



## **e-NAM Initiative**

### **What is the issue?**

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The new initiative, e-NAM, is expected to solve the problems surrounding agrarian output market.

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### **What are the existing problems in farmers market?**

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- Competition in labour, input prices are increasing.

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- Market domination by organised traders.

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- Friction between inefficient markets for agri-output and efficient markets for their inputs.

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- Farmers must buy and sell only in the government-designated Agricultural Produce Marketing Committee (APMC) market-yards.

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### **What is the e-NAM?**

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- The electronic National Agriculture Market (e-NAM) platform seeks to create a common national market, for enhancing farmers' access to buyers.

- It will make price discovery and trading transparent.
- So far, 417 mandis in 13 states have joined the e-NAM platform
- There is a target of connecting 585 mandis with e-NAM by March 31, 2018.

### **What are the advantages of e-NAM?**

- Transparent and robust electronic physical markets.
- Greater standardisation and quality awareness.
- Easier access of buyers by the producers.
- Reduced price of products due to reduced costs of intermediation.
- Open market and competitive price fixing is possible.
- Easier taxation of agricultural income.

### **How effectively e-NAM can be implemented?**

- With wide participation and perfect sync between markets and stakeholders e-NAM can be successful.
- e-NAM authorities can work to encourage farmers to produce better quality crop and meeting exchange standards.
- Price distribution alerts through mobile phones could serve as a reliable reference price for farmers.
- Monitoring the warehouses for the incoming and outgoing stocks will make the initiative stronger.

- The profiles of the farmers linked with e-NAM can be used for credibility reports by financial institutions.  
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- Indian agriculture needs robust and transparent institutions for e-NAM to deliver long-term benefits.  
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**Source: Financial Express**

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