

Activities of FOs

- Management of activities
- Management of fields
- Management of environment
- Bulk purchase of inputs
- Advice to producers
- Training to farmers
- Collective request for credit

Role of extension in promotion of FOs

- Empowerment
- Community-organizing
- Human Resource Development
- Problem solving and education

Steps in establishing FOs

- Understanding the village community (need and problems)
- Identifying potential leaders in the community
- Talking to identified leaders and seeking cooperation from others
- Helping local leaders to call community meetings
- Developing an organizational structure for the FOs (selection of management)
- Develop the FOs management through education and action learning
- Implementing selected activities
- Monitoring and evaluating the FOs progress

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CONCEPTUAL ISSUES IN THE FORMATION AND FUNCTIONING OF FARMERS' ORGANIZATIONS (FOs)



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Introduction

Extension system has the major responsibility of transfer of technology generated from research system to farmers' field. The farmer faces many problems like delay in dissemination of technology and obtaining feedback, non-availability and inappropriate supply of agricultural inputs, non-availability of labour and costly wages, different market issues, and most importantly exploitation of middle man in market. Therefore, the Farmer organizations (FOs) should be established to internalize extension services and provide backward as well as forward linkages. The FOs provide an effective channel for both dissemination of technology to large number of small and marginal farmers and feedback to research and extension. This is why farmers' movement gives a lot of importance to farmers' organizations which is an important pillar of today's society.

Definition of farmers' organization

Farmer organizations are groups of rural producers coming together based on the principles of membership, to pursue specific common interests of their members and developing technical and economic activities that benefit their members and maintain relations and partners operating in their economic and institutional environment (Anonymous, 2004).

Features of Farmers' Organization

- Common interest
- Building interactions between research, extension and farming systems
- Analyze farmers problems with extension support
- Dynamic and flexible, norms and operating procedure
- Both long and short term objectives and plan of action
- Clear transparent transactions
- Capacity of the organization should be strong to ensure its long term stability and sustainability
- Linkages and network with other farmer organizations

Why do we need FOs?

- FOs influence policies and demand for required services
- Farmers can participate in decision making process of the development activities
- Service system becomes more effective and accountable
- They get better access to latest markets and technology
- FOs can involve in farmer and market-led extension activities

Types of Farmer Organizations

According to Chamala and Mortiss (1990) farmer organizations can be divided into two types

(a) Community-Based, Resource-Orientated Farmer Organizations: This type of organization could be a village-level cooperative or association which can deal with inputs needed by the members, the resource owners, to enhance the productivity of their businesses based on land, water, or animals. The income can then be put back into the organization by spending it on extension, data generation, business planning, and administration. For example:

- Farmers Club
- Self Help Groups
- Farmers Interest Group

(b) Commodity-Based, Market-Orientated Farmer Organizations. These organizations specialize in a single commodity and work for value-added products which have expanded markets. They are designated as output-dominated organizations. This organization deals with the members from among the regional growers of that commodity who are interested in investing some share capital to acquire the most recent processing technology and professional manpower. The rate of success of these organizations is determined by their capacity to arrange for major investments and a continuous flow of raw materials.

(c) Benefits of Farmers' Organization

Followings are the benefits that a Farmers' Organization can achieve through group approaches. These are

1. **Improving bargaining power and community-level enforcement management:** This can be acquired by smallholders depending largely on the strength of their bargaining power. Farmers' groups appear not only to improve the bargaining power of smallholders but also serve to access the scarce resources.
2. **Facilitate better liaison and convergence with other developmental departments through**
 - Facilitating communication between firm and farmer
 - Aiding quality control and assurance
 - Improving bargaining power and upgrading processes
 - Providing technical transfer and farmer training
3. **Lowering input costs:** By bulk purchasing inputs through groups, farmers obtain bulk sale discounts from suppliers and can share transport costs.
4. **Lowering information costs:** Farmers can link up with government extension services by sharing costs in accessing these services by putting up their efforts in formation and promotion of CIGs, Farm Schools and WIGs for need based capacity building programme under the extension reform scheme.
5. **Lowering cost of financial services:** Farmers can open group savings and/or credit accounts offered by financial institutions at reduced individual expense. It will help them in accessing credit needs in near future.
6. **Facilitating marketing and exporting:** FOs help in accessing facilities of value addition, storage and market infrastructure which will fetch them higher price in the market.
7. **Helps in capacity building of farmers:** FOs helps the extension persons to facilitate different capacity building programmes like training, demonstration, exposure visit and scientist- farmer's interactions.
8. **Can draw the attention of the policy maker:** Farmers in group are able to place their constraints in a better way and helps the policy maker to address their problems through developmental schemes.
9. **Can help in better use of resources:** Farmers in a group can use their resources in an efficient way towards achieving profitable outcome with the help of technical guidance and mutual help.
10. **Socio-economic upliftment:** Farmers can raise their status, position and participation through earning profit from their group endeavour.