



**Guidelines for
the Programme of Integrated Development
of 60,000 Pulses Villages in Rainfed Areas**



Department of Agriculture and Cooperation
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Programme of Integrated Development of 60,000 Pulses Villages in Rainfed Areas

1. Background :

Honorable Union Finance Minister in his Budget speech this year announced an amount of Rs 300 crore under RKVY for Integrated Development of 60,000 villages of pulses crops during 2011-12. To operationalize the announcement, a set of guidelines has been prepared through appropriate interventions for effectively utilizing the allocated money in a manner that supplements the ongoing works on Pulses development under National Food Security Mission and Rashtriya Krishi Vikas Yojana as also to build institutions that provide market linkages to the pulses growers for sustainable development of the crop.

2. Pulses Plan for 2011-12 :

2.1 In order to prepare the plan, a Consultative Committee was constituted in the Department in which leading pulses' growing States were included as members. In the meeting of the Consultative Committee held on 15th February, 2011 the programmatic interventions, financial outlays,

modalities of implementation were finalized. Based on the discussions in the Consultative Committee the guidelines for the Integrated Development of 60,000 pulses villages in Rainfed areas (Crop grown under rainfed condition) for the year 2011-12 have been prepared as given hereunder.

2.2. Criteria for Selection of States: The scheme would be implemented in the States with more than 500000 hectares of pulses area. The states of M.P, U.P, Karnataka, Andhra Pradesh, Gujarat, Chattisgarh, Bihar, Maharashtra, Orissa, Rajasthan, and Tamilnadu, constituting nearly 96% of pulses area would be covered under the scheme.

2.3 Preference to rainfed areas: Pulses villages in the Rainfed areas in the selected states with no assured irrigation source would only be targeted for the implementation of the programmes prescribed under the scheme.

2.4 The programme implementation would be watershed centric as followed during 2010-11. However, states included in the programme of 2010-11 are advised to select the villages other than the ones that were taken up last year in the same watershed areas.

2.5 Entitlement of each State would be dependent on the area under Pulses and the states would be given the choice to take up any or all of the three broad large components for implementation. Within this financial ceiling State would be required to prepare a technical plan for approval of their State Level Sanctioning Committee.

2.6 In brief, the program this year would be a bouquet of three broad categories of interventions under which a number of deliverables could be taken up as per the specific requirements in any area.

I. ***In situ* moisture conservation**

- a. New Farm ponds with polythene lining and/or dug wells
- b. Plastic lining of developed farm ponds

II. **Accelerated Pulses Production Program with inclusion of minikits and pest surveillance**

III. **Market linked extension support**
SFAC (Small Farmers' Agribusiness Consortium) framework of organizing farmers and extending end to end support.

3. **Details of Activities**

The state wise targets and outlays for the different components are given at **annexure I.**

3.1 ***In situ* moisture conservation-**

About Rs.180 Crores are proposed to be allocated mainly for Water conservation and Management through tanks/ ponds, etc. **Rainfed areas with no assured irrigation source in the major pulses states should only be targeted.**

a. **New Tanks and Ponds:**

- ◆ The 60,000 pulses and oil seed villages programme announced last year was implemented in rainfed areas where watershed programmes were already implemented. Under the main watershed programmes implemented by Department of Agriculture and

Cooperation, Land Resources, Rural Development (MGNREGA) etc. the community tanks/ ponds have been constructed. However, there is still the problem of water allocation from the developed community water source to the individual farmers specially the poor farmers. It is therefore suggested that tanks/ ponds to benefit individual farmers may be included on the pattern of work undertaken by Maharashtra state on construction of farm ponds under Rashtriya Krishi Vikas Yojana.

- ◆ It is proposed that these tanks/ ponds could be lined by plastic sheets of 500 microns so that water is available for 2-3 life saving irrigation for pulse crop. The construction of ponds/ tanks on the field of individual farmers for the storage of rain water may be of the size **20 m x 20 m x 3 m** which would cost **Rs.1.20 lakhs per tank** including polythene lining (**cost of lining Rs.0.40 lakh**) as adopted in National Horticulture Mission. The site for the construction of ponds/ tanks would be carefully selected so that earth work

is minimum for construction and sufficient catchment area is available for runoff to fill the tank. The command area would be about 2 ha.

Construction of farm ponds would be taken up in clusters of villages in a campaign mode, so that the execution of the work is expedited and close monitoring is facilitated for creating visible impact.

- ◆ It is also proposed that dug wells could also be included in the areas where ground water is available within 5 m from the ground level.
- ◆ The construction cost of the tank i.e. Rs 0.80 lakh would on the project cost, however, 50 % cost of lining (Rs. 0.40 lakh) would be on the project cost and remaining 50 % would be shared by the farmer.
- ◆ The fund allocated for construction of ponds/ lining of existing ponds would be credited to the bank account of the beneficiaries directly after completing the construction. The model- farm pond guidelines of Maharashtra are enclosed (appendix-A) for information and the states may adopt the same or

develop similar model suitable to their local conditions.

- b. Lining of old tanks :** It is proposed to line the old ponds/tanks, already constructed earlier under the various schemes of watersheds, by polythene sheets of 500 micron (cost of lining Rs 0.40 lakh) to reduce the percolation losses. However, all the tanks would not be lined in view of the need for ground water recharge. It is proposed that 50 % cost of lining would be on the project cost and remaining 50 % would be shared by the farmer. For using the stored water it is suggested that micro irrigation systems may be used for increasing the water use efficiency.

3.2. A3P programme supplementation-

About **Rs 90 Crores** is proposed to be allocated for promoting better crop management practices through block demonstrations in compact blocks on the pattern of Accelerated Pulses Production Program (A3P) under National Food Security Mission. Under A3P, at present 5 major pulse crops namely gram (chickpea), urad (black

gram), arhar (pigeon pea), moong (green gram) and masoor (lentil) are included. Under the proposed programme, new units would be provided to the major pulses growing states. In addition, A3P units for other pulses such as pea, moth, and Rajmas that are also grown in sizable area are also included. In addition to the INM and IPM components of A3P, minikits and pest surveillance components will also be included out of the saving under need based chemicals component of IPM kit provided under A3P budget. The details of per hectare unit cost for different crops and cost of e-pest surveillance are given at **Annexure-II (a) and II (b)** respectively. The state-wise crop specific physical number of A3P units are at **Annexure III**.

3.3. Market linked Supply Chain Development utilizing the innovative experiences of different organizations -

About **Rs 27 Crores:** Share of Pulse growers in the consumer price of pulses is very low. This is on account of lack of market

linkages due mostly to the fact that the pulses farmers are disaggregated in distribution and the quantum of produce per unit of area is very low. To work out economies of scale, it is necessary to organize the pulses farmers in to groups for getting access to the quality inputs and for market linkages. To derive advantages of developing value chains of pulses it is proposed to build farmer producer organizations (FPOs) to mitigate some of the risks and constraints faced by isolated and weak producers. Small Farmers' Agribusiness Consortium (SFAC), a Society promoted by Dept. of Agriculture, Govt. of India, can play a catalytic and nodal role in leveraging State Governments, civil society partners, financial institutions, resource persons and other stakeholders to promote Farmers Producers Organizations (FPO) in support of various Centrally Sponsored Schemes (CSS) of the Ministry of Agriculture. It is proposed that about 150 Farmers Producer Organizations (1000 farmers per FPO) would be organized by SFAC

with main sets of activities i.e. (1) training, exposure and several capacity building interventions for the FPOs (2) agriculture based livelihood interventions such as trial and demonstration of Good Agriculture Practices (replacement of varieties, pre-and post-sowing practices, seed production and dissemination, INM, IPM, etc.) and (3) formation and development of Kisan Producer Company or other institutional form, which will include awareness building, federating, drafting constitution, registration of the company, develop and establish system and procedures related to admin, accounts, HR, develop business plan and implementation, statutory compliance, etc. It is proposed to organise and enhance the capacity of FPOs in 7 states of A.P, Gujarat, Karnataka, M.P, Maharashtra, Rajasthan and U.P through SFAC. It is estimated that venture capital assistance to the tune of about Rs 27 Crores would be extended to FPOs which would leverage over Rs 300 crores of investments through investments

through investment finance. The proposal of SFAC is at **Appendix B**.

3.4. Monitoring. An amount of **Rs 3.00 crore is proposed** for monitoring the implementation of the scheme. A Central Monitoring and Review Committee under the chairmanship of Secretary (A&C) would be constituted. Other members of the committee would include Agriculture Commissioner, DDG (Crops), IIPR, NCIPM, Joint Secretary (RKVY) and Joint Secretary (Crops) would be the convener. Option for outsourcing monitoring activities to Agencies such as NIRD, NPC, and CMIE etc. would be considered by the committee. The reports of the monitoring agency, thus selected, would be reviewed by the Central Monitoring and Review

Committee at regular intervals, at least twice in a year. Technical backstopping for construction of ponds would be provided by Central Soil and Water Conservation Research and Training Institutes of ICAR. Technical backstopping for A3P would be provided by NCIPM and overall supervision would be taken up by IIPR. The Central Monitoring and Review Committee would be empowered to allocate the monitoring funds to the selected agencies based on their proposals.

3.5 Approval of action plans and release of funds under the scheme would be as per the Operational guidelines of RKVY.

3.6. A timelines for the implementation of the programme is at **annexure-IV**.

The State-wise tentative targets and allocation for different components under 60,000 village of pulses during 2011-12
(Rs.in lakhs)

Sl. No.	State	Area of Pulses		Farm Ponds						A3P	Support to SFAC	Monitoring & evaluation	G.Total
		in 000 ha	% share	Old ponds lining	Cost	New Ponds with lining	cost	Total cost	No. of units				
1	A.P	1984.00	9.0	1350	270.00	1350	1350.00	1620.00	12	610.00	280.00	0.00	2510.00
2	Bihar	607.00	2.7	400	80.00	400	400.00	480.00	11	538.00	0.00	0.00	1018.00
3	Chhattisgarh	908.70	4.1	600	120.00	600	600.00	720.00	8	402.00	0.00	0.00	1122.00
4	Gujarat	1000.00	4.5	700	140.00	700	700.00	840.00	9	460.00	140.00	0.00	1440.00
5	Karnataka	2369.00	10.7	1600	320.00	1600	1600.00	1920.00	16	836.00	330.00	0.00	3086.00
6	M. P	4108.10	18.6	2800	560.00	2800	2800.00	3360.00	30	1608.00	580.00	0.00	5548.00
7	Maharashtra	3828.00	17.3	2600	520.00	2600	2600.00	3120.00	27	1436.00	540.00	0.00	5096.00
8	Orissa	791.00	3.6	500	100.00	500	500.00	600.00	8	390.00	0.00	0.00	990.00
9	Rajasthan	3207.60	14.5	2200	440.00	2200	2200.00	2640.00	24	1232.00	450.00	0.00	4322.00
10	Tamil Nadu	563.50	2.6	400	80.00	400	400.00	480.00	5	252.00	0.00	0.00	732.00
11	Uttar Pradesh	2724.30	12.3	1850	370.00	1850	1850.00	2220.00	24	1236.00	380.00	0.00	3836.00
	National level	0.00	0.0	0	0.00	0	0.00	0.00	0	0.00	0.00	300.00	300.00
	G.Total	22091.20		15000	3000.00	15000	15000.00	18000.00	174	9000.00	2700.00	300.00	30000.00

Expenditure for INM and IPM for One ha under A3P Component of the Programme

Sl.No.	Item	Provision under A3P For One Ha as 100% Assistance Quantity	Crops-wise cost/unit /ha in Rs.										
			Pigeonp ea	Urd	Moong	gram	lentil	Moth	Pea	Rajmash			
1	2	3	4	5	6	7	8	9	10	11			
1	Seed Minikit @ 0.20% area/ha (Pigeonpea, Urd Moong & Moth @ 4Kg, Lentil & @ 8kg and Gram, Rajmash & Pea@ 16Kg/ha)	400*	400*	400*	440*	800*	480*	440*	800*	1000*			
2	Gypsum 250 kg	1200	1200	1200	1200	1200	1200	1200	1200	1200			
3	Micro Nutrient (Zinc Sulphate, Borax, Ferrous Sulphate, Micronutrient Mixture)	1000	1000	1000	1000	1000	1000	1000	1000	1000			
4	Rhizobium culture Three packets of 200 gm each =600gm	75	75	75	75	75	75	75	75	75			
5	PSB culture Three packets of 200 gm each= 600gm	75	75	75	75	75	75	75	75	75			
6	Urea (for foliar spary) 10kg	60	60	60	60	60	60	60	60	60			
7	Fungicide for seed treatment Thirum 2 gram + 1gram Carbandzim/ kg for seed treatment	200	200	200	200	200	200	200	200	200			
8	Insecticide/Fungicides/ ,Bio- agents(NPV) & Bio- pesticides Pheromone traps & Lure fit in IPM Recommendations of the crop	1450	900	860	860	1280	1000	860	1280	880			
9	Weedicides 2.5 liters	740	740	740	740	740	740	740	740	740			
10	e-pest surveillance Separate programme has been prepared	200	150	150	150	170	170	150	170	170			
	G.Total	5400	4800	4800	4800	5600	5000	4800	5600	5400			

Annexure II (b)

Intervention specific crop-wise unit cost for e-pest surveillance under A3P Programme during 2011-12

Sl.No.	Item	Provision under A3P For One Ha as 100% Assistance			Crops-wise cost/unit in Rs.					
		Particulars	Cost (Rs)		Pigeonpea	Urd	Moong & Moth	Gram & Pea	Lentil & Rajmash	
1	Master Trainer	2	3	4	5	6	7	8		
	Cost of Training(Food, Lodging, logistic, stay and IPM Kit)		Rs. 7000/ master trainer for one week training					One master trainer per districts and total expenditure would be met from savings of NCIPM during 2010-11		
	Honorarium		Rs.2000/ month for crop specific period maximum 5 months					One master trainer per districts and total expenditure would be met from savings of TA cost of the district under A3P during 2010-11		
	Mobility & Contingency		Rs.2000 /month for crop specific period maximum 5 months							
2	Unit Level extension Staff of State Govt.		Rs. 100/person/week for crop specific period for maximum 20 weeks	2000	1200	1200	1600	1600		
	Honorarium		Rs. 1000/ month for crop specific period maximum 5 months	5000	3000	3000	4000	4000		
	Mobility & Contingency		Rs. 1000/ month for crop specific period maximum 5 months	5000	3000	3000	4000	4000		
3	Unit level Scout farmers(10)		Rs. 100/ scout farmer/ week training for crop specific period maximum 20 weeks	20000	12000	12000	16000	16000		
	Honorarium		Rs. 1000/ month for crop specific period maximum 5 months	50000	30000	30000	40000	40000		
	Mobility & Contingency		Rs. 1000/ month for crop specific period maximum 5 months	50000	30000	30000	40000	40000		
4	Pest management		Rs.250/ha for 250 ha in a A3P unit of 1000ha area of pulses	62500	62500	62500	62500	62500		
Total				194500	141700	141700	163100	163100		
Per ha cost				195/-	142/-	142/-	163/-	163/-		
Cost Rounded	per ha			200/-	150/-	150/-	170/-	170/-		

State-wise allocation of A3P units to the states under integrated development of 60,000 villages of pulses during 2011-12

Sl.No.	State	Crop-wise A3P units and Total cost (Rs.in Lakh)											Total	G.Total cost		
		Pigeon pea	B. Gram	Green Gram	Gram	Lentil	Summer Moong	Rajmash	Moth	Pea						
1	A.P	3	4	3	2	0	0	0	0	0	0	0	0	0	12	610.00
2	Bihar	0	0	0	0	5	0	0	0	6	0	0	0	0	11	538.00
3	Chhattisgarh	2	3	0	0	3	0	0	0	0	0	0	0	8	402.00	
4	Gujarat	2	2	3	2	0	2	0	0	0	0	0	0	9	460.00	
5	Karnataka	6	6	0	4	0	4	0	0	0	0	0	0	16	836.00	
6	M. P	2	4	0	13	6	0	0	0	0	0	0	0	30	1608.00	
7	Maharashtra	7	4	3	0	0	0	0	3	0	0	0	0	27	1436.00	
8	Orissa	0	2	3	0	3	0	0	0	0	0	0	0	8	390.00	
9	Rajasthan	0	6	6	10	0	0	0	0	0	2	0	0	24	1232.00	
10	Tamil Nadu	2	3	0	0	0	0	0	0	0	0	0	0	5	252.00	
11	Uttar Pradesh	2	3	2	3	4	5	0	0	5	0	0	0	24	1236.00	
Total		26	37	20	44	21	11	3	2	10	174	9000.00				

Time Lines for the implementation of the Programme

Sl.No.	Activities	Timelines (to be completed by)
1	Preparation and approval of the guidelines	March 4, 2011
2	Issue of guideline to concerned States	March 7, 2011
3	Preparation of action plan by States	March 25, 2011
4	Approval of the action Plan	March 28, 2011
5	Construction/Completion of 30 % of the targets of ponds.	June, 2011
6	Completion of remaining targets of construction of ponds and lining	November, 2010
7	SFAC -Submission of the proposal. - Approval of the proposal. - To launch the programme and Implementation	March 20, 2011 March 25, 2011 From April, 2011 As per Schedule fixed by SFAC
8	Implementation of A3P programme.	As per Scheduled for the Implementation

MODEL – Farm Pond

Conditions for implementation of Farm Pond Programme will be as under:

1. Eligibility of Beneficiaries:

- i) Farmers having atleast 0.60 Ha. of land. No limit of Land holding.
- ii) Should not have any wells in the field or no assistance for wells or other irrigation facilities from any schemes have been availed of.
- iii) Field of the beneficiary farmers for Farm Ponds should be technically eligible.

2. Selection of Beneficiaries should be on priority basis as following:

- i) SC/ST farmers.
- ii) Selection of farmers under BPL categories should be on first come first serve basis.
- iii) Small or Marginal land holding farmers.
- iv) All other categories of farmers, if farmers of above categories are not available.

NOTE: a) Preparation of list of classified applications on priority basis.

b) Beneficiaries selected on the basis of farmers who have small holdings of land and should be on vertical basis from all category of farmers.

c) Women beneficiaries from all categories would be given priority.

3. Prescribed Size and Subsidy (assistance) for Farm Pond.

Admissible technical and financial norms for construction of farm ponds with plastic lining under the National Horticulture Mission would be adopted under the scheme.

4. Classification of selection of districts

Classification of Talukas of the selected districts should be on the basis of 2001 Census, the responsibility of which will be of District Committees. Care should be taken that cluster Approach should be at the time of sanction of Farm Pond for judgement of benefit for water supply from Farm Pond.

5. Procedure or method to be followed for construction of Farm Ponds

- i) The permission for completion of work of Farm Pond is admissible through machines. However, the responsibility of procuring machines for the work will be of concerned beneficiaries.
- ii) The concerned Taluka level Agriculture Officer will be intimated immediately by the beneficiaries after the completion work of Farm Pond.
- iii) The grant/assistance for Farm Pond will be as per given in para (3) above.
- iv) The amount of admissible grant/ assistance will be credited to beneficiaries Bank Account or

Crossed Cheques in favour of concerned beneficiaries within 15 days after the completion of Farm Pond and after taking measurement of the Farm Pond by the concerned Regional Officers.

6. Implementation of Programme of Farm Pond

(a) Extension and Popularisation of the Programme

To give extension and popularity for programme of Farm Pond under RKVY, the Regional Level Officers will take necessary steps for its extension and popularisation through Notice Board of all Offices of State Deptt. of Agriculture, as also Zilla parishad, Panchayat Samittees and Gram Panchayats. Further, through Machineries of State Agriculture Deptt., it will be popularized by way of personal and joint meetings, Melas etc. Besides, to popularise the programme, an advertisement of the programme on large scale is essential and stress to be given to submit the application by the eligible beneficiaries within the stipulated time. An advertisement should be placed/ popularized through Website.

(b) To obtain Applications from Beneficiaries

To avail the grant/assistance under the programme, an application alongwith consent of the beneficiaries is

essential. The applications are required to be furnished in the prescribed format.

(c) Training

To give training to the beneficiary farmers to acquaint them about the importance of Farm Pond, its utility and maintenance before start and completion of Farm Pond. Also to give information to the beneficiaries after one year after the visit of the site/farm pond.

(d) Technical and Economical criteria for Selection Committee of Farm Pond Beneficiaries

For selection of beneficiaries a Committee under the Chairmanship of concerned District Collector may be constituted with following:

District Collector -	Chairman
Senior Soil Scientist, Soil And Water Conservation -	Member
Engineering Executive Engineer, Small Irrigation -	Member
District Social Justice Officer -	Member
Project Officer, Integrated Tribal Development Project -	Member
District Agriculture Officer	-Member Secretary

Workshop of Committee

- (a) To submit scrutinised applications by concerned District Superintending Agriculture Officer received from Taluka level and make a list of it and send the same (proposal) to District Selection Committee.
- (b) As prescribed by the Government as per decisions, the Selection Committee has to select beneficiaries. The final decision to modify any change/norm will be lie at Selection Committee.
- (c) To inform the beneficiaries about their selection and start of the programme through an Order.
- (d) Eligible/Non-eligible/waiting list to be placed on Notice Board. The names of the farmers of waiting list and non-eligible, is to be communicated to the concerned beneficiaries.
- (e) If the eligible beneficiary requires any change/revision in the size of the farm pond, after the approval of the programme, he may have to take/obtain approval of the District Committee.
- (f) To consider the name of the beneficiary who is on waiting list, if the eligible beneficiary, after his selection, opts to withdraw for any reasons.
- (g) To consider the beneficiary who is on waiting list, if the work is not started by the beneficiary within two months after receipt of order about start of work, his order may be treated as 'Cancelled' and an order about start of work may be issued to beneficiary of waiting list.

7. Timetable for implementation of Programme

1.	Advertisement/Publicity	Within 10 days after the issue of Government decision
2.	Last date for receiving of application	10 days after advertisement.
3.	Scrutiny of application received/time of checking and preparation of list of eligible candidates	10 days
4.	To forward list of eligible application for approval to the Selection Committee Chaired by District Collector.	7 days
5.	To issue letters after approval of Selection Committee about eligible/waiting list/non -eligible candidates.	7 days

8. Administrative and Technical Recognition

To issue order of Administrative acceptance and tentative technical acceptance of the selected beneficiaries of Farm Pond under RKVY by concerned Regional Agriculture Officer.

9. Responsibility of Beneficiaries

- i) To construct farm pond at a site only as approved.
- ii) To construct farm pond of the size for which approval is received.
- iii) To complete the work within two months.
- iv) No advance payment will be made for the work.
- v) To plant local varieties of trees on bund of Farm Pond and flow of water.
- vi) Responsibility of reconstruction/ modification and supervision of farm pond will be lies with the farmers.
- vii) To make necessary arrangement to flow of silt/soil in farm pond during rainy season.
- viii) To place a Board by the beneficiary indicating construction of Farm Pond under RKVY after completion of work of Farm Pond.

10. Controlling and Nodal officer

The responsibility of the construction of farm pond programme

systematically, will be of commissioner (Agriculture), Maharashtra state as prescribed under RKVY 2009-10. To implement the programme, Commissioner (Agriculture) has been declared as Controlling Officer for which necessary guide lines with G.R to be circulated to all Regional Officer/ Staff. The details of physical and financial progress would be displayed on web-site on weekly basis on regular intervals.

To complete the construction work and other formalities within stipulated period to sanction grant/assistance to beneficiaries after supervising the farm pond, will be the responsibility of Regional Departmental Agriculture Supervisor. Further to implement the programme effectively, District Agriculture Officer has been declared as Nodal Officer.

11. Consolidated action taken under Farm Pond Programme under RKVY

To complete following activities in all respect of those Districts to whom targets of the programme has been implemented under RKVY.

- (a) To give an Advertisement
- (b) To obtain Applications
- (c) Scrutiny of Applications

(d) Approval of Selection Committee of Beneficiaries

(e) Training programme

12. Web-Site

For fair selection procedure of the beneficiary an independent Web-site has been opened with the assistance of NIC. On this Web-site details of names of beneficiaries, date of

applications, his personal data, beneficiaries selected by the Selection Committee of Beneficiaries, Order of start of work, date of completion of work, and amount disbursed etc, be displaced on web-site.

13. To supervise the farm pond which have been completed in every year, in at least two years and supervision statement be prepared.

SMALL FARMERS' AGRIBUSINESS CONSORTIUM (SFAC)

Proposal to promote institution building for farmers
as part of Centrally Sponsored Schemes of Dept. of Agriculture

Introduction

Indian agriculture today presents a scenario characterized by millions of small producers who are finding it increasingly difficult to manage the high risk of farming, evidenced by growing weather uncertainties, uneven access to technology, unreliable input supplies, stressed infrastructure in the power and irrigation sectors and uncertain marketing arrangements. This combination of factors limits the potential of the available natural resource base to support agriculture based livelihoods and weakens the bargaining power of the vast majority of these producers. Their situation is likely to worsen in the near future without the urgent adoption of new and innovative institutional solutions to address these challenges. Building farmer producer organizations (FPOs) is one innovation that is likely to mitigate at least some of the risks and constraints faced by isolated and weak producers.

FPOs offer a pathway to farmers, especially smallholders, to successfully

deal with a range of challenges by overcoming the constraints imposed by the small size of their individual farms. FPO members are able to leverage collective strength to access credit and technology, reduce transaction costs, tap high value markets and enter into partnerships with private entities on more equitable terms. The aggregation opportunities offered by FPOs attract both wholesale agents and processors to enter into direct buying arrangements with producers and create competition and fairer price discovery. International and limited national experience in the performance of FPOs gives rise to fresh hope and makes a strong case for supporting member based farmer bodies to significantly reduce risks and improve access to markets.

Small Farmers' Agribusiness Consortium (SFAC), a Society promoted by Dept. of Agriculture, Govt. of India, can play a catalytic and nodal role in leveraging State Governments, civil society partners, financial institutions, resource persons and other stakeholders to promote FPOs

across the country in support of various Centrally Sponsored Schemes (CSS) of the Govt. of India as well externally aided schemes being implemented by State Governments.

Project description

The purpose of the project is to collectivize farmers, especially small producers, at various levels across several states, to foster technology penetration, improve productivity, enable improved access to inputs and services and increase farmer incomes, thereby strengthening their sustainable agriculture based livelihoods.

The major components of the project thus would include- (a) Building and nurturing farmers' groups at the primary and apex level, (b) Planning and implementation of agriculture based livelihood initiatives, especially aimed at productivity enhancement, (c) Formation and development of Kisan Producer Company/ Producer Association/Cooperative for market linkage and obtaining extension and knowledge services and (d) Linking producer groups to Venture Capital Assistance (VCA) by SFAC to leverage finance and value addition.

The basic unit of each project intervention will target 10000 (Ten thousand) farmers spread over 250 villages. There will be a

total of 10 Clusters of villages, each with 25 villages and 1000 farmers. In a district there will be at least two clusters. The village level unit comprises of basic producer groups (PG), each with about 15-20 farmers. This is a flexible format which will be adapted to local conditions to accommodate ground realities. However, each project intervention will aim to mobilize at least 10,000 producers per district, as far as possible in dense clusters to facilitate large scale demonstration and achieve economies of scale.

Once the PGs are stabilized they will be federated under a Kisan Producer Company or other institutional form depending on their preference in each cluster, where the members of the PGs will become equity holders. About 1000 farmers will be federated in each such institution. This body will eventually become the formalized local institution of farmers to address the issues of agribusiness and agriculture extension. A trained team of agribusiness professionals, recruited by the FPO, will help them to plan and implement their business plans.

Local Resource Persons (LRPs), men and women, will be groomed on institutional and technical aspects so that they can serve as service providers in the local area.

Training, exposure and constant handholding to the FPOs and LRPs will be the key strategy of the project. The FPOs and LRPs are expected to be leading the project implementation with facilitation support by the project staff.

Agriculture based technology introduction, validation and adoption will be the key to bring in positive change in the livelihood status of producers linked to the FPOs. The basic methodology followed in this regard will be the ATMA pattern of setting up "Farm Schools", which are participatory learning platforms of farmers with technical support by the project promoters. The aim is to embed technology upgrade mechanisms within the farming community through the FPOs on a sustainable basis.

Once the farmer organizations acquire scale and confidence (typically by the end of the second year) they will be assisted with services such as networking, DPR preparation etc. to enable them to seek VCA from SFAC for investments in technology, infrastructure and value addition.

Key activities : There are four main sets of activities :

(1) training, exposure and several capacity building interventions for the FPOs and LRPs,

(2) agriculture based livelihood interventions such as trial and demonstration of Good Agriculture Practices (replacement of varieties, pre-and post-sowing practices, seed production and dissemination, INM, IPM, etc.),

(3) formation and development of Kisan Producer Company or other institutional form, which will include awareness building, federating, drafting constitution, registration of the company, develop and establish system and procedures related to admin, accounts, HR, develop business plan and implementation, statutory compliance, etc. and

(4) Assistance for seeking VCA from SFAC to leverage institutional finance to undertake value addition activities and infrastructure development.

Methodology

SFAC will identify suitable civil society, private sector and State level partners in each target State through a process of empanelment based on open bidding to promote new FPOs and strengthen existing ones. A strong monitoring and evaluation (M & E) agency will also be roped in to build a robust MIS and provide

comprehensive monitoring and impact evaluation of the proposed intervention. The choice of locations to plan the intervention will be made in close consultation with the concerned State Governments and will essentially back up the implementation of the CSS in the State. A corollary will be a suitable policy reform agenda (such as amending APMC rules, giving space to FPOs) which will be developed in partnership with the States as the FPOs emerge to articulate the needs of cultivators.

Project Results

Economic

- ◆ Increased agriculture productivity
- ◆ Food security will be ensured to the target families
- ◆ Market linkage for the backward and forward integration will be ensured with competitive market and as a result there will be at least 30-40% savings / gain at the farmer's level.
- ◆ There will be additional employment generated due to increased intensity of farming.
- ◆ There will be sub-sector development for agriculture such as seed

production, organic fertilizer production, aggregation of produce and primary processing, poultry production, etc. All these will contribute to energize the local economy for multiplier effect.

Social

- ◆ Social capital built in the form of FPOs
- ◆ Federating FPOs into producer company/cooperative will weave the primary groups together and carry a lot of collective bargaining power.
- ◆ Leadership role of producers in technology absorption
- ◆ Benefits in terms of reduction in migration, improved food and nutritional security, etc. will reduce social conflicts and risks and enhance welfare at household level

Project Outputs

- ◆ 200 farmer producer organizations (FPOs) created
- ◆ 200 000 farmers mobilized into FPOs
- ◆ Expenditure of approximately Rs. 27.00 crores on training, capacity building and institution formation.

