

National Policy for the Promotion of Farmer Producer Organisations

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Collectivization of producers, especially small and marginal farmers, into producer organisations has emerged as one of the most effective pathways to address the many challenges of agriculture but most importantly, improved access to investments, technology and inputs and markets. Department of Agriculture and Cooperation, Ministry of Agriculture, Govt. of India has identified farmer producer organisation registered under the special provisions of the Companies Act, 1956 as the most appropriate institutional form around which to mobilize farmers and build their capacity to collectively leverage their production and marketing strength.

Vision

To **build a prosperous and sustainable agriculture sector** by promoting and supporting member-owned Producer Organisations, that enable farmers to enhance productivity through efficient, cost-effective and sustainable resource use and realize higher returns for their produce, through collective action supported by the government, and fruitful collaboration with academia, research agencies, civil society and the private sector.

Mission

- To promote economically viable, democratic, and self governing Farmer Producer Organisations (FPOs)
- To provide support for the promotion of such FPOs by qualified and experienced Resource Institutions
- To provide the required assistance and resources –

policy action, inputs, technical knowledge, financial resources, and infrastructure – to strengthen these FPOs.

- To remove hurdles in enabling farmers access the markets through their FPOs, both as buyers and sellers
- To create an enabling policy environment for investments in FPOs to leverage their collective production and marketing power

Scope and Coverage

- The provisions of this Policy will apply equally to FPOs already registered either under the Companies Act and under various central and state cooperative society laws and those FPOs which will be registered subsequent to the issue of this policy
- The main qualifying criterion for an FPO to attract benefits under various schemes and programmes of the Central and State Governments is that it must be a body registered and administered by farmers and the organisation must be focused on activities in the agriculture and allied sectors.

Role of Central and State Government Institutions in Supporting FPOs

- Department of Agriculture and Cooperation (DAC), Ministry of Agriculture, Govt. of India will act as the nodal agency for the development and growth of FPOs
- Small Farmers' Agribusiness Consortium (SFAC), a Society under DAC, will be the designated agency of DAC to act as a single-window for technical support, training needs, research and knowledge management and to create linkages to investments, technology and markets. SFAC will provide all -round support to State governments, FPOs and other entities engaged in promotion and development of FPOs.
- The mandate of National Cooperative Development

Corporation (NCDC) will be expanded to include FPOs in the list of eligible institutions which receive support under the various programmes of the Corporation

- DAC will work with Food Corporation of India (FCI) and State Governments to encourage them to include FPOs as procurement agencies under the Minimum Support Price (MSP) procurement operations for various crops