ensure maximum participation from State Governments.

Need for Decentralization

- Effective decentralization the Central theme of 12th Plan approach including that of the National Mission on Food Processing (NMFP). This would help to-
- Create better awareness for need and significance of food processing sector in rural areas.
- Facilitate necessary linkages between initiatives in agricultural sector and promotion of food processing units.
- Ensure greater participation of state governments and district administrations in various programmes.

The National Mission on Food Processing

- The Ministry of Food Processing Industries decided to launch a new centrally sponsored scheme titled “National Mission on Food Processing” (NMFP) w.e.f. 1st April, 2012 in cooperation with State Governments during 12th Five Year Plan.
- This is aimed at ensuring better outreach of various schemes / programmes of the Ministry and provide more flexibility to suit local needs.

Objectives of NMFP

- To spread the message of significance of food processing for enhancing agricultural productivity and farmers income in the Country
- To assist the State Governments in creating requisite synergy between their agricultural plans and development of food processing sector
- To assist the State Governments in addressing both institutional and infrastructural gaps along the Value Chains and thus create efficient Supply Chains for agricultural produces

Objectives of NMFP.. Contd.

- To promote initiatives for skill development, training and entrepreneurship which would meet needs of both post-harvest management and food processing industry
- To assist MSMEs in setting up/modernization of food processing units by providing need based support in terms of capital/technology/skill etc
- To assist food processing industry to meet requisite standards in terms of food safety laws and market demand, both domestic and international

Structure of the Mission

➤ **National Level-**

- Mission Directorate in the Ministry of Food Processing Industries with a Governing Council and an Executive Committee.
 - The Council, constituted under the Chairmanship of the Minister of Food Processing Industries, would be responsible for laying down priorities of the Mission and making its operational guidelines.
 - The Committee, constituted under the Chairmanship of the Secretary of Food Processing Industries, would ensure smooth functional linkages among various levels and would be the link between Ministry and various State Governments.
 - The Mission Directorate, with a Joint Secretary as Mission Director, would be provided with adequate resources, including manpower, to carry out its responsibilities.

Structure of the Mission.. Contd.

➤ State Level-

- At the State level, too, a similar structure would be provided. Thus, there would be a State Food Processing Mission, which may be guided by a General Body headed by Chief Minister/concerned Minister and comprise of Ministers from relevant Departments/Institutions, Industry Associations, Experts etc.
- An Executive Committee under Chief Secretary/Development Commissioner/Principal Secretary/Agriculture Production Commissioner/Secretary (Industries) may be set up which would be responsible for implementing the Schemes/programmes of the Mission.
- A senior officer, at level of Director, may be designated as the Mission Director at State level who would be overall responsible for all activities under the Mission.

Structure of the Mission.. Contd.

➤ **District Level-**

- District Industries Centres may be nodal body for planning, implementation and monitoring of various programmes of Mission
- In case of the States, with food processing under independent department/directorate, a nodal office may be set up at major food processing clusters to undertake this responsibility.
- In case of food processing being attached with Department of Agriculture, a suitable agency may be identified at the District level.

Schemes covered under the Mission

- Scheme for technology up-gradation, setting up/modernization/expansion of food processing industries
- Scheme for supporting cold chain facilities for non-horticultural products and reefer vehicles
- Scheme for Human Resource Development
- Scheme for Promotional Activities

Scheme for Technology Up-gradation/ Establishment/Modernisation of Food Processing Industries

The Scheme will provide 25% of the cost of plant & machinery and technical civil works subject to a maximum of Rs.50 lakh in general areas and 33% up to Rs.75 lakh in difficult areas (Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim, North Eastern States, Andaman & Nicobar Islands, Lakshadweep and Integrated Tribal Development Project (ITDP) areas)

Scheme for Cold Chain, Value Addition and Preservation Infrastructure

■ **Objective :**

- To provide integrated and complete cold chain and preservation infrastructure facilities without any break, from the farm gate to the Consumer
- To enable linking groups of producers to the processors and market through well equipped supply chain
- To establish value addition with infrastructural facilities like sorting, grading, packaging and processing for horticulture including organic produce, marine, dairy, poultry, etc.

■ **Pattern of Assistance :**

- Provides grant-in-aid @ 50% of the total cost of P&M and technical civil works in general areas and 75% for NE Region and difficult areas subject to a maximum of Rs.10.00 crore

Scheme for Cold Chain, Value Addition and Preservation Infrastructure

■ Eligible Project Components:

- Minimal Processing Centre at the farm level with facilities such as weighing, sorting, grading waxing, packing, pre-cooling, Controlled Atmosphere (CA) / Modified Atmosphere (MA) cold storage, normal storage and IQF.
- Mobile pre-cooling vans and reefer trucks.
- Distribution hubs with multi product and multi CA /MA chambers, cold storage /Variable Humidity Chambers, Packing facility, CIP Fog treatment, IQF and blast freezing.

To avail financial assistance, any two of the above components, to be part of project

- Irradiation facility.

Irradiation facility though treated as a stand alone project for purpose of availing grant.

Schedule of Release of Grants

Assistance is payable in three installments as:

- 1st installment of 25% of the total grant
 - To be released after proportionate expenditure of 25% of the promoters contribution and 25% of the term loan
- 2nd installment of 50% of the total grant
 - To be released after utilization of first installment of grant and proportionate expenditure of 75% of the promoters contribution and 75 % of the term loan
- 3rd and final installment of remaining 25% of the grant
 - To be released after utilization of the second installment and proportionate expenditure 100% of promoters' contribution and 100%

Present Status

- Ministry has suggested some changes in the Scheme during the 12th Five Year Plan which is under consideration
- The suggestive framework for the Scheme for Cold Chain, Value Addition and Preservation Infrastructure:
<http://mofpi.nic.in/images/file/Sugg.Framework1405-ColdChain220512.pdf>

Scheme for Human Resource Development

- There are four components in the HRD Schemes, which are as follows:
 - Creation of infrastructure facilities for running Degree/ Diploma courses in Food Processing Technology.
 - Entrepreneurship Development Programme (EDP).
 - Food Processing Training Centre (FPTC).
 - Training at Recognised National/State level Institutes etc sponsored by MFPI/ other training programmes.

Scheme for Promotional Activities

- Feasibility Study/Surveys
- Seminars/Workshops
- Advertisement/Publicity
- Participation in Fairs/Exhibitions

Funding Pattern for NMFP

- All these Schemes would be implemented as centrally sponsored Schemes or through Additional Central Assistance route by giving the responsibility of implementation to the State Governments.
- NMFP will also take into account need for specific initiatives of State Governments. In case of State plan to take up other additional activities, same may also form a part of admissible components of NMFP, subject to prior approval of MFPI.
- NMFP will have window for facilitating dovetailing of resources for achieving optimum output.

Please visit- ***<http://mofpi.nic.in>***

Thank You