

Farmers Producer Organisation (FPOs) are instrumental for the upliftment of socio-economically vulnerable tribal farmers

Smita Joshi¹, Tanay Joshi¹, Amritbir Riar¹

¹Research Institute of Organic Agriculture (FiBL), Frick, Switzerland. Joshi.smita16@gmail.com



Background

- Scheduled Tribes are among the most vulnerable and disadvantaged socio-economic groups in India.
- Madhya Pradesh is the home for 21% of the Schedule Tribal population in India, and Jhabua district has 87% of the ST population in the state.
- Government has made numerous efforts to empower these tribes through various interventions.
- Role of FPOs in such regions have been proved instrumental in the upliftment of marginalized farmers securing their livelihood.

Objectives

- Examine FPOs, as organizations, their ideology and governance.
- To assess the socio-economic status of member farmers in the Jhabua District.
- Suggest strategies and approaches for future for upscaling and improving their outreach.

Methods

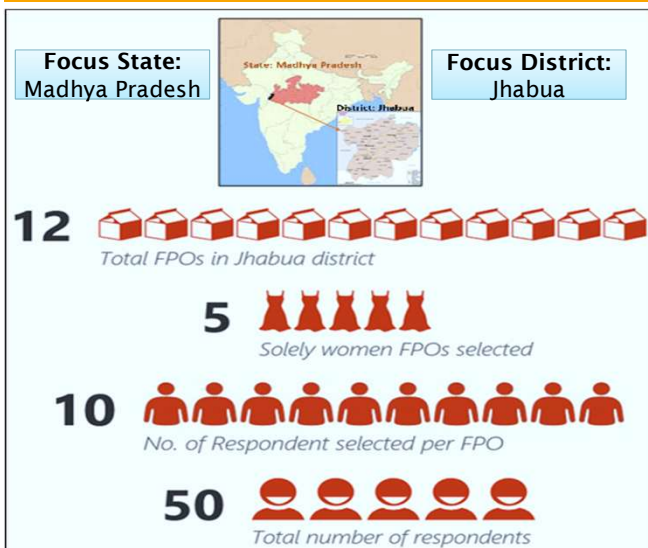


Figure 1: Sampling plan
Five FPOs were selected for study based on different criteria like commodities/crops, activity and services they offer, profile, nature of promoting institutions (PIs), etc.

Data Collection:

Interviews & survey with member farmers & farmer groups on socio-economic performance

- 50 well-designed and adopted survey questionnaires
- 5 semi-structured interview with FPOs and member farmers
- Secondary sources consultation and literature review



Table 1: Basic profile of Selected FPOs

Name of FPO	Establishment Year	No of FIGs (SHGs)	Primary Members	Share per Member (INR)	Donor/ Facilitating Institution	Promoting Institution (PI)
Petlawad Tribal	2012	106	1491	300-500	Multiple Organisations – Agri Department, Pvt Funding Donors	Action for Social Advancement (ASA)
Kakanwani Mahila Krishak	2015	77	1002			
Raoti Mahila	2015	101	1214			
Ranapur Tribal Mahila	2013	140	1684			
Pitrol	2012	110	1424			

Need for future research:



- Further research with special reference to long-term impact of FPOs and to understand the viability and scalability to a large number of smallholders

Results

Social & interpersonal evolution:



Figure 2: Contribution of FPOs in social and inter-personal development of its member farmers

The success in bargaining for lower input supply prices, the ability to pool produce to get a higher price for outputs, and the innovative methods in training and information dissemination have resulted in significant benefits to the members in enhancing their incomes.

Economic Empowerment:

Economic Indicators (INR)	Previous year	Current year	% Increase
Income	77500.00	103070.00	33.0
Employment (no. of days employed)	192.00	236.00	22.9
Savings	34000.00	46573.00	37.0
Price (Vegetables) / Kg	23.00	36.00	56.5
Price (Dairy) /litre	38.00	46.00	21.1

Table 2: Economic impact of FPOs on status of its member farmers

An increase of 33% in annual income was recorded while, savings of farmers increased annually by 37%

Socio-economic growth as a whole:

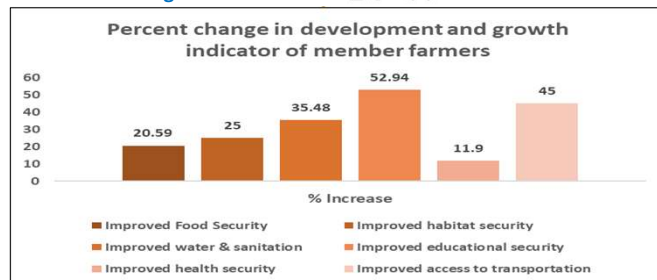


Figure 3: Improved access to different indicator of development for FPO members

Conclusion

- FPO, as an institution for collective action have proven to be successful.
- Training and information dissemination is reported as a key benefit of FPO membership
- Economic gain of the member farmers elevated from previous years
- Technical backstopping reported as major organisational constraint whereas, financial constraint being least severe reported by all 5 FPOs

Recommendations:

- Study tentatively highlights the potential need for a democratic, participatory decision-making process for FPOs
- Availability of govt. grants during the early stage of the FPOs is required
- More emphasis to be given towards capacity building to FPOs
- Credit support should be made more affordable and accessible

References

Singh, S. (2008). Producer companies as new generation cooperatives. *Economic and Political Weekly*, 43(20), 22-24
Shah, T. (2016). "Farmer Producer Companies: Fermenting New Wines for New Bottles," *Economic & Political Weekly*, 51(8): 20-33.

Tropentag,
14-17 September, 2021

