



**Memorandum of  
Understanding  
Between**

**National Bank for Agriculture and Rural Development  
(NABARD)**

**And**

**Small Farmer Agri-Business Consortium (SFAC)**

**For**

**Comprehensive Growth and Development of  
Farmer Producer Organizations**

*Shohare*



## Memorandum of Understanding

THIS MEMORANDUM OF UNDERSTANDING made this 3<sup>rd</sup> day of October, 2018

*BETWEEN*

**National Bank for Agriculture and Rural Development (NABARD), having its Head Office at Bandra - Kurla Complex, Bandra (East), Mumbai – 400051, INDIA (thereinafter referred to as “NABARD”)**

AND

**Small Farmers' Agribusiness Consortium (SFAC), a registered Society promoted by the Department of Agriculture and Cooperation, Ministry of Agriculture, Govt. of India, having its Head Office at NCUI Auditorium, August Kranti Marg, Hauz Khas, New Delhi-110016, INDIA (hereinafter referred to as SFAC)**

Whereas NABARD, a body Corporate established by an Act of Parliament, vis. National Bank for Agriculture and Rural Development Act, 1981, inter-alia, to promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives.

Whereas SFAC, a society involved in Agri-business promotion by encouraging institutional and private sector investments and linkages to ensure the empowerment of farmers in India.

AND WHEREAS NABARD and SFAC are desirous of entering into a collaborative relationship agreed on 4<sup>th</sup> July, 2014 for promoting interest of the Indian farming community.

NOW THEREFORE in consideration of the undertakings set forth herein, NABARD and SFAC agree as follows:





**नाबार्ड**  
**NABARD**



**SFAC**  
**लघु कृषक**  
**कृषि व्यापार संघ**

## **1.0 ESSENCE OF THE RELATIONSHIP**

- 1.1 This Memorandum of Understanding (MOU) establishes a commitment of NABARD and SFAC to achieve meaningful collaboration to mutually support and advance the respective initiatives for the development of Farmer Producer Organizations (FPOs).
- 1.2 This MOU is intended to establish cooperation between NABARD and SFAC without leading to creation of any legally binding obligation whatsoever, on either Party. Each Party to this MOU is free to undertake similar initiatives with any other organization engaged in promoting common interests.

## **2.0 AREAS OF COLLABORATION**

NABARD and SFAC agree to explore innovative and effective strategies for joint action mainly in the following areas:

- 2.1 Promotion of new and vibrant Farmer Producer Organizations (FPOs) in the country as well as strengthening of the existing FPOs.
- 2.2 Development of sustainable financing mechanisms for FPOs, partnering with other financing institutions and setting bench marks/ standards for efficient functioning of FPOs.
- 2.3 Provision of support services for FPOs including training, HRD, Marketing Linkages and any other form of Capacity Building necessary for Effective Management of FPOs.
- 2.4 Documentation of successful models, knowledge sharing, publication of reports, newsletters, other relevant publications, etc. for wider dissemination of information.
- 2.5 Policy advocacy at the State and National level to enhance support for FPOs among diverse stakeholders.
- 2.6 Collaboration with academic institutions, international organizations, civil society organizations and other stakeholders to promote and strengthen Agri Value Chain through the concept of FPOs.
- 2.7 To support and facilitate preparation of bankable Project Reports/ DPRs, etc. and access funds for promotion and strengthening of FPOs.