



Capacity building of Farmers' Producers Organisations through training cum technological deployment to develop model SDG7 FPOs in Karnataka

Title	Capacity building of Farmers' Producers Organisations through training cum technological deployment to develop model SDG7 FPOs in Karnataka
Duration	03 Months
Project Areas	Karnataka - Kolar, Hassan and Raichur Districts.
RFP Opening Date	30 December 2023
RFP Closing Date	09 January 2024
Technical & Financial proposals to be submitted to:	https://forms.gle/aRPL8gB2tWNDERtq9

Commodities: Horticulture crops

About SELCO Foundation (SF):

SELCO Foundation (SF) seeks to inspire and implement socially, financially, and environmentally inclusive solutions by improving access to sustainable energy. SELCO Foundation's key objectives are:

- Systematically identify diverse needs of the poor, understand, and define the role of sustainable development, poverty alleviation, and decentralized energy.
- Create and deploy innovative solutions that positively impact the well-being, health, education, and livelihoods towards the alleviation of poverty
- Foster the development of enabling conditions or an ecosystem through holistic thought processes in technology, finance, entrepreneurship, and policy.
- SELCO Foundation focuses on the nexus of energy for development, including well-being, healthcare, livelihoods, disasters, and so on. (Read more about SELCO here: <http://www.selcofoundation.org>).

Background:

FPOs face competition from various players in different aspects of their operations, such as input procurement, output procurement, and value-addition activities. They encounter competition from established input dealers and distributors. These businesses, often run by second or third-generation entrepreneurs, have already established trust with farmers, also competition prevails in the form of traders and wholesalers in nearby towns who often possess greater financial resources.

The producers' collectives have inadequate access to basic infrastructure required for aggregation like transport facilities, storage, value addition (cleaning, grading, sorting, etc.) and processing, brand building, and marketing. Lack of access to affordable credit for want of collaterals and credit history is one of the major constraints, the FPOs are facing today. Further, the credit guarantee cover being offered by SFAC for collateral-free lending is available only to Producer Companies (other forms of FPOs are not covered) having minimum 500 shareholder membership. Due to this, large number of FPOs particularly those, which are registered under other legal statutes and also small size FPOs are not able to access the benefits of credit guarantee scheme. Most of the FPOs are doing very well in



terms of providing quality inputs to farmers at affordable prices but very less number of FPOs are doing output business, which is very much crucial for fetching remunerative prices to farmers.

Lack of knowledge on functioning of FPOs (poor professional management), Entrepreneurial mindset adds to their misery. There is a dire need to train the people involved in the management of FPOs or prescribe some qualifications for the office bearers of the FPOs. This will help in effective management of the FPOs. An appropriate capacity building method should be adopted, to make FPO members and office bearers capable of making appropriate and timely decisions.

Other challenges faced by FPOs are:

- Inadequate management systems, governance, and capital structure
- Lack of well-developed storage and processing facilities, awareness about grading and packaging, and knowledge of good agricultural practices
- Lack of clarity regarding the organization's objectives, insufficient technical and financial support, and difficulty in attracting and retaining members
- Over dependence on external support from government agencies, NGOs, or other organizations to be successful, which can be difficult to obtain
- Fragmented small holdings and production-oriented agriculture

FPOs play a pivotal role in empowering smallholder farmers and addressing the complexities of the agricultural sector. They have made significant progress in improving farmers' lives, but challenges persist. Through a culture of learning and innovation, FPOs can overcome these challenges, maximize their impact and create a sustainable future for farmers. By embracing innovation, FPOs can adapt to changing market dynamics, optimize their operations, and transform the agricultural landscape in India. The journey towards a prosperous agricultural sector relies on the continuous learning, innovation, and collaborative efforts of FPOs, farmers and all stakeholders involved.

Performing output business has been a major obstacle in many FPOs because of multiple reasons, this program intends to train the FPOs to take up output business, address market linkage issues and also to develop a sense of entrepreneurial thought process among the members to make FPO successful. Therefore, there is a need to build their capacity through participatory training that will include sessions on importance of output business, market linkage, financial linkage; identification of technological or infrastructural gaps in FPOs, and measures to address them.

This program envisages to make them output oriented, self-sustaining and to replicate in other FPOs in state in long run.

Scope of work:

- Training and Capacity Building: Focused training programs to be conducted to equip farmers with essential skills in agriculture practices, modern farming techniques, use of technology, financial literacy, marketing strategies, and organizational management. These training programs will aim to enhance productivity, quality, and overall efficiency. Training modules to be developed for the same. It would further influence them to take up output-oriented businesses (most of the FPOs limit themselves to input-oriented businesses), develop knowledge on market linkage, financial linkage, and efficient operation of FPOs. This would also include steps to strengthen the connectivity of FPOs with modern trade, and Agri tech startups to take up output businesses.
- Market Linkages and Value Addition: FPOs will be encouraged to explore diverse marketing channels, including direct market linkages, and value addition activities. Training will be



provided on value chain development, post-harvest management to add value to their produce.

- Financial Management and Access to Credit: Capacity building would involve financial literacy programs for FPO members, assisting them in managing finances effectively. It also helps in facilitating access to credit and financial support through tie-ups with banks and financial institutions.
- By focusing on these aspects, the capacity building of Farmers Producers Organizations in focussed districts aims to create sustainable, self-reliant, and empowered farming communities, thereby contributing to the overall growth and development of the agricultural sector in the region.
- Technology Adoption: Encouraging the adoption of DRE based technologies is an integral part of this program. Facilitating access to machinery, and other essential DRE based livelihood solutions is a critical aspect. Capacity building efforts focus on establishing linkages with buyers, government schemes, and financial institutions to ensure smooth access to resources.

Focused districts: Kolar, Hassan and Raichur - KA

Expected Timeline: 3 months

Expected Deliverables:

1. To develop training modules (3 numbers) in terms of business behaviour, financial awareness & credit linkage, market linkage, and factors responsible for the success and failures of FPOs
 - **Modules on**
 - ❖ FPO management and best practices
 - ❖ Entrepreneurship Development & Business Development
 - ❖ Processing & value addition
2. Capacity building of 15 FPOs (Kolar, Raichur and Hassan combined) with special focus on output business and professional management and to develop a sense of entrepreneurial mindset among them to make an FPO successful – to train 750 farmers out of these 15 FPOs. Training to be done for all 750 Farmers in 3 Districts. Each District Minimum 4 to 5 days training each of half day session is required which can be maximum extended upto 6 to 7 days with special approval, thus covering all 3 District within (15 Days or Max upto 21 Days).
3. To find out the extent of connectivity between FPOs and various market linkage, financial linkage startups/entities.
4. **End-user list (leads):** User profile of minimum 30 eligible end users (Individual farmers/FIGs/Grower Societies) for post-harvest processing technology interventions - Focusing on all PHL interventions such as Sorting/Grading machines, Dryer, Peeler, Slicer, and other value addition related technological solutions.

Eligibility criteria:

- The agency/consultant should have at least 3 - 5 years of proven experience in Training Module Preparation.
- Mobilization of farmers
- Conducting Trainings
- Preferred organization working closely with FPO's.

Criteria evaluation:



- The proposals submitted by the prospective agencies/ consultants will be evaluated by an expert in- house committee on the following criteria -
- Relevant background and experience
- Technical Approach
- Cost effectiveness
- Timelines
- The final selection will rest with the competent authority of the SELCO Foundation.

Other Terms and Conditions:

- Travel, stay, food and other logistics costs quoted should be as per actuals and organizations policy.

Patent, Copyright and other Proprietary Rights

- Except as is otherwise expressly provided in writing in the Contract, the Foundation shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Consultant has developed for the Foundation under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract. The Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the Foundation.
- Subject to the foregoing provisions, all documents, reports, recommendations, documents, and all other data compiled by or received by the Consultant under the Contract shall be the property of the Foundation, shall be made available for use or inspection by the Foundation at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to the Foundation's authorized officials on completion of work under the Contract
- The Consultant will treat all information given to him/her as information with proprietary value and will not disclose the same to competitors or any outsiders. The Consultant will not at any time, except under legal process, divulge any trade or business secret relating to the Foundation or any customer or agent of the Foundation, which may become known to him by virtue of his position as consultant, save in so far as such disclosure shall be necessary in the interest and for the benefit of the said Foundation and will be true and faithful to the Foundation in all dealings and transactions whatsoever relating to the said Foundation.
- Reports or other data that are developed specifically for the performance of this Contract shall be the property of the Foundation and the Consultant shall deliver reports and data to the Foundation as per the milestones. Dissemination of the reports and any information from the said contracts shall be done with written approval from the Foundation.

Publicity, use of name & Logo of the Foundation: The Consultant shall not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship with the Foundation, nor shall the Consultant, in any manner whatsoever use the name, emblem, logo or official seal of the Foundation or that of SELCO in connection with its business or otherwise without the written permission of the Foundation.

Submission of Proposals:



Interested Videographers / organizations, with relevant experience (please include samples and/or references of the previous similar work as proof of experience) and based out of India are requested to reach out with a detailed proposal giving a brief on the methodology and the process they will uptake for this project, including budgets (with break-ups and explanation), timelines and milestones and submit the same to google form <https://forms.gle/aRPL8gB2tWNDERtq9> on before 9th January 2024.

Any further queries please write to procurement@selcofoundation.org with a subject line: “**Model SDG7 FPO program in KA**”