



Convergence Portal of the MoFPI

For Prelims: Agriculture Infrastructure Fund, Pradhan Mantri Kisan Sampada Yojana, APEDA, Food Processing Sector.

For Mains: Significance of Convergence Portal of the MoFPI, Pradhan Mantri Micro Food Industry Upgradation Scheme and its Need.

Why in News?

Recently, the **Ministry of Food Processing Industries (MoFPI)** has launched the **Convergence Portal** between the [Agriculture Infrastructure Fund \(AIF\)](#) scheme, [Pradhan Mantri Micro Food Enterprises Upgradation Scheme \(PMFME\)](#) and [Pradhan Mantri Kisan Sampada Yojana \(PMKSY\)](#).

- A **Standard Operating Procedure (SOP)** was also issued with the objective of providing maximum benefits to the beneficiaries under AIF, PMFME and PMKSY.

What is the Convergence Module?

- The Ministry of Food Processing Industries (MoFPI) along with Ministry of Agriculture and Farmers Welfare, jointly launched a Convergence Portal to **better reap the benefits of the Agriculture and Food Processing Sector**.
- It is launched on the idea that all Ministries and Departments of the Government should work **together in cohesion** to serve the people of the country to the best of their abilities.
- The portal will prove to be very important for the **Food Processing Enterprises of the country**, benefiting different sections of the country, including farmers and small-scale entrepreneurs of the processing industry.
- It is a stepping stone to achieve the Prime Minister's dream of an [Aatma Nirbhar Bharat](#) and will also boost the concept of '**Vocal For Local**'.

What is Pradhan Mantri Micro Food Industry Upgradation Scheme?

- **About:**
 - It was launched by the Ministry of Food Processing Industries in June, 2020 under the **Atma Nirbhar Bharat Campaign** to enhance the **competitiveness of individual micro enterprises**.
 - It provides financial, technical and commercial assistance for **the upgradation of micro food processing enterprises** in the country.
 - The scheme adopts the [One District One Product \(ODOP\)](#) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products.
 - It will be implemented over a period of five **years from 2020-21 to 2024-25**.
- **Funding:**
 - It is a [centrally sponsored scheme](#) with an outlay of Rs. 10,000 crore.

- The expenditure under the scheme would be shared in **60:40 ratio between Central and State Governments**, in 90:10 ratio with North Eastern and Himalayan States, 60:40 ratio with UTs with legislature and 100% by Centre for other UTs.
- **Need:**
 - The unorganized food processing sector comprising nearly 25 lakh units contributes to 74% of employment in the [food processing sector](#).
 - Nearly 66% of these units are located in rural areas and about **80% of them are family-based enterprises supporting livelihood of rural households** and minimising their migration to urban areas.
 - These units largely fall within the category of micro enterprises.
 - The unorganised food processing sector **faces a number of challenges** such as lack of access to modern technology & equipment, training, access institutional credit, lack of branding & marketing skills etc. which limit their performance and their growth.
- **Achievements:**
 - So far about 62,000 beneficiaries engaged in food processing activities **have benefitted from this scheme**. Around 7,300 loans **have been sanctioned** under the scheme for setting up new micro food enterprises or for upgrading existing units.
 - The pace of loan approvals is expected to increase by 50% in the third quarter of 2022-23.

What is AIF?

- Agriculture Infra Fund (AIF) is a financing facility launched in July 2020 for creation of **post-harvest management infrastructure** and community farm assets, with benefits including **3% interest subvention and credit guarantee support**.
- Under this, Rs 1 lakh crore from 2020-21 to 2025-26 provision of funds has been made and interest subvention and credit guarantee assistance will be given till the year 2032-33.
- AIF scheme has the **facility of convergence with any other scheme of State or Central Government**, therefore in order to optimize the benefits of multiple government schemes for a particular project, these are being integrated with multiple external systems/portals.

What is Pradhan Mantri Krishi Sampada Yojna?

- Pradhan Mantri Kisan Sampada Yojana, a **Central Sector Scheme** of the Ministry of Food Processing Industries, is envisaged as a **comprehensive package, which will result in creation of modern infrastructure** with efficient **supply chain management** from farm gate to retail outlet.
- Seven component schemes under PMKSY:
 - Mega Food Parks.
 - Integrated Cold Chain and Value Addition Infrastructure.
 - Infrastructure for Agro-Processing Clusters.
 - Creation of Backward and Forward Linkages.
 - Creation/Expansion of Food Processing & Preservation Capacities.
 - Food Safety and Quality Assurance Infrastructure.
 - Human Resources and Institutions.

What are Other Related Initiatives?

- [Agricultural and Processed Food Products Export Development Authority \(APEDA\)](#).
- [Minimum Support Prices \(MSP\)](#).
- [Commission for Agricultural Costs and Prices \(CACP\)](#).
- [National Skill Development Corporation \(NSDC\)](#).
- [Codex Alimentarius Commission](#)
- [Draft Food Safety And Standards \(Labelling And Display\) Regulation](#).

UPSC Civil Services Examination Previous Year Question (PYQ)

Prelims

Q. With what purpose is the Government of India promoting the concept of “Mega Food Parks”? (2011)

1. To provide good infrastructure facilities for the food processing industry.
2. To increase the processing of perishable items and reduce wastage.
3. To provide emerging and ecofriendly food processing technologies to entrepreneurs.

Select the correct answer using the codes given below:

- (a) 1 only
(b) 1 and 2 only
(c) 2 and 3 only
(d) 1, 2 and 3

Ans: (b)

Exp:

- The Scheme of “Mega Food Park” aims at providing a mechanism to link agricultural production to the market by bringing together farmers, processors and retailers, so as to ensure maximizing value addition, minimizing wastage, increasing farmers’ income and creating employment opportunities, particularly in the rural sector. Hence, 2 is correct.
- It envisages creation of state-of-the-art support infrastructure in a well-defined agri/horticultural zone for setting up of modern food processing units in the industrial plots provided in the park with well-established supply chain. Hence, 1 is correct.
- It focuses on the creation of specialized storage facilities including controlled atmosphere chambers, pressure ventilators, variable humidity stores, precooling chambers, ripening chambers, cold chain infrastructure, including reefer vans, packaging unit, irradiation facilities, steam sterilization units, steam generating units, food incubation cum development centres, etc.
- “Mega Food Park” scheme has no provision for providing eco-friendly food processing technologies to entrepreneurs. **Hence, 3 is not correct.**
- **Therefore, option (b) is the correct answer.**

Mains

Q. Discuss the factors for localisation of agro-based food processing industries of North-West India. (2019)

Q. What are the challenges and opportunities of the food processing sector in the country? How can the income of the farmers be substantially increased by encouraging food processing? (2020)

Q. Elaborate the policy taken by the Government of India to meet the challenges of the food processing sector. (2019)

Q. Elaborate the scope and significance of the food processing industry in India. (2022)

Source: PIB

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