



Food and Agriculture Organization
of the United Nations

FAO/Christine Legault

Rural institutions

Drivers of community development

FAO AND INDIA'S SELF-EMPLOYED WOMEN'S ASSOCIATION (SEWA) PARTNERSHIP

In 2016 the Food and Agriculture Organization (FAO) and the Self-Employed Women's Association (SEWA) signed a Memorandum of Understanding to strengthen the two organizations' collaborative capacity to promote rural prosperity and reduce food insecurity in India and globally. SEWA contributes to the empowerment of small-scale and marginalized women farmers and informal sector workers in India through its grassroots advocacy, social mobilization and socio-economic services through a strong network of partners. Through a holistic approach, FAO aims to leverage its expertise in strengthening rural institutions, facilitating farmer-to-farmer knowledge generation, and building producer organizational capacities to support SEWA to proactively increase their role and contribution to reducing food insecurity and empowering rural women at the local, national, and international levels. The core objectives of the FAO-SEWA Partnership are to:

- **Empower rural women, men and youth** and increase their access to productive resources, services and economic opportunities, with a particular focus on women and their participation in agriculture value chains;
- **Strengthen the capacities of the rural poor** in order to improve organizational development, good governance, gender equality, lobbying and advocacy for policy change;
- **Generate evidence, experience and knowledge exchange on women's and youth inclusion** as a means to ensure sustainable food security and nutrition and inform policy dialogue.

The following Partnership Brief provides an overview of the SEWA organization and the activities that FAO and SEWA are partnering on to reduce rural poverty, strengthen women's empowerment, and promote sustainable agriculture in India.

In 1972, SEWA began to advocate for the rights of self-employed women labourers in the city of Ahmedabad, India as a response to what many women desired most: steady employment and increased self-reliance. Forty years and some 1.9 million members later, SEWA's stronger focus on rural areas has strengthened women's capacities and gotten them better organized in these settings. The unique, gender-sensitive training approach that SEWA promotes to improve the livelihoods of small-scale producers and reduce socio-economic and environmental vulnerability allows not only for rural women to acquire the skills and knowledge they need to access more profitable and sustainable incomes - it also provides marginalized women with more opportunities to play an active role in the development of their own communities.

SEWA facilitates access to a wide range of networks and services at community level, which is central to its success and to that of its members. Loans, marketing tools, Information Technology Training (ICT), and critical organizational development skills adapted to the needs of women farmers - with the support and guidance of a plethora of partner institutions - have helped women develop more profitable and sustainable livelihoods over the years. As the SEWA experience illustrates, institutions are much more than providers of services and opportunities; institutions are facilitators, partners, and drivers of change.

SEWA facilitates access to resources

*"Believe it or not this used to be a wasteland, but look at it now, it's flourishing!"
- Ganeshpura Vanalakhsmi cooperative members (Gujarat, India)*

In 1997, a small group of rural women began a three-year process to rehabilitate a 10-hectar wasteland in the state of Gujarat with limited water, tools and resources with the intention to build an agro-forestry cooperative farm called Ganeshpura Vanalakhsmi. This process was long and required perseverance, especially since few people believed that a small group of women could build a sustainable business from scratch - or better yet - transform soil that was so damaged and polluted, with only the support of a self-employed women's association. During this phase, SEWA partnered with local universities and financial institutions to facilitate the women's access to micro-loans to launch their agro-forestry business and technical training on agro-ecological production methods to transform the land into a greener, more sustainable plot. SEWA also helped the women obtain a 30-year lease for the property to secure their access to land and ensure they reaped the benefits of their long-term efforts in improving the soil quality of their farm. *Slowly but surely, the women's efforts borne fruit.* As a result of the group's agro-ecological practices, more mouths were being fed nutritious food, and the women's cooperative was gaining respect in the community for their flourishing business and contributions to the local food system. These changes sparked a desire in other women to be more active in their own development, inspiring them to also take part in this social movement that was changing lives. The presence of SEWA - as a partner that believed in the potential of a small group of women - allowed for the transformation of not only the soil on which they stood and fed themselves from, but of the whole community.

SEWA helps members adapt to shocks

*"We have to speak, give customers bags and weigh vegetables and it was very challenging at the beginning. SEWA members stayed with us until we learned what had to be done and could do it by ourselves"
-SEWA self-help group (Gujarat, India)*

On November 8, 2016, the Indian Government made an announcement that was bound to change the lives of all citizens, none the least, those most vulnerable in rural areas. In an effort to tackle corruption and counterfeit money, 500 and 1000 Rupee banknotes were to be removed from circulation - with immediate effect - and citizens were given until the end of the year to deposit and exchange any remaining bills at local banks. With less money in circulation, buying food, paying waged workers and covering transportation and tutoring costs for school children were among the many sudden hurdles citizens had to overcome. These hardships were coupled further by the fact that few merchants or service-providers were inclined to accept the nullified - or large - banknotes for payment. This reality also had an impact on women producers who depended on retail markets and wholesalers to sell their crops and products. On request of the members, SEWA facilitated access

to small loans that were shaped to the farmers' needs to help provide food and other necessities and – at the same time – supported the women in developing their own direct sales value-chains as a means to sell their goods in more informal markets. *This transition was no easy feat.* It required a significant shift in the role women played in the market and the value-chain; a switch from *minimal* to *full-time* interaction with consumers meant the need for a new set of marketing, business and social skills for the farmers. SEWA quickly helped the women develop the necessary skills and confidence they needed to tackle this new challenge through marketing and business training and information sessions with partners in local universities and business schools. Little by little, women producers began to see the positive side-effects of playing a more visible role in their local food system, and are today reaping the benefits of this in-terms of more stable employment and livelihoods.

SEWA promotes inclusive value chains

"I used to sit in the back row, wanting to take part but I would always keep my raised hand very low until I was called on to more and more often to take part. Technology also helped give livelihood to me and to many others."
-SEWA self-help group (Gujarat, India)

The Rural-Urban Distribution (RUDI) network was initiated by SEWA in 2004 in an effort to support the local economy and rural producer groups by enhancing the quality, capacity and efficiency of the production of spices and other seasonal staples. Its ultimate goal was to help improve the livelihoods of marginal farmers and rural workers around the country and ensure as much as possible that all SEWA members had a role to play in this process. RUDI's success is attributed to its ability to build more inclusive local value-chains around SEWA's most marginalized members, who are often excluded from large-scale production-orientated markets as a result of small plots of land and limited production capacities. As RUDI grew throughout the country, and with more customers and members to organize and provide goods to, SEWA was eager to find a more efficient and effective way to plan, reduce costs and manage its 6 RUDI food processing centres. SEWA's leadership worked with ITC experts to innovate a new and simple online platform to track and coordinate the agricultural procurement, food processing, and distribution of the RUDI products. At village level, women were trained for the first time to use the online platform with smartphones, providing the women with a new technical skill-set while better managing and coordinating the RUDI products along the value chain, and building accountability within its social network of farmers and producers. Currently, 26,500 family farmers provide food and other goods through the RUDI brand, which reaches over 10,000 customers.

SEWA offers tailored financial services

"Better livelihoods were possible because SEWA thought outside of the box, and tailored services to our needs."
-Salt workers association members (Surendranagar district, India)

For many years, salt farmers in Gujarat had scarce access to financial services such as credit and savings, which hindered their ability to build up their assets and upgrade their businesses to more sustainable models. Commercial banks at that time were reluctant to get involved in the rural sector, as they perceived it as risky and unprofitable. To compensate for this absence of services, salt processors began to offer credit services to farmers - in an informal way - so as to guarantee a regular flow of production and income. Although this ensured the smooth functioning of the salt production sector, these informal credit services were not adapted to the specific needs of salt farmers, in-terms of credit amount or repayment terms, nor were they conducive to growth or improving livelihoods of the farmers themselves. The SEWA Bank broke this cycle by providing tailored loans to the salt farmers, which in turn helped improve the quality and quantity of their production and disrupt their dependency on the salt processors' services, which undermined the farmers' bargaining power. This process was supported by SEWA's efforts in organizing the salt farmers into small-sized savings and credit associations that provided the organization with insights and information on the habits and needs of the farmers. By building on these close relations, as well as its extensive knowledge of rural lending, SEWA has managed through the years to develop a loan product that closely matches the specific needs of salt farmers. Defining a range of credit terms such as specific interest rates and flexible repayment periods that are structured on the features and the seasonality of the salt value-chain has improved the lives of many farmers, and their families as a result.

LOOKING FORWARD

SEWA's work over the years has shown not only *why* rural institutions are vital for supporting community development, but that it can be achieved in many different ways, with the help and support of several stakeholders. Indeed, SEWA's success cannot be attributed to knowledge-sharing, services or collaborations with any one partner in particular, but rather to a combination of elements and efforts that have served to address the complexities of rural women farmers' lives in their numerous roles.

The FAO-SEWA partnership comprises of a series of milestones to be achieved over a span of three years. The beginning of the partnership will focus on knowledge generation and dissemination for improving organizational capacity; technical assistance to communities on rural finance issues to improve farmers' socio-economic vitality; the development of communication products to raise awareness about the importance of rural institutions and services in global fora; farmer training on good practices on value-chains and entrepreneurship; and international exchanges with producer organizations in Asia and Africa to promote farmer-to-farmer learning. Participation of SEWA in policy fora at global and regional level will also play an important role in the first year of the partnership in an effort to increase visibility of SEWA's work.

The FAO-SEWA partnership aims to build on SEWA's current achievements, to scale-up its unique approach, and spread its experiences and expertise to other rural institutions, as well as strengthen the rights of marginalized women and expand the scope of the various socio-economic services and opportunities for farmers and rural communities. Among the challenges in reaching these goals, the FAO-SEWA Partnership identified the need for rural women to be involved in policy dialogues and multi-stakeholders governance processes as a central priority. With over 50 years of experience in providing stakeholders with sound food and agriculture policy advice, and capacity-strengthening techniques for producer organizations, FAO aims to collaborate with SEWA and local and national government bodies to work toward the systemic and long-term empowerment of rural women and sustainable agriculture in India through policy dialogue and stakeholder negotiation.

The FAO-SEWA Partnership is in full alignment with the FAO Strategic Framework and contributes to the achievement of a number of Sustainable Development Goals (SDGs), especially SDG 1; SDG 5; SDG 8; SDG 16; SDG 17.

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