



# Evaluation of Cotton Textile Supply Chain Programme and Potential for Scale-up in Hyderabad, India

Executive Summary

Oxfam GB Programme Evaluation

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## **Executive Summary**

### **Introduction**

Oxfam initiated “Enhancing Power in Markets for the Poor engaged in Cotton – Textile Supply Chain” (CTSC Programme) in 2002 as a result of evolving understanding that poor community are connected to each other across product supply chains and working along the supply chain is one of the potent ways by which power of the poor in the market can be enhanced and result in increased incomes, better control of working conditions and over their own lives.

The programme approach has been around sustainable agriculture, innovative market access institutions, grassroots research and advocacy, and value addition shared between different communities (i.e. farmers-weavers-garment workers).

The farmers’ component, organic farming, has been grounded in Warangal District through four partners - CROPS, MARI, PSS and SYO. Weavers' component, rooted in AP, consisting of both production and advocacy sub-components is taken up by Chetana Society through Sanghamitra and CHIP. Garment Workers' component, grassroots organisation with international advocacy, has been attempted by CIVIDEP at Bangalore, a growth centre for garment exports. A total of Rs. 3.2 Crore has been incurred for the programme during the last three years and another Rs.1.0 Crore has been earmarked for investment into the marketing organisations of farmers and weavers.

This study during January – May 2007 focused on reviewing the programme (results and the programme context and environment) and potential for upscaling the programme.

### **Methodology**

The review comprised, study of secondary material, meeting partners, farmers, weavers and garment workers as well as other state and non- state stakeholders. Women and men both participated actively in discussions. Meeting with institutional leaders of cooperatives and workers organizations provided valuable insights. Workshops were held to collectively reflect on learning from the programme. The two evaluators assumed the role of friendly critics throughout the process.

### **Main observations**

#### **Farmers marketing organic cotton**

Farmers have internalized the need for organic farming to reduce costs and are convinced of the health benefits of pesticide free agriculture. Premium prices for organic cotton have motivated farmers not only to sell collectively at program level but also to seek local markets. In 19 villages, 573 out of 742 farmers are already converted to organic with the remaining in the process of conversion.

The package of practices has been adopted to varying degrees with some loss of income due to purchase of vermi-compost instead of on farm production. Small farmers have demonstrated better internalization though only their selection restricts availability of land for expansion. Training strategies and skills are transferred to NGO staff and farmers. Certification remains a complex issue with a need to explore alternatives.

The workload on women increased substantially to make concoctions. This was addressed by provision of mechanical grinders to an extent. The family is the unit for intervention though it is recognized that mobilization of women has led to faster growth of the programme. Though women continue to be paid lower wages, the programme has led to many positive changes in the image of women due to sensitization of men.

While four Mutually Aided Co-operative Societies are formed, the marketing organisation – Farmers' Trading Company (FTC) could not be registered due to delays in routing the foreign direct investment. However, the concerned consultant has helped to source the markets though the delays in procurement and payments have created some problems. The leadership of the cooperatives needs to be strengthened to take control of financial management and all other functions.

Key issues that need to be addressed include Bio-mass generation, Farmer-to-farmer learning processes, Package of practices on all the produce/crops, workload and burden on women, seeds, simple and cost-effective certification, strategic investment support to the farmers, need to part-grant and part-loan, credit to farmers, revisit to FTC business plan and FTC as a federation of MACS.

#### **Adding value to weavers' products**

The programme has provided a range of inputs to weavers in Nalgonda by organizing them and training them on improving designs and consistent weave along with dyeing for fast colours. Efforts to market are going on. Meanwhile, weavers have been involved in some sample production and some production. Actual production has been limited and is 500-600 metres. This could not give any substantial income to weavers as yet.

The institutional mechanisms set up are groups for production and the Handlooms Trading Company (HTC) – Chenetha Colour Weaves Private Limited for marketing, with a middle level institutional gap which could provide necessary services to the weavers. The family is addressed as a unit while the government Indira Kranthi Patham programme has organized women as separate SHGs and is providing them leadership and other trainings. 13 SHGs in 7 villages with 122 households are organized. A challenge facing the programme is how to create effective cooperatives different from the existing failed cooperatives set up by the government of AP. In Chirala area, six groups are functioning on their own.

Policy advocacy to recognize handlooms as competitive products with a market and to set suitable policy directions is being pursued by CHIP. CHIP's efforts are focused on providing research-based authentic information to the weavers' community and political parties who have traditionally organized them. State and National Budget analysis by CHIP confirmed that the allocation to handlooms is meagre. Two newsletters in English and Telugu are much appreciated. Advocacy efforts need to be strengthened at the national level and perhaps internationally, along with building grassroots organisation of weavers for advocacy.

Key issues include commensurate wages to weavers, continuous work and continuous orders, credit access, collective buying of provisions and raw materials, clarity on institutions, forming MACS, in-depth gender analysis, diversity of produce and therefore, large membership base for collectivisation, community designers, avoiding work with master weavers/existing cooperatives, revisiting the HTC business plan and HTC accountability to the community. For Advocacy sub-component, the key issues include core resource groups across the state to disseminate reliable information to weavers, a compelling argument in favour of the handlooms, and grassroots advocacy by the women and youth.

#### **Strengthening the position of Garment workers**

Export Garment workers are not organized and with the international restructuring of production worldwide, are extremely vulnerable to loss of jobs, loss of dignity and poor working conditions. CIVIDEP at Bangalore has adopted a twin strategy of international advocacy reinforcing the local organisation of the workers and vice-versa.

Accordingly, it has supported the women workers to organize themselves on the shop floor and in the community. The most important formation is Garments Mahila

Karmikare Munnade as a socio-political front with a paid up membership of 830. 18 Local Committees are formed so far to address civic issues such as access to drinking water and other amenities act as spearheads of Munnade and incubate leadership for Munnade. In turn, Munnade is building civil society coalitions.

A Garment and Textile Workers Union (GATWU), a registered trade union, actively supports workers through training on PF and ESI norms and provides regular information to women leaders. It provides services of an advocate to the women workers. With a membership of 475 (75 men), the union has seen some successes through their interventions to prevent terminations and payment of benefits. The union is affiliated to New Trade Union Initiative and is linking up with international associations.

28 Solidarity Groups formed as self-help groups are addressing women's credit needs. They have revolved their own funds and have a need to access institutional credit.

CIVIDEP works with Brands to promote voluntary social audits of workplaces. It is working on Trade Union – Civil Society Labour Standards Code. It is also working for an pan Asian minimum living wage. In addition, CIVIDEP is a part of South Indian and national networks to promote pro-worker policy and prevent further deterioration in labour conditions.

The work has started to show positive results and needs consolidation. Key issues include making a dent in a few factories in organising, more 'tools' for organising women like the documentary "Above the Din of Sewing Machines", maintaining distinct difference between Munnade and GATWU, expanding Munnade membership, credit access to women, targeting a few sub-contracting factories and organise the women workers into GATWU, work on the pricing policy of large Brands, coalitions to withstand/prevent the pressure from industry to flexibilize labor laws and working with 1-2 Factories to demonstrate ideal working conditions.

### **Oxfam Programme Management**

Oxfam needs to improve/fine-tune the Management Information Systems for the programme. Documentation, particularly the process documentation and Process Monitoring also require emphasis. The programme's effectiveness will increase manifold with programme management leadership that challenges the partner organisations with a larger and compelling vision/agenda.

This Programme is very intensive in terms of inputs and budgets. Such intensity of inputs are justifiable only if clear significant scaling-up plan evolves and gets implemented quickly.

### **Scaling-up**

#### **Farmers**

The existing partners plan to scale-up in their existing area of operation and around to 15000 farmers in 3 years. To achieve scale, apart from improving the programme processes, the key aspects that need to be addressed at the community/farmer-end, include soil fertility improvements through bio-mass, composting, livestock, water management etc., developing packages of practices for all crops, farmer to farmer learning, access to credit, low-cost and simple certification processes, institutional network with robust systems and practices, marketing the produce at a remunerative price either through premiums or through collectivisation and moving up the value-chain.

For significant scaling, collaborations with SERP and other Government Institutions is important. Oxfam may take up state level policy advocacy directly or through an advocacy partner. It can take the lessons to the entire dryland areas in AP and outside.

### **Weavers**

The existing partner plans to scale-up in and around the existing area to 1000 weavers (100 groups) in 65-70 villages working on Pochampally-style Ikkat weave in 3 years. To achieve scale, the key aspects that need to be considered at the community-end include fair wages/piece-rate prices, continuous orders and continuous work for the weavers, skilling the weavers to produce changing consumer/ market preferences, increasing interaction with consumers, reducing the drudgery of women in pre-loom processes, realising the need to work with a number of clusters across, community designers and resource persons for weaver-to-weaver learning, institutional network with robust systems and processes and portfolio of markets. For other areas, the programme/CCW need to identify other partners for organizing weavers into production groups and MACS. To achieve scale, effort also will be to make a self-sufficient unit at the MACS level and replicate such units.

At one end of the spectrum, low-cost low-volume ginning and spinning units (Ms. Uzamma's effort) offer possibility to work on the entire chain and get fair returns. Recent efforts of GoAP (Handlooms) to establish SAMISTI outlets and tie-ups with hotels indicate some scaling-up possibility.

For Advocacy sub-component, critical need at the community end is the grassroots advocacy with new apolitical women and youth leadership from weaving community to fight their battles. Further, it has to take on the role of organizing the poor weavers around their rights, including working with master weavers, shops etc.

### **Garment Workers**

In 3 years, CIVIDEP plans, the membership in Munnade will go up to 5000 with 100+ local committees. GATWU will enroll members and get recognised in a few (say 5) sub-contracting factories (for recognised brands) with 1000+ Garment Workers.

Further, the CIVIDEP, will complement the grassroots advocacy and organisation with strengthened alliances with civil society organisations/partners. It will facilitate affiliations and alliances with New Trade Union Initiative and other unorganised and organised workers' unions so that collective voice will be heard.

CIVIDEP adopts two-pronged strategy of grassroots organisation with national and international advocacy to address issues vis-a-vis company managements, and to advocate with governments, international organisations, media and brands to create pro-worker policies including a living wage and social security for workers.

Its work on developing Trade Union – Civil Society Labour Code and demonstrating - has to move forward. This together with social audits, can be an important method/tool to strengthen workers' rights. To achieve scale, this can be taken to all over India and South Asia. Identifying and working with more brands will also help in achieving scale.

On the overall, right now, CIVIDEP needs to pursue its efforts to deepen the nature of interventions to create a sustainable model rather than to expand to new areas of operation. Oxfam can take the model and advocacy effort to international arena and influence international forums and brands.

### **Across the CTSC Programme**

Oxfam can take the lessons from this programme to the national and global community. Documentation and dissemination of process learning will have wider impact.

For achieving scale, Oxfam has to look at various other stakeholders and seek external linkages for the programme and Partners. It has to integrate Natural Resource Management into organic practice for addressing the issues of farmers. It has to attempt more successful integration of micro-results towards policy advocacy. It has to facilitate cross learning and collective work for policy advocacy. It has to

help in creating platforms for learning across with players even if they are outside. It has to concretise the MEL Framework with all process steps including Gender.

### **Recommendations**

The study team has come to the conclusion that **this programme requires consolidation of the fieldwork, business plan revisits and reworking and freezing institutional frameworks with the ground reality of the communities, before the real scale-up commences. Thorough process documentation, strengthening the systems including management information, looking at other players etc., are to be initiated forthwith.**

#### **Farmers – Community**

- Use existing SHG base/SHG Movement and provide linkages for credit – SHGs/MACS
- Use existing NPM base
- Go beyond Cotton – Move towards the entire farming system
- Use Farmer-farmer extension/learning mode; Develop material and distribute widely – for literate and non-literate; Use print and electronic media including local media
- Work with Government – SERP etc.
- Involve women in all decisions of agriculture so that at least de facto control in the hands of women is established, in the absence of de jure rights
- Double burden for women – reduce on farm work
- Encourage local resources and bio-mass generation
- Facilitate Seed Production
- Take up advocacy at state level (Oxfam or a state level partner)
- Ground FTC immediately as a Federation of MACS and it needs to be open to admit other MACS

#### **Weavers – Community**

- Use existing SHG base and provide linkages for credit – weavers and MACS
- Use Weaver-weaver extension/learning mode; Use Community Designers and Resource Persons; Develop and distribute material on designs, weaves, colours
- Do not work with existing cooperatives and master weavers
- Reduce the women's burden
- Do not centralise pre-loom activities
- Facilitate Local Marketing
- Increase the number of weavers to work with. Variety and Range for the customer may mean working in more clusters. More Local Partners required.
- Form MACS quickly/immediately and handover the ownership of HTC/CCW to them. HTC may have to be open to admit other new MACS

#### **Supply Chain**

- Attempt entire supply chain (or large part); Outsource ginning; Establish small spinning units linked to weaving and marketing cloth; Warangal and Nalgonda are suitable

#### **Weavers - Advocacy**

- Strengthen Grassroots advocacy and organisation
- Build apolitical new leadership with women and youth across the 16 districts.
- Build argument that Handlooms are competitive and disseminate widely
- Go National
- Push Handloom Mark/Craft Mark; Push No Handloom Mark for Powerlooms

#### **Garment Workers**

- Pace up the expansion at factory level – Munnade, GATWU etc.
- Sound strategy; needs accelerated effort
- Networking with other civil society in doing the business.

- Garment Workers have financial needs – to be met by taking SHGs and their federal structures forward. CIVIDEP may identify a suitable partner to undertake this task.

#### **Gender**

- Strengthen 'hard' skills in women – managing the institutions, accounting, marketing, design etc.
- Ensure integrating gender concerns in plans, proposals and actions
- Link up with other women's organisations consciously for main-streaming

#### **Management Information Systems**

- MIS for scaling-up would mean – baseline data, tracking, costs, etc. This needs to be developed.

#### **Oxfam Program Management**

- Make concentrated efforts to resolve institutional framework(s), evolve a coherent plan of action around marketing and lead in implementation.
- Speed up the transfer of funds to FTC and HTC and ensure their start up.
- Ensure process documentation and dissemination.
- Play a significant role in advocacy at the state, national and international level.

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