

Launch of Central Sector Scheme- “Formation and promotion of 10,000 Farmer Producer Organizations (FPOs)” by Hon’ble Prime Minister

Chitrakoot, 29th February, 2020

Hon’ble Prime Minister launched the new Central Sector Scheme- “Formation and Promotion of Farmer Producer Organizations (FPOs)” for formation of 10,000 new FPOs in the country at a mega event on 29th February, 2020 at Chitrakoot, Uttar Pradesh.



Launching of the Scheme

An exhibition was also organized by SFAC during the event, wherein successful FPOs promoted by SFAC, NABARD, MoRD and Government of Maharashtra/MACP from across the country displayed their products.



Visit of Prime Minister to the Exhibition

Some of the FPOs that participated in the exhibition are as follows:

1. Velliangiri Uzhavan Producer Company Limited., Tamilnadu
2. Jay Sardar Krushi Vikas Farmers Producer Company Limited., Rajasthan
3. Shayadri Farmer Producer Company Limited., Maharashtra
4. Surya Farmer Producer Company Limited., Maharashtra
5. Balinee Milk Producer Company Limited., Uttar Pradesh
6. Sahyog Green Plus Adiwasi Sahkari Samiti Maryadit., Chhattisgarh

The key note points of Prime Minister's address are summarized as below:

- *Farmers were only producers till now but through FPOs, they will now be able to negotiate the price of their produce with traders and do business.*
- *The collectivization power of the farmers will be utilized in order to get better prices for their produce.*
- *The capacity of the farmers will be enhanced when the group of farmers undertakes the business activities from seed to market in favour of small and marginal farmers as their numbers are large in the country.*
- *Keeping in view, the success of FPOs in the last few years and the potential that they have, expansion in the programme is being taken up by the Government.*
- *The Government will encourage the tribal areas and more than 100 Aspirational districts for promotion of FPOs by forming at least one FPO in each block. This will support value addition of forest produce of the tribal areas.*
- *Efforts will be made to mobilize more women farmers in FPOs.*

Salient features of the scheme are:

1. FPOs will be formed by Cluster Based Business Organizations (CBBOs) and handholding and professional support will be provided for a period of five years to make them economically sustainable.
2. Priority will be given to the Aspirational Districts by way of forming at least one FPO in every block.
3. Efforts will be made to adopt "One District One Product" model.
4. Provision of matching Equity Grant of Rs. 2000/- per farmer subject to the ceiling of Rs.15 lakh/FPO.
5. Provision of Credit Guarantee up to the project loan of Rs.2.00 Crore per FPO.