

Cabinet approves reservation norms for Jute Packaging Materials for Jute Year 2021-22 under JPM Act, 1987

Compulsorily 100% foodgrains and 20% of sugar to be packed in jute bags

Relief to 3,70,000 workers employed in jute mills and ancillary units as well as support the livelihood of around 40 lakh farmer families

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The Cabinet Committee on Economic Affairs chaired by Prime Minister, Shri Narendra Modi, has approved reservation norms for mandatory use of jute in packaging for the Jute Year 2021 -22 (1st July, 2021 to 30th June, 2022) on 10th November, 2021. The Mandatory packaging norms approved for Jute Year 2021-22 provide for 100% reservation of the foodgrains and 20% of sugar to be compulsorily packed in jute bags.

The reservation norms in present proposal would further protect the interest of domestic production of raw and jute packaging material in India, thereby, making India self-reliant in consonance with Aatmnirbhar Bharat. Reservation for packaging in jute packaging material consumed around 66.57% of the raw jute produced in the country (in 2020-21). By bringing into effect the provision of JPM Act, the Government will provide relief to 0.37 million workers employed in jute mills and ancillary units as well as support the livelihood of around 4.0 Million farm families. Besides, it will help protect environment because jute is natural, bio- degradable, renewable and reusable fibre and hence fulfills all sustainability parameters.

The Jute industry occupies an important place in the national economy of India in general and Eastern Region in particular i.e. West Bengal, Bihar, Odisha, Assam, Tripura, Meghalaya, Andhra Pradesh and Telangana. It is one of the major industries in the eastern region, particularly in West Bengal.

The reservations norms under JPM Act provide for direct employment to 0.37 million workers and 4 million farmers in the Jute Sector. JPM Act, 1987 protects interest of Jute farmers, workers and persons engaged in jute goods' production. 75% of the total production of the Jute Industry is Jute Sacking Bags of which 90% is supplied to the Food Corporation of India (FCI) and State Procurement Agencies (SPAs) and remaining is exported/sold directly

Government of India purchases Jute sacking bags worth approximately Rs. 8,000 crore every year for packing of foodgrains, hence ensures guaranteed market for the produce of Jute Farmers and Workers.

Average Production of Jute Sacking Bags is about 30 lakhs bales (9 lakh MT) and Government is committed to ensure complete off-take of the sacking production of the jute bags in order to protect the interest of Jute farmers, workers and persons engaged in the Jute Industry.