



**MEMORANDUM TO GOVERNMENT OF RAJASTHAN  
DURING PRE-BUDGET CONSULTATION 2018**

**Background**

Consumer Unity & Trust Society (CUTS) has identified skill development for rural non-farm livelihood and agriculture market reforms as critical issues which must be addressed through the forthcoming budget in the State of Rajasthan. Accordingly, key actions desired by CUTS under the forthcoming budget are:

- 1. Promote Skill Development for Rural Non-Farm Livelihood**
- 2. Undertake Effective Agriculture Market Reforms**
- 3. Promoting Organic Farming**
- 4. Ensure Food Safety to combat Non Communicable Diseases in the State**
- 5. Adopt Regulatory Impact Assessment Framework**
- 6. Ensure Road Safety in the state**

The issues are described in detail below.

**1. Promote Skill Development for Rural Non-Farm Livelihood**

The situation of rural non-farm livelihood in the state is abysmal. While Rajasthan has well drafted Rural Non-Farm Policy since 1997 and a dedicated agency named as Rural Non-Farm Development Agency (RUDA), these have been neglected since years. There are several agencies and departments working on the cause of rural non-farm livelihoods in particular and livelihoods in general. However, there is no convergence in these departments resulting in duplications at all levels. Moreover, a study conducted by CUTS on the status of MGNREGA in Rajasthan highlighted the need for information and awareness generation amongst employment seekers, and improvement in physical and human infrastructure of the Gram Panchayats, amongst other measures.<sup>1</sup> In addition, there is a need to build capacity of individuals to enable them to identify and tap in rural non-farm livelihood opportunities.

Consequently, there is a need to create decentralised working groups and plugging information gaps that have led to mismatch in demand and supply in relation to employment. There is no single platform where all the line departments and agencies can come together to discuss and share their successful and no so successful experiences, neither there is a single portal to capture all job requirements from both government and private sectors. This needs to be fixed. Employment Exchanges require modernisation and must use information technology in their processes.

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<sup>1</sup> [http://www.cuts-international.org/cart/pdf/Final\\_Report\\_NREGS.pdf](http://www.cuts-international.org/cart/pdf/Final_Report_NREGS.pdf)

In addition, rural ‘Industrial Training Institutes (ITIs)’ and district employment exchanges have to be diversified and modernised and equipped with state of the art equipment, machineries and tools in most of the required trades and streams. Several ITIs are required and public private partnerships can cater to this requirement. A web portal could also be launched to capture and demand of the jobs from rural areas as well as vacancies from the industrial companies and enterprises.

***Action desired: Decision to strengthen and modernise RUDA, Employment Exchanges, and creation of state livelihood portal for all the related issues especially job capturing, placement, capacity building, convergence and sharing of intrastate successful not so successful lessons.***

## **2. Undertake Effective Agriculture Market Reforms**

The Rajasthan State Agricultural Marketing Board has been constituted in the State for development of agriculture marketing. However, the situation on ground is far from satisfactory. The State recently witnessed large scale protests by farmers owing to remunerative prices for farm produce.

While the State Government has introduced legislative reforms for private markets, contract farming and direct marketing, the impact on private participation and competition has been very limited. No farmer-consumer market is operative in the State and only 2 licenses have been issued for private markets. The failure has been ostensibly due to factors such as (a) heavy security deposit requirements, (b) problems in land availability/acquisition or changing usage pattern, (c) minimum distance required from existing APMC markets, (d) logistical issues, like assured water, electricity availability and/or road/rail connectivity, (e) large investment with low incentives (20 per cent of fees), etc. Consequently, the farmers have been forced to sell urad, soyabean, moong and ground nut at rates which were well below the Minimum Support Prices (MSP). Such experience has led to decline in sowing of mustard and in low oilseed cultivation.

There is a need for bringing harmony across multiple policy verticals (both legislative as well as administrative) to have an impact on the sector. The Centre Government has issued a new Model law i.e. Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 (APLM Act). The Model APLM Act of 2017 marks substantial improvement over the Model law of 2003, as far as inducing competition among the buyers of agriculture produce. Enhanced competition among the buyers (traders) will help farmers realise a better price for their produce.

Further, the implementation of online National Agriculture Market Portal (eNAM) has not been complemented with mandi level reforms in the areas of quality assurance, assaying and grading of agriculture commodities. Absence of effective dispute settlement mechanism is also hindering uptake of eNAM platform.

***Action desired: A coherent policy to adopt and implement effective agriculture marketing reforms, by integrating reforms suggested under the Model APLM Act, 2017.***

## **3. Promoting Organic Farming**

There should be a separate scheme for farmers willing to do organic farming, which will promote and motivate them. This scheme should be separate from the existing PKVY (*Paramparagat Krishi Vikas Yojna*). Besides, the results of the research activities on the same going on should be brought to ground by way of focusing on the extension part.

*Action desired: Government should create a separate budget for the same cause and ensure that the total organic farming land in the state, which is at present 1,55,000 hectares should enhance at any cost and way. Government should boost up the functioning of State Organic Farming Directorate, which at present is almost defunct. This will enhance the working of ROCA (Rajasthan Organic Certification Agency) work also. Besides, government should announce in its budget regarding the audit of Dungarpur district, which was declared as the first complete organic district. Subsequently on the basis of the audit report, government should promote other districts as well. Atleast one in each division in this FY 2018-19.*

#### **4. Ensure Food Safety to combat Non Communicable Diseases in the state:**

Rajasthan state is one of the major contributors in the national burden of Non Communicable Disease. In Rajasthan more than 2.5 Lakh new patients are registered every year while it has already more than 10 Lakh registered patients in the state. Nearly 55 percent of deaths in the state are now attributed to the NCD. It is estimated that by 2051, among the states, Rajasthan will spend the highest on Non Communicable Diseases (NCDs) in government facilities, followed by Uttar Pradesh. So State Governments will have to plan from today to tackle the problem and that can be done through ensuring food safety.

*Action Desired: Measures for ensuring Food Safety, promoting healthy diets and physical acidity, Free Door to door screening program for early detection of cancer, heart diseases and diabetes need to be started. cardiologists, Cancer specialist and diabetologists has to be designated at district hospitals. Food Safety standards must be ensured in the state and institutions has to be built as per food safety act.*

#### **5. Adopt Regulatory Impact Assessment Framework**

Legislations often have apparently conflicting objectives, such as: promoting ease of doing business without compromising on labour welfare; promoting access to renewable energy options without adversely impacting grid connectivity, among others. Consequently, the process of law and regulation making process needs to achieve a balance between different objectives and result in net positive result at least cost. Moreover, sub-optimal regulation has the potential to increase the cost of compliance, have unintended outcomes, and limits the likelihood of achievement of its objectives. Moreover, it can raise complexity and uncertainty associated with obligations, which must be avoided. Only such regulations must be adopted which can achieve intended objectives with least possible distortions.

Adoption of Regulatory Impact Assessment (RIA) framework which comprises ex-ante estimation of costs and benefits of different regulatory options on different stakeholders can aid in achieving the desired balance. A RIA essentially involves structured stakeholder consultation and thus ensures stakeholder buy-in of the change in legislative and regulatory framework. It also takes into account possible implementation bottlenecks and thus suggests most feasible regulatory option to achieve desired objectives.

The Government of Rajasthan has already implemented a Rajasthan Law Reform Project which intended to repeal outdated laws. It is time that a Regulatory Impact Assessment Framework is also adopted by the Government.

***Action Desired: Adopt and Institutionalise Regulatory Impact Assessment Framework in Law and Regulation Making***

## **6. Ensure Road Safety in the state**

Rajasthan registered 10,465 deaths in road accidents in 2016 compared to 10,510 in 2015, The number of injuries and cases of road accidents were 2,050 and 1,006 respectively in 2016. Among the top 13 states, Rajasthan is at 8<sup>th</sup> position in terms of accidents and 5<sup>th</sup> position in terms of death with a 6.9 percentage share. The severity of the accidents has increased in the state as well. Jaipur district recorded the maximum road accident deaths at 1,406, followed by Ajmer (598), Alwar (563), Udaipur (534) and Bhilwara (451) in 2016. Bhilwara, Tonk, Udaipur, Rajsamand, Dholpur and Bharatpur districts registered the maximum increase in road accident deaths. State is incurring almost a 3 to 4 percent of state GDP losses due to these deaths and road accident injuries burden and trauma care.

**Action Desired:** An electronic monitoring mechanism needs to be developed for checking rash driving and drink & driving and government shall collaborate with voluntary organisations working for road safety for mass reach-out and programme implementation. State need to start a universal ambulance number & services for trauma care, opening up more regional trauma care centers and strengthening district hospitals by developing separate and fully equipped trauma care units. More and more Awareness Generation camps shall be organised.

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