

Government Approves Expansion of Agriculture Infrastructure Fund (AIF) to Boost Farm Income & Increase Productivity



The Union Cabinet chaired by Prime Minister, Narendra Modi on Tuesday (28th August 2024) approved the expansion of 'Agriculture Infrastructure Fund' (AIF), making it more attractive, inclusive and impactful.

In order to strengthen the agricultural infrastructure in India and support the farmers, the Centre also announced a series of measures to expand the scope of AIF scheme. These initiatives aim to broaden the range of eligible projects and include extra support measures to strengthen the agricultural infrastructure, according to media reports.

- Viable farming assets - allow all eligible beneficiaries of scheme for creation of infrastructure covered under the 'viable projects for building community farming assets'.
- Integrated processing projects - incorporate integrated primary secondary processing projects in the list of eligible activities under AIF.
- PM KUSUM Component-A - allow merger of Component-A of PM-KUSUM with AIF for farmer/ FPOs/ Cooperatives/ Panchayats.

Since its launch in 2020, Agriculture Infrastructure Fund has been instrumental in supporting creation of 6623 warehouses, 688 cold stores & 21 silos projects, resulting in additional storage capacity of around 500 LMT in India. This includes 465 LMT of dry storage as well as

35 LMT of cold storage capacity. With this, the additional storage capacity 18.6 LMT of food grains & 3.44 LMT of horticulture produce can be saved every year. Besides, Rs. 47,575 Crore has been sanctioned for around 74,508 projects under AIF till now. These approved projects have attracted an investment of Rs 78,596 crore in the agriculture sector, with Rs 78,433 crore coming from private sources. Additionally, infrastructure projects funded under the AIF scheme have created over 8.19 lakh jobs in rural areas.

The expansion of the AIF scheme is expected to further boost growth, increase productivity, raise farm income and support the overall sustainability of agriculture in the country.