

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 4880
TO BE ANSWERED ON THE 1ST APRIL, 2025

PROMOTION OF FARMERS PRODUCER ORGANIZATIONS

4880. SHRI S JAGATHRATCHAKAN:

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

- (a) the total number of Farmers Producer Organizations (FPOs) formed under the Central Sector Scheme for Formation and Promotion of 10,000 FPOs and the current status of the scheme's implementation;
- (b) the impact of these FPOs on the income and market access of small and marginal farmers, with specific data on price realization and input savings;
- (c) the challenges faced by FPOs in terms of market competition, infrastructure and financial constraints and the steps taken to address these issues;
- (d) the role of FPOs in integrating small farmers into food processing supply chains with data on the increase in farmers' participation in such supply chains; and
- (e) the measures taken by the Ministry to further incentivize and promote FPOs in rural areas, particularly in Tamil Nadu and other agricultural States?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): 10,000 Farmer Producer Organizations (FPOs) have been registered under the scheme for formation and promotion of 10,000 FPOs. Rs.590.8 crore has been released as FPO management cost and Rs.280.3 crore as matching equity grant under the scheme till 28.02.2025. Credit guarantees for Rs.483.58 crore have been issued to 2094 FPOs. Impact evaluation study of the scheme is yet to be taken.

(c) to (e): Challenges faced by FPOs are of capacity building & access to markets which are being addressed by the scheme. Under the 10,000 FPOs scheme, the Cluster Based Business Organizations (CBBOs) are providing support for market linkages with buyers/ processors etc. to ensure long-term sustainability of FPOs. FPOs are exposed to the different marketing opportunities available outside local markets to access the wider geographies. FPOs have been supported to onboard Open Network for Digital Commerce (ONDC) and Government e-Marketplace (GeM) platforms. So far, 7901 FPOs are boarded on ONDC and 216 FPOs on GeM portal. 4392 FPOs have been onboarded on e-NAM platform. FPOs are also facilitated to participate in melas and exhibitions to connect directly with buyers and exhibit their produce and products.

FPOs can avail financial assistance from various schemes of Government of India for development of agricultural marketing infrastructure facilities viz., Agriculture Infrastructure Fund (AIF), Paramparagat Krishi Vikas Yojana (PKVY) for promotion of organic farming and natural farming, Sub-Mission on Agricultural Mechanization (SMAM), Agricultural Marketing Infrastructure (AMI), Mission for Integrated Development of Horticulture (MIDH) Scheme and Rashtriya Krishi Vikas Yojana (RKVY).

2698 FPOs have commissioned processing infrastructure. 465 FPOs are registered in the State of Tamil Nadu. To incentivize and promote FPOs, there is focus on financial support, infrastructure and market access.
