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Guidebook on **Strengthening Farmer Interest Groups**



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Guidebook on
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List of Abbreviations

AGM	-	Annual General Meeting
BoD	-	Board of Directors
CEO	-	Chief Executive Officer
FIG	-	Farmer Interest Group
FPO	-	Farmer Producer Organization
GP	-	Gram Panchayat
L ₁ & L ₂	-	Leader 1 & Leader 2 of a Farmer Interest Group
MT	-	Metric Tonne

1. Context

As per Government of India, Agriculture Census 2011, 85 percent of the total farms belong to small and marginal farmers in the country. They depend on monsoon to raise their crops and their access to critical inputs such as quality seeds, fertilizers, irrigation water, power and credit is weak. They are forced to sell their produce through intermediaries who operate in the market and this results in reduction of profit margins for them. In order to address these problems, the Government of India framed policy guidelines in 2013 to encourage the collectivization of producers, especially small and marginal farmers into FPOs. These organizations are registered under the special provisions of Companies Act of 1956 amended in 2013. The main aim of FPOs is to mobilize farmers and build their capacities to collectively leverage their production and marketing strength for earning sustainable incomes. This farmer centric institution reiterates that farmers are the backbone and primary stakeholders in producer organizations. They have a direct stake in the business and their cooperation for life cycle of FPOs is necessary.

Forming strong Farmer Interest Groups (FIGs) and building their capacities from time to time is in the interest of

FPOs. This is possible if FPOs attempt to institutionalize the functioning of the FIGs in business promotion, set up systems and procedures to bring transparency and good governance in their functioning, link their deliverables to FPOs in a continuous manner create and provide clarity on their roles and responsibilities as the FPOs grow from incubation stage to growing and matured stage. The cohesive functioning of the FIG keeps away the free rider problems (receiving agricultural inputs from the FPOs at better rates, and selling their produce directly to markets) from FPOs.

In this toolkit, an attempt has been made to ensure a clear and cohesive communication among the FIG members, Leader_{1/2}, FPO management and BoDs of FPOs by developing five tools that is to be used by the FPO stakeholders. Each tool ensures that right information flows from bottom up in the hierarchy of FPO structure. An overview of the five tools is represented in the figure 1.1.

A detailed description for each of the five tools is given in the following section.



Figure 1.1 Overview of FIG Tools

2. Operational Tools

2.1 TOOL: FIG Tactical Meetings

Time	Difficulty	What you'll need	Participants
1 hr	Moderate	Pen, Paper, board, post -its, pin board, Minutes book	Member farmer of FIG, L ₁ & L ₂ , FPO staff (need based)

Purpose of Tool

The success of an FPO is reliant on the successful functioning of the FIG. Member farmers need to be active and this can happen if the communication between FPO and FIG is seamless. The purpose of the FIG tactical meeting is to ensure a clear and concise discussion process which leads to a productive meeting among FIG members.

Frequency: Once in a month

Facilitator of Tool: L₁ & L₂ of the FIG

Tool Context

FIG meeting is advisable to be held once a month. L₁ and L₂ would fix the date of the meeting convenient to FIG members and inform the same to FPO management. The venue can be a common place in the village as agreed by the FIG members. It is observed that meetings of FIGs are preferred to be held during the evening time. If the FIG is a mixture of both male and female members then a timing that is convenient for all members must be fixed. A concise minute's book as a tool is developed suiting to the needs of FIG meetings and will be explained in the next section. Equally important for the smooth meeting are certain rules and steps which ensure a productive meeting. In this regard a few tactical steps are suggested which will make FIG meetings tactical.

Tools and Tactics

Tactical meeting process enables FIG members to discuss operational issues, technical & technological updates on agriculture sector. FPO administrative and business updates are also shared by L₁ & L₂. The meeting is divided into various rounds and members are obliged to follow the rules of each round. Each round has a goal which is explained as follows:-

Tactical Meeting Steps

1. Check-in Round: *Ice breaker and an informal sharing of the members*

Get attendance, ground the meeting, ensure members are comfortable before the meeting begins.

2. Checklist Review: *Sharing of recurring actions*

L₁ & L₂ as facilitator reads the checklist of recurring actions by role; participants respond "check" or "No check" for the preceding period or last month.

E.g, agri input indent of FIG raised; minutes of meeting updated; savings deposited in the account. Members who have taken the role of writing the minutes will say "check" if done or "no-check" if not done. Likewise, each owner of the checklist will respond with "check/no-check" or "Yes/No"

3. Progress Updates: *Report Updates of FPO projects and business in the last month*

L₁ & L₂ read the updates and progress as shared by FPO management. Members can ask questions, but no discussion.

4. Agenda Building: *Build an agenda with placeholder headlines*

Based on the questions during the last round, checklist updates and other important points members want to raise, the facilitator will write down agenda along with the owner of each agenda item. No Discussion

5. Prioritize Issues: *Get through all the agenda items in the allotted time.*

Take each agenda item and start a discussion. To resolve each agenda item

- The facilitator asks: "What do you need?" to agenda owner
- Agenda item owner engages others as needed.
- The facilitator captures any next-actions, requests or complaints.
- Facilitator asks: "Did you get what you need?"
Discussion allowed

6. Closing Round: *Collate learning from the meeting.* Each member can share a closing reflection about the meeting; No Discussion. Among L₁ & L₂, one will facilitate the meeting and other will update the Minutes Book.

2.2 TOOL: Farming Check-up Checklist

Time	Difficulty	What you'll Need	Participants
15 min	Easy	Checklist page	L ₁ & L ₂ and FIG members

Purpose of Tool

The main intention of the tool is for FPO to collect the details of member farmers' farming stage and readiness. Check-up checklist collects crucial information in a simplistic way without exclusively asking for it. Support and service that the farmers require are dynamic and changing, and a checklist ensures that farmers provide details quickly for the services they require from FPO.

Frequency: Every month

Facilitator of Tool: L₁ & L₂

TOOL CONTEXT

For the FPO to function effectively, collecting data from the member farmers on a regular basis is required. FIG meetings conducted every month should be used in an effective manner to collate information on the farmers' activities. The checklist is short which makes it easy for

farmers to share the details within two to three minutes. Through the details received from checklist, L₁ and L₂ can coordinate with FPO staff for the support required for FIG members. The checklist acts as a link between L₁/L₂, farmer and FPO. Based on the checklist data, FPO can further invest time for farmers who need support and services in the area of input supply, output selling or rental services.

Tools and Tactics

The checklist comprises only eight short questions across three areas viz, before cultivation, during cultivation and pre harvest. The checklist is two-way i.e. it acts as self-assessment for farmers and as well shares the information for FPO to intervene and provide services for farmers. Initial details like name of FPO and others can be prefilled by the L₁ & L₂. The farmers are requested to respond to each question in the checklist with yes or no.

During the meeting of FIG, collecting details from the checklist must be one of the agenda items. One Checklist per member is to be distributed and L₁ & L₂ will help farmers wherever required. Response of farmers on the 'before cultivation' section will give an understanding to L₁ & L₂ on any need for rental services required from FPO. Likewise, sections on 'during cultivation' and 'pre-harvest' will help L₁ and L₂ understand any need for agri input services and output marketing from the FPO towards the farmers.

Farming check-up checklist

FPO:_____ FIG name:_____ Date:_____ L1:_____ L2:_____

Farmer name:_____ Farmer contact: _____

Before Cultivation

- Procured good quality of Seeds/Saplings for cultivation
 Not Sure Yes Needs help
- I understand the procedure for the variety of crops I am growing
 Yes Not confident No
- Essential equipment and machinery are available
 Yes No, I will require rental service

During Cultivation

- Growth of the crop is as expected
 Yes No Need assistance
- Aware of the fertilizer or pesticide required for crop
 Yes No, Require help from FPO
- Volume and frequency of Fertilizer//Pesticide usage
 Doing it Right way Doubtful Not aware

Pre-harvest

- Time to harvest
 Next month Next 15 days Next 5 days Done
- Prefer to sell the produce through FPO
 Yes No

*This checklist is not intended to be comprehensive. Additions and modifications to fit local practice are encouraged.

Figure 2.1 Checklist for FIG Members

2.3 TOOL: FPO – FIG Dashboard on Active Status

Time	Difficulty	What you'll Need	Participants
1 hr	Moderate	Any spreadsheet program like Microsoft Excel Understanding of Graphs	L ₁ & L ₂ and CEO

Purpose of Tool

After the enrollment of the farmer in an FPO, continuous engagement is essential for better functioning of the FPO. Activities at FIGs must be closely monitored. Transactional data must be collated and a comparative measurement across FIGs must be done to assess the active functioning of FIGs. By analyzing the FIG data, FPO management can know the involvement of farmers in FIGs and take appropriate measures.

Frequency: Every three months

Facilitator of Tool: CEO of the FPO and L₁ & L₂

Tool Context

L₁ & L₂ need to report to the CEO on the functioning of the FIG. As there are fifty FIGs and only qualitative details, feedback would be overwhelming for FPO management. Hence a quantitative measure of the important activity of FIGs can be very useful for the decision-making process of both L₁ & L₂ and FPO Management. FIG data will be collected each month by L₁ & L₂ and reported to FPO CEO. Every three months, all the data collected will be visualized and analysed to identify the progress and participation of the FIGs in the FPOs business and capacity building programs. A data template and a FIG Dashboard will be explained in the next section which can be utilized by FPO to identify the FIG status.

Tools and Tactics

Collecting the right data at the right time at the FIG level by L₁ & L₂ are essential for the success of the tool. Data clean-up and data crunching of all the fifty FIGs at FPO level is the second stage. Visualizing the analysed data will also help in easy and simplified understanding for CEO and BoDs which will lead to effective decisions. This tool is used in two stages and explained below. Stage 1: L₁ & L₂ need to keep a journal and capture all the communication with member farmers on a daily basis. This can help in reporting and updating the FIG's monthly status as shown in the table 2.1.

Table 2.1 FIG Monthly Status Format

		FIG Monthly Status												
FIG Name														
FIG code														
L ₁ Name														
L ₂ Name														
Financial Year														
Associated														
BoD for FIG														
	Measures	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
	# of meetings done													
	Meeting turnout percentage													
	# of Training attended													
	Total # of training participation													
	# of members availing Govt schemes													
	Total purchase of Agri input													
	Total sales of Produce to FPO (in MT)													
	Total sales of Produce to FPO (amount)													
	Rental service purchase (amount)													
	Total savings													

Maintenance of the monthly data of FIG activity and submitting it to FPO on a quarterly basis is one of the responsibilities of the L₁ & L₂. During the FIG monthly meeting, information related to transaction and participation in the training can be collected. The numbers speak for themselves; hence the report acts as a feedback tool in knowing the gaps and opportunities with farmer members. From the status report data, strength and weakness of the FIG can be assessed and interventions can be planned by seeking the involvement of FPO staff.

Stage 2

FIG key performance dashboard structure is indicative, and this can be implemented by each FPO according to their needs as presented in Table 2.2. It is encouraged to have more indicators which are relevant to the strategy and performance of the FPO.

The second column of the table is “Indicators”; this list of indicators can be plotted on the graphs using any spreadsheet programs. The dataset for it will be taken mostly from the FIG monthly status report provided by all the L₁&L₂ from respective FIGs. The third column indicates the breakup of the graphs to be plotted as monthly, quarterly etc. Again, this can be adaptive to the FPO needs. The third column identifies the owner of the data who is responsible for sharing. Lastly, visualization column can be suited to the CEO’s comforts.

Once the graphs are plotted, the CEO will be able to compare the progress of FIGs on various parameters and discuss with the responsible people for inputs and insights. Indicators 1 to 5 help in understanding the capacity building efforts of the FPO towards members. Likewise, indicators 6 to 9 help in a business relationship with member farmers. The above details, inputs and insights can be used for a board meeting to state the progress of FPO at FIG level.

Table 2.2 FIG Dashboard Structure

		FIG Key Performance Dashboard Structure											
FPO Name													
CEO													
Financial Year													
-	Indicators	Frequency	Source	Visualization									
1	# of FIGs having done meetings at least once in Two months	Bi-Monthly	L ₁ L ₂ Report	Bar graph									
2	# of Member queries or complaints raised and resolved – FIG FPO	Monthly	L _{1/2} and CEO	Numerical									
3	# of Trainings for FIGs vs. # of participants- FIG-wise	Quarterly	L _{1/2} and CEO	List									
4	Training	Quarterly											
4.1	Training by L _{1/2} – Training vs. Participants		L _{1/2}	Pie Chart									
4.2	Training by FPO – Training vs. Participants		CEO										
4.3	Govt Trainings & Other Agencies – Training vs. Participants		CEO										
5	Total Trained Quarterly	Comparative Current Last Year	CEO	Bar graph									
6	# of FIGs with No Business activity	Monthly	L _{1/2} Report	Numerical									
7	FIG-wise Input sales (customer Segmentation)	Quarterly	Tally & L _{1/2} Report	Bar graph									
8	FIG-wise Rental services (customer Segmentation)	Quarterly	Tally & L _{1/2} Report	Bar graph									
9	FIG-wise Output sales (customer Segmentation)	Quarterly	Tally & L _{1/2} Report	Bar graph									

2.4 TOOL: FPO – FIG Village/Cluster Meeting

Time	Difficulty	What you'll Need	Participants
2hr	High	Pen, Paper, Board, Reports, Power Point Presentation, Printouts and any Handouts	Member farmer of FIG, L ₁ & L ₂ , FPO staff, BoD & CEO

Purpose of Tool

Establishing the functional relationship among the various FPO stakeholders is an important responsibility of the FPO's governance and management team. Village/Cluster Meeting aims to reach out to FIG members directly and communicate the progress of FPO. The Village/Cluster Meeting will support in reaching the members in smaller numbers for FPO staff. This meeting is also a forum for collecting suggestions from FIG members of the FPO.

Frequency: Twice in a year

Facilitator of Tool: BoDs and CEO of the FPO

Tool Context

In AGM meeting, which is held once in a year, the focus is statutory and retrospective. Unlike AGM, Village/Cluster Meeting focus is on performance sharing, feedback collection and planning meetings with member farmers of different FIGs in one place. If the FPO covers more than one Gram Panchayat, then FPO can hold these Village/Cluster Meetings at each Gram Panchayat level. It is advisable not to have more than 250 members at a time. So, for an FPO with 1000 members, FPO can do four such Village/Cluster Meetings. Directors of the FPO who belong to the local area should lead in mobilizing the members for the meeting with the help of L₁ & L₂. Six-month performance sharing and collecting the feedback for the next six months planning should be the only priority and focus of the meeting. These meetings can be used as a platform for encouraging and rewarding FIGs whose business relationship is admirable through high turnover both in input and output area of the FPO. Awards such as Best Farmer, Progressive Farmer, Women Leader and Farmer of the year and other such categories can be constituted to award the farmers to strengthen the functional relationship of FIGs and FPO.

Tools and Tactics

At the first, BoD of the local area or belonging to the GP circle where the meeting is held will lead the meeting along with the CEO by sharing the progress of FPO. Village/Cluster Meeting can be in three rounds as below:

First Round: *Performance Update of FPO*

In first round of meetings, the CEO will update the FPOs progress in administration, operations, and sales in different business units, marketing and capacity building over the last six months. Later, the BoD belonging to the circle will share the contribution of FIG's part to the FPO's overall business. The presentation can be done using a projector or by sharing handouts with details to all the participants.

Second Round: *FPO introspective exercise*

In the second round of meetings, the FPO, CEO will conduct an introspection exercise with the group using the tool described in the table 2.3.

Table 2.3 Introspection Format

Introspective Tool for FPO			
	What worked well for FPO (from last meeting to now)	What did not work well for FPO (from last meeting to now)	What actions can we take to improve FPO
	CONTINUE Doing	STOP Doing	START Doing
1			
2			
3			
4			
5			

On behalf of the BoD and FPO, CEO will share the points for the first two columns. Later L₁ and L₂ will collate from members and will share the opinion and suggestions of their respective FIGs. FPO will give the necessary response wherever needed. Through the discussion with the group and taking consent, the third column will be filled by the CEO.

Third Round: *Individual general feedback*

In the third round of meetings, FPO CEO will share the upcoming events, schemes rollouts, training and exposure visits through FPO. At last FPO staff can collect feedback of the meeting on a small feedback form from individual members.

2.5 TOOL: FIG Feedback on FPO

Time	Difficulty	What you'll Need	Participants
30 min	Easy	Feedback form	L ₁ & L ₂ and FIG member

Purpose of Tool

Every firm or organisation must evaluate itself on the services provided to its members/employees/customers by collecting feedback at least once in a year. The feedback tool aims to collect feedback from member farmers of FPO on different aspects of FPO functions and services provided. Feedback collected will provide inputs and insights to FPO management and Board for further planning and course corrections.

Frequency: Once in a year

Facilitator of Tool: L₁ & L₂ or FPO Staff

Tool Context

The Feedback tool is an effort to talk to all the member farmers of the FPO. The feedback exercise can be carried

out before the AGM. The data collected can be analysed and can be used to plan for the next year. The tool gives a chance to every member to express their voice and give suggestions. Involvement of the FPO staff in carrying out the feedback collection along with L₁&L₂ is advisable. This process helps staff to understand the problems, issues and challenges faced by the farmers at ground level.

Tools and Tactics

The Feedback tool comprises six areas of operations of a typical FPO. Quantitative information is collected in the response column while qualitative information is collected in the remarks column. FPO can add or delete the sections and questions based on its areas of operations. The questions will also indicate the participation of farmers in FPO activities as well as consider the experience of the farmers while availing training or business services through FPO. Digitizing the feedback form and collecting feedback will be more convenient for tracking and analysing purpose. The feedback, if used properly, can act as a scorecard of farmers in the long run. The Table 2.4 showcases a full feedback form template.

Table 2.4 FIG Survey Format for FPO's Feedback

FPO performance feedback questions	Options	Response	Remarks
FIG			
How many times have you got a chance to attend FIG meeting?	Number		
Do you feel FIG meetings are useful?	Yes or No		
Are you happy with L ₁ & L ₂ work?	Yes or No		
TRAININGS			
How many times have you got a call for attending Trainings?	Number		
How many times could you make it to the trainings you were invited to?	Number		
Do you wish to attend more trainings through FPO?	Yes or No		
AGRI INPUT			
How many times have you preferred to buy Agri inputs from FPO?	Number		
Do you also get technical guidance on the usage of inputs?	Always/Not always/sometimes		
Do you like products and quality of Agri Inputs sold by FPO?	Always/Not always/sometimes		
RENTAL SERVICE			
How often have you required rental services of FPO?	Number		
Are you satisfied with the machineries and their condition?	Yes or No		
OUTPUT SALES			
How many times have you preferred to sell your produce to FPO?	Number		
Are output business deals profitable to you at FPO compared to other Markets?	Always/Not always/sometimes		
ADMINISTRATION			
How often have you visited FPO in a year (# of visits to FPO)?	Yes or No		
Are you satisfied with FPO function?	Yes or No		
Are you satisfied with FPO Management work?	Yes or No		
Are you satisfied with BoD's role in the governance of FPO?	Yes or No		

3. Expected Outcome

The usage of the tools is not restricted and is not expected to be used as it is presented in the tool kit. FPO CEO along with staff and L₁/L₂ can improvise or localize the tools for a convenient use.

A clear understanding of the tool is a must for L₁/L₂ and FIG member farmers to get the maximum benefit of the tool. The table captures some of the important expected outcomes of each FIG tool.

Table 3.1 Tool-wise Expected Outcome

Sl. No.	Tool	Expected outcome
1	FIG Tactical Meetings	<ul style="list-style-type: none"> • Effective use of meeting time & collaborative communication • Clarity of roles and responsibilities between L₁/L₂ and member farmers • Focused discussion on important and critical aspects • Increased participation of members during the meetings
2	Farming check-up checklist	<ul style="list-style-type: none"> • Better understanding for farmer on his/her farming activities • input for L₁&L₂ in identifying the needs and gaps of member farmers • Data for FPO for extending its services to FIGs in a more technical & professional manner
3	FPO – FIG Dashboard on active status	<ul style="list-style-type: none"> • Identification of FIGs which are most active • A quick guide to CEO on FPOs service effectiveness to FIGs • Increased involvement of BoDs in strengthening FIGs
4	FPO – FIG Village/Cluster Meeting	<ul style="list-style-type: none"> • Strengthen outreach • Reduces gap between the BoDs and FIG members • Increased ownership • Brings transparency
5	FIG feedback on FPO	<ul style="list-style-type: none"> • Situation analysis of FPO • Appraisal of FPOs function and management • Inputs for FPO's next year's action plan • Strengthens outreach

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