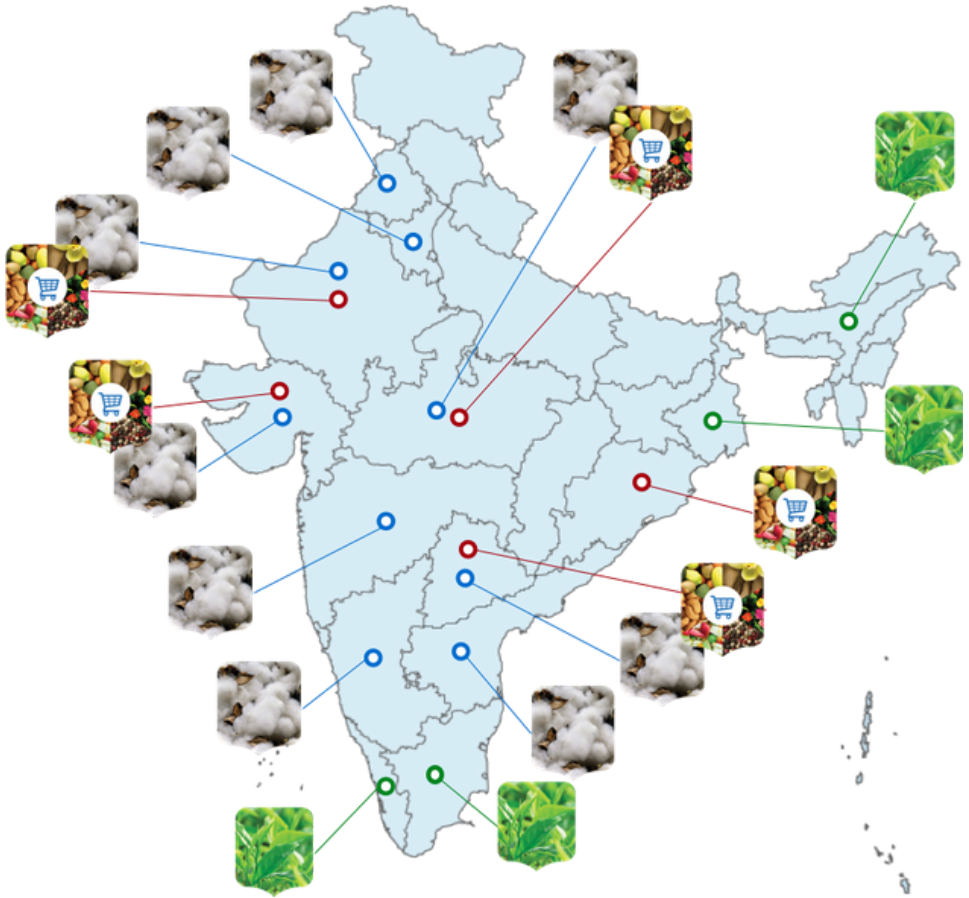




**the sustainable
trade initiative**

Accelerating Sustainable Trade in India





Disclaimer: IDH, the Sustainable Trade Initiative nor any of its partners can be held responsible for any damages due to errors or omissions in this work. Depiction of boundaries is not authoritative and official government maps may differ.

IDH in India

As a large agrarian country and one of the production powerhouses of the world, India is faced with an immediate challenge – sustainability.

Today, agriculture in India is affected by various challenges - soil health is degrading, water resources are depleting and becoming increasingly contaminated by overuse of agrochemicals, and farmer livelihoods are severely and adversely impacted by climate change resulting in diminishing returns. On the manufacturing side, gender inequality, child labor and poor working conditions continue to be some of the major challenges that the country is facing.

Specific sustainability issues in these sectors require a strategic and inclusive approach from front-runner players in the sector, including advocacy and dialogue with government, input and technology suppliers and local supply chain players supported by international market actors. Businesses today recognize the impact that sustainable sourcing can have on their bottom lines. Transparency, traceability and ethical practices are becoming integral to business processes and IDH is engaging with different actors to design fit-for-purpose solutions to address sustainability challenges across commodities globally.

In India, we are working in 12 states on approximately 40 projects, which have cross-cutting themes aligned to one or more UN's Sustainable Development Goals (SDGs). These programs have allowed us to streamline learnings across these projects and create change in the areas that need it most - sector governance, business practices and field level sustainability.

In June 2018, IDH India signed a Memorandum of Understanding with Rythu Sadhikara Samstha (RySS) – a not-for-profit established by the Andhra Pradesh government to support the transition of 6 million farmers to zero budget natural farming by 2024.



IMPACT THEMES



**Livelihood &
Working Conditions**



**Gender Equality
& Empowerment**



**Responsible
Agrochemical Use**



**Smallholder
inclusion**

COTTON



The IDH Cotton program in India accelerates market transformation of the global sustainable cotton fiber market by leveraging supply (via farmer capacity building) and demand (by engaging with the supply chain and sourcing retailers).

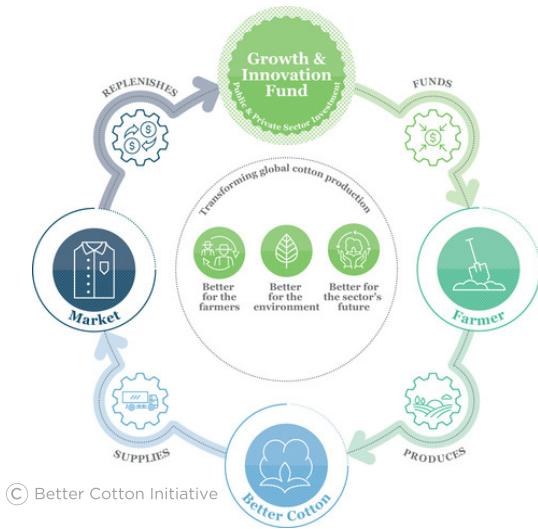
India is the largest cotton producer globally, accounting for 25% of the global cotton producing area. As such, it is an important fiber and cash crop in the country, providing direct livelihood to millions of farmers across the country.

Main Sustainability Issues: Soil degradation; Inefficient water use; Excessive agrochemical and pesticide use; Poor working conditions; Lack of health & safety norms



The Better Cotton Initiative (BCI) aims to reach 2.3 million farmers, producing 3 million MT Better Cotton by 2020.

The Better Cotton Growth and Innovation Fund (GIF) is a global programme designed to support Better Cotton Initiative (BCI) in its aim to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future.

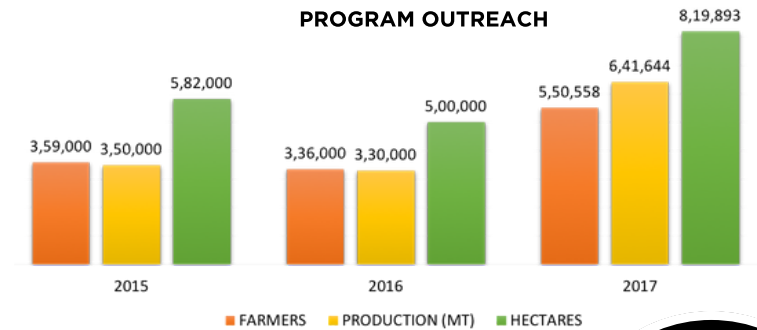


© Better Cotton Initiative

IDH is a Strategic Partner to the Better Cotton GIF - with IDH playing multiple roles as fund manager, funder and partner for incubating innovation programs. The fund invests in farmer training and innovations in scaled supply creation.

In 2017, Better Cotton GIF reached more than one million cotton farmers in India, Pakistan, China, Mozambique, Turkey, Senegal and Tajikistan, who received training and support from the Fund through its regional Implementing Partners.

In India, the Fund worked with 15 Implementing Partners on 21 projects across the country during the year.



Focus States

- Maharashtra
- Gujarat
- Punjab
- Madhya Pradesh
- Andhra Pradesh
- Telangana
- Rajasthan
- Haryana
- Karnataka

Private Partners

- H&M, Adidas, IKEA, Nike, Marks & Spencer, Levi Strauss, C&A +50 other brands

FOCUS ISSUES

- Crop protection
- Water stewardship
- Soil health
- Biodiversity and land use
- Fibre quality
- Decent work
- Management system

Maharashtra Cotton Water Platform

Established under the broader Maharashtra Water Multi-Stakeholder Platform and sitting within the Water and Livelihood Security workstream, the Maharashtra Cotton Water Platform was formed in 2015 under the guidance and leadership of the Department of Agriculture, bringing together representatives from the public sector, industry and civil society to deliver innovative solutions to improve water use efficiency and increase the income of the cotton farming communities; and support partnerships with cotton supply chain actors for offtake arrangements and farm-level interventions.

IDH, in collaboration with 2030 Water Resource Group (2030WRG) under an MOU signed in April 2017, leads the development of the initiatives and working groups under the Maharashtra Cotton Water Platform, including:

- Acceleration of water efficient and climate resilient cotton cultivation, focusing on watershed development, innovative on-farm technology and market linkages;
 - Promotion of sustainable cotton supply chains, aligned with global standards and best practices;
 - Mobilization of global and national brands for participation in programs.
-

A photograph of cotton plants in bloom, showing white cotton bolls and green leaves against a blue sky. The image is used as a background for the 'Objectives' section.

Objectives

- **Accelerate partnership models for water-efficient and climate-resilient agriculture, focusing on a combination of improved practices, technology acceleration for water use efficiency, decentralized water storage, and market linkages.**
- **Promote sustainable commodity supply chains, aligned with global standards and best practices, in collaboration with institutional buyers and global brands.**
- **Deliberate on finance facilitation models by third parties for water-efficient technologies and large-scale programmatic implementation, including blended finance models and corporate social responsibility contributions.**

Collective Action Towards Water and Livelihood Security in Rain-fed Agriculture Areas

Multistakeholder Process

Establish common goals and set the agenda for the platform by looking at market-linkage models, building resilience, and water use optimization.

Enabling Policy

Alignment amongst sustainability standards and package of practices (POP); policy on regulation of banned/hazardous chemicals use and water resource management.

Scaled Implementation Models

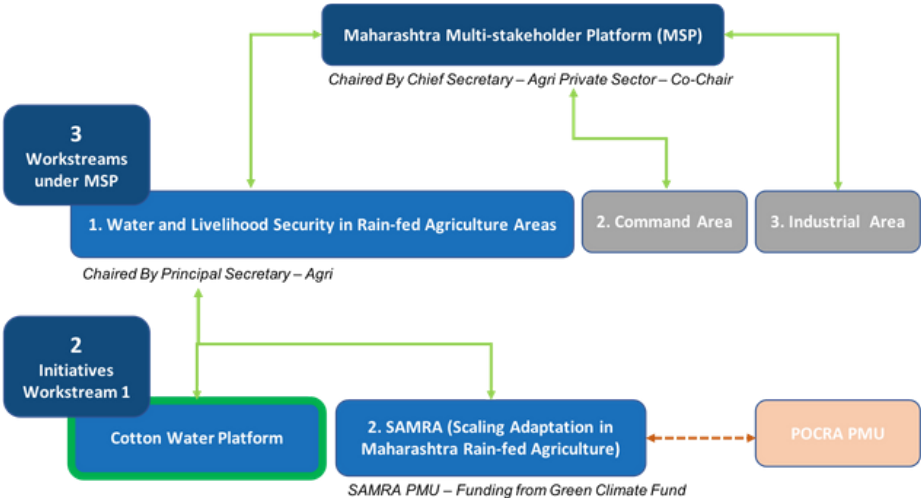
Using technology and scale partners to enhance the implementation models for standards adoption and on-farm services.

Service Delivery Models

Developing a business case for service delivery to farmers on - access to finance, quality inputs, agricultural extension services, warehousing and access to market.

Smallholder Livelihoods

Number of initiatives: Engagement beyond cotton season and crop; group farming



SPICES



IDH has established Sustainable Spices Initiative India (SSI-I), a multi-stakeholder platform, to address the sustainability challenges in the Indian spices industry.

India is the largest producer and consumer of spices in the world today. Of the total volume of spices produced in India, only 10% is exported; however, this 10% constitutes 40% of the global exports for all spices. As such, the spices industry has a unique position in the Indian economy.

Main Sustainability Issues: Excessive agrochemical and pesticide use; Inefficient use of water; Poor working conditions; Lack of health & safety norms; Limited access to finance



sustainable spices
initiative - India

SSI-I aims to bring sustainable spices to scale by engaging farmers and capturing a 25% share of Indian spices production by 2025.

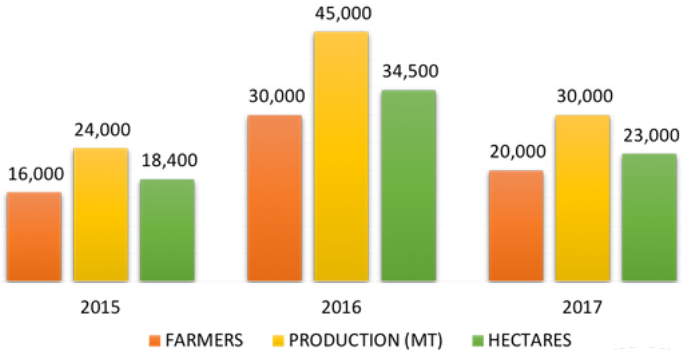
The Sustainable Spices Initiative India (SSI-I), part of the global Sustainable Spices Initiative program, is an industry-led voluntary multi-stakeholder platform to drive sustainable sourcing in the Indian spice industry. The program works towards improving the livelihoods of producers, and giving consumers – both locally and globally – increased access to sustainable, food-safe spices.

SSI-I pulls together different areas of convergence to scale the impact of other sustainable agriculture initiatives in the space. Funded by private and public players, SSI-I engages in scalable supply interventions based on social, environmental, and economic sustainable practices.

By participating in SSI-I, farmers benefit from lower input costs, better managed farms, potential for higher incomes and a more sustainable future. Food manufacturers, buyers and retailers will benefit from a higher quality product, a more sustainable source of supply, greater supply chain transparency and a cost-effective means of improving farming practices.

To promote business opportunities in the sustainable spices industry, SSI-I commissioned ‘Business Case for Spices Production & Processing’ report, prepared by Yes Bank in April 2018. The report provides insights on developing a business case in sustainable spice production and processing in Uttarakhand and North Eastern States of Meghalaya, Mizoram and Nagaland.

PROGRAM OUTREACH



Focus States

- Rajasthan
- Gujarat
- Odisha
- Madhya Pradesh
- Telangana

SSI-I Members

Akay, Synthite, Nedspice, Jayanti, Kancor Mane, Olam, Griffith Foods, ITC, WSO, Nani, and Nestle

FOCUS ISSUES

- Responsible agrochemical use
- Food safety
- Water Usage
- Soil Health
- Access to finance
- Decent Work

TEA



The Indian tea market is characterised by high domestic production and consumption. IDH has co-founded *trustea*, a domestic initiative to drive sustainability in the Indian tea industry. It also co-funds other thematic programs which establishes a business case for the industry to comply and improve on several social issues such as gender equality, worker welfare and child protection.

Around 40% of Indian tea production can be categorized under sustainable production. Over the years, the smallholders have increased their share of Indian tea production significantly which is expected to reach 50% in 2025.

Main sustainability issues: Food safety & security; Poor working conditions; Health & safety; Degrading soil health and low yields; Livelihood security for smallholders



trustea seeks to sustainably transform 600 million kgs of tea from over 600 factories positively impacting the livelihoods of 500,000 tea plantation workers and 40,000 smallholders in 2018.

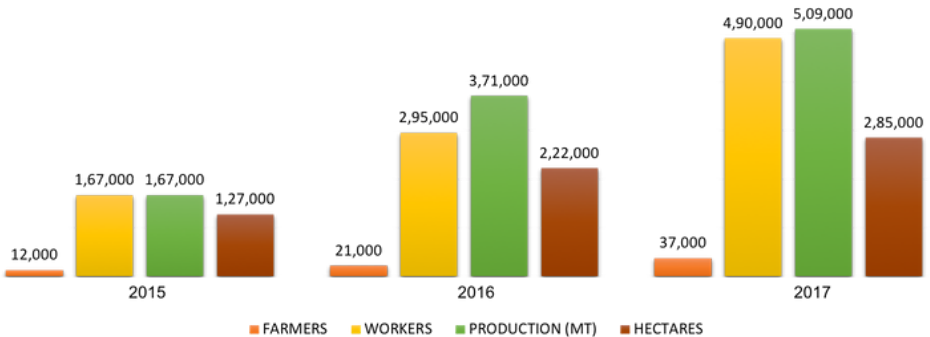
IDH is the convenor and co-funder for the *trustea* program, a locally developed initiative to transform the domestic Indian tea industry. Based on industry realities and globally accepted sustainability principles, the program advocates the implementation of a voluntary sustainability code for the Indian domestic tea market.

The program supports smallholders and estates in improving the competitiveness of tea gardens by stimulating continuous improvement and improving the livelihoods of smallholders and estate workers. The *trustea* code focuses on improving tea growing and good manufacturing practices with an emphasis on food safety.

The program, launched by the Tea Board of India in 2013, is currently jointly funded by IDH, Hindustan Unilever Limited (HUL), Tata Global Beverages Limited (TGBL) and Wagh Bakri (the 3 packers together account for nearly 60% of the packed tea market in India).

The governance of the program is truly multistakeholder: comprising of the 4 funders, but also producer organizations like Indian Tea Association (ITA), United Plantations Association of South India (UPASI), Consultative Committee of Plantation Associations (CCPI), smallholder representatives; technical advisory of other standards like Rainforest Alliance, and civil society partners, Solidaridad and Ethical Tea Partnership.

PROGRAM OUTREACH



Focus States

- West Bengal
- Assam
- Tamil Nadu
- Kerala

trustea Partners

Hindustan Unilever, Tata Global Beverages, Wagh Bakri, ITA, CCPA, UPASI, Rainforest Alliance, Solidaridad, ETP

FOCUS ISSUES

- Worker welfare
- Responsible agrochemical use
- Food safety
- Crop protection
- Smallholder livelihoods
- Gender empowerment
- Soil health

Plantation Community Empowerment Programme (PCEP)

Theme

Worker community empowerment; estate development

Location

Assam, India

Stage

Baseline being collected, CDF being formed

Project Impact

The program is working with 5 tea estates in Assam with 10,000 community members.

The PCEP programme sets up Community Development Fora (CDF), or “mini-parliaments” on 5 tea estates. The purpose of the CDF is to bridge the multifaceted divides between and amongst workers, management, non-working estate residents, and the wider community. The CDFs ensure that there is shared understanding and ownership of the varied challenges faced by the different groups represented, and a cohesive and constructive plan to prioritise and resolve these issues.

The program is being supported and funded by IDH; ETP members and Taylors of Harrogate (Yorkshire Tea); and Marks & Spencer.

The PCEP programme is expected to have several benefits to the estate communities, including:

- Increased productivity & reduced cost of production
 - Improved labour relationships
 - Increased opportunities for women
 - Increased employee economic and social well-being
 - Decreased management time spent dealing with social and welfare issues
 - Access to additional support and funding from local and government agencies due to the democratic and participatory nature of CDFs
-

Protection of Women & Children in Tea Estates of India (2014 - 2017)

Theme

Child protection and woman empowerment

Location

Assam, India

Stage

Phase 1 of the program ended in 2017

Project Impact

33,167 adolescent girls reached and 30,000 community members engaged in 104 tea estates

The program worked towards improving the lives of women and children in Assam's tea communities. The program supported positive development of 104 tea estates in Assam by ensuring adolescent girls have the knowledge, skills and confidence to protect themselves, increase the options open to them and enable them to make informed decisions about their future. By forming a protective community-based safety net through Child Protection Committees (CPCs), community members were equipped with skills to protect children from violence, exploitation and abuse.

The program, partnered by UNICEF and Ethical Tea Partnership (ETP), was supported and funded by IDH; Tata Global Beverages (Tetley, Tata Tea), Taylors of Harrogate (Yorkshire Tea); and Typhoo.

Key Activities of the 4-year partnership:

- Equipped girls with the knowledge and life skills to help them secure a better future and reduce their vulnerability to violence, abuse, and exploitation.
- Gave community and family members knowledge and training to protect children from all forms of violence, abuse, and exploitation.
- Worked with state and district government to improve the quality of education and the effectiveness of child protection policies to help make a sustainable difference to the lives of children.

APPAREL



To address the sustainability challenges in the Apparel industry, IDH is in the process of setting up an initiative to ensure life and building safety for the workers in the key manufacturing countries including India.

Accounting for nearly 14% of the total global apparel production, India is one of the largest textile industries in the world today. According to the country's Department of Industrial Policy and Promotion's 'Textile and Apparel Sector Achievement' report 2016, this sector is the second largest employment provider in the country, employing nearly 51 million people directly.

Main Sustainability Issues: Unsafe working conditions; Poor infrastructure; Low wages; Gender inequality; Poor health & safety norms



The Life and Building Safety (LABS) program strives to make the apparel and footwear supply chain safe from life safety risks, related to structural, electrical, and fire safety and evacuation

Promoting a safe and secure working environment in the garment and footwear industry

Promoting a safe and secure working environment is a key element of the United Nations' Sustainable Development Goals. Over the past years, tragic events at factories in Bangladesh and Pakistan have highlighted the urgent need to address life and building safety in the apparel and footwear industry. Building on these experiences, IDH is in the process of setting up a Life and Building Safety Initiative by bringing together key actors to improve fire, electrical, and structural building safety across the supply chain.

The key objectives of the IDH apparel program in India include ensuring life and building safety for the factory workers, aligning standards across the apparel industry, and proving the business case for company practices that focus on the social and environmental impacts of apparel manufacturing.

Driving sustainability in the apparel sector is hampered by a myriad of auditing and assessment standards. Harmonization is necessary to shift away from compliance to capacity building to address the root causes of unsustainable practices.

IDH apparel program in India aims to improve worker safety in the ready-made garment industry by effectively identifying and remediating the most pressing risks related to fire, electrical, and structural building safety and evacuation. This will be done through developing a coherent and consistent life-safety program to assess factories and provide a framework for monitoring and ensuring mitigation and remediation.

The LABS program is currently being further developed by IDH in collaboration with leading global apparel and footwear brands and retailers.

FOCUS ISSUES

- Worker safety
- Building safety
- Improved working conditions
- Gender equality
- Reduced operational risk



FARMER FOCUS

Stories From The Field

COTTON



“By following BCI practices, my cost of cultivation reduced by Rs. 4500 per acre. With the program support, I now own three farm ponds due to which I am able to grow a second crop. Last Rabi season, I cultivated Maize as a second crop and earned an incremental income of Rs. 12,000 per acre that I used for purchasing farm Implements. Next year I have a plan of raising fishes in farm ponds”.

**Bommagani Tirupathi, Cotton farmer
Siddipet, Telangana**

“Water shortage was one of the main problems in farming in our region. After getting associated with the BCI project, I have adopted drip irrigation to overcome the water problem. I was also using large amounts of pesticides as were most farmers in my village. I have now adopted non-chemical methods for pest control like, beauveria bassiana, neem oil, and cow urine, reducing the use of chemical pesticides. Decrease in input cost has overall resulted in economic benefits for me.”

**Vinubhai Motibhai Makvana, Cotton farmer
Amreli, Gujarat**



SPICES



"I have a total of 12 bigha land, out of which I am growing coriander on 6 bigha. Earlier I was applying large amount of fertilizers for my crops. However, on being associated with the SSI-I program, I have reduced my inputs on the advise of project officials. Less expenses on farming inputs have increased my profit margin by 20%, and I am also receiving better price for my crops due as they have lesser pesticide residues and are safe for consumption. "

Doltram Sain, Coriander farmer
Kandhamal, Odisha

"My entire 5-member family is dependent on farming that we do on our 2-acre land and turmeric is a major source of income for us. By following SSI-I practices, I am now getting better prices for my turmeric produce. I have also learnt reading and writing and am now getting trained as a master trainer to train others on sustainable and organic agriculture"

Salra Pradhan, Turmeric farmer
Kota, Rajasthan



TEA



"Adopting the (trustea) programme has benefited my business by improving hygiene standards and the discipline among my staff, both of which go hand-in-hand as it would be impossible to maintain the hygiene standards without the staff's discipline. Further, it has also resulted in time and cost savings with more standardized and quality production"

Dindayal Verma, Owner
Surya Tea Factory

"Earlier, we would often fall sick - usually respiratory problems and skin ailments - due to harmful effects of pesticides, both because we were using hazardous chemicals and in excessive quantities, harming ourselves as well as our produce. This changed after trustea training. Pesticides are now stored separately and used with caution. We have built changing and washing rooms for workers in our plantations, as a result we have seen a decline in health problems among workers."

Bablu Agu, Tea Grower
Tinsukia, Assam

About IDH

IDH, the Sustainable Trade Initiative drives the joint design of economically viable approaches to realize green and inclusive growth at scale.

Collaborating with over 500 public and private partner organization, IDH is active in 12 commodity programs and 12 landscape programs in over 50 countries.

IDH convenes companies, civil society organizations, governments and others in public-private partnerships, to jointly co-fund and prototype economically viable and scalable models, that realize green growth in supply chains and verified sourcing areas. Providing co-funding and first loss funds, that leverage the interests of businesses and financial institutions, we drive sustainable production and markets from niche to norm.

Together we create [impact@scale](#) on the Sustainable Development Goals.

**Established in 2008, IDH is headquartered in Utrecht, The Netherlands.
IDH is backed by three European institutional donors:**

- **Netherlands Ministry of Foreign Affairs**
- **Swiss State Secretariat for Economic Affairs**
- **Danish Development Assistance Programme**

Public Interest

- **Poverty reduction/economic growth**
- **Save the environment**
- **Geo-political access to resources**

Private Interest

- **License to operate**
- **Access to supply**

**Sustainable
Commodity
Production**

Globally, IDH works together with the following private partners:

COTTON

ASOS, Adidas, Basil Commodities, Bharat Cotton, Bestseller, Chainpoint, C&A, Changzhou, CottonConnect, Ergon Associates, H&M, IKEA, Keteng Trading, K.K. Fibers, Levi Strauss & Co, Marks & Spencer, Nike, OLAM, Pratibha Syntex, Plexus, SAN-JFS, Sanam, Spectrum International, STAC, Tommy Hilfiger, Udyansh, VF Corporation, and ZhongWang

TEA

Tata Global Beverages, Taylors of Harrogate, Unilever, Tesco, Jacobs Douwe Egberts (JDE), Typhoo, The Ostfriesische Tee Gesellschaft (OTG), The Kenya Tea Development Agency (KTDA), The Ethical Tea Partnership (ETP), Van Rees, Tea and Merchants Association Malawi, Marks & Spencer, Mother Parkers, Finlays, Tea Association of Malawi (TAML) and members, Twinings, and Ringtons

Spices

Epos, Euroma, Kerry, Symrise, Cassia Co-op, Olam, McCormick, Kutas, Jayanti, Intertaste, Sabater, Intersnack, ITC, Harris Spice, British Pepper & Spices, Nedspice, Verstegen, Both Ends, P.Visser & Zoon B.V., Griffith Foods, Unispices Wazaran, Agric Maroc, Nani, Kancor Mane, Synthite, Akay, and Nestle



**the sustainable
trade initiative**

IDH INDIA

Pramit Chanda
Country Director, IDH India
+91 (0) 981109022
chanda@idhtrade.org

IDH, Vatika Triangle
Sushant Lok - Phase 1
M.G. Road, Gurgaon
122002 Haryana
India

IDH GLOBAL

Postbox 19219
3501 DE Utrecht
The Netherlands

+31 (0)30 230 5660
office@idhtrade.org