

Farmer Production Organization

"Farmer Production Organization" (FPO) under the "Small Farmers' Agribusiness Consortium" (SFAC). A Farmer Producer Organization (FPO) is a group of farmers who come together to form a collective organization, primarily to improve their economic strength and bargaining power in the marketplace. By working together, these farmers can access resources, information, and services that may be difficult to obtain individually. FPOs aim to increase farm productivity, reduce costs, and ensure better market access, ultimately leading to higher incomes for farmers.



355Kg of honey sold by bee keeping Sonahatu farmers Producers Company to local buyers in bulk sale.

Key Features of an FPO:

1. ***Collective Action*:** Farmers pool their resources to buy inputs like seeds, fertilizers, and machinery at lower costs, and sell their produce in bulk, gaining better prices.
2. ***Capacity Building*:** FPOs often provide training and support to help farmers adopt better agricultural practices, improve yield, and manage finances more effectively.
3. ***Market Linkages*:** FPOs facilitate direct connections with markets, including institutional buyers, reducing dependency on middlemen and ensuring fairer prices for their produce.
4. ***Access to Finance*:** Being a part of an FPO can make it easier for farmers to access credit, subsidies, and government schemes designed to support agricultural development.
5. ***Value Addition*:** Some FPOs engage in processing activities, such as turning raw produce into packaged goods, which can be sold at a premium, further increasing farmers' incomes.
6. ***Legal Structure*:** FPOs can be registered as cooperative societies, producer companies, or other forms of legal entities depending on the country and its regulations.



FPOs play a crucial role in empowering small and marginal farmers, helping them to improve their livelihoods and contribute to the overall development of the agricultural sector.