



Farmers Owned Agribusiness (FOAB) -Sustainable Social and Economic Transformation

Farmers Owned Agribusiness (FOAB)

The farmers owned agribusiness (FOAB) initiative began in September 2014 to develop and validate Heifer International Bangladesh's model for creating, supporting and accelerating profitable and scalable farmers owned agribusinesses with strong social capital for sustainable and resilience rural communities of Bangladesh. The farmers owned agribusiness is the union of self-helped producer groups whose main function is to transform agriculture into profitable agribusiness to achieve living income benchmark. The objectives of the farmers owned agribusiness is to ensure all kinds of agricultural (specially in livestock) services with capacity building initiatives, finance, inputs and output marketing of the member producer's products ultimately transforming the true agribusiness hub.

Heifer International Bangladesh's Approach for FOAB Development

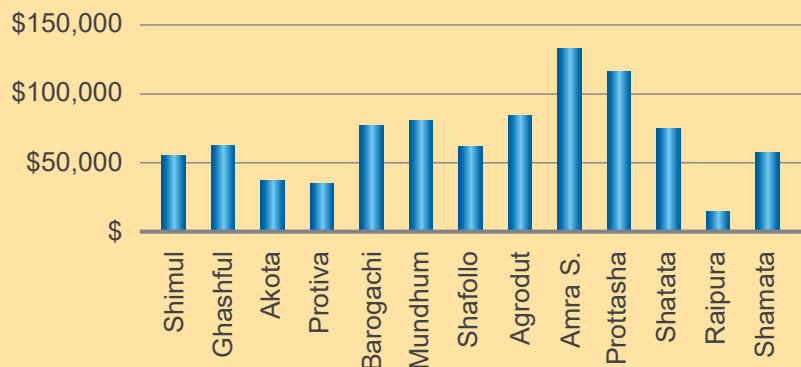
Heifer International Bangladesh promotes Values Based Holistic Community Development (VBHCD) Approach with integration of Market Systems Development (MSD) approach. This approach started empowering community people economically, environmentally and socially with solidarity and cohesiveness for their healthy growth. Project partners facilitate Self Help Groups (SHG) as well as the community members bringing greater solidarity within the community to undertake different activities which include improved animal management technologies, cultivation of fodder, plantation of fruit and timber trees, improved vegetable cultivation techniques, developing the savings habit of the self- help group members, value chain development, market linkage for increasing the income of the SHG members. Those SHG finally Transformed into farmers owned agribusiness to bring positive changes in individual, groups and communities, creating impact at three levels such as ground level, deeper level and external level.

Farmers Owned Agribusiness (Foab) Development Process

- 1. Formation**
Self help group (SHG) formation and capacity building of SHG members
- 2. Savings Mobilization within SHGs**
Introduce Group Savings and Credit within SHGs
- 3. Mobilization of farmers owned agribusiness (FOAB)**
Transform SHGs into farmers owned agribusiness (FOAB)
- 4. FPO Governance**
Elected governing body/management committee of the farmers owned agribusiness (FOAB)
- 5. Leadership capacity development**
Capacity building of governing body/management committee and members of the farmers owned agribusiness (FOAB)
- 6. Business planning**
Develop business plan as an agribusiness hub of the farmers owned agribusiness (FOAB)
- 7. Capacity assessment and planning**
Capacity assessment and future planning of farmers owned agribusiness (FOAB)



Total Capital (USD) of 13 FOABs



MILESTONE BY 2023
 40 FOABs and among these 40 FOABs 20 will transform into Agribusiness Hub

Challenges and Lesson Learned

Leadership capacity development with creating transformative leadership within the farmers owned agribusiness is the most crucial challenge to transform sustainable farmers owned agribusiness. On the other hand, proper business attitude and knowledge of member producers along with information and market access are the bottleneck to transform farmers owned agribusiness into agribusiness hub.

Besides of the challenge's farmers owned agribusiness plays to create harmony among the rural communities for their sustainable development making unity in agricultural production and marketing along with strengthened social capital. Heifer International Bangladesh provides values and others skill training like Leadership Development, Conflict Management, Financial Management, Business Planning etc. to develop sustainable Producer Organization.

Status as of June 2019



27 Farmers owned agribusiness (FOAB)



637 Avg. members in each FOAB



Average capital per FOAB \$ 79,128



Average share per FOAB \$ 6031

Achievement as of June 2019



Facilitate loan among the member at 15% interest rate



4766 No. of producers received loan



Outstanding loan amount \$ 692,721



13 FOABs completed registration

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