

AB World Foods – Improving livelihoods of cumin farmers in India

AB WORLD FOODS

AB World Foods is an international branded business, with a global supply chain, making and selling world food cuisines and speciality condiments. Their brands include Patak's, Blue Dragon, Al 'Fez, and Capsicana. They have around 800 employees working across eight hubs, including in the UK, Thailand and Poland, with manufacturing sites in the UK and Poland.

Summary

Set up in 2019 and now in its second phase, the SPICE project in Rajasthan, India aims to improve the livelihoods of small-scale cumin farmers and their communities. The project has set up Farmer Interest Groups and larger Farmer Producer Organisations, which help farmers collectively organise and access wider markets as well as providing business, financial, and agronomy skills training whilst seeking to empower women through education. The current phase of the project aims to tackle water scarcity in this desert region and increase crop productivity, as well as promoting wider wellbeing in the community.


"The SPICE Project has brought a positive change in these remote desert farming communities, by training farmers on good agriculture practices and bringing them together to organise collectively. Now climate smart and regenerative practices like rainwater harvesting are being used to ensure sustainability moving forward."

– Gowhar Bhat, Ethical Sourcing Manager,
AB World Foods, Southeast Asia



This case study has been developed with the support of Co-op as part of Co-op's 2024 'Treating People Fairly Awards' at which AB World Foods was Highly Commended. The awards celebrate excellence in human rights practice, encourage suppliers to learn from each other and inspire new ways of mitigating current or future risks to worker welfare. Supplier entries were assessed by an independent, expert panel and awards were presented at a Co-op supplier event in May 2024. Click [here](#) and [here](#) to learn more about human rights at Co-op.



 **100%** of the 1000 farmers have been retained on the project and the structure of the 50 FIGs and 2 FPOs remains the same

Taking action

The area around Jodhpur, Rajasthan provides around a quarter of the spices that AB World Foods buys. There are many small-scale farmers in the region who live below the poverty line, particularly subsistence farmers and those selling into domestic markets. In 2019 this prompted AB World Foods to partner with local NGO Gravis in setting up Project SPICE, an initiative aiming to improve the income and livelihoods of 1,000 cumin farmers and, in time, aiming to bring them into the AB World Foods supply chain.

By setting up 50 Farmer Interest Groups (FIGs) and delivering focussed training, the project gave participating farmers greater access to services and markets. These FIGs came together to form two formal cooperatives – Farmer Producer Organisations (FPOs) – whose management teams are responsible for the long-term sustainability of the project, in part by opening up access to grants and collective purchasing.

Beyond agriculture, Project SPICE addresses wider social issues, including through girls' education and by providing water, sanitation, and hygiene training.

Phase two of the project will run for three years from 2023 and has retained all 1,000 original farmers as well as the 50 FIGs and two FPOs.

The priorities for the second phase are:

- Supporting the farming communities with climate smart and regenerative agriculture practices; this includes developing local facilities for rainwater harvesting, with a three-year plan to install 50 drinking water storage tanks with bio-sand water filters, providing clean drinking water to homes, and 50 irrigation dykes, preventing runoff from harsh monsoon rains and conserving

moisture in the soil; six seed banks give the FIGs access to more resilient varieties of crops – for example wilt resistant strains – and if farmers can't afford to pay, they can give seeds back the next year

- Tackling wider social issues and community health. Health education sessions are targeted separately at boys and girls aged 15-19 and cover topics such as personal hygiene and menstruation, diet and nutrition, and understanding gender issues. 50 sessions are planned over the three years.
- Mobilising women within the FIGs into 50 Women Self-Help Groups (SHGs). These associations allow women to come together for training in areas such as financial literacy and community health.

The project's success is in part down to the presence of Gravis' implementation team being on the ground in Jodhpur. Field staff regularly meet with the FIGs and SHGs to discuss best practice. Together they have worked on adapting irrigation schemes to mitigate electricity cuts, implementing frost-resistant strategies, enhancing wildlife protection, and moving towards diversification to mitigate market fluctuations. AB World Food's India-based Ethical Sourcing Manager also visits the farmers and works closely with the Gravis team.

AB World Foods is implementing a pilot project with one of their key spice suppliers, to start to integrate 10 project farmers into their supply chain. In the first year the spice supplier purchased around 13 tonnes of cumin at a premium price above market rate, of which just over 1 tonne was export quality and brought into AB World Foods supply chain.



Making an impact

1,000 farmers are part of Project SPICE, but with their families the project is having a positive impact on around 5,000 people.

The FPOs have helped farmers move to a collective model - not only by helping them sell produce at scale and ensuring better prices, but also by providing them with better access to agricultural input materials and services including seeds, farm equipment, and fertilizers. Collective procurement gives them an ability to negotiate better prices and gain better deals, helping to bring down input costs, resulting in better incomes for the individual farmers.

Outcomes of the first phase of the project:

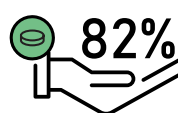
SUPPORTING SUSTAINABLE LIVELIHOODS



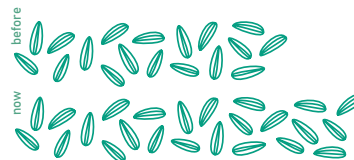
pilot community seed banks created to combat a lack of locally available quality cumin seeds making INR 500-700 savings for each farmer



inspiring training sessions delivered on supply chain, farming and business skills



of farmers now use financial services



32% increase in yield achieved from 80 model farms by using a more suitable variety of cumin seeds

914 acres now under improved management practices



EDUCATING AND EMPOWERING WOMEN

26 workshops delivered to empower women and develop female entrepreneurs

Carried out with local NGOs



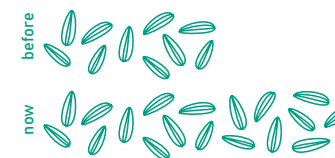
Outcomes of the second phase of the project so far:

- 39 drinking water storage tanks, with bio-sand water filters have been constructed, and 39 irrigation dykes have been installed for farmers prioritised because of their lower income and limited access to water. This has provided access to safe drinking water and improved soil moisture levels on the farmland. The households have been able to stop using underground water which in the past decade has been depleting at an alarming pace. A 75% increase in yield has been seen on rain-fed farms because of the new irrigation dykes.
- 27 Women's Self-Help Groups have been set up in 22 villages, with 10-15 members in each group, and 10 training sessions completed. This has helped women improve their financial skills and enabled them to take more informed decisions, both for their families and communities.
- 25 adolescent health orientation sessions have been delivered, increasing awareness and wellness among the young people in the community.

Second phase:

MORE CROP FOR EVERY DROP

In the first year there has been a:



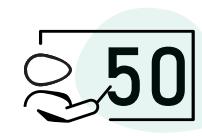
75% increase in crop yield at rain-fed farms



20% reduction in irrigation at farms with access to boreholes preventing further depletion of groundwater

AMPLIFYING MARKET ACCESS

We are also working to improve access to domestic and export markets, while strengthening FPO capabilities



training sessions and 6 exposure visits are planned over the 3 year project



farmers are piloting the integration of up to 35 tonnes of spices into our supply chain with our cumin suppliers

Moving forward

The FPOs are recognised as formal business entities by the government, they hold regular meetings and have business plans in place. This means the FPOs have a plan to generate their own income and become self-sufficient ensuring that the progress achieved through the SPICE project is sustained by the farmers as they grow their businesses.

Lessons learnt

- This kind of project needs local presence and expertise through a partner NGO who has regular contact with the farmers and understands their needs, along with a representative of the company to support progress.
- The project has highlighted the importance of adaptive strategies for resilient agriculture in the face of various uncertainties such as changes in climate, electricity cuts and market fluctuations.
- The project helps educate farmers on how to manage agricultural chemicals effectively to ensure their crops are suitable for the more valuable export market. This takes time and patience as certain chemicals can take 2 or 3 years to leave the soil completely.



This is a leadership* approach because:

Proactivity

AB World Foods recognised the issue of smallholder spice farmers and their families living below the poverty line and took action to develop a project that directly tackled this issue, beyond their own direct supply chain.

Ownership

AB World Foods has a Supply Chain Corporate Social Responsibility (CSR) Manager, reporting into the Procurement Director, and also two in-country ethical and sustainability experts in India and Thailand, who collaborate directly with strategic suppliers within their key South Asian sourcing regions to gain a deeper level of supply chain insight. Local engagement with suppliers on sustainability issues has included a supplier conference in Bangkok in November 2023, attended by over 100 suppliers, AB World Food's board, and colleagues from across the Bangkok hub and India. The conference included a focus on sustainability and supply chain transparency, with case studies of best practice being shared.

Partnership

AB World Foods worked in close partnership with a local NGO with the relevant contacts and expertise to deliver this project. The partnership approach has also extended to the farmers themselves, empowering them to manage and direct their own business relationships collectively. The presence of local representatives has also helped in this approach.

*Key behaviours that Co-op champion in its supply chain are proactivity, ownership and partnership. Click [here](#) to learn more about Co-op's supplier engagement programme. Co-op's 'Supplier's Guide to Ethical Trade' sets out the standards suppliers are expected to meet.