

195-3 Agri.

5. Strengthening Farmer producer organisations is the key to fulfill sustainable development goals; regarding agriculture. Critically Analyse.

Farmer producer organisations launched in 2008, to reduce the production cost of farmers and increase bulk procurement of inputs and bargaining powers and in turn raise their incomes

Challenges with FPO's [Farmer producer organisations]

1. Lacks - Capital base.

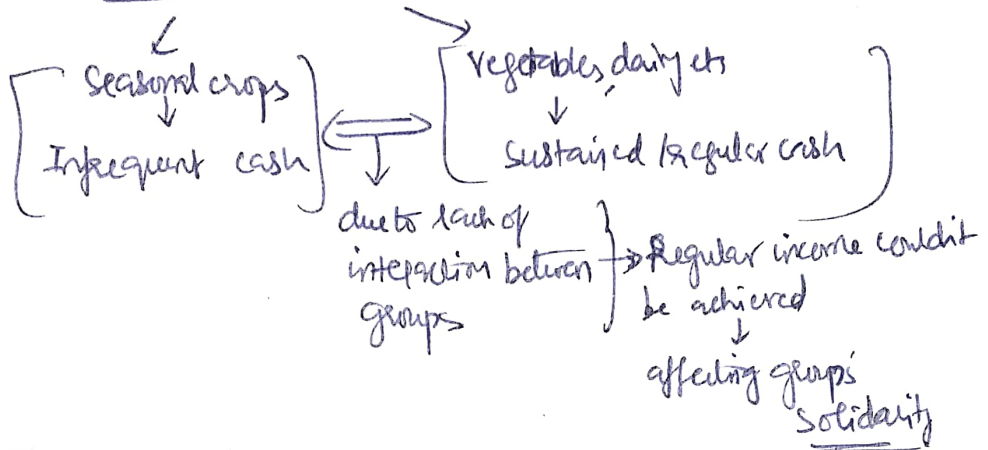
Azim Premji university → Survey - only 4% of these organisations, have > \$10 Lakh capital. ^{This is} Mainly due to want of collateral & credit history.

2. Commercial viability. $\left\{ \begin{array}{l} \text{procurement at affordable} \\ \text{reasonable price} \\ \text{selling at reasonable price} \end{array} \right.$

Since consumer rupee expenditure share of Indian farmers is 25%, compared to US - 70%, the commercial viability is less

3. Value addition - Study >40% farmers - shows most of ^{these} organisations are selling without value addition due to lack of capital & storage ^{processing} facilities

4. Infrequent patronage of members



5. Market linkage

Focus mainly on local & market → commodity derivative exchange, and not on export market

measures - to Address

1. Focus → more on business strategy to link to Agri-Zones (Big basket)

2. Diversify cropping pattern, Integrated farming (eg: Rota (farming)) to ensure diversity + food security (eg: Dairy)

3. Availability & Accessibility to capital/finance.

4. Way forward.

Leveraging Farmer producer organisation, will help to achieve most of target related to Agriculture in sustainable development goals