

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

LOK SABHA
STARRED QUESTION NO. 211
TO BE ANSWERED ON THE 9TH MARCH, 2021

FACILITIES TO FARMERS THROUGH FPOs

*211. SHRI VIJAY KUMAR DUBEY:
SHRI C.N. ANNADURAI:

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

- (a) whether Farmers Produce Organisations (FPOs) will help small and marginal farmers to get facilities of improved technology, better input, credit and more market to produce better quality crops/yield;
- (b) if so, the details thereof along with the steps taken in this direction and the achievements thereof; and
- (c) the other steps taken by the Government to develop agriculture sector in the country and also double its agriculture export by 2022?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA
STARRED QUESTION NO. 211 DUE FOR REPLY ON 9TH MARCH, 2021.**

(a) to (b): Yes, Sir. The Government of India has launched a Central Sector Scheme of “Formation and Promotion of 10,000 Farmers Producer Organization (FPOs)” under which FPOs formed and promoted with participation of farmers including small and marginal farmers will get various facilities including that of improved technology, better input, credit and more markets to produce better quality crops/ yield.

Formation & Promotion of FPOs are to be done through Implementing Agencies (IAs), which will further engage professional Cluster Based Business Organizations (CBBOs) to form & provide professional handholding support to FPOs for a period of 5 years including preparation and execution of Business Plan for the concerned FPOs for ensuring better marketing and market linkages on sustainable basis.

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 followed by its implementation through 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. Ongoing Schemes of Government will be used in convergence to enhance the cost effectiveness of FPOs in production and raising productivity.

Under new Central Sector Scheme (CSS) of “Formation and Promotion of 10,000 Farmers Producer Organization (FPOs)”, following Implementing Agencies (IAs) have been allocated more than 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). The process of empanelment of CBBOs by the Implementing Agencies(IAs) are at varied stages. The process of registration of FPOs is already initiated.

(c): The Government has taken several steps for developing agriculture sector in the Country by reducing input cost, ensuring fair price, reducing wastage and creating better marketing opportunities through various schemes such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Soil Health Card (SHC) Scheme, Pradhan Mantri Fasal Bima Yojana (PMFBY), National Agriculture Market (e-NAM), Agricultural Marketing Infrastructure (AMI) scheme of the Integrated Scheme for Agricultural Marketing (ISAM), Rashtriya Krishi Vikas Yojana-Remunerative Approaches for Agriculture and Allied Sector Rejuvenation (RKVY-RAFTAAR), Sub Mission on Seed and Planting Material (SMSP), National Horticulture Mission (NHM), Paramparagat Krishi Vikas Yojana (PKVY) and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER). Further schemes such as Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) are aimed to supplement the financial needs of

farmers by provide a payment of Rs. 6000/- per year to be transferred in three equal installments of Rs. 2000/- each every four months directly into the bank accounts of eligible landholding farmer families.

Under the umbrella scheme of Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA), this Department is implementing a Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS), and pilot Private Procurement and Stockist Scheme (PPSS). Under this, States / UTs are to choose either PSS or PDPS in a given procurement season with respect to particular oilseeds crop for the entire State. Pulses and copra are procured under PSS.

In addition to above and with respect to doubling of Agriculture Export, the Agriculture Export Policy (AEP), 2018 has been unveiled to focus on growth of export of agro products from the country. The said Policy provides for cluster based approach whereby clusters for specific agri products are identified across the country and focused interventions are carried out in these clusters for enhancing production and export of these agri-commodities. Besides, the AEP, 2018 seeks to double agricultural export from 30 billion US\$ to 60 billion US\$ by 2022.

Further as per the Scheme Component for Development of Export Infrastructure by Agricultural and Processed Food Products Export Development Authority (APEDA), the development of an adequate infrastructure is critical for the growth of agro industries and export of agricultural products. The scheme covers fresh produce and processed food products. The emphasis is primarily on setting up of post harvest handling facilities so as to reduce losses caused due to spoilage and to ensure quality production of agro products.