

**ITEC Training Programme on  
“Issues and Challenges in the Promotion of Farmer Producer Organizations  
(FPOs)”**

**Rationale and justification for the ITEC programme at MANAGE, Hyderabad**

Agriculture in Asia and Pacific region is characterized by small holders and these countries share a common features with India for most of the activities in agriculture. Hence, aggregation of these small holders is gaining attention by the policy makers in several countries across the globe including India. Aggregation on one hand brings in economies of scale and reduce the transaction cost and on the other hand, help provide food to consumer at reasonable price. Group members are able to leverage collective strength and bargaining power to access inputs, technology, services and market.

In the past, in India several efforts were made to aggregate these small holders into Farmer Producer Organizations. The oldest form of aggregation of farmers was cooperatives. However, due to inherent systemic problems, the success of the cooperatives was limited. In the post co-operative scenario realizing the importance of aggregation and limited success of cooperatives, various institutional interventions were started by government, private and civil society organizations for aggregation of small and marginal holders. Several attempts have been made to aggregate the farmers into different forms of groups like Self-Help Groups, Commodity Interest Groups, Grower Associations, and Farmer’s Association etc. However, again the success achieved has been limited and these forms of aggregation were able to address one or two issues faced by the farmers.

Recently, a new model of aggregation in the form of Farmers Producer Organizations registered under Companies Act of India has evolved. The instrument of Farmer Producer Organization registered under Companies Act, 1956 is emerging as an effective Farmer Producer Organization (FPO) to cater to the aggregation needs of farmers at the grass root level. The main objective of mobilizing farmers into member-owned producer companies, or FPCs, is to enhance production, productivity and profitability of agriculturists, especially small farmers in the country. It takes care of the entire supply chain and hence is a distinguished model compared to other aggregation models. These groups are democratically owned and run by management consisting of BoDs drawn exclusively from farmers members while, the

day today activities are managed by CEOs, a management professional who is responsible for overall development of FPCs.

So far, the Indian experience says that FPOs have ideally supported farmers with input provision, providing extension and advisory services to members, procurement of products from members, post-harvest operations, marketing, income support to members, arrangement of loans for working capital or moratorium of loan etc. However, challenges are numerous and the need of the hour is to leverage this concept of FPOs for the overall and sustainable development of agriculture sector across the globe. Against this backdrop, the present training program has been proposed by MANAGE.

MANAGE, as an autonomous institution under the ministry of agriculture and farmers welfare has lead the ways in formulating the extension strategies and capacity development in India. These strengths of Indian agriculture extension system facilitated by MANAGE and other research organizations and State Agriculture Universities calls for spreading the experiences for the benefit of policy makers, administrators, researchers and field level officials from other countries.

Realizing the importance of aggregation of small holders and enlighten the Extension Functionaries in Africa and Asia, MANAGE proposes to organize the above mentioned training programme. The basic objective of the training program would be to sensitize and make the participants from other countries acquainted with the policy for FPOs in India.

Besides sharing the India's experiences and competence through the ITEC programme, the extension functionaries stand to gain from the mutual cooperation with other countries in terms of cross learning and their good will.

### **Aims and Learning Objectives of the training program**

- To make them understand extension strategies and techniques for Mobilization of farmers into group and to make them understand the social dynamics involved in the same.
- To create awareness about the concept and importance of Farmer Producer Organizations in India and across the globe in the present scenario
- To impart skill and knowledge on formation of Farmer Producer Organizations (FPOs) and also on legal issues, National Policies for the Promotion of FPOs in India and other countries.

- To sensitize the participants on following aspects of operation and management of FPOs
  - Documentation and registration process
  - Legal compliances and Audit
  - Preparation of Business Plan/ Vision Document
  - Organizational development and Management
  - Access to real time data, advisory and information
  - Finance and Risk management
  - Forward and Backward linkages
  - Alternative marketing opportunities like contract farming, retail chain linkage, direct marketing, online marketing etc.
- To sensitize the participants on Latest trends in Agribusiness sector facilitating core development of Business areas for FPOs and emerging business models.

**Training Pedagogy:**

- Audio Visuals
- Experience Sharing
- Interaction with domain Experts
- Case analysis
- Group Exercise and Quizzes
- Participatory discussions
- Field visits

**Tentative course module**

Day-wise	Course contents
<b>I Day</b>	<ul style="list-style-type: none"> <li>▪ Soft skills</li> <li>▪ Values &amp; Ethics , Personal Excellence Tools, Tools for achieving Personal Excellence, Leadership for Transformation of the Institute</li> <li>▪ Enterprise Mindset</li> <li>▪ Enterprise Life Cycle Management, Stakeholder Management and Raising Resources, Strategic Management of SHG/JLG/FIG/Producer Company, Principles and Practices of Collectives</li> </ul>

<b>II Day</b>	<ul style="list-style-type: none"> <li>▪ Concept of FPO, legal issues, National Policy for the Promotion of FPOs</li> <li>▪ FPO: Institution, Finance and Risk Management</li> </ul>
<b>III Day</b>	<ul style="list-style-type: none"> <li>▪ Latest trends in Agribusiness sector facilitating core development of Business areas for FPOs, Emerging Services Delivery business models by FPOs</li> </ul>
<b>IV Day</b>	<ul style="list-style-type: none"> <li>▪ National and international Policies for the Promotion of FPOs</li> <li>▪ Sustainability, Membership drive, equity mobilization and company registration</li> </ul>
<b>V Day</b>	<ul style="list-style-type: none"> <li>▪ Vision document and Strategic Roadmap for FPOs</li> </ul>
<b>VI Day</b>	<ul style="list-style-type: none"> <li>▪ Management of Producer Organizations</li> <li>▪ Agribusiness for FPOs - Expanding Business including online trading platform for forward &amp; backward linkage</li> <li>▪ Packaging, branding and licensing of produce</li> </ul>
<b>VII Day</b>	<ul style="list-style-type: none"> <li>▪ Finance, Accounts and Audit of Producer Organizations</li> </ul>
<b>VIII Day</b>	<ul style="list-style-type: none"> <li>▪ Organization Development</li> <li>▪ Role of Institutions (both public and private) in Financing and Supporting the Farmer Producer Organizations</li> </ul>
<b>IX Day</b>	<ul style="list-style-type: none"> <li>▪ Input and Output management; The value chain; Agricultural marketing ; Supply and demand; Developing marketing strategies;</li> <li>▪ Production &amp; Supply Chain Management, Rural Marketing</li> <li>▪ Value Chain Management, Total Quality Management, Export Management</li> </ul>
<b>X Day</b>	<ul style="list-style-type: none"> <li>▪ Enterprise Excellence</li> <li>▪ Nurturing and Harnessing Collective Energy, Sustaining Natural Resources &amp; Emerging Organic Solutions, Integrated Learning Guidelines</li> </ul>
<b>XI Day</b>	<ul style="list-style-type: none"> <li>▪ Field Visit to successful FPOs</li> </ul>
<b>XII Day</b>	
<b>XIII Day</b>	<ul style="list-style-type: none"> <li>▪ Back at work plan</li> </ul>
<b>XIV Day</b>	<ul style="list-style-type: none"> <li>▪ Feedback and valedictory function</li> </ul>

### **Eligibility Conditions of the participants**

1. Reasonable level of experience in Public/ Private/ Civil Societies in Agriculture and allied sectors in the training theme area.
2. Applicant shall possess physical and mental skills and abilities for successfully completing the program.
3. Working knowledge of English is mandatory to understand the training content on sustainable agriculture development.

### **Additional details for uploading on ITEC portal:**

Educational qualifications of candidates	Graduates and Post graduates in agricultural science
Work experience (required) if any	Working experience in the field of agriculture and rural development for minimum 5 years is desired
Minimum age	30 years
Maximum age	50 years
Target Group (level of participants, target ministries or dept., etc.)	Middle level Officers from Department of Agriculture, Non-Governmental Organizations, Farmer producer Company or Universities working in Agriculture sciences
Number of days of local trips	5 (Tentative)
Number of days for outstation trips	0
Number of nights for outstation trips	0
Places to be visited	Hyderabad, Golkonda, RFC
Mode of transport	AC Bus/ AC Train
Transportation charges (approx.)	INR 50,000/- per batch

Accommodation charges, if hotel is required to be hired	NA
Entry ticket charges	INR 4500 per candidate

**Course Director Details**

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