Farmers’ Organizations and Sustainable Development

7-9 September 2022

Sustainable Agricultural Intensification through farmer producer organizations in West Bengal, India

Presenter
Bidur Paria
IIT, Kharagpur, India

Discussant
Dr. Dheeraj Singh
India
Rational of study

- This paper explores these aspects based on experiences of two selected FPOs from the northern West Bengal.

- The paper has special significance for the state as it has large proportion of fragmented landholdings (mainly on account of vast population and the land reform programme), and hence presence of many land-constrained farmers.

- FPOs plays a leading role as innovative institution in collectivizing the smallholder farmers and promoting social inclusion and sustainability in agricultural intensification.

- The findings would provide useful insights in designing of appropriate intervention strategies toward improving their structural stability, functional efficiency and better performance.
The Nabodoy FPO was established as a farmers’ club at the Falakata block of Alipurduar district in the year 2012 and got the FPO status in the very next year. This FPO has total 500 farmers as members with 325 and 175 of them being male and female respectively.

However, in addition to the members, this FPO also indirectly helps more than 10000 farmers of the nearby villages by providing them necessary advice and information regarding input use and marketing of agricultural produce.

Most of the members (around 60 per cent) under this FPO cultivate potatoes and only around 10 percent of them grow carrots and beets in the Rabi season.

The Sabujayan Farmers Club FPO is situated at Purba Mallikpara village in Dhupguri block of Jalpaiguri district. It formed with ten farmers and approximately 16-20 acres of land, there are now 500 members with nearly 80 acres of land.

About 350 (70 per cent) of the members are male and the rest 150 (30 per cent) are female.

Importantly, majority of the farmers have one to three acres of land holdings and around 15 percent members are landless who are mainly labourers and engaged in livestock management and other activities such as mushroom cultivation, vermin compost, etc.

Many of them are also involved in goat farming, pig farming, poultry and fishery.
Analysis

- While large number of FPOs are being promoted each year, most of them seem to face challenges emerging from the internal structure and governance of the collectives.
- Both the FPOs have started with input business and after receiving the start-up finance from the NABARD they diversified to output business.
- It is found that both the FPOs are engaged in cultivating a variety of crops. However, while the Nabodoy FPO focuses more on the business of farm inputs, the Sabujayan FPO gives greater emphasis on animal husbandry.
- Besides, members of the Nabodoy FPO are focused more on marketing of the produce through participation in wider value chains.
- As a result, Nabodoy is in a position to sell the produce in export markets, whereas Sabujayan's marking activities are largely confined to procurement of paddy at the MSP to that the members get payment immediately. This seems to have helped Nabodoy earning a much higher profit.
- In the process of transformation, the Nabodoy FPO focuses more on farmers’ access to output market using the specialised negotiation skills and marketing strategies of the CEO.
- In case of the Sabujayan FPO, focus seems to be more on providing support services such as accessing inputs, credits, technologies, etc. to the members.
- In addition, Nabodoy promotes joint decision making process and respects interests of the marginalised groups.
Implications

- This can be achieved through input cost reduction, strengthening market linkages, and adoption of sustainable agricultural practices and social inclusion of women and landless with proper policy and institutional support.
- Importantly, FPO gives immense opportunities to marginal and vulnerable farmers (like the landless farmers) to be a part of existing agricultural value chains and reap the benefits.
- In particular, the participation of these vulnerable groups in the FPOs significantly reduces their transaction costs in terms of search, information, monitoring and enforcement of activities when they buy inputs or sell outputs timely and at the right price.
- Further, the success of an FPO relies on its marketing expertise and it increases with the interdependence amongst the members and other functionaries. Nevertheless, inclusiveness and sustainability of the FPOs would depend on how the changes in organizational structure and dynamics, functioning and performance related issues are addressed and policies and institutional arrangements are fine-tuned over time.
- Designing more appropriate pathways in this direction requires deeper scrutiny of stakeholders’ objectives and perceptions, changes in socio-economic and ecological conditions and organizations’ (FPOs’) responses to the same.
Thanks