

15 -ാം കേരള നിയമസഭ

2 -ാം സമ്മേളനം

നക്ഷത്ര ചിഹ്നം ഇല്ലാത്ത പോദ്യം നം. 4397

10-08-2021 - ൽ മറുപടിയ്ക്ക്

ഫാർമർ പ്രൊഡ്യൂസർ ഓർഗനൈസേഷൻ

പോദ്യം		ഉത്തരം	
ശ്രീ സി എച്ച് കുഞ്ഞമ്പു		Shri. P. Prasad (കൃഷി വകുപ്പ് മന്ത്രി)	
(എ)	സംസ്ഥാനത്ത് കർഷകരുടെ വിളകൾ സംഭരിക്കാനും സൂക്ഷിച്ചുവെക്കാനുമായി ഫാർമർ പ്രൊഡ്യൂസർ ഓർഗനൈസേഷൻ (എഫ്.പി.ഒ) രൂപീകരിക്കുവാൻ കഴിഞ്ഞ സർക്കാരിന്റെ കാലത്ത് തീരുമാനിച്ചിരുന്നോ; വിശദാംശങ്ങൾ അറിയിക്കാമോ;	(എ)	സംസ്ഥാനത്ത് ഫാർമർ പ്രൊഡ്യൂസർ ഓർഗനൈസേഷന്റെ രൂപീകരണം കഴിഞ്ഞ സർക്കാരിന്റെ കാലത്ത് തീരുമാനിച്ചിരുന്നു. കേരളത്തിന്റെ എഫ്.പി.ഒ. നയം 15/05/2020 ലെ G.O.(Rt).No. 431/2020/AGRI പ്രകാരം പുറപ്പെടുവിച്ചിട്ടുണ്ട്.
(ബി)	ഏതെങ്കിലും ജില്ലയിൽ ഇതിന്റെ പ്രവർത്തനം ആരംഭിച്ചിട്ടുണ്ടോ; വിശദാംശങ്ങൾ അറിയിക്കാമോ;	(ബി)	സംസ്ഥാനനയം അനുസരിച്ചും കേന്ദ്രനയം അനുസരിച്ചും എഫ്.പി.ഒ.കൾ രൂപീകരിക്കുന്ന പ്രവർത്തനം ആരംഭിച്ചിട്ടുണ്ടാകുന്നു.
(സി)	കാസർഗോഡ് ജില്ലയിൽ എത്ര എഫ്.പി.ഒ. രൂപീകരിക്കുവാനാണ് ജില്ലാ ഭരണകൂടം അനുമതി തേടിയിട്ടുള്ളത്; ഇതിന് അനുമതി നൽകേണ്ടത് ആരാണ്; വിശദാംശങ്ങൾ അറിയിക്കാമോ;	(സി)	കാസർഗോഡ് ജില്ലയിൽ പുതിയ 2 എഫ്.പി.ഒ.കൾ രൂപീകരിക്കുന്നതിനും പഴയ 2 എഫ്.പി.ഒ.കളുടെ ശാക്തീകരണത്തിനും ലക്ഷ്യമിടുന്നു. ജില്ലകളിലെ എഫ്.പി.ഒ.കൾ തിരഞ്ഞെടുക്കുന്നതിനുള്ള അനുമതി നൽകുന്നത് സ്റ്റേറ്റ് ലെവൽ സെലക്ഷൻ കമ്മിറ്റിയാണ് . ഇത് സംബന്ധിച്ച ഉത്തരവ് 16/2/2021 ലെ G.O.(Rt) No. 151/2021/AGRI പ്രകാരം പുറപ്പെടുവിച്ചിട്ടുണ്ട്.
(ഡി)	ഇതിന് ഇതേവരെ അനുമതി ലഭിച്ചിട്ടില്ല എന്നത് ശ്രദ്ധയിൽപ്പെട്ടിട്ടുണ്ടോ; എങ്കിൽ എത്രയും വേഗം അനുമതി നൽകി എഫ്.പി.ഒ. ആരംഭിക്കാനുള്ള നടപടി സ്വീകരിക്കുമോ; വിശദാംശങ്ങൾ അറിയിക്കാമോ?	(ഡി)	നിലവിൽ എഫ്.പി.ഒ. ആരംഭിക്കുന്നതിനുള്ള നടപടികൾ പൂർത്തിയായി വരുന്നു. ആയതിനായി അഗ്രി ബിസിനസ്സ് പ്രോമോട്ടിംഗ് ഏജൻസികളെ സാങ്കേതികവും സാമ്പത്തികവുമായ വിലയിരുത്തലിന്റെ അടിസ്ഥാനത്തിൽ തിരഞ്ഞെടുത്തിട്ടുണ്ട്. അവരുടെ ജില്ലാതല അലോട്ട്മെന്റ് പൂർത്തിയായിട്ടുണ്ട്. എഫ്.പി.ഒ. രൂപീകരണം ബഹു. മുഖ്യമന്ത്രിയുടെ നൂറ് ദിന കർമ്മപരിപാടിയിൽ ഉൾപ്പെടുത്തി നടപ്പിലാക്കിവരുന്നു.

സെക്ഷൻ ഓഫീസർ



GOVERNMENT OF KERALA

Abstract

Agriculture (PPM-Cell) Department –Kerala Farmer Producer Organizations (FPO) Policy, 2020– Sanctioned – Orders issued.

Agriculture(PPM Cell)Department

G.O.(Rt)No.431/2020/AGRI

Dated,Thiruvananthapuram, 15/05/2020

- Read 1 Minutes of the meeting of the FPO Technical Committee held on 06.02.2019 under the Chairmanship of the Agriculture Production Commissioner
- 2 Letter No. TM (2) 37873/19 dated 18.10.2019 of the Director of Agriculture
- 3 Lr. No. 28011/1/2020-M-II (Pt) dated: 29.02.2020 of Ministry of Agriculture, Coöperation & Farmers Welfare, Government of India.

ORDER

Farmer Producer Organisations (FPOs) have emerged as one of the most effective concepts enabling farmers to enhance production and productivity through efficient, cost-effective and sustainable resource use and realizing higher returns for their produce, through collective action. Farmer Producer Organisations pursue specific common interests in developing technical and economic activities that benefit their members and in maintaining relations with partners operating in their economic and institutional environment. Farmer Producer Organisations have become essential institutions for the empowerment and advancement of farmers.

Government of India as per letter read (3) above, have approved a Central Sector Scheme on 'Formation and Promotion of Farmer Producer Organizations" for the formation of 10000 new FPOs across the country and to provide adequate hand-holding and professional support to develop economically sustainable FPOs while facilitating adequate market and credit linkage.

Government is of the view that a Farmer Producer Organizations (FPO) policy for the State will help in guiding and streamlining the functions of FPOs in the State and will establish forward & backward linkages for the aggregation of inputs, produce, value chain development and better marketing opportunities resulting in higher returns to farmers.

The Technical Committee chaired by the Agriculture Production Commissioner, in its meeting held on 06.02.2019 entrusted the Managing Director – Small Farmers' Agri Business Consortium (SFAC) to formulate the draft FPO policy. The draft policy modified with the inputs received from the Director, Agricultural Development & Farmers Welfare Department was placed before the 26th State Level Sanctioning Committee (SLSC) held on 23.07.2019. The State Level Sanctioning Committee recommended the draft Farmer Producer Organizations (FPO) Policy for consideration by the Government for sanction.

Government after detailed examination of the matter are pleased to approve the Kerala Farmer Producer Organization Policy, 2020 for promoting Farmers Producer Organisations in the state. The FPO Policy is annexed to this Order.

Kerala Farmer Producer Organisations Policy 2020 will remain in operation for three years from the date of this order and the policy period may be extended based on evaluation of the programme. SFAC Kerala will serve as the implementing and monitoring agency of the programme.

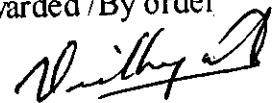
The modalities for implementation of the Kerala Farmer Producer Organisations Policy 2020 at the State and District levels will be detailed in the Operational Guidelines that will be issued by the Director, Department of Agriculture Development and Farmers Welfare.

(By order of the Governor)
DEVENDRA KUMAR SINGH IAS
ADDITIONAL CHIEF SECRETARY & APC

To:

1. The Director, Agriculture Development & farmers Welfare Department, VikasBhawan, Thiruvananthapuram.
2. The Managing Director, Small Farmer's Agri Business Consortium, Thiruvananthapuram.
3. The Mission Director, State Horticulture Mission, Thiruvananthapuram.
4. The Principal Accountant General (A&E), Kerala, Thiruvananthapuram.
5. Information & Public Relation Department.
6. Stock File/Office Copy.

Forwarded /By order



Section Officer

KERALA FARMER PRODUCER ORGANISATIONS POLICY, 2020

1. PREAMBLE

Government of Kerala in its endeavour to ensure the livelihood security of farmers plans to create more opportunities in the agriculture sector. In order to promote the activities in the agriculture and allied sectors the State Government desires to have a favourable environment for FPOs by creating new FPOs and strengthening the existing ones by providing necessary technical and managerial skills along with necessary marketing infrastructure facilities. This will be achieved through the integration of various schemes and programmes of the Government and other agencies involved in the development of agriculture.

The Kerala Farmer Producer Organisations Policy 2020 will set the guideline for the functioning of FPOs in the state and also will ensure income generation of the farmers in the State through the collective efforts of various public-private partnerships.

2. DEFINITION

Farmer Producer Organisation (FPO) is a legal entity which consists of only the practicing farmer. FPOs will be formed by the actual primary producers of a specified commodity/commodities under the Co-operative Societies Act 1965 or as a Farmer Producer Company (FPC) under section 581(C) of the new provision of the Indian Companies Act 1956 amended in 2013 or under Charitable Societies Act. An FPO is regarded as the most appropriate institutional form around which the Government can mobilise farmers for capacity building in production as well as marketing of surplus of sizeable lot. These organisations can be created at cluster, Panchayath, Block, District or State levels depending upon the needs of the producers for economic growth and social benefits.

A minimum of 100 primary producers would be there in a FPO at the beginning and it may gradually be enhanced to 500 - 1000 in 3 years, depending on the commodities.

3. **VISION**

The economy of Kerala is dependent on agriculture and allied sectors. The state produces a wide range of agricultural commodities from its diverse agro climatic conditions ranging from the plains to the hills. Globalisation resulted in the change of consumer behaviour as well as consumption patterns. Price advantage is another factor that is needed for the success of every enterprise and our products are facing tough competitions in this regard. Regaining the lost glory of the State in the Agriculture and allied sectors is to be achieved through the FPOs. FPOs will be facilitated with new technologies, infrastructure facilities, managerial and administrative skills, access to credit and finance etc. for their better functioning which in turn will increase the income of the farmers.

4. **MISSION**

Kerala will be positioned as a hub for agri processing and investment destination for food processing sectors. The FPOs will be linked with the Agro Parks and Food parks established in the state. FPOs will have the mandate for production, aggregation, storage, processing and marketing of the agricultural produce. The resources of the agriculture and allied sectors will be utilised to achieve this goal.

5. **OBJECTIVE**

1. To mobilise the farmers in groups at Panchayat level and federate them at appropriate levels.
2. Support and encouragement for the formation of FPOs for the mutual benefit of farmers as well as the industry. This will ensure enhanced production and productivity and higher unit value realisation for the farmers

along with the assured supply of quality raw materials in a cost effective manner to the industry. Thus a better forward and backward linkage can be established between farmers and industry benefiting both.

3. Plan and implement crop/product specific clusters/cropping system based enterprises.
4. FPOs will act as an aggregator and can use the collective strength in planning and bargaining for production, procurement of inputs and marketing of the produce. This will also add quality and value to the produce.
5. Maximising direct and indirect employment generation through the establishment of marketing outlets, creation of necessary infrastructure facilities for grading, sorting, warehousing, cold storage, transportation etc.
6. To attract youth to agriculture and agricultural entrepreneurship.

6. SCOPE AND COVERAGE

The policy will cover the whole state of Kerala. It will provide direction, incentives and exemptions over and above the FPO policy of the Government of India and any other policy of the state.

7. POLICY PERIOD

Kerala Farmer Producer Organisations Policy 2020 will remain in operation for three years from the date of its notification. Policy period may be extended based on evaluation of the scheme.

8. FRAMEWORK

a. Registration of FPOs

1. FPOs can be registered under Companies Act, Co-operative Societies Act or under Charitable Societies Act.
2. The existing FPOs registered under the CDB and NABARD will also be covered under this policy.

3. New FPOs registered initially under Charitable Societies Act could be later converted under Co-Operative Societies Act / Companies Act depending on their performance and compliance of stipulated requirements if any, for availing financial assistance under GoI.
4. New FPOs will be registered with the participation of the members of the existing groups like Padasekhara Samithies, producers of Graded Clusters under Vegetable Development Programmes, ATMA Groups, Pepper Samithies etc.
5. Coconut Producer Societies registered with Coconut Development Board already come under the purview of FPOs facilitated by NABARD. Kera Samithies under Kera gramam also will be considered for registration under new FPO.
6. The farmers in the fruit villages/flower villages/millet villages in Wayanad, Malappuram, Idukki and Palakkad Districts will also be considered for registration as FPO. Major crop growing areas of cashew, cocoa, medicinal plants etc. under Area Expansion Schemes of State Horticultural Mission will also be considered. Produce like honey may also be considered.
7. Block Level Federated Organisations (BLFOs) under Vegetable Development Programme, Ecoshops and Apex Bodies of Ecoshops /Clusters under Jeevani Project of the Agriculture Department will also be considered for registration under new FPOs.
8. All FPOs should also register under the Department of Agriculture. SFAC will issue a Unique Registration Number to these FPOs. This will be a pre-requisite for availing assistance from the Department.

b. Geographical Area of the FPO

All the new FPOs will be clustered primarily on Block basis or business level and wherever situation necessitates it will be formed at District or State basis. This is due to the following reasons:

1. FPOs should be able to link their activities with business rationale for aggregation.
 2. A strong hand holding and synergy of efforts will facilitate the development of FPOs in the preparation of business plan and its implementation.
- c. Financial Schemes for FPOs**
1. RKVY project on the formation of 50 new FPOs
 2. Value Addition schemes of SFAC, Government of Kerala
 3. Schemes of Department of Agriculture Development and Farmers Welfare, Micro Small and Medium Enterprises Department (MSME), PMEGP, Ministry of Food Processing industries (MoFPI) etc. under GoI
 4. Equity Grant and other support as per the Central Sector Scheme on "Formation and Promotion of Farmer Producer Organizations" by the Department of Agriculture, Co-operation & Farmers Welfare (Agriculture Marketing Division), Government of India.
 5. NABARD / NABKISAN Finance Limited.
 6. ATMA Schemes for assistance to FIGs extended to FPOs for convergence.
- d. Enabling System for FPOs**
1. FPOs will enjoy all the benefits and facilities that are extended by the Government of Kerala to Co-operatives/Self Help Groups/Federations/Corporations from time to time.
 2. State Government will support FPOs by making provisions for easy issue of registration to FPOs to trade inputs like seed, fertilizer, farm machinery, pesticides etc. for the use of their members as well as routing the supply of agricultural inputs through FPOs at par with co-operatives.

3. A Single Window Clearance system by the Department of Agriculture for the FPOs for the issue of licences for trade in inputs, production, processing and distribution of seeds and saplings.
4. FPOs will be allowed for direct sale of farm produce at the aggregation centre / pack houses through FPO owned procurement, sorting and grading centres and marketing centres.
5. Financial inclusion for the activities including working capital, infrastructure development etc. through co-operative banks, commercial banks, NABARD etc.

e. Training Programme of CEOs

1. CEOs and Executive Member of FPOs will be provided training at various training institutions, Incubation Centres, KAU, KVKs, SAMETIs etc. on different managerial aspects of production, procurement, processing, value addition, administration, finance and marketing. There are other training facilities available which are the following :

- NABARD Program
- NCDC Program
- ICRISAT Program
- Institute of Rural Management Anand (IRMA)
- MANAGE, Hyderabad
- RSETIs

f. Training of Farmers of FPOs

1. Training and exposure visits will be provided to the select individual farmers in each FPO based on the lead farmer concept by agri-business promoting Agencies.
2. Leadership training shall also be imparted to the FPO members especially young farmers, so that they will be capacitated and encouraged to hold the leadership of the FPOs.

g. Services to be rendered by the FPOs

1. FPOs will provide end to end services to its members covering all aspects of cultivation viz: production, finance, input supply, technology, procurement, grading, minimal processing, packaging etc. Based on the emerging needs FPOs can add new services for FPOs to ensure best interest of the farmer, with the approval of the Department of Agriculture.

h. Appointment of Nodal Agency

The national policy on FPOs suggests that the Government can appoint a Resource Institution for the promotion of FPOs. Accordingly SFAC, Kerala under the Department of Agriculture Development and Farmers Welfare will be the co-ordinating agency for hand holding of FPOs for the State of Kerala. They would also co-ordinate with all other stakeholders.

i. Financial Support from Government of Kerala

1. Corpus Fund: A FPO Fund with an initial corpus of Rs. 25.00 Crore shall be setup with Department of Agriculture and Farmer's Empowerment to support FPOs. The maximum timeline for promotion of FPO will be 3 years.
2. Investment Promotion Subsidy: FPOs will be eligible for all the existing investment promotion subsidy of the Government of Kerala either through RKVY or SFAC scheme.
3. Interest Subsidy: Interest subsidy of 3% per annum on working capital will be provided to FPOs for a period of 6 months. The total amount of subsidy in a year would be limited to Rs. 1.00 lakh per year. This interest subsidy is payable to financial institutions like NABARD and Banks on behalf of the FPOs only if the FPOs have not defaulted in payment of either principal or interest instalments and fall into category 'A' and 'B' as per NABARD guidelines. The amount of

interest subsidy will be effective rate of interest (after deducting interest subsidy receivable by any institution/s under any Government of India or Government of Kerala scheme).

4. Equity Grant and Credit Guarantee Funds: The successful FPOs will be eligible for Equity Grant and Credit Guarantee Fund Schemes of Government of India.
5. Assistance of Rs. 2.00 lakhs in a block year of 5 years may be provided for preparation and printing of product brochure for each FPO and branding.
6. Assistance of Rs. 1.00 lakh in a block year of 2 years may be provided for participation in buyer seller meet, trade fairs in India and out of Kerala. (For A and B category of FPO). In case of participation in trade fairs abroad through the organisations of Ministry of Commerce, the assistance would be Rs. 3.00 lakh in a block year of 2 years. (Only for A category of FPO).
7. In case of FPOs registered under Co-Operative Societies / Charitable Societies Act, they will be graded by SFAC, by an Expert Group on transparent criteria; and interest subvention and assistance on buyer-seller meet or participation in trade fairs will be provided directly by SFAC to the eligible FPOs / lending banks.

j. Institutional support by Government of Kerala

1. State Government will establish an information support system for FPOs by the SFAC, Kerala under the Department of Agriculture.
2. The support includes website management for providing information to FPOs. The information system shall maintain a database on FPOs and will have information on the activities undertaken by the FPOs in the state.
3. SFAC will select Consultants who can help in preparing business plan and bankable projects for FPOs for the preparation of training

modules and provide other technical support to FPOs. Expression of Interest will be called for, to select the Consultants/Agri-business Promoting Agencies.

4. FPOs should be able to utilise the facilities of the incubation centres established in various organisations including KAU, KVKs, ICAR institutions like CTCRI, CPCRI and NIIST utilising the State funds.

9. Review and Monitoring

a. State Level Consultative Committee (SLCC) for FPOs:

- i. SLCC will be formed for providing necessary guidance. The SLCC shall be responsible for bringing innovation and review of the activities including business plan of FPOs and suggest ideas for development. The SLCC will be convened by SFAC, Kerala once in six months.
- ii. SLCC will be chaired by the Agricultural Production Commissioner and the members include the Secretary(Agri), Directors of Agriculture, Animal Husbandry, Dairy and Fisheries Departments, Registrar of Co-operatives, Registrar of Companies, Representative of SFAC, Representative of NCDC, Managing Director, SFAC Kerala, NABARD Representative, Convenor SLBC, Associate Director of Research (Agri-Engi) KAU, Chairman/Secretary, State Agricultural Prices Board, Director PPM Cell, Mission Director SHM and Director SAMETI. Convenor of the SLCC will be the MD, SFAC Kerala.
- iii. The committee shall perform the functions of;
 - a. Approval of Agri-business Promoting Agencies, Consultants and PMUs.
 - b. Monitor the performance of FPOs through periodic reviews.
 - c. Revisit the policy document and suggest modifications from time to time.

d. Any other function that the committee may wish to perform for the growth of FPOs in the state.

b. District Level Monitoring Committee (DLMC) for FPOs:

- i. DLMC will be formed for monitoring of the schemes at the District / Cluster level with effective co-ordination among the stakeholders. The DLMC will be convened once in 3 months.
- ii. DLMC will be chaired by the District Collector. The members shall include District level Officers of the line Departments (Agriculture, Animal Husbandry, Fisheries, Co-operation), DDM (NABARD), Lead District Manager, Expert from KVK, Project Director (ATMA) and 3 members from Local Producers Organizations. Chairman may co-opt additional members as per requirement. Project Director (ATMA) shall be the Convenor of the Committee.

10. Modalities for Implementation

The modalities for implementation of the FPO policy at the State and District levels will be governed by this policy and subsequent operational guidelines issued if any by the Director, Department of Agriculture Development and Farmers Welfare.



GOVERNMENT OF KERALA

Abstract

Agriculture(PPM Cell) Department-Constitution of State Level Selection Committee for the Selection of Farmer Producer Organisations (FPO) under the Kerala Farmer Producer Organisations Policy 2020 - Orders issued

AGRICULTURE (PPM CELL) DEPARTMENT

G.O.(Rt)No.151/2021/AGRI Dated,Thiruvananthapuram, 16/02/2021

Read 1 G.O.(Rt) No.431/2020/Agri dated 15/05/2020.

2 G.O.(Rt) No.703/2020/Agri dated 11/08/2020.

ORDER

As per reference 1st Cited, Government of Kerala has approved the 'Kerala Farmer Producer Organisations Policy 2020' for promoting Farmer Producer Organisations in the State.

2. As per the reference 2nd cited, State Level Consultative Committee and District Level Monitoring Committee were constituted for the implementation and monitoring of the FPO schemes as per Government of India Guidelines.

3. It is brought to the attention of the Government that the State FPO guidelines have some variation with that of Government of India Guidelines in areas including the minimum and maximum number of members, registration method, assistance pattern etc. Hence SFAC, Kerala who are authorised to implement the FPO Scheme in the State will scrutinize the applications received at State level on the basis of the above FPO Policy and FPO Guidelines issued by the Director, Agriculture Development and Farmers' Welfare Department and shortlist the FPOs and submit the list in the State Level Selection Committee. The final selection and approval of FPOs will be done by the State Level Selection Committee.

4. Government are pleased to constitute the following 'State Level Selection Committee', for the selection of FPOs and 'District level Monitoring Committee' for the monitoring of the FPOs constituted as per the 'Kerala Farmer Producer Organisations Policy 2020'.

A. State Level Selection Committee

1	Secretary, Agriculture	Chairman
2	Secretary, Animal Husbandry and Dairy	Member
3	Secretary, Fisheries	Member
4	Secretary, LSGD	Member
5	Secretary, Co-operation	Member
6	Secretary, Industries Secretary, Agriculture	Member
7	Representative Secretary, Agriculture of SFAC	Member
8	Representative of NCDC	Member
9	Representative of NABARD	Member
10	Convener, SLBC	Member
11	Director of Agriculture	Member
12	Director of Research, KAU	Member
13	Managing Director, SFAC, Kerala	Convener

B. District Level Monitoring Committee

1	District Collector	Chairman
2	Principal Agricultural Officer	Member
3	Secretary, District Panchayath	Member
4	District Animal Husbandry Officer	Member
5	District Dairy Officer	Member
6	District Fisheries Officer	Member
7	Representative of NABARD	Member
8	District Industries Officer	Member
9	Lead Bank District Manager	Member
10	Project Director, ATMA	Convener
11	Representative of KVK	Member
12	Joint Registrar, Cooperative Department	Member
13	Representative of the FPOs (2 Nos)	Member

(By order of the Governor)

S SABIR HUSSAIN

ADDITIONAL SECRETARY

To:

1. The Secretary, LSGD
2. The Secretary, Industries
3. The Secretary, Co-operation
4. The Secretary, Animal Husbandry and Dairy
5. The Secretary, Fisheries
6. The CGM, NABARD, Kerala

7. The Director of Agriculture
8. The Director of Research, KAU
9. The Convenor, SLBC
10. Managing Director, SFAC
11. All the District Collectors/Principal Agricultural Officers
/Secretaries, District Panchayaths
12. SF/OC

Forwarded /By order



Section Officer