

## **GUIDELINES FOR Farmers Organization (FO) Formation**

**TITLE:** This group will be known as BCRL Farmers Organization (BCRL-FO)

### **Criteria for Farmers Organizations (FO):**

1. In total 180 Farmers Organization will be formed in project area within 02 years from starting activities of the project.
2. The project aims to enhance the capacity and performance of 180 FOs (on an average about 30 members each, like a common interest group NATP project), of which 50% will be existing FOs and 50% will be new.
3. The FOs will be formed on existing Producers Organization (POs) supported by NATP-I, NATP II, and SACP projects of DAE, and Rural Microenterprise Transformation Project (RMTP) of PKSF.
4. The new FOs will be formed based on the outcome of Union level Vulnerability Risk Assessments conducted by the project.
5. The poor and smallholder farmers would be the target beneficiary.

### **The FOs will be responsible to:**

- Implement partnership strategies and linkage between the farmer Organizations-FOs and agri-business actors (large and MSMEs) in target geographics developed by BCRL project.
- Develop a network with agri-business actors in urban and peri-urban markets who are interested in procuring project-specific crops engage farmers and FOs with agri-business actors and facilitate the produce selling process.
- Disseminate training knowledge to other farmers and enhance farmers capacity.
- Disseminate weekly SMS to the other farmers of the village and union.
- Strengthen the capacities and performance of farmer organizations through training on business development, marketing, and managerial skills and procuring equipment and service.
- Support and train farmers on machinery use, produce handling, aggregation, processing, and marketing and credit products.

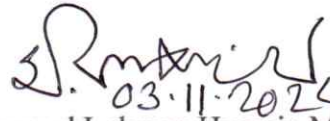
### **The general terms and conditions of the grant transfer to FOs are as follows:**

- The members of the FOs should be poor and smallholder farmers.
- The total members of the FOs should be within 30, and maintain gender balance in the group.
- FOs will open bank account to receive the grant.
- Grants will be provided to the FOs in three instalments.
- FOs shall maintain formal accounts/registry book of the expenditure.
- FOs shall provide monthly quarterly progress of the expenditure based on the support received from the BCRL project.
- FOs shall collaborate with the project activities and knowledge dissemination program
- FOs shall take part in the business development, administration and financial management training provided by the project and adopt accordingly.



## MANAGEMENT:

- Executive committee of the FO will be formed following the rules and regulations of the Department of Cooperative and democratic way for better management of the group.
- Farmers Organization should be non-political and should be registered following the rules and regulations of the Department of Cooperative.
- Savings tendency must be developed among the members of FO.
- Each FO will open a Bank account and savings will be deposited in the respective Bank account created by the monthly deposit of the members of FO.
- The grant provided to the FO by the project shall be used for the capacity building of the group, agricultural development, collective marketing, and maintenance of the machineries, equipment.
- FO shall effectively operate and maintain the machineries and equipment provided by the projects.
- FO shall continue to operate beyond the project period and work together to sustain the project supported value chain activities, agro-processing and marketing.



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