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AGRIPRENEURSHIP: Helping Revive Smallholders

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Promoting a community-based model of agricultural advisory services through Community Service Providers has helped PRADAN improve the lives of smallholder families through increased agricultural productivity

Abstract

SMALLHOLDERS CONSTITUTE nearly 80¹ per cent of the total farm households and make up one of the largest constituencies among India's poor. Their food, nutritional security and poverty alleviation pose great challenges. Their lives can be improved only by increasing their agricultural productivity and by promoting off-farm rural employment. This requires appropriate technology dissemination systems, which will equip them with modern practices, in both farming and off-farm activities. This paper captures the lessons from PRADAN's

experience in improving the lives of smallholder families through increased agricultural productivity by promoting a community based model of agricultural advisory services. Other actors may find this useful for adaptation in different contexts.

Introduction

In spite of several initiatives that have been introduced since Independence, neither the public extension system nor the market has been able to reach the millions (200–400) of smallholders in the remote areas of our country. Their low self-efficacy, the lack of belief of outsiders in their capability, the ignorance of public extension workers about the

¹Chand, Ramesh, P.A. Lakshmi Prasanna & Aruna Singh, "Farm size and productivity: Understanding the strengths of smallholders and improving their livelihoods", *Economic & Political Weekly*, Supplement June 25, 2011, vol. xlvi nos. 26 & 27.

New models have to be developed to ensure that these families have access to the right information, as well as knowledge and skills to optimize the productivity of their livelihood activities

needs of these smallholders, and the unwillingness of specialists to live and work in such areas are some of the reasons for the current state of affairs.

As a result, the productivity of most of the on-farm and off-farm activities that they are engaged in varies from 50–65 per cent of the national average. To ensure their well-being as well as to meet the national food demand, this situation cannot be ignored or be allowed to continue. New models have to be developed to ensure that these families have access to the right information, as well as knowledge and skills to optimize the productivity of their livelihood activities.

Efforts are on to come up with an appropriate model of extension into these areas. PRADAN, a not-for-profit entity, working for the socio-economic empowerment of rural communities in the most poverty-stricken pockets of seven central Indian states, has been promoting Community Service Providers (CSPs) for many years now, to successfully address the challenge.

The uniqueness of PRADAN's approach is that the women from disadvantaged households, who are organized into SHGs,

select, engage and supervise local youths to work as CSPs to help their members adopt modern practices and to access markets. The lesson is that when CSPs identify an enterprise to support the production system, they not only benefit the community by advising them on the scientific practices, they benefit themselves by finding a means of earning. It becomes a win-win situation for both the community and the entrepreneur.

Context

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The promotion of farm and non-farm livelihoods is an integral part of PRADAN's strategy to improve the quality of life in most-neglected rural areas. Severe material deprivation diminishes people's ability to visualize a better life for themselves and to take charge of working towards it.

All such livelihood activities involve the provision of extension and technical advisory services to rural communities. These ensure critical access to the knowledge and information needed to increase the productivity and the sustainability of farmers' production systems. Such services play a significant role in risk management, by providing

timely information to farmers on input use, scientific production practices, disease and pest management, the markets, etc.

Although the public extension system in India has widened since Independence, it still does not reach a large number of smallholder farmers and other vulnerable groups, primarily in remote areas. Moreover, the models of extension of the government and the private agro-dealers do not meet the needs of smallholders in hilly and undulating areas. This is, usually, due to the high transaction costs of reaching these pockets, the lack of crop and livestock management solutions suitable to these conditions and, also, a lack of willingness by extension specialists to live and work in such remote and, sometimes, unsafe areas.

The PRADAN Experience

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In the beginning, PRADAN's professionals played the role of extension agents for various livelihood activities, which they identified and promoted. This helped them develop context-specific solutions, in response to ecological and socio-cultural demands. When the prototypes

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were well-established, the idea of taking them to a larger number of families was explored. For the families engaged in farm-based livelihoods, the following services were found necessary: asset creation through government grants, working capital mobilization through credit, supply of quality agricultural inputs, knowledge and skill transfer for soil health management, training on nursery raising, crop production, crop protection, farm mechanization, post-harvest processing, and marketing.

PRADAN, then, came up with a community-based model to provide services related to knowledge and skill transfer, Natural Resource Management (NRM)-based asset creation, and marketing to fill the gap left by the state. Women were organized into SHGs to mobilize credit for their members, and local agro-dealers were oriented to provide quality inputs on time. Specialized and intensive training was provided to a few selected youth from the community, on locally appropriate farming practices for crop, soil, water and livestock management.

The CSPs, then, promoted a basket of livelihoods, which

PRADAN regularly reviewed and supported. The curriculum of the training and its design kept in mind their educational level of the farmers. To help farmers gain more information and confidence, they were taken on exposure visits to those sites, where communities had adopted similar modern practices.

Initially, men were chosen as CSPs. Subsequently, when PRADAN's focus shifted to empowering women SHG members by enhancing their skills and capabilities in agriculture, some interested women were groomed to be service providers. After a few cycles, the processes of selection and training were standardized. Communities selected candidates against a list of agreed criteria such as: 20-40 years of age, class VIII pass, acquainted with modern farming, not completely occupied in farming, owning a mobile phone, being socially accepted, and possessing a mode of conveyance. Practice-based training programmes were developed, mainly at the village level, to prepare CSPs for the various activities promoted by the organization.

The exposure to the communities, where the impact of similar

activities was visible, was made more interactive, to inspire them and help them learn better. PRADAN mobilized the resources for the training of the CSPs and for the remuneration of these service providers. Their remuneration depended on the number of families they served and the tasks they performed. Weekly meetings were conducted with CSPs by the staff of PRADAN, to assess their progress and provide ongoing support. Periodic refresher courses were conducted to improve and refine their knowledge and skills, based on the feedback on their experiences.

This model has been quite successful, in terms of making a large number of farming women adopt modern agricultural inputs and practices, at a relatively low cost. They have begun to earn a good price for their produce. This experience has now been adopted by many NGOs as well as by the National Rural Livelihoods Mission (NRLM), the national flagship programme for poverty reduction/alleviation.

Being employed by PRADAN, the CSPs were more accountable to the organization than to the community. In fact, they preferred to be known as

Meeting the full cost of the CSPs through contribution from the community has always remained a concern. In our society, where paying for information is not the norm, it was hard for CSPs to get a reasonable payment from their own community

PRADAN's employees rather than as service providers to the community. In the process, the community largely remained at the receiving end and could not demand improvement in any of services provided. This also required steady monitoring by PRADAN, to have the desired results. We, therefore, planned to gradually make the model demand-based so that CSPs would be employed directly by women's institutions.

We encouraged SHG members to collect a service charge fee from the participating families, to meet the cost of CSPs. And because the community was not ready to bear the full cost because the rates fixed were too high according to them, the shortfall was met by PRADAN. Interestingly, when they were asked to pay, the enrolment of farmers decreased. The response gradually improved in the subsequent years and it resulted in greater ownership by the community. They selected the CSPs, allocated them responsibilities, monitored their work and paid them as per the work.

PRADAN's role became then, largely, to train CSPs so that

they were competent enough to fulfil their responsibilities. We also linked them to the local agro-dealers so that they could access the latest information and pass it on to the communities. With experience, we introduced a biodata format, written test, and group discussion for the community to administer and select better candidates. The new CSPs were attached to older CSPs for on-the-job training.

This also made the discontinuation of CSPs in the older areas easier. After acquiring the required knowledge and skills, the communities would stop using the services of CSPs and would demand new services. This was a challenge when the

CSPs were employed by PRADAN. The new system, significantly, increased the coverage under different livelihood activities.

Meeting the full cost of the CSPs through contribution from the community has always remained a concern. In our society, where paying for information is not the norm, it was hard for CSPs to get a reasonable payment from their own community. This became a hindrance to sustaining the CSPs' interest in further learning and in providing quality services to the community. External financing, thus, was always required to train and engage the CSPs. Had it been remunerative, CSPs would have been charged a fee for the training.



To attract more people and to increase demand for the services of CSPs, PRADAN provided knowledge of modern farming as complementary to the other services

Learning from the agro-dealers, who provided knowledge free of charge to increase their sales, PRADAN focussed on promoting entrepreneurs, in partnership with Transforming Rural India (TRI) in the next phase. PRADAN provided missing services such as input supply, including seedlings, irrigation, mechanization and marketing for which the community was willing to pay. To attract more people and to increase demand for the services of CSPs, PRADAN provided knowledge of modern farming as complementary to the other services.

Accordingly, PRADAN selected high-performing CSPs and trained them on visioning, achievement motivation and business plan preparation, in addition to opportunity identification, credit access, etc. After the training, they were promised a stipend of Rs 3000 per month for a period of six months, to select an enterprise of their choice, prepare a business plan, secure bank loans and launch the venture. This has worked quite well. Most of the trained entrepreneurs have been

able to start businesses of their own by providing several services to farmers on a remunerative basis.

Some of the most prominent businesses are agricultural input supply, poly house nursery to supply healthy seedlings, accessing government subsidies to procure agricultural machinery and providing rental service, and marketing of vegetables and fruits to distant markets and enterprises such as Mother Dairy. This seems to be a win-win situation for both the CSPs and the farming community. It can self-sustain after the initial financial assistance to train and support CSPs. They may even pay for their own training.

Conclusion and Way Forward

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A suitable rural extension model has to be an integral part of sustainable agriculture and livestock development strategies. To promote the exchange of information and facilitate wider dissemination and uptake of improved farming practices, the

entrepreneur—or, in this case, an agripreneur—model seems to be the best to establish a strategic alliance between producers and service providers. Information and Communication Technologies (ICTs) have created more options for CSPs, to provide advisory and extension services, considered an added advantage to these entrepreneurs.

PRADAN is assessing if this model can be scaled up to cover large numbers of farmers. It would, in that case, require quality training, finances—both grants and loans—and continuous support for a period of 6–12 months, to help CSPs stand on their own feet. CSPs find it a challenge to obtain a license from the government to sell fertilizers and pesticides. The advocacy for favourable policies may, therefore, be vital to support these entrepreneurs run their ventures successfully. They could, then, provide critical information to smallholders, to revitalize Indian agriculture.

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