

National Cooperative Policy 2025 - Revitalising India's Cooperative Movement

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National Cooperative Policy 2025 Latest News

- Union Home Minister Amit Shah has unveiled a new national cooperative policy, replacing one in place for the past 23 years.

National Cooperative Policy 2025

- Union Home and Cooperation Minister Amit Shah launched the **National Cooperative Policy 2025** in New Delhi, replacing the earlier framework introduced in 2002.
- The policy aims to strengthen the **cooperative sector's** institutional capacity, expand its reach into new areas, and align its role with India's broader development goals.
- Anchored in the vision of **Sahkar se Samridhi** (Prosperity through Cooperation), the policy outlines a roadmap for the sector's growth over the next 20 years, focusing on inclusivity, transparency, technological adoption, and village-level economic empowerment.

Political and Historical Context

- The National Cooperative Policy 2025 comes after a 23-year gap since the last policy was announced in 2002.
- The Union government's decision to create a separate **Ministry of Cooperation** in 2021 signalled a renewed commitment to revitalising this sector.
- With over **8.4 lakh cooperative societies** (and a target to increase this by 30%), the sector reaches over 31 crore people, especially in states like Maharashtra and Gujarat.
- The policy also seeks to expand this network into other states like Uttar Pradesh and Bihar, thereby decentralising political and economic benefits.

Key Features of the Policy

- The new policy is structured around six pillars:
 - **Strengthening foundational systems**
 - **Promoting vibrancy in existing cooperatives**
 - **Preparing for future challenges through digitalisation and innovation**
 - **Enhancing inclusivity and outreach**
 - **Expanding into emerging sectors**
 - **Engaging youth and building capacity for future generations**
- It **aims to increase the sector's contribution to GDP threefold by 2034**, establish at least one cooperative society in every village, and bring 50 crore citizens into active cooperative participation.

Expanding into New Sectors

- Under the new policy, cooperatives will now be supported in **non-traditional sectors**, including:
 - Green energy
 - Tourism
 - Taxi services (*Sahkar Taxi*)
 - Insurance
- **PACS** (Primary Agricultural Credit Societies) are being enabled to undertake diversified activities like managing fuel outlets, LPG distribution, Jan Aushadhi Kendras, CSCs, and even implementing schemes such as *Har Ghar Jal* and *PM Surya Ghar Yojana*.
- A dedicated roadmap has been prepared for sector-specific cooperative development, particularly in rural India.

Model Cooperative Villages and Rural Integration

- A major highlight is the **Model Cooperative Village** initiative. Every tehsil will host five such villages, implemented in coordination with state cooperative banks and NABARD.
- These villages will be centres of excellence in cooperative-led development, integrating:
 - Dairy
 - Fishery

- Floriculture
- Agri-services
- Women and tribal participation (via White Revolution 2.0)
- The goal is to localise economic activity while fostering inclusive growth and community ownership.

Institutional Strengthening and Reforms

- To ensure efficiency and transparency, the policy mandates:
 - Full computerisation of PACS operations
 - Technology-driven governance for all types of cooperatives
 - Cluster monitoring systems for institutional tracking
 - Legal reviews every 10 years to keep policy aligned with evolving needs
- As of 2025, over 83 intervention points have been identified for reform, 58 implemented, three completed, and others underway.
- Additionally, a nationwide cooperative university (**Tribhuvan Sahkari University**) has been established for professional training and capacity building.

Economic Impact and Inclusive Vision

- The cooperative sector currently contributes significantly to India's rural economy:
 - 20% of the total agricultural credit
 - 35% of fertiliser distribution
 - Over 30% of sugar and 10% of milk production
 - Over 21% of the fishing sector
 - 13% of wheat and 20% of paddy procurement
- With these foundations, the policy envisions a **member-centric model** where even the smallest cooperative units become self-reliant and future-ready, contributing to employment generation, income stability, and social dignity.

Source: PIB | IE

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