

What are Farm Input Subsidy Programmes (FISPs)?

Green Revolution farm inputs are improved varieties of seed, fertilisers and pesticides. These inputs must be purchased – usually from a government agency, an agro-dealer or a commercial supplier.

The word ‘subsidy’ means that someone will provide something to help farmers purchase these inputs. The ‘someone’ is usually a government agency or a commercial supplier, and the ‘something’ is usually a cash loan or some kind of loan scheme.

The ‘**subsidy**’ sounds as if the government or commercial supplier is doing something good for the farmers, **BUT** farmers must be careful about the **long-term consequences** of any cash loans or loan schemes. These usually lead farmers into a debt trap from which they may not be able to escape. What will happen if you cannot repay the loan?

