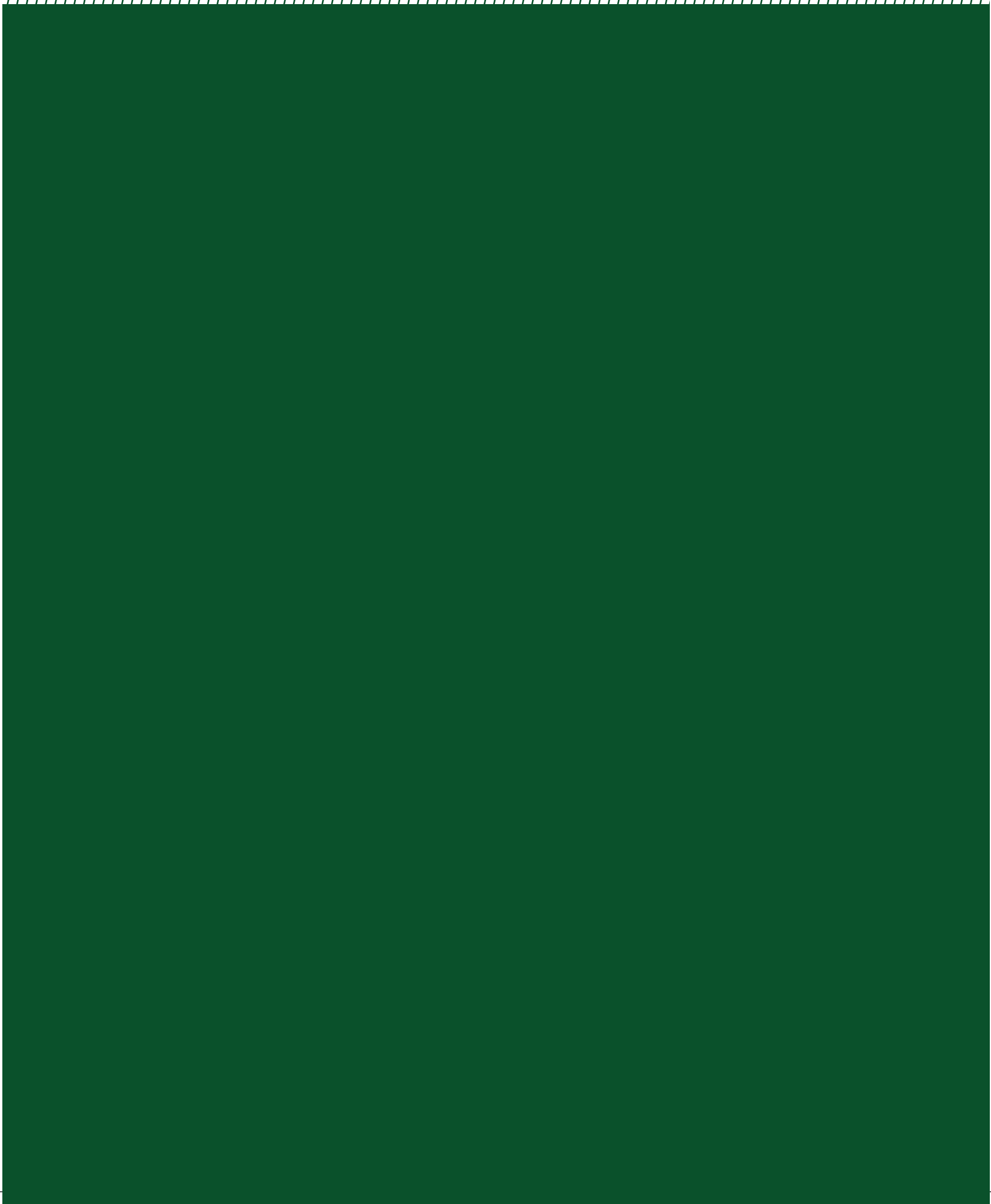




Department of Administrative Reforms and Public Grievances



Department of Agriculture
Cooperation and Farmers Welfare



Contents

01

Introduction

04

Deep Dive Grievance Analysis

05 Data Analysis

07 Root Cause Analysis

09 Systemic Reforms Recommendations

10

Systemic Reforms

11

Case Studies On Reforms

12

Conclusion

Introduction



1.1 CONTEXT

The Department of Administrative Reforms and Public Grievances (DARPG) received 11,94,931 (related to central government) grievances in 2016 across 88 Ministries/Departments through Centralized Public Grievance Redress and Monitoring System (CPGRAMS). This department's role is to facilitate the pursuit of excellence in governance through improvements in government structures and processes, initiatives and dissemination of best practices. Moving towards this goal, the department commissioned a grievance analysis study of top 20 Ministries/Departments receiving high number of citizen grievances. The study involved identification of top grievance categories and recommending systemic reforms. The Parliamentary Standing Committee for Personnel, Public Grievances and Law & Justice recommended conducting similar study for next 20 Ministries/Departments.

1.2 OBJECTIVE

The study carried by Quality Council of India, as per the mandate given by DAR&PG, was conducted from August 2016 to March 2017, covering more than 100 grievance categories across 20 Ministries/Departments. A team of consultants was deployed to understand issues in depth from the officials and collect information from more than 70 domain experts. Moreover, this team of consultants conceived the methodology, process and outcome of the study. It is hoped that this study will bring the necessary third party evaluation into picture for guiding the schemes and providing useful lessons for similar evaluations on a larger scale in future.

1.3 IDENTIFICATION OF 20 MINISTRIES/DEPARTMENTS

The grievances received on the portal provided the source for data analysis. The top 20 Ministries/Departments were covered in the earlier grievance study. This study identifies next 20 Ministries/Departments, based on the number of grievances received by the particular Ministries/Departments (from 01.04.2012 to 31.03.2016). For the scope of this particular report we will be focusing on the Department of Agriculture Cooperation & Farmers Welfare (S.NO 26).

Table 1: List of 20 Grievance Study Ministries

S.No	Ministry/Department	Number of grievances
21	Information and Broadcasting	18,567
22	Financial Services (Insurance Division)	17,840
23	Environment, Forest and Climate Change	17,323
24	Corporate Affairs	17,084
25	Consumer Affairs	16,047
26	Agriculture Cooperation & Farmers Welfare	14,342
27	Electronics & Information Technology	12,729
28	Social Justice and Empowerment	12,637
29	Civil Aviation	12,448
30	Rural Development	11,646
31	Drinking Water and Sanitation	10,723
32	Power	10,392
33	Women and Child Development	9,773
34	Economic Affairs	9,553
35	Commerce	9,509
36	Water Resources, River Development & Ganga Rejuvenation	9,265
37	Food and Public Distribution	8,292
38	Housing and Urban Affairs	7,287
39	Defence Finance	6,604
40	Coal	6,346

1.4 INTRODUCTION TO DEPARTMENT OF AGRICULTURE COOPERATION & FARMERS WELFARE

The Department of Agriculture Cooperation & Farmers Welfare (DAC&FW) is one of the three constituent Departments of the Ministry of Agriculture & Farmers Welfare. The Department works to promote farmer co-operative movements and coordinates with state level agencies for implementation of Central Sector Schemes.



11,94,931 grievances
were received on PG portal in 2016
across 88 Ministries/Departments

83% of the grievances
were disposed by Ministries/
Departments in 2016

Rank 26 of 88 Ministries/
Departments (based on the number
of grievances received from 2012-16)

7,107 complaints were
received by Department of
Agriculture Cooperation & Farmers
Welfare in 2015-16

17% of grievances were
received by Policy Division

9% of the grievances were
received by Agriculture Marketing
Division

46% of grievances were for
category- Low crop prices received
by farmers

15% of the grievances were for
category- Digitalization of Agricultural
transactions

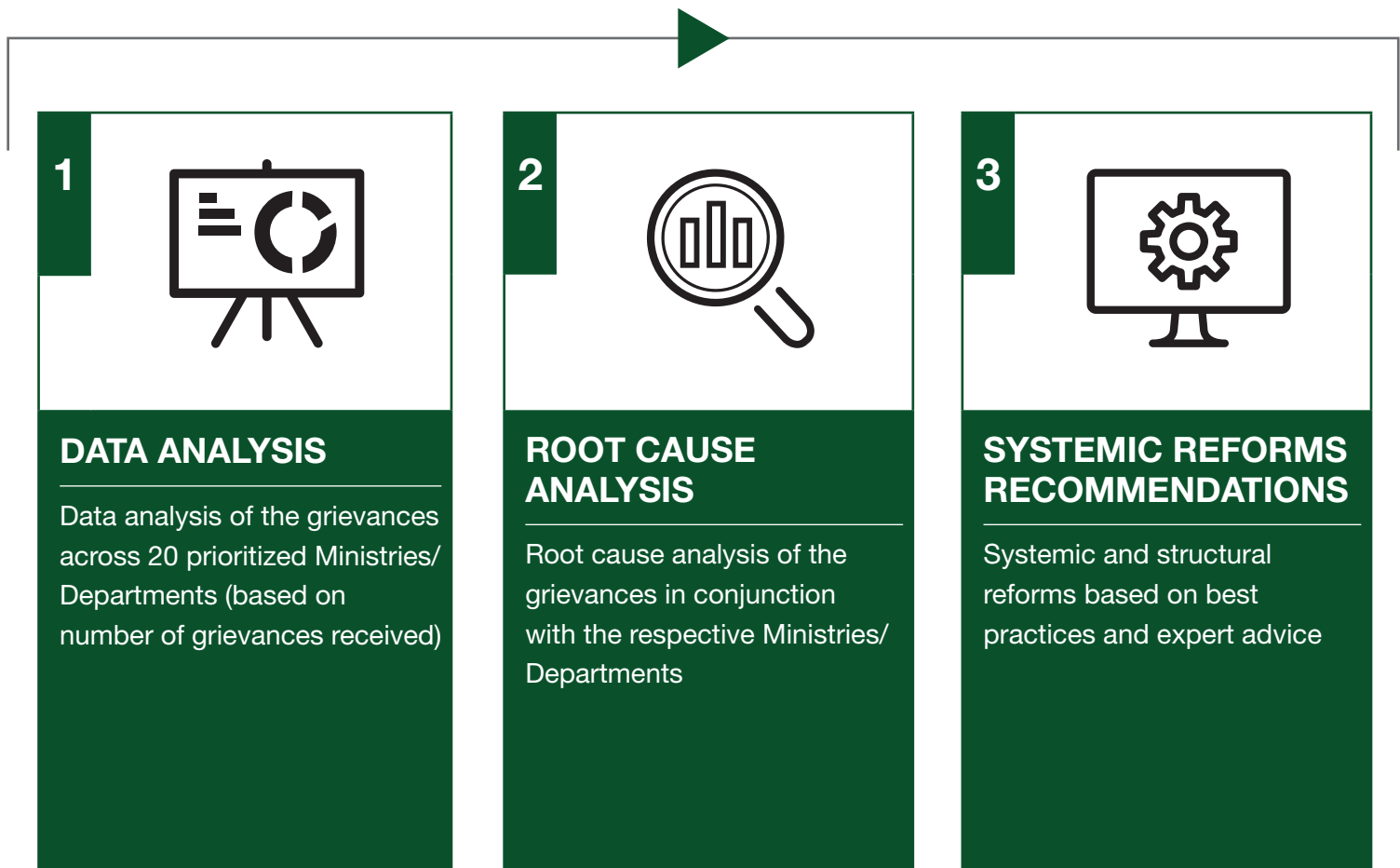
42%* of the grievances will be
impacted, as and when suggested
reforms are incorporated

*The percentage has been computed after multiplying a) Percentage of grievances under shortlisted divisions with, b) Percentage of addressable grievance categories

Deep Dive Grievance Analysis



The three point approach for grievance analysis study includes data analysis, root cause analysis, and systemic reforms recommendations for the service issues.



2.1 DATA ANALYSIS

2.1.1 IDENTIFICATION OF TOP DIVISIONS

The shortlisted divisions were the ones receiving maximum grievances (from 1.4.2015 to 31.3.2016). The highest grievances were received by Policy Division accounting for 17% of grievances, followed by Agricultural Marketing Division, Credit Division, Economic Administration Division, MULTI, Drought Management Division, Integrated Nutrients Management Division and Horticulture which account to 9%, 9%, 8%, 6%, 5%, 5% and 4% respectively of the total grievances received.

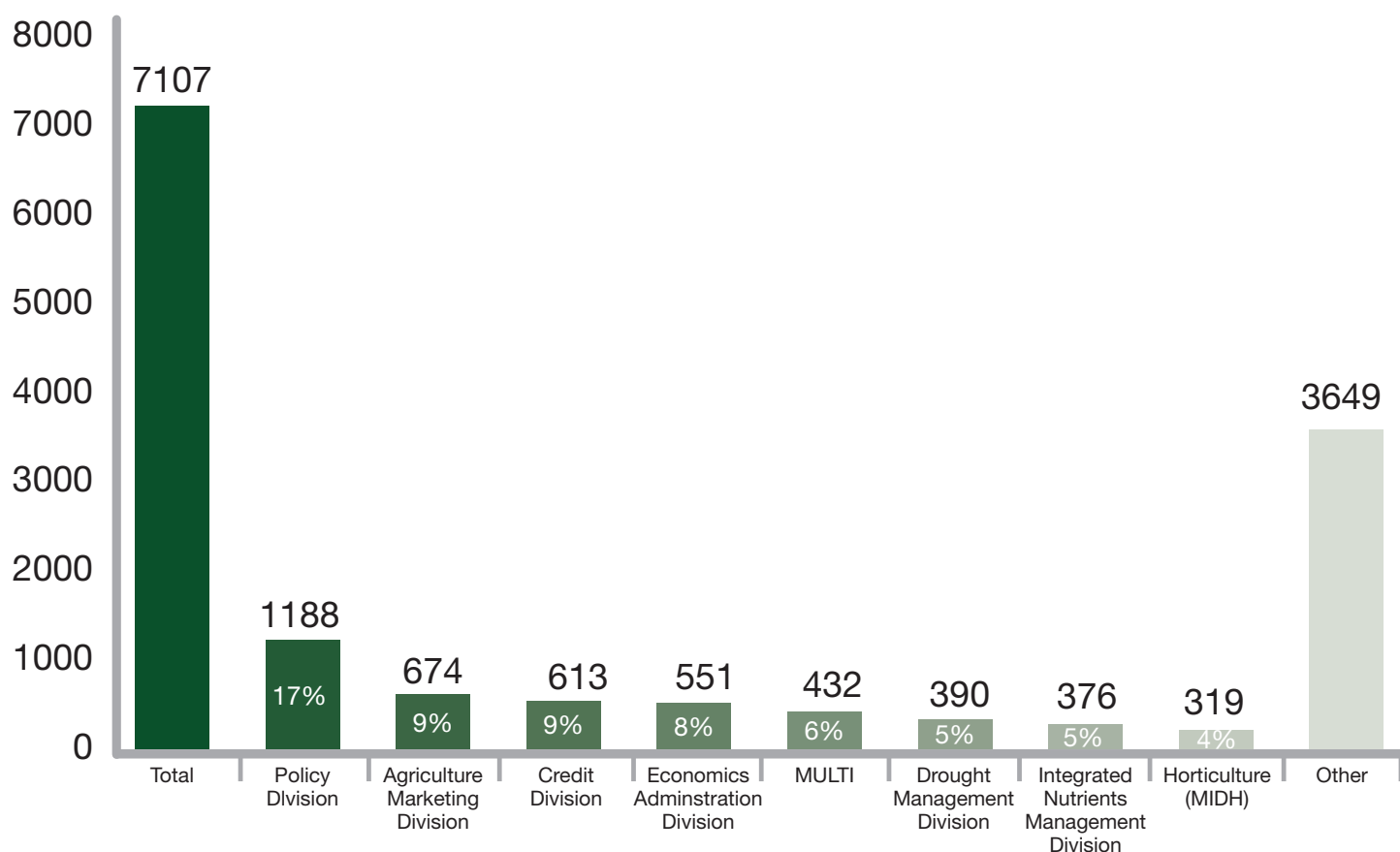


Chart 1: Categorized grievances received by divisions from 1.4.2015 to 31.3.2016

2.1.2 IDENTIFICATION OF FOCUS SERVICE

Grievance data in top 8 divisions was deep dived and 10% of sample was analyzed.

Table 2: Sample size selected for the study

DEPARTMENT OF AGRICULTURE COOPERATION & FARMERS WELFARE	7107 NUMBER OF GRIEVANCES	710 TOTAL SAMPLE GRIEVANCES ANALYSED
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The next step was grievance-by- grievance analysis for a sample of the grievances received by the top 8 Divisions, namely, Policy Division, Agricultural Marketing Division, Credit Division, Economic Administration Division, Multi, Drought Management Division, Integrated Nutrients Management Division, Horticulture and top recurring issues were categorized. For these two divisions, recurring issues were categorized.

AN EXAMPLE OF GRIEVANCE ANALYZED IS AS FOLLOWS





“Respected PM, I would like to raise the issue faced by farmers in drought affected Chittoor district in Andhra Pradesh. This district especially thavanam palli (mandel) has no adequate rainfall for the past 25 years. Farmers don't have any crops to cultivate, with very less water they protect their mango plants and is the only source of money to them for rest of the year. When the farmers try to sell mangoes in mandis, all the mango munda and nearby mango fruit factory owners unite and reduce rates as low as 5 to 10 rupees per Kg. I am one of the victim who sold mango as low as 10-12 rupees/kg when they are sold at 50-60 rupees in cities. The mango munda union head and owner of big mango pulp factory, who is former congress minister (business giant) has no feelings about farmers starving, encourages to reduce the prices (this is what other farmers said when I asked why it is happening). I request PM to intervene and warn these Guys to buy at fair market price. I see things changing under leadership of our proud Narendra Modi, we hope you will bring some light in their farmer's life.

ACTION BY DEPARTMENT OF AGRICULTURE COOPERATION & FARMERS WELFARE

Agricultural Marketing Division (MKTG1) stated that the grievance is related to sale of Mangoes at Rs. 5 to 10 per Kg in Mandies whereas the retail price in the city is Rs. 50 to 60 per Kg. Since Agricultural Marketing is a state subject, the matter is referred to Commissioner and Director Marketing, Govt of Andhra Pradesh vide Speed post letter No. 11012/03/CPGRAM/2015-Std dated 4.1.2016.

For the Department of Agriculture Cooperation & Farmers Welfare, the top most issue was low crop price received by farmers, accounting for 46% of grievances, followed by grievances of digitalization of agricultural transactions, accounting for another 15% of the grievances. This was followed by grievances related to subsidy not received in warehouse construction and poor storage facilities accounting for 6% and 5% respectively.

Table 3: Focus services for root cause analysis

S.No	Grievance Causing Issues	Impact*	Details
1 	Low crop price received by farmers	46%	<ul style="list-style-type: none"> Farmers receiving low crop price leading to poor conditions Farmers requesting for a minimum support price for selling the crops at a reasonable price
2 	Digitization of agricultural transactions	15%	<ul style="list-style-type: none"> Need for online portal for farmers to sell their agriculture produce
3 	Subsidy not received in warehouse construction	6%	<ul style="list-style-type: none"> Subsidy not received under NABARD warehouse construction scheme
4 	Poor storage facilities	5%	<ul style="list-style-type: none"> Wastage of crop due to lack of storage facilities High cost of cold storage

*Grievance Sample Analyzed: 710

2.2 ROOT CAUSE ANALYSIS (RCA)

For the scheme of providing subsidy for warehouse construction, the Government has been taking essential steps to clear the pending subsidy disbursement of beneficiaries. The scheme ended in March 2017. Hence, the grievance category of subsidy not received for warehouse construction has been deprioritized for further analysis.

The study team spent time with each implementation body within that division to understand core processes, accountability and performance tracking. Domain experts were also consulted to understand root cause for each grievance category.

The questions revolved around policy, process and people problems that were leading to lack of quality implementation

Table 4: Root Cause Analysis of grievances related to Agriculture Cooperation & Farmers Welfare related grievances

Issue	Sub-Issue	Root Cause
Low crop prices received by farmers	Farmers receiving low crop price leading to poor conditions	<ul style="list-style-type: none"> Low prices received by the farmers due to involvement of middlemen and localized markets Cartels formed by commission agents to bring the prices down
	Farmers requesting for a minimum support price for selling the crops	<ul style="list-style-type: none"> Lack of awareness on minimum support price
Digitization of agricultural transactions	Need for online portal for farmers to sell agriculture based products	<ul style="list-style-type: none"> Lack of awareness on National Agriculture Market Limited reach of e-NAM
Poor Storage Facilities	Wastage of crop due to lack of storage facilities	<ul style="list-style-type: none"> Distant location of storage units from the harvesting points Fewer cold storage facilities
	High cost of cold storage	<ul style="list-style-type: none"> Private players charging high prices

Grievance issues of low crop prices and digitization are mapped to National Agriculture Market (e-NAM) program.

Agriculture is the back bone of the Indian economy, with a vast proportion of the population dependent on agriculture for their livelihood. The Ministry launched the National Agriculture Market (e-NAM), a pan-India electronic trading portal which networks the existing Agricultural Produce Market Committee (APMC) mandis to create a unified national market for agricultural commodities in April, 2016.

NAM addresses challenges by creating a unified market through online trading platform, both, at State and National level and promotes uniformity and streamlining of procedures across the integrated markets, removes information asymmetry between buyers and sellers and promotes real time price discovery, based on actual demand and supply.

Chart 2: National scheme for catering grievance issues

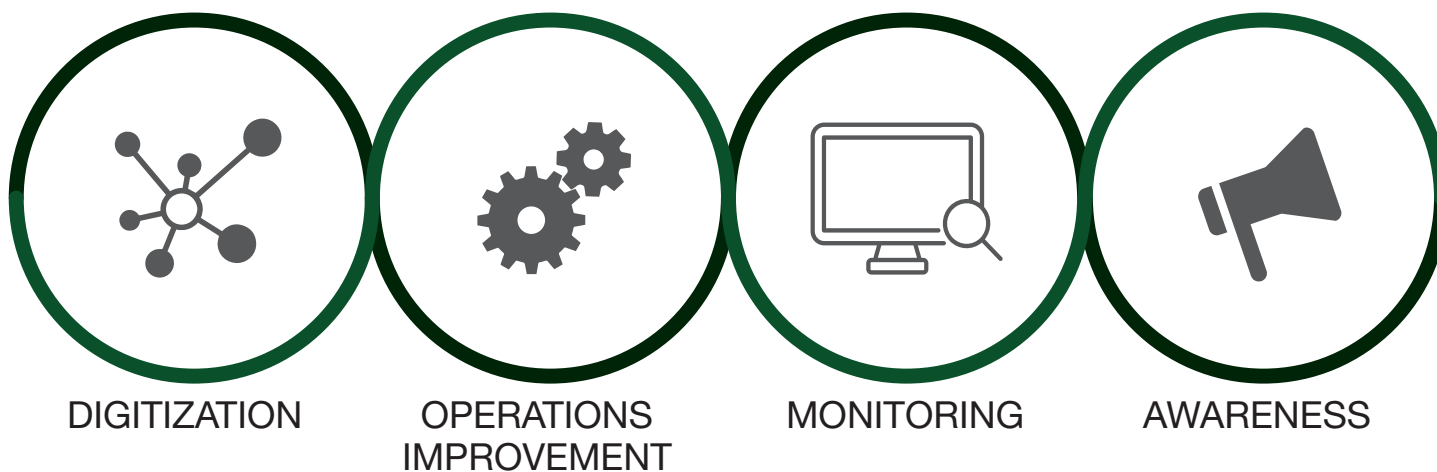


2.3 SYSTEMIC REFORMS RECOMMENDATIONS

Based on the key root cause for improper delivery of service, corresponding recommendations were identified and designed. These recommendations were arrived after discussing with the Ministry/Department representative.

For each issue, the problem was broken into multiple parts to ensure that each aspect of the problem is addressed independently, while ensuring maximum impact. Systemic and structural reform recommendations were made for low price received by farmers, digitization of agricultural transactions and poor storage facilities across the following areas.

AREAS ACROSS WHICH SYSTEMIC REFORMS ARE SUGGESTED



Systemic Reforms



Agriculture related schemes and initiatives directly impact each citizen because of the efficacy of the process. Therefore, it is of utmost importance that the process is streamlined, and monitoring is tight knit.

National Agriculture Market is the flagship program of the current Government to create transparent processes in agriculture as more than 50% of India's population is employed in this sector. There are areas in terms of policy formulation, implementation where few reforms can bring a major impact. Nine recommendations have been made based on best practices adopted by state governments and other stakeholders.

Table 5: Systemic Reforms for Department of Agriculture Cooperation & Farmers Welfare grievances

S. No	Reform Category	Systemic Reforms	Ease of implementation
1	Digitization	Geotag existing storage facilities and include data on the website for farmers to locate the nearest available facility	High
2	Operations Improvement	Set up Farmer Producer Organizations, Agriculture Co-operatives and Food Security Agriculture Clusters to receive better prices and remove trade cartels	Medium
3	Operations Improvement	Encourage startups in vegetable delivery sector to procure crops from e-NAM, and directly from farmers	Medium
4	Operations Improvement	Quality Improvement & Dispute Resolution • Establish a dispute resolution mechanism for NAM	High
5	Operations Improvement	• Assess demand of e-NAM in states to revise existing targets • Analyze existing mandi infrastructure to assess the ease of implementation of e-NAM	High
6	Operations Improvement	Accredit storage units and quality check labs of e-NAM mandis	Medium
7	Monitoring	• Include timelines to existing implementation progress tab to monitor milestones in mandi integration • Rank states/ districts on maximum enrolment of e-NAM	High
8	Awareness	Avenues: • Use community based awareness programs to create awareness about Minimum Support Price (MSP), e-NAM etc., in the farmers • Display MSPs daily at the sabzi mandis to make the farmers and customers aware of current prices.	Low
9	Awareness	Analyze demand supply gap in storage	High

Case Study On Reforms



LOOP – INITIATIVE BY DIGITAL GREEN



A pilot was conducted in Samastipur district in Bihar state to reduce the transportation costs and help farmers get a better price for their produce by leveraging the extension network and support the aggregation, transport and sale of perishable vegetables to local mandis. An aggregator was chosen from within the community by the community and trained. The aggregator collects the produce from the farmer, loads it onto a vehicle, and transports it to the closest mandi. The mandi trader sells it and charges a commission, essentially a rent for using a stall at the mandi. Once the produce is sold, the aggregator returns to the village, pays the farmers, issues them a receipt, and records the transaction. A 50% decrease in transportation costs was

achieved and significantly helped farmers get a better price.

Conclusion



This Grievance Analysis Study analysed 710 grievances of Department of Agriculture Cooperation & Farmers Welfare, spanning across low price received by farmers, digitization of agricultural transactions and poor storage facilities, distributed in the 29 states. Following key systemic reforms have been recommended and implementation of these will make an impact in reducing grievances.

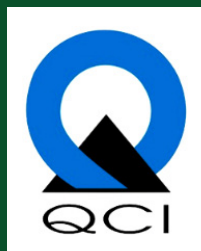
KEY RECOMMENDATIONS

This report evaluates the grievances of Department of Agriculture Cooperation & Farmers Welfare and recommends the following priority systemic reforms:

- 01 Assessment of back-end physical infrastructure (storage and quality check facilities) of mandis on National Agricultural Market
- 02 Monitor the progress of mandi integration and create awareness about National Agriculture Market
- 03 Set up Farmer Producer Organizations to reduce middlemen and help farmers receive a better price for their produce
- 04 Analyze demand-supply gaps in storage

Table 6: List of experts

Department of Agriculture Cooperation & Farmers Welfare	Outside Ministry	Quality Council of India
• Alka Bhargava – Joint Secretary	• Dr. Ashok Gulati - Chair Prof. ICRIER	• Adil Zainulbhai - Chairman
• K.S. Srinivas – Joint Secretary	• Siraj Chaudhry - Chairman- Cargill Foods	• Dr. Ravi P. Singh - Secretary General
	• Vinay Kumar – CEO Asia, Digital Green	• Manish Pande – Joint Director
	• Nikita Garg - Associate, McKinsey India	



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