

**CONSTRUCTION OF STORAGE GO-DOWNS
FOR CO-OPERATIVE SOCIETIES IN
DIFFERENT DISTRICTS OF WEST BENGAL-
RIDF XV**

**Co-operation Department
Government of West Bengal**

Background

World Bank Models predict that food prices in global markets may reverse their long-term trend, creating rising uncertainties about global food security. A particularly thorny issue in food markets is the management of price volatility for food staples in economy where they account for a large share of consumer spending. High risks of price volatility remain for both farmers and consumers, so effective safety nets are required. The key issue for development is enhancing the participation of small holders in high value markets and in reducing risks in food staples markets. Adequate Storage Infrastructure and inclusion of the Farmer community as stakeholder in the mainstream of Commodity Supply Chain Management plays a crucial role in improving the returns on agricultural produce for farmers. These helps in achieving farmer aggregation and in consolidation of the produce of a large number of small and marginal farmers for better realization. These could act as an instrument for mass poverty reduction and food security.

Project

Establishment of Storage Go-down Project for BENFED/CONFED/Co-operative Societies (Agriculture Sector) -RIDF-XV.

The said project is of type Agriculture and Allied. This Project envisions Construction of **064** number of Storage Go-downs to the Cooperative Societies in **13** Districts of West Bengal. The estimated Project cost is **Rs. 2, 961.65 lacs** and this would result to a cumulative capacity addition of **1, 00, 131 M.T.** of Storage Infra-structure. The **Co-operation Department, Government of West Bengal** is the Implementing Department of this Project. The List of these Go-downs is enclosed in [ANNEXURE-I](#) and [ANNEXURE-II](#).

Objective

The Objective of this project is to ensure poverty reduction and food security by building Storage Infrastructure at different desired locations of West Bengal to meet the Quantitative and the Spatial Demand for Storage Infrastructure through Government-Cooperative convergence. The Specific Objectives are as follows:

- Prevention of “Distress Sale” by small and marginal farmer.
- Stabilization of price volatility for both farmers and consumers.

- Inclusion of the Farmer community as stakeholder in the mainstream of Commodity Supply Chain Management for improving the returns on agricultural produce for them and for improving their command over resources.
- Empowerment of Women & and other Marginalized Segments by involving them in Paddy Procurement and in Per-boiling of Rice business. Thus, ensuring their social and economic inclusion to the mainstream of the society.
- Achievement of Food Security through timely, adequate and equitable distribution of food grains to the desired locations at minimum cost of logistics.

Goals

To immediate Goal is to build **64** number of **Rural Storage Go-downs** for storing **Food-Grains** spread across **13** districts of West Bengal that would result to a cumulative capacity addition of **1,00, 131** M.T. of Storage Infra-structure within 2010-11.

Strategy

The West Bengal State Cooperative Marketing Federation Ltd. (**BENFED**) will be the Project Implementing Agency (**PIA**) for the said construction of Storage Go-downs. The Co-operative Society will provide the Land (under their absolute possession) required for construction of the said Storage Go-down and the same would be constructed from Financial Assistance under RIDF-XV. After construction, the said go-downs will be handed over to the respective Cooperative Societies.

Benefits

The Project is aimed to ensure the following benefits:

- Achieving farmer aggregation and consolidation of the produce of a large number of small and marginal farmers for better realization.
- Inclusion of the Farmer community as stakeholder in the mainstream of Commodity Supply Chain Management to ensure optimal gains for their produce.
- These Storage Go-downs will provide Backward Linkage with the farmers on one hand and Forward Linkage with the Wholesalers, Retailers, Processors, Exporters, etc. on other hand. It will enhance the Marketing Reach of the farmers.

- Maximization of the procurement of Agricultural produces after harvest and minimization of the procurement cost. This will protect the farmers from the Distress Sale and will extend the benefit of MSP to the farmers.
- Creation of facilities for buffer stocking of food grains.
- Providing opportunities for the Government to ensuring timely, adequate and equitable distribution of food grains by creation of assured storing arrangement; this will ensure Food Security through decentralized storage of crops and grains.
- Creation of person-days of non-recurring nature during construction of these go-downs.
- Creation of person-days of recurring nature during Post-construction Management & Operation of these go-downs.
- Creation of Technical and Managerial Jobs during Implementation and during Operation.
- Creation of Demand for Material during construction of these go-downs.
- Creation of Demand for Transportation Service during construction and during Post-construction Operation of these go-downs.

Impact on Human Development Index

The HDI provides a composite measure of three dimensions of human development: living a long and healthy life (measured by life expectancy), being educated (measured by adult literacy and gross enrolment in education) and having a decent standard of living (measured by purchasing power parity, PPP, income).

This project aims to include the Farmer community as stakeholder in the mainstream of Commodity Supply Chain Management. This will enhance the participation of the small holders which in turn will empower their Command over resources. It is a critical means to empowerment and to bring about a social and economic inclusion of the marginalized segments in the mainstream of society. An individual's command over resources determines his/her sustenance, attainments on other aspects of wellbeing and the opportunities that these attainments facilitate. Besides, this project will enhance the capacity of paddy procurement by Government at the Minimum Support Price (MSP). This will prevent distress sale and will improve the returns on agricultural produce for them— this will enhance the purchasing power parity, PPP, income. This Project also aims to ensure timely, adequate and equitable distribution of

food grains at minimum cost of logistics thus ensuring Food Security for masses. This will ensure longevity and a life free of morbidity. Thus, this project will enhance the ability of the people to enjoy a decent standard of living and to have a socially meaningful life. These will have a direct impact in enhancing the value of HDI of West Bengal.

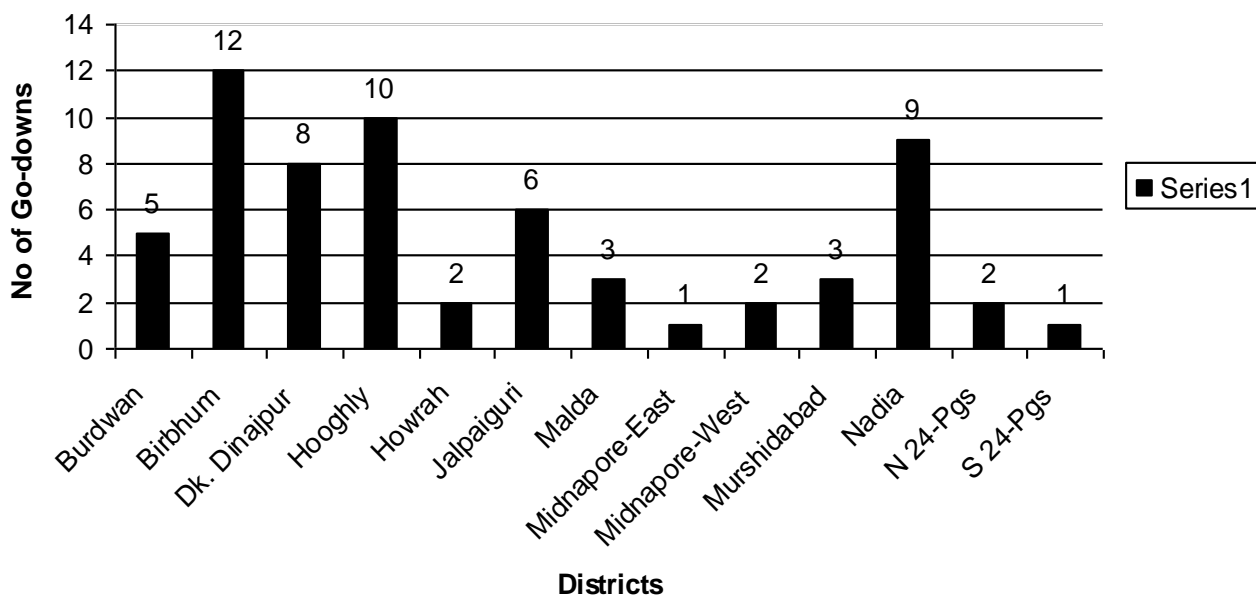
Key Indicators of the Project:

- Implementing Department: **Co-operation Department,
Government of West Bengal**
- PIA: **BENFED**
- Total Project Cost: **Rs. 2, 961.65 lacs**
- Source of Fund: (i) NABARD (under RIDF-XV): **Rs. 2,813.57 lacs**
(ii) Government of West Bengal: **Rs. 148.08 lacs**
- No of Go-downs to be constructed: **64**
- Total projected Capacity Addition: **1, 00, 131 M.T.**
- No. Of Districts to be Covered: **13**
- Period of Completion of the Project: **By March 31, 2013.**

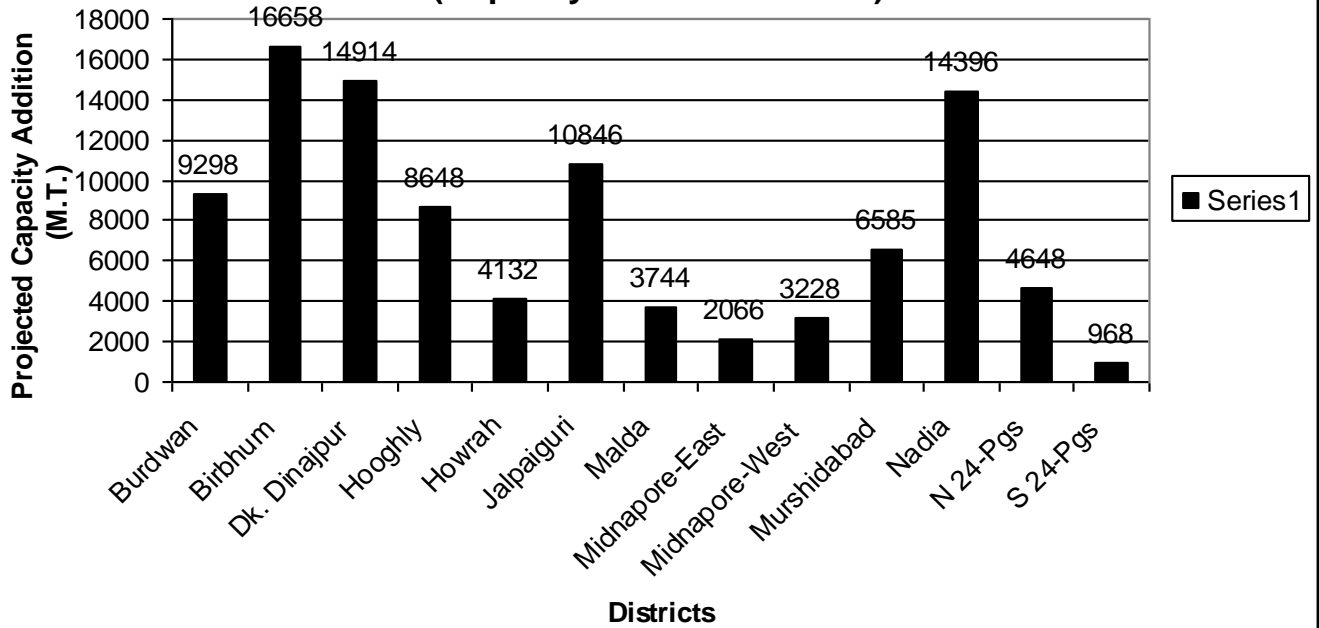
District wise implementation of the Project

Sl No	District	No of Go-downs to be constructed	Projected Capacity Addition (M.T.)	Estimated Project Cost (Rs. in Lakh)
1	Burdwan	5	9298	282.56
2	Birbhum	12	16658	506.92
3	Dk. Dinajpur	8	14914	422.73
4	Hooghly	10	8648	297.72
5	Howrah	2	4132	118.57
6	Jalpaiguri	6	10846	314.61
7	Malda	3	3744	115.41
8	Midnapore-East	1	2066	57.01
9	Midnapore-West	2	3228	94.29
10	Murshidabad	3	6585	179.59
11	Nadia	9	14396	416.38
12	N 24-Pgs	2	4648	124.36
13	S 24-Pgs	1	968	31.50
	TOTAL	64	100131	2961.65

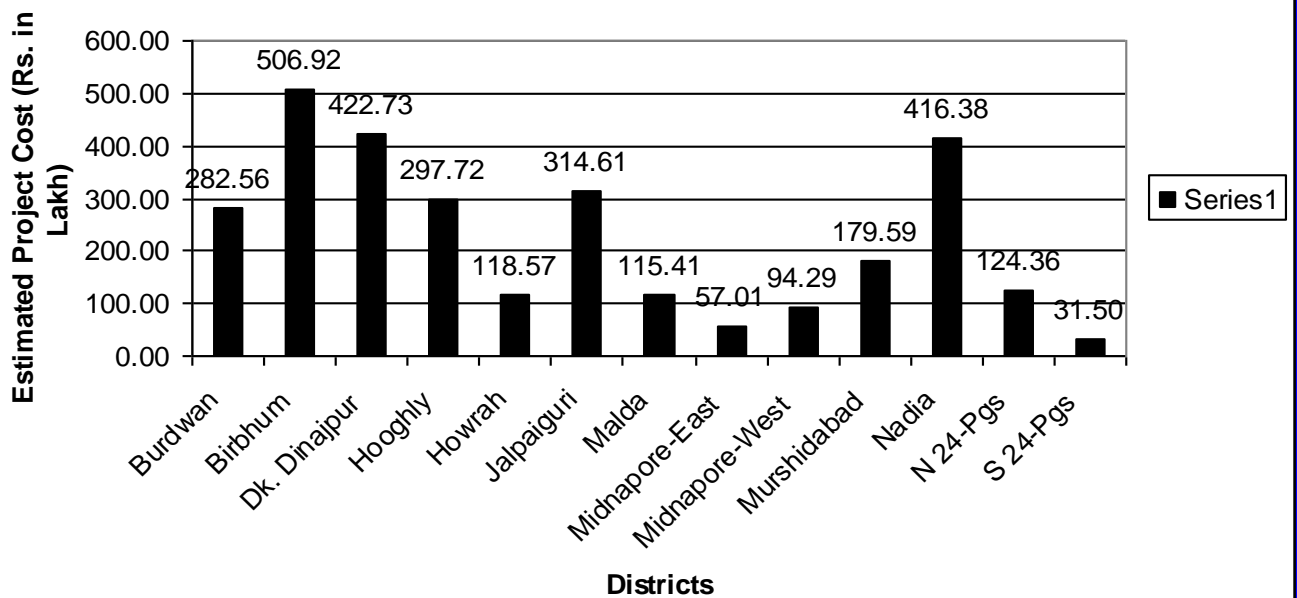
ESTABLISHMENT OF STORAGE GO-DOWNS FOR CO-OPERATIVE SOCIETIES-RIDF-XV (No wise Distribution)



ESTABLISHMENT OF STORAGE GO-DOWNS FOR CO-OPERATIVE SOCIETIES-RIDF-XV (Capacity wise Distribution)



ESTABLISHMENT OF STORAGE GO-DOWNS FOR CO-OPERATIVE SOCIETIES-RIDF-XV (Project Cost wise Distribution)



- *For Detail List of Project: go to [ANNEXURE-I](#) and [ANNEXURE-II](#)*

The End