

India wants Free Wheat Export from FCI Stock

Finance Minister Nirmala Sitharaman on Friday, 15 July, 2022 asked World Trade Organization (WTO) to allow India to export foodgrains from its public stockholding to nations which are facing food crisis.

She was speaking at a seminar on ‘Strengthening global collaboration for tackling food insecurity’ on sidelines of the G20 meeting in Bali.

According to WTO norms, countries are not allowed to export foodgrains from their public stock holdings as they are procured at subsidised rates. “WTO restriction is that grains so procured cannot be brought to the market to export. It is a condition which exists from the Uruguay Round days. We have repeatedly said that (surplus) than what we have for our small farmers . . . we are quite willing to trade,” the FM said.

She said that India can help in reducing hunger or food insecurity but there is a hesitation on the part of WTO. Many countries in the world are currently facing food shortage due to ongoing Russia-Ukraine war.

A group of 70-80 countries, led by Singapore, is pushing member countries of the WTO to accept binding commitments of not extending export restrictions on the foodgrains procured under the UN World Food Programme (WFP).

Some members, however, have voiced concerns regarding a blanket exemption for WFP food purchases due to domestic food security considerations. The FM highlighted that food, fuel, and fertilisers are global public goods, and ensuring access to these for developing and emerging economies is critical. She said there is an urgency to strengthen food production and global food system.

The FM also shared India’s experience, including gains in agriculture production, food security programmes and delivery mechanisms like ‘One Nation One Ration Card’ scheme.

Source: The Business Standard