



Impact of Capacity Building Programme on Incubation Opportunities for Agribusiness in FPO's of Madhya Pradesh

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INTRODUCTION

Business Planning & Development Unit, JNKVV is the Principal agency with special responsibility for entrepreneurship development at Jabalpur M.P. It has been focusing attention on developing programmes for agricultural services provider for farmers & group of farmers. It conducts market research, specific trainings, numbers of need based one day workshops., field day, Agri. Business camp, sensitization session, startup & banker meet, generation and dissemination of new knowledge, Thematic seminars, Innovative technology trainings, performance improvement programmes for existing entrepreneurs, competent management programmes for unemployed non-technical graduates & institution building activities for encouraging the participation through PPP. It has continued to offer its services.

Taking into consideration various efforts required for creation of awareness, organization, capacity building, and other requirements of farmers, the Business Planning & Development Unit, JNKVV organized series of trainings on agribusiness opportunities & Incubation facility for farmer groups of Madhya Pradesh.

STRATEGY

The Training is based on an integrated approach combining lectures, illustrations and demonstrations, and active participation of the trainees. A balanced mix of these elements allows understanding of farmer group need through listening, seeing, experience sharing and trying. It is assumed that participants can contribute to the program of the training based on their background and experience. Therefore, interactive elements and practical exposure (field visits) in the course are highly encouraged and the capacity building will aid to their implementation. The Training is developing to improve the quality and the availability of didactic knowledge on FPO activities. It offers a resource basis for trainers with the idea of encouraging individual adaptation. The training activities will focus on aspects specifically relevant to FPO. The training attempts to introduce all relevant fields related to need of farmers. To grab the benefits to farmers through the membership of FPOs, BPD-JNKVV has generated a positive wave of support to nurture and promote these FPOs. It strongly endorses the promotion of FPOs as a means of linking farmers to agri. value chains & has supported the idea of promoting FPOs in different value chains as part of the larger strategy to increase the income of small farmers & recognizing the centrality of FPOs to meet national agricultural goals.

In view of aforesaid aspects, various efforts required for creation of awareness, organization and capacity building and other requirements of farmers & rural youth, the BPD-JNKVV will be facilitate to support the following activities through Capacity building programme viz. training and exposure visits /skill development interventions including conduct of exposure visits will be undertaken by the training organizer in the areas of farm production, input/ output management, productivity enhancement, process improvement, agribusiness operation/management, book keeping, regulatory compliance, internal

organizational structure, good governance, etc. it comprised 10 training programme per year up to 01 year each having 05 days(fully residential) class room cum practical training followed by handholding support.

Challenge: The challenges for smallholder farmers are numerous and extremely difficult to master individually. These problems range from the provision of services to development of business skills to deal with the new circumstances for backward and forward linkage. To address the challenges of integrating small producers and processors in their different group as FPOs many innovative approaches and strategies are being piloted for promoting competitive business models in the agriculture sector. Participation in market-oriented agriculture as group can improve the livelihoods of rural households through diversified argil, employment generation and enhanced incomes. Therefore aggregating farmers in a group and strengthening their capacity is a major challenge.

GAP EXISTING THAT REQUIRED SPECIFIC INTERVENTION.

The major problem face by FPOs is long term sustainability after government support & subsidy in initial stage and therefore to make FPOs self sustainable the training programme of business opportunities for FPOs in Agriculture sector were undertaken to fill the gap exit to make them self sustainable.

Initiative: In the context of 2014 being observed as “Year of Farmer Producer Organizations (FPOs)” by the Ministry of Agriculture, Government of India, greater attention was given to these emerging farmers organization. The Govt. of India in the Union budget 2018-19, announced to promote FPOs for a prosperous and sustainable agriculture sector that enable farmers to enhance productivity through efficient, cost- effective and sustainable resource use and realize higher returns of the produce. With a view to encouraging enabling environment for aggregation of farmers into FPOs and take advantage of economies of scale, the GOI announced 100% tax exemption for FPOs with annual turnover of up to Rs. 100 crores. Business Planning and Development Unit, JNKVV, Jabalpur, M.P. offers a Capacity Building Programme on Incubation Opportunities for Agribusiness in FPO’s. This capacity building program is funded by RKVY. In ten phases around 300 members of Farmer’s Producer’s Organizations has been trained by the JNKVV on different aspects of the agribusiness. The motive of this training is to apprise about recent technology, to provide quality seeds with best variety, and to give right direction to FPOs by connecting farmer’s with the Prime Minister’s 2022 programme to double farmer’s income. FPOs can connect farmers for input supply, financial and technical advisory, marketing linkage, contract farming, organic farming, integrated farming systems etc. JNKVV Scientists, resource persons from different field with specialization in FPOs share their experiences to motivate FPO members for agribusiness and build their confidence in agri-business.

Key Result

The BPD-JNKVV support to facilitate the training, networks, and mentoring systems throughout their training through following

- 300 trained CEOs/BoDs along with members is readily available as human resource for agri-business promotion.
- Develop institutional linkage like BPD-JNKVV, BISA & ASA, Solidariad etc.
- Offer a structure of comprehensive, holistic, whole-farm educational opportunities for farmers to plug into at multiple phases on their farming business.
- Provide resources for equitable and affordable access to farm inputs.
- Participate in ongoing mentorship and networking opportunities.
- Provide increased regional leadership and support of farmers that result from the collective impact and synergy of the farm pathways collaborative.
- Working knowledge of farm production, management, and business operations are provided.
- Establishment of connections to a local, regional, and national network of people who are active in the sustainable agriculture movement as well as exposure to a wide variety of technology and organizations viz. FPO, APO, Cooperatives, NGOs & Govt. bodies etc.

Impact:

After five days training on Capacity Building Programme on Incubation Opportunities for Agribusiness FPO members are able to leverage collective strength and bargaining power to access financial and non-financial inputs and services and appropriate technologies, reduce transaction costs, tap high value markets and enter into partnerships with private entities on more equitable terms. Farmers are collectivized, sharing their farming experiences with each other. Production cost has been lowered due to low cost inputs available in FPO where they can access easily. The key impact point is given in following table.

Table: Key Impact Points									
S. No.	Participating FPO	Area of Impact							
		Input supply/ Technology (Seed, fertilizer, machinery)		Financial & technical (Credit, savings, insurance, extension)		Marketing linkages (contract farming, procurement under MSP)		Training and Networking (HRD, policy advocacy, documentation)	
		Issue	Outcome	Issue	Outcome	Issue	Outcome	Issue	Outcome
01	Khushal Kisan Producer Company Limited, Agar- Malwa	Availability & selection of Seeds (Verities availability)	Formed Seed bank at FPO level by taking a seed production plan & developed Institutional linkage to BPD-JNKVV, BISA & MBCFPCL	Members did not know about theses services of FPO.	Interacted & introduced the concept & its worthiness by expert to create a good will among members toward FPO.	Selection criteria of CEO/COO	Set the norms (Technical person must to hold the position)	Lack of interaction as FIG level.	This aspect is covered by Management games at Spot training & created awareness about the importance of Individual development by Capacity building program.
02	Zimmedar Kisan Producer Company Limited, Dewas	-	-	Share collection was very less because of improper knowledge at FIG level	Expert briefed the bye laws of PC Act to created knowledge & SC is up by 50%.	Buying at Individual level that putted high cost of carrying, transportation, margin (both side) & uneven quality and quantity.	Created demand (Seed & Fertilizer) at FIG level and cumulative at FPO level for bulk buying. [To be applied in coming season)	Pre-grooming of CEO was not done	Got training from BPD-JNKVV for better linkage formation & tie-ups to other FPOs groups.
03	Malwa Mati Beej Utpadak Sahkari Santha, Ujjain	Searched for better Soybean Varsity	The new varieties of soybean were shown to the farmers group	Issue in SC because of the misconception about the FPO financial concept	During training, expert interacted and resolved the queries related to it. It worked in better manner to created goodwill among members.	Linkage for machine sharing (Tractor etc)	Coordinated with Balram Kisan Producer Company Limited, Ujjain for tech. sharing.	No Technical CBP from last 1 yr.	Got 05 Days technical session by the scientist, industry person for betterment of individuals roles toward FPO.
04	Kisan Ekta Samruddhi producer Compnay Limited, Sehore	Searching for Biofertilizer and Pesticides	Linked to Microbes center & Pesticide production unit for Biofertilizer & Pesticides of JNKVV along with inked for production technology of organic inputs like vermi-compost	-	-	Facing problem in bulk buying & channelizing of Organic input	Created a manual system for demand forecasting at FIG level and set deadlines for each activity at FIG and FPO level for bulk buying on behalf of members of FPO.	-	-
05	Balram Kisan Producer Company Limited, Ujjain	-	-	-	-	Lack of worthiness in market because of no office space & improper documentation	Site selection done for office (open shortly) and understood the importance of DBMS.	Technology adoption	Visited BISA centre Jabalpur to see Zero tillage for sustainable farming and would linked to promote the same.
06	Avantika Aatm Nirbher Krashak Producer co.Ltd, Malwa	Searching for short duration early rice hybrid	Suggested JRH-4, JRH-5 & JRH-8 of JNKVV Rice hybrid	Less share capital	After CBP, members understood the importance of SC and it	Lack of local linkage	Directed to linkage for MBCFPCL for coordinated production	Seeding Technology information, selection, operation and	After visiting, BISA center, concerned BoD adopted "Happy seeder"(tractor-mounted device

					upped by 10%.		plan. & inked with KKPCL Agar-Malwa for technology sharing in seed production	availability (Info.)	has the capability to cut and lift the previous crop (in this case the rice straw)
07	Samarth Kisan Producer Company Limited, Malwa	Lack of quality seeds	Purchased Breeder seed from JNKVV center for seed production, it produces 4% more foundation seed because of quality & good practice of production.	-	-	Loaning issue	Expert delivered & interacted on financing issue of FPO, After getting information (option of loaning for FPOs), applied for institutional loan for promotion of FPO activities.(Seed processing plant)	PoP of wheat (rabi)	Provided best PoP for diff. varieties of wheat along with the option to get recently released varieties of wheat for central region from JNKVV, Jabalpur

- Indicates respondent(s) did not response or information is not available.

Lesson Learned:

For success of the Capacity Building Programme on Incubation Opportunities for Agribusiness in FPO's the key role is played by the promoting organization as to how they orient and build the capacities of the farmer. Both the members and the farmers elected for Board of Director should be trained adequately in good governance. Rapid scaling up is not advisable for a FPO. It should be given appropriate time before scaling up. Skill development has to be undertaken in a professional manner. FPOs require hand-holding support and specific training on seed business management, organic farming, soil and water management, integrated farming systems, market linkages, financial aspects of agri-business etc. The participation of FPOs in such programmes should be promoted by NGOs, government agencies, NABARD, private financing institutions for enhancing sustainability of FPOs in the state.

Supporting Quotes and Images



Figure 1 Group photo of Solidaridad promoted FPOs training program



Figure 2 Certificate distribution by hon'ble Vice Chancellor Dr.P.K.Bisen, and Mr. K. K. Rao, CGM, NABARD for FPO members of NABARD promoted FPOs

Additional information

1. Project partners and/or donors who supported the work:
RKVY, Solidaridad Network Switzerland & NABARD

Abbreviations used

FPO- Farmer Producer Organization
BPD- Business Planning and Development Unit
JNKVV- Jawaharlal Nehru Krishi Vishwa Vidyalaya
BISA- Borlaug Institute for South Asia
MBCFPCL- Madhya Bharat Consortium of Farmer Producers company Limited, Bhopal
MSP- Minimum Support Price
CEO/COO- Chief Executive Officer/ Chief Operation Officer
HRD- Human Resource Development
SC – Share Capital
FIG-Farmer Interest Group
CBP-Capacity Building program
BoD- Board of Director
PoP- Package of Practices
PC- Producer Company
DBMS- Database Management System
RKVY- Rashtriya Krishi Vikas Yojana
PPP- Public Private Partnership

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