

IMPACT SHEET • SWITCH-ASIA PROJECT  
**PRO-SUSTAIN**

# **PROMOTING FAIR TRADE AND SUSTAINABLE CONSUMPTION IN INDIA**



**IN ONLY ONE YEAR THE PROJECT PRO-SUSTAIN CREATED  
A MARKET FOR FAIR TRADE PRODUCTS WORTH MORE THAN  
1.2 MILLION EURO FAIR TRADE RETAIL SALES**



## THE CHALLENGE

A growing group of middle-class consumers are questioning the 'conventional' manufacturing process.

Small-scale farmers and artisans can tap into an export market but a growing interest from the urban middle class and youth gives them an opportunity to escape poverty by selling their products nearer to home. The income profile of these consumers gives this national market good potential.

There is no policy directly supporting fair trade or influencing public procurement in favour of fair trade products, but many ministries and government departments are keen to promote it, along with sustainable consumption and consumer rights, and to partner fair trade organisations so that small producer groups can access the market.

## OBJECTIVE

The *Pro-Sustain* project aims to create a consumer market for fair trade products in India that helps to build environmentally sustainable production and consumption practices, while reducing poverty amongst poor farmers and handicraft producers.

The project objectives are to:

- Create a consumer market for fair trade products that improves rural livelihoods and stimulates producers to follow environmentally sustainable production practices
- Convert corporate procurement, and get commitment from Government/Ministries, to fair trade
- Promote a common message for fair trade and popularise the products to consumers
- Gain access for Shop For Change-Fair Trade certified products to mainstream retail channels
- Develop a retail channel for fair trade by creating a commonly branded network of shops amongst Fair Trade Forum-India members

## ACTIVITIES / STRATEGY

Project activities, i.e. developing a domestic market for fair trade products, have been developed largely with the target group of consumers in mind.

## TARGET GROUPS

### THE TARGET GROUPS ARE:

- 350,000 upper middle-class consumer households
- College students and youth
- Consumer and environmental organisations, trade policy lobbying groups and NGOs working on sustainable consumption, corporate offices promoting or marketing fair trade and sustainable consumption
- Major branded product manufacturers endorsing fair trade, and retail chains providing shelf space for fair trade products
- Ministries, including those for commerce, textiles and agriculture

### THE BENEFICIARY GROUPS ARE:

- SMEs
- Poor producer groups in India (estimated to account for 900,000 people)



### AWARENESS OF FAIR TRADE

Awareness-raising campaigns are targeting the media, using celebrity endorsement for events, ensuring a producer-consumer interface at exhibitions and in-store promotions, using creative internet-based outreach, and showing short films in cinemas.



### CORPORATE GIFTING AND PROCUREMENT

Companies are approached and persuaded to buy fair trade products either for corporate gifting, or corporate procurement. Approaches have been made to the hotel industry and assistance provided in sourcing products.



### UMBRELLA FAIR TRADE INDIA BRAND FOR SHOPS

An umbrella brand has been created for Fair Trade Forum - India (FTF-I) members with dedicated fair trade shops. A marketing and distribution strategy is in place for 10 shops, which are also able to display and sell products from other FTF-I members.



### ENTRY TO RETAIL CHAINS

'Shop for Change-Fair Trade' was established as the domestic fair trade product label in India. Mainstream brands and retail chains are signing licensing agreements for using the certification label and selling certified products.

# REPLICATION STRATEGY



## DELIVER ONE BIG MESSAGE

One of the barriers is to scale up a diluted message i.e. many small organisations sending a variety of messages to consumer groups. *Pro-Sustain* partners are coordinating their communication strategies, synchronizing media outreach, public events, in-store promotions and internet outreach. Fair Trade Forum – India (FTF-I) as a national network, including International Resources for Fairer Trade (IRFT), and Shop for Change (SFC), will continue the common messaging beyond EU funding. The short films for cinema, the internet and social media, and the celebrity endorsements will also continue.



## UTILISE MARKET POWER

The market-based nature of the project will help to multiply benefits. Consumer demand is being created alongside greater availability of fair trade products, according to the needs of the Indian market. For example, the Shop for Change (SFC) product label and the umbrella Fair Trade-India brand are developed specifically keeping Indian production practices and the consumer market in mind.



## REACH-OUT EFFECTIVELY TO MULTIPLY

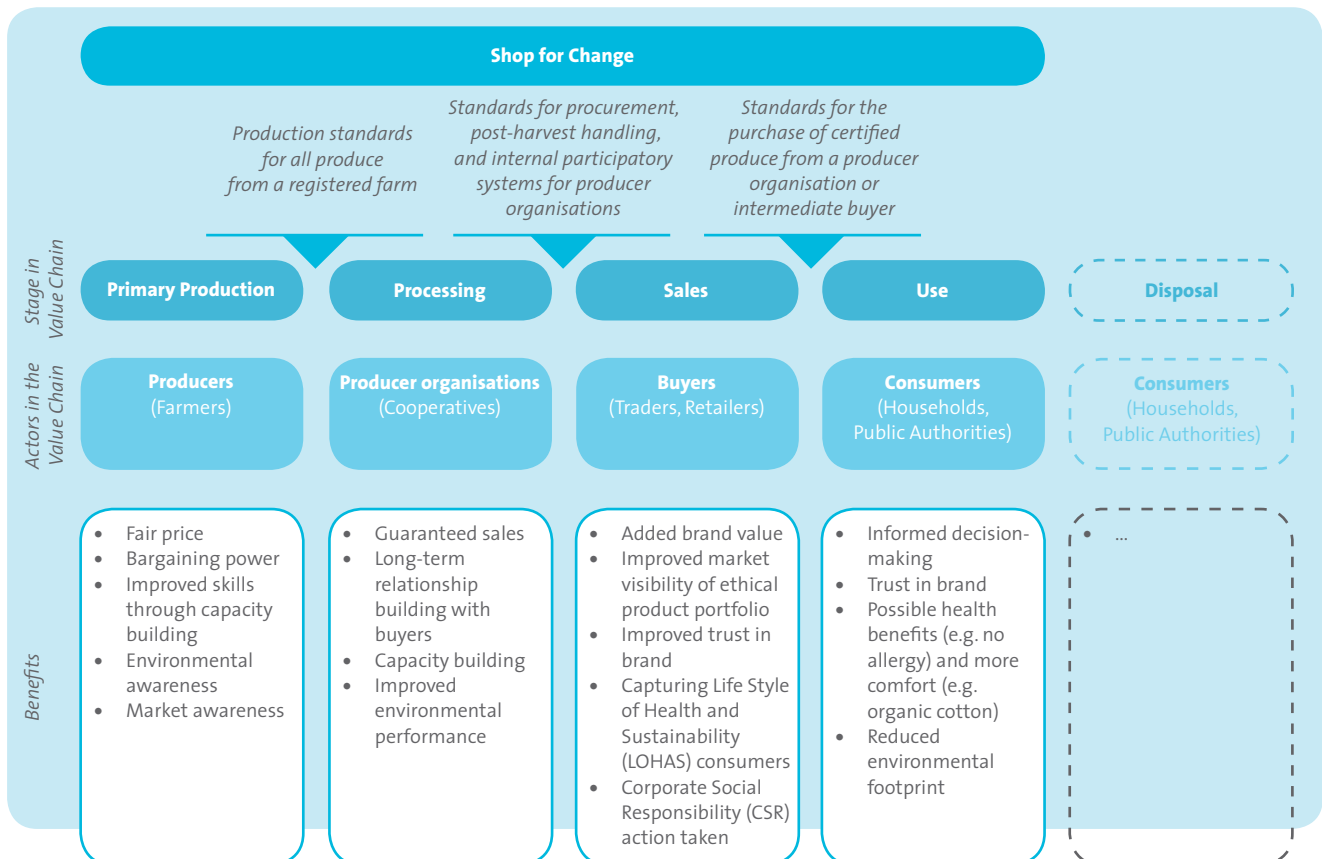
A wide range of target groups needs to be engaged to make an impact. Engagement with business membership and small-scale producer organisations, civil society, government organisations and media partners, allows the project partners to access influential networks to raise support and resources for communication and awareness-raising during campaigns. The International Resources for Fairer Trade (IRFT) is, for example, a member of Council For Fair Business Practices.



## CREATE VALUE ALONG THE PRODUCT CHAIN

Making the benefits of fair trade clear to producers and users is a key strategy for replication. Barriers to accommodating fair trade principles in production and purchasing are regularly identified – and campaigns and services to promote them are continually revised.

### Creation of value within a fair trade product chain by Shop for Change



# RESULTS



### AWARENESS RAISED ON FAIR TRADE CONCEPT

Awareness-raising campaigns were held at three joint events - World Fair Trade Day, Fair Trade Week and Fair Trade Fortnight, in Delhi, Mumbai, Kolkata, Bangalore, Chennai and Pune. Exhibitions, fair trade road shows, in-store promotions, corporate exhibitions, a conclave on 'redefining retail', a fashion show, cultural programmes, movie screenings, advertisements on transport vehicles, and campus campaigns have intensively promoted fair trade.



### UMBRELLA BRANDED FAIR TRADE SHOPS

Fair Trade Forum - India launched 'Fair Trade India' at six shops in May 2011 on World Fair Trade Day, making it the first fair trade umbrella brand for shops in India. By October, 13 shops were under the brand. Guidelines, a retail code book, and a brand manual, were developed.



### REACHING OUT TO KEY TARGET GROUPS

A corporate gifting programme to connect fair trade organisations with the corporate world



connected with more than 20 companies, which resulted in 10 orders worth Rs.3.40 million by the end of 2011. In collaboration with Vasundara Agri-Horti Producer Company Ltd, SFC certified 1700 mango, cashew, and andamla farmers. DHL purchased 2000 boxes of certified mango and cashew products as gifts for employees at Diwali. SFC also oversaw the registration of 7 000 farmers through producer groups. Fifteen partner brands are selling SFC certified products in over 135 retail stores across India.

Messages to the media (newspapers, magazines, television) produced coverage of fair trade worth an estimated €1.6 million. Great interest was also generated through new media: FTF-I has 1200 Facebook followers and had 130 000 visits to its website in 12 months; SFC has about 2500 followers; and IRFT about 1000 followers. Many invitations were received by the project to present the fair trade concept at local, national and international conferences.



### POLICY ENGAGEMENT

Work on policy engagement got underway with showcasing fair trade products at various Government platforms and exhibitions, especially in New Delhi and Mumbai. Good contact was made with the Development Commissioner for Handlooms and Handicrafts at the Ministry of Commerce, the Minister for Environment at Ministry of Environment and Forests, and the Development Commissioner for Handicrafts at the Ministry of Textiles. The Pro-Sustain project manager was invited as a resource person by the Export Promotion Council of Handicrafts, National Centre for Product Development and Design, Tribal Cooperative Marketing Development Federation of India, and the Association for Rehabilitation Under National Trust Initiative of Marketing (Ministry of Social Justice and Empowerment).



*Sustainable living should ensure social equity, economic viability and environment stewardship. Fair trade organisations should convert environmental and sustainability considerations into competitive advantage while making products affordable to conscious consumers. Only a market-based mechanism can have sufficient reach and depth to bring observable changes in sustainable consumption. Consumerism has taken deep roots in India and behaviour is governed by value-for-money, discounts, freebies and promotional offers. Only a multi-pronged strategy will develop demand for fair and sustainable products while maintaining availability and affordability.*








Mr. T. Muralidharan  
Project manager of the  
Pro-Sustain Project  
from HiVOS





## IMPACT IN NUMBERS

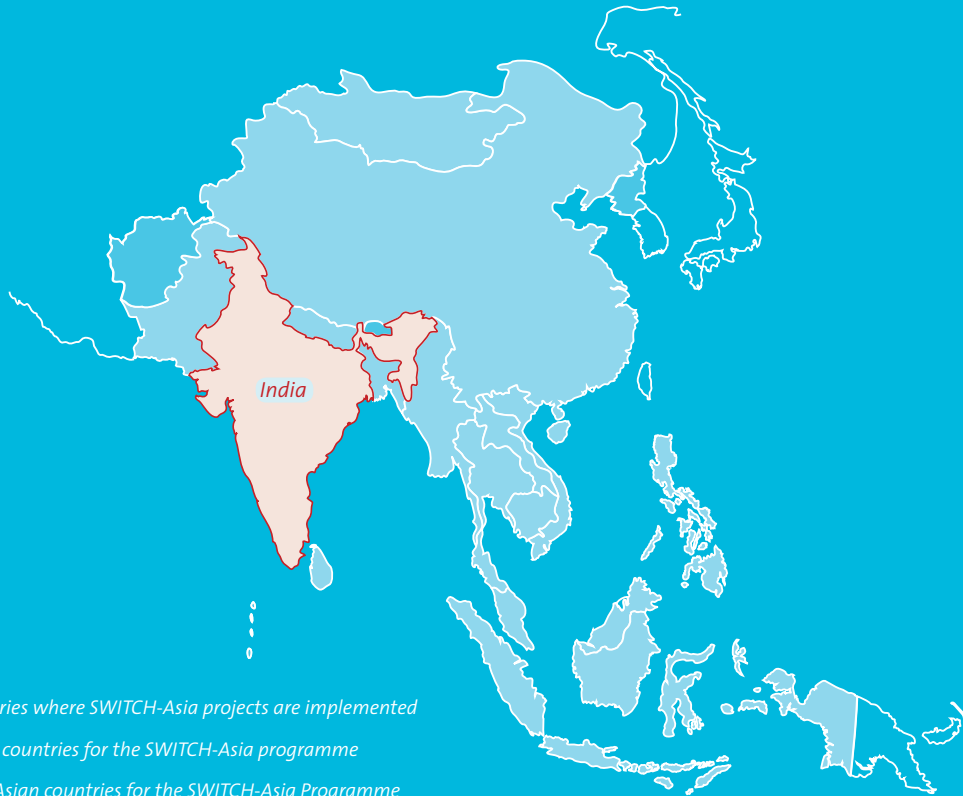
<p><b>ECONOMIC IMPACT</b></p> 	<ul style="list-style-type: none"> <li>• Over 135 retail outlets where SFC certified products can be purchased along with online channels</li> <li>• Estimated €1.2 million in retail sales for SFC certified products</li> <li>• 13 common umbrella branded Fair Trade India Shops</li> <li>• 15 partner brands selling SFC certified products</li> </ul>
<p><b>ENVIRONMENTAL IMPACT</b></p> 	<ul style="list-style-type: none"> <li>• Chemicals avoided through 140 tons seed cotton sold by Shop for Change producer organizations to Shop for Change partner brands</li> </ul>
<p><b>SOCIAL IMPACT</b></p> 	<ul style="list-style-type: none"> <li>• More than 14600 students from 96 colleges were exposed to the fair trade concept and another 35000 students were exposed to fair trade through college events and festivals</li> <li>• 7 000 farmers received training on sustainable farming methods</li> </ul>
<p><b>ENGAGEMENT OF TARGET GROUP</b></p> 	<ul style="list-style-type: none"> <li>• 7 000 farmers registered through SFC producer groups</li> <li>• Leading media including newspapers, magazines and TV reached-out with fair trade message with an estimated €1.6 million worth of media coverage</li> <li>• About 3.2 million cinema goers got exposure to fair trade through Pan India Film screenings</li> <li>• 10 corporate orders executed under the Corporate Gifting Programme</li> <li>• Links established with consumer groups</li> </ul>
<p><b>POLICY LINKAGES</b></p> 	<ul style="list-style-type: none"> <li>• Minister for Environment, Government of India, inaugurated the ‘Ode to Earth’ programme of the Fair Trade Fortnight in New Delhi</li> <li>• The Chief Minister of Delhi reached-out with the concept of fair trade and assured support to Fair Trade Producers through Government Schemes.</li> <li>• In Mumbai in Maharashtra, MAVIM, a Government of Maharashtra organisation supported the Fair Trade movement with specialised stalls through exhibitions for Fair Trade Producers to encourage livelihoods.</li> <li>• Principal secretary to President of India and the Development Commissioner (Handicrafts) have assured support to Fair Trade Producers through the different Government schemes.</li> </ul>



*Last Forest provides market access for small groups of farmers, harvesters and artisans through its five Green Shops. The shops, which are run on the basis of a charter encompassing its basic principles, market organic and fair trade produce and have been given an opportunity by Pro-Sustain to leverage the network strength of Fair Trade Forum-India. Consumers can buy quality products with inherent ethical value and are able to support such programmes with their purchases. Last Forest educates consumers about the people behind the products, and shows them how they to be conscious, environmentally friendly consumers.*

*Mathew John, Founder of Last Forest and Keystone Foundation*





**Legend**

- Eligible countries where SWITCH-Asia projects are implemented
- Eligible Asian countries for the SWITCH-Asia programme
- Non-eligible Asian countries for the SWITCH-Asia Programme

**Project implementation area**

- City
- Region
- Country

*The boundaries shown on this map do not imply on the part of the European Union any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.*

**OBJECTIVES**

The project seeks to overcome barriers to the development of an Indian market for fair trade products. It contributes to environmentally sustainable production and consumption practices that help to reduce poverty among poor farmers and handicraft producers in India.

**DURATION**



**FUNDING**

EU co-financing; EUR 1,040,076  
(EU contribution 80%)

**PROJECT CONTACT**

**ProSustain**

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**PROJECT CONSORTIUM**



The Humanist Institute for  
Development Cooperation  
(HiVOS), Netherlands



International Resources  
for Fairer Trade (IRFT),  
India



Fair Trade Forum – India  
(FTF-I), India



Shop for Change (SFC),  
India (associate partner)