

***“Fighting poverty through Trade”***

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**Report of the evaluation of Traidcraft  
project:**

**“From field to market, sustainable livelihoods  
for cotton farmers & labourers in  
Raichur of Northern Karnataka”**

**May – June 2011**

**‘Draft report – 24 June 2011’**

Participating organisations:

**Traidcraft Exchange, Hyderabad, India**

**Agrocel, Raichur, Karnataka, India**

**Seva, Raichur, Karnataka, India**

**NavNirman Trust, Raichur, Karnataka, India**

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## Basic information

Project title	From field to market, sustainable livelihoods for cotton farmers and labourers in Raichur of North Karnataka
Agency name	Traidcraft Exchange
CSCF number	
Country	India
Name of local partner	
Name of person who compiled the evaluation report, including summary of role/contribution of others in the team	<p>Mr. Pradeep Esteves, independent external consultant was the team leader of the evaluation and compiled the report.</p> <p>Mr. B.H. Gowda, supported the team leader in collating data on the outcomes of the project.</p> <p>The staff team of the local partners supported the external team with the reports, relevant data, logistics etc</p>
Period during which the evaluation was undertaken	May – June 2011

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## List of abbreviations

BPL	Below Poverty Line
CBOs	Community Based Organisations
Cre	Ten Million Rupees
CSO	Civil Society Organisation
DFID	Department for International Development
GMOs	Genetically Modified Organisms
HDI	Human Development Index
IMF	International Monetary Fund
Lakh	Hundred Thousand Rupees
LFA	Logical Framework Approach
MDGs	Millennium Development Goals
MIS	Management Information System
MSL	Mean Sea Level
NG(D)Os	Non-Governmental (Development) Organisations
NNGOs	Northern Non-Governmental Development Organisations
NNT	Nav Nirman Trust
OSA	Organisational Self-Assessment
PBO's	People Based Organisations
PLHIV	People Living with HIV/AIDS
PME	Planning, Monitoring and Evaluation
PRA	Participatory Rural Appraisal
PRI	Panchayat Raj Institutions
PWD	People With Disabilities
Rs	Rupees (Approximately one Euro is Rs.63 June 2011)
SC	Scheduled Castes
SHG	Self-Help Groups
ST	Scheduled Tribes
ToR	Terms of Reference
Tx	Traidcraft Exchange
WTO	World Trade Organisation

## Acknowledgements

Traidcraft Exchange in collaboration with NNT, Seva and Agrocel has been implementing the project that is aimed at promotion of cotton farming through fair trade and other sustainable practices. The project has been initiated in August 2008 and is poised to close by July 2011. Being the last year of implementation an evaluation process was initiated in early May 2011.

Many people have supported the evaluation process. We would first like to thank the staff members of all the partner organisations NNT, Seva and Agrocel as well as Traidcraft for providing us important inputs and assistance throughout the evaluation process. The evaluators had dialogues with many of the staff in the form of workshops and bilateral interviews during the visits to their organisations and villages. The staff have been ever open to discussions and for providing clarifications whenever needed. We thank them sincerely for this support

The evaluators would like to place on record their gratitude to all the project staff who have assisted the process, specifically Ms. Roopa, Mr. Amarish, Mr. Shivaraj, Mr. Devaputrappa, Mr. Kariappa, Mr. John, Mr. Israel, Mr. Munna and Mr. Niranjana for the excellent cooperation extended despite of their busy work schedules. Special thanks to Mr. Raghu the office assistant for all the logistic support which made our travel and stay comfortable. Thank you each of you for bearing with our taxing requests and giving us support without minding the inconveniences.

We are extremely grateful to all the stakeholders, especially the farmers, labourers, women and men who were kind enough to spend valuable time with us, readily sharing information with us through one-to-one interviews as well as focus group discussions. They shared valuable insights of their lives and homes which added to the learning for the evaluation.

We would like to place on record our special thanks to Ms. Sudha from Traidcraft Hyderabad and Ms. Maveen, Traidcraft UK for the support provided to the evaluators during the entire process. A special word of thanks to Mr. Anand Patil for the wonderful support in terms of hospitality and comfort given to us while we were at Raichur and more importantly sharing in a transparent and open manner the project which gave rich insights to the learnings.

Last but not least a word of appreciation and thanks for the leaders of the three partner organisations – Mr. E. Premdas of NNT; Mr. Vijaykumar of Seva and Mr. Hashmukh Patel of Agrocel for participating in the dissemination meeting and providing their valuable feedback to the 'draft report'. I take this opportunity to thank you for sparing your valuable time and support for the evaluation process.

We wish all of you the very best for an excellent and successful programme for the cotton farmers and labourers in Raichur in future.

15 June 2011

Pradeep Esteves  
Context India

**Executive summary** [will be included in the final report after incorporating all inputs]

# Chapter 1: Introduction and parameters of the study

## 1. Introduction

As per plan, an external evaluation in order to measure the outcomes and capture the learnings of the project had been planned. The scope and focus of the external evaluation has been outlined in more detail in the Terms of Reference attached as Annex I to this report.

Traidcraft Exchange was set up as a charity in 1986 and began operations since. In 1995 a Limited Company named Traidcraft Exchange was created and took on the operations and staff of the charity. Traidcraft Exchange is a sister organisation to Traidcraft plc, a UK company importing fair trade goods from developing countries with a turnover of more than £13 million. Traidcraft plc and Traidcraft Exchange work closely wherever possible and share the same senior management team and support services. Traidcraft is the UK's leading fair trade organisation, which combines a fast growing fair trade business and an award winning development charity.

The project titled *"From field to market, sustainable livelihoods for cotton farmers & labourers in Raichur of Northern Karnataka"* has been detailed in a project proposal and a log frame has been prepared. The project implementation has begun since August 2008 and the current phase of the project is to be completed by July 2011. The three implementing partners Agrocél, SEVA and NNT have jointly agreed as per the guidelines to organise an evaluation through external consultants.

## 2. Purpose of the evaluation

The purpose of the evaluation has been defined as *"to take stock of the achievements of the project against the planned objectives and goals, analyse the outcomes and distil learnings for future action."*

Preliminary work has already been done during the annual monitoring process and it is expected that the present evaluation will further strengthen the learning process. More specifically the objectives for the external evaluation were defined as<sup>1</sup>:

- a. Have the objectives of the project and the results that were planned (focus on the objectives, results and indicators in the log frame) been fulfilled?
- b. What have been the changes on the lives of local communities (stakeholders) in terms of economic difference, social change, political change and reduction in vulnerability?
- c. Has there been an effect on the wider larger cotton / small farmer community – through learning between farmers, policy work, etc?
- d. Given a second chance what could have been done differently (what did not go too well and what can we learn from it)?
- e. Is there a possibility of scale up of project? What are the other issues that need to be worked upon?

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<sup>1</sup> For further information reference may be made to the Terms of Reference for the current assignment.

- f. Would some of the changes have happened if the project was not implemented?

### **3. Evaluation process**

#### *a. Briefing*

The Terms of Reference to facilitate the evaluation process for the Raichur Cotton project was prepared in May 2011 by Traidcraft and external evaluators invited. The initiation of the evaluation process took place with an initial meeting towards the last week of May by way of a briefing meeting. The entire field and management team at Raichur attended and participated in the briefing.

The briefing meeting was an opportunity for the external consultants to get to know and understand the status of the project and also to get to know the changes that had taken place in the project. This also gave the opportunity to arrive at a common understanding of the roles of each of the players in the project as well as get an overview of the existing systems.

Further, the Terms of Reference was discussed in detail to come to a common understanding in order to avoid confusions. The staff from the four organisations that were involved in the Cotton project participated actively during the briefing meeting.

During this meeting apart from taking stock and understanding the Terms of Reference, a detailed plan of action for the data collection was also worked out with the team. This included setting up appointments with the farmer families and the groups to be visited.<sup>2</sup>

#### *b. Data collection*

As per the action plan that was developed with the team during the briefing meeting, the evaluation team visited six villages in Manvi taluk and seven villages in Raichur. Though it was planned to meet with eleven women and ten men, interviews have been conducted with only eight men and ten women from these villages, as some of the members were not available during the visit to their villages. Apart from the interviews data was also collected during group meetings at the various villages.

The data on the monitoring framework formats was updated with the support of the evaluation team by the staff team. These formats are attached to this report as Annex III. During this process the baseline information too was compared and analysed.

#### *c. Analysis and reporting*

On completion of the data collection, the evaluation team triangulated the data and did a joint analysis and prepared a 'report in progress'. This 'report in progress' was shared with the Traidcraft team and feedback was obtained.

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<sup>2</sup> Reference may be made to Annex II – Schedule for field visits for external evaluation



The feedback thus received has been incorporated in the draft report and shared with the core team and will also be presented at the dissemination (de-briefing) meeting on 29 June 2011 with the core group and representatives of Traidcraft. The final report will incorporate inputs received during the dissemination meeting and a final report will be prepared and submitted as per the time frame agreed upon.

#### **4. Methodology**

In line with the ToR for this study the members of the evaluators and the participating organisations collected data from primary and secondary sources explained above. It was decided during the briefing workshop that in view of the core purpose of the study, it would be valuable to use more of qualitative research methodologies such as interviews, focus group discussions, SWOT analysis, interviews, participatory workshops etc where applicable.

Primary data was collected at the level of the partner organisations (staff and management) and at various levels of the communities (farmers, labours, labour groups, PEB leaders etc.). The evaluators met and visited the villages, groups, persons and organisations that the partners themselves had selected in consultation with the evaluators.

Secondary data were obtained from the documents available at Traidcraft office at Raichur such as the proposal plan, LFA plan, monitoring reports, monitoring formats etc. All these data were complemented by and compared with data from other sources, such as documents, literature and interviews (triangulation).

#### **5. Composition of the evaluation team**

The study team consisting of two independent external consultants Mr Pradeep Esteves and Mr. B.H. Gowda both representing Context India, Bangalore carried out the evaluation. Mr. Pradeep Esteves is an organisational management expert with a fairly good knowledge of the content of the project. Having been involved closely in Raichur on various missions over the last decade has an intimate knowledge of the local area as well.

Both the evaluators worked in an interactive manner together with the partners and Traidcraft field team; they were involved in the primary and secondary data collection. The evaluators shared notes and observations amongst themselves and did a joint analysis. Mr. Pradeep Esteves coordinated the evaluation and was the team leader.

## Chapter 2: Context and background

*“No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable” (Adam Smith, 1776)*

As per the Terms of Reference it was agreed to provide a background on the contextual situation in India as well as the area where the project is being implemented in order to identify the projects significance to the specific needs. In other words one of the focal areas of the evaluation is to determine the relevance of the project whether it is addressing the needs. This chapter tries to give an overall picture and background and identify its relevance.

### 1. Contextual situation on poverty and cotton production in India

As per the Human Development Index (2006) of the UNDP, India belongs to the category with ‘medium’ human development. India stands at 127 out of 177 countries on the HDI and is therefore within the framework of a Priority 2 country as set by the EU for a project of this nature. The life expectancy at birth is around 64.1 years, the average adult literacy rate 65.2%, the combined primary, secondary and tertiary gross enrolment ratio in schools is 61 % and the GDP per capita 2,489 US \$ per person.<sup>3</sup>

In spite of the publicised economic growth rates, poverty is widespread in India, with India estimated to have a third of the world's poor. The World Bank (2005) estimated that 41.6 percent of the population lives under the international poverty line of US \$1.25 per day (PPP), reduced from 60 percent in 1981. Poverty eradication has been one of the major objectives of planned development in India. According to the criterion of household consumer expenditure used by the Planning Commission of India, 27.5 percent of the population was living below the poverty line in 2004–2005, down from 51.3 percent in 1977–1978, and 36% in 1993-1994 (Economic Survey 2009-10).<sup>4</sup>

Though the poverty ratio declined, the number of poor remained stable at around 320 million for a fairly long period of over two decades (1973 - 1999) due to a countervailing growth in population. The latest estimates reveal a significant reduced number of poor, at about 260 million of a total population of a little over one billion. However, there have been many debates on the definitions used for measuring the poverty line indices and even as the number of people below poverty level may go down, hunger and inequality continue to be an immense problem.

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<sup>3</sup> For a detailed overview of the figures per state reference is made to the statistical tables in *Economic Survey 2007 – 2008* of the Government of India at <http://indiabudget.nic.in>.

<sup>4</sup> [http://12thplan.gov.in/12fyp\\_mgr/suggestions/docs/1\\_Poverty%20Alleviation%20in%20India-%20Concept%20Note.pdf](http://12thplan.gov.in/12fyp_mgr/suggestions/docs/1_Poverty%20Alleviation%20in%20India-%20Concept%20Note.pdf) as assessed on 12 June 2011; “Poverty alleviation in India a concept Note by NABARD for the planning commission of India.

It is widely recognised that trade can be a powerful force for poverty reduction.<sup>5</sup> With a population of over 1 billion, India offers a huge opportunity for change. Its middle-class is growing rapidly and is larger than the total population of the USA<sup>6</sup> – a market waiting to be tapped. There is also a growing recognition among Indian consumers of ‘alternate’ products though at the moment the movement is towards ‘organic’ and ‘natural’ products. However, there is very little awareness about Fair Trade and the ways in which it can have a positive impact on poverty.

Cotton, the most important fibre crop of India plays a dominant role in its agrarian and industrial economy. It is the backbone of the textile industry, accounting for 70% of total fibre consumption in textile sector, and 38% of the country's export, fetching over Rs. 42,000 crores. Area under cotton cultivation in India (8.9 million ha) is the highest in the world, i.e., 25% of the world area and employs seven million people for their living.<sup>7</sup>

India is the third largest producer of cotton in the world after China and USA accounting for about 14% of the world cotton production. It has the distinction of having the largest area under cotton cultivation in the world ranging between 8.00 million to 9.00 million hectares and constituting about 26% of the world area under cotton cultivation. The yield per hectare is however, the lowest against the world average, but over the last two years have shown a promising potential to reach near the world average production level in near future.<sup>8</sup> Karnataka State ranks fifth in area (0.533 million hectares) and eighth in production (0.69 million bales of 170 kgs each).

The modern cotton production technology relies heavily on the use of fertilisers and on chemicals to control insect pests, diseases, weeds and growth regulators. Cotton cultivated on 5% cultivable land consumes 54% of total pesticides used in Indian agriculture, and in some pockets, the rates are higher than this, leaving immense ecological and human hazards as reported by World Health Organisation. Use of chemicals at such scale causes a lot of hazards to humans, i.e., environmental pollution, soil health, and agro-ecology and poor profitability in cotton farming. This has basically prompted the demand of organically cultivated, eco-friendly or ‘green’ cotton.<sup>9</sup>

## 2. Situation at Raichur

Raichur<sup>10</sup> is infamous for having the distinction of being one of the most backward and poorest districts in the country. Raichur district is situated in the North Eastern part of the Karnataka state between 15 09' and 16 34' North latitude and 75 46' and

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<sup>5</sup> “If we want to improve our chances of creating peace and a road out of poverty and oppression for people across the world, a proven road is economic co-operation and integration” (Pascal Lamy, EU Trade Commissioner)

<sup>6</sup> Oxfam Country Profile, January 2005

<sup>7</sup> “Organic Cotton farming in India”; T.P.Rajendran, M.V.Venugopalan, P.P.Tarhalkar;  
<http://www.indiaagronet.com/indiaagronet/seeds/organiccottonarticle-seeds.htm>

<sup>8</sup> Ref: Government of India, National Cotton Scenario, India’s share in World; <http://cotcorp.gov.in/shares.asp> as referred on 13 June 2011.

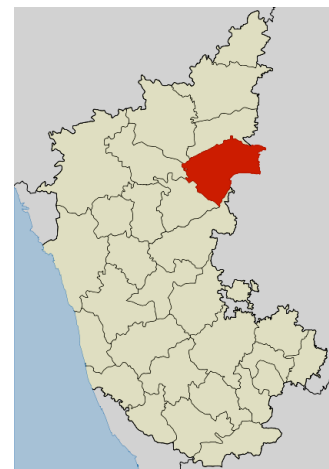
<sup>9</sup> ibid 7

<sup>10</sup> Raichur: Rai in Telugu the local dialect means stone and chur means piece

76 35' East longitude and elevated 393 metres above MSL. On either side of the district, two major rivers, Krishna (to North) and Tungabhadra (to South) flow. The population of the district, by the 2001 Census of India, was 1,669,762 (3.36 families) of which 25.20% were urban. There are 1.33 lakh yellow cardholders, 60,279 beneficiaries under the Antyodaya<sup>11</sup> scheme and 1.42 lakh above poverty line families. This means that almost 2/3rd of the population live below the poverty line in the district.

The density of population is 199/km (515 /sq mi) with a sex ratio of 983 women per 1000 men. Just 48.8 percent of the people are literate in the district, of this men constitute 61.5 percent while women who are literate is 35.9 percent. The capital of the district is the city of Raichur, which is 409 km from the state capital, Bangalore.

The district experiences very high temperatures throughout the year, peaking at about 45 degrees Celsius most often during summer. The year may be broadly divided into four seasons. The hot summer season beginning by about middle of the February and extends up to the end of May. The Southwest monsoon begins from June to end of September and the average precipitation is 680.6 mm (26.80 in). The post-monsoon period extends from October to November. The period from December to middle of February is comparatively cool.<sup>12</sup>



The total geographical area of the district is 7,95,762 hectares (8,386 square kilometres or 3,238 sq miles). As regard to soil type, the district had relatively larger area under mixed red and black soil (constituting about 40 per cent of the area) followed by deep black and medium black soils. Of this, total cultivable area is 6,22,853 ha, which constitute 78.27 per cent of the total geographical area. The major crops grown in the district are Paddy, Cotton, Jowar, Sunflower and Groundnut. Raichur is well known for the cotton trading market for its good quality cotton.

Raichur district is irrigated with water from the Tungabhadra Dam on the Tungabhadra River, and Narayanpura dam on the Krishna River. It is known for its paddy fields and its rice is of extremely superior quality and mostly meant for exports. Before 1990s, Raichur was also well known for its oil seeds and cotton industries. Due to lack of technological up gradation and competition due to imports, it lost its base as one of the leading district in oil seed and cotton industries.<sup>13</sup>

Raichur accounts for about 2.5% of India's cotton cultivation and about 5% of its cotton farmers (although estimates of the total number of cotton farmers in India vary hugely from 1 million to 3.5 million). In 2008, the daily arrival of cotton at the Raichur Cotton Township ranged from 3,000 quintals to 4,000 quintals. But procurement had

<sup>11</sup> A scheme for the poorest of the poor

<sup>12</sup> Source: [http://en.wikipedia.org/wiki/Raichur\\_district](http://en.wikipedia.org/wiki/Raichur_district) as seen on 13 June 2011 and "A study on Entrepreneurial behaviour of farmers in Raichur district of Karnataka"; Chandra Mouli Pandeti; August 2005

<sup>13</sup> Source: "Industrial scenario of Raichur district"; <http://www.raichur.nic.in/Industries.htm> Government of Karnataka website as soon on 14 June 2011.

been limited to a maximum of 2,000 quintals a day. Though the price of cotton has been stable, between Rs. 2,386 and Rs. 2,800 a quintal depending upon quality, the farmers had to wait to sell their cotton and face the vagaries of the middlemen.

Cotton, mainly BT cotton, was cultivated on a large scale during 2008 in Raichur, Manvi, Deodurga and Sindhanur taluks, covering more than 22,000 hectares. The commodity was also cultivated in large areas in Gulbarga and Bijapur districts and Mahbubnagar district in Andhra Pradesh. According to sources from the Agricultural Produce Marketing Committee (APMC), the Cotton Township received about 3.35 lakh quintals of cotton worth Rs. 75 crore in 2008.<sup>14</sup> The Cotton Corporation of India (CCI) has also entered the market to lend support to the farmers so that they can sell their product at a good price.

### **3. Introduction of Traidcraft and relevance of the project**

Traidcraft Exchange is an organisation committed to fighting poverty through trade. It believes that poor people have skills and ability, but often lack the opportunity to use them in ways that will build more secure futures for themselves, their families and their communities. Traidcraft Exchange focuses on trade as a means of reducing poverty and its development approach aims to achieve measurable improvement in the lives of the poor involved in trade<sup>15</sup>.

Traidcraft believes in building lasting relationships with producers, supports people to trade out of poverty and works towards bringing about trade justice. In India, Traidcraft Plc has worked with producer groups for nearly three decades. For a little over a decade, Traidcraft Exchange has, in partnership with Indian organizations worked with a focus on strengthening the position of small producers and farmers through training and enhancing capacities in business skills and counselling. Traidcraft Exchange has also effectively built micro small and medium enterprises in national markets and enabled them to gain access to international markets. With a focus on creating a more enabling policy environment, Traidcraft undertakes, lobbying and advocacy work in the UK and Europe.

In Raichur district located in the south Indian state of Karnataka, Traidcraft Exchange has been supporting and partnering with local NGOs – Agrocel, Seva and NavNirman Trust (NNT) to carry out a project titled '*From field to market: sustainable livelihoods for cotton farmers & labourers*'. The three NGOs are located at Raichur and Manvi taluks of Raichur district. The main aim of the project has been to reduce poverty and improve the livelihoods of small cotton farmers and labourers by empowering them to follow sustainable agricultural practices such as Fair Trade and organic farming etc as well as lobby for fairer policy/institutional frameworks and realise fairer terms of trade in the cotton industry.

As illustrated above Raichur, though a very backward district is a major cotton growing area producing some of the best cotton in the country. However, in recent years the area under cotton cultivation has fallen and moreover the dependence on

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<sup>14</sup> Ref: The Hindu, newspaper dated 19 December 2008; <http://www.thehindu.com/2008/12/19/stories/2008121951860300.htm>

<sup>15</sup> Ref: Annex A of proposal submitted to European Commission by Traidcraft titled “*European Commission co-financing with European development NGOs Actions in Developing Countries (PVD)*”, 2004

GMO based BT cotton and high input costs due to the use of extensive chemical inputs the situation has become precarious. This decline has destabilized the local economy and destroyed many thousands of livelihoods.

In this milieu, the Raichur Cotton Farmers project being implemented by Traidcraft and her partners appear to be highly relevant in supporting the farmers through marketing and shifting the cultivation practices from the currently high intensive chemical based practices to organic and Fair Trade practices. The project aims to revitalise the livelihoods and promote sustainable practices for cotton cultivation which also is a relevant objective in the backward regions of North Karnataka. All these interventions contribute towards reducing poverty.<sup>16</sup>

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<sup>16</sup> The effects and outcomes of the activities implemented have been elaborated in the following chapters of this report. The relevance is based on the overall aim and the objectives of the project.

## Chapter 3: The Raichur Cotton Project

### 1. Background

The project is located at Raichur which is a district headquarters situated in the Northern part of Karnataka in south India. As mentioned earlier Traidcraft Exchange has been supporting local NGOs – Agrocel, Seva and NavNirman Trust (NNT) to carry out a project titled '*from field to market: sustainable livelihoods for cotton farmers & labourers*'. The total outlay for this project is £<sup>17</sup> 370,490 spread over a three-year period starting August 2008 of which DFID has contributed £ 355,490 while £ 15,000 was borne by the local partners. It was also envisaged that the activities would continue after the initial three-year period without donor funds.

As per the plan the main project beneficiaries would be 600 poor and marginalized cotton farmers and labourers from 20 villages. As the target villages are very poor it has been planned that the activities will directly benefit some of the poorest and most vulnerable cotton farmers. Also by targeting labourers as well as farmers, the project is targeting the 'hidden poor' - the poorest members of the community. The Raichur Cotton Project aims to reduce poverty and improve the livelihoods of small cotton farmers and labourers by empowering them to lobby for fairer policy/institutional frameworks and realise fairer terms of trade in the cotton industry.

The project aims that the cotton farmers/labourers would benefit from improved income, better working conditions, improved health and environment. However, the projects reach is towards a small number of farmers/labourers compared to the total numbers in Raichur. It is hoped that by focusing on a discrete group of farmers the project can show that the model works and by developing systems/infrastructure it can support/encourage additional farmers to turn organic or towards Fair Trade practices during and after the project period.

As per the requirements for an evaluation by DFID<sup>18</sup> the analysis of the programme is done as per the topics suggested by their document. While making the analysis the key questions as defined in the ToR is also taken as a guide for the analysis. Given below is a discussion and analysis based on the various interactions with the farmers, labourers and their groups as well as with the staff team.

### 2. Equity

The Raichur cotton project has identified as its key stakeholders the small holding cotton farmers and women labourers. The project has been planned such that these two stakeholders could be complimentary and support each other for a longer term success of the project.

Though the focus on farming was for farmers which in common parlance means men, it could be observed that there had been efforts to involve women from these

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<sup>17</sup> Approximately £ 1 = Rs. 72

<sup>18</sup> Evaluation requirements 2009 - DFID

farmer families in the project implementation. It can be said that a good beginning has been made in this direction in such a short span of time as these processes require time for more sustaining effects.

However, the women groups both at Manvi and Raichur shared that they have been active during the entire process and were involved closely with the implementation of the project. During these interviews with the women members of the SHG groups, it could be observed that the women especially the labour groups were very enthusiastic and explained how a beginning had been made in bringing about changes in both their personal lives as well as economically.

Though there were no specific objectives to address the issues related to vulnerable groups such as children, people with disabilities and PLHIVs, it could be observed that there were efforts wherever possible to address the issues of these groups from among the select groups by way of awareness etc. The farmers and the women informed the evaluators during the interviews that child labour, which is normally predominant in these regions, has been stopped at least to the extent of the focal groups.

### **3. Efficiency [Organisational]**

A network of four organisations – Traidcraft, Agrocel, Seva and NNT, implemented the Raichur Cotton Project jointly. As Traidcraft does not have the legal status in India, Agrocel was the legal holder of the project and also the finance manager to the project. The roles and responsibilities of each of the partners of the network had been clearly defined at the beginning of the project and adapted when required to make it more efficient<sup>19</sup>.

Agrocel apart from being the legal holder of the project also had the responsibility toward providing services and technical support through their company outlet. Apart from this Agrocel had the key responsibility in providing the inputs to the farmers for the cotton cultivation and also procurement and marketing through the FairTrade route.

Traidcraft provided the overall coordination and leadership while also being involved in other activities such as formation of farmer groups in Raichur, collection of data and monitoring of the project and setting up of the soil testing laboratory etc. Agrocel, Seva and Traidcraft teams had the responsibility to organise the farmers into groups and facilitating the shifting of cultivation from the highly chemical intensive farming to organic and fair trade practices. They were also involved in facilitating and capacitating the farmers towards issues related to alternative farming methods, moving away from mono cropping and for building the capacities of the farmers and labourers to carry out lobby and advocacy activities by themselves.

NNT's focus was primarily to facilitate entrepreneurial spirit and empower the women labourers in their CBOs. The women members of these groups were involved in the preparation of the bio-compost, neem based pesticides and vermicompost which was expected to be utilised by the cotton farming groups in their changed cultivation

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<sup>19</sup> Reference may be made to Annex IV – Partner roles and responsibilities



practices. However, this did not work out completely as planned due to various factors.

As can be visualised, managing of such a project does appear to be complex. In spite of the complexity, it has been effective in reaching targets planned, though there were some challenges.

One of the main challenges was in retaining the staff, especially at the managerial level wherein there were two team leaders and three project managers in the three-year life of the project. The other area was with regard to staff related with technical aspects such as laboratory assistant and technical consultant etc. These factors too had their toll on the smooth implementation of the project, though the targets appear to have been met in spite of these shortcomings.

Furthermore, the stakeholders expressed that the procurement, supply of farming inputs and sales of the produce such as bio-compost, vermicompost etc prepared by the women labourers could have been better. On analysis it was observed that the systems followed by Agrocel appeared to be distant as the decisions had to be taken at distant places, in spite of this severe shortcoming at the management level, the local staff of Agrocel have extended their support to the maximum extent. There seem to be many hurdles that require to be sorted out as tonnes of bio-compost and many bags of vermicompost have not been marketed on time and some are left unmarketed.

#### **4. The achievements against planned objectives [effectiveness, sustainability and replicability]**

The goal of the project has been defined in the LFA as: *“To reduce poverty & improve the livelihoods of small cotton farmers & labourers in Raichur, Karnataka, India.”* The purpose of the project was defined as *“to empower small cotton farmers & labourers to lobby for fairer policy/institutional frameworks & realise fairer terms of trade in the cotton industry.”*<sup>20</sup>

In order to reach the goal of the project eight measurable indicators against the objectives have been defined in the Logical Frame. During the evaluation process the LFA was analysed along with the staff, through a participatory process the results, learnings, challenges etc have been captured in the formats that were prepared. Reference may be made to **Annex III** of this report for the formats prepared during the monitoring process.

As can be observed from the attached monitoring sheets<sup>21</sup>, the project has indeed made good progress, by and large targets have been met though it appears that the outcomes expected may not have been fully realised. During discussions with the farmers, labourers both individually and in groups, there were certain suggestions that were highlighted that could improve the quality and long-term success. Given below in the table is a glimpse of the accomplishments so far.

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<sup>20</sup> Ref: the project LFA

<sup>21</sup> **Annex III**

**5. Table: Glimpse of the achievements against the planned objectives**

<b>Planned objectives (measurable indicators)</b>	<b>Achievements</b>
300 farmers and 300 labourers organised into Self Help Groups (SHGs) that enable them to develop a collective voice & negotiate with policy makers and supply chain actors	<ul style="list-style-type: none"> <li>• 407 farmers and 420 labourers have been organized into self-help groups to have a collective voice to achieve social, political and economic rights.</li> <li>• 19 farmer SHGs, and 31 labourer SHGs have been formed and have been functioning effectively. The members of the 31 labour SHG groups are mainly women, while it is men in the farmer groups.</li> </ul>
Increased understanding of the cotton industry and the trade/policy barriers that negatively impact cotton farmers/labourers	<p>The project has created awareness among the communities on:</p> <ul style="list-style-type: none"> <li>• Understanding of the cotton sector and key policy issues that affect them.</li> <li>• Awareness of their rights and entitlements in the supply chain</li> <li>• Understanding of the need for sustainable and fair trade cotton production to protect their health and livelihoods</li> <li>• The importance of collective functioning to reduce costs on production, achieve economies of scale, access their rights and ensure fair prices in the market place</li> <li>• Reduced dependency on monoculture (cotton) as a sole livelihood option and moving towards inter and rotational cropping and adapting organic and fair trade practices.</li> <li>• Understanding of the issues related to labourers and their contribution to the cotton supply chain</li> </ul>
Strong linkages developed between SHGs, enabling effective collective action at district, state and national level.	<ul style="list-style-type: none"> <li>• Cotton farmers and labourers have developed their relationships well in terms of trading of their product.</li> <li>• Producers Executive Board (PEB) has been formed and registered. PEB is monitoring SHGs. (both Farmers and labour groups)</li> <li>• The PEB has representation from all the various farmer and labour groups.</li> <li>• The SHG members are capacitated and are interacting with officials. Established linkages with line departments.</li> <li>• All the stakeholders are capacitated on advocacy skills and have started to raise their voice pertaining to issues on Cotton.</li> <li>• PEB has submitted a request to University for</li> </ul>

	<p>the supply of non-BT seeds.</p> <ul style="list-style-type: none"> <li>• Fibre Policy &amp; Seed bill related policy position papers are ready for submission at both State &amp; national level.</li> </ul>
More effective lobbying/advocacy on international trade issues related to the cotton industry	No data/information available at project level
Improved business performance of cotton farmers through better yields, better quality, better business management etc.	<ul style="list-style-type: none"> <li>• Farmers practicing Fairtrade practices realised the need for better soil and water quality testing</li> <li>• An Agro Service Centre has been set up and is providing technical services and agricultural inputs to farmers and labourers for their farming to achieve better quality and yields</li> <li>• A soil and water-testing laboratory has been set up at Raichur for soil nutrient testing. Testing for water quality also is being done at the laboratory. The lab supports for better quality and yields though not adequate as it does not have the wherewithal to test micro nutrient status required for organic farming etc.</li> <li>• Technical and social support provided to the farmers and labourers</li> <li>• Better business management achieved through: <ul style="list-style-type: none"> <li>○ Reduced role of middleman</li> <li>○ Buyback facility at doorstep</li> <li>○ Usage of electronic weighs scale</li> <li>○ No contamination in the Cotton</li> <li>○ Proper storage.</li> </ul> </li> <li>• An increase of 5%<sup>22</sup> in incomes achieved</li> </ul>
Reduced production costs & improved personal/environmental health of communities	<ul style="list-style-type: none"> <li>• 407 farmers have moved towards Fair Trade practices in cultivating their cotton on 350 acres of land</li> <li>• 50-75% reduction in chemical fertiliser and pesticide usage reduced in the 258 acres of 407 farmers</li> <li>• These practices have reduced input costs and improved the health conditions of the communities.</li> </ul>

<sup>22</sup> Note: this is the average percentage of increase over the three-year period. During the previous year the increase was higher at above 20%, however due to the floods in the first year and other factors during the final year the average has dropped.

Increased capacity of cotton farmers/labourers to market their products (cotton & bio-fertilizers & pesticides)	<ul style="list-style-type: none"> <li>• 12 tonnes of cotton was procured from the farmers; of this Agrocel marketed 9 tonnes, while the farmers themselves sold the balance in the open market.</li> <li>• 315 women labourers have produced bio-compost and have also taken up animal husbandry. Further, 60 Vermi-compost units have been set up <ul style="list-style-type: none"> <li>○ 3593 bags of bio-compost produced of which 1283 marketed</li> <li>○ 141 bags of Vermi-compost produced of which 111 bags have been sold</li> </ul> </li> <li>• Labourers have purchased domestic animals to meet the raw material requirement for the production of bio-compost and also as an IG programme</li> </ul>
Reduced dependency on mono crop (cotton) farming through the promotion of rotational/multi crops	<ul style="list-style-type: none"> <li>• All farmers have understood the importance of rotational/multi cropping</li> <li>• 75% of farmers practicing rotational cropping</li> </ul>

Broadly the in the LFA the activities were defined as follows, though the details of the activities to be carried out against each objective had not been done, these could be categorised more as strategies of the project:

1. Project planning & set-up
2. Research
3. Promoting collective & collaborative efforts
4. Awareness raising & promotion of Fair-trade/ organic farming practices
5. Capacity building of cotton farmers
6. Services to promote Fair-trade/organic farming
7. National & international advocacy
8. Pilot business initiative
9. Monitoring/evaluation/dissemination

As can be observed in the table given above, broadly it could be said that the project has achieved the planned targets as per the objectives that had been planned in the LFA. There have been some challenges as could be observed and discussed with the stakeholders that were faced during the implementation of the programme which contribute to the learnings of the project. These learnings highlight what could be the need of the project to take it forward and make it sustainable in the long run. These learnings and way forward are captured below in the last chapter in more detail.

During the field visits it was gathered that the farmers were quiet enthusiastic about the outcomes of the project though they felt that the time span was too short for such a project. It was shared that due to moving away from chemical intensive farming to organic/fair trade practices, not only did their input costs reduce thus benefiting economically, they explained how non-chemical farming had improved their health conditions.

The farmers also shared enthusiastically on how they look forward to nurturing their lands back to its natural state. Further, all the farmers who were interviewed said that they would like to extend the fair trade practice to all their land holdings, but felt that there were certain aspects that needed to be streamlined before doing so. They were of the opinion that due to the unprecedented floods in the region, they had lost out one year of the three year project period. Secondly, they said the next year the rains were not as expected and that too gave them less output from these experimental plots, further they also explained the difficulties they faced in procuring non-BT cotton seeds in the market which again had its effect in the yields of their crops. They also shared that the other farmers too were observing them in this process and there are possibilities that the other farmers too could take up these practices.

While discussing with the women labourers both individually as well as in groups they too were quiet enthusiastic about the project. However, they shared some of the challenges they faced and also on how they have tried to overcome these challenges. They shared that after getting trained they had produced bio-compost and vermicompost in bulk, which was to be utilised by the farmers. However, due to distance and transport issues as well as less focus on the marketing aspects, the compost has been stored for almost one and a half years now.

The women groups have started making the neem based products and have found markets for these products and have been quiet successful in raising their incomes through this process. The women, in spite of these challenges expressed their enthusiasm and shared how they had gained from the enhanced capacities they were now able to produce and market products which would have been difficult for them to do earlier.

Thereby, what could be observed in this situation is that though the bio-compost may not have been utilised for marketing with the project farmers, the women seem to have gained a good understanding on managing business and also on marketing. This has had an effect at various levels – economically with increased incomes, socially with women earning their livelihood obtaining their independence etc.

All the farmers and labour groups shared the process on how they have been developing their revolving fund and the process of registering the Producers Executive Board, the CBO of the cotton farmers and the labour groups. They shared that the PEB has been formed and the process of recovery of loans has started and there were some amounts due from Agrocel that are yet to be transferred. Once this is done, then the PEB would have a manageable working capital to take their agenda forward.

However, the farmers also expressed that the PEB is now nascent and requires additional time to set the systems and structures etc. One farmer aptly said that in the short time farmers from various villages have come together to shift the cultivation practices and also have developed their own institution, but he cautioned that the farmers only know each other on the surface at present and for a successful peoples organisation (CBO) there is a need for establishing stronger linkages amongst the village groups and farmers. The evaluators concur with this

understanding of the farmers.

As can be observed from the discussions and observations as captured in the previous paragraphs, the project has not only been successful in the planned objectives, but seemed to have realised unintended results in favour of the stakeholders. However, all the various stakeholders and the staff team expressed that they would require continuing the project for a further period of 2 to 3 years to consolidate the gains. The evaluation team while commending the achievements tends to endorse the view that it is necessary to consolidate the gains obtained through a further intervention of three to five more years, if not the project could be unsustainable and could just fizzle away.

The evaluation team is of the opinion that this project has been an intensive, highly ambitious and a very short duration project. The evaluators feel that processes such as promotion of people's institutions etc require time and more so a project with an ambition to shift chemical cultivation to fair trade practices in the entire region as well as establish markets for the fair trade produce is indeed ambitious. Further, as can be observed above there were certain factors such as the erratic rains in the region, difficulties in marketing bio-compost or obtaining non-BT cotton seeds etc suggests that cropping being an annual affair three years is not sufficient to tackle all the situations which most often could be beyond the control of the staff and management.

#### 6. Table: Contribution to Millennium Development goals (DFID Format)

<b>CONTRIBUTION TO MILLENIUM DEVELOPMENT GOALS</b>	
<i>Please check all boxes which apply and provide an explanation in the right hand column.</i>	
<input checked="" type="checkbox"/> Eradicate extreme poverty and hunger	The main focus of the project was to address the issues related to poverty and hunger. The project has to a large extent achieved to reduce the incidence of poverty especially amongst the women labour families through provision of entrepreneurial and marketing skills, which has facilitated them, to take up livelihood promotion. The small farmers who participated expressed that their expenses had reduced thus indirectly their incomes had gone up, thus leading to a better quality of life.
<input type="checkbox"/> Achieve universal primary education	NA
<input checked="" type="checkbox"/> Promote gender equality and empower women	Through the organisation of women groups and providing trainings, exposure and livelihood improvement skills, the women have been empowered. As the women are now able to earn more they seem to be getting their due status in the family where they are being consulted on farming and family matters. Though this is a beginning it seems to have a good start.

<input type="checkbox"/> Reduce child mortality	NA
<input type="checkbox"/> Improve Maternal Health	NA
<input type="checkbox"/> Combat HIV/AIDS, malaria and other diseases	NA
<input checked="" type="checkbox"/> Ensure environmental sustainability	Through the objective to shift cultivation practices from a highly chemical dependence to organic and fair trade practices, the project addresses in ensuring environmental sustainability.
<input checked="" type="checkbox"/> Develop a global partnership for development	The RCP was implemented as a network among four organisations. While two were local NGOs, one was a national level organisation (Agrocel) and Traidcraft is a UK based organisation. Further linkages have been established with the FairTrade organisation as well as other institutional linkages with various organisations such as ICCO from the Netherlands, Hivos from the Netherlands, Shop for Change etc. Traidcraft also has strategic partnerships with organisations such as DFID etc
<input type="checkbox"/> None of the above	NA

## **Chapter 4: Major learnings, conclusions and recommendations**

### **1. Broader understanding of the achievements**

It needs to be acknowledged that even with all the ups and downs and complexities associated while implementing the innovative project, there has indeed been good progress and achievements that the project has achieved. In the given situation the achievements are indeed laudable, though more qualitative outcomes needs to be addressed. This part of the report tries to capture the areas of learning from the experience of this project that was captured during the discussions with the farmer and labourers both individually as well as in their groups as well as through discussions from staff team to find a way forward to have a larger and long lasting effects of this project.

However, it must also be recorded that the changes that have been achieved as explained earlier may not have been possible without this project. The major change that has taken place is with regard to the mindsets of the farmers who are now more open to learning and adapting alternative cultivation practices. Further, the farmers clearly expressed that their incomes had increased due to lower inputs for farming, farm-gate procurement, fair trade premium they obtained etc. They also expressed how these and the health insurance etc has given them more peace in the family.

The women groups shared that apart from having gained skills such as in producing bio-compost; vermicompost and neem products and in business and marketing aspects etc they have also gained confidence to stand by themselves and be forthcoming. They shared that though all of this gave them an increased income which in turn had its effect on them being financially independent, this they shared has also enabled them to look into other social and cultural issues related to domestic violence, their rights etc. These changes could be seen when meeting with the women during the evaluation process.

### **2. Learning's**

One area of concern expressed by the team was with regard to the turnover of the staff especially at the technical and managerial level. This had its own complexities and has had an effect on the project, especially at the leadership level and non-availability of the technical staff during crucial moments. Moreover the staff explained there were at times no proper coordination between the project team and the support from the technical team from one of the partner organisation.

Some of the key learnings that came up during the evaluation process could be summarised as follows<sup>23</sup>:

- Confidence and knowledge gained by farmers and labourers on Fair Trade
- Preparation of bio-compost was good – planning and marketing to be planned better

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<sup>23</sup> Reference may be made to the outputs monitoring sheet attached as **Annex III** with this report



- Collective action through group and networking of the groups at district level to be strengthened
- Cotton production and management on Fair Trade practices started late due to floods etc, thereby the planning did not take certain factors into account – the time was too short
- Selection of good quality non-BT seeds/inputs needs better planning and support
- During initial period there was less focus on strengthening of staff
- Lack of interest of men in farmer SHG meetings, need to develop more strategies
- Fulltime technical person is most essential
- In-time procurement and distribution of cotton and bio-compost and non BT seeds should be done
- Formation of group/CBO takes time as it is a process, project was ambitious to plan to complete in this process in three years.
- The policy papers prepared through research needs to be discussed with the farmers more closely.

While discussing with the staff team (as also can be found in the monitoring sheets) and other stakeholders it appears that the project period of three years is too short for the ambitions set out for the project. It may be noted that during these three years there were time pressures during the planning stage which resulted in the delay in starting of the project, while during the second year there was the unprecedented heavy floods in the region which did not allow to focus just on the targets as the priorities became different.

Further, due to these constraints the learnings that came from the experiences of the project such as the difficulties in obtaining quality non-BT cottonseeds or as the staff have highlighted the formation of CBO groups being a process requires more time to learn from their failings etc. It appears that there is still a need to develop a system by which the non-BT seeds can be sourced easily by the farmers themselves through lobby with the university or other producers. One possibility could have been for the farmers/PEB to have taken up production of non-BT seeds by themselves on may be a rotational basis or on an incentive. Further there is also a need to formalise the systems and structures of the people's institution especially the PEB with regard to developing their self-reliance and other issues.

Another area that throws up a challenge is with regard to procurement and marketing of both the cotton produced by the farmers as well as the bio-compost and vermi-compost produced by the labour groups. As could be observed and expressed by the stakeholders the labour groups have produced huge stocks of bio-compost and vermi-compost which could not be completely marketed by the project. Very less quantities have been sold until now. There is a need to re-strategise as to how this could be managed better and the market system set up so that the labour group will be able to sell the bio-compost produced by them in a efficient manner.

In spite of the many hurdles that are indeed major learnings, the potential of the Raichur Cotton project for farmers and labour mobilisation in such a short time has been vindicated. People seem to have forgotten their differences, not by discussing them, but by working together in the face of common problems, SHGs have been

instrumental to mobilise the women, especially from the labour class. They have acquired control of assets and securing a place in decision-making in their families and society.

The commitment and enthusiasm of the staff and their regularity at meetings and trainings firmly asserts that it is possible to reach the stated goals and objectives and indicates that sustainability is possible with a little more time. The evaluation team would suggest that the last few columns on the right of the three monitoring formats be looked into by all the staff, partners and Traidcraft to derive the learning's that could be helpful for future planning of the programme.

While there were these learnings and also the success of the project, the answer to the question whether these changes would have taken place if the project was not implemented is obvious. The answer is that though some of the changes may have been possible, by and large the changes in incomes, cultivation practices, understanding of fair trade principles etc may not have been achieved. It is possible that the women SHG and micro-credit programme may have come into existence, but may be the sharing of specific skills may not have come.

### **3. Conclusions and recommendations**

The achievements of the Cotton Project programme in this region within the period of two and half years in spite of the delay in initiating and the natural calamity that struck the region is more than commendable. It was observed that though the linkages have been established and the spirit of cooperation has been initiated, there appears also to be a counter-trend whereby the expectations are also on the rise. This needs to be dealt in a very delicate and sensitive manner if not, it could affect the sustainability of the achievement if the people back out when the expectation are not met or get delayed. Within the complexities of the Raichur Cotton project and all the dimensions involved, it appears to be a good strategy for bringing about change in the cotton growing patterns as well as the livelihood of the labourers.

During the evaluation process the staff and managerial team was asked to reflect in groups as to what would they have done differently if they were to re-plan the project. The groups came up with some interesting aspects that could sum up the recommendations for the way forward for the project.

The team expressed that while the project has promoted shifting from mono cropping to multi cropping the marketing through the fairtrade mechanism was restricted only to cotton and it is obvious that the project needed or needs to also facilitate marketing of the other crops that have been inter-cropped with cotton. Further, the other suggestion is that there was a need to strengthen the support services such as supply of non-BT seeds on time, procurement of cotton and making payments on time is very essential.

The team and also the farmers highlighted that though the CBO has been formed and also PEB has been registered there is a need to develop the systems and structures and also strengthen the inter-linkages between the various village groups so that they become one cohesive group. The farmers felt that this was vital to achieve as it would support in them taking up lobby and advocacy for improving the

cotton production and thereby enhancing their incomes through it.

From the above it can be said that though the set targets may not have been fully achieved there is surely an impact created in the area on the need to move away from chemical fertilisers and pesticides. The farmers have understood the value addition in following the Fair Trade practices while the labourers have understood the value in collective action to improve their livelihood. However, it appears that the project period of three years seems to be too less to observe the real impacts that a project such as this can achieve. There could be a need for extending the project period by at least a period of three to five years, especially with regard to sustaining the results, people's institution building and extending the achievements to the other farmers in the region.

Traidcraft could also look into other solutions for a longer-term support for the small cotton farmers, by may be exploring the possibilities of raising funds for an additional two to three years. Or it could also look at collaborating with other innovative experiments such as the 'Low Carbon Farming' being facilitated by other organisations in the region. This could provide a long gestation period for the farmers and also facilitate the spread of Fair Trade/organic farming practices to a larger canvas of farming community in the entire cotton growing belts in India.

The groups have been formed at the village level and the district level people's institution PEB has been established, however, it appears that there is a need for more support as these are processes that take time to become effective and self-sustaining. This could have a much broader, long lasting and sustainable impact of the project. A strong foundation has been laid and now requires just a little more for the ultimate arrival at the goal set out for the project.