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# STRENGTHENING SPICE FARMERS in Sustainable Farming

## SPICE SECTOR IN INDIA

India has a long history of trading of spices and continues to be one of the world's largest producers and exporters. Many valuable spices endemic to the Western Ghats of India contribute to the growth of the spice sector. The Western Ghats are amongst the world's most important Biodiversity Hotspots and one of the main areas for spice cultivation.

Spices provide a prime source of livelihood to millions of smallholder farmers in India. About 85 per cent of the spice production in India is by small-scale farmers, who typically farm on less than two hectares of land and seasonally rotate spices with other crops. Presently, spice farmers face the challenges of uncertain pricing and adverse climatic situations. Overuse of fertilizers for an extended period and inappropriate use of chemical pesticides has led to the spread and transmission of insect pests and diseases in many regions.

Sustainable spice production will strengthen the economic resilience of these farmers. By ensuring long-term demand of good quality, sustainably produced spices at a fair price, spice production will become a more attractive option for smallholder farmers, thus creating a continuous supply base of sustainably grown spices.



## PROJECT OBJECTIVE

'Enhancement of Smallholder Spice Farmers' Capacities in Sustainable Farming' aims to strengthen the production of cardamom, cumin and turmeric in four states of India, by increasing the capacities of spice farmers and making the production practices economically, socially and environmentally more sustainable.



## SPICES



Cardamom



Cumin



Turmeric



4 STATES



4 YEARS



AREA OF  
10000 HA

Rajasthan

Karnataka

Kerala

Tamil Nadu

PROJECT DURATION  
DEC 2020 - DEC 2024

## PROJECT APPROACH

Capacity development programme targeting spice farmers over four years covering approximately 10,000 ha to be integrated in AVT McCormick's supply chain in four states of India. This approach will:

- Strengthen farmers skills on sustainable spice farming practices and agri-business management
- Introduce a sub-set of farmers to organic farming practices
- Build industry-wide capabilities around sustainable spice farming by providing buy-back arrangements and market access to the farming communities engaged in sustainable production of spices.

## EXPECTED RESULTS



To increase net income of smallholder farmers from certified spices by 20%



To increase participation of women farmers to 40%



To engage 50% women farmers in trainings



To train 2000 farmers on sustainable spice farming practices and agri-business management



## THE PROJECT WILL SUPPORT

- Transfer of knowledge and expertise in innovative agricultural practices
- Promotion of sustainable and biodiversity-friendly spice production
- Enhancement of farmer livelihoods
- Engagement of more women farmers in cultivation (core initiative) and post-harvest management practices (value-added initiatives)
- Prevention of environmental degradation
- Strengthening spices supply chain for sustainably and organically grown target spices
- Promotion of conservation of natural resources – soil, water, and nutrients
- Production of food-safe spices for consumers



## IMPLEMENTATION PARTNERS

### AVT McCormick

AVT McCormick is one of the largest producers and exporters of value-added spice ingredients in India. It is also the biggest exporter of value-added red peppers in India and is working towards becoming the biggest exporter of sustainably grown spices for their other core products viz. turmeric and cumin by 2024/25, besides developing a sustainable supply chain for cardamom. Established in 1994, AVT McCormick (AVT McC) is a 50:50 Joint Venture between A.V. Thomas Group, India and McCormick & Co., USA. It is in their business interest to spread the adoption of sustainable practices to reduce the negative impacts on the environment. The overall business aims to improve the safety and quality of spices which has market access in the domestic, regional and global markets. AVT McCormick is currently trading spice ingredients and blends in more than 45 countries to food companies such as Mondelez International, Kellogg's, Nestle, Mars, Starbucks, Kraft Heinz, Dole and Westmill.

### GIZ

Deutsche Gesellschaft für international Zusammenarbeit (GIZ) GmbH acts on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) to implement the develoPPP.de Programme. DPPP was set up by BMZ to involve the private sector in areas where business opportunities and development policy initiatives overlap. BMZ offers financial and technical support for companies that want to do business or have already begun operating in India and developing and emerging-market countries. The company is responsible for covering at least half of the overall costs. In the context of develoPPP.de projects, GIZ has been advising and supporting companies operating or intending to operate in developing and emerging countries. This work involves bringing companies into contact with a wide range of political actors at local, regional, national and international level.





## PROJECT CONTRIBUTION TO 2030 AGENDA

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