

Impact of COVID-19 Pandemic On Agriculture Sector

Shruti Patidar

Medi-Caps University, Indore

Author email: shrutipatidar1202@gmail.com

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IMPACT OF COVID-19 PANDEMIC ON AGRICULTURE SECTOR

The current health crisis of COVID-19 has affected countries all over the world. No sector has escaped from it. Its impact on the agriculture sector is complex and the sector has to face many problems during the crisis. Outbreak of COVID-19 virus not only taken the lives of people but also strongly affected our economy. As India moves to total lockdown the impact of the crisis on the economy was becoming more severe. As continuing of lockdown far from months its impact will be even more severe on the working sector and on Indian economy as a whole.



WHAT DOES LOCKDOWN MEAN?

It is a situation, in which there is a complete shutdown of all the economic activities and that people must stay where they are and may not enter or exit a building or rooms within it and the production and transportation of goods and services are disrupted. Goods and services are not supplied in adequate quantities to meet existing demand. Besides this, reduction of consumption takes place which also leads to a fall in demand for goods and services. But at the same time, economic activities are being shutdown many people lose their jobs and wages. With the shutdown of factories and workplaces due to lockdown, millions of migrant workers had to deal with the loss of income, food shortages, and uncertainty about their future. Thousands of them then began walking back home, with no means of transport due to the lockdown. More than 300 migrant workers died due to the lockdown, with reasons ranging from famine, suicides, road and rail accidents, and denial of timely medical care.

In response, the Central and State Governments took various measures to help them as they arranged transport facilities for them, making shelter homes, and make arrangements for food and other stuff.

While the government schemes the 'One Nation, One Ration Card' system ensured that the poor would get additional rations during the crisis days.



THE AGRICULTURE SECTOR IS THE BACKBONE OF OUR ECONOMY

India has always been an agricultural country, distinguish by smallholding farmers, small and marginal farmers, and many other peoples depending on farming, yet they feed 1.3 billion people. Agriculture employs about 55% of the population and contributes 17% to the GDP. India is second in agricultural production, next only to China. We produce 12 percent of the entire world's agricultural out. The savior of the nation which suffered recently due to uneven monsoon will face another hit due to disruptions from the corona virus. ⇒The World Food Programme (WFP) has observed that the COVID-19 crisis is threatening to affect millions of people by food security and malnutrition. World agricultural prices show signs of a rise from the 3rd week of March 2020 mainly for the rice and wheat crop.

⇒As foreign export has been stopped Vietnam, the world's 3rd largest rice exporter has stopped exports, which may reduce the global rice exports by 15%. If India and other countries also ban export world rice prices may rise sharply soon. As Kazakhstan, one of the world's biggest sources of wheat flour already banned its export. Similar things are observed in other crops export and import to.

As we talk about the Indian agricultural sector, because of the COVID-19 pandemic and nation-wide lockdown the different sectors of agriculture has to face many problems as-

☞ Wholesale prices of fruits, vegetables, wheat, rice, pulses, and sugar have fallen up to 75% since the start of the nationwide lockdown due to subdued demand, particularly from wholesalers in other states, restaurants, and institutions.

☞ Prices of wheat, rice, and pulses have fallen about 15% since the lockdown began while sugar prices have dropped about 5% with demand from ice-cream and cold drink manufacturers shrinking greatly.

☞ The price of flour has come down by 20% to Rs 20 a kg, maida by 12% to Rs 21 a kg, and suji by 18% to Rs 23 a kg in the wholesale market.

☞ Prices of all types of pulses have declined by about 10% to 20% during the lockdown.

☞ The meat and seafood industry in India are struggling from rumors about Covid-19 linking it with the consumption of meat and seafood, the prices of eggs have plunged to two rupees per egg and the resultant impact is chicken prices have crashed to 30 to 40 rupees/kg when the production cost for the farmer is 70/kg. Overall demand has come down by 70% and consumption has moved from chicken to mutton and seafood.

☞ National Dairy Development Board (NDDB) from the dairy cooperatives shows a decline in daily liquid milk sales by dairy cooperatives by about 15% in the Covid-19 lockdown period, and a drop in the proportion of sales to procurement by about 8.8% during the same period. Milk consumption down 25% in one month as eateries remain shut.

This leads to worries among milk producer in the exporting countries and expectation are that global milk prices will also tend downwards. As news started trickling about supply chain disruptions, both central and some state governments started taking action towards the situation. These included making available low-cost working capital to producer-owned institutions to convert milk into skimmed milk powder (SMP) and milk fat, direct procurement of surplus milk for conversion, and direct distribution to needy people.

⇒ The Corona virus lockdown will adversely affect the agriculture sector and farmers in India. The sector is facing a lot of trouble with labourers and movement of the farm

produced goods. Besides this, it is also affected by many other factors Cyclone Amphan, earthquakes and the locust attacks that have also disrupted the agricultural sector.



❖SPECIAL COVID-19 PACKAGE FOR AGRICULTURE SECTOR

The finance minister said the largest proportion of the Indian population is dependent on agriculture. Among all those dependent on agriculture, 85 percent are small and marginal farmers.

→The third allocation of the special Covid-19 package announced by Union Finance Minister Nirmala Sitharaman focused on agriculture and allied activities. She announced the third allocation was to create a Rs 1 lakh crore agriculture infrastructure fund that will finance projects at farm-gate and aggregation point for efficient post-harvest management of crops.

→The Finance Minister said the government will provide Rs 1 lakh crore for the Agri infrastructure fund while a Rs 10,000 crore fund will support two lakh Micro Food Enterprises (MFEs) for promoting health and wellness, herbal, organic, and nutritional products.

→Fishermen received a huge bonus from this package, with Rs 20,000 crore allotted through the Pradhan Mantri Matsya Sampada Yojana. The goal is to develop marine and inland fisheries, to employ over 55 lakh people, and to double exports to Rs 1 lakh crore.

→Also, a Rs 15,000 crore Animal Husbandry Infrastructure Development Fund was set up. An outlay of Rs 4,000 crore was announced to promote herbal cultivation in about 10 lakh

hectares of area with another Rs 500 crore earmarked for beekeeping initiatives that will help two lakh beekeepers.

→Also, the finance minister said the government will bring law to implement agriculture marketing reforms to provide marketing choices to farmers. The new law will provide adequate choices to the farmer to sell produce at an attractive price.

AGRICULTURE -The savior

As we learn to live with corona, we also realize the importance of the agriculture sector and farmers. We also must realize that agriculture may be a savior.

Because of lockdown, many migrant workers have moved back home and many, of course, will return to cities once the lockdown is over, yet a considerable number will stay back, most likely taking to agriculture. Therefore, agriculture may be profitable for them to make a good life.

The agriculture sector is the only bright spot at the time of crisis which eyewitnesses an impressive growth of 5.9 percent on the back of a better rabi harvest despite lockdown due to the COVID-19 crisis. The Indian economy grew only by 3.1 percent during the same period due to the contraction of core sectors. Also, the recent forecast shows agriculture will still depict positive growth of 2.5 percent, when GDP may register negative growth.

***IN A NATIONWIDE LOCKDOWN OR PANDEMIC, A FARMER WORKS SO THAT
THE WORLD CAN EAT***