

Press Release

Extension of Norms for Mandatory Packaging in Jute Materials

- 1.0 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.
- 2.0 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.
- 3.0 In this connection, to support jute farmers, Jute Corporation of India (JCI) has been given a grant of Rs. 204 crores for 4 years starting from 2014-15 to enable JCI to conduct MSP operations and ensure price stabilization in the jute sector.
- 4.0 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. Further, 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.
- 5.0 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.
- 6.0 With a view to promoting 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.

7.0 Above all, jute industry is predominantly dependent on Government sector which purchases jute products more than Rs. 5,500 crores every year. In order to sustain the core demand for the jute sector and to support the livelihood of the workers and farmers dependent on the sector, the Government has extended the mandatory packaging norms under the Jute Packaging Material (JPM) Act, 1987 with the latest decision of the Cabinet which mandates that 90% of the food grains and 20% of the sugar products shall be mandatorily packed in jute bags. 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.

Regions Benefitted:

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