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News: One District One Product Scheme

Pradhan Mantri Formalisation of Micro food processing Enterprises (PMFME) Scheme

- Pradhan Mantri Formalisation of Micro food processing Enterprises (PMFME) Scheme is a **Centrally Sponsored Scheme implemented by Ministry of Food Processing Industries (MFPI)**.
- The PMFME Scheme is currently being **implemented in 35 States and Union Territories (UTs)**.
- Recently, it was decided by the Government of India to **merge PM Formalisation of Micro-food processing Enterprises (PMFME) with Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) scheme**.
- The merging of schemes **would help the Self Help Groups (SHGs) who are involved in micro-entrepreneurship activities** will make them financially empowered and help families of SHGs live a dignified life.

Features

One District One Product (ODOP) Approach

- The States would identify food products for districts keeping in view the existing clusters and availability of raw material.
- The ODOP could be a perishable produce based or cereal based or a food item widely produced in an area. E.g. mango, potato, pickle, millet based products, fisheries, poultry, etc.

Other Focus Areas

- Waste to wealth products, minor forest products and Aspirational Districts.
- Capacity building and research: Academic and research institutions under MoFPI along with State Level Technical Institutions would be provided support for training of units, product development, appropriate packaging and machinery for micro units.
- Upgradation of Individual Micro Food Processing Units: Existing individual micro food processing units desirous of upgrading their units can avail credit-linked capital subsidy at 35% of the eligible project cost with a maximum ceiling of Rs.10 lakh per unit.
- Seed Capital to SHG: Initial funding of Rs. 40,000- per Self Help Group (SHG) member would be provided for working capital and purchase of small tools.
- It is to be implemented over a period of five years from 2020-21 to 2024-25.

- It is a centrally sponsored scheme with an outlay of Rs. 10,000 crore.
- The expenditure under the scheme would be shared in 60:40 ratios between Central and State Governments, in 90:10 ratios with North Eastern and Himalayan States, 60:40 ratio with UTs with legislature and 100% by Centre for other UTs.