Decisions taken by the Union Cabinet

- **Cabinet approves Revamping of "Pradhan Mantri Fasal Bima Yojana (PMFBY)" and "Restructured Weather Based Crop Insurance Scheme (RWBCIS)" to address the existing challenges in implementation of Crop Insurance Schemes**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved revamping of "Pradhan Mantri Fasal Bima Yojana (PMFBY)" and "Restructured Weather Based Crop Insurance Scheme (RWBCIS)" to address the existing challenges in implementation of Crop Insurance Schemes.

It is proposed to modify certain parameters/provisions of ongoing schemes of PMFBY and RWBCIS as under:

a. Allocation of business to Insurance Companies to be done for three years (Both PMFBY/RWBCIS).
b. Option shall be given to States/UTs to choose Scale of Finance or district level Value of Notional Average Yield (NAY) i.e. NAY* Minimum Support Price (MSP) as Sum Insured for any district crop combination (Both PMFBY/RWBCIS). Farm gate price will be considered for the other crops for which MSP is not declared.
c. Central Subsidy under PMFBY/RWBCIS to be limited for premium rates upto 30% for unirrigated areas/crops and 25% for irrigated areas/crops. Districts having 50% or more irrigated area will be considered as irrigated area/district (Both PMFBY/RWBCIS).
d. Flexibility to States/UTs to implement the Scheme with option to select any or many of additional risk covers/features like prevented sowing, localised calamity, mid-season adversity, and post-harvest losses. Further, States/UT can offer specific single peril risk/insurance covers, like hailstorm etc, under PMFBY even with or without opting for base cover (Both PMFBY/RWBCIS).
e. States not to be allowed to implement the Scheme in subsequent Seasons in case of considerable delay by States in release of requisite Premium Subsidy to concerned

Insurance Companies beyond a prescribed time limit. Cut-off dates for invoking this provision for Kharif and Rabi seasons will be 31st March and 30th September of successive years respectively (Both PMFBY/RWBCIS).

f. For estimation of crop losses/admissible claims, two-Step Process to be adopted based on defined Deviation matrix" using specific triggers like weather indicators, satellite indicators, etc. for each area along with normal ranges and deviation ranges. Only areas with deviations will be subject to Crop Cutting Experiments (CCEs) for assessment of yield loss (PMFBY).
g. Technology solutions like Smart Sampling Technique (SST) and optimization of number of CCEs to be adopted in conducting CCEs (PMFBY).
h. In case of non-provision of yield data beyond cut-off date by the States to implementing Insurance Companies, claims to be settled based on yield arrived through use of Technology solution (PMFBY alone).
i. Enrolment under the Scheme to be made voluntary for all farmers (Both PMFBY/RWBCIS).
j. Central Share in Premium Subsidy to be increased to 90% for North Eastern States from the existing sharing pattern of 50:50 (Both PMFBY/RWBCIS).
k. Provisioning of at least 3% of the total allocation for the Scheme to be made by Government of India and Implementing State Governments for administrative expenses. This shall be subject to an upper cap fixed by DAC&FW for each State (Both PMFBY/RWBCIS).
l. Besides above, Department of Agriculture, Cooperation and Farmers Welfare in consultation with other stakeholders/agencies will prepare/develop State specific, alternative risk mitigation programme for crops/areas having high rate of premium. Further, as the scheme is being made voluntary for all farmers, therefore, to provide financial support and effective risk mitigation tools through crop insurance especially to 151 districts which are highly water stressed including 29 which are doubly stressed because of low income of farmers and drought, a separate, scheme in this regard would also be prepared.
m. The concerned provisions/parameters of scheme and operational guidelines of the PMFBY and RWBCIS shall be modified to incorporate the above said modifications and shall be made operational from Kharif 2020 season.

Benefits: With these changes it is expected that farmers would be able to manage risk in agriculture production in a better way and will succeed in Stabilizing the farm income. Further, it will increase coverage in north eastern region enabling farmers of NER to manage their agricultural risk in a better way. These changes will also enable quick and accurate yield estimation leading to faster claims settlement.

These changes are proposed to be implemented from Kharif' 2020 Season throughout the Country.

- **Cabinet approves Swachh Bharat Mission (Grameen) Phase-II**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the Phase II of the Swachh Bharat Mission (Grameen) [SBM(G)] till 2024-25, which will focus on Open Defecation Free Plus (ODF Plus), which includes ODF sustainability and Solid and Liquid Waste Management (SLWM).

The program will also work towards ensuring that no one is left behind and everyone uses a toilet. SBM(G) Phase-II will also be implemented in a mission mode with a total estimated budgeted financial implication of Rs.52,497 crore for the period from 2020-21 to 2024-25 including the Central and State shares. In addition to this, the 15th Finance Commission has proposed earmarking Rs.30,375 crores for rural water supply and sanitation to be implemented by rural local bodies for the upcoming financial year. The ODF Plus programme will also converge with MGNREGA, specially for grey water management and will also complement the newly launched Jal Jeevan Mission.

Under the program, provision for incentive of Rs.12,000/- for construction of Individual Household Toilet (IHHL) to the newly emerging eligible households as per the existing norms will continue. Funding norms for Solid and Liquid Waste Management (SLWM) have been rationalized and changed to per capita basis in place of no. of households. Additionally, financial assistance to the Gram Panchayats (GPs) for construction of Community Managed Sanitary Complex (CMSC) at village level has been increased from Rs.2 lakh to Rs.3 lakh per CMSC.

The programme will be implemented by the States/UTs as per the operational guidelines which will be issued to the States shortly. The fund sharing pattern between Centre and States will be 90:10 for North-Eastern States and Himalayan States and UT of J&K; 60:40 for other States; and 100:0 for other Union Territories, for all the components.

The SLWM component of ODF Plus will be monitored on the basis of output-outcome indicators for four key areas: plastic waste management, bio-degradable solid waste management (including animal waste management), greywater management and fecal sludge management.

The SBM-G Phase II will continue to generate employment and provide impetus to the rural economy through construction of household toilets and community toilets, as well as infrastructure for SLWM such as compost pits, soak pits, waste stabilisation ponds, material recovery facilities etc.

The rural sanitation coverage in the country at the time of launch of SBM(G) on 02.10.2014 was reported as 38.7%. More than 10 crore individual toilets have been constructed since the launch of the mission; as a result, rural areas in all the States have declared themselves ODF as on 2nd October, 2019. The Department of Drinking Water and Sanitation (DDWS) has, however, advised all the States to reconfirm that there are no rural households that still don't have access to a toilet, and provide the necessary support to any such identified households to build individual household toilets in order to ensure that no one is left behind under the programme.

- **CCEA approves upward revision of interest subvention from "upto 2%" to "upto 2.5% p.a." under the scheme Dairy processing and Infrastructure Development Fund (DIDF)**

The Cabinet Committee on Economic Affairs, chaired by the Hon'ble Prime Minister Shri Narendra Modi, has given its approval for upward revision of interest subvention from "upto 2%" to "upto 2.5% p.a." under the scheme Dairy processing and Infrastructure Development Fund (DIDF)with the revised outlay of Rs 11184 Cr. The scheme envisages to have interest subvention component of Rs 1167 crore to be contributed by DAHD during the period of 2018-19 to 2030-31 with spill over to first quarter of the FY 2031-32. The scheme also has a loan component of Rs. 8004 crore to be contributed by NABARD. Rs. 2001 crore shall be contributed by Eligible End Borrowers and Rs. 12 crore would be jointly contributed by National Dairy Development Board (NDDB)/National Cooperative Development Corporation (NCDC).

Impact:-

- 95 Lakh milk producers will be benefited by covering 50,000 villages.
- Establishment of 28000 Bulk Milk Coolers with 140 Lakh Litres per Day as additional milk chilling capacity.
- Creation of additional 210 Metric Ton per Day Milk Drying capacity.
- Modernization, expansion and creation of Milk Processing capacity of 126 Lakh Litres per Day.
- Creation of Infrastructure of 59.8 Lakh Litres per Day capacity for Value-Added Dairy

products to ensure remunerative prices to milk producers.

- Providing 28000 Milk Testing Equipment to check adulteration in milk.

Implementation Strategy and targets: NABARD raises funds from the market, which it lends to NDDB/NCDC @ 6.0% and NDDB/NCDC, in turn, lends it to the Eligible End Borrowers at appropriate interest rate. DAHD provides interest subvention equal to the difference or upto 2.5% between the cost of raising capital by NABARD and the interest rate at which NABARD lends to NDDB/NCDC. In case there is any further increase in the cost of funds, it shall be borne by the end borrowers themselves.

Targets:

Physical Parameter	Target
Bulk Milk Cooler (LLPD)	140
Drying Capacity (MTPD)	210
Modernization, expansion and creation of Milk Processing capacity (LLPD)	126
Creation of Infrastructure capacity for Value-Added Dairy products (LLPD)	59.8

Major activities covered under DIDF are:

1. Modernizations creation of new milk processing facilities and manufacturing facilities for Value Added Products
2. Chilling Infrastructure
3. Electronic Adulteration testing kit
4. Project Management & Learning

- **<u>CCEA approves scheme for "Formation and Promotion of Farmer Producer Organizations (FPOs) " to form and promote 10,000 new FPOs</u>**

The Cabinet Committee on Economic Affairs, chaired by the Hon'ble Prime Minister Shri Narendra Modi, has given its approval for 10,000 FPOs to be formed in five years period from

2019-20 to 2023-24 to ensure economies of scale for farmers. Support to each FPO be continued for 5 years from its year of inception.

Benefits: Small and marginal farmers do not have economic strength to apply production technology, services and marketing including value addition. Through formation of FPOs, farmers will have better collective strength for better access to quality input, technology, credit and better marketing access through economies of scale for better realization of income.

Brief of the Scheme:

- A new Central Sector Scheme titled "Formation and Promotion of Farmer Produce Organizations (FPOs)" to form and promote 10,000 new FPOs with a total budgetary provision of Rs. 4496 crore for five years (2019-20 to 2023-24) with a further committed liability of Rs. 2369 crore for period from 2024-25 to 2027-28 towards handholding of each FPO for five years from its aggregation and formation.
- Initially there will be three implementing Agencies to form and promote FPOs, namely Small Farmers Agri-business Consortium (SFAC), National Cooperative Development Corporation (NCDC) and National Bank for Agriculture and Rural Development (NABARD). States may also, if so desire, nominate their Implementing Agency in consultation with DAC&FW.
- DAC&FW will allocate Cluster/States to Implementing Agencies which in turn will form the Cluster Based Business Organization in the States.
- FPOs will be formed and promoted through Cluster Based Business Organizations (CBBOs) engaged at the State/Cluster level by implementing agencies. The CBBOs will have five categories of specialists from the domain of Crop husbandry, Agri marketing / Value addition and processing, Social mobilisation, Law & Accounts and IT/MIS. These CBBOs will be platform for an end to end knowledge for all issues in FPO promotion; among others.

- **<u>Cabinet approves the Constitution of an empowered “Technology Group”</u>**

The Union Cabinet, chaired by the Hon’ble Prime Minister Shri Narendra Modi has approved the Constitution of an empowered “Technology Group”.

Details: Cabinet has approved constitution of a 12-Member Technology Group with the Principal Scientific Adviser to Government of India as its Chair. This Group is mandated to render timely policy advice on latest technologies; mapping of technology and technology products; commercialisation of dual use technologies developed in national laboratories and government R&D organisations; developing an indigenisation road map for selected key technologies; and selection of appropriate R&D programs leading to technology development.

Major Impact: The Technology Group will :-

a. render the best possible advice on technology to be developed for a technology supplier and the technology procurement strategy;
b. develop in-house expertise in aspects of policy and use of emerging technologies; and
c. ensure sustainability of public sector technology developed/being developed at PSUs, national labs and research organisations.

Implementation strategy and targets:

The three pillars of the work of the Technology Group include:

I. Policy Support;
II. Procurement Support; and
III. Support on Research and Development proposals.

The Technology Group intends to ensure :-

i. that India has appropriate policies and strategies for effective, secure and context-sensitive exploitation of the latest technologies for economic growth and sustainable development of Indian Industry, in all sectors;
ii. to advise the Government on priorities and strategies for research on emerging technologies across sectors;
iii. to maintain an updated map of technology and technology products available, and being developed, across India;
iv. to develop indigenization roadmap for selected key technologies;
v. to advise the Government on its technology supplier and procurement strategy;
vi. to encourage all Ministries and Departments as well as State Governments to develop in-house expertise in policy and use aspects of emerging technologies such as data science and artificial intelligence, and to this end develop an approach to training and capacity building
vii. to formulate policies for sustainability of public sector technology at PSUs/Labs while encouraging cross-sector collaborations and research alliances with Universities and

Private Companies; and

viii. to formulate standards and common vocabulary to apply in vetting of proposals for R&D.

- **Cabinet approves Constitution of 22nd Law Commission of India for a term of three years**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved Twenty-second Law Commission of India for a period of three years from the date of publication of the Order of Constitution in the Official Gazette.

Benefits: The Government will have the benefit of recommendations from a specialised body on different aspects of law which are entrusted to the Commission for its study and recommendations, as per its terms of reference.

The Law Commission shall, on a reference made to it by the Central Government or suo-motu, undertake research in law and review of existing laws in India for making reforms therein and enacting new legislations. It shall also undertake studies and research for bringing reforms in the justice delivery systems for elimination of delay in procedures, speedy disposal of cases, reduction in cost of litigation etc.

The Law Commission of India shall, inter-alia,: -

a. identify laws which are no longer needed or relevant and can be immediately repealed;
b. examine the existing laws in the light of Directive Principles of State Policy and suggest ways of improvement and reform and also suggest such legislations as might be necessary to implement the Directive Principles and to attain the objectives set out in the Preamble of the Constitution;
c. consider and convey to the Government its views on any subject relating to law and judicial administration that may be specifically referred to it by the Government through Ministry of Law and Justice (Department of Legal Affairs);
d. Consider the requests for providing research to any foreign countries as may be referred to it by the Government through Ministry of Law and Justice (Department of Legal Affairs);
e. take all such measures as may be necessary to harness law and the legal process in the service of the poor;
f. revise the Central Acts of general importance so as to simplify them and remove

anomalies, ambiguities and inequities;

Before finalizing its recommendations, the Commission will consult the nodal Ministry/ Department (s) and such other stakeholders as the Commission may deem necessary for the purpose.

- **Cabinet approves Updating European Union Alternative Investment Fund Managers Directive (AIFMD) MoU signed between SEBI and Financial Conduct Authority (FCA), United Kingdom**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the proposal of Securities & Exchange Board of India (SEBI) to sign an updated Alternative Investment Fund Managers Directive (AIFMD) MoU signed between SEBI and Financial Conduct Authority (FCA), UK, pursuant to UK's exit from the European Union on 31st January 2020.

Major impact: The UK exited the EU on 31st January 2020. FCA, UK had submitted to SEBI that no transitional measures would be available if the amended MoU is not signed before the date when the UK exits the European Union (Brexit), and requested SEBI to sign an updated MoU as early as possible. As such, the proposal is not expected or intended to have any effect on employment in India.

- **Cabinet approves Elevation of BISAG as BISAG(N) under MEITY, Government of India**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved Elevation of Bhaskaracharya Institute of Space Applications and Geoinformatics (BISAG), Gujarat as Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG(N)) under Ministry of Electronics & Information Technology (MEITY), Government of India.

Benefits:

a. To maintain efficiency and innovation of services, the current skilled manpower working at BISAG may join the national level institute on as-is and where-is basis.
b. To facilitate implementation of expanded scope of activities
c. To facilitate implementation of expanded scope of activities and efficient rollout of GIS projects.
d. To facilitate implementation of expanded scope of activities, aid research & development and technology development.

e. Facilitate development planning and good governance through spatial decision support systems.

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