



CRAFTING A LIVELIHOOD / JANUARY 2013

The cover of the report "Crafting a Livelihood" is a white rectangular card with a decorative border. At the top, it features a stylized tree icon. The title "CRAFTING A LIVELIHOOD" is printed in bold, uppercase letters. Below the title, a green banner contains the subtitle "building sustainability for indian artisans". The card also displays the dasra logo (an orange circle with "dasra" and "catalyst for social change") and the logo for The Edmond de Rothschild Foundations (a blue stylized 'R' with "THE EDMOND DE ROTHSCHILD FOUNDATIONS" text). The card is set against a background of a woman in traditional Indian attire, smiling and covering her mouth with her hand.





In Sanskrit, Dasra means Enlightened Giving.

Dasra is India's leading strategic philanthropy foundation. Dasra works with philanthropists and successful social entrepreneurs to bring together knowledge, funding and people as a catalyst for social change. We ensure that strategic funding and capacity building skills reach non profit organizations and social businesses to have the greatest impact on the lives of people living in poverty.

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The Edmond de Rothschild Foundations continue developing a modern view of philanthropy through which they defend the dignity and empowerment of each individual. The Foundations' primary focus is on education, with projects in a range of areas: arts and culture, social entrepreneurship, intercultural dialogue, health and research and philanthropic education. Through their geographic locations and range of projects, the Foundations represent a rich, multicultural network. They endeavor to identify local initiatives and provide close monitoring of their numerous stakeholders while sharing this experience internationally. By applying an entrepreneurial method to the universe of philanthropy, the Edmond de Rothschild Foundations contribute to the growing professionalism of the social sector. They moreover work towards the recognition of the pluralism inherent to all societies and the respect for their citizen's many identities.

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Foreword



One of the biggest issues in India is that our markets do not recognize the true value of craft. When this value is recognized, and if people are willing to pay a higher price for craft-based products, this should translate into higher wages for weavers and craftspeople and act as a boost to millions of rural-based livelihood opportunities associated with this sector. The economics however is not as simple, as finally it comes down to the conflict between pricing and sales. If you out-price goods, you sell only a limited number. If you don't give crafts people enough work, it kills the craft. Sustainable livelihoods will ultimately depend on finding a fine balance between the two.

Fabindia follows an inclusive model of capitalism, placing craft at the center of the quest for profitability and growth. I grew up watching my father build this company. I was also very idealistic so I started a co-operative in 1989 and ran it till 1991. While I soon realized this was not the answer, this experience helped me understand what I wanted to do with my role at Fabindia.

If you look at business, success is generally defined by measurable outcomes, financial profit and the material impact. We are taught to squeeze each and every opportunity as hard as we can to maximize profit. In a conventional way, all of this makes a lot of sense. But my experience in business has been different. I operate a business, which is one of the most profitable businesses in the retail space in India. Yet, it is also one in which the central theme is to enable all our producers to become stakeholders and beneficiaries of the larger wealth creation process.

When we created this idea, every business analyst who saw it said it would not be viable. But instead it has opened up new avenues for business, which are collaborative. It has connected people in new ways, allowing them to give very differently of themselves. The business operates from the principle that people are not just instruments. When people feel they are valued, respected, a part of something bigger than their own immediate interest, the nature of their contribution changes. And this is at the heart of interdependence that Fabindia recognizes.

We are building a very transformative model, and we need to take that to scale. Our greatest motivation has come from the 100,000 artisans that we see affiliated to it - that's the big picture, needle moving idea that uses mainstream retail to give relevance to this sector.

There are several very successful small scale stories in the crafts space. Taking these to the next level necessitates investment and resources which recognize the value of craft and the socio-economic returns it generates for craftspeople.

This is the perspective that this Report and its authors bring to the fore-front. And I wish this initiative every success.

William Bissel
Managing Director, Fabindia

Executive Summary

India's industrialization and participation in the modern world economy is decades old. Nevertheless, millions of Indians still depend on indigenous modes of production, traditional skills and techniques to make a living based on handmade products. These craftspeople or artisans are the backbone of the non-farm rural economy, with an estimated 7 million artisans according to official figures (and upto 200 million artisans according to unofficial sources) engaged in craft production to earn a livelihood.¹

Despite some instances of well-known design houses using handmade products and successful crafts-based businesses such as FabIndia and Anokhi, the majority of craft production remains unorganized and informal with its full market potential untapped, especially by the artisan, who more often than not struggles for sustenance. Propelled by loss of markets, declining skills and difficulty catering to new markets, a large number of artisans have moved to urban centers in search of low, unskilled employment in industry. According to the United Nations, over the past 30 years, the number of Indian artisans has decreased by 30%, indicating the need to re-invest in artisans to safeguard history, culture and an important source of livelihood.²

The Indian Government, the private sector and the non profits are each involved in the sector but their roles have evolved in silos, with little specialization and much duplication. On a policy level a cohesive and concerted effort is required to overcome the challenges faced by the crafts ecosystem through funding and programs. Simultaneously, the private sector has a significant role to play in uplifting artisans through different market-led efforts made by retail chains, high end-fashion designers and a relatively more recent wave of social businesses. Non profits have been particularly active in the crafts space since the early 1960s and have evolved numerous models to support artisans in earning better livelihoods. To realize the full potential of the crafts sector, the gaps, overlaps and challenges in the value chain must be overcome to create an ecosystem that enables crafts to thrive. The different stakeholders involved need to come together to build what we call the four cornerstones of artisans' sustainability. Philanthropy has a key role to play in supporting the creation of such an ecosystem.

Harnessing the potential of this sector requires different types of investments to preserve traditional crafts, strengthen the sector, and improve the incomes of artisans. Investment should focus on building the four cornerstones of artisans' sustainability:

1. Handholding the Artisan through the Value Chain
2. Increasing Demand for Crafts and Strengthening Market Linkages
3. Strengthening the Decentralized Production Model
4. Building a Multi-Stakeholder Approach

This would realize the tremendous opportunities the crafts sector in India provides to improve economic, environmental and social conditions of rural communities. These include:

Economic Opportunities :

Employment and income: The crafts sector has the potential to provide stable employment and income generation to diverse communities and to those with different levels of education.

Migration: Promoting hand production in rural areas can effectively check migration of rural labor to urban centers and prevent loss of skills

Economic growth: The global market for handicrafts is USD400 billion, of which India's share is below 2%, representing a tremendous growth opportunity.³

Competitive advantage: Artisans can serve as key drivers of specialization and competence in precision manufacturing, similar to Japan and Korea.

Environmental Benefits:

Low energy requirement: Production processes used in crafts typically have a low carbon footprint and promote the use of locally available materials as well as natural and organic materials where possible.

Social Empowerment:


Women's empowerment: Crafts production represents an opportunity to provide a source of earning and employment for otherwise low skilled, home-based women, improving their status within the household.

Return for future generations: Investing in artisans leads to a trickle-down effect of improving the health and education outcomes for future generations of the most marginalized populations.

- *Handicrafts embody India's history and diversity:* Over many centuries, an extraordinary legacy has nourished Indians crafts across religious, ethnic and communal boundaries. They highlight the country's unique cultural mosaic and offer a powerful tool for pluralism and co-existence.

There is an urgent need for philanthropy to realize the economic potential of the crafts sector by investing in high impact scalable models that have the potential to strengthen livelihoods in a sustainable manner.





**major categories
in craft**

khadi (cloth that is woven
from handspun yarn)

cotton handlooms

processing of cotton textile
by hand

silk handlooms

processing of silk textiles
by hand

zari (silver and gold
threadwork) and
embroidery
carpets

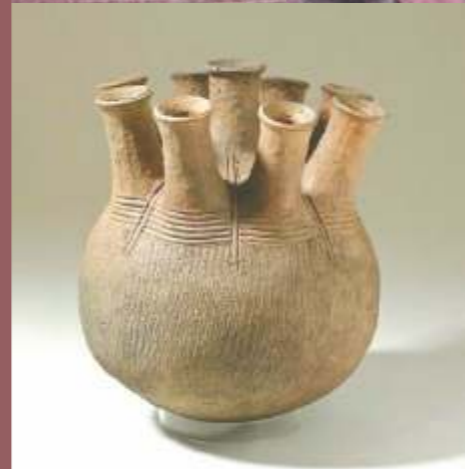

miscellaneous products
made of wood, bamboo,
cane and grass

leather manufacture

earthenware
plating/polishing/
engraving metals

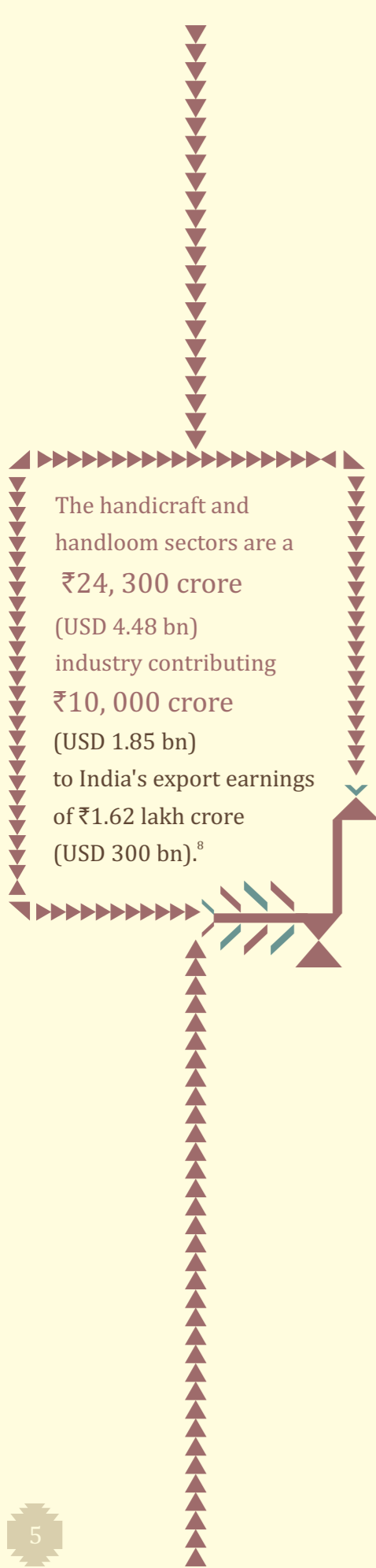
jewelry and
related products

making of musical
instruments



I.
CHAPTER

Craftspeople:
The Backbone of India's
Non-Farm Rural Economy



The handcraft and handloom sectors are a ₹24,300 crore (USD 4.48 bn) industry contributing ₹10,000 crore (USD 1.85 bn) to India's export earnings of ₹1.62 lakh crore (USD 300 bn).⁸

"To write about Indian handicrafts is almost like writing about the country itself. So vast, complex and colorful, and yet with a simplicity and charm, difficult to attain under comparable conditions"
 - Upadhyay, M.N.: *Handicrafts of India*.⁴

India has one of the most diverse and ancient traditions of handmade products, and its handicrafts industry is an important economic and cultural asset. According to the Twelfth Five Year Plan, handicrafts production is expected to double between 2012 and 2017 and exports are projected to grow at the compounded annual rate of 18% during the same period.⁵ As a result, the craft sector will employ an additional 10% of individuals per year up to that time.⁶ The crafts value chain encompasses the full range of activities required to bring a handcraft product from conception through production to delivery to consumers. The Government, the private sector and non profits have played and continue to play an important role in the sector's development, although their efforts remain isolated and thus limited in their impact.

An important economic and cultural asset

India's myriad crafts traditions and living crafts skills are vehicles of its cultural identity, passed on from generation to generation and a means of sustenance for numerous communities engaged in production. Crafts constitute one of the primary sub-sectors within Creative and Cultural Industries, defined by UNESCO as "industries which produce tangible or intangible artistic and creative outputs, and which have a **potential for wealth creation and income generation** through the fostering of cultural assets and the production of knowledge-based goods and services."⁷

The crafts sector encompasses diverse activities ranging from embroidery and painting to leatherwork and pottery, with variations and regional specificities within each group. There are thousands of living crafts in India. For simplicity, these can broadly be understood as handlooms and handicrafts. Together handicrafts and handlooms play an important role in the Indian economy.

Handicrafts typically refer to artifacts made by hand for decorative, religious or functional purposes. These products are often found in diverse markets from runways in Paris, and high-end designer stores to domestic retail outlets and tourist emporiums.

From Vishwakarma's Children to Poverty: A Socio-economic Profile of Artisans

The story of Indian crafts is deeply embedded in mythology, history and culture as can be seen in Chart 1. Artisans are considered to be the descendants of Vishwakarma the presiding deity of crafts and architecture.

During the Vedic Age craftspeople enjoyed a high social standing and were part of the landed gentry, responsible for the creation of temples and palaces. In the caste hierarchy that evolved during the post Vedic period, craftspeople were associated with *Shudras* or the lowest caste due to the manual nature of their work. While Hindu artisans occupied the lower echelons of the caste system, due to the menial nature of their work, artisans from other non Hindu religious communities were equally stigmatized. This adverse status led to a deeply rooted stigma which persists today long after the abolition of the caste system. Nevertheless, in subsequent eras when India was inhabited by princely kingdoms, crafts continued to flourish because of their utilitarian nature, royal patronage and the organization of artisans into guilds.

Until the second half of the 17th century, crafts enjoyed a steady market. With the decline of princely states, the entry of the East India Company and colonization, employment in crafts especially handloom declined due to trade between India and the UK which was organized and regulated largely by colonial powers. The result was the fragmentation of the artisan community, marked by inequality between those that could produce for British markets, traders and those that were only exposed to local markets.

Subsequent industrialization marked the steady decline in crafts markets and livelihood potential for artisans. Despite the central role played by crafts in the freedom movement, where Mahatma Gandhi incited the nation to produce by hand, and subsequent welfare measures implemented by the Indian Government, artisans (with the exceptions of traders, and extremely specialized master craftspeople) never regained the social status and sustainable income they once possessed.

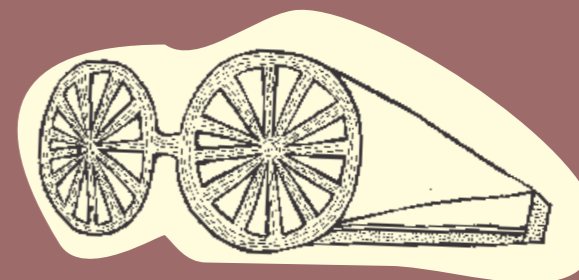
The uniqueness of India's craftspeople has been their ability to work across religious, caste and cultural divides. Such a meeting of distinctive traditions has fostered dialogue, social inclusion and an extraordinary creativity.

Chart 1:



ROYAL PATRONAGE

Crafts used to receive royal patronage, which has now disappeared. Further, folk crafts no longer fit into everyday usage as they once did due to increasing urbanization.



SWADESHI MOVEMENT

Hand production was strongly rooted in the independence movement and Gandhi's principles. However, the movement lost significance in the public's perception after the 50s and 60s.

INDUSTRIALIZATION

The factory sector has inherent economies of scale and greater bargaining power for cheaper higher quality raw materials, which has adversely affected the crafts sector. Further, this sector has been diverting labor away from skill-based occupations.



GLOBALIZATION

Challenge: Lack of consumer awareness about the importance of crafts
 Opportunity: Crafts provide competitive edge and unique identity to India in a global marketplace



Broadly, artisans are divided into the following categories with a rigid hierarchical division of labor between more and less skilled artisans in a particular craft :

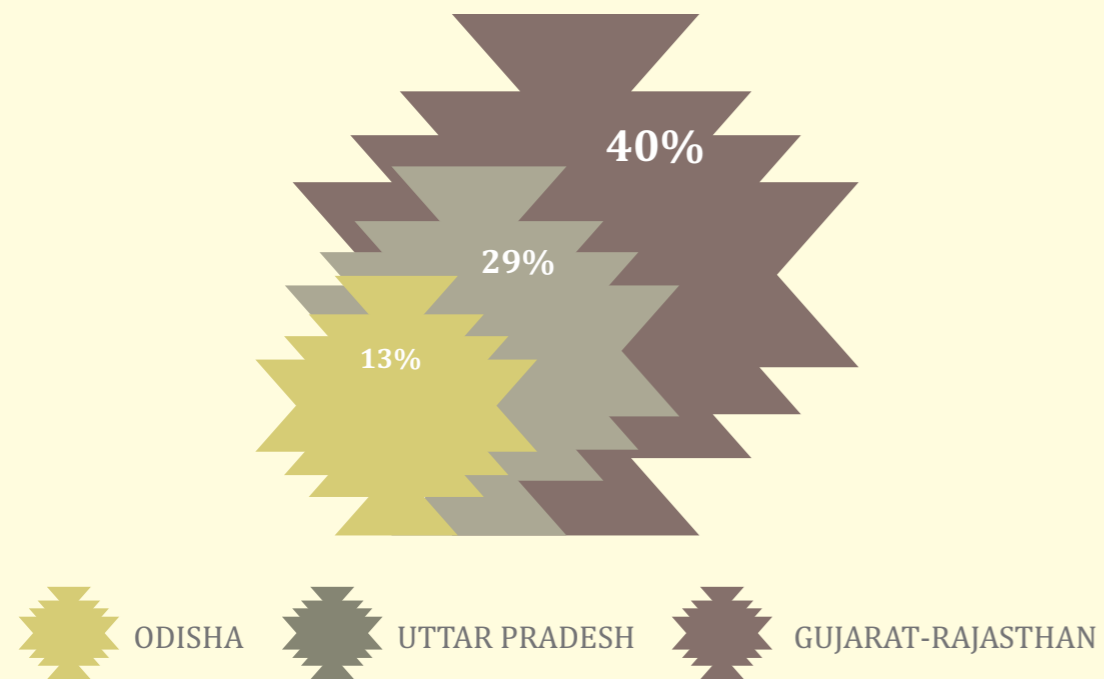
- Skilled master craftsman
- Wage-worker
- Fully self-employed artisan
- Part-time artisan

An estimated 63% of artisans are self-employed while 37% are wage earners.⁹ Traditional knowledge and craft skills are passed down from one generation to another, so that whole families and communities are engaged in production. An estimated 71% of artisans work as family units and 76% attribute their profession to the fact that they have learnt family skills.¹⁰ It is important to note that most official figures count only the head of the production unit and wage earners in official figures, leaving out the 5-6 family members who are also dependent on crafts for sustenance, thus creating an incomplete understanding of the sector's size and importance.

The vast majority of artisans operate in informal work settings. In fact, according to one study, *Vishwakarma's Children* in 2001 only 9% of craftspeople benefited from formalized employment, while 42% worked out of their homes.¹¹ Most artisan production units tend to be micro enterprises. In fact, 39% of artisans incur production expenditures of less than INR 12,000/ USD 215 a year and only 19% spend above INR 50,000/ USD 900 a year.¹² Typically artisans sell their products to diverse markets including local markets, city outlets, private agents, wholesalers or retail traders and exporters.

A meaningful analysis of the sector requires focusing on particular geographies and crafts. For this report, we focused on the crafts sector in the states Gujarat, Uttar Pradesh, Rajasthan and Odisha. These have among the largest number of artisans, as shown in the chart 2. In addition, Dasra's mapping of non profits involved in the sector, revealed the highest concentration of non profits working at scale in these states.

Chart 2:
Distribution of Indian Artisans



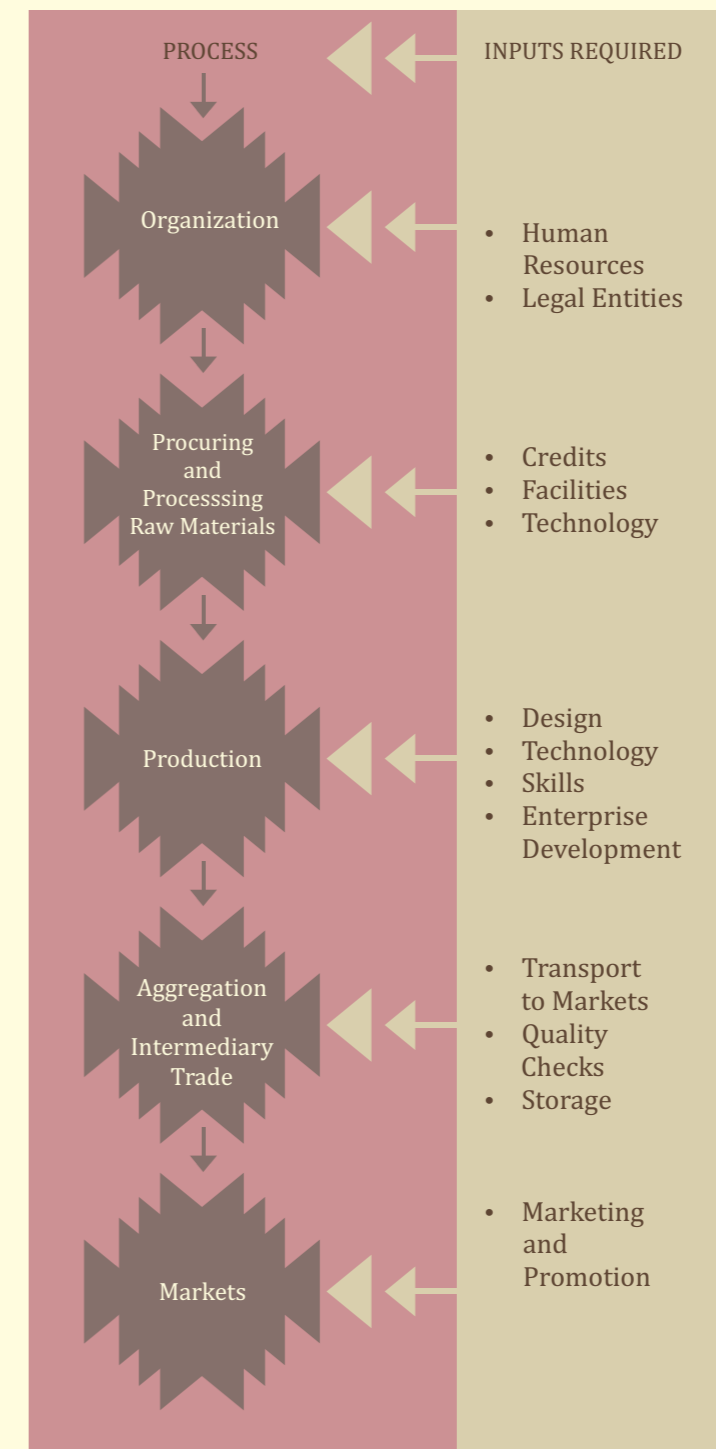
Source: Export Promotion Council for Handicrafts and Council of Handicraft Corporations and Development Commissioner (Government of India)

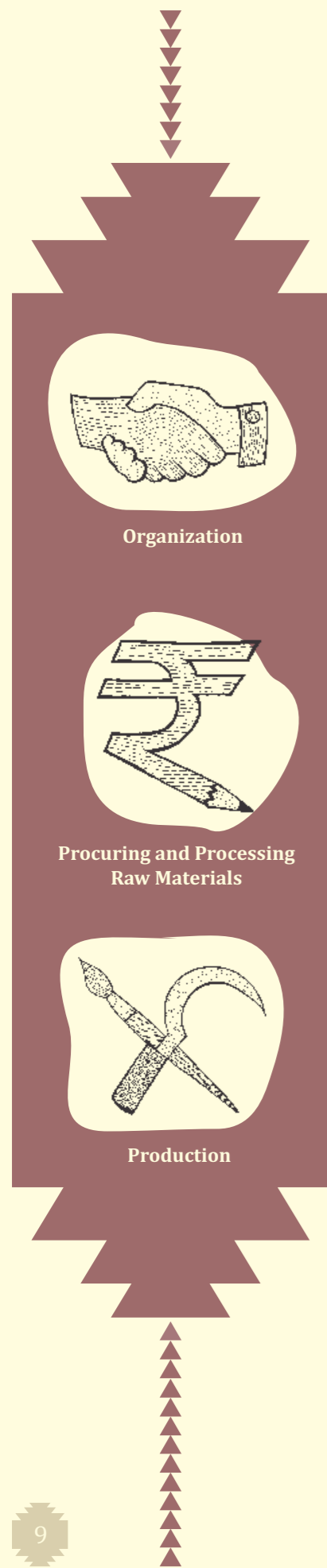
The Crafts Value Chain is Fragmented

For a comprehensive understanding of the current state of the crafts sector, as well as areas that need improvement, it is important to understand the crafts value chain.

The crafts value chain shown in Chart 3 has been created based on our observations on the ground as well as inputs from sector experts. It aims to demonstrate the different stages in craft production from producers to markets and inputs required at each stage. It must be noted, however, that each craft will have a slightly different set of processes. The stages explained below have therefore been simplified to a certain degree to provide a general understanding of how the crafts sector functions.

Chart 3: The Crafts Value Chain





1. Organization

Artisans are usually structured into groups through informal contracts between traders, master artisans and low-skilled artisans. More formal systems of artisans' organization involve four main types of entities:¹³

Self Help Groups (SHGs) are set up with the help of external technical intermediaries such as non profits or through Government schemes, and typically comprise 10-20 artisans, usually women. SHGs serve as a form of social collateral, enabling artisans to establish linkages with input providers such as raw material suppliers, microfinance institutions and banks, and downstream players such as aggregators and retailers.

Mutually Aided Co-operatives (MACs) are created to provide artisans with a platform for equitable participation. Legislated at the state Government level, MACs enable artisans to pool funds as equity and own their production units. However, due to strong Government influence, this structure has failed to gain popularity in most states other than Andhra Pradesh and Kerala.

Producer Companies were created as a for-profit legal entity in the Companies Bill in 2002 to enable primary producers to participate in ownership and contribute equity.

Private Limited Companies are for-profit legal entities that allow artisans to participate in ownership as shareholders, while enabling external funders to invest capital.

However, most artisans continue to work independently as there is a widespread lack of awareness about the advantages of being organized into the above forms.

2. Procuring and Processing Raw Materials

Traditionally, raw materials used by artisans were widely available due to the close linkages between evolution of crafts and locally available materials. Further, the *jajmani* system, which consisted of a reciprocal relationship between artisanal castes and the wider village community for the supply of goods and services, provided artisans with access to community resources. However, with the breakdown of these traditional structures, along with competition from organized industry, artisans find it challenging to buy quality raw materials at affordable prices. In the absence of raw material banks, they

are often forced to rely on local traders who provide them with raw materials against orders, albeit at high prices, or switch to non-traditional raw materials.

3. Production

Although techniques and processes vary widely from one craft to the next, crafts production generally takes place in households, with multiple family members engaged in different aspects of the process. Even where organized artisan structures exist, artisans typically produce within community settings. Production is generally seasonal, with crafts activity being suspended during harvest season, as most artisans are also engaged in agriculture to supplement their livelihoods.

4. Aggregation and Intermediary Trade

Aggregation involves bringing together products from decentralized production units to enable economies of scale in transportation, storage and retail. Due to the dismal status of infrastructure and communication in India, aggregating products is a challenging task, and leads to many of the bottlenecks in the crafts supply chain today. Buyers and retailers lack incentives to overcome upstream, supply-side issues, which results in a loss of opportunities for artisans to access markets.

5. Markets

The markets for the craft products can be broadly understood as local, retail shops - high-end as well as mainstream, exhibitions and exports. Among these, local markets are still the common markets for many artisans.¹⁴ The contemporary markets, domestically as well as internationally, have grown with an expanding demand for ethnic products that have a story linked to them. However, these products are in low supply due to supply chain inefficiencies.

6. Demand

With the advent of globalization and the availability of cheaper and more varied products, crafts face severe competition in contemporary markets. They are typically perceived as traditional, old-fashioned and antithetical to modern tastes. There have been limited efforts to reposition the image of crafts and build consumer appreciation of the history and cultural identity associated with handmade products. In addition, there are few instances of traditional crafts being "contemporized" to fit with changing consumption patterns.



India's Crafts Sector is in Disarray

While crafts received royal and aristocratic patronage during pre-Independence days and played a central role in Gandhi's independence struggle, they have slowly lost relevance with the advent of industrialization. Currently, the sector carries the stigma of inferiority and backwardness, and is viewed as decorative, peripheral and elitist. This is compounded by the Government's treatment of crafts as a sunset industry, which has resulted in a lack of well-developed policies and programs to protect and strengthen the ecosystem for artisans.

Traditional crafts have largely been marginalized by mass-produced consumer goods, which tend to be cheaper due to the economies of scale associated with mechanization. The nature of the crafts sector and challenges faced by artisans reduces their ability to compete with machine-made products. Catering to the mainstream market often necessitates a decline in quality and/or workmanship, leading to the eventual loss of skills over a few generations. There are very few instances like pashmina shawls where a traditional craft has successfully "contemporized" itself for Indian or overseas markets.

Artisans were traditionally an essential part of the village economy, producing everyday utilitarian objects catered towards local markets, using designs and motifs that were of significance to their communities. However, with the advent of industrialization and increasing urbanization of markets for crafts, the historical artisan-consumer relationship has broken down, and largely been replaced by traders. This has rendered artisans' knowledge and skill, acquired over generations, virtually useless and made crafts an unsustainable source of livelihood.

The five main challenges facing artisans in creating sustainable livelihoods in today's economy can be described as follows:

1. Low Productivity

The sector's informal nature and the low education of most artisans create issues such as:

Unorganized Production- As a largely unorganized sector, handicrafts faces problems such as a paucity of professional infrastructure such as work sheds, storage space, shipping and packing facilities.

Low Education- Many crafts require the entire household to participate in production in some capacity. For example, in weaver households, women and girls traditionally undertake warping of the yarn, winding the thread onto bobbins, and share with men the task of starching the thread. In many cases, crafts also serve as a seasonal source of income for agricultural households. This means that children miss school, resulting in

low education levels for the family overall. The lack of education makes it difficult to manage inventory, access Government schemes and market information and bargain with traders and middlemen. It is estimated that in 2003 around 50% of household heads of crafts producing families had no education whatsoever, and more shockingly, around 90% of the women in these households were completely uneducated.¹⁵

Outdated Production Methods- Artisans may also lack the financial capability to upgrade technology in production, or undergo necessary training on a regular basis, as would be available to them in a formal work setting. This compromises the quality of their products and raises the cost of production.

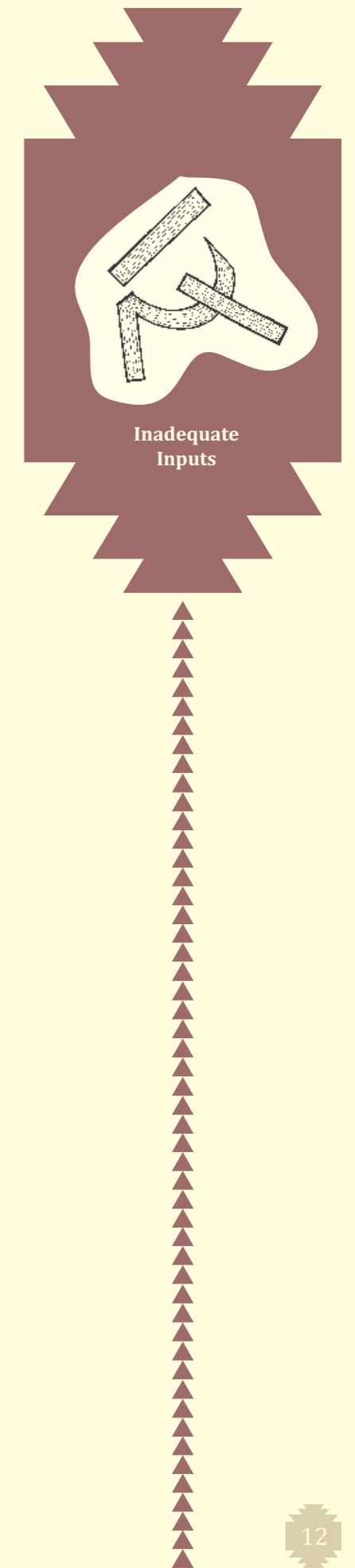
2. Inadequate Inputs

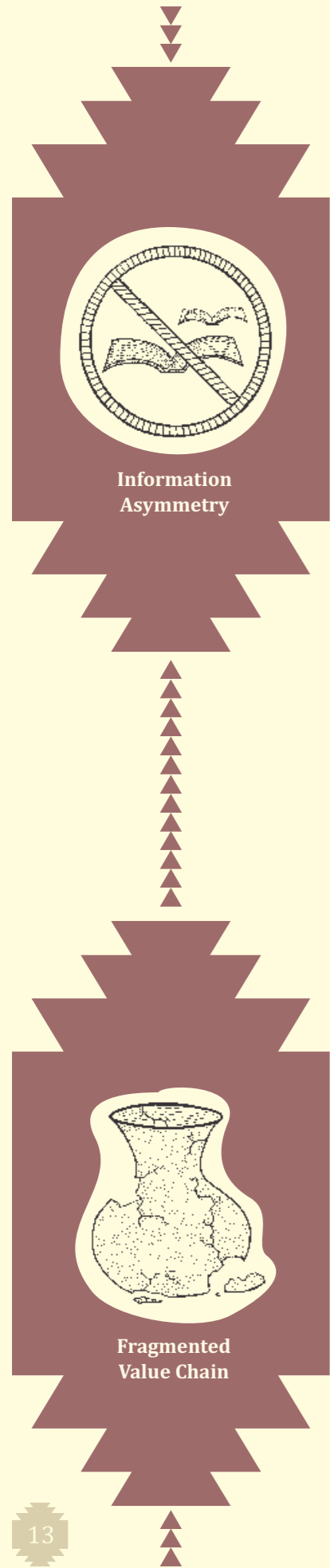
There are three main issues:

Lack of Quality Raw Materials- Rural artisans often lack access to quality raw materials. Due to the low volumes required, they have low bargaining power and are forced to buy sub-standard materials at a higher price. In crafts such as weaving, handloom weavers have to compete with the power loom industry for high quality raw materials, which are more easily accessible to the power loom industry as a result of Government subsidies. Further, many raw materials used commonly by craftspeople such as wood, cane, silk, scrap and virgin metal are become increasingly difficult to acquire. The costs of some of these materials are rising faster than the wholesale price index.

Lack of Funding- Craft producers suffer greatly from lack of working capital and access to credit and loan facilities. Often, producers are unable to fulfill bulk orders because they lack the capital to purchase raw materials, and simultaneously support their family's living needs while the order is being executed. While there are several Government schemes intended to fill this gap for artisans through institutions such as National Bank for Agriculture and Rural Development (NABARD) and Small Industries Development Bank of India (SIDBI), it is difficult for the uneducated artisans to access these programs and manage the necessary collateral or funds for bribes.

Banks cite poor recovery rates, wrong utilization of funds, lack of marketing facilities for finished products and lack of education on part of the borrowers as reasons for the low proportion of loans made to artisans. In general, this forces artisans to borrow from their local moneylender or trader at high interest rates. The All India Debt and Investment Survey (2002) showed that the proportion of money borrowed by rural households from money lenders rose by over 10% from 17.5% in 1991 to 29.6% in 2002.¹⁶





Artisans' financial weakness also hampers their ability to sell - they have low bargaining power at the marketing point and are forced to sell to buyers at a low price in order to recover costs and support themselves.

Design Inputs- In most traditional societies, design evolved in the interaction between the artisan and the consumer. Further, the artisan was aware of the sociocultural context of the consumer, and could thus design products that suited their needs and tastes. Due to the breakdown of the historic artisan-consumer relationship, and the increasing urbanization and globalization of markets for crafts, artisans have difficulty understanding how to tailor their products to changing demands. The artisan may not speak the same language as the consumer, both literally as well as metaphorically. An example of this includes women in SEWA's craft cooperatives who design block printed table napkins and mats, but may have never used these products themselves.

3. Information Asymmetry

Due to their low education, artisans often cannot identify potential new markets for their products, nor do they understand the requirements for interacting with these markets. This reduces their understanding of the market potential of their goods, the prices of their products in different markets, Government schemes instituted for their welfare and diversification opportunities.

4. Fragmented value chain

Lack of Market Linkages- While consumers of crafts products are increasingly becoming urbanized, crafts continue to be sold through local markets; artisans have few opportunities to reach new consumers through relevant retail platforms such as department stores and shopping malls. Further, due to their rural orientation, artisans are often unable to access training and technology to supply their products to online markets.

Dominance of Middlemen- Although middlemen are necessary to enable effective market linkages, they often, if not always, exploit artisans by paying them a fraction of their fair wages. This may be due to lack of information on the part of middlemen about true manufacturing costs, or merely due to their ability to coerce artisans, who often lack bargaining power.

Lack of Aggregation- Crafts production typically takes places in scattered clusters in rural areas, while markets are usually in urban centers. Currently, there is a lack of organized systems to efficiently aggregate goods from small producers, carry out quality checks, store approved goods in warehouses, and supply them to wholesalers and retailers in urban areas. In lieu

of this, retailers have to directly source from select producers, which is often not viable in the long run, resulting in the loss of a large percentage of the market for artisans.

5. Lack of an Enabling Environment

Neglect by Central and State Governments- Rural artisans are neglected by both Central as well as State Governments, as is evident in the lack of available records regarding their numbers and socioeconomic status. The Government views the sector as a sunset industry, no longer relevant in India's technology-driven economic growth. Thus, schemes designed for artisans tend to have low priority in terms of execution and assessment. Within crafts, the Government's priorities are skewed towards the export market, with 70% of its crafts budget going towards development of environments to enable export.¹⁷ Further, the fact that the crafts sector falls under the purview of 17 different Government ministries, ranging from the Ministry of Textiles to the Ministry of Women and Children, results in confusion and inaction.

Lack of Interest by Second Generation- Rural youth are increasingly disinterested in continuing their family craft traditions, for three main reasons. First, having seen their parents struggle to find markets and fair prices for their products, they are inclined to pursue other trades. Second, the school system today does not integrate lessons regarding the importance of crafts into the school curriculum, and instead students are pushed towards white collar office jobs, even if they are lower paying. Finally, crafts are strongly associated with a family's religion. In many cases, such as leatherwork, artisans are ostracized for being from the lowest caste, which further dissuades rural youth from joining the family trade.

Reducing the obstacles faced by the sector can provide employment for millions of citizens especially those traditionally excluded from the mainstream, while restoring one of India's key cultural and economic strengths, a diverse and rich handicrafts industry. At the same time, it will provide the economy with key drivers of specialization and competence in global manufacturing.

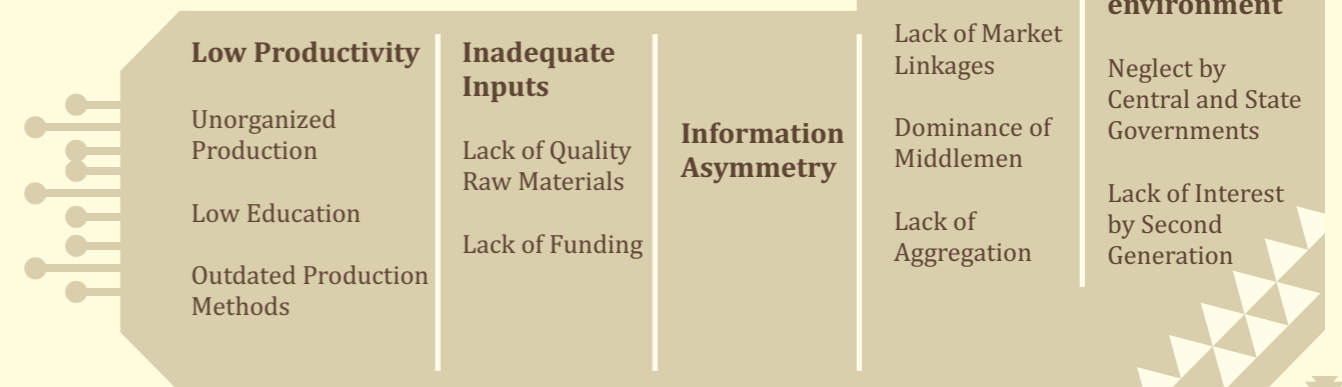


Chart 4:
Overview of Key Challenges
Faced by the Artisans



Photo Credit:
Sahaj



Government, Private Sector and Non Profit Initiatives

The Indian Government, the private sector and the non profits are each involved in the sector but their roles have evolved in silos, with little specialization and much duplication. Since independence, the Indian Government has created a number of institutions, schemes and welfare programs for the crafts sector. However, on a policy level there has been no concerted and cohesive effort to address the challenges faced by the crafts ecosystem, with most governmental offerings mired in bureaucracy and inefficiencies. Simultaneously, the private sector has contributed to uplifting artisans through different market-led efforts made by retail chains, high end-fashion designers and a relatively more recent wave of social businesses. Non profits have been particularly active in the crafts space since the early 1960s and have evolved numerous models to improve artisan livelihoods. The chart below provides an overview of the evolution of crafts policy and programs in India.

Chart 4: Stakeholders in the Crafts Value Chain

STAKEHOLDERS	PROCESS				
	Organization	Procuring and Processing Raw Materials	Production	Aggregation and Intermediary Trade	Markets
Input Suppliers		High			High
Local Traders		High			
Independent Artisan	High	High	High		
SHG's Co-operatives, Producer companies	High	High	High		
Non Profits	High	High	High	High	High
Social Businesses	High			High	High
Government	High			High	High
Exporters					High
Retailers					High

Government Program

Although Government-led initiatives are often criticized, it cannot be denied that India is in a much more fortunate situation today in the preservation of its crafts than most other nations because of Government efforts immediately following Independence. During this period, the Government placed great emphasis on rural artisans, setting up the All India Handicrafts Board in 1952 to study the technical, organizational, marketing and financial aspects of crafts and design measures for improvement and development of crafts. The impetus for these efforts came in part from Mahatma Gandhi's legacy of the *swadeshi* movement and preserving cottage industries as a symbol of India's diversity and unity as a nation-state. Pioneering efforts were made to provide marketing support to artisans, and make regional crafts available at a national level through state-run emporiums.

With industrialization becoming a foremost national priority in the 1960s and 1970s, the Government came to view crafts as more of a "sunset industry" and began to focus mainly on welfare schemes rather than approaching it as a sector capable of contributing to India's economic growth. Several divisions were made between State and Central Government responsibilities, and separate administrative bodies were set up for Khadi, Handloom, Handicrafts, Silk, and so on, all of which contribute to inefficiencies and inertia in policymaking for the sector today.

At present, crafts are almost artificially bifurcated into Handicrafts and Handlooms, with two separate Development Commissioners in charge of each under the ministry of Textiles. In addition, 16 other ministries have crafts within their purview, including the Ministry of Agro and Rural Industries, Ministry of Tribal Development, Ministry of Rural Development and the Ministry of Women and Child Development. These bodies have often been pitted against each other on issues such as power loom versus handloom production, anti-dumping duty on foreign silk yarn to protect the interest of silk rearers versus removal of duty for handlooms and power looms and interest of petty traders versus greater control for home-based producers, leading to inefficiencies and policy juggernauts.¹⁹

Government efforts have channeled an estimated **₹752 crore** into the crafts sector during the Eleventh Five Year Plan (2007-2011).¹⁸

A number of institutions have been involved in funding and implementing development work for artisans through different schemes. Such as:

1. Council for the Advancement of People's Action and Rural Technology (CAPART)
2. Khadi and Village Industries Commission (KVIC)
3. Small Industries Development Bank of India (SIDBI)
4. National Bank for Agriculture and Rural Development (NABARD)



Photo Credit: Sahaj

Despite these challenges, the majority of Government funds have been utilized in the following areas, largely with the support of non profits working in the sector:

Welfare- Government efforts in the crafts sector are often designed with the intention of large-scale poverty alleviation. Schemes such as the Rajiv Gandhi Shilpi Swasthya Bima Yojana and the Janshree Bima Yojana for Handicrafts Artisans, under which artisans in the age group of 18-60 receive health and life insurance in association with the Life Insurance Corporation of India for themselves and three dependents, provide some social security.

Market Linkages- One of the most widely lauded efforts of the Government in the crafts sector has been the establishment of Dilli Haat, an open-air crafts bazaar in the national capital modeled on a traditional village market where artisans from around the country can rent space and display their wares for two weeks at a time. Set up in cooperation with Dastkari Haat Samiti, a non profit organization that works with artisans across the country, Dilli Haat has provided artisans with much-needed market linkages and access to consumers. In addition, the Development Commissioners for Handicrafts and for Handlooms run a number of emporiums across the country, which are retail outlets for crafts from different regions.

Capacity Building- In recent years, the Government has moved its focus towards sustainable development of crafts through the participation of artisans. Capacity building efforts such as the Artisan Credit Card scheme and the Baba Saheb Ambedkar Hastshilp Vikas Yojana scheme are generally led by the Development Commissioner of Handicrafts. Efforts include skills development, technological intervention, design and marketing support and reviving languishing crafts. The Development Commissioner for Handlooms runs Weavers Centers in many parts of the country along with the National Center for Textile Design to provide market-based design input for handloom weavers.

Awards- Each year, the Ministry of Textiles recognizes the work of several master craftspeople through the distribution of national awards. These are highly coveted accolades that enhance the reputation enjoyed by master craftsmen and function as a quality approval of sorts.

For Government efforts to have the maximum impact, Government bodies implementing programs need to be reformed and a policy environment more conducive to greater participation and specialization by different stakeholders needs to be created.

Private Sector Initiatives

The private sector has been the main conduit for crafts with over 95% of crafts production taking place through some form of private enterprise. Broadly, private involvement in the crafts sector is of four types:

- **Traditional Intermediaries:** Historically, private involvement in the crafts sector has been dominated by master craftsmen, traders and exporters who aggregated production, provided market linkages and offered financing mechanisms to artisans. Although not always the case, these relationships have often been exploitative to the artisan, who realized little of the value of his products.
- **Design Entrepreneurs:** These include high-end fashion houses that have imbedded traditional crafts in their collections. Designers such as Ritu Kumar, Tarun Tahiliani and Manish Malhotra have worked closely with master craftsmen to create product offerings for high-end domestic and international markets. However, none of these efforts have placed crafts distinctly at the center of their enterprises but rather integrated crafts into their work. Their impact on promoting crafts has therefore been largely indirect. Other fashion designers such as Anita Dongre have created a distinct crafts-based collection, Grassroots, that aims at marketing clothing that promotes the skills and knowledge of traditional artisans, and has been made using organic materials and eco-friendly processes.
- **Mainstream Retail:** There have been a few successful examples of crafts-based businesses, which have not only contributed to improving numerous artisans' livelihoods but have also provided unique blueprints for future market-based endeavors. However those that exist are success stories that need to be more systematically replicated.
- **Social Businesses:** These are a more recent wave of businesses that have originated out of non profits or hybrid models that combine social and commercial goals.

The Role of Mainstream Retail

While relatively few, a handful of retailers such as FabIndia, Anokhi and Contemporary Arts and Crafts have played a pivotal role in keeping crafts relevant and linked to contemporary consumers. These companies have developed



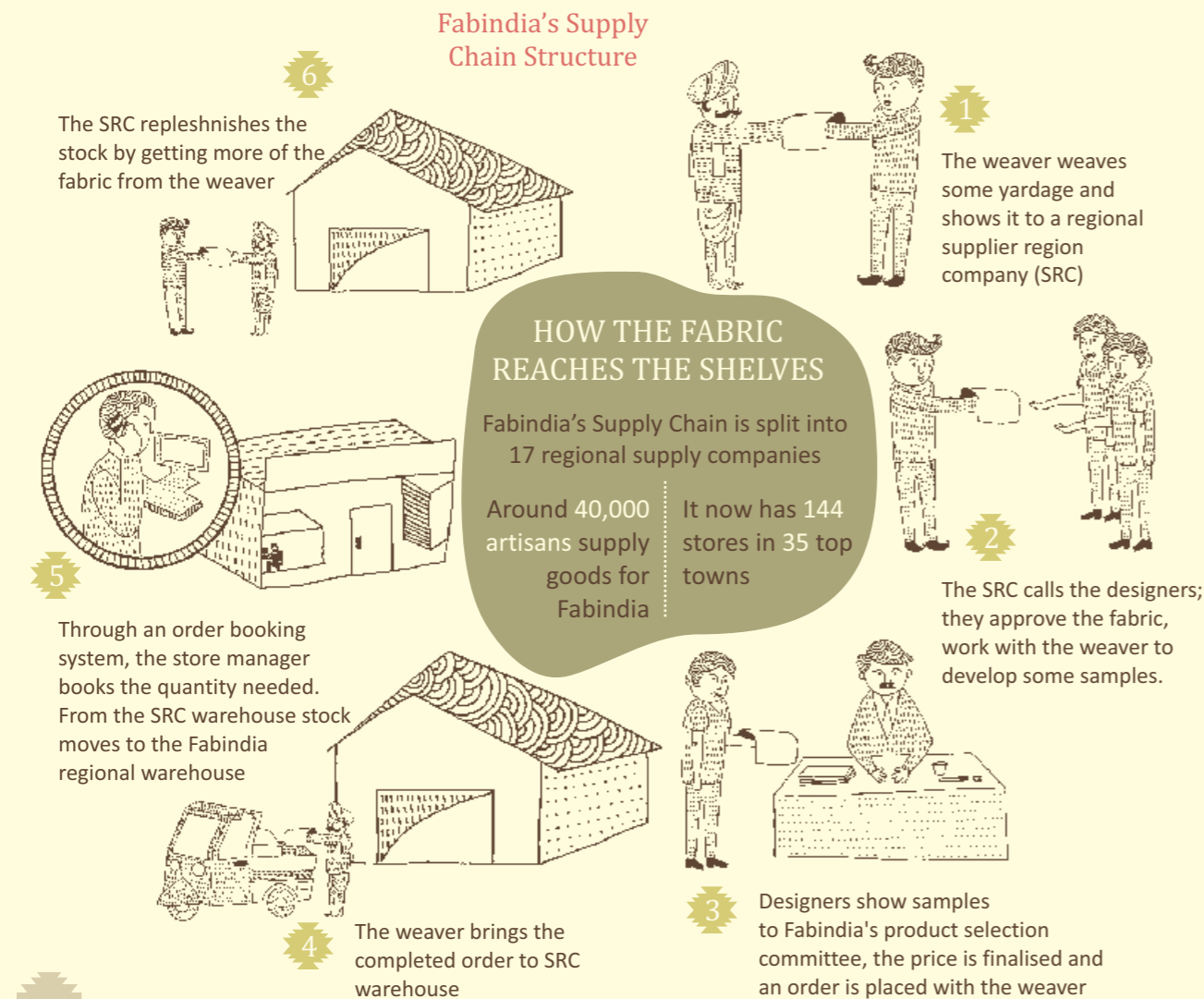
Photo Credit: Sahaj

socially conscious business models wherein they work closely with artisans and ensure that they are equal stakeholders in the business. Due to their relatively well-organized supply chains and focus on profitability, they are able to provide consumers with quality products better suited to urban tastes as compared to subsidized crafts available at Government-run emporiums.

The success of these models has been built on the zeal of their founding members, who have overcome challenges in the crafts value chain through innovative strategies that not only ensure bottom-line growth for businesses but also fair and consistent wages to artisans.

These models include:

Fabindia, founded by John and Bissell in 1960, India's largest private crafts business that has taken tradition techniques, skills and hand-based processes to global markets. The company has been recognized worldwide for its socially responsible business model that links over 80,000 craft producers to markets. This has been achieved through its innovations in supply chain management through Community Owned Companies (COC), which serve as intermediaries and are owned by communities. Artisans form a significant part of the shareholding of these companies. Fabindia's supply chain (in the chart below) consists of numerous backward and forward linkages in a multi-layered supply chain from suppliers or artisans to Fabindia stores. These linkages ensure that products sold cater to consumer tastes, a quality standard and timely delivery. The multi-layered supply chain ensures that each group's strengths are leveraged efficiently.



Anokhi, founded by Faith Singh, is a clothing chain well known as an alternative role model for good business practices, and the ongoing revival of traditional textile skills. The company works closely with the Jaipur Virasat Foundation that provides capacity building inputs to artisan suppliers on design, techniques, quality control and enterprise development. In addition, the foundation works in other areas of Rajasthan's cultural industries such as folk art, music and dance to promote livelihoods and preserve heritages.

Contemporary Arts and Crafts (CAC), founded by Vina Mody and run in partnership with Feroza Mody, is a boutique retail outlet that provides unique and rare craft products to urban consumers. CAC's success is based on its strong relationships with artisan communities in Gujarat and Rajasthan from where products are sourced. The CAC team invests significant time in understanding craft products and working with artisans to create outputs that will be appreciated in urban markets.

In addition to these efforts, stores such as Shopper's Stop and Lifestyle have expanded their selections of handmade products and ethnic wear, providing much needed market opportunities for the crafts. However, for a deep and sustainable impact on the artisan, retailers and mainstream businesses need to leverage their business acumen in tackling supply chain issues and creating a larger demand for these products.

The Role of Social Businesses

The emergence of the social business model has provided a new opportunity to revive the sector. With their emphasis on the end consumer, social businesses have a greater incentive to bring in efficiencies in quality control and production management, which are often lacking in non profit organizations. Pre-production, social businesses may offer access to quality inputs, equipment, financing and training. Post-production, they improve market linkages through procurement, storage, transport and retail.

Social businesses achieve this by focusing on three main areas, which essentially sets them apart from non profits:

Supply Chain Efficiencies: Given the scattered and home-based nature of crafts production, enterprises often face challenges in ensuring a regular supply chain for their products. Social businesses have focused on fixing the rural supply chain for crafts, either by filling in missing or



Photo Credit:
Top - Anokhi
Bottom - CAC



Photo Credit: Sahaj

weak links in the value chain through their own operations, or by establishing creative partnerships with non profits, Government bodies, corporations and community groups.

Artisans' Ownership: The advantage of functioning as a business rather than a non profit in the crafts space is the ability to involve artisans as owners by giving them shares in the company. This ownership brings with it an increased sense of responsibility and efficiency, which is sometimes difficult to achieve in a non profit. In this way artisans are not only vested in the company's growth but also financially benefit from it through issue of dividends.

Market Linkages: Due to their focus on standardization and supply chain management, social businesses are in a better position than non profits to create and maintain links between artisans and markets - domestic as well as international. Corporates typically prefer to partner with social businesses to bring crafts products to market due to more efficient processes in the company. This ownership brings with it an increased sense of responsibility and efficiency, which is sometimes difficult to achieve in a non profit. Further, in this way artisans are not only vested in the company's growth but also financially benefit from it through issue of dividends.

The biggest advantage faced by social businesses is their ability to raise capital from artisans in the form of shares, as well as external investors such as venture capital funds and corporates. In recent years, businesses in the crafts sector have attracted funding from impact investors such as Avishkaar, Grassroots Business Fund and Villgro, who invest in social enterprises with the dual expectation of social impact and financial returns.

Examples of successful social businesses in the crafts sector include:

Rangсутra- Enabling Artisans to Own a Share of their Crafts: Rangсутra was set up as a company of artisans, all of them shareholders, from remote parts of the country. It seeks to be a bridge between "artisans and customers, tradition and contemporary, and change and continuity" and ensures a fair price to the producer and quality products for customers. It currently has 1,100 shareholders and has attracted investments from Avishkaar and Artisan Microfinance Private Limited (AMFPL), a subsidiary of Fabindia.

Industree- Linking Artisans to Mainstream Markets: Industree, a social enterprise that connects rural producers to urban markets has been able to rapidly scale up operations through equity investment by Kishore Biyani's Future Group. This has enabled them to set up a retail brand called Mother Earth, and increase the number of clusters from whom they source crafts as well as provide artisans an opportunity to link to mainstream urban markets.

Support from Multi-lateral Agencies and Foundations

The international development community and private foundations have been pivotal in providing support to many non profits working in the crafts sector. United Nations agencies such as UNESCO have provided platforms for sharing best practices, research and documentation such as the Jodhpur Symposium. These initiatives have typically focused on project design and building frameworks to build a movement that strengthens creative and cultural industries. Others such as the World Bank channel funding to crafts organizations. A number of private foundations such as Aid to Artisans, Sir Dorab Tata Trust and the Ford Foundation provided long term grants to crafts non profits to scale their impact. Innovative approaches include Friends of Women World Banking's funding strategy of credit provision to artisans through non profits. Together these efforts have helped sustain non profits' work and strengthened models creating an impact on artisans incomes.

The Evolution and Role of Non Profit Interventions

Non profit organizations have been the strongest supporters of the craft industry, both in terms of livelihoods promotion as well as cultural preservation. Following post-independence industrialization, the crafts industry was no longer viewed as an economic priority by the Government, which created a void in terms of support and finance available for the sector. A number of non profits were established in the 1970s and 1980s to fill this void and enhance the sustainability of artisans livelihoods. Many of these were run with the help of volunteers and were able to grow and thrive under a strong, charismatic leader with a clear vision for the sector.

The cooperative movement spearheaded by Ela Bhatt, founder of **Self-Employed Women's Association (SEWA)**, in the 1970s also had a positive impact on the lives of self-employed women artisans through the formation of craft cooperatives.

These membership structures allowed them to work within equitable structures and receive credit, design and marketing inputs, without fear of exploitation by middlemen.

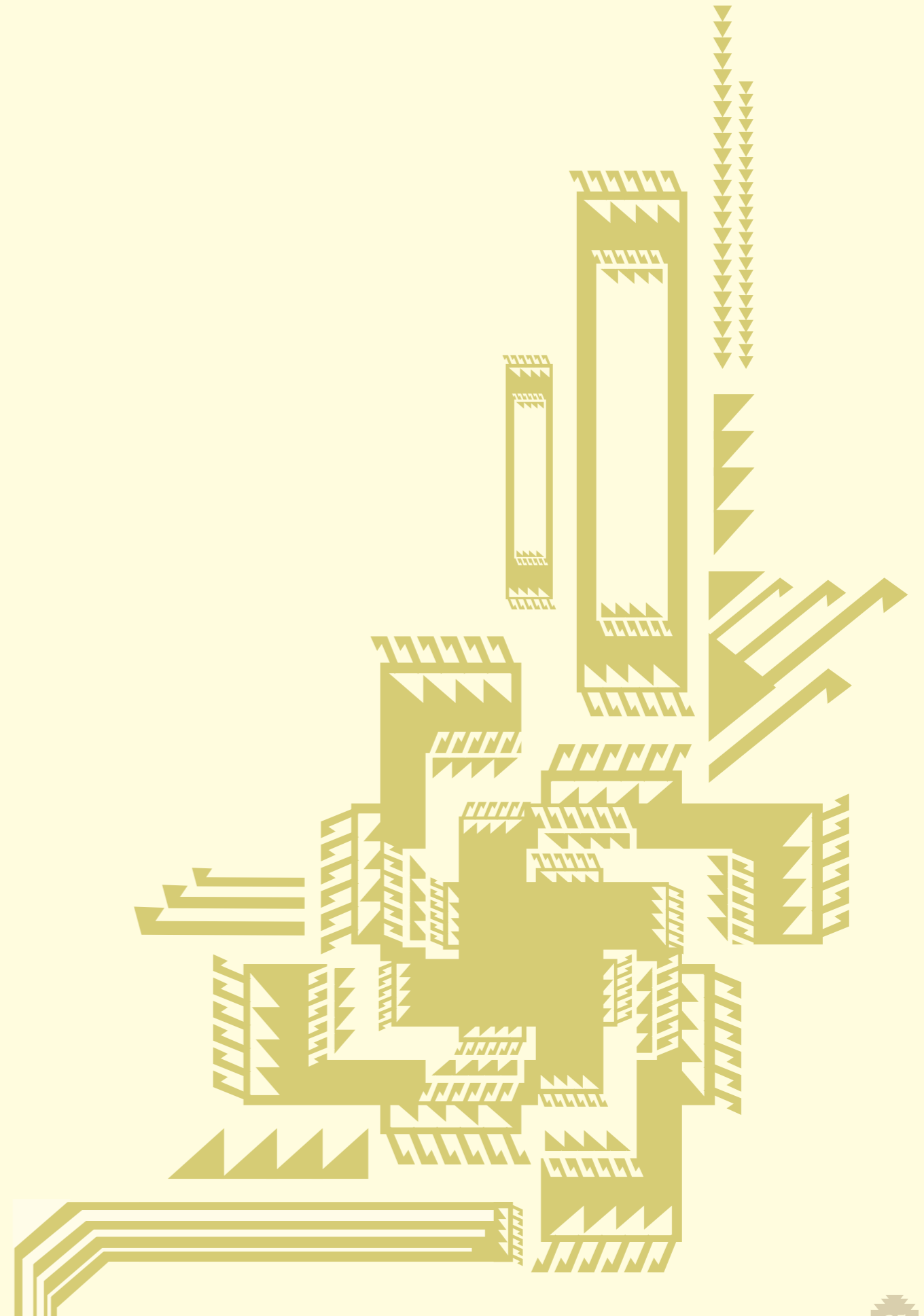


Most non profits functioning in the crafts space today are registered as trusts, societies or Section 25 companies. They are broadly of two types, based on their scope of work:

- **Producer Groups:** A majority of non profits in this space work directly at the grassroots level, organizing crafts producers into collectives to realize various economies of scale in financing, marketing and product development. Examples are URMUL, Kala Raksha and SEWA Ahmedabad.
- **Apex Organizations:** These focus on enhancing the sector by providing services ranging from design interventions to market linkages to groups of producers, who typically serve as part of their membership base. They vary in scale and level of outreach from national to state to local levels. Many apex organizations are well-positioned to act as a bridge between producer groups and Government bodies, both by channeling information regarding relevant Government schemes as well as by influencing Government spending. Prominent examples are Dastkar, AIACA, Dastkari Haat Samiti and Sasha.

Non profit approaches have evolved significantly in two main areas: focus of the model and financial sustainability. Most non profit groups have focused on all parts of the value chain from organizing artisans to marketing products, largely due to a lack of other players specializing in certain areas. This has resulted in limited capacity to scale their operations. Fresher non profit approaches focus on one or two parts of the value chain such as aggregation or working closely with artisans' groups. Further, there has been a realization in recent years that traditional grant funded projects for creating crafts production structures have not succeeded in establishing commercially sustainable structures. Newer non profits have attempted to embrace this change in perspective by incorporating fee-based enterprise development projects into their scope of work, others have spun off business models that target aggregation and marketing, while the non profit focuses on building artisan capacity.

The different stakeholders described above have each made significant contributions to the crafts sector. However, since they act in isolation from each other, their impact remains limited and they have not been able to halt the downward slide of India's crafts sector.





III.
CHAPTER

Harnessing
the Potential of
India's Crafts Sector

The crafts sector in India has vast potential to improve livelihood opportunities, generate additional income and strengthen the purchasing power of rural communities. For this potential to be fully realized, the gaps, overlaps and challenges in the value chain must be overcome to create an ecosystem that enables crafts to thrive. The different stakeholders involved need to come together to build what we call the four cornerstones of artisan sustainability. Non profits have a particularly important role in such a program. Based on Dasra's research, interviews with experts in the crafts sector and advisory committee discussions, *Crafting a Livelihood* suggests four key actions with the potential to transform artisans' livelihood in India.



The four cornerstones are:

1. Handholding the Artisan through the Value Chain

Any investment in improving the craft ecosystem as a whole must pay particular attention to strengthening the individual artisans and enterprises engaged in production. Since challenges faced by artisans are pushing them into other daily-wage earning jobs, concerted efforts are needed to upgrade the current piecemeal nature of production. Crafts promotion efforts should focus on making artisans aware of the value of their skill, which would make them take greater pride in their work and encourage the second generation to enter the sector. Further, it is essential to help artisans continuously upgrade their skills and product offerings. This requires design inputs and skills development efforts.

2. Increasing Demand for Crafts and Strengthening Market Linkages


There is an urgent need to revive consumers' interest in crafts and make crafts relevant to increasingly urban lifestyles. Efforts are needed to sensitize the emerging middle class consumer to the history and value of crafts in India to ensure a robust domestic market.

Strengthening branding efforts and introducing geographical indicators such as a "Handmade in India" classification, will enable Indian crafts to compete in increasingly global markets. Crafts can be branded on the national, regional or local, and enterprise level. On the national or regional level, some countries are known or even famous for their excellence in handicrafts, or in specific crafts. The branding of a country's handicraft image depends on the public perception of that country's culture and handicraft skills. Countries that, for different reasons, de-emphasize their indigenous culture and traditions and focus on their modernism create a much tougher environment for the promotion and export of their indigenous handicrafts.²¹

Crafts lies well within the informal sector, bringing with it challenges of taking a completed product to market. Most artisans produce at relatively low volumes and at irregular intervals, creating few opportunities to market products at scale. New business models are needed that blend social and commercial goals to provide value added services to artisans particularly in aggregation of products and intermediary trade. As artisans are scattered across geographies, there is a need for players who can source products from them in a centralized fashion and introduce economies of scale into the supply chain. These intermediaries will provide the essential bridging

As artisans are often producing for markets that are alien to them, they need support services such as technical and design skill building to help reach the increasingly urban consumer. These inputs will increase their bargaining power and build their capacity to supply different markets. Dasra's field research has shown that building the capacity of artisans in this manner can result in up to a **ten-fold increase in incomes.**

A consumer survey in Europe revealed that 40% of consumers surveyed were willing to pay a **premium of 10% for origin-guaranteed products.** Sales of Indian crafts stand to increase from such efforts.²⁰



Creative clusters have been identified as an important means for micro and small enterprises to grow strongly through mutual stimulation and leveraging of common knowledge and markets. Typically they benefit from lower VAT, tariffs and excise duties on handmade products. Creative clusters have the potential to not only create production efficiencies but also provide a platform for artisans to access local and domestic markets.

services between small producers and the different markets where products can be sold and thereby smoothen seasonality of production.

3. Strengthening the Decentralized Production Model

The fragmented supply chain, lack of organization and seasonal production characteristic of the craft sector need to be overcome to maximize production potential. Geographically scattered production, which is typical of the crafts sector, requires services at artisan's doorsteps. Leveraging technology for information as well as for innovations in process will infuse efficiencies in craft production and enable artisans to produce more.

Limited education and low exposure to the skills essential to running a business prevent artisans from scaling up their operations. Providing business support in areas such as quality control, standardized processes, inventory management, cash-flow management and securing credit would help them create strong enterprises. To this effect, capacity building co-operatives and producer owned companies would ensure standardized systems and processes, quality control, and professionally run businesses that can access capital and enable them to compete in markets. Dasra's field research has demonstrated a potential three- to five-fold increase in individual income through these efforts.

Moreover, fragmentation in the value chain can be overcome with clusters such as Special Economic Zones (SEZs) for crafts. These are defined as a combination of production and distribution activities operating within a common structure, capable of promoting creativity, research applications and distribution systems. Historically, clusters in India have been created for production and bureaucratic efficiencies, ignoring their function as a sales platform. While the sales focus has been tried at Bhujodi in Kutch, creative clusters are generally the exception in India.

4. Building a Multi-Stakeholder Approach

The crafts sector overall stands to benefit from increased participation by different stakeholders in their areas of specialization. Building an ecosystem of collaboration will align the roles of different stakeholders each of whom can support artisans in different ways.

Leading academic institutions such as the National Institute for Fashion Technology have a major role to play in the crafts sector. As warehouses of technical knowledge, they can work closely with artisans to build capacities in a more institutionalized way. In addition, working with students

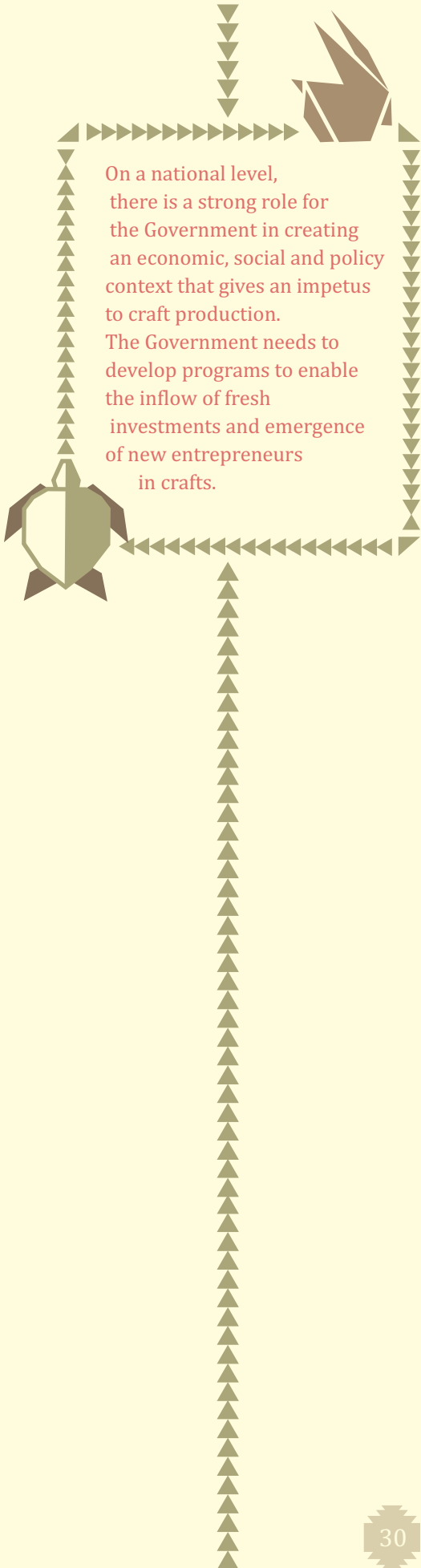
sensitizes them to crafts, deepens their understanding of tradition in a way that they can implement in the mainstream. This fosters the perseverance of culture by continuously adapting it to modernity. Setting up academies for the crafts will also restore a sense of importance to crafts otherwise excluded from courses offered in academic institutions.

Financial institutions can play a greater role in creating financial mechanisms for artisans, many of whom today borrow money through Self Help Groups. The nature of crafts production often means that artisans require credit at frequent intervals but of smaller amounts, which increases transaction costs for banks. In addition, the paperwork associated with borrowing excludes a number of semi-literate and illiterate artisans from credit. Increasing the understanding of the crafts sector and providing suitable credit mechanisms will help overcome its common perception of a high-risk, low-profit investment and enable artisans to secure credit.

Lastly, the role of the private sector especially mainstream retail in ensuring markets for artisan products is pivotal to create a self-sustaining ecosystem.

The Role of Non Profits in Building Sustainable Crafts Livelihoods

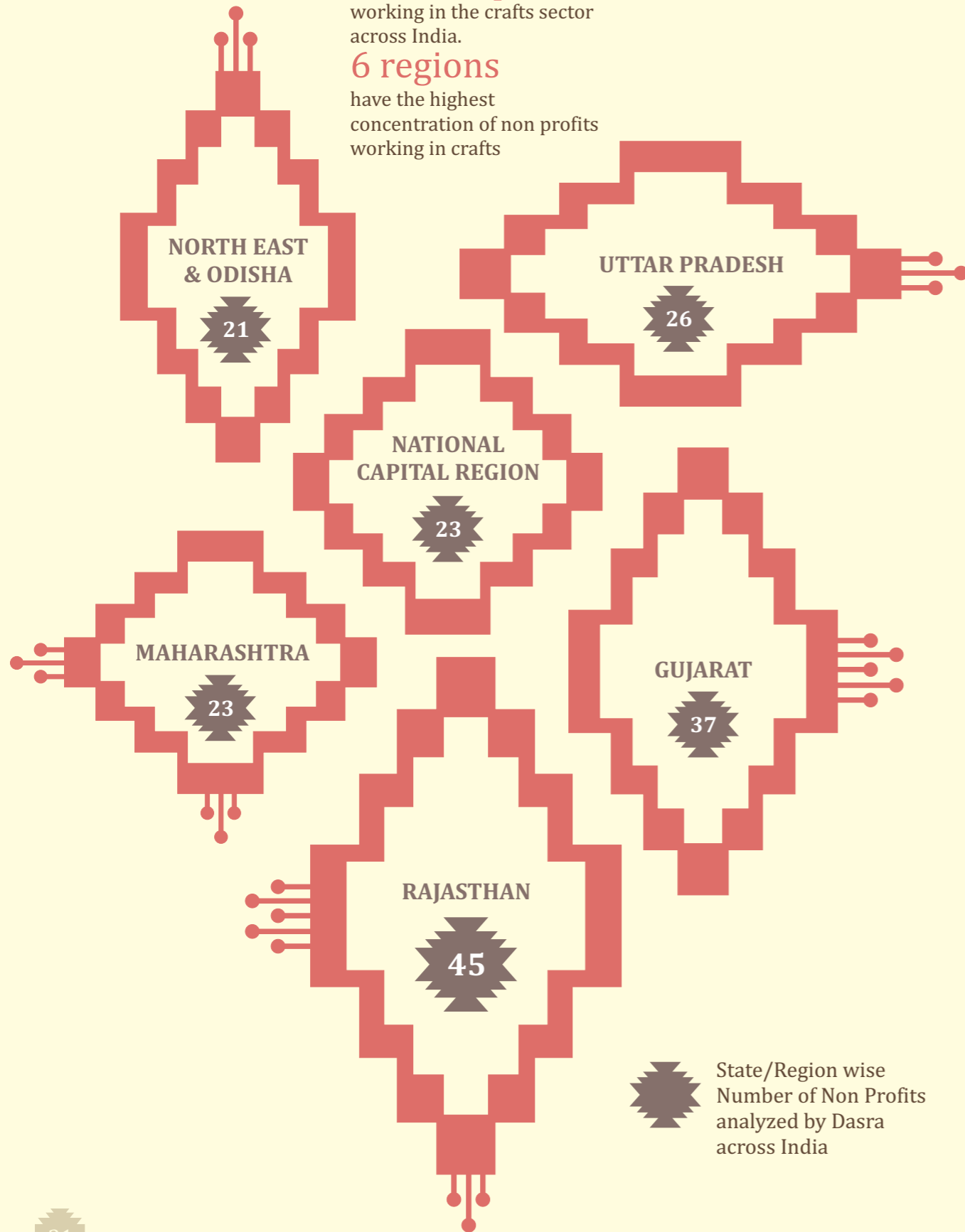
Dasra analyzed over 260 non profits currently working in the crafts space across India either in the capacity of producers groups or apex organizations. We found that the National Capital Region (NCR) and states such as Uttar Pradesh, Rajasthan, Gujarat and Odisha have the highest concentration of organizations. Non profits can be divided into three main types based on the size of their outreach as shown in Chart 7. According to our analysis, non profits with an outreach of between 1,000-3,500 artisans are in the ideal position to scale up their operations, as they have strong organizational processes in place and have designed and implemented models replicable in other regions. As a result, we focus our findings and recommendations on this category of non profits.



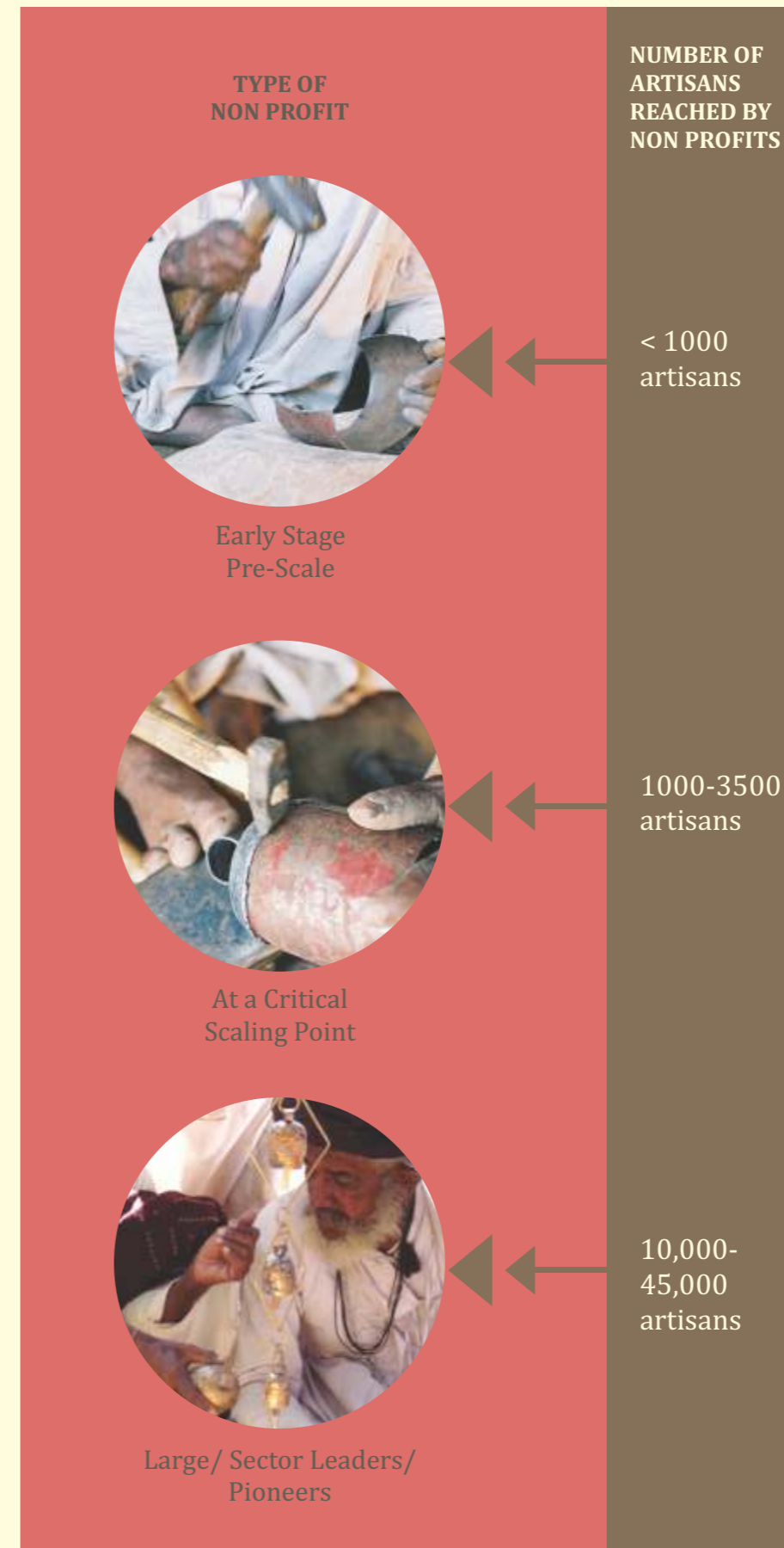
On a national level, there is a strong role for the Government in creating an economic, social and policy context that gives an impetus to craft production. The Government needs to develop programs to enable the inflow of fresh investments and emergence of new entrepreneurs in crafts.

Dasra's sector mapping found a total of **260 non profits** working in the crafts sector across India.

6 regions have the highest concentration of non profits working in crafts



3 major types of non profits are:



11 organizations are operating at or post a critical scaling point and making a high impact. Indicators for the same are:

1. Budget
2. Programmatic focus on crafts
3. Outreach
4. Scalable models
5. Organizational Capacity
6. Web presence

In depth analysis of these organizations revealed a set of 15 interventions typically carried out by non profits to vehicle cornerstones explored previously.

Upon analysis of these interventions, we found that non profits are particularly well positioned to focus on overcoming challenges faced by artisans and build specialization in the first part of the value chain. In general, due to their strong field knowledge and presence, non profits are most effective at working with communities, building capacity and helping artisans develop skills. However, due to a lack of private sector retail opportunities, non profits have also been active on the marketing side and provide linkages to urban consumers typically through stores. In terms of scalability and sustainability, Dasra recommends that non profits focus on creating linkages to markets rather than creating market outlets themselves.

The failure of many non profit-run retail operations in crafts is testament to the fact that non profits models are not well-suited to business-related operations. Rather, partnerships with commercial entities with strong business acumen are more scalable ways for non profits to create market linkages. Due to the changing economics of the crafts sector, market-driven models implemented by private enterprise may be better suited to some of the areas in which non profits currently operate such as retail outlets, providing access to financial mechanisms and raw materials.

Therefore, Dasra recommends a more focused approach to non profit activity, which includes the **six high impact and scalable interventions** found in the top right quadrant of the matrix, as described below.



The six high-impact interventions are:

1. Certifying Products and Standardizing Processes

Due to the lack of Government initiatives in creating a national standard for certification of handmade products, non profits leverage their presence in artisan communities to design minimum acceptable benchmarks for the production of various crafts. Ultimately, this leads to greater ability to brand and market crafts products in ways that are attractive to consumers and fair to artisans.

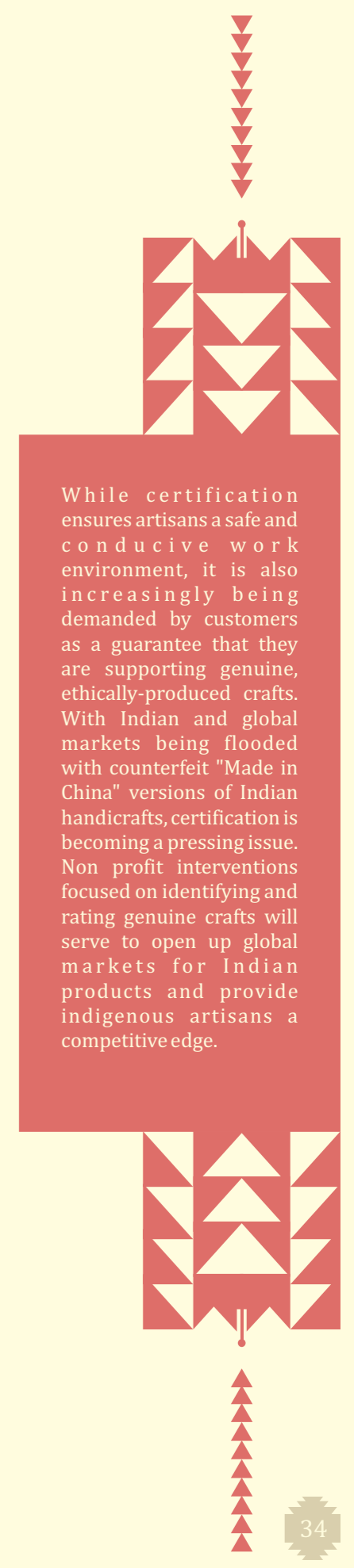
Key criteria that non profit certification generally focuses on include:

- Genuine Handmade-** Products should be handmade with minimal inputs from machines
- No Child Labor-** Children under 14 should not be engaged in production
- Fair Wages-** Men and women should be paid equal wages, commensurate to the labor provided by them
- Environmental Concerns-** No banned materials should be used in production, and harmful by-products should not be released untreated into the surrounding areas
- Safe Work Spaces-** Artisans should be provided with a safe workplace and be fully trained and protected before undertaking hazardous tasks.

On the production and execution side, non profits also assist artisans with process standardization, to help them easily adhere to certification standards. This includes standardization in terms of crafts skills developed and social and environmental practices in production.

Given the diversity of Indian crafts- processes applicable to leatherwork cannot be applied to embroidery -interventions related to both certification as well as process standardization require representatives from non profits to immerse themselves in the artisan community. Often, a dedicated team spends time in the field to understand and document processes followed by artisans, certify them and carry out periodic follow-up. Examples are as follows:

AIACA's Craftmark initiative helps denote genuine Indian handicrafts, develop sector-wide minimum standards and norms for labeling a product as a handicraft, and increase consumer awareness of distinct handicraft traditions. Under this initiative, AIACA's field staff carries out a thorough analysis of production processes followed by craft-based businesses, cooperatives and non profits, and licenses the Craftmark logo for use on product tickets and labels to those who are found to be in compliance. Moreover, AIACA assists these enterprises with the marketing initiatives, and also spreads awareness



While certification ensures artisans a safe and conducive work environment, it is also increasingly being demanded by customers as a guarantee that they are supporting genuine, ethically-produced crafts. With Indian and global markets being flooded with counterfeit "Made in China" versions of Indian handicrafts, certification is becoming a pressing issue. Non profit interventions focused on identifying and rating genuine crafts will serve to open up global markets for Indian products and provide indigenous artisans a competitive edge.

about Craftmark on their behalf to improve the standards of the crafts sector overall.

Khamir Crafts, recognizes that natural dyeing is a disappearing art in Kutch, and those artisans who continue to practice natural dyeing lack the quality standards necessary to meet market demands, Khamir is developing natural dyeing facilities at its shared resource center to be used by artisans. This facility aims to support artisans' efforts to standardize and systemize the practice of natural dyeing, as well as connect them to natural dye suppliers and dye experts.

2. Improving Design, Product Development and Quality Control

As artisans are far removed from the urban consumer, non profits often provide design inputs and product development assistance from the beginning of the value chain to ensure that the end product matches the requirements and preferences of contemporary markets. This includes providing new designs as well as helping artisans formulate new and unique applications for existing skills using a range of different raw materials. For example, block printers are trained to modify their traditional motifs to create table mats and napkins, a typically urban item that artisans would rarely need or use in their own households.

Co-creation of designs by artisans is often central to non profit interventions. Designers should not over-design, misguide or cause harm to the creative inspiration of the artisan, but should instead work as catalysts to help artisans understand contemporary design principles. If designers adopted a top-down approach to interventions, designs would no longer hold relevance to artisans and the crafts process would be reduced to that of skilled labor production.

Non profit design and product development interventions also play an important role in encouraging economically viable methods of crafts production, particularly in relation to quality control. As crafts production is typically home-based and informal, artisans struggle with creating well-finished products that are consistent in quality. Products often differ in shape, size, color, and may have stains or tears, which makes it challenging for aggregators and retailers to procure and fulfill orders. Design interventions often focus on building the capacity of artisans to create consistent products and understand how to separate products into tiers based on quality. Such efforts could take the form of providing a small bonus for each well-finished product or charging a penalty for poorly-finished products.

Dasra analysis found the following types of design interventions to be highly successful:

- **Fellowships for designers and artisans:** Non profits provide avenues for artisans to participate in residential design fellowships, where they can learn design aesthetics, lateral thinking and packaging skills, and improvise their work. Similar programs are also created to provide field exposure for students interested in fashion and design, in partnership with institutions such as National Institute of Fashion Technology (NIFT) and National Institute of Design (NID).
- **In-house design team:** Non profits often have resident designers who provide design and product development services to artisans in their networks, either on a pro-bono basis or as a paid service. The in-house team often carries out a needs assessment with the artisans' organizations and complements it with market research to ensure that their inputs have contemporary relevance and can directly facilitate market linkages. Implementation of design and product development strategies is carried out in two ways:
 - **Direct training with artisans:** Designers engage one-on-one with individual artisans or a group of artisans
 - **Cascade training:** Designers engage with and train master artisans, who in turn train artisans in their communities

These interventions ensure that products are attractive to the consumer, and in this way provide economic viability to artisans. Non profits currently engaged in carrying out design, product development and quality control interventions include:

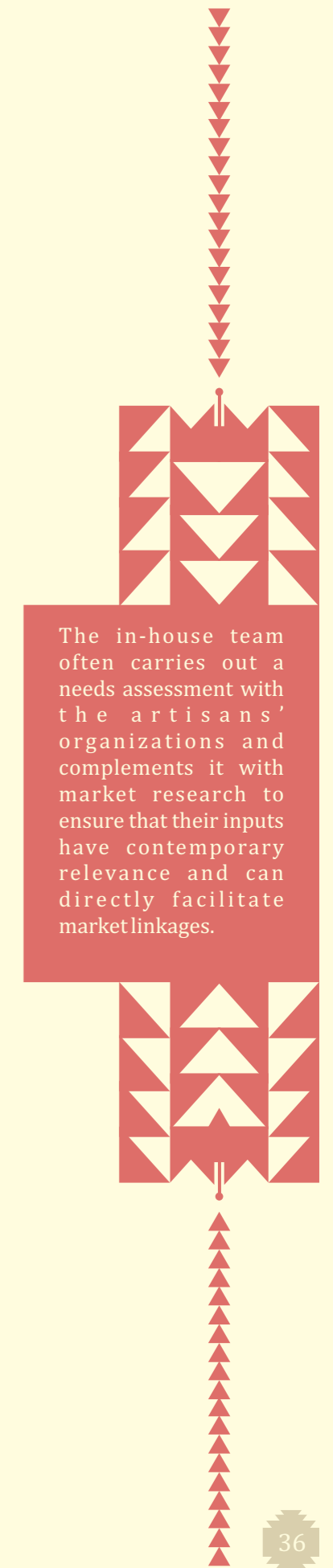
Gramshree, which is designing streamlined processes to develop a line of standardized products for different crafts catering to modern market needs through its Craft-roots program. The program will engage professional designers, and existing craft clusters in Ahmedabad will carry out production.

Dastkar, which has carried out design and product development interventions with several artisans across the country, enabling them to create affordable, marketable products that leverage their traditional skills. One of their unique projects includes their 2005 "Dutch-Kutch At Home", a project carried out in partnership with a design school in Netherlands to place 11 post-graduate students with artisans' organizations in Kutch. The project focused on creating products that combine a contemporary international functionality and appeal with the best of Indian skills, design aesthetic and tradition.



Block printers are trained to modify their traditional motifs to create table mats and napkins, a typically urban item that artisans would rarely need or use in their own households.

Photo Credit: Sahaj



The in-house team often carries out a needs assessment with the artisans' organizations and complements it with market research to ensure that their inputs have contemporary relevance and can directly facilitate market linkages.



Direct interventions in the form of trainings and workshops have been shown to raise the awareness of artisans on key institutions they can leverage to improve their businesses. For instance, awareness levels rose by 74% on the different Government schemes aimed at artisan's welfare.

3. Strengthening Artisan Institutions

In recent years, non profit organizations have been moving towards enabling artisans to establish sustainable crafts businesses. As craft producer groups and enterprises are often unfamiliar with formal management principles, they find it challenging to run their business in a viable manner. These institutional weaknesses limit their ability to tap into mainstream markets and scale up operations, which results in severe supply issues in the crafts value chain.

Non profits tackle these issues by helping artisans' enterprises build capacity in two main areas:

- **Business Support:** Interventions focus on strengthening internal institutional processes related to operations, financial management, administrative and human resource systems, costing and pricing, and marketing strategy development. The aim of these interventions is to help organizations become market ready. Non profits may also be involved in assisting with organizational design, registering the business entity and ensuring that legal requirements are being met.
- **Training and Upskilling:** Due to financial constraints, artisans are often unable to upgrade their techniques as required by market demand. Non profits play an important role in providing skills training to artisans and master artisans, as well as periodically conducting workshops to upskill artisans and move them up the value chain.

These services are equally relevant for organizations in the nascent stage of development, where artisans have not yet organized themselves into self-help or producer groups, as well as long-standing organizations which need re-engineering of their value chain. The depth and duration of a non profit's engagement with an artisan enterprise depends on the initial needs assessment. Business support and training services may be provided on a long- or short-term basis, depending on the level of support required. Non profits may provide these services to artisans in their membership base or on a fee-for-service basis with external organizations. Direct interventions in the form of trainings and workshops have been shown to raise the awareness of artisans on key institutions they can leverage to improve their businesses. For instance, awareness levels rose by 74% on the different Government schemes aimed at artisans' welfare.²²

Three non profits that have successfully carried out interventions to strengthen artisans' institutions are as follows:

Sahaj works with marginalized women artisans in the Dahod region of Gujarat and provides them with skill development and upgrading in crafts such as jewelry making, quilts and bamboo artifacts. Workshops are carried out on a regular basis at the Common Facility Center (CFC), which is a shared workspace set up at the cluster level, and are aimed at making the artisans able to work independently, without CFC help.

Dastkar and ORUPA- These are apex bodies working at the pan-India and Odisha level respectively, focused on providing comprehensive capacity building services. These include organizational design, skills development, financial access and marketing assistance. Support provided by these organizations tends to be highly customized and long-term.

4. Conducting Research, Documentation and Dissemination

The crafts sector operates through large, flexible and fluid networks of small players, which sets it apart from the formal economy, and makes information gathering a challenge. A reliable database on artisans is lacking, and data available through Government agencies tends to be piecemeal. All this results in widespread ignorance about various aspects of the sector, including critical data such as the number of individuals engaged in the sector, and increases the risk of losing valuable craft traditions and heritage. Further, it poses a difficulty for non profits and academics interested in understanding and working with artisans to enhance their socioeconomic status.

Non profits leverage their on-the-ground presence and knowledge to fill this gap by documenting information about crafts and crafts communities. They focus their research and documentation efforts on three main areas:

- **Preservation:** Living craft traditions are precariously balanced on the edge of survival. Over the past decades, remarkable examples of crafts have been removed from communities and sold to tourists and museums, or been lost due to natural disasters. Non profits focus on collecting, documenting and preserving masterpieces and craft techniques so that communities that engendered these traditions can continue to engage with them and perpetuate them in a contemporary way.
- **Mapping the State of the Sector:** Artisans' dispersion has led to their invisibility, and consequent ignorance of their size and scale in the national planning agenda. Non profits provide a face to artisans by conducting



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research on the socioeconomic conditions of communities with whom they engage. This is a multi-faceted process and includes compiling information on their physical location, demographic indicators and needs through surveys, interviews and field research. Often, non profits implement Management Information Systems (MIS) to collect this data through existing interventions in the field.

- **Building an evidence base of best practices:** Non profits focus on documenting and sharing their learnings to enable sector building in an organized and meaningful way. Since there are numerous crafts in India, the importance of compiling evidence of impact and best practices is in providing blueprints for future initiatives.

To ensure that their research efforts translate into a direct impact on the living condition and sustainability of artisans, non profits place strong emphasis on dissemination. This includes sharing their findings with other non profits as well as with artisan communities, in a form that can be easily translated into actionable recommendations. For example:

Kala Raksha set up a museum, housed in their community center, focusing on textiles from artisan communities in Bhuj, Gujarat. Each object in the collection is complemented by documentation on its history and relevance to the craft. Following the Bhuj earthquake, Kalaraksha has focused on digitizing the entire crafts library to ensure virtual access. This has also enabled greater participation from artisans in creating new designs.

Shrujan Trust has developed and implemented a detailed, streamlined process that investigates and documents various thriving and dying crafts existing in Gujarat in a time-bound manner. Representatives from the non profit immerse themselves in the selected artisan community for two to three months to understand the evolution and importance of the craft, its geographical spread and degree of complication, all of which is documented in the form of books and videos.

Craft Revival Trust (CRT) has spearheaded the creation of an Artisan Directory, consisting of addresses of over 60,000 artisans across India, which is the initial step in locating and researching artisans. Further, the CRT website also hosts a comprehensive list of case studies on interventions with artisans, to enable experts to share best practices.

5. Influencing Government Policy and Spending

The presence of multiple Government bodies has resulted in a lack of a unified policy for the crafts sector. While the Government allocates significant funds towards crafts, both at the federal as well as state level, policies tend to be poorly executed and fail to have a significant impact on artisans' lives.

As non profits hold extensive knowledge of communities and on-the-ground interventions, they play a key role in providing evidence to guide policy planning and implementation. This is done through advocacy efforts such as membership of relevant committees, formal submission of research reports and recommendations, as well as workshops and conferences on policy issues. These efforts are directed at various Government institutions including the Ministry of Textiles, Export Promotion Council for Handicrafts and the Planning Commission. Non profits also play a key role in building awareness about budgetary allocations to the handicrafts and handloom sectors by publishing regular analysis of budget documents.

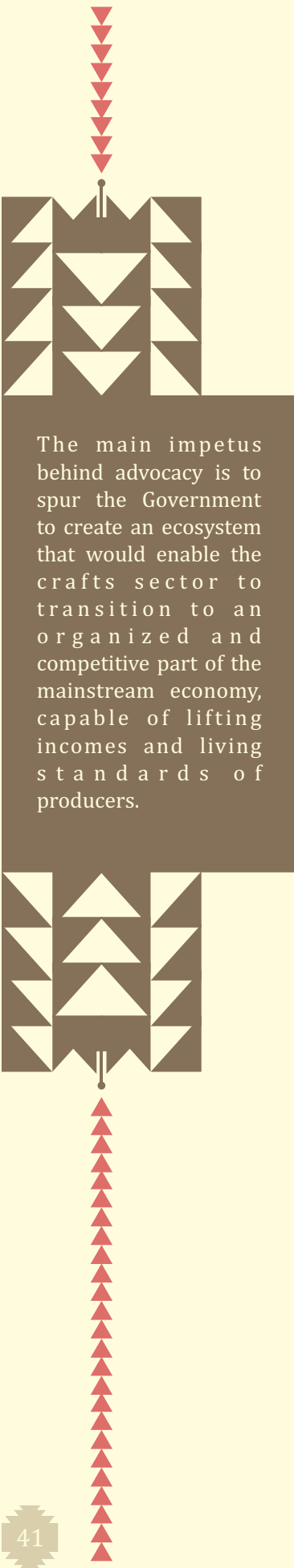
Typically, advocacy in the crafts sector has been conducted in the following areas:

Improving Occupational Health and Welfare: Many crafts-related activities such as printing, metal works, use of dyes, and woodwork seriously affect the health of workers. As most units are home-based or small-scale units, they do not have adequate safety arrangements or sewage treatment facilities. Non profits typically advocate for social safety nets that will protect artisans and improve their living and working conditions.

Safeguarding Intellectual Property Rights: As most crafts tend to be passed down in the form of oral traditions, and recreation of traditional community motifs is encouraged, artisans find it challenging to protect their designs and creations. The Geographical Indicators (GI) Act implemented by the Government attempts to solve some of these issues by allowing artisans to register their unique products based on their location. However, the process is cumbersome and complicated, and there is a lack of awareness among artisans, leaving several craft forms unprotected and vulnerable to being duplicated using machines. Non profits typically connect artisans to relevant schemes that will safeguard their intellectual properties.

Creating Conducive Legal Entities: At an institutional level, advocacy is required to bring attention to the fact that none of the current legal structures available for an

As non profits hold extensive knowledge of communities and on-the-ground interventions, they play a key role in providing evidence to guide policy planning and implementation. This is done through advocacy efforts such as membership of relevant committees, formal submission of research reports and recommendations, as well as workshops and conferences on policy issues.



The main impetus behind advocacy is to spur the Government to create an ecosystem that would enable the crafts sector to transition to an organized and competitive part of the mainstream economy, capable of lifting incomes and living standards of producers.

artisan enterprise facilitate generation of an optimum balance of debt, equity and grant funding. Several crafts organizations tend to legally register as a producer or private limited company and opt for a hybrid structure by setting up a non profit that focuses on the non-revenue generating aspect of the business, which includes capacity building and training for artisans. This leads to several grey areas from a legal point of view and could make it challenging to access both grant funding as well as investments, especially if clear legal boundaries are not established between the two entities.

Promoting Financial Inclusion: Both private as well as public sector banks are extremely risk averse and do not prioritize the crafts sector, despite its being the largest employer after agriculture and engaging a large number of marginalized groups as well as women. Advocacy is required to push the Government to create a more favorable borrowing environment for artisans and artisan enterprises.

The main impetus behind advocacy is to spur the Government to create an ecosystem that would enable the crafts sector to transition to an organized and competitive part of the mainstream economy, capable of lifting incomes and living standards of producers. Combined with the scale that Government policies are capable of achieving, this could have a catalytic effect on improving the livelihoods of millions of artisans.

AIACA's Policy and Advocacy efforts aim to identify gaps in the current policy regime relating to strengthening livelihood security and enhancing the incomes of craftworkers. The organization engages institutions, scholars and practitioners to contribute to research to address these gaps and disseminates information on policy issues through publications, reports and policy briefs.

6. Providing Market Linkage Platforms

Due to their low education status and decentralized existence, primary producers often lack direct access to markets and market information, resulting in a mismatch between production and market demand. Non profits recognize that market linkages are the Achilles' heel of most crafts interventions, without which it would be extremely challenging to secure sustainable livelihoods for artisans. Thus, they facilitate linkages in the following ways:

Proximity to Markets: Non profits aim to bridge the gap between customers and artisans, both in terms of

distance as well as perceptions, by organizing haats and bazaars as well as setting up websites to bring them together on a common platform. Artisans can use this as an opportunity to gain direct feedback regarding products, while customers, including buyers, retailers and end-users, are able to meet and interact with artisans from across the country in a cost- and time-effective manner, and potentially establish business relationships with them.

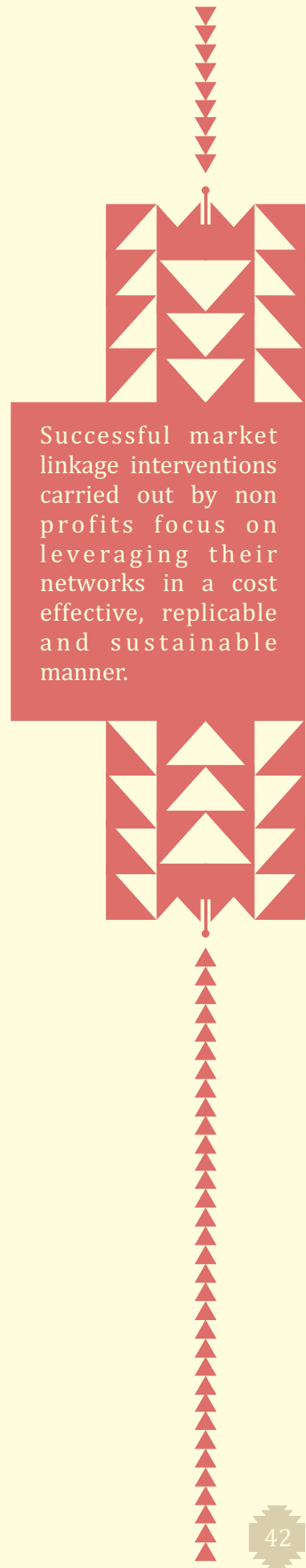
Market Diversification: Non profits focus on connecting artisans to multiple markets to avoid the risks that can result from focusing on a narrow channel.

Export Opportunities: While liberalization has opened up markets for import and created severe competition for local industries, it has also created opportunities for small artisan enterprises to export products to developing countries. Non profits leverage this opportunity by bringing together global stakeholders and carrying out trade facilitation and product development efforts.

Domestic Markets: Non profits leverage their knowledge of current market trends to connect artisans with untapped sources of revenue through partnerships with stakeholders such as corporate CSR departments, thus providing a diversified source of income.

Although many non profits have established brick-and-mortar retail stores to sell products created by artisans in their networks, these stores are often not revenue generating and tend to fail due to the lack of business and inventory management expertise within non profits. Successful market linkage interventions carried out by non profits focus on leveraging their networks in a cost effective, replicable and sustainable manner.

Dastkar's Nature Bazaar is an annual exhibition that brings together over 200 artisans from across India and connects them with buyers and customers. The Bazaar started in Delhi over 19 years ago, and has since spread to different cities around the country. It is widely anticipated year after year due to the quality of products available, which are a result of Dastkar's design interventions and capacity building support with artisans, as well as the screening process for the bazaar.



Successful market linkage interventions carried out by non profits focus on leveraging their networks in a cost effective, replicable and sustainable manner.













































Photo Credit: Jaipur Khamir

IV.
CHAPTER

Mapping Non Profits with
High Impact Interventions for
Building Sustainability for
Indian Artisans

Dasra identified over 260 organizations across the country and evaluated their approaches to incorporate best practices which best leverage the four cornerstones of improving artisan livelihoods. Dasra has shortlisted eleven high potential non profits with innovative, scalable models which improve artisan incomes by working within artisan communities and in partnership with the Government, the private sector and international agencies.

The following organizations focus the majority of their programmatic efforts and funding solely on crafts and are poised for scale and or replication. Below is a comparison of the most scalable and high impact non profits mapped to high impact interventions:

	 Certifying Products	 Improving Product Design	 Strengthening Artisan Capacity	 Conducting Research and Dissemination	 Influencing Government	 Providing Market Linkages
AIACA						
Avani						
Craft Revival Trust						
Dastkar						
Earthy Goods Foundation						
Gramshree						
Kala Raksha Trust						
Khamir Craft Resource Center						
ORUPA						
Sahaj						
Shrujan Trust						

Each of these organizations not only present strong opportunities for philanthropic investment but also have areas for improvements, which can be overcome with effective support.

For more information please contact: research@dasra.org

All India Artisans and Craftworkers Welfare Association (AIACA)

Executive Director: Amita Puri | Website: www.aiacaonline.org | Founded: 2004 | Location: New Delhi, NCR
Coverage: Pan India | Total Budget: ₹1.64 Crore (\$328,000) | Crafts Budget: ₹1.64 Crore (\$328,000)

Overview

AIACA is a membership-based apex body for the handloom and handicraft sectors that advocates for favorable policies at the national level, provides capacity building support to craft enterprises, and provides Craftmark certification to help craft enterprises differentiate their products as genuine Indian handicrafts.

Policy Research & Advocacy: AIACA conducts field-level research through its member organizations to provide policy recommendations, build networks of relevant actors around key bottlenecks and spur policy reform to ultimately provide a supportive policy framework for the craft sector in India.

Enterprise Support Program: To help producer groups and enterprises establish and run viable businesses that are able to compete in the mainstream economy, AIACA's team provides tailored capacity building support in the areas of production, product development, financial management, human resource systems, technology and marketing.

Craftmark: AIACA provides certification for individual craft processes so as to differentiate handicrafts from mass-produced products. Once certified, craft-based businesses, cooperatives and non profits use the Craftmark logo on the label of their products and gain access to AIACA's marketing support.

Scalability

Each of AIACA's programs can be scaled significantly to benefit a larger number of artisans across India. AIACA aims to increase the number of policy briefs it issues per year and increase the number of consultative workshops on issues such as improving occupational health and safety and minimizing environmental impact on communities. Additionally, AIACA aims to increase the capacity of the Enterprise Support Program to reach more craft enterprises per year. Finally, AIACA will increase the number of Craftmark certified organizations, increase the services it offers to its certified members and work towards enhancing environmental and social standards of its certification to influence national-level standards of handicrafts.

Quality Indicators

Outreach

Through its Enterprise Support Program, AIACA enhances the efficiency of craft enterprises, making crafts a reliable livelihood for artisans. Through its Craftmark initiative, AIACA provides market access to craft enterprises. AIACA has supported 103 producer groups for a total outreach of 42,628 artisans. AIACA has generated total sales for these artisans of approximately ₹17 crore over the past 5 years.

Leadership

AIACA has a prominent board with members that represent various sectors such as Laila Tyabji (Founder of Dastkar), William Bissell (Managing Director of FabIndia) and Rathi Vinay Jha (ex-Secretary, Ministry of Tourism). Amita Puri is the Executive Director of AIACA and she leads a team that combines extensive business experience with in-depth social sector knowledge.

High Impact Interventions



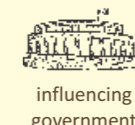
certifying products



improving product design



strengthening artisans' capacity



influencing government



providing market linkages

Through its policy recommendations that are grounded in field-level research, AIACA is able to represent the needs of craft enterprises across the country and influence Government policies and Government spending at the national-level. In addition to national-level advocacy, AIACA works at the enterprise-level to create effective and sustainable organizations that are able to compete in mainstream markets, benefitting the artisans that produce the handicrafts. To ensure that handicrafts are able to compete with mass-produced products, AIACA provides certification and marketing support through its Craftmark initiative. Craftmark not only denotes genuine Indian handicrafts, but also sets a sector-wide minimum standard for products labeled as handicrafts and increases consumer awareness of handicraft traditions.

Endorsements

AIACA has been supported by RBS, Ford Foundation, European Commission, Sir Dorabji Tata Trust, Ebay Foundation, FabIndia, Aid to Artisans and the Development Commissioner of Handicrafts, Ministry of Textiles.

Partnerships

In partnership with FabIndia, AIACA developed and implemented community owned, professionally run companies in rural areas. AIACA also partnered with the Ministry of Textiles for a cluster development project, which included initial assessment, mobilization and capacity development of artisans.

AVANI

Co Founder : Rashmi Bharti | Website: www.avani-kumaon.org, www.earthcraft.in | Founded: 1999 | Location: Kumaon, Uttarakhand | Coverage: 2 districts of Uttarakhand | Total Budget: ₹1 Crore (\$200,000) | Crafts Budget: ₹40 Lakhs (\$80,000)

Overview

Over the past 14 years, AVANI has preserved the traditional skills of hand spinning, hand weaving and natural dyeing by promoting self-reliant rural businesses in the Kumaon region of Uttarakhand. These artisans have been organized into a collective called the Kumaon Earthcraft Self Reliant Cooperative. The organization's ultimate goal is holistic community development of people living in mountainous regions.

AVANI: AVANI is the capacity building arm of the organization and its conduit for funds. AVANI's team identifies clusters of farmers, weavers and dyers, who become co-owners in the enterprise through membership in the cooperative society. AVANI provides members of the cooperative a range of support services enhancing their output and livelihood opportunities, including access to essential raw materials (water, electricity and natural dyes), training in market designs, and standards for quality control.

Kumaon Earthcraft: The cooperative is designed as an integrated supply chain, with farmers cultivating natural dye materials, hand-spinners making natural fibers, and weavers producing textile and lifestyle products, like shawls, scarves and blankets. These products are produced and marketed by Earthcraft under the brand name of AVANI.

High Impact Interventions



improving product design



providing market linkages



strengthening artisans' capacity

AVANI's starting point, and primary intervention, is to strengthen artisans' capacities, making them co-owners in their enterprises and overall livelihood development through Kumaon Earthcraft. By aggregating farmers and artisans under an umbrella organization, and providing them support services, AVANI strengthens their ability to produce finished products. Through partnership with institutes like the National Institute of Design, AVANI provides design training members of the cooperative, ensuring the end product matches the requirements and preferences of contemporary markets. Finally, Earthcraft finds a viable market for them through partnerships with distributors and retailers in India and abroad.

Scalability

By co-opting and integrating farmers, dyers, spinners and weavers in a seamless supply chain, AVANI has designed its model in a scalable manner – as orders for its finished products increase on the front-end, it will be able to increase the quantity of raw materials and intermediate products sourced on the back-end. This also ensures that several sections of society in the mountainous regions AVANI operates in will develop in a sustainable manner, enhancing stability on the supply-side. Geographically, AVANI's model is set up in a hub-and-spoke manner, with field centers serving 5-15 villages each. AVANI has scaled-up by taking this model to new villages, which it could also train other non profits or community based organizations to do.

Quality Indicators

Outreach

Over the past 14 years, AVANI and Earthcraft have directly reached out to more than 6,000 families in 101 villages in Kumaon, and indirectly to over 20,000 people. Out of this, Avani has generated more than ₹70 lakhs in wage-based income for 1,100 artisans and small farmers in 41 villages.

Leadership

Together, AVANI and Earthcraft have a full-time staff strength of 38, with a senior leadership team comprising of Rashmi Bharti and Rajnish Jain. As Founder-Directors, both bring 20 years experience in rural development, enterprise management, design and marketing, and fundraising. The managerial team includes Rajendra Joshi, who has 12 years experience in HR development, and Rajnish Pant, who has 10 years experience in production management.

Endorsements

AVANI's work has been published in widely circulated dailies, like the Hindustan Times and Times of India; its products have received the UNESCO Seal of Excellence; its founder has received the prestigious Jankidevi Bajaj Puraskar Award (2011); and the organization has received financial support from respected institutional donors, like Ford Foundation and Find Your Feet, UK.

Partnerships

AVANI has partnered with renowned multilateral agencies and research institutions, like UNDP, Massachusetts Institute of Technology (MIT) and National Institute of Design (NID), on various topics, ranging from innovative production methods to design training.

Craft Revival Trust

Executive Director: Ritu Sethi | Website: www.craftrevival.org | Founded: 1999 | Location: New Delhi, NCR | Coverage: South Asia | Total Budget: ₹48 Lakhs (\$96,000) | Crafts Budget: ₹48 Lakhs (\$96,000)

Overview

Craft Revival Trust (CRT) has a comprehensive online knowledge platform for folk arts, crafts and textiles in the wider South Asian region. Through its website, CRT enables access to and exchange of information, which supports research initiatives, encourages knowledge application, and increases the respect for heritage skills and products.

Online Knowledge Platform: CRT sources information from a wide and credible network of researchers, practitioners, academics and others on crafts in South Asia. The resulting collection of documented craft processes, case studies on best practices, op-ed articles, and policy recommendations serves as a loose encyclopedia that covers an exhaustive spectrum of information and informed opinion on crafts. Additionally, CRT has developed a bibliography that has over 4,000 publications and peer-reviewed journal articles relevant to the crafts sector in South Asia. The online address directory listing has contact information of 60,000 crafts people and weavers working across India in 880 crafts. Finally, CRT has an extensive list of craft organizations across the world, as well as a list of museums that exhibit crafts and other resources that are available for people in the sector. In the months of January, February and March 2012 alone, CRT's website had over 2 million hits.

High Impact Interventions



conducting research and dissemination



providing market linkages



influencing government

CRT fills a critical gap by providing open-source knowledge and information on the craft sector. By publishing research, either conducted by CRT or other parties, CRT enables people interested in the crafts sector to gain a more in-depth view on various issues. CRT also documents various crafts, which preserves traditional processes and practices of artisans. Through its online platform, CRT is able to disseminate knowledge on the crafts sector across South Asia and the world. Additionally, CRT's artisan directory, which is constantly updated, links artisans across India directly with buyers, eliminating the need for middlemen and thereby increasing artisan income.

Scalability

CRT is aiming to expand its online platform to incorporate more information and provide more services. CRT will transform its current encyclopedia into a 'Wikipedia site', so that everybody can add information to the database, and the information will be owned by the public. Also, CRT will add a list of raw material sources, a list of Government departments and contact information, and a list of all resource people in the crafts sector, such as designers, consultants, researchers, non profits, social businesses, etc. to enable even more exchange of information between various stakeholders. Finally, CRT is aiming to build a comprehensive job directory for people looking to hire and work in the crafts sector, to facilitate the exchange and placement of talent in the crafts sector.

Quality Indicators

Outreach

CRT's artisan directory enables various stakeholders, including designers and buyers, to directly contact artisans across the country. The designers can help artisans with creating modern products, whereas buyers can directly source products from the artisans, eliminating the need for middlemen. As a result, artisans receive all the revenue from their products, increasing their income.

Leadership

Ritu Sethi, Chairperson and Managing Editor, has lead the team since 1999. She conceptualized various projects for CRT that were the first of their kind. She has been on the board of many different organizations, including the UNESCO Consultative Body for Intangible Cultural Heritage of the World lists. Her team members, including a Padma Shri awardee, have decades of experience in the crafts sector.

Endorsements

CRT has been supported by UNESCO, Aid to Artisans, and the Office of the Development Commissioner of Handicrafts (DCH). CRT also worked closely with the Planning Commission and the India International Center, with whom CRT has held talks, round tables and seminars on key issues in the crafts sector.

Partnerships

CRT is a member of the Steering Committee for the 12th five-year plan of the Government. Additionally, CRT is a member of the High Powered Panel of Experts for the Development of Handlooms, a member of the Committee for Definition of Handicrafts and a member of the Committee for Definition of Languishing Crafts. CRT is also accredited by the Intangible Cultural heritage Division of UNESCO.

Dastkar

Executive Director: Laila Tyabji | Website: www.dastkar.org | Founded: 1981 | Location: New Delhi, NCR
Coverage: Pan India | Total Budget: ₹48 Lakhs (\$96,000) | Crafts Budget: ₹48 Lakhs (\$96,000)

Overview

Dastkar provides hands-on capacity building, design and product development support to unorganized, rural artisan groups with the goal of making the artisans independent from middlemen and craft support organizations such as Dastkar. Once the unorganized artisan groups develop into strong and sustainable craft organizations, Dastkar phases out its hands-on support, but continues to provide marketing services and organize Dastkar Craft Bazaars to connect the rural artisans with urban consumers.

Capacity Building, Design and Product Development:

Dastkar staff and outside consultants spend a significant amount of time with needs-based, rural artisan groups to provide tailored support in a whole range of areas, including initial project strategy and setup, capacity building, marketing and product design. The goal of the hands-on support is to develop artisan groups into sustainable, independent organizations with modern craft products.

Dastkar Craft Bazaars: Once artisan groups are 'market ready,' Dastkar invites them to participate in Dastkar Craft Bazaars, so that the rural artisan groups can sell their products directly to urban consumers. Not only do the bazaars serve as a platform to increase artisans' income, but it also exposes artisans to customer preferences and enables artisans from across the country to learn from each other.

High Impact Interventions



improving product design



strengthening artisans' capacity



providing market linkages

Dastkar plays a critical role in the crafts sector, as it works with unorganized, rural artisan groups that are often not supported by other non profits. Dastkar spends significant amount of time understanding the community in which the artisans work, the skills that they possess, and how these skills can be leveraged to create products for urban consumers. Depending on the specific needs, Dastkar supports the artisan groups with anything from creating a legal entity to design and production. Once the artisans' group has the skills to operate independently, Dastkar phases out its hands-on support and provides them with direct access to urban markets. Dastkar has incubated some of the most prominent craft organizations of today including SEWA Lucknow, Dastkar Ranthambore and Dastkar Andhra.

Scalability

There is a need for more non profits that help unorganized artisan groups to develop into independent craft organizations. Dastkar aims to document its large range of interventions, so that other non profits will be able to replicate its model and create sustainable craft organizations across the country. Additionally, Dastkar will continue organizing its Dastkar Craft Bazaars across large cities in India to connect rural artisans directly with urban consumers. To extend its outreach to a larger number of artisans, Dastkar is developing a permanent, open-air market space in Delhi that will serve as a knowledge and culture hub. At this market space, artisans will be able to showcase their products year-round, attend workshops, and exchange ideas with other artisans. It will provide Delhi with a space to access genuine Indian handicrafts and organic, eco friendly products.

Quality Indicators

Outreach

Dastkar currently works with 265 artisan groups, reaching 37,000 rural artisans across India. Of these 265 groups, 5 to 10 groups annually receive extensive hands-on support including design, skills training and capacity building. Once the artisan groups are 'market ready,' they are invited to participate in Dastkar Craft Bazaars. These bazaars generate 6 to 7 crore (\$1.2 to \$1.4 million) of sales for artisan groups every year.

Leadership

Laila Tyabji, Chairperson, is a pioneer in the craft sector. She is well-known for incubating some of the most prominent crafts organizations in India. In 2012, she was the recipient of the prestigious Padma Shree Award. Mrs. Tyabji is supported by 10 fellow board members and 17 staff members.

Endorsements

Over the years, Dastkar has been supported by ICCO Netherlands, OXFAM, Ford Foundation, Development Commissioner of Handicrafts (DCH), and Ranthambore Foundation.

Partnerships

Dastkar has partnered with ACCOR (European hotel group), Design Academy Eindhoven, Crafts Council UK, Pearl Academy of Fashion, Northumbria University UK, Marie Claire (design magazine) and Aid to Artisans USA to conduct design and product development workshops and connect artisans and large private sector players.

Earthy Goods Foundation

Executive Director: Reshma Anand | Website: www.earthygoods.co.in | Founded: 2008 | Location: New Delhi, NCR
Coverage: Pan India | Total Budget: ₹6.7 Lakhs (\$13,000) | Crafts Budget: ₹6.7 Lakhs (\$13,000)

Overview

Earthy Goods Foundation (EGF) works with a holistic approach towards empowering India's artisans and micro-producers with operational capabilities, enterprise skills and marketing resources so that they can engage directly with urban markets on fair terms and earn a dignified living. It does so in the following ways:

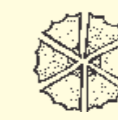
Supply Side: EGF is developing a comprehensive enterprise platform through its Small Enterprise Centre of Excellence to create a pool of market-oriented micro-entrepreneurs. This platform will: (a) offer online tool kits that enhance the operational and enterprise skills of artisan members e.g. financial toolkits, and domain expert networks etc.(b) deliver offline services including capacity building programs, operational and advisory support to CSR based livelihood projects.

Demand Side: EGF is creating India's first online directory of artisans and buyers. Artisans' profiles with their skills and products will be displayed for potential buyers. The platform will actively boost demand through online sales of a contemporary signature product line and active promotion of the ethical gifting campaign: 'Gift for Good'.

High Impact Interventions



improving product design



strengthening artisans' capacity



providing market linkages

EGF adopts a universal approach in developing a system of design, marketing and enterprise support for local craft communities. By taking its initiatives online in the form of an artisan directory and a market place for buyers, EGF addresses geographical constraints and costs in bringing the supply and demand sides closer. By integrating training and capacity building along with the development of a signature range of products, EGF ensures that local skills and talents are showcased, adapted to market trends and restore the value of handcrafted products with high benchmarks for quality firmly set in place.

Scalability

EGF's model strongly integrates technology as an enabler of scale. The creation of an online marketplace overcomes geographical constraints and firmly embodies partnerships, collaboration and connectivity amongst artisans and buyers across India. There is no capacity constraint on the platform to absorb new members or products and aggregation of buyers will remain an on-going process.

The enterprise platform also enables EGF to channelize training in a resource-friendly, accessible and time friendly manner ensuring that artisans across the country working on different crafts can reap its benefits in their local languages.

Quality Indicators

Outreach

EGF has trained 12 organizations with over 7,800 beneficiaries, has partnered with 44 organizations, and supported over 400 regular jobs (80% women). The artisans' directory and enterprise platform will impact over 100,000 direct beneficiaries over the next 5 years.

Leadership

EGF has a core team of 4 members and was founded by Reshma Anand, a graduate of IIM Bangalore. Reshma has worked with Hindustan Unilever Limited and transitioned to the social sector to work with Development Alternatives and ICICI Bank. EGF's board of advisors comprises of Ashish Karamchandani, Head of Monitor Inclusive Markets; C.K.Gopalakrishna, Chief General Manager of NABARD and advisors from Unilever.

Endorsements

EGF recently received funding worth ₹2.5 Crores for their online artisan directory from Axis Bank Foundation. Jindal Steel Limited is supporting EGF for a 2 year project to train local tribal women on a range of handicrafts. Godrej Industries has enlisted EGF as an enterprise training partner for their CSR programs. EGF has also delivered capacity building programs for Friends of Womens World Banking.

Partnerships

External consultants working with EGF include highly experienced domain experts in product development and community training. EGF also partners with the All India Arts and Crafts Welfare Association (AIACA), an organization that certifies hand-made products across India.

Gramshree

Executive Director: Vandana Agarwal | Website: www.gramshree.org | Founded: 1995 | Location: Ahmedabad, Gujarat
Coverage: Ahmedabad, Gujarat | Total Budget: ₹1 Crore (\$200,000) | Crafts Budget: ₹1 Crore (\$200,000)

Overview

Established in 1995, Gramshree's mission is to empower women and provide them with livelihood opportunities in order to positively impact their families and move them out of poverty. Based in Ahmedabad, initial surveys indicated a large population of women in the slums to be migrant artisans from adjoining rural areas. This finding has induced Gramshree to provide them with adequate support to earn a livelihood through crafts, a trade they are familiar with.

Artisan Clusters: Gramshree works in the urban slums of Ahmedabad to organize migrant women artisans into clusters and provide them with raw materials and design inputs to create craft products. These products are then marketed through Gramshree's outlets and exhibitions held nationally and internationally.

Craftroots: Taking a step further, Gramshree's new initiative intends to enhance artisan income by bridging the gap between the existing products and the market demand. Through this initiative, Gramshree will develop a standardized, contemporary product line for each craft catering to modern market needs and leverage existing artisan clusters to create these products which will then be distributed through an online portal.

High Impact Interventions



improving product design



strengthening artisans' capacity



providing market linkages

Improving design and product development ensures that products are attractive to the consumer which in turn provides economic viability to artisans. Gramshree's master artisans will co-create the product line with external professional designers thereby ensuring that the craft and its unique nuances remain intact and provide for expression of each individual artisan within the standardized products. Gramshree will further enhance the capacity of its existing artisan clusters to create these products which will then be marketed online.

Scalability

Over the years, Gramshree has created a strong presence in slum communities and has managed to efficiently organize artisan clusters. It is now aiming to streamline its products through the Craftroots initiative. Gramshree plans to develop a product line for 10 crafts over the next three years. Designing viable products and developing standardized product lines that are marketed through an online platform will help Gramshree estimate demand and accordingly streamline production processes. This will effectively fulfill demand, boost sales and enhance income for Gramshree's 2,000 women artisans. Gramshree can partner with other non profits to fulfil growing demand, making Craftroots even more scalable.

Quality Indicators

Outreach

Currently, Gramshree reaches out to 2,000 women artisans in districts of Ahmedabad and plans to expand to Patan, Kutch, Surendranagar and Dhangadhra. It provides food security and conducts various medical camps for artisans and their families to ensure their well being.

Endorsements

Gramshree is a member of Fairtrade and Craftmark. Members of these initiatives are subjected to strict scrutiny ensuring fair wage payment to artisans and adherence to minimum quality standards for handicrafts.

Leadership

Gramshree is driven by a core committee of five individuals that make up the senior management of the organization. This committee is headed by Vandana Agarwal who is the Project Director and Co-Founder of Gramshree. It is ably supported by 31 full time staff and a very active board of four trustees that are responsible for advancing particular functions such as organizational strategy, financial planning, artisan engagement and welfare.

Partnerships

Gramshree seeks partnerships and is open to the idea of collaboration with other stakeholders so as to benefit from shared value. Recently, it collaborated with another non profit called Khamir to hold exhibitions in various parts of Gujarat. It has also engaged with corporates such as the Marriott chain of hotels to create awareness about crafts, showcase the importance of artisans and encourage crafts as a medium of gifting.

Kala Raksha

Executive Director: Prakash Bhanani | Website: www.kala-raksha.org | Founded: 1993 | Location: Kutch, Gujarat
Coverage: Kutch, Gujarat | Total Budget: ₹1.35 Crore (\$270,000) | Crafts Budget: ₹1.30 Crore (\$260,000)

Overview

Kala Raksha aspires to preserve India's traditional crafts and in the process provide income generating opportunities to artisans. Its pillars of strength are artisans' initiative and participation across all activities. The programs offered by Kala Raksha include:

Kala Raksha Vidhyalaya: A design school, where artisans learn to innovate on their traditions. The evolving curriculum stresses sourcing from heritage, and exposes artisans to market orientation. Classes are conducted over one year and the school has strong links with visiting faculty from India and abroad.

Kala Raksha's Production Centre: Artisans from across Kutch visit the centre once a week to gather raw materials and to deposit embroidered products for finishing. Embodying the concept of 'training of the trainer', a design committee comprising graduates of the design school periodically create new designs which the groups produce for sale. In the spirit of artisan involvement, artisan pricing committees organized by Kala Raksha meet at the centre regularly and establish fair wages for their products.

Kala Raksha Museum: The museum documents and showcases traditional objects. This collection is a resource base for developing contemporary designs and is available online for ongoing research in the sector.

Scalability

Kala Raksha currently works with 1,000 artisans. Through their design school, the organization educates selected artisans in high-end design development, a high touch intervention. By engaging the school's graduates in creating new designs, their learning is shared, and the level of awareness and appreciation of good design is raised throughout the artisan communities. Utilizing the museum collection, Kala Raksha continues to produce crafts with cultural integrity in a cost-efficient and timely manner. Kala Raksha intends to continue focusing on the development of the creative capacity of artisans and to leverage their traditions to reach out to more artisans.

Quality Indicators

Outreach

Kala Raksha works with approximately 1,000 artisans across 7 communities and 25 villages in the Kutch region. Through their production centre, it is open to working with artisans across the region, conservatively estimated at 50,000. 99 artisans have graduated from the Vidhyalaya so far and 18 artisans are enrolled in the current year.

Leadership

Kala Raksha Centre is managed by Prakash Bhanani and has 25-30 employees. The Vidhyalaya program is directed by Judy Frater and has 10 employees. Kala Raksha engages visiting faculty members, averaging 9-12 persons per year. The teams are supported by 13 trustees, more than half of whom are local members and include artisans.

High Impact Interventions



improving product design



conducting research and dissemination

Kala Raksha allows artisans to build upon existing design and product development skills. Since the artisans regularly participate in exhibitions and collaborate with other design institutions, their final outputs reflect market demands. The involvement of artisans across all stages of work from research, documentation and dissemination of their designs has inspired them to remain engaged in the sector and in turn, further the perpetuation of traditional crafts. 100% of the Vidhyalaya's students felt they had learnt something new at the design school; nearly 35% found employment and become independent; 20% doubled their income and 9% raised their income by five to twenty times.

Endorsements

Kala Raksha has received the UNESCO Award for excellence in handicraft: Judy Frater, Project Director of the Vidhyalaya is an Ashoka fellow and has received the Sir Misha Black medal for Design Education and the Crafts Council of India Kamala Award.

Partnerships

Kala Raksha has received a long term grant from the Development Commissioner of Handicrafts for their design school and museum. This grant, made available in 3 installments, is currently in its second phase.

Khamir

Executive Director: Meera Goradia | Website: www.khamir.org | Founded: 2005 | Location: Kutch, Gujarat
 Coverage: Kutch, Gujarat | Total Budget: ₹1.25 Crore (\$250,000) | Crafts Budget: ₹1.25 Crore (\$250,000)

Overview

Khamir was established in the aftermath of the Bhuj earthquake through a collaborative effort of non profit and industry stakeholders in the Kutch region. The organization aims to serve as a cultural resource center that enables artisans to preserve their traditional way of life while creating sustainable livelihoods centered around their craft. In order to achieve this vision, Khamir works on two fronts:

Direct Interventions with Artisans: Khamir offers a set of common services to artisans that enable them to leverage their inherent skills to compete in modern-day markets. Services such as sourcing quality raw material, design and product development, appropriate production technology, access to credit and marketing support are offered to artisan units, on-ground or through the state of the art Khamir campus.

Craft Education: Khamir views craft as not just a product but a way of life. In order to promote this understanding amongst consumers, Khamir organizes curated exhibitions, craft workshops in schools, craft residencies and exchange programs, and craft festivals. In a similar effort to preserve the cultural heritage in Kutch, Khamir recently began documenting traditional craft practices through a museum on the Khamir campus.

High Impact Interventions



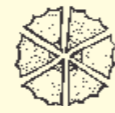
certifying products



improving product design



providing market linkages



strengthening artisans' capacity



conducting research and dissemination

Khamir works with small and medium sized entrepreneurial artisans' units that comprise of 3-5 artisans on average and have no direct links with the market. By conducting in-depth field research, Khamir identifies the key challenges of the artisans' units and subsequently provides them with services that enable them to standardize production processes, improve product quality and ensure the least environmental impact. Each unit is provided with continuous handholding support for a period of around three years, after which they build the capacity to become completely independent.

Scalability

Khamir has succeeded in creating enormous economic, social and environmental impact through both its program areas, and is extremely keen on scaling them across Kutch and eventually across India. Over the next three years, Khamir will expand the direct interventions Initiative to impact 3,500 artisans from 330 small and medium sized artisan units in Kutch. At the same time, Khamir will scale the research, documentation and education program across Indian cities with a particular focus on influencing the younger generation to become responsible craft consumers. Direct interventions such as technology services make Khamir's program inherently scalable, as a technology service can very easily be replicated and adopted by similar artisan clusters working across the country. The educational initiatives too are highly scalable, with widespread impact that could be multi-generational.

Quality Indicators

Outreach

Through the direct interventions initiative, Khamir works with 140 artisans' units consisting of 1,400 artisans. Khamir's interventions have enabled the artisan units to double their income over the past three years. In addition, Khamir's Kutch Kala Cotton supply chain has had immense environmental impact in the Kutch region.

Endorsements

Khamir was founded as a joint initiative of the Kutch Nav Nirman Abhiyaan, Nehru Development Foundation and CII. Over the years, the organization has been supported by reputable donors such as the Sir Dorabji Tata Trust and Friends of Women's World Banking.

Leadership

Khamir's team of 20 full time staff is divided across Trade, Development and Design functions in addition to the support functions of Administration, HR and Campus Maintenance. The team brings significant experience in the crafts sector, in particular with the Kutch region. Additionally, Khamir's board consists of eminent personalities from the crafts space such as Sushma Iyengar, Laila Tyabji, Ashoke Chatterjee and Kartikeya Sarabhai.

Partnerships

Khamir's campus was established with the support of the Government of Gujarat. The organization works closely with non profits and educational institutes to develop new designs, production processes and marketing platforms for artisans. Moreover, Khamir has enabled artisans to showcase their products at curated exhibitions resulting in direct partnerships between retailers like Fabindia and artisan units.

ORUPA

Executive Director: Dillip Kumar Das | Website: www.orupa.org | Founded: 1990 | Location: Bhubaneswar, Odisha
 Coverage: 30 districts of Odisha | Total Budget: ₹46 lakhs (\$92,000) | Crafts Budget: ₹46 lakhs (\$92,000)

Overview

ORUPA (Odisha Rural and Urban Producers' Association) was formed in 1990 as an apex body of artisans working in the handicrafts sector in Odisha. The objective was to create a federation of primary producers, i.e. artisans themselves, to enable them to take charge of their developmental and marketing efforts. Currently, ORUPA functions as a decentralized network of non profits, Self Help Groups (SHGs) and individual artisan members from 30 districts of Odisha. ORUPA's interventions with artisans are divided into two main areas:

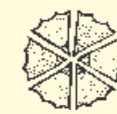
Promotion: Through Promotion activities, ORUPA aims to support the social, economic and technical development of artisans. ORUPA organizes artisans in SHGs which are trained through technical and managerial skill development programs. Additionally, ORUPA ensures that artisan groups have access to finance, raw material, design information and product development inputs.

Marketing: ORUPA provides a permanent marketing network for all its members by ensuring that artisans' products are ready for Indian and foreign markets, facilitating relationships with trading houses and marketing products through annual exhibitions as well as the ORUPA store.

High Impact Interventions



improving product design



strengthening artisans' capacity



providing market linkages

At present, ORUPA has 13 non profit partners across Odisha that assist the organization in the implementation of its programs. Non profits are selected as members of the ORUPA network based on their experience in crafts and impact on artisans, and ORUPA trains partner staff in all its program guidelines. Thereafter, the non profit and ORUPA together organize the artisans in SHGs, link them with credit institutions and provide them with capacity building. The marketing network established by ORUPA facilitates the promotion of artisans products. All activities in a zone consisting of 5-6 districts are managed by a zonal coordinator who is in turn supported by a team from local non profit members.

Scalability

Over the years, ORUPA has successfully established its footprint in all 30 districts of Odisha and currently works with 30,000 individual artisans. The organization plans to double this number over the coming years with a special focus on the remote tribal belts of Odisha that have been left untouched by most developmental efforts. The key to ORUPA's enormous scale is the network model adopted by the organization. ORUPA implements its interventions through established local non profit partners by leveraging their human resources and infrastructure. Additionally, ORUPA forms artisan groups that are efficiently organized into cluster, district and zonal levels, allowing for effortless replication which is vital to scaling any non profit intervention model.

Quality Indicators

Outreach

Till date, ORUPA has reached out to 30,000 artisans across Odisha through its interventions. All the master craftsmen that ORUPA has worked with over the years have managed to increase their income around five times, while the smaller artisans have been able to achieve a three times increase in their income.

Endorsements

ORUPA is a member of national and international networks such as the World Fair Trade Organization, Fair Trade Forum of India and Export Promotion Council for Handicrafts. Over the years, ORUPA has been supported by Fredrich Nauman Stiftung, MISEREOR and WSM Belgium.

Leadership

ORUPA's full time team of 15 is divided across its two main activities of Promotion and Marketing. The team is spread across all 30 districts of Odisha and is supported by staff from local non profit partners. ORUPA's board consists of professionals from the development sector and academia, with a large proportion being artisans themselves, in order to ensure that they have a stake in organizational decision making.

Partnerships

ORUPA works closely with Government bodies such as the Development Commissioner (Handicrafts), Directorate of Handicrafts and Cottage Industries and NABARD during the implementation of its interventions. The organization supplies the products made by artisans to retailers in India and abroad such as The India Shop, UK, Global Kids, Australia and the International Museum of Art and Craft, Norway.

Sahaj

Executive Director: Jabeen Jambughodawala | Website: www.sahajindia.org | Founded: 1991 | Location: Dahod, Gujarat
 Coverage: Dahod District Gujarat | Total Budget: ₹2.5 Crores (\$500,000) | Crafts Budget: ₹2.5 Crores (\$500,000)

Overview

Sahaj aims to secure the livelihoods of the people of Dahod, especially the tribal population. To maximize reach, Sahaj has adopted a cluster-based approach, wherein artisans are organized in large groups of 50-200 and provided with crafts based training and production support. Each cluster leader coordinates the training programs and production cycle; and quality control department approves the final products to be sold across markets. At the clusters, Sahaj provides two kinds of support:

Capacity Building Support: This involves regular skill development and upgradation training. The artisans' skill sets range from level A-E, where E is a beginner and A is a master craftsman. The workshops aim to continuously enhance the artisans' skills and are conducted by either the master craftsmen or external faculty.

Production Support: Sahaj provides its artisans with raw material inputs which include a wide variety sourced from across the country. The final products are approved by the quality control department and sold across various marketing channels. Sahaj also works towards developing market linkages with retailers, and wholesalers. The products are showcased and sold under Sahaj's brand name.

High Impact Interventions



improving product design



strengthening artisans' capacity



providing market linkages

Sahaj's capacity building efforts are aimed at improving the artisans' overall design and product development abilities. E.g. an artisan at level E, one who can make a simple stitch, earns between INR 50-100 per day while a highly skilled master craftsman of level A, one who can stitch an entire garment with high-end design inputs, earns between ₹500-1,000 per day. The creation of market linkages ensures that the artisans have direct access to markets. By bridging the gap between customers and artisans, Sahaj ensures that there is an on-going demand for products.

Scalability

In the coming three years Sahaj will expand its clusters and develop four more common-facility centres (central workplaces in a cluster). In order to strengthen the hub and spoke concept, Sahaj will develop one mega-CFC which will house equipment necessary to meet large scale orders in a cost-effective and timely manner. This will also enable them to extend their reach to artisans.

Sahaj will also align its focus towards strengthening skill upgradation training of existing artisans. This will increase their daily income and also increase the base of artisan trainers which further embodies the 'training of the trainer' concept in their model.

Quality Indicators

Outreach

Sahaj has reached out to over 10,000-15,000 artisans to date and last year they catered to 3,000 artisans. They have also signed an MOU with the Government of Gujarat to train 15,000 artisans over the next five years.

Endorsements

Jabeen Jambughodawala is the current president of the Fair Trade Forum-India. Sahaj has received funding in the past from sources such as the Development Commissioner of Handicrafts, NABARD and Friends of Women's World Banking (FWWB).

Leadership

Sahaj has a team of 26 members; Senior management includes the director and managing trustee, Jabeen Jambughodawala and the CEO and design head, Ranvir Sisodiya. Additionally Sahaj has six highly experienced trustees and four mentors who provide support across various functions such as finance, marketing and business strategy. Overall advisory support is provided by a group of eight actively involved board members.

Partnerships

Sahaj has signed an MOU with the Government of Gujarat to train 15,000 artisans by 2015. Sahaj also works with the Gujarat Livelihood Promotion Company (GLPC) which helps them access Government funds.

Shrujan Trust

Executive Director: Ami Shroff | Website: www.shrujan.org | Founded: 1983 | Location: Kutch, Gujarat
 Coverage: 100 villages in Kutch | Total Budget: ₹3 Crore (\$600,000) | Crafts Budget: ₹3 Crore (\$600,000)

Overview

Shrujan believes that if artisans are provided with enough support to earn a decent livelihood through crafts, then more of them are likely to engage in craft making as a profession, thereby preserving traditional Indian crafts. Though formally registered only in 1983, Shrujan has developed various programs to engage women artisans in Kutch since 1968 to provide them with sustainable livelihoods through crafts.

Shrujan Creations: provides a platform for existing women artisans to create high quality, market driven products using traditional crafts that are then sold through 3 Shrujan outlets, 2 franchisees and numerous exhibitions. Shrujan grades its artisans based on their expertise and knowledge. This grading enables Shrujan to map various expertise levels and then train artisans to scale to a higher grade, thereby increasing their income.

Pride and Enterprise: is a detailed, streamlined process that researches and documents various thriving and dying embroideries of Gujarat by collating the knowledge that rests with the older generation of artisans. This documentation is then disseminated to artisans' communities in the form of books and modular films to reduce training time, enhance quality of embroidery and boost livelihoods.

High Impact Interventions



strengthening artisans' capacity



conducting research and dissemination



providing market linkages

Conducting research, documentation and dissemination is an impactful intervention that fills a glaring gap in the crafts sector – lack of data on artisans and their crafts. Shrujan, not only fills this lacuna, but also documents embroideries in a way that boosts the artisan income. Data collected is documented in two forms – a book that showcases the artisans' community and a modular film that details the technique of doing the embroidery. Available in Gujarati and English, the book and the film serve two audiences – the artisans themselves who expand their repertoire of expertise through the film thus increasing their potential to earn and students from schools such as National Institute of Design who are future designers, learn more about traditional Indian embroideries.

Scalability

Shrujan has documented two crafts and has successfully managed to exit out of communities since the film acts as a training tool and reduces the need of human resources from Shrujan. These films have reduced the training time by nearly 75%, enabling new and existing artisans to learn faster without having to depend on a master artisan thereby enhancing their wage earning potential. Shrujan plans to research nine more communities and document their related crafts over the next three years. This will positively impact the livelihoods of 5,000 artisans currently attached to the organization. Shrujan can potentially enhance its scale manifold by disseminating the documentation to other artisan organizations.

Quality Indicators

Outreach

The 2001 earthquake displaced most of Shrujan's 20,000 artisans. Currently, Shrujan enables 5,000 women artisans to improve the quality of their craft and thereby increase their earnings. This program also has far reaching social impacts as both unmarried and widowed women now contribute to family income which has enabled them to partake in household decisions and choices relating to their own lives.

Endorsements

The management as well as the artisans of Shrujan have been recognized for their work in the crafts sector. In 1998, whilst Shrujan artisans were recognized by UNESCO for their superior quality work and intricate design, Ms. Chanda Shroff, the founder of Shrujan, received the prestigious Rolex Award and funding in 2006 for exceptional contribution to the social sector.

Leadership

Shrujan employs 14 full time staff out of which 4 form the senior management and have been with Shrujan for the past 10 years. The Shrujan team and the consultants have tremendous experience and are well versed with the crafts sector. In the past year, Shrujan has been proactive in identifying its human resource needs and is working towards fulfilling them so as to scale its operations.

Partnerships

Shrujan fosters relationships with design schools such as National Institute of Design and National Institute of Fashion Technology to avail the expertise of existing designers and engage students as interns in order to connect them directly to artisans.



Photo Credit: Culture Aangan

CONCLUDING THOUGHTS

"What all the many thousands of beautiful and unique craft expressions in India have in common is that the weavers, potters, carvers, painters, embroiderers, goldsmiths, and others who create such beauty with consummate skills and knowledge enjoy few of the fruits of their labour...Protecting and preserving these skills and knowledge is a major challenge; ensuring that they provide viable livelihoods for their owners is an even greater one"

Maureen Liebl and
Tirthankar Roy

(World Bank Report
2004: "Handmade in
India: traditional
craft skills in a
changing world")

Investing in the crafts sector today presents a tremendous opportunity to shape the prosperity of those engaged in India's non-farm rural economy. For the 7 million engaged in production and the millions more dependent on the sector as a source of livelihood, strengthening the craft ecosystem will result in numerous benefits. These include stable employment and income generation opportunities, the ability to capture a greater share of a significant global market, and preservation of unique cultural assets. Moreover, crafts are a powerful tool to create catalytic impact on the lives of women, marginalized communities and social outcomes of entire families engaged in the sector.

Non profits that have been active in the crafts space since the 1960's have developed strong models of working closely with artisans, providing critical inputs and taking products to diverse markets. Given the adequate support they have the potential to further strengthen

these models, specialize in improving the artisan end of the value chain and scale impact across the country. This report suggests a multi-stakeholder approach to build the crafts ecosystem. The Government has a key role to play in creating a policy and economic environment conducive to the growth of crafts into an industry. The private sector including mainstream retail, high end design houses, financial institutions and social businesses are pivotal to ensure the growth of business models that overcome challenges in the value chain and create markets for craft products.

Dasra recommends strategic philanthropists approach the craft sector as a unique opportunity to impact the livelihoods of artisans many of whom struggle for sustenance. By funding non profits that certify products and standardize processes, improve design, product development and quality control and strengthen artisan institutions, philanthropy can further scale high impact and scalable interventions. Our field research has shown that these three interventions can increase artisan income up to tenfold.

Investing in enhancing artisans' incomes will not only provide greater livelihood opportunities to millions, but also ensure the longevity and relevance of Indian traditions and culture.



Assessment of Crafts Sector in India

Did a preliminary mapping based on secondary research, discussions with crafts experts, NPOs, Government, beneficiaries of NPO programs

Mapped NPO interventions in target states

From 260 organizations working across the country, shortlisted 20 organizations delivering relevant programs to the identified target group



Site Visits to Non Profit Organizations (NPO's)

Met with the Executive Director to understand history, evolution of programs and scaling plans

Interviewed and exchanged views with senior staff about programs and impact

Conducted field visits



Analysis of NPO's Programs

Analyzed strengths and weaknesses of crafts programs.

Identified gaps and opportunities for funding

Ascertained strength of management and organization structure from 20 organizations shortlisted 11 with the ability to deliver high quality impact at scale



Summary and Conclusions

Evaluated organizations based on key criteria

Synthesized analysis and derived conclusions

Developed recommendations for investment



Methodology: Dasra's Research Process



Dasra has over a decade of experience of researching the social sector in India. As an organization we pride ourselves on being analytical and research-focused with many of our team coming from analytical roles in the financial and corporate sector.

We are used to working on reports in sectors where access to reliable primary research can be limited and hard to verify. We have developed systems and processes to ensure we can paint an honest picture. There is currently very limited quality research on the crafts sector with extremely limited data on market sizes, spread of artisans and income enhancement success factors and indicators. This created a huge challenge for our research team who undertook time-intensive secondary research to ensure our data was accurate and gave us a true reflection of the issues and current state of the problems.

Dasra undertook five months of detailed interviews with experts, academics, non profits, craftspeople across rural India and Government officials in order to understand the challenges and issues ensuring artisans' sustainability how these are addressed by non profits.

Our research was not restricted to India; we also looked at regional and global best practices to benchmark the current state of the crafts sector and provide recommendations for future action.

Selection Criteria

In this study Dasra has focused on non profits that fulfill the following key criteria:

A. Direct Impact on Artisans' Income– Most of the non profits highlighted in the report are exclusively aimed towards empowering rural artisans. Dasra aims to direct investment to programs that exclusively cater to the needs of the identified target group. Given the crafts sector is in a state of disarray, with paucity of accurate data, measuring impact as opposed to reach or outcomes can be significantly challenging. Wherever available Dasra includes impact measurement; in other cases we rely on the organizations' reach.

B. Ability to reach high volumes– Given the sizeable amount of artisans in India, and the high volumes of product required for sustainability, non profits must reach out to large numbers to create greater impact.

C. Partnerships– All stakeholders are linked and have key roles to play within the crafts value chain. The absence of any one stakeholder hinders efficiencies and has a negative impact on income generation potential of artisans. Forging partnerships and leveraging existing infrastructure ensures smooth functioning of the value chain, decreases costs, enhances impact and builds a cohesive ecosystem.

D. Scalability— Dasra defines scalability as:

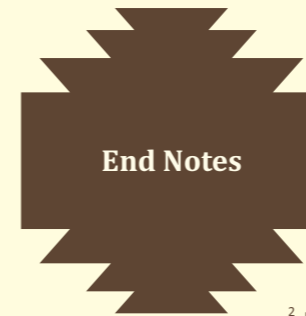
- The evident availability of required resources: for example, the need for skilled artisans to create unique hand made craft products may be a constricting factor to scale; on the other hand training artisans to produce machine operated products is scalable.
- Gestation period: the time required to realize impact from the start of the program.
- Cost per beneficiary.

Dasra’s Use of Statistics

How reliable are the official statistics on crafts?

Reliable data on crafts and craftspeople in India is hard to find, one of the biggest challenges facing the State and non profits who want to understand what works. Key issues include:

1. Official data mainly focuses on exports numbers on a national level. There are very few figures that are corroborated for states and even fewer demographic indicators on craftspeople.
2. National surveys do not typically include performance on all cornerstones and best practices. In addition, there is a paucity of information of the effectiveness of government schemes targeted towards artisans
3. There are massive discrepancies between official data and non profit and academic sources, due to the different tracking methodologies. Where possible we have tried to use official data so as to provide a basis for common understanding and cooperation between the government and non profits.



End Notes



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Acknowledgments and Organization Database

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