Living Income Webinar Series

A world beyond certification – Guide for organic cotton trading models

31st October 2018

Today’s webinar facilitators

Adam Romo
Coordinator Impacts and Innovations
ISEAL Alliance

Emma Beale
Assistant, Communications
ISEAL Alliance

Sustainable Food Lab

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Agenda

1. **Introduction** to the Living Income CoP, and guest speakers.
2. **Textile Exchange and Kering**: ‘A world beyond certification - A best practices guide for organic cotton trading models’.
3. **Chetna Organic:** Discussant - deep dive into trading model and reflections.
4. **Open** Q&A

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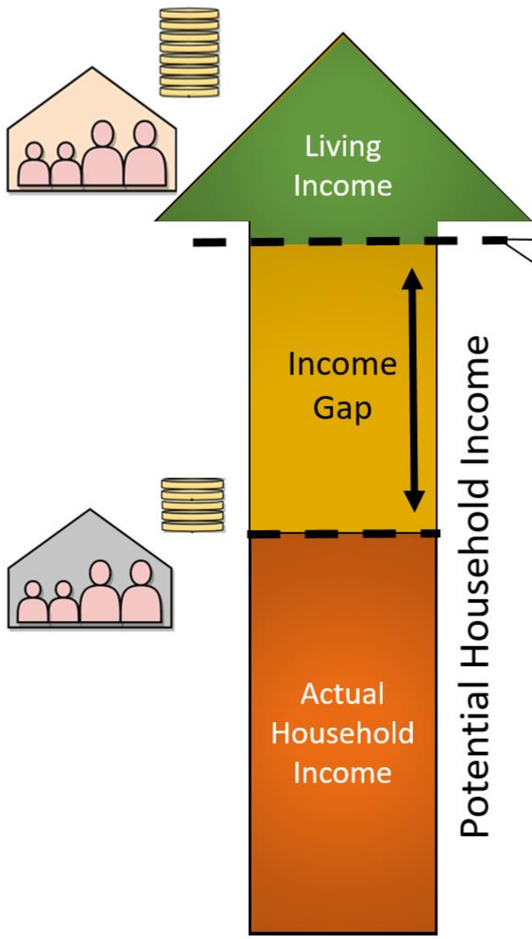
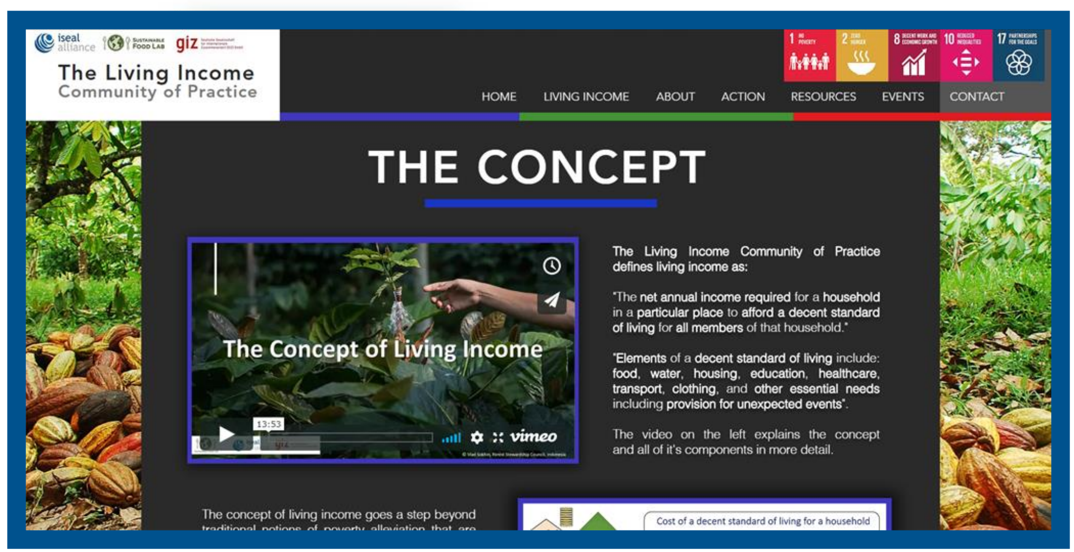
The Living Income Community of Practice

Foster collaboration and support organisations in their journey towards improving farmer incomes, and enabling farmers to achieve a decent standard of living.



Cost of a decent standard of living for a household

Cost of decent food + **Cost of decent housing** + **Cost of other essential needs** + **Provisions for unforeseen events**



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Learn more: www.living-income.com

The Living Income Community of Practice

Fostering collaboration and support organisations in their journey towards improving farmer incomes, enabling farmers to achieve a decent standard of living.

Facilitate learning and exchange around measurement

Understand the gap between actual and living income

Identify and discuss strategies to close the income gap

Learning across sectors
and helping organisations realise SDG commitments

Open community of practice
Sharing information about the efforts of different actors in this space

Learn more: www.living-income.com
Contact: adam@isealalliance.org

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Today's guest speakers

Christine Goulay
Sustainable Sourcing Specialist
Kering

Liesl Truscott
European & Materials Strategy Director
Textile Exchange

Arun Ambatipudi
Founding Trustee & Advisor
Chetna Organic India

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KERING

A world beyond certification – Guide for organic cotton trading models

ISEAL ALLIANCE: LIVING INCOME WEBINAR

Christine Goulay, Sustainable Sourcing Specialist

31 October 2018

“More than ever, I am convinced that sustainability can **redefine business value** and **drive future growth**.”

François-Henri Pinault, Chairman & CEO

At Kering we believe in pushing ourselves
beyond our limits and driving our brands toward
higher levels of economic, environmental, ethical and social performance.

We believe sustainability is a necessity,
for **sustainability and luxury are one and the same.**

We began our journey years ago, placing sustainability
at the **heart of our business strategy**,
and are now set to open a new chapter.

We will help craft tomorrow’s luxury, with our three pillar

roadmap for 2025: care, collaborate, create.

We Care

about our impact on the planet,
on climate change, on natural resources.

We Collaborate

for the good of our employees, suppliers, clients.

We Create

Innovations to safeguard our
rich heritage, and empower future generations.

CRAFTING TOMORROW'S LUXURY

WE CARE FOR OUR IMPACT ON THE PLANET, ON CLIMATE CHANGE, AND ON NATURAL RESOURCES BY:

REDUCING OUR ENVIRONMENTAL FOOTPRINT

- Reduce our Environmental Profit & Loss (EP&L) by 40% across the supply chain by 2025, via actions to tackle the impact of our sourcing, manufacturing and operations;

- Reduce our CO_2 emissions by 50% by 2025 via science-based targets.

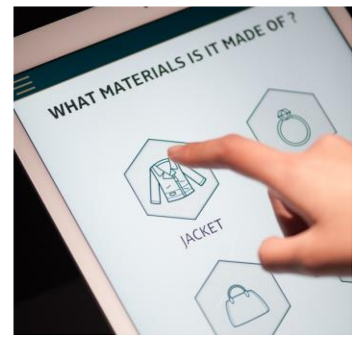
PRESERVING OUR RAW MATERIALS

- Trace all of our raw materials (cotton, leather, precious skins, wool..) to ensure a responsible supply chain;

- Deploy Kering social, environmental and animal welfare standards across 100% of our supply chains.

CRAFTING TOMORROW’S LUXURY

WE COLLABORATE WITH PEOPLE ACROSS OUR BUSINESS ECOSYSTEM INCLUDING SUPPLIERS, EMPLOYEES & CLIENTS TO:



PRESERVE OUR INDUSTRY’S HERITAGE

- Create a suppliers’ platform, with training on Kering standards;
- Provide craftsmanship and artisanal training programmes to those in our operating regions, to safeguard their communities’ rich heritage.

INSTILL GENDER PARITY & DIVERSITY

- Reach gender parity and ensure salary equality;
- Launch a sponsorship programme for female managers.

PROVIDE EXCEPTIONAL EMPLOYMENT

- Offer our teams a caring working environment, and benefits including a Global Parental Policy;
- Ensure exemplary working conditions for all those people working in our supply chains.

CRAFTING TOMORROW’S LUXURY

WE CREATE INNOVATIONS TO ENSURE OUR PLANET, OUR INDUSTRY AND OUR BRANDS THRIVE FOR THE LONG-RUN BY:

LAUNCHING DISRUPTIVE INNOVATIONS

– Develop new sourcing solutions, raw materials and processes by applying new innovations such as biotech and the circular economy to luxury’s current practices;

– Establish a Watches & Jewelry Innovation Lab, to explore new materials and processes.

EMPOWERING FUTURE GENERATIONS

– Co-develop sustainability curriculums at educational institutes around the world to educate future designers;

– Create a Young Leaders Advisory Group, to enable future business leaders to inspire our Group’s decision-making.

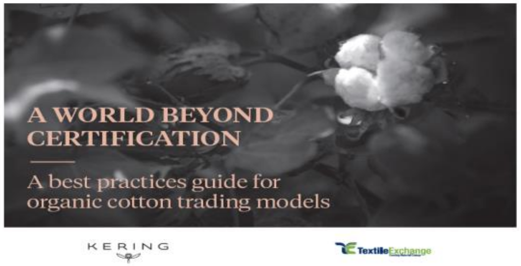
LAUNCH OF OUR GROUP EP&L IN 2015

Becoming the first Group ever to develop an Environmental Profit & Loss (E P&L) and to open source its methodology

Its goal:
To measure and monetize the impact of our activities right across our supply chains

WHY THE ORGANIC COTTON GUIDES WERE NEEDED

- **Why organic cotton?** Organic agriculture is the “gold standard**”** mode of production with regenerative capabilities to address soil health, stabilize climate, benefit the farmers and other in the supply chain and significantly contribute to the United Nations' Sustainable Development Goals (SDGs)
- **Challenges in the Organic Cotton Supply Chain:**
    - Anonymous trade creates a disconnect between buyers and sellers
    - Lack of visibility in the supply chain, so less accountability
    - Differential for the added value of organic agriculture is often not getting to farmer
- **Solution:** To increase organic cotton sourcing, it needs to be easier for brands to properly source organic cotton and structure their supply chains in a way that overcomes these challenges



A WORLD BEYOND CERTIFICATION: WHAT THE GUIDE COVERS…

SECTION I

- Shows that there are answers in model supply networks, where risk and reward are shared transparently and where organic price differentials produce social and environmental benefits
- The best practice trading models and alternative pricing mechanisms illustrated require suppliers and brands to work as a network rather than a top-down chain

SECTION II

- Presents five years' of pricing data from the top five organic cotton producing countries to provide visibility on price structure in value chain
- A comparative look at price in India shows that, while there is a considerable (± 20 percent) price differential at FOB, the farmers are generally not the ones enjoying it

CONCLUSIONS

- We need to improve supply chains to deliver a truly sustainable product
- Getting trade and price right for commodities will be critical to meeting the SDGs
- These principles are not unique to organic cotton but for sustainability across categories


Empowering Imagination

LIVING INCOME
FARM, FIBER & TRADE

TextileExchange

WHAT WE WILL COVER

About Textile Exchange

Farm-level insights

Trading models

OUR VISION, MISSION & GOALS

VISION

We envision a global textile industry that protects and restores the environment and enhances lives.

MISSION

Textile Exchange inspires and equips people to accelerate sustainable practices in the textile value chain. We focus on minimizing the harmful impacts of the global textile industry and maximizing its positive effects.

GOALS

Embed sustainability into evolving business and supply chain strategies.

Make it easier for companies to adapt to changing opportunities and requirements in textile sustainability.

Ensure that actions taken toward sustainability result in real and meaningful change.

TEXTILE EXCHANGE AROUND THE WORLD

Our 20 team members and ambassadors are spread across in 10 countries around the globe.

OUR MEMBERS

Our membership network extend across 25+ countries, from all points of the sustainability process.

Farm/Fiber ⟷ Suppliers/Manufacturers ⟷ Brands/Retailers

Farm/Fiber

AGROCEL INDUSTRIES LTD
Ecofarms
Oro Blanco Empeño natural
Chetna Organic Environment. Ethics. Equilibrium
SEKEM
Vasudha Organic together, with nature
mecilla
bio Farmer
SUSTAINABLE COTTON PROJECT
ara organic cotton
UNIFI THE MAKERS OF REPREVE
bioSustain

Suppliers/Manufacturers

ARCHROMA
COLORZEN THE POWER OF LESS
Pratibha
Panoco Trading
Armstrong The name for Quality
Arvind
egedeniz
white cotton Bergman/Rivera
HILATURAS FERRE
bioRe REMEI AG
TOYOSHIMA
DyStar
fresche
LENZING LEADING FIBER INNOVATION
novozymes

Brands/Retailers

H&M
C&A
LOOMSTATE
adidas
KERING
ALEXANDER MQUEEN
WILLIAMS-SONOMA
INDITEX
TARGET
Tchibo
patagonia
PUMA
BURBERRY
otto group
THE NORTH FACE
KITACE
ESQUEL GROUP
EILEEN FISHER
prAna

Supporting Organizations

HELVETAS Swiss Intercooperation
CHETANA VIKAS
ATCC
Soil Association
OUTDOOR INDUSTRY ASSOCIATION
FAIRTRADE INTERNATIONAL
Sustainable Apparel Coalition
CottonConnect
HOHENSTEIN
UNIVERSITY OF OREGON
CONTROLUNION
BCI Better Cotton Initiative
Organimark
GAP
OTIS Otis College of Art and Design
Organic trade association
OSV
GLOBAL ORGANIC TEXTILE STANDARD GOTS
JOCA

OUR CORE PLATFORMS

FIBER & MATERIALS






INTEGRITY & STANDARDS

CONTENT CLAIM STANDARD

ORGANIC 100 content standard

RECYCLED 100 claim standard

Global Recycled Standard

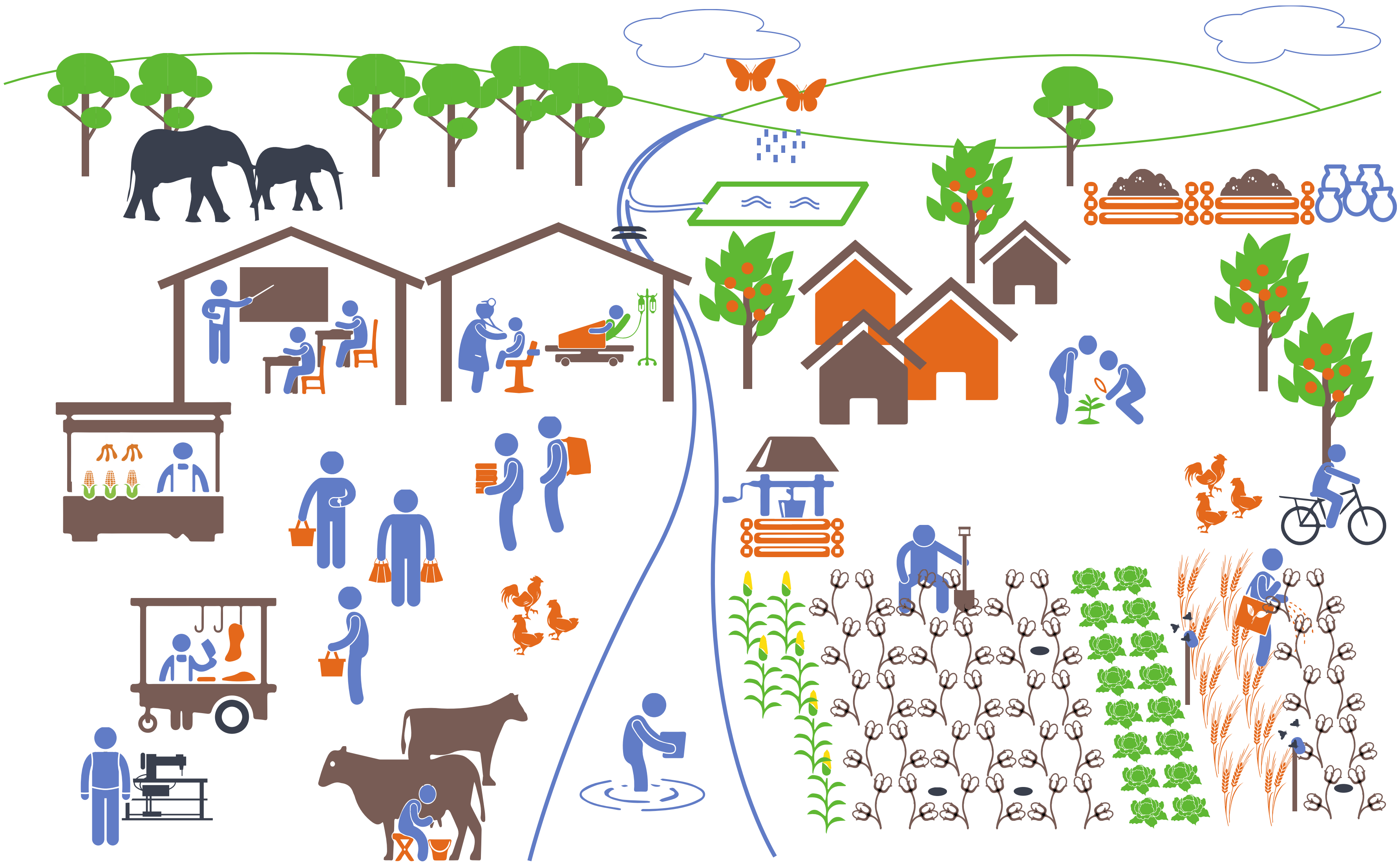
RESPONSIBLE DOWN STANDARD R·D·S CERTIFIED

RESPONSIBLE WOOL STANDARD R·W·S CERTIFIED

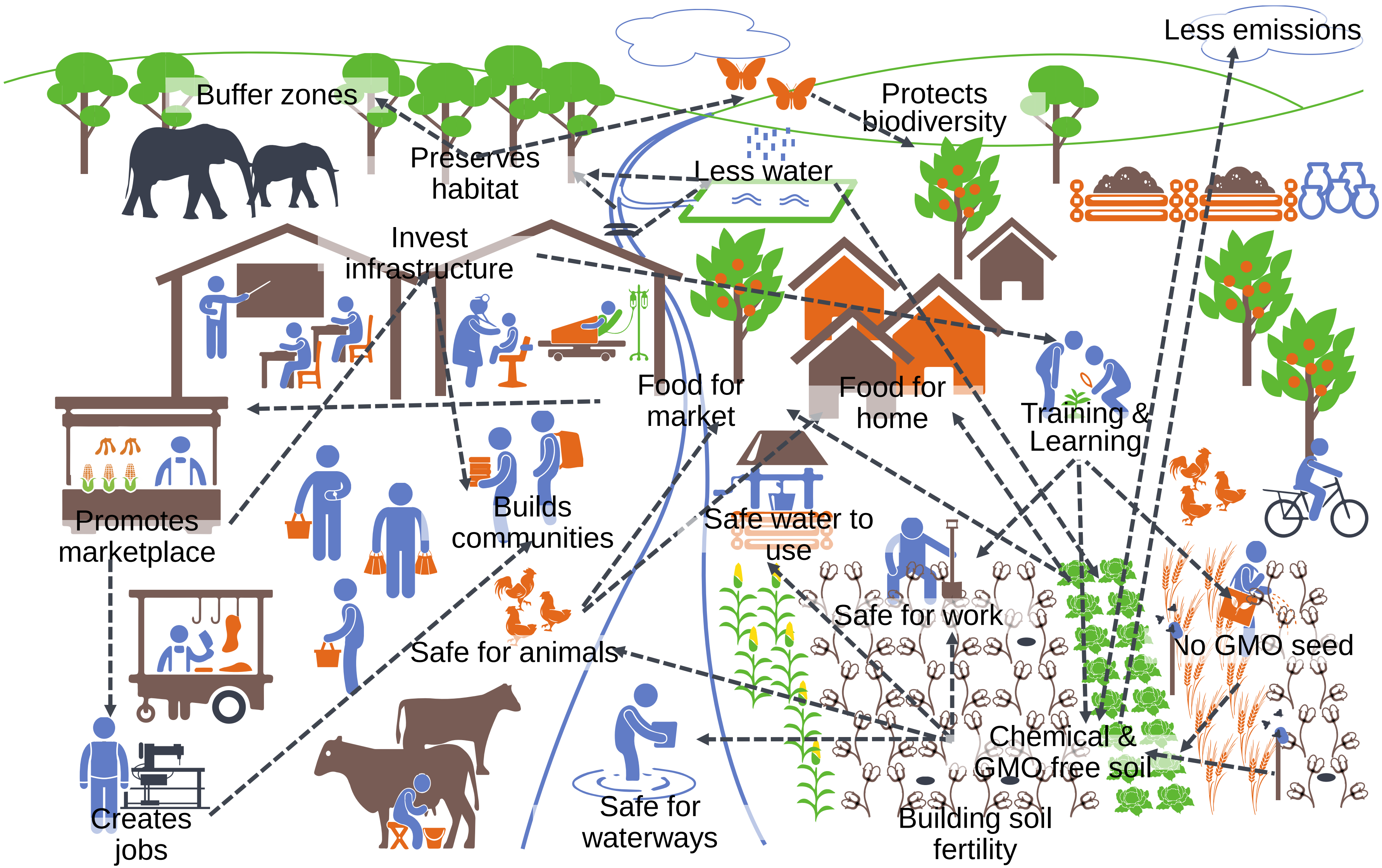
SUPPLY CHAIN



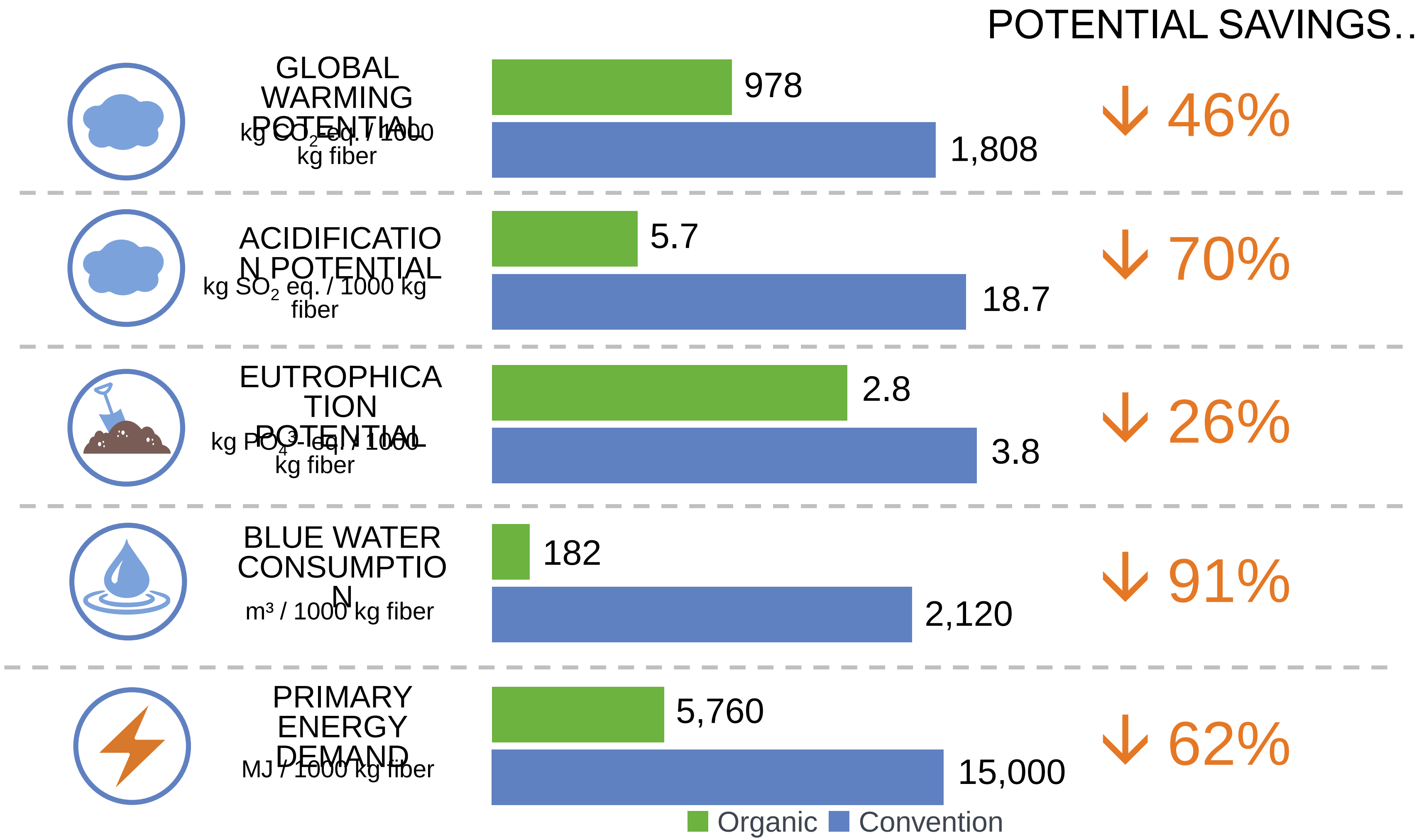

ARGI-CULTURE – ECO-SYSTEM



ARGI-CULTURE – ECO-SYSTEM



LCA QUANTIFIES ENVIRONMENTAL IMPACTS



The values for organic and conventional cotton reported here are derived from two independent peer-reviewed studies whose comparability has not been verified. Therefore the comparison is of indicative value only.

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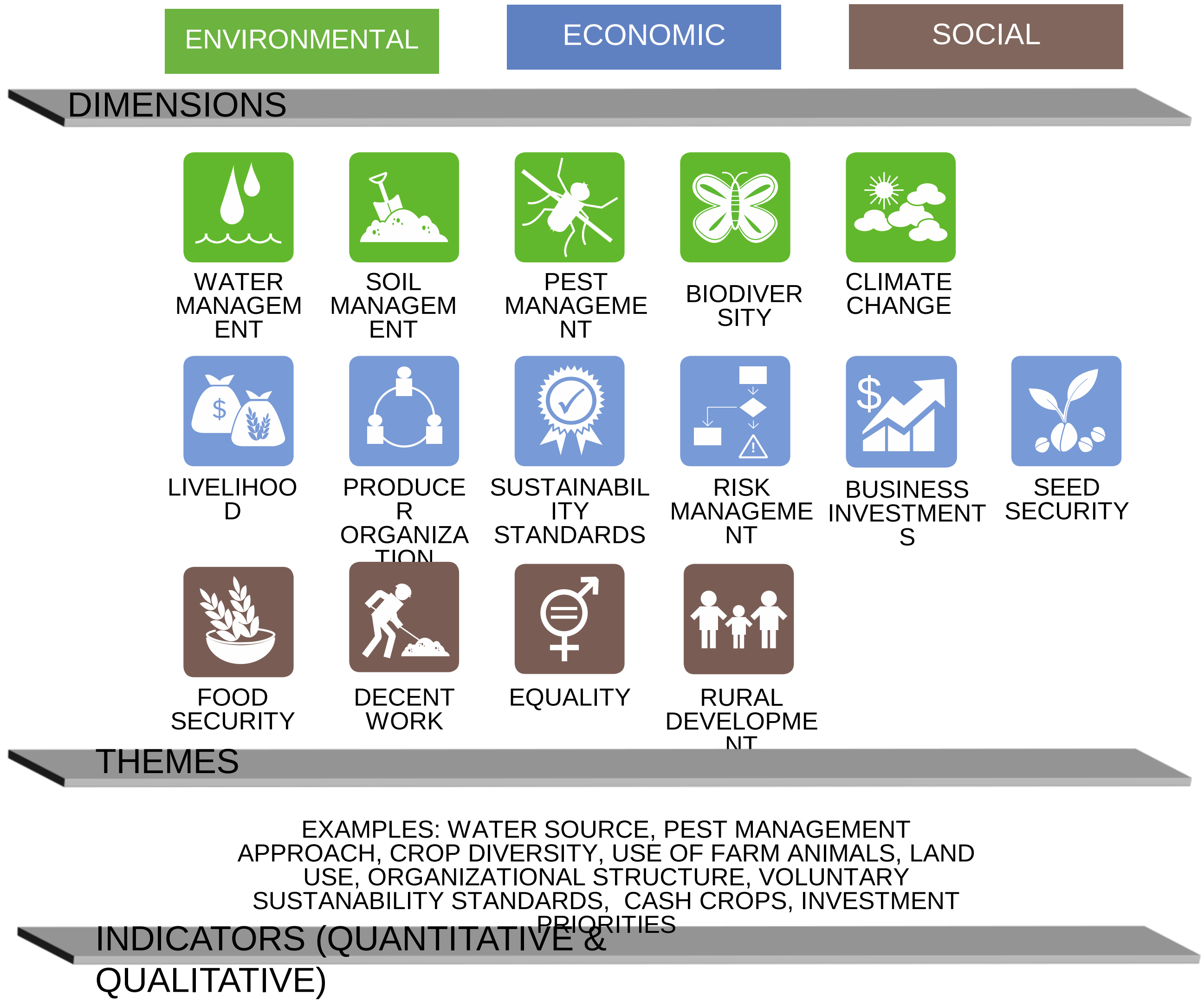
ORGANIC COTTON-SUSTAINABILITY ASSESSMENT TOOL

LEADING AGRICULTURAL AND COMMODITY SUSTAINABILITY ASSESSMENT

- COSA – COSA Indicators
- ISEAL – Impacts Code
- ICAC - SEEP
- Soil And More – Sustainability
- FAO - SAFA
- PI Foundation – 3D PNL
- FIBL – Smart Tool



OC-SAT FRAMEWORK

BACKGROUND

Vital Statistics

Household Statistics
- Size of Household

Farm Statistics
- Size of Farms
- PG Organic Cultivation Split
- Cash Crops
- Food Crops

Cotton Characteristics
- Cotton Species
- Fiber Staple Length
- Ginning Outturn
- Fiber Micronaire

CORE FRAMEWORK

Dimension: Environmental

Theme: Water Management
- Water Source
- Water Management Approach
- Water Conservation Techniques
- Perception: Water Availability
- Perception: Water Quality

Theme: Soil Management
- Soil Management Approach
- Soil Fertility & Conservation Techniques
- Soil Fertility

Theme: Pest Management
- Pest Management Approach
- Pest Management Techniques
- Perception: Effectiveness of Organic vs Chemical Pest Control

Theme: Biodiversity
- Crop Diversity
- Types of Crops (Own Use)
- Types of Crops (Cash)
- Perception: Biodiversity Levels on Organic Farms

Theme: Climate Change
- Use of Farm Animals
- Use of Farm Machinery
- Carbon Emission Reduction
- Adaptation to Climate Change
- Perception: Has Extreme Weather Affected Crops?

Dimension: Economic

Theme: Livelihood
- Land Use
- Productivity
- Production Costs
- Income Sources
- Pricing Differentiation (Organic>Conventional)
- Perception: Cost of Organic vs Conventional Farming

Theme: Producer Organization
- Organizational Structure
- Organizational Capacity Building
- Timeliness of Payment
- Trading Partners
- Types of Contract
- Long Term Contract

Theme: Sustainability Standards
- Voluntary Sustainability Standards
- Certified Organic
- Certified Fairtrade
- Further Processing Standards

Theme: Risk management
- Cash Crops
- Livestock

Theme: Business Investments
- Investment Priorities
- Investment Over Last 2 Years
- Perception: What Influences Farm Practice?

Theme: Seed Security
- Seed Requirements
- Seed Source
- Changes Over Past 3 Years
- Seed Breeding & Trials
- Perception: Difficulty in Sourcing Seed

Dimension: Social

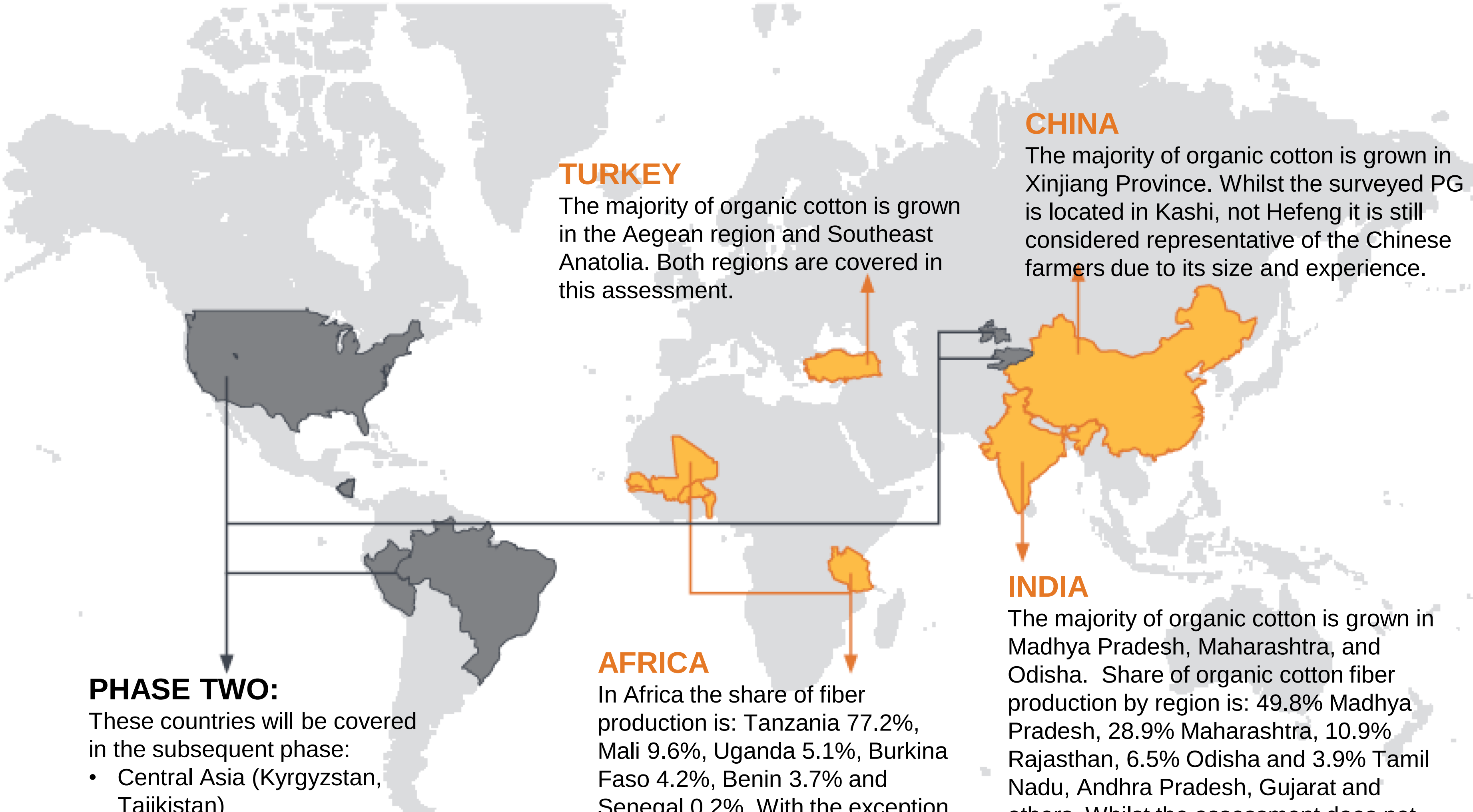
Theme: Food Security
- Grow Food For Own Use
- Perception: Factors Affecting Food Security
- Perception: Food Security Organic vs Conventional

Theme: Decent Work
- Labour Standards & Policies
- Workers Risk Assessment
- Temporary Workers

Theme: Equality
- Women Farmers
- PGs Employing Women Farmers
- Encourage Female Participation
- Support Women with Extra Assistance
- Farmers Identified as Indigenous
- PGs Employing Indigenous Farmers
- Perception: Impact off Traditional Knowledge on Farm Practice

Theme: Rural Development
- Community Benefits
- Investment Benefits

OC-SAT GEOGRAPHICAL COVERAGE



TURKEY

The majority of organic cotton is grown in the Aegean region and Southeast Anatolia. Both regions are covered in this assessment.

CHINA

The majority of organic cotton is grown in Xinjiang Province. Whilst the surveyed PG is located in Kashi, not Hefeng it is still considered representative of the Chinese farmers due to its size and experience.

PHASE TWO:

These countries will be covered in the subsequent phase:

- Central Asia (Kyrgyzstan, Tajikistan)
- Latin America (Brazil, Nicaragua, Peru, Paraguay)
- United States of America

AFRICA

In Africa the share of fiber production is: Tanzania 77.2%, Mali 9.6%, Uganda 5.1%, Burkina Faso 4.2%, Benin 3.7% and Senegal 0.2%. With the exception of Uganda, which is not covered by the OC-SAT, this assessment maps closely to the ratio of African organic fiber production.

INDIA

The majority of organic cotton is grown in Madhya Pradesh, Maharashtra, and Odisha. Share of organic cotton fiber production by region is: 49.8% Madhya Pradesh, 28.9% Maharashtra, 10.9% Rajasthan, 6.5% Odisha and 3.9% Tamil Nadu, Andhra Pradesh, Gujarat and others. Whilst the assessment does not map exactly to the ratio of this breakdown, all organic cotton-producing states are covered.

KEY FINDINGS - ENVIRONMENTAL

80%
LAND UNDER ORGANIC COTTON IS RAINFED

69%
PRODUCER GROUPS HARVEST RAINWATER

62%
PRODUCER GROUPS CARRY OUT CROP SELECTION

100%
PRODUCER GROUPS CARRY OUT CROP ROTATION

96%
PRODUCER GROUPS CARRY OUT COMPOSTING

85%
PRODUCER GROUPS USE TRAP CROPS

77%
PRODUCER GROUPS PERCEIVE BIODIVERSITY LEVELS HIGHER ON ORGANIC COTTON FARMS*

85%
PRODUCER GROUPS REPORTED THAT WEATHER HAS AFFECTED CROP PRODUCTION*

Ploughing across slope, constructing farm bunds, growing trees along farm bunds are some farm techniques that our farmers use to stop runoff of rainwater and make it percolate through the soil. – PG, Rajasthan

Animal manure is used as an organic fertilizer. Farmers buy manure from herdsman. You know, in Xinjiang Province, there are lot of people grazing animals, they have a large number of barnyard manure, it's very good for organic cotton planting.
– PG, Xinjiang Province, China

We have distributed nearly 20,000 Glyricidea plants to our farmers. All our organic farmers intercrop, use trap crops, and rotate their crops every year. Density of trees per square km is very high in the organic pocket compared to the conventional.
– PG, Madhya Pradesh

*Perception questions give useful insight into observations and views. We also used them when indicators were difficult for us to develop ones we could measure.

KEY FINDINGS - ECONOMIC

64:36
RATIO OF LAND USE FOR CASH INCLUDING COTTON VS OWN USE

60%
PRODUCTION COSTS ALLOCATED TO LABOUR

57%
FARMER INCOME COMES FROM ORGANIC COTTON

69%
FARMERS UNDER CONTRACT

25%
FARMER INCOME COMES SECONDARY CASH CROPS

31%
PRODUCER GROUPS ARE PAYING FARMERS BEFORE RECEIVING PAYMENT

27%
PRODUCER GROUPS CITED PREMIUM OF >10% FOR ORGANIC COTTON OVER CONVENTIONAL

69%
PRODUCER GROUPS CITED PROBLEMS WITH SOURCING SEEDS

The cost of cultivation per acre of organic is less, but at the same time the yield which come out of organic farming is less as compared to conventional. So, on average, the net returns per acre are almost the same. The organic farm, however, is able to maintain soil fertility for a longer period.
– PG, Madhya Pradesh

We are still vulnerable in term of business relationships. We need more secure contracts for long term planning.
– PG, Mali

Sourcing non-GM cotton seeds has become a challenge. Almost all major seed producing companies have started producing GM cottonseeds. We have to contact agriculture research stations and different seed producing companies and try to arrange seed stock for our organic farmers.
– PG, Gujarat

KEY FINDINGS - SOCIAL

65%
PRODUCER GROUPS HAVE EITHER FAIRTRADE OR DECENT WORK POLICIES

88%
PRODUCER GROUPS GROW CROPS FOR ADDITIONAL INCOME

9
AVERAGE NUMBER OF CROPS GROWN BY PRODUCER GROUPS FOR CASH & OWN USE

96%
PRODUCER GROUPS GROW CROPS FOR OWN USE

23%
ORRGANIC COTTON CERTIFIED FARMERS ARE WOMEN

97%
PRODUCER GROUPS ENCOURAGE WOMEN PARTICIPATION

84%
PRODUCER GROUPS REPORT COMMUNITY BENEFITS ASSOCIATED WITH ORGANIC COTTON

The majority of our farmers are resource poor. Most of them raise food crops for household consumption and sell the excess only. Cotton is an important income generator for them.
– PG Tamil Nadu

We encourage women farmers to become members of the farmer groups and cooperatives. We also support women's Self Help Groups to focus on specific areas such as food and nutrition security, seed related issues, etc.
– PG Andhra Pradesh

We have not developed policy in writing, but follow socially amicable procedures as follows: farmers are free to associate and bargain collectively, laborious work not more than 7-8 hours a day. No forced labor. No employing child and pregnant women in field. Work with protective clothing. Manure and botanical pesticide applications to be done by healthy men. Wages as per local standards.
PG Rajasthan

THREE MAIN TAKEAWAYS

"DIVERSITY" IS KEY TO FAMILY AND LIVELIHOODS

- Income/social diversity
- Food and fiber production (intercrops, rotation crops, food security, cash crops)
- Land use (agro-forestry, biomass, border crops, stabilization)
- Seed (breeding, indigenous varieties, nutrition, climate change)

"ORGANIZATION" IS KEY TO PRODUCER COMMUNITIES

- Certification and book-keeping
- Aggregation for sale/transportation
- Efficiencies and scale
- Knowledge sharing
- Equipment and tool sharing – labor sharing
- Innovation and "social progression" e.g. gender equality, child labor

"BUSINESS SECURITY" IS KEY TO SECTOR STABILITY

- Pricing – organic differentials, fairtrade
- On-time/timely payments
- Trade terms and conditions
- Pre-financing
- Transparency and incentivization
- "Community" building

TRADING MODELS

EMERGING FRAMEWORKS FOR BEST PRACTICE

WHICH TRADING MODEL AND PRICING MECHANISM ARE RIGHT FOR YOU?

TRADING MODEL OPTIONS	DIRECT SOURCING	SPECIAL PURPOSE VEHICLES	CLUSTER PARTNERSHIPS	COLLABORATIVE COMMUNITIES
	Agreement between brand and supplier to secure product, price, and terms & conditions of trade	Joint venture between companies with a common goal to leverage business benefits for all	Supporting long term business sustainability and stability within supply networks and regions	Alliance of SMEs aggregating demand and committed to rewarding best practice sustainability
EXAMPLES	Brand-Spinner Brand-Producer/Ginner	Cotton Sourcing Company Ltd (COSCO)	SA Sustainable Cotton Cluster SEA Organic Cluster	Chetna Coalition
PRICING MECHANISMS THAT CAN BE APPLIED	FIXED PRICING			
	FLEXIBLE PRICING			
	SPLIT DIFFERENTIAL			
	FAIRTRADE MINIMUM PRICING			
ENABLERS	PRIVATE SECTOR			
	PUBLIC SECTOR & CIVIL SOCIETY			
STAKEHOLDER INITIATIVES	ORGANIC COTTON ACCELERATOR			
	ORGANIC COTTON ROUND TABLE			

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TRADING MODELS

TRADE MODEL OPTIONS		DIRECT SOURCING	SPECIAL PURPOSE VEHICLES	CLUSTER PARTNERSHIPS	COLLABORATIVE COMMUNITIES
		Agreement between brand and supplier to secure product, price, and terms and conditions of trade	Joint venture between companies with a common goal to leverage business benefits for all	Supporting long term business sustainability and stability within supply networks and regions	Alliance of SMEs aggregating demand and committed to rewarding best practice sustainability
EXAMPLES		Brand-Spinner Brand-Producer/Ginner	Cotton Sourcing Company Ltd (COSCO)	SA Sustainable Cotton Cluster SEA Organic Cluster	Chetna Coalition
TRADE MODEL ATTRIBUTES	Securing supply	★	★	★	★
	Early demand signaling	★	★	★	★
	Agreements with spinners or ginners	★	★	★	★
	Guaranteed uptake	★	★	★	★
	Quality control management	★	★	★	★
	Open book costing	★	★	★	★
	Pricing mechanism in place	★	★	★	★
	Farm capacity building/input credits	★	★	★	★
	Farm price transparency	★	★	★	★
	Risk and reward sharing	★	★	★	★
	Pre-financing	★	★	★	★
	Leveraging access to financial services		★	★	★
	KPI data collection and monitoring			★	★
	Consumer Engagement			★	★
	Supporting Fair Trade certification				★
	CSR/Community investment				★
PRICING MECHANISMS THAT CAN BE APPLIED		PRICE SETTING			
		FLEXIBLE PRICING			
		SPLIT DIFFERENTIAL			
		FAIRTRADE MINIMUM PRICING			

TRADING MODELS

	BRAND/RETAILER	SME (Small volumes)	MEDIUM-LARGE (Average volumes)	LARGE (Significant volumes)	COLLABORATION		TIMELINE	
					Solo	Group	Now	Longer Term
TRADING MODELS	DIRECT SOURCING	★	★	★	★		★	★
	SPECIAL PURPOSE VEHICLES		★	★	★			★
	SECTOR PARTNERSHIPS		★	★		★		★
	COLLABORATIVE COMMUNITIES	★				★		★
PRICING MECHANISMS	FIXED PRICING		★	★				
	FLEXIBLE PRICING	★	★	★				
	SPLIT DIFFERENTIALS	★	★	★				
	FAIR TRADE	★	★	★				
ENABLERS	PRIVATE SECTOR/ SOCIAL ENTERPRISE		★	★	★		★	★
	PUBLIC SECTOR/ CIVIL SOCIETY	★	★	★	★	★		★
STAKEHOLDER INITIATIVES	ORGANIC COTTON ACCELERATOR		★	★		★	★	★
	ORGANIC COTTON ROUND TABLE	★	★	★	★	★	★	★

THANK YOU

Please visit our website:
textileexchange.org

Chetna Organic – *A World Beyond Certification*: "Efforts Towards Income Enhancement For Smallholder Cotton Farming Households & Farm Workers"

Chetna Organic™
Environment..Ethics..Equilibrium

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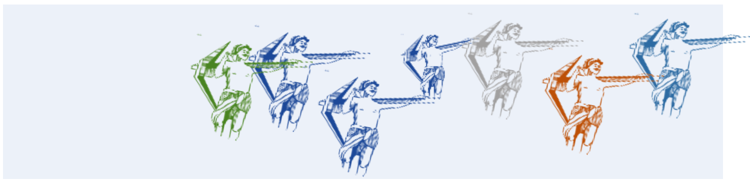
Websites: www.chetnaorganic.org.in | www.chetnacoalition.com

Chetna Structure

Farming Households: *~35,000* Small-marginal & Resource Distressed Rainfed dependent (02 districts in Northern Telangana, 03 districts in Maharashtra (Vidarbha) and 04 districts of South Odisha) - ~10,000 under Organic & Fair Trade Certification + ~5,000 under conversion.



Farmer Groups: *~2,000* Informal farmer SHG bodies (12-15 individual farmer members) as building blocks at village level; thrift & savings, socio-technical trainings, certification, produce collection, bank linkages, etc.

Farmer Cooperatives: 13 Registered farmers cooperative / federations at cluster /district level; Individual farmers as members; Run & managed by farmer reps. Training & research, produce aggregation, price setting, storage and marketing.

FORUM FOR INTEGRATED DEVELOPMENT: Guardian / Incubating Agency

CHETNA ORGANIC FARMERS ASSOCIATION

COFA

A not for profit Farmers' Support Organization registered under Societies Act in 2007 with 80G & 12A licenses to improve livelihood options for the smallholder and resource poor farming families from the rainfed & ecologically depressed regions by making their farming systems more ecologically/ environmentally sustainable and more profitable" (Hyderabad)

CHETNA ORGANIC AGRICULTURE PRODUCER CO. LTD.

COAPCL

A wholly (100%) small farmer owned social enterprise (through membership subscription by cooperatives) incorporated in 2009 under Part-XIA of the Indian Companies Act 1956 and driven by triple bottom-line objectives, which believes in principles of Ecological (organic/NPM) Social (fair-trade) & Corporate (making nominal & non-exploitative profits) sustainability. The raison d'être of the company is to provide marketing channels and opportunities of sustainable (organic, non-pesticide) agriculture produce to its farmer members. (Hyderabad)

FFID: Forum For Integrated Development is an NGO registered under Societies Act with 80G, 12 & FCRA licenses and responsible for incubating COFA & COAPCL.

Vision

Smallholder Rural Households From Rainfed (& Ecologically Depressed Regions) Enjoy Enhanced Living Standards

Mission

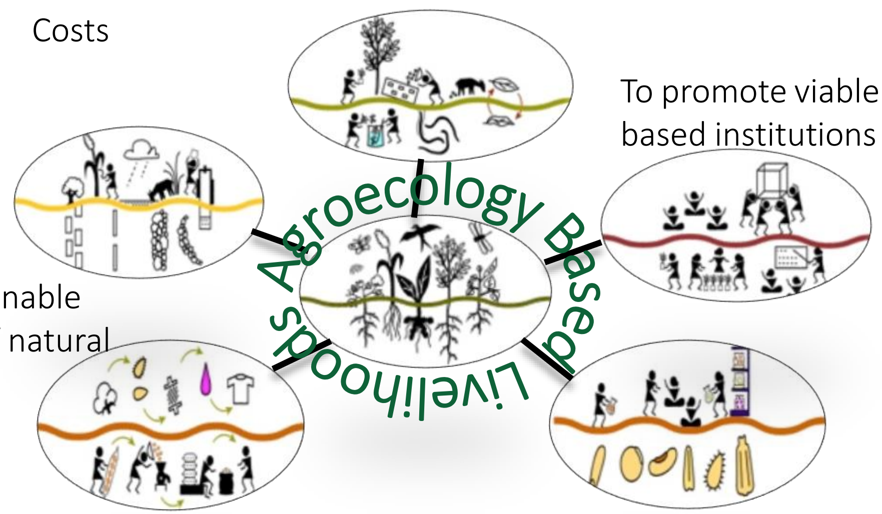
Promote 'Agro-ecological Agriculture' based on the three principles of sustainability (Social, Environment and Economic) for Livelihoods Enhancement

Core Objectives

To enhance productivity and reduce cultivation Costs

To promote viable grassroots based institutions

To ensure sustainable management of natural resources



To create access to fair and sustainable markets through value addition and supply chain development

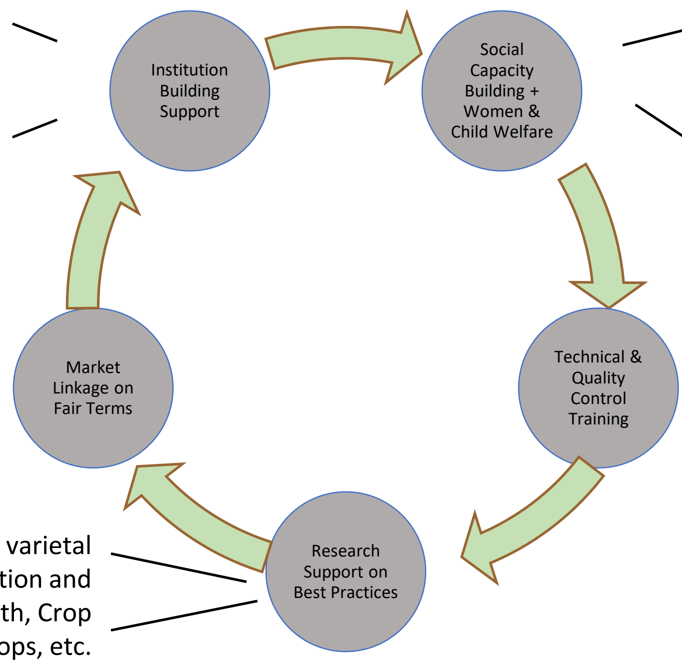
Promoting Women & Child Welfare *(incl. Safe Food and Nutrition Security, School Education, Local Culture and Skill Building)*

360º Intervention Approach

<u>Enhance capacities at all levels through a 360º intervention approach for informed decsion making and action</u>

Farmers, Farmer SHGs and Coops *(trainings & exposure on governance, management, SHG concepts, etc.)*

Financial inclusion *(SHG-bank linkages & working capital finance)* Watersheds, Local level processing infrastructure, Enterprise development, Household safe food & nutrition security, Drudgery reduction, Education, etc.



Value addition and marketing of Organic & fair trade cotton and food crops, etc.

Soil fertility & water use efficiency, Pest & disease management, organic & FT certifications, Testing protocols, Post harvest handling, etc.

Non-GMO (organic) Seed varietal research trials, production and multiplication; Soil health, Crop spacing, Intercrops, etc.

<u>Such intervention is channelled through a multi-tier structure</u> -

-> Self Help Groups (SHGs) / Farmer Groups

-> Co-operatives;

-> COFA/COAPCL ***(****National Level Apex Institutions Promoted by Cooperatives)*

Focus Areas For Income Enhancement

1. Farmers – Equal Stakeholders in the Organic & Fair Trade Cotton Value Chain and Not Mere Recipients *(Chetna Coalition)*

2. Soil & Water Conservation Through Watersheds Development

3. Women Entrepreneurship Development

4. Farmers Enrolment & Access to Govt. Welfare Programs /Schemes

Farmers – Equal Stakeholders in the Organic & Fair Trade Cotton Value Chain and Not Mere Recipients

- Centralized Procurement & Distribution of Inputs
- Transparent Procurement Processes At Farm Gate / SHG / Cooperative Level Managed by Member Farmers
- Special Market yards for Farmer Coops
- 10-15% Higher Price & Other Premiums
- Redistribution of Profits
- Access to Low Cost Credit

Soil & Water Conservation Through Watersheds Development

- ❖Erection of Different Watershed Structures
- ❖Critical Irrigation For Productivity Enhancement
- ❖Crop Cycle Extension (90 - 120 days)
- ❖Household Safe Food & Nutrition Security
- ❖Income From Non-Cotton Crops

Women Entrepreneurship Development

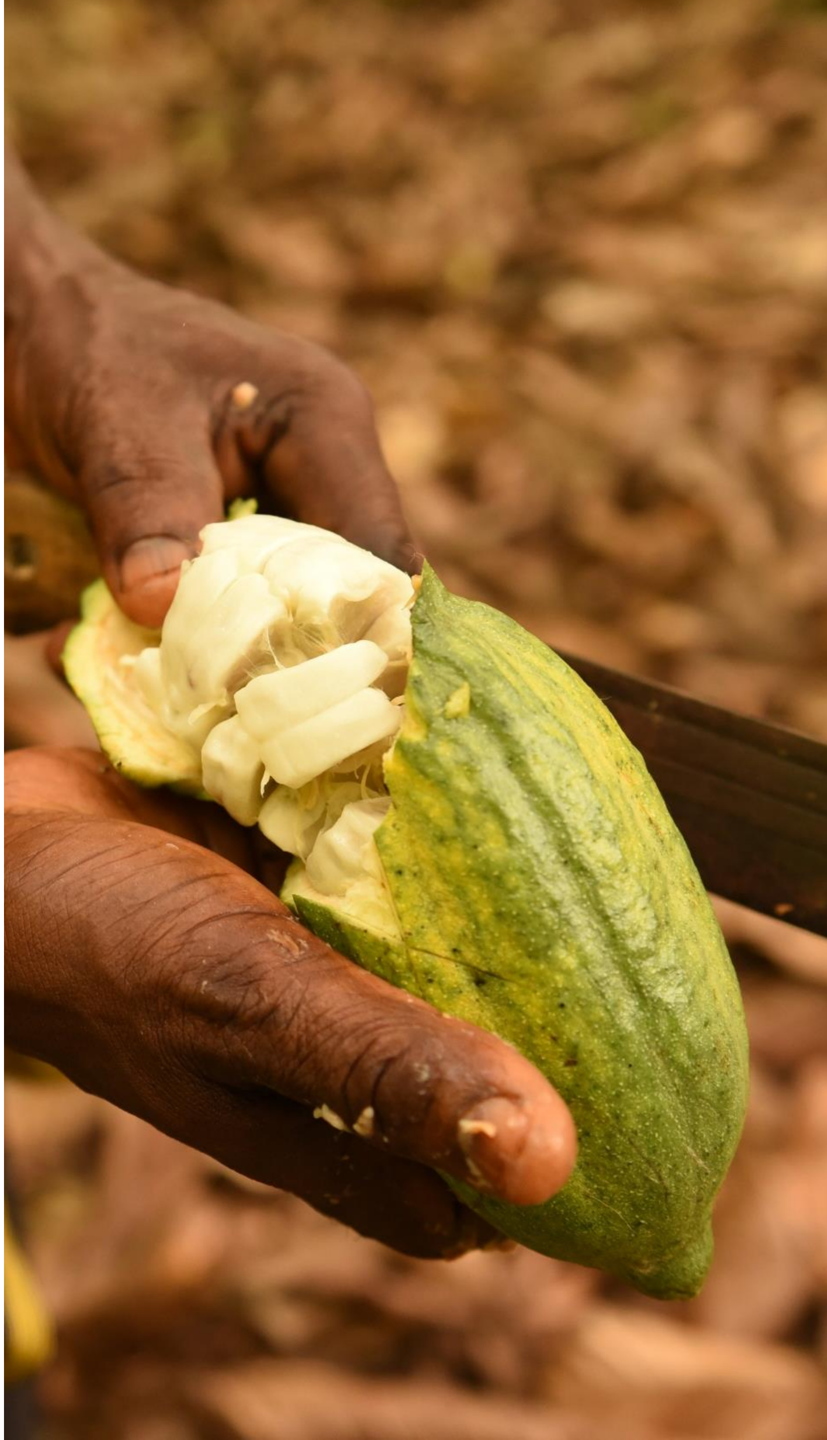
- ❖Community Seed Banks
- ❖Poultry *(Backyard & Group Based)*
- ❖Plant /Tree Nurseries *(Group Based)*
- ❖Tailoring & Embroidery
- ❖Jobs Creation

Farmers Enrolment & Access to Govt. Programs / Schemes*

- Right to Work - MGNREGA *(Mahatma Gandhi National Rural Employment Guarantee Scheme)*
- Right To Food *(Monthly Supply of Ration)*
- Family Health Insurance
- Right to Education (RTE)
- Community Insurance Model

Community of Practice Updates

- **Webinar:** How accounting for the true costs of food can open new opportunities for living income strategies – *27th November*
- **Webinar:** Pricing mechanisms in the cocoa sector: options to reduce price volatility and promote farmer value – *6th December*
- **Report:** Living Income Benchmark for Ghana and comparison study with actual incomes.



Thanks!

Photo © Robin Romano, GoodWeave

Stay informed!

Living income

www.living-income.com

Living wage

http://www.isealalliance.org/our-work/improving-effectiveness/global-living-wage-coalition

SIGN UP FOR GLWC BENCHMARK RELEASES

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Sustainable Food Lab

iseal alliance

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

And remember to add your upcoming, ongoing and finalised studies to the Sustainability Impacts Learning Platform

http://www.sustainabilityimpactslearningplatform.org

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