

ATMANIRBHAR BHARAT



NAFED STRATEGY FOR REALISING THE GOALS OF PMFME SCHEME



National Agricultural Cooperative
Marketing Federation of India Ltd



सत्यमेव जयते



MINISTRY OF FOOD PROCESSING INDUSTRIES
GOVERNMENT OF INDIA

VOCAL FOR LOCAL

BACKGROUND

The Ministry of Food Processing Industries (MoFPI) is implementing the scheme "Prime Minister Formalisation of Micro food processing Enterprises (PMFME)" which is a landmark initiative under the Atmanirbhar Bharat Abhiyan, to support Micro Level Food Entrepreneurs, FPOs, SHGs and Co-operatives.

The scheme aims to:

Enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector

Support Farmer Producer Organizations (FPOs), Self Help Groups (SHGs) and Producers Cooperatives along their entire value chain

The scheme will formalise two lakh Micro Food Processing Enterprises (MFPE), with an outlay of Rs.10,000 crore over five years from 2020-21 to 2024-25.

The Scheme adopts One District One Product (ODOP) approach to reap the benefits of scale in terms of procurement of inputs, availing common services and marketing of products.

With 650 products already identified across as many districts spanning 34 States and Union Territories, the focus is on building a framework for value chain development and alignment of support infrastructure.



The programme has four broad components addressing the needs of the sector:

01

Support to individual and groups of micro enterprises

02

Setting up robust project management framework

03

Branding and marketing support

04

Support for strengthening of institutions

Role of Nafed

The National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) is an apex organization of marketing cooperatives for agricultural produce in India.

NAFED, through the network of its cooperative societies and marketing federations, has access to all geographical locations in the country, even in the remotest rural areas.

Given NAFED's expertise in development, marketing and branding of agricultural products, MoFPI and NAFED have entered into an MoU for better implementation and realising the goals of the PMFME scheme.

Areas of Association

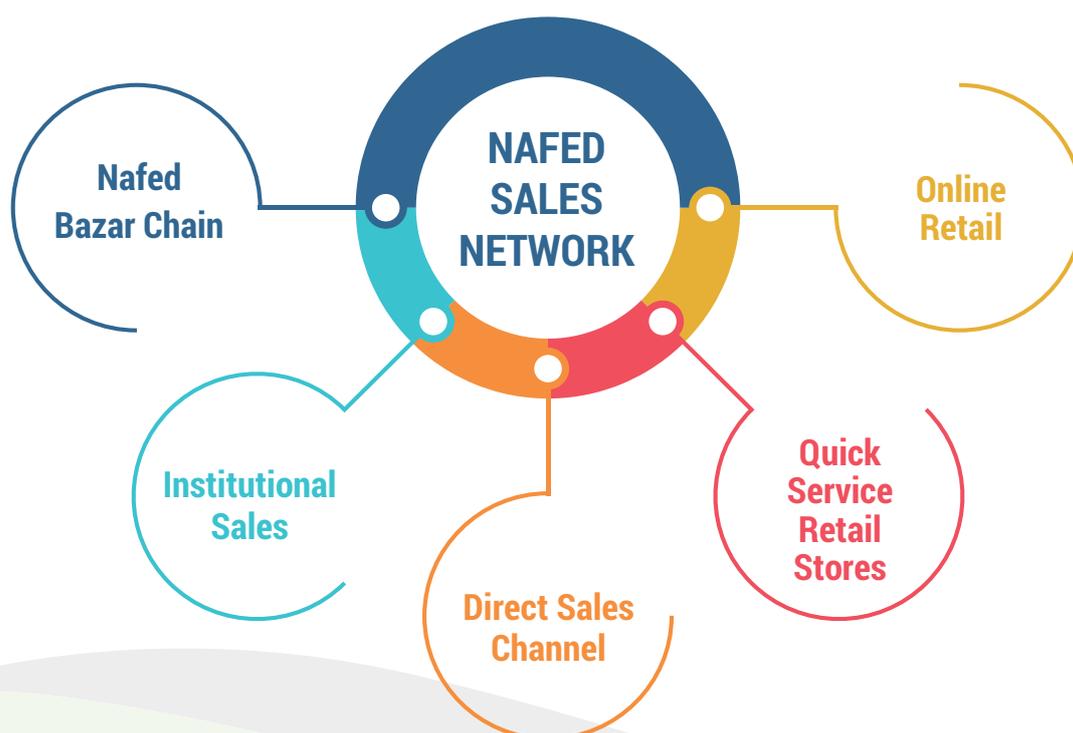
- 1 NAFED to develop a new brand 'NAFED Food' and undertake development, branding, packaging and marketing of the food products produced by MFPEs under the PMFME scheme.
- 2 MoFPI would provide necessary funding under the PMFME scheme to NAFED for development of the brand NAFED Food and the marketing and development of the Agricultural food products.
- 3 NAFED would facilitate marketing of products manufactured by the MFPEs and SHGs/FPOs/Cooperatives under the scheme through its marketing establishments and business channels.
- 4 E-Platform of NAFED to be facilitated for PMFME scheme.
- 5 NAFED will provide necessary orientation and training on marketing and branding through its channel as required under the PMFME scheme and MoFPI would provide necessary funding and technical support for training and marketing of products.
- 6 NAFED would support MoFPI to develop linkages with various stakeholders from Government as well as corporate sector through workshops, buyer-seller meets, sensitization programs, etc for marketing and branding of products under the scheme.

Nafed Sales Network

NAFED is in a unique position to support the PMFME scheme where besides leveraging its extensive product development, branding and marketing expertise and capabilities, it is also very well placed to support the sale of the products produced by MFPEs under the scheme.

NAFED has an extensive sales and distribution network spanning various channels and formats.

- a) **NAFED Bazar Chain** - NAFED operates several stores, through its Consumer Marketing Division, under the brand NAFED Bazaar for retailing grocery and consumer items at affordable prices. The NAFED Bazaar chain will soon be expanded to a network of over 200 stores across India.
- b) **Institutional Sales** - NAFED also supplies grocery items, stationary & office supplies and various other FMCG products to a large number of government institutions.
- c) **Direct Sales Channel** - NAFED will soon launch a Direct Sales Channel for retailing niche and unique items, directly to customers, through a dedicated team of NAFED trained Direct Sales Partners and Kisan Kart vending carts.
- d) **Quick Service Retail Stores** - NAFED is also coming up with Quick Service Retail Stores (QSRS) which are smaller sized retail stores for locations that witness high footfalls of primarily office employees and students such as Metro, ISBT, Indian Railway Stations, Schools and Colleges.
- e) **Online Retail** – NAFED E-Platform would be facilitated for retailing products online under the PMFME scheme.



Nafed's Strategy For PMFME

NAFED's strategy for achieving the objectives of the PMFME scheme will involve a 4-pronged approach that will comprise the following aspects that will continue on an ongoing basis:

1. Creating Awareness

The importance of developing awareness of the PMFME scheme is vitally important to ensure the maximum number of stakeholders get involved to participate and support the scheme.

NAFED will conduct various awareness initiatives comprising but not limited to:

- a) Workshops and conclaves
- b) Buyer-seller meets and trade fairs
- c) Sensitization programs
- d) Development of marketing material
- e) Advertising and promotion campaigns

2. Identifying Products

a) Identifying the right product types to be developed under the PMFME scheme and as per the ODOP criteria will be fundamental towards ensuring sales.

b) NAFED will conduct surveys and market research to identify suitable products and their market potential and business viability.

3. Building Partnerships

a) The establishment of effective partnerships with stakeholders is the key to the success of the scheme.

b) NAFED will work towards building strong partnerships not only with the product manufacturers comprising MFPEs and SHGs/FPOs/Cooperatives but also with institutional buyers and supply & logistics partners.

c) NAFED will develop mechanisms to reach out to and connect with potential partners and formalise a registration and empanelment process for each partner type.

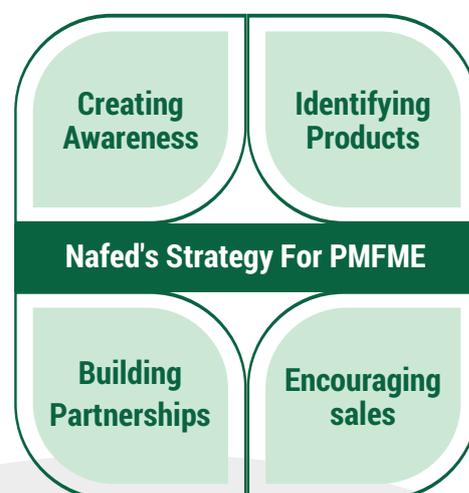
4. Encouraging sales

a) A robust advertising, branding and marketing strategy will go a long way in ensuring continued sales growth for the benefit of all stakeholders.

b) NAFED will develop and execute various consumer marketing strategies including market communications, advertising, brand building, and product visibility & recognition.

c) NAFED will also conduct consumer outreach, social marketing, consumer experience, and community engagement activities.

NAFED will leverage its existing and upcoming retail, institutional and direct sales channels to make the products readily accessible to retail and institutional buyers for purchase.





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