

India FPO Dialogue: **Catalyzing Agriculture through Collaboration**

25th September 2023, New Delhi

In India, farmers tend to have small landholdings – 83% of farmers are in the category of small and marginal farmers. Therefore, the production size of any commodity which a farmer produces is small. Many farmers and their farms are in places far away from markets where their products can be sold. Their access to the market, to banking services, to sources of information, etc., have scope for improvement. While such access is improving, the ability of farmers to leverage these improvements needs to be strengthened.

Unlocking the potential of small holder farmer is the prime national goal with significant impact on poverty outcomes. With the advent and resounding success of a few farmer collectives in the previous decade, Farmer Producer Organizations (FPOs) have emerged as the most preferred institutional mechanism for farmer prosperity by policy makers and development agencies. The National Association for Farmer Producer Organizations (NAFPO) strengthens the FPO ecosystem by augmenting farmer incomes and capacities through trainings on best practices, linking them with market players and financiers and representing their voice on national policy platforms.

According to the latest figures, there are more than 26000 FPOs+ promoted in the country and many are still under various stages of promotion under the Centre Sector Scheme of promotion of 10,000 FPO. In recent years, FPOs moved beyond providing farmers with inputs and have started to add value through aggregation and primary processing before sale of commodities. Simultaneously, dynamic new markets, far-reaching technological and institutional innovations, rising aspiration of farming families characterize a fast changing agriculture landscape. The reasons for FPOs to have a promising outlook are very much related to the development of the food retail sector in India. The intrinsic objective of these organisations is to link smallholders to larger corporate buyers as investments in the food retail and food processing sectors have increased tremendously. This means that farmers come together and leverage the resultant bargaining power to secure better prices in direct cooperation with retail and institutional buyers. The above also ensures that farmers are freed from the vagaries of dealing individually with traders and similar intermediaries across wholesale markets and the potential for losing out on income opportunities on account of poor price realisation. There is a felt need to also understand where different FPOs are at for collaboration with private sector and hence a need for 'grading' the FPO.

The India FPO Dialogue will promote active participation, coordination, and partnership building among farmers' organizations, government agencies, civil society, and relevant actors. The focus is on effective and sustainable rural development interventions for positive growth of FPO ecosystem.

Objectives:

- To provide a platform for farmer's organizations to share their perspectives and experiences on the challenges faced by smallholder farmers in India.
- To understand the perspective of private sector in moving towards collaboration with FPOs and understanding their commitment/investment in FPOs (challenges faced by FPOs/FPCs are well known)
- To discuss ways to promote inclusive and sustainable agricultural development, improve access to markets, and ensure that farmers' interests are protected.
- To show best practices/case studies by mature FPOs and take learning from International and domestic geographies.
- To understand the role fintechs and other agri start-ups can play to strengthening FPOs.

Expected Outcomes:

- Enhanced understanding of the perspectives and experiences of farmer's organizations on the challenges faced by smallholder farmers in India.
- Facilitate knowledge sharing of best practices, success stories, and innovative approaches in agriculture, without directly providing financial support.

Format & Participants:

The dialogue session will be organized phyigitally (physical in Delhi) , with participation from representatives of regional, national and state level farmer's organizations. The following are some of the key participants that could be invited to the dialogue session:

1. Implementation Organisations: Farmer's organization
2. Facilitating Organisations: Stakeholders like CBBOs, IAs, NPMA
3. Partners/Stakeholders: with business interest with FPOs
4. Ecosystem organisations- AMEA, NAFPO, NRLM, Govt. Ministries
5. Bilateral organisations- IFC, Tanager, IFAD

About NAFPO

The National Association for Farmer Producer Organizations is a stakeholder driven institutional consolidation of FPO mobilization efforts and it works towards creating a support structure for FPOs to identify a pathway towards scale and sustainability. Its main objective is to facilitate FPOs to function as collectives while addressing larger challenges such as sustainable agriculture for livelihoods, resource conservation and regeneration, and promoting an equitable and inclusive model of rural economic growth.

About AMEA

The Agribusiness Market Ecosystem Alliance ("AMEA") is a global network for accelerating the professionalization of Farmers' Organizations (FO). AMEA's 29 members and partners are committed to accelerating the development of professional farmer organizations, increasing the efficiency and effectiveness of their interventions, creating an enabling environment, and generating best practices. AMEA has developed a collective and integrated methodology for improving farmer organization performance and, thereby, farmer livelihoods and supply chain reliability.