



FAIRTRADE
MAX HAVELAAR
FRANCE

IMPACT

ASSESSMENT

FAIRTRADE
CERTIFICATION
Rice sector – India

Ramnagar – Bahraich

December 2017



6. SAMPLE

OVERVIEW OF THE SAMPLE

Performed interviews

individual questionnaires

198

focus groups

2

people met

35

qualitative interviews

2

99 target farmers

99 interviews with farmers part of the Contract Production Project in Ramnagar. They are producing organic basmati rice and selling it to Nature Bio Foods on Fairtrade terms.

99 control farmers

99 interviews with farmers producing organic basmati rice and selling it to Nature Bio Foods.

1 focus group with teenagers

23 teens interviewed

1 focus group with farmers

6 PEB members
6 lead farmers

1 interview with a woman member of the PEB

1 interview with a woman lead farmer



7

Videos recorded of organic farmers from the Contract Production Project in Ramnagar.



A meeting was also organized with the Nature Bio Food team at the beginning of the study.

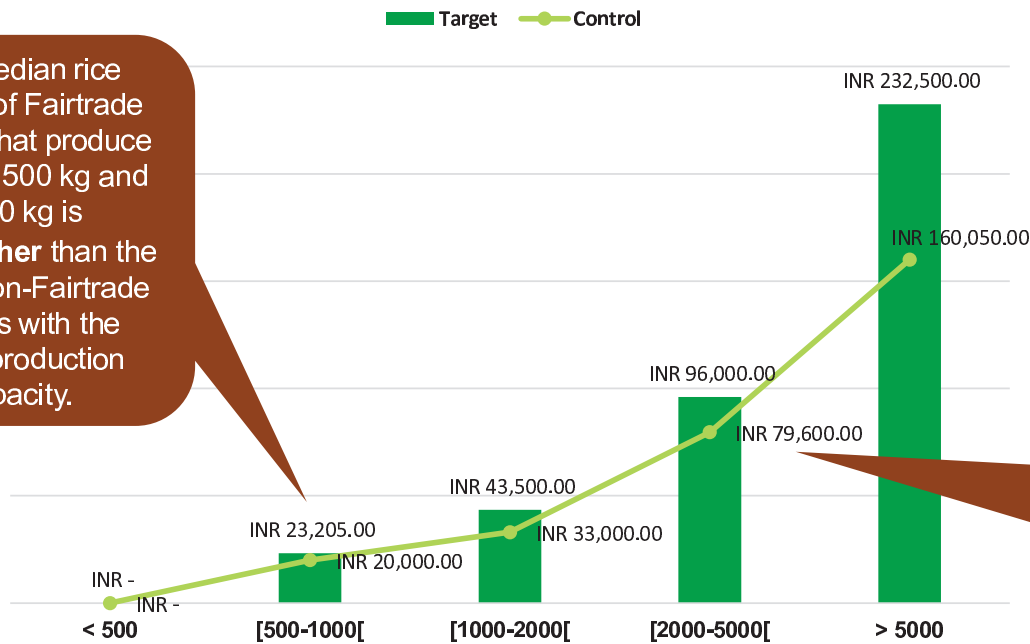


1. HOUSEHOLD INCOME AND STANDARD OF LIVING

Organic basmati rice

+ Fairtrade farmers have an income slightly better than non-Fairtrade farmers.

How much money did you get by selling your rice this year?
(by groups of production capacity)



The median rice income of Fairtrade farmers that produce between 500 kg and 1000 kg is **16% higher** than the one of non-Fairtrade farmers with the same production capacity.

Since both group have **very eclectic results** (huge gap between the min and max income), we should compare the **medians**.

The median rice income of Fairtrade farmers that produce between 2000 kg and 5000 kg is **20.6% higher** than the one of non-Fairtrade farmers with the same production capacity.

Reading : 50% of the Fairtrade farmers that produced between 2000kg and 5000kg have a rice income equal or higher to 96,000 INR in 2017 whereas 50% of non-Fairtrade with the same production capacity have a rice income equal or higher to 79,600 INR.

IV – RESULTS PER IMPACT

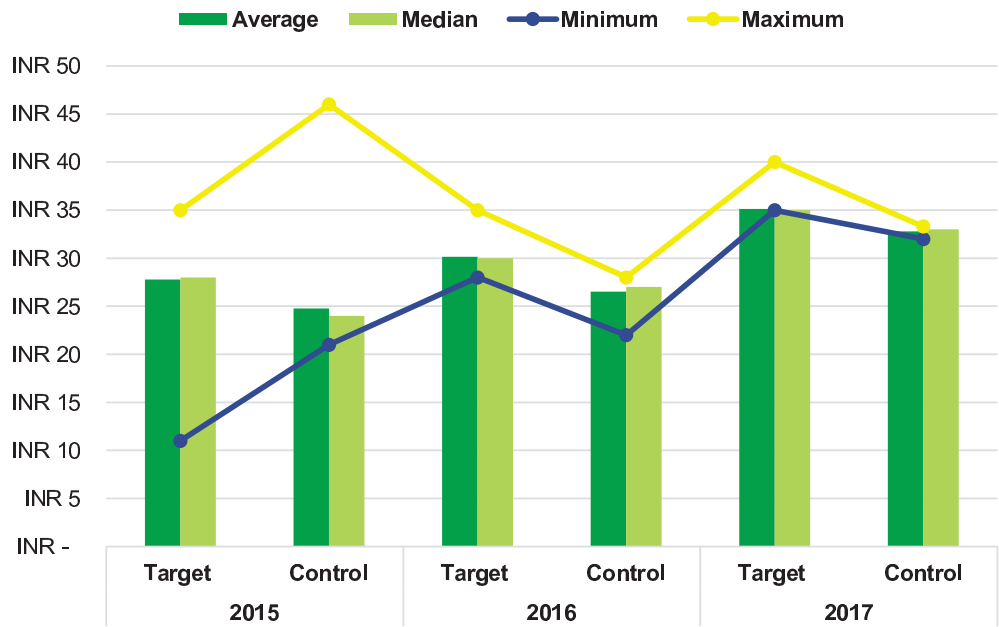
1. HOUSEHOLD INCOME AND STANDARD OF LIVING

INCOME

Price influence

○ The price of Fairtrade and organic basmati rice is always higher than the one non-Fairtrade and organic. However, the gap is decreasing.

Price evolution



Fairtrade price is always higher by 2 to 4 INR / kg.

The gap between Fairtrade and non-Fairtrade price is reducing:

| | 2015 | 2016 | 2017 |
|----------|------|------|------|
| Gap rate | 16% | 11% | 6% |

Variations of price in the target group are due to farmers' mistakes since their price is fixed.

Variations of price in the control group happened more often. In fact, the price is based on the quality of the rice and the international market. The price is always fluctuating.

Reading : In 2017, the price of Fairtrade and Organic Basmati rice was 35 INR / kg while it was 33 INR / kg for non-Fairtrade but Organic Basmati rice.



IV – RESULTS PER IMPACT

1. HOUSEHOLD INCOME AND STANDARD OF LIVING

STANDARD OF LIVING

Access to facilities

99% of Fairtrade farmers have toilets and electricity at home, while they are **39%** and **64%** within the non-Fairtrade farmers group

87% and 86% of Fairtrade farmers have tap water and drinking water at home, while they are **5%** and **16%** within the non-Fairtrade farmers group

| Facilities | Target | Control |
|----------------|--------|---------|
| Toilets | 99 | 39 |
| Tap water | 87 | 5 |
| Drinking water | 86 | 16 |
| Hand pump | 0 | 58 |
| Electricity | 99 | 64 |
| Phone | 77 | 65 |
| Smartphone | 18 | 18 |
| Fridge | 61 | 14 |

Fairtrade farmers have :

- **2.5 times** more access to toilet
- **17.4 times** more access to tap water
- **5.4 times** more access to drinking water
- **1.5 times** more access to electricity
- **1.2 times** more access to a phone
- **4.4 times** more access to a fridge

...than non-Fairtrade farmers

Reading : On the total of the Fairtrade farmers, 99 said they had toilets at home. They are 39 within the non-Fairtrade farmers group

IV – RESULTS PER IMPACT

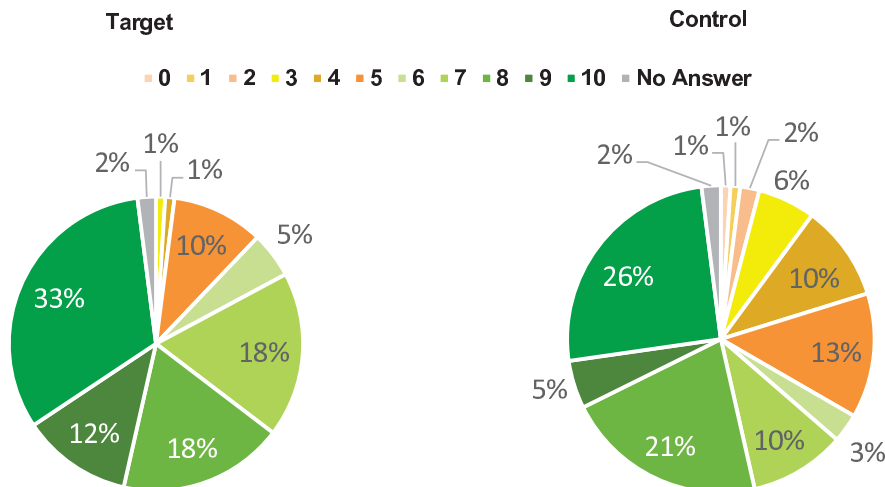
BASIC SERVICES

2. ACCESS TO BASIC SERVICES

Health

+ Fairtrade farmers declare more being healthy.

Would you say that you and your family are healthy ?
(0: completely disagree– 10: completely agree)



| | Target | Control |
|----------------|------------|------------|
| Min | 3 | 0 |
| AVERAGE | 8.1 | 7.0 |
| Max | 10 | 10 |

Fairtrade farmers cumulate **86%** of positive answers to this question

Non-Fairtrade farmers cumulate **65%** of positive answers to this question

We are living in a very healthy environment so we are in a very good shape. – Fairtrade farmer.

Healthy environment and healthy food, always working outside, we are very healthy. – Fairtrade farmer.

Reading : 33% of Fairtrade farmers gave a 10 mark out of 10 for their health while 26% of non-Fairtrade farmers did.

IV – RESULTS PER IMPACT

2. ACCESS TO BASIC SERVICES

BASIC SERVICES

Health facilities

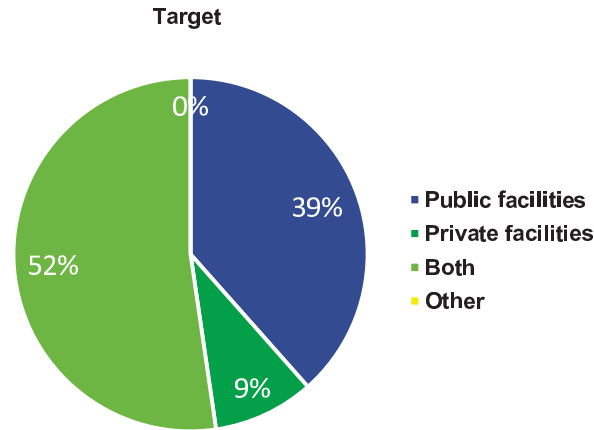
+ Fairtrade farmers declare being more able to afford better health facilities.

What kind of health facilities can you afford ?

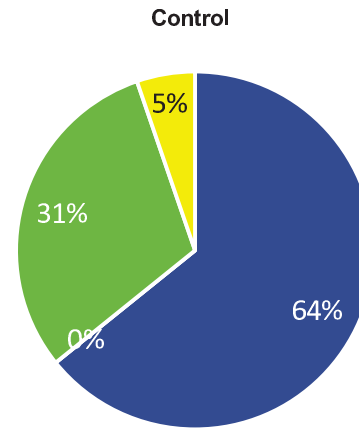
Fairtrade farmers

For minor problem, we go to government hospital. But for bigger issues, we go to private one.

For normal problems, we are ok. For big problems, we would have to sell buffalos. I would sell everything for my family.



61% of Fairtrade farmers declare that they can afford private health facilities



31% of non-Fairtrade farmers declare that they can afford private health facilities

Non-Fairtrade farmers

I would prefer to get medicine in the village first and then go see a doctor.

I can only go to government hospital. I don't have enough money for private ones!

It is for this reason only that we took a loan.

Reading : 39% of Fairtrade farmers declared using public health facilities while 64% of non-Fairtrade farmers declared the same.

IV – RESULTS PER IMPACT

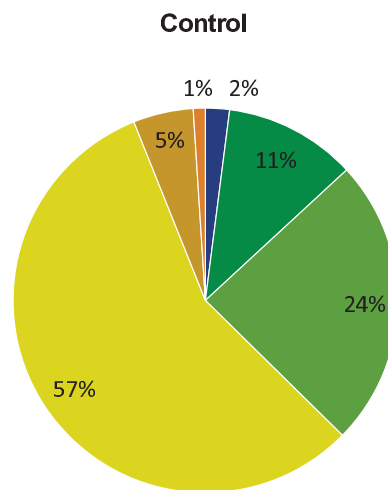
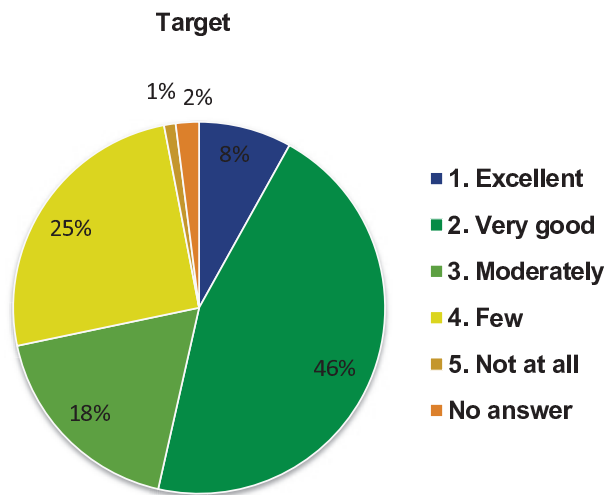
ENHANCED INFLUENCE AND STATUS OF SMALL PRODUCERS

4. INFLUENCE AND STATUS

Knowledge about business conditions

+ Fairtrade farmers are more to claim having knowledge about the business conditions

Do you think that you have knowledge concerning the business conditions with your buyers ?



- 1. Excellent
- 2. Very good
- 3. Moderately
- 4. Few
- 5. Not at all
- No answer

54% of the Fairtrade farmers answered positively to this question, while they are only **13%** within the Non-Fairtrade farmers group

Fairtrade farmers answered the most « **very good** » to this question

Non-Fairtrade farmers answered the most « **few** » to this question

Fairtrade farmers have answered **4.1 times more** positively to this question

IV – RESULTS PER IMPACT

ENHANCED INFLUENCE AND STATUS OF SMALL PRODUCERS

4. INFLUENCE AND STATUS

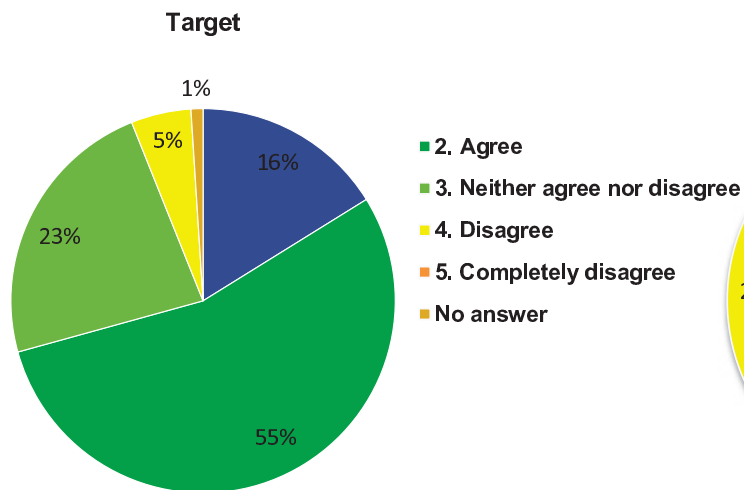
Capacity to negotiate

+ Fairtrade farmers are more to declare having the capacity to negotiate

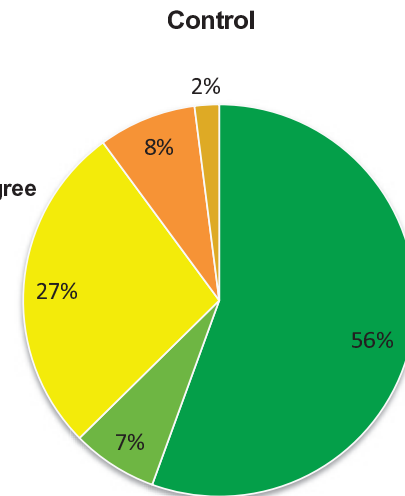
71% of the Fairtrade farmers answered positively to this question, while they are 56% within the Non-Fairtrade farmers group

Fairtrade farmers have answered 1.3 times more positively to this question

Would you say that you are able to negotiate the price offered by your buyers ?



Fairtrade farmers cumulate 78% of positive answers



Non-Fairtrade farmers cumulate 56% of positive answers

Reading : On the total of the Fairtrade farmers interviewed, 16% said they completely agree with the statement.

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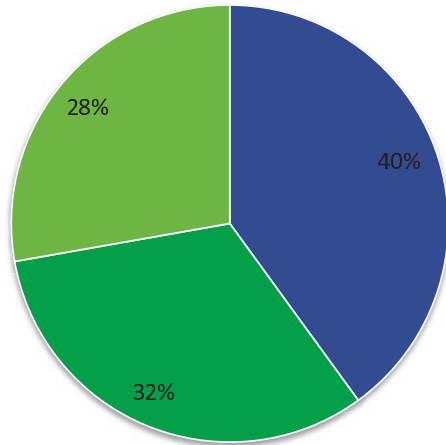
4. INFLUENCE AND STATUS

Knowledge about the SPO model

Fairtrade farmers are a majority to know what a Small Producer Organization (SPO) is:

Do you know what is a SPO?

■ 1. Yes ■ 2. A little ■ 3. No



Fairtrade farmers cumulate **72%** of positive answers

These questions were only asked to the Fairtrade farmers group.

Fairtrade farmers :

We are going to sell through it.

It is a bridge between farmers and buyers, it helps in the negotiations.

It is a group of farmers where everybody is independent and can share his point of view.

Gathering of farmers in same area and representing them.

Reading : On the total of the Fairtrade farmers interviewed, 37% said they know what is a SPO and gave a good definition.

IV – RESULTS PER IMPACT

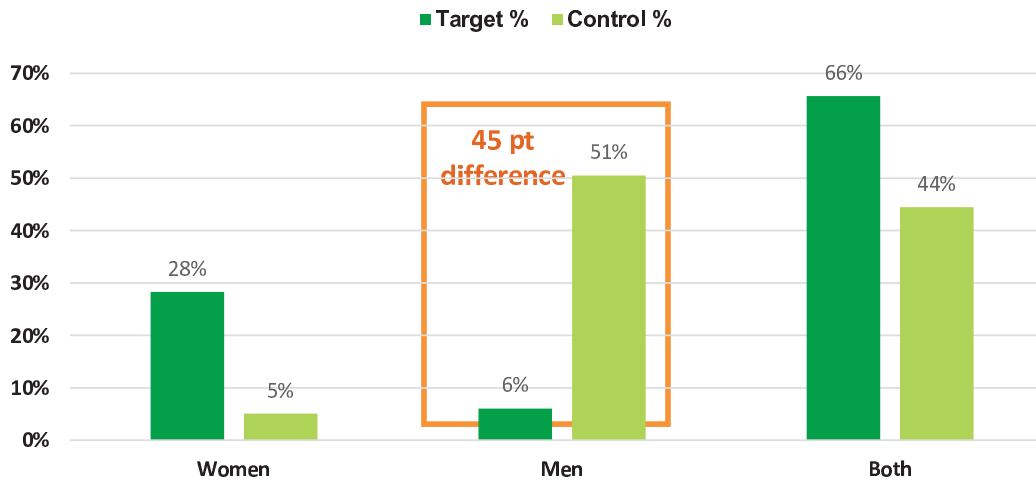
6. GENDER EQUALITY

INCREASED GENDER EQUALITY

Perception of gender equity

+ Fairtrade farmers believe more that both women and men are capable to lead.

Who is the most capable to lead?



94% of Fairtrade farmers consider women as potential leaders.

49% of non-Fairtrade farmers consider women as potential leaders.

Fairtrade farmers answered « Both » **1.5 times more** than non-Fairtrade farmers.

⚠️ Considering how **multi-factorial** gender equality is, these results can not be attributed to Fairtrade activity only. **Cultural differences** between the two groups should also be considered.

Reading : 66% of Fairtrade farmers answered "both" to this question while 44% of non-Fairtrade farmers did.

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8. ENVIRONMENT

Water-efficient practices : definition

System of rice intensification (SRI)

SRI involves a set of farming practices (organic fertilisers, 20 cm of space between plants, young transplantation of the seedlings...) which helps to increase productivity and at the same time reduce inputs of seeds, water and labour

Alternative wetting and drying method (AWD)

The AWD practice involves periodic drying and re-flooding of the rice field. It saves water and reduce greenhouse gas emissions while maintaining fields

Bunds

By building bunds along the contour lines, water runoff is slowed down, which leads to increased water infiltration and enhanced soil moisture

Water tank

An installation to collect the rain

| | | | |
|---|---|--|---|
|  | <p>1. Age of seedlings Young seedlings are transplanted at 8-12 days old. Seedlings are carefully lifted from the nursery and transported to fields in baskets or on trays for immediate transplanting. Seeding rate: 5-7 kg/hectare</p> |  | <p>2. Number of seedlings 1-2 seedlings per hill are transplanted with shallow depth (1-2 cm) into soils that are not flooded. Roots are carefully positioned just under the soil surface to avoid trauma to the roots, thereby avoiding "transplant shock."</p> |
|  | <p>3. Spacing of plants Wider spacing, with hills 20-30 cm apart, set out in a square or matrix pattern to facilitate moving through the field with a weeder, and to expose plants fully to the sunlight.</p> |  | <p>4. Water management Non-flooded aerobic soil conditions with intermittent irrigation. Where possible, small applications of water, or alternate wetting and drying during the growth period; just 1-2 cm of water on fields after the plants flower.</p> |
|  | <p>5. Soil fertilization Organic matter is preferred to the extent feasible but may be complemented with synthetic fertilizers. Combinations can be used to ensure appropriate soil:plant nutrient balance.</p> |  | <p>6. Weed and pest control Manual weeders can remove weeds and aerate the topsoil at the same time. Integrated Pest Management (IPM) practices are encouraged. SRI plants are generally more resistant to pests and diseases so require less chemical protection.</p> |

Fairtrade Farmers were using SRI and AWD methods, which are **more complex**.

IV – RESULTS PER IMPACT

8. ENVIRONMENT

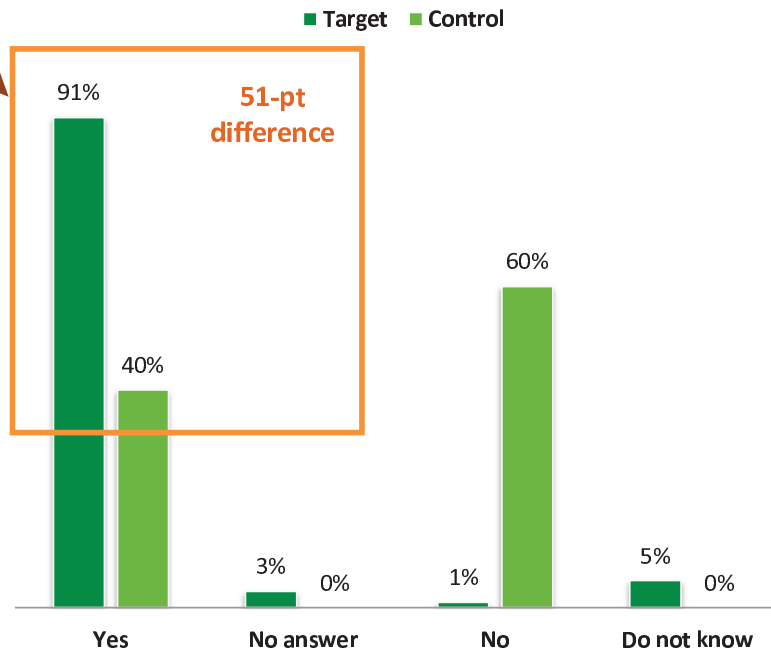
ENVIRONMENT-RELATED IMPACTS ON PRODUCERS

Energy-efficiency : consumption

+ Fairtrade farmers are more to declare using less energy

Do you have practices that use less energy ?

Fairtrade farmers declare **2.25 times more** to use less energy



Farmers use :

- LED bulbs
- Energy-efficient cookstoves

They also declare limiting their consumption of energy at home.



NBF started a program in Ramnagar project and distributed LED bulbs and energy-efficient cookstoves to the farmers.

Reading : On the total of the Fairtrade farmers interviewed, 91% said they use practices that use less energy. They are 40% within the non-Fairtrade group

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IV – RESULTS PER IMPACT

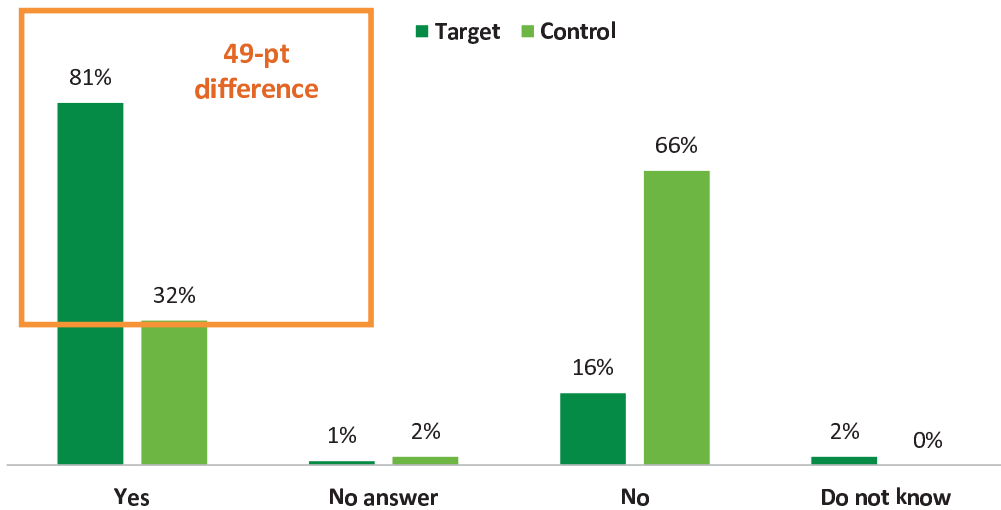
8. ENVIRONMENT

ENVIRONMENT-RELATED IMPACTS ON PRODUCERS

Energy-efficiency : renewable energy sources

+ Fairtrade farmers are more to declare using renewable energy sources.

Do you use renewable energy sources (for your production and at home) ?



Farmers use :

- Biogas
- Solar energy (including solar torches, solar lights ...)

!
NBF started a program in Ramnagar project and distributed biogas plants and solar torches to the farmers.

Fairtrade farmers are **2.5 times more** to declare using less energy

Reading : On the total of the Fairtrade farmers interviewed, 81% said they use renewable energy sources. They are 32% within the non-Fairtrade group.

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IV – RESULTS PER IMPACT

9. CONCLUSION

CONCLUSION

Impacts



POSITIVE IMPACTS



LIVING CONDITIONS

- Brighter diversity in sources of income
- Higher impression to have good living conditions
- Better access to facilities at home



HEALTH

- Higher impression to be in better shape
- Higher accessibility to health facilities
- Higher capacity to afford health facilities



EDUCATION

- Higher schooling rate for compulsory school (6-14)
- Higher schooling rate for facultative school (above 15)



FINANCIAL SITUATION

- Less loans
- Better capacity to repay debts
- Better capacity to save money
- Better confidence in future economic situations

IV – RESULTS PER IMPACT

9. CONCLUSION

CONCLUSION

Impacts



POSITIVE IMPACTS



BUSINESS SITUATION

- Paid more quickly
- Better / More knowledge about buyers
- Better / More knowledge about business conditions
- Better / More capacity to negotiate the price



PROFESSION

- Higher proudness of being farmers



GENDER EQUITY

- Higher consciousness towards gender equity
- High willingness to have women as representative



SUSTAINABILITY

- More aware of climate change
- More use of water-efficient practices
- Less use of energy
- More use of renewable energy sources