

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION & FARMERS WELFARE

**LOK SABHA**  
**STARRED QUESTION NO. 119**  
TO BE ANSWERED ON THE 9<sup>TH</sup> FEBRUARY, 2021

**PROMOTION OF FPOS**

\*119. SHRIMATI MEENAKASHI LEKHI:  
SHRI P.P. CHAUDHARY:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the measures being taken by the Government to promote Farmer Producer Organisations (FPOs) in the country;
- (b) the number of new FPOs registered in the country during the current financial year;
- (c) the details of support and financial assistance provided by the Government for formation and promotion of the FPOs;
- (d) the amount of funds released from the allocated funds till now, State-wise;
- (e) the number of FPOs benefitted or newly formed under the scheme and the details thereof; and
- (f) whether additional support through skill training is being provided to farmers and if so, the details thereof?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

(a) to (f): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 119 DUE FOR REPLY ON 9<sup>TH</sup> FEBRUARY, 2021.**

(a) to (f): Government of India has launched a Central Sector Scheme of “Formation and Promotion of 10,000 Farmers Produce Organization (FPOs)” during 2020 for raising the income of farmers.

FPOs are to be developed in produce clusters, wherein agricultural and horticultural produce is grown / cultivated for leveraging economies of scale and improving market access for members. Formation & Promotion of FPOs are to be done through Implementing Agencies (IAs), which will further engage Cluster Based Business Organizations (CBBOs) to form & provide professional handholding support to FPOs for a period of 5 years.

FPOs will be provided financial assistance upto Rs 18.00 lakh per FPO for a period of 03 years. In addition to this, provision has been made for matching equity grant upto Rs. 2,000 per farmer member of FPO with a limit of Rs. 15.00 lakh per FPO and a credit guarantee facility upto Rs. 2 crore of project loan per FPO from eligible lending institution to ensure institutional credit accessibility to FPOs. Suitable provisions have been made for training and skill development of FPOs.

Under new Central Sector Scheme (CSS) of “Formation and Promotion of 10,000 Farmers Produce Organization (FPOs)”, following Implementing Agencies (IAs) have been allocated 2200 FPOs produce clusters during 2020-21 viz. Small Farmers Agri-Business Consortium (SFAC), National Cooperative Development Corporation (NCDC), National Bank for Agriculture and Rural Development (NABARD), National Agricultural Cooperative Marketing Federation of India (NAFED), North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), Tamil Nadu-Small Farmers Agri-Business Consortium

(TN-SFAC), Small Farmers Agri-Business Consortium Haryana (SFACH), Watershed Development Department (WDD)- Karnataka & Foundation for Development of Rural Value Chains (FDRVC)- Ministry of Rural Development (MoRD). NAFED has formed & registered 05 Honey FPOs in Uttar Pradesh, Madhya Pradesh, Rajasthan, Bihar and West Bengal.

As per the scheme guidelines, Department of Agriculture, Cooperation & Farmers' Welfare (DAC&FW) is making advance releases to the Implementing Agencies (IAs) based on recommendation of National Project Management Advisory and Fund Sanctioning Committee(NPMAFSC). So far Rs. 101.75 Crore funds released to the Implementing Agencies. The financial assistance to FPOs will be provided after registration of respective FPOs.

There are well defined training structures in the scheme and the institutions like Bankers Institute of Rural Development (BIRD), Lucknow and Laxmanrao Inamdar National Academy for Co-operative Research & Development (LINAC), Gurugram have been chosen as the lead training institutes for capacity development & trainings of FPOs. Training & skill development modules have been developed to further strengthen the FPOs.

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