

Cabinet approves extension of norms for mandatory packaging in Jute Materials

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi has given its approval for mandatory packaging of foodgrains and sugar in the jute material for the Jute Year 2017-18. The decision would sustain the core demand for the jute sector and support the livelihood of the workers and farmers dependent on the sector. The Jute Year 2017-18 period is from 1st July 2017 to 30th June, 2018.

Features:

1. The CCEA has extended the mandatory packaging norms under the Jute Packaging Material (JPM) Act, 1987.
2. The approval mandates that 90% of the food grains and 20% of the sugar products shall be mandatorily packed in jute bags.
3. The decision also mandates, in the first instance, the entire requirement for packing of food grains would be placed in jute bags thus, making a provision for 100% packing of food grains in jute bags subject to the ability of the jute industry to meet the requirement.

Impact:

The decision will benefit farmers and workers located in the Eastern and North Eastern regions of the country particularly in West Bengal, Bihar, Odisha, Assam, Andhra Pradesh, Meghalaya and Tripura.

Measures taken by Government to give a boost to Jute industry:

Jute industry is predominantly dependent on Government sector which purchases jute products more than Rs. 5,500 crore every year. Considering that nearly 3.7 lakh workers and approximately 40 lakh farmers are dependent for their livelihood on the jute sectors, the government has been making concerted efforts for the development of jute sector; increasing the quality and productivity of raw jute, diversification of jute sector and also boosting and sustaining demand for jute products. These include-

1. With a view to boosting demand in the jute sector, Government of India has imposed Definitive Anti Dumping Duty on import of jute goods from Bangladesh and Nepal with effect from 5th January, 2017. As a result of these measures, 13 Twine mills in Andhra Pradesh had resumed operation, benefitting 20000 workers. Further, imposition of Definitive Anti Dumping Duty has provided scope for an additional demand of 2 lakh MT of jute goods in the domestic market for the Indian jute industry.

2. In order to improve the productivity and quality of raw jute through a carefully designed intervention, called the Jute ICARE, the Government has been supporting close to one lakh jute farmers by disseminating improved agronomic practices such as line sowing using seed drills, weed management by using wheel-hoeing and nail-weeders, distribution of quality certified seeds and also providing microbial assisted retting. These interventions have resulted in enhancing the quality and productivity of raw jute and increasing income of jute farmers by Rs. 10,000 per hectare.
3. In order to support jute farmers, Jute Corporation of India (JCI) has been given a grant of Rs. 204 crore for 4 years starting from 2014-15 to enable JCI to conduct MSP operations and ensure price stabilization in the jute sector.
4. With a view to supporting diversification of jute sector, the National Jute Board has collaborated with National Institute of Design and a Jute Design Cell has been opened at Gandhinagar.
5. Promotion of Jute Geo Textiles and Agro-Textiles has been taken up with the state governments particularly those in the North Eastern region and also with departments such as Ministry of Road Transport and Ministry of Water Resources.
6. In order to promote transparency in jute sector, Jute SMART an e-govt initiative was launched in December, 2016, providing an integrated platform for procurement of B-Twill sacking by Government agencies. Further, the JCI is transferring 100% funds to jute farmers online on the jute procurement under MSP and commercial operations.

AKT/VBA/SH

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Grateful thanks to PM @narendramodi ji & Union Cabinet for approving extension norms for Mandatory Packaging in **Jute** Material. This decision mandating 90% of food grains and 20% sugar products to be packed in **jute** bags will benefit nearly 3.7 lakh workers & 40 lakh farmers.

The infographic is divided into two main sections. The left section, titled "NEED FOR MANDATORY PACKAGING IN JUTE MATERIALS", features a portrait of PM Narendra Modi at the top left. It contains three circular images with callouts: 1) A factory floor with workers, stating "3.7 lakh workers and approximately 40 lakh farmers dependent on Jute sector for their livelihood". 2) A stack of jute bales, stating "Jute sector predominantly dependent on Government with yearly purchases of Rs. 5500 crore". 3) A person handling jute, stating "To sustain core demand for jute sector and support livelihood of workers and farmers". The right section, titled "EXTENSION OF NORMS FOR MANDATORY PACKAGING IN JUTE MATERIALS UNDER JUTE PACKAGING MATERIAL (JPM) ACT, 1987", features a portrait of PM Narendra Modi at the top left. It contains three circular images with callouts: 1) A jute bag, stating "90% of food grains to be mandatorily packed in jute bags". 2) A jute bag, stating "20% of sugar products to be mandatorily packed in jute bags". 3) A jute bag, stating "Promote 100% mandatorily packed in jute bags". Below this, a section titled "EXTENSION OF NORMS FOR MANDATORY PACKAGING IN JUTE MATERIALS - BOOSTING DIVERSIFICATION OF JUTE INDUSTRY" features two circular images with callouts: 1) A person working with jute, stating "The thrust to be provided for Jute can be increased by increasing the export to mainly three lakh to a lakh to 5.5 lakh market". 2) A person working with jute, stating "Production Control-cum-Quota Order (PCCO) will be issued to the jute sector to be revised from 2017-18 to 2020-21 to produce Jute Diversified Products".



NEED FOR MANDATORY PACKAGING IN JUTE MATERIALS



3.7 lakh workers and approximately 40 lakh farmers dependent on Jute sector for their livelihood



Jute sector predominantly dependent on Government with yearly purchases of Rs. 5500 crore



To sustain core demand for jute sector and support livelihood of workers and farmers



EXTENSION OF NORMS FOR MANDATORY PACKAGING IN JUTE MATERIALS UNDER JUTE PACKAGING MATERIAL (JPM) ACT, 1987



90% of food grains to be mandatorily packed in Jute Bags



20% of sugar products to be mandatorily packed in Jute Bags



Provision for 100% packaging of food grains in jute bags subject to jute industry able to meet the requirement

Mechanism to be setup in consultation with the State Governments to link Production Control and Supply Order to ensure payment of statutory dues to jute mill workers



3.7 Lakh workers and 40 lakh farmers to be benefited

Major advantage to Eastern and North-East Region

EXTENSION OF NORMS FOR MANDATORY PACKAGING IN JUTE MATERIALS - BOOSTING DIVERSIFICATION OF JUTE INDUSTRY



Special thrust to be provided for diversification by incentivizing use of jute geo-textiles & promoting jute as eco-friendly fibre both in domestic & global markets



Production Control-cum-Supply Order (PCSO) allocation mechanism to be revised to reward mills which produce Jute Diversified Products