Evidence-based Insights for Corporates Supporting Agro-based Livelihood Interventions

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Abstract: Traditionally Indian private corporations voluntarily contributed to the society through philanthropic activities, and a few also engaged in direct implementation of social development programs. The CSR policy rules stipulated in the Indian Companies Act 2013 became effective from April 2014. This has bolstered involvement of companies in corporate social responsibility (CSR). These rules have mandated medium and large scale corporations to invest two percent of their average net profit for previous three years in social welfare and development projects. Thus many new companies will now have to invest in CSR in any of the legally approved social development activities. Several companies that need to strengthen their presence in rural areas are likely to invest in the activity of “agroforestry”, which includes agro-based livelihood (ABL) promotion.

There is little research-based evidence to guide new companies in strategic planning of ABL programs. This paper addresses this need by presenting findings of a research on an ABL project of Ambuja Cement Foundation (ACF), the CSR arm of Ambuja Cement Ltd. ACF has promoted “wadi” (a plantation of horticultural fruits within a defined area of land) as an allied income generation option for farmers in semi-arid regions at its three program sites in Rajasthan, India. A mid-term assessment was conducted using a mixed-methods approach at one of the program sites, namely Marwar Mundwa in Nagaur district, where 59 wadis have been developed over the last decade. Analysis of quantitative data from project MIS and qualitative data collected through interviews and FGDs for this assessment was conducted using SPSS and NVIVO.

The analysis showed that farmers’ economic security measured in terms of average earning per acre (AEPA) started increasing every year after a gestation period of 3-4 years. In case of most farmers the cumulative investment in the wadi was recovered by the cumulative gains in the 3rd or 4th year. However, medium farmers with a total landholding between 5-25 acres were able to derive more economic benefits than small and marginal farmers even though most wadis were developed on small plots of two acres or less.

Qualitative data showed that most farmers had made an informed decision to start a wadi. While a farmer considered several factors while deciding to develop a wadi, a key element driving the decision was whether he perceived the wadi to be a relevant option given the prospects for his traditional farming practice. It also became evident that in addition to the tangible criteria such as availability of land and water, socio-economic status-related criteria had the potential to indirectly influence the sustainability of the wadi. The data also showed that difficulties and circumstances faced by the farmer were critical to maintaining farmer’s motivation and involvement in the wadi. The importance of continually modifying ACF’s support in a changing broader socio-environmental context also emerged from this analysis. An important recommendation for ACF was that it will need to provide end-to-end support from wadi’s inception to marketing of produce as a crucial difficulty for farmers is to get the right market for their produce.

The overall insight that can be drawn from this study is that if corporates want to achieve true long-term impacts and garner the maximum return of investment on CSR projects, they need to thoroughly understand the farmers’ social background and circumstances. Any CSR promoted ABL project will need to evolve mechanisms to support those farmers who intrinsically perceive that the proposed ABL intervention can help them address issues relevant to them in their existing
social context. The CSR support should be planned for the entire time-span, which can run into several years that are needed for completion of the ABL intervention. Mechanisms for end-to-end support from inception to marketing also need to be instituted as part of the CSR support for an ABL intervention.

**Keywords**: Agro-based livelihood, Ambuja Cement Foundation (ACF), Corporate Social Responsibility (CSR), Program research, Sustainable development, Wadi

**Introduction**

In India the corporate approach to social responsibility has evolved through various phases: starting as philanthropy and charity, then during the fight for independence, transforming into industrialists contributing to the society’s progress. After independence, during 1960-80, CSR became an obligation with companies required to follow legislations on governance, labour and environmental issues. Today this has matured into companies incorporating CSR as a part of their sustainable business strategy (Nadaf & Nadaf, 2011). Presently companies do not limit to meeting the expectations of shareholders and maximizing profits, but have a holistic focus that includes all stakeholders and aim at optimizing profits (Arevalo & Aravind, 2011). While such a well-evolved holistic approach reflects in the CSR of several Indian companies (Pradhan & Ranjan, 2011), till 2014, involvement in CSR was predominantly voluntary in nature. The CSR rules of the Companies Act 2013, which came into force in April 2014 and made India the first country to statutorily mandate CSR, marks the beginning of the current phase in CSR in India. These rules mandate companies to spend at least two percent of their net profits on CSR activities defined in the Act. As a result the total CSR investment in the country is now estimated to exceed Rs. 25,000 crore (around 3800mn US$) for the financial year 2015-16 (Deodhar, 2015).

The new legal requirement has changed the operating context for companies in India – companies now have to comply with the Act or report to the government reasons for non-compliance. While currently it suffices to provide an explanation in the company’s annual report and other publicly disclosed documents, it is now tacitly understood that in the near future penalties will be enforced for non-compliance. They also have to meet the government’s increased expectations regarding the private corporate sector’s contribution to social development. This has made it inevitable for companies to earnestly develop a long-term strategic CSR plan. A corollary of this is that companies now need to incorporate CSR as part of their corporate risk management plan. The strategic planning for CSR of many companies is still in the nascent stage. This is borne out by the fact that nearly two-thirds of the top-listed companies could not fulfill the two percent requirement in the first year that the CSR provisions became effective (Economic Times, 2015).

Companies developing a strategic plan for CSR are likely to opt for one or more of the following four channels – direct implementation of CSR activities through company’s departments; implementation through a foundation; implementation in partnership with other NGOs, academic institutions, and international agencies; or implementation in partnership with government (Pradhan & Ranjan, 2011). Since this will be an ongoing commitment for profit-making companies it would be prudent that they select thematic areas of interest. Here the trend of top 200 companies in 2012-13 suggests that many are likely to initiate or increase their investment in the area of community development in rural areas. In 2012-13, in each of the sectors of iron and steel, banking and financial services, power and infrastructure, the investment in this area accounted for at least one-third their CSR investment (Rai & Bansal, 2014). Drawing from the findings of another study of fourteen public and private companies having CSR projects in rural India (Pradhan & Ranjan, 2011) it can be inferred that many are likely to invest in livelihood initiatives.

Companies plausibly will invest in local community development because they perceive that the stability and sustainability of their business depends on the socio-economic development of communities (Pradhan & Ranjan, 2011). Another reason for the emphasis on rural development could be that companies want to strengthen their rural base and expect that it will indirectly contribute to their own growth and development. The CSR investment in agro-based livelihood in rural areas is also necessary because 68% of the population in India resides in rural areas (Census, 2011). Further, among the rural households, 57.8% are agricultural households and of these two-thirds have agricultural income as their main source of income (NSSO, 2014).

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1 The CSR requirement is applicable to companies with an annual turnover of INR 10 billion and more, or a net worth of INR 5 billion and more, or a net profit of INR 0.05 billion or more during any financial year.
For a CSR strategy to be effective, it needs to be guided by empirical evidence. Experience of earlier CSR initiatives and empirical data confirms that rural development, and livelihood promotion in particular, is an important area for CSR investment. However, there is a paucity of research on ground-level implementation of CSR supported rural agro-based livelihood (ABL) projects. Research gaps such as the lack of knowledge of process and difficulty in obtaining information about CSR practices and implementation act as barriers for developing a strategic plan (Arevalo & Aravind, 2011; Gupta, 2014). This is further accentuated by the fact that CSR projects of the past have often mainly been ad-hoc and lacked consistency and long-term commitment. This paper addresses this need by presenting findings of a research on an ABL project of Ambuja Cement Foundation (ACF), the CSR arm of Ambuja Cement Ltd. It presents inferences drawn by ACF from this study and also draws insights for other CSR initiatives that are planning on promoting rural agro-based livelihood in India.

Working in India since 1993, ACF is among the few CSR organizations engaged in direct implementation of social development programs in rural India. It conducts community based development interventions across thematic areas such as natural resource management, livelihood generation, education and health. Its work is driven by a unified “bottom-up” approach characterized by participation of all stakeholders (Rangan & Karim, 2015) and interventions are planned as per the need of the communities. The foundation is currently implementing various ABL intervention programs. As part of its ABL initiatives, it has promoted “wadi”, an agro-forestry livelihood intervention conceptualized and promoted by BAIF, a non-profit organization working in India, and later recognized and promoted by the National Bank for Agriculture and Rural Development (Murray & Badatya, 2010; Doshi & Brockington, 2015). The core component is agro-forestry (the wadi), which comprises of a farmer growing fruits in a family owned plot and planting multi-purpose tree species along boundaries, and cultivating food crops in spaces between fruit trees (http://www.baifwadi.org/). The intervention also has integrated components such as water resource management, soil and water conservation, agri-business, allied livelihoods and social mobilization (Doshi & Brockington, 2015). The concept of wadi has been well researched and found to be effective among rural tribal communities with individual households having small piece of land and growing only rain-fed crops under unfavorable land and water conditions (Mahajan, Newale & Pednekar, 2000; NABARD, 2005).

The ACF has been implementing the wadi project in the semi-arid regions of Rajasthan over the last decade. Presently the project is implemented at three sites, Marwar Mundwa in Nagaur district, Rabriyawas in Pali district and Chirawa in Jhunjhunu district. Across all these locations 229 farmers are developing a wadi in their own small piece of land, which taken together amounts to 332 acres covered under wadi plantation. We conducted a mid-term assessment at Marwar Mundwa, where since 2005, fifty-nine farmers from 18 villages have individually developed a wadi in response to ACF’s promotion (see Table 1). Either one or more type of fruits plants grown in these wadis include Amla (Indian gooseberry), Anar (pomegranate), Ber (a tropical fruit also known Indian plum), Karonda (a berry sized fruit consumed as a condiment or in Indian pickles) and Nimbu (a special species of lemon) plants in their respective wadis. The purpose of this exploratory assessment was to understand the project’s multiple facets such as its initiation, the processes involved in formation of wadis, ACF’s role in the development of the program, farmers’ experience with the wadi, and how the wadi has influenced the day-to-day life at the household level.

Methodology

The study was conducted using a mixed-methods approach. In addition to field observations, two focus group discussions (FGD), one with a representation of staff from each of the three locations and another with the entire field team at Marwar-Mundwa were conducted. Two of the authors also conducted in-depth interviews with 11 of the 59 farmers. These farmers were purposively selected to ensure representation on two parameters, old and new farmers in the project, and all the levels (poor, average and good) of performance assessed on the basis of their wadi earnings. Interviews and focus group discussions were digitally recorded and handwritten notes were also taken by the interviewers. These were later translated into English by professional translators. Two of the authors independently developed a coding structure based on analysis of three interviews and then established reliability by developing a coding structure agreed upon by both. Both the authors coded all the FGDs and interviews and developed emerging themes through a process of reflection and discussion. The data analysis was carried out using the software NVivo (NVivo, 2012).

Quantitative data was extracted from project records maintained as part of its management information system. From 2005 onwards, new wadis were started every year in the villages around Marwar Mundwa. Therefore data was analyzed using the cohort approach. Wadis planted in a year were treated as a cohort because they were likely to be exposed to the same climatic and economic (e.g. costs of materials and market situation) conditions that could influence their performance in a particular year after plantation. The indicators of cost and earnings computed for
the purpose of this study were summated or averaged for each cohort and then analyzed. To compare the year-wise earning of wadis, indicators of earning were calculated for the year since the wadi was planted. For example, the forty-two wadis shown for year 2 in figure 1, means the earnings data for all the wadis in the second year after their plantation, regardless of the year in which each wadi was actually planted. Descriptive statistics were used and SPSS (IBM, 2015) was used for analysis.

The assessment was conducted with approval of the ACF senior management. Ethical considerations were taken into account by taking oral consent of the participating farmers to use the data only for the purpose of assessment study. Confidentiality was assured to participants and is maintained in this paper by not using names of participants while reporting qualitative findings.

Results and Discussion

Relevance of the project to the farmers

A participatory situation assessment conducted before initiating the project had showed that there was potential for bringing unused land under plantation and generating supportive income for farmers in the area around Marwar Mundwa. Therefore, ACF strategically promoted wadi among farmers as an additional income generation proposition. The interviews with farmers showed that they had accepted this proposition after thinking about several factors related to income generation.

Table 1: Establishment of Wadis (2005 – 2013)

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Village</th>
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<th>2013</th>
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A dominant view among the farmers was that wadi provided an alternative at a time when the income potential from existing crops was shrinking and farmers acutely needed another source of earnings. A farmer’s expression captured this sentiment succinctly:

“A farmer cannot live without side business.”

Another reason arose from the perception that the climatic conditions were changing and it was not prudent for farmers to rely on their main crop as the sole source of income. A farmer expressed this as:

“Now that the rain is decreasing every year, I think we need to focus on wadi, since it can be managed with relatively less water.”

Some farmers also perceived wadi to be a more cost-effective proposition. They shared that cultivating crops required more effort and there was always the risk of scarce rainfall and crops not getting the desired price. Comparatively they perceived wadi to be a potentially profitable venture because the cost involved in wadi was lesser and, as explained by a farmer:

“if efforts are taken to ensure manure, cutting and weeding, you can get good yield from wadi. After few years, you can get a yield of 4-5 lakhs.”

A view shared by some farmers also revealed that they chose to develop the wadi for reasons that were not completely relevant to “income generation” objective. For example, an old farmer who was formerly employed and engaged in business, started the wadi as a “good post-retirement option” while two other farmers started the wadi because they did not perceive any risks as their main contribution was in the form of unused land. The farmers concurred with ACF’s view on the potential value of wadi as an income generation option. This appeared to be a common aspect that had attracted farmers to the idea of starting a wadi. An inference for ACF from this is that in future it would have to conduct a more comprehensive situational assessment that also assesses the potential reasons for farmers’ receptivity to the proposed ABL project. We also deduce that ACF cannot limit its view of a livelihood intervention to enhancement of incomes because farmers’ reasons for adoption of the proposed intervention may not be the same as envisaged by ACF. In case of such a discrepancy between the ACF’s and farmers’ purpose of adopting the intervention, the effectiveness and sustainability of the ABL intervention may be restricted.

Criteria for selection of farmers

Before ACF launched the wadi project in 2005, developing orchards was not a traditional agricultural activity in the villages in the Marwar Mundwa area. Therefore ACF’s primary focus at that time was on convincing the farmers to develop a wadi. It approached farmers of all socio-economic strata and selected farmers expressing interest in starting a wadi using two criteria necessary for the growth of a wadi. These were that the land of selected farmers had a water source, and was of a minimum quality required for wadi development.

Interactions with the farmers showed that even though many had a source of water they did not have an irrigation facility, for which they had to seek financial assistance from ACF or government sources. It also became evident that the needs of farmers could change in response to the changing social context. For instance, a reduction in government subsidy for drip irrigation made it unaffordable for small farmers and necessitated ACF to provide...
additional financial support for ensuring wadi survival. On the other hand, ACF had to rationalize support over the period of time as farmers did not need it. This is reflected very well in the process described by a farmer:

Farmer: ACF gave us plants, manure and also medicines. In the beginning, we used to get manure and medicines completely free...and because of our mistake ... subsidy was stopped and brought down to half. Now it is around 60% from farmer and 40% from ACF.

Interviewer: What do you mean by your mistake?
Farmer: Yes, our mistake. Some people misused it...They took whatever was free, (they were) always ready to take anything that was free, but then threw it away, or it got damaged and that’s how it was misused. Then they (ACF) decided that this was not acceptable and started taking some money from the farmer. We too thought that this system was good for us.

An analysis of farmer’s socio-demographic and economic background was conducted to understand how far the neediest farmers were reached and the extent of need for assistance among selected farmers. This showed that a majority (41 of 59) of the farmers had developed their wadi in a land size of an acre or less, and thirteen developed in 1 – 2 acre plots. A comparison of the total landholding of each farmer with his wadi’s land size showed that the majority (34 of the 59) were medium farmers with total landholding in the range of 5 – 25 acres. This indicated that even though ACF had made efforts to reach out to farmers across all strata, only 5 marginal farmers and 20 small farmers with total landholdings of less than 2.5 acres and 2.5 – 5 acres respectively were enrolled in the project. The landholding of a farmer was not however the best indicator of a farmer’s need for assistance. The field staff shared that a large proportion of the land of medium farmers was barren and unusable, which was also confirmed by earlier research (Kumar, 1997). The land provided for wadi was part of the small piece of land that was arable.

ACF has inferred from these findings that it needs to consider three interrelated aspects while planning support to farmers for ABL projects. First, selection criteria should be designed in the broader socio-economic context of the geographic area and should also include farmer’s socio-demographic parameters. Second, as done in this project, ACF should continue to be flexible to accommodate the changing needs of a farmer. Third, support offered by ACF should not be excessive to the point that it induces dependence among farmers and erodes their sense of commitment to the project.

Essential Support to Farmers

ACF offered different types of support to farmers. This included capacity building on technical issues, free or discounted supply of seeds, manures, and insecticides, crisis management support such as for management of pest infestations, and partial financial support for large unaffordable investments such as for fencing and irrigation facilities.

Field observations and interviews confirmed that farmers were satisfied with the nature of ACF’s support. Many also considered it appropriate that ACF provided only 40% financial support when a farmer contributed 60%. Farmers and field staff also shared two critical necessities for the survival of a wadi – need for irrigated water supply and fencing, which is required to protect a wadi from stray cattle and wild animals. Program data showed that almost all farmers had irrigated water supply but only 70% had some type of fencing around their wadi. Only 18 of the 59 wadis had “stone fencing”, the only type of fencing that could effectively protect a wadi. Despite knowing the value of stone fencing, given its high cost, many farmers had opted for cheaper types of fencing (e.g. wired fencing) and availed ACF’s financial support for the same. This had rendered their wadis susceptible to animal attacks and many had incurred losses.

ACF’s interpretation of this is that while designing an ABL project it should proactively identify elements that are critical to its success. Further, it needs to develop a mechanism that can ensure that the needs critical to the survival of the livelihood intervention are completely addressed.

Maintaining farmer morale

ACF field staff is expected to maintain a close working relationship and be in frequent in-person contact with the farmers. This helps in maintaining the morale of the farmer and also helps in timely management of problems that farmers may encounter while developing their wadi.

A strong sense of ownership and commitment toward the wadi among the farmers was evident in several forms. For instance, a farmer independently tried innovations to ensure survival of plants, while another farmer replaced saplings in the second year at his own cost even though ACF was providing free saplings. Many farmers also continued to take care of their wadi even when it was not providing any income because they expected it to yield in
the following years. Many farmers shared that ACF staff was a major source of support and technical guidance. This support appeared to have helped in inculcating a sense of ownership among the farmers and also in sustaining their morale through difficult times.

There were also some farmers who had lost interest in the wadi despite the support from field staff. This was because their saplings could not survive or their wadi could not flourish because the quality of their land did not improve despite additions of required mineral extracts and manures. The extent of farmers’ interest and involvement also appeared to change in response to several other contextual factors. For example, a farmer who was highly motivated lost interest in the wadi after a few years when he started another business. On the other hand another farmer continued working on the wadi in his spare time even though he was employed full-time.

In ACF’s view these findings provide a confirmation that having trained and committed staff who can provide support on an as-needed basis and also develop and nurture a relationship with the farmers contributes to the effectiveness of the project. The message taken by ACF is that it should continue with the strong emphasis on mentorship which is an inherent component of its ABL interventions. A further learning is that ACF could consider incorporating risk mitigation as a part of its implementation plan. This will enable ACF to support farmers who may not benefit from the ABL project despite their efforts due to natural factors beyond their control.

**Income generation potential and economic viability of the wadi**

A predominant view among the farmers was that the most important indicator of the wadi’s success is its ability to generate income. A farmer’s opinion in this regard was that that if farmers were convinced about the economic viability of the wadi, they would start developing wadis independently and will not need ACF to promote the concept.

The monetary gain for every acre covered under wadis was computed for 50 wadis that were at least three years old, which is the minimum number of years required for a wadi to start yielding fruits. As earnings from a wadi are a combination of earning from fruits and intercrops, the average (median) earning per acre (AEPA) from only fruit plants and AEPA from fruit plants and intercrops combined were computed separately. An incremental trend in AEPA from fruit plants confirmed that wadi can provide additional income every year after the third year (See Figure 1). However, a segmented analysis of AEPA according to the farmer size (marginal, small and medium) showed that the potential of wadi to add income was greater for medium farmers as compared to small and marginal farmers (See Figure 2).

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2 Intercropping is the practice of growing a crop of cereals, pulses or other crops in the space available between the wadi plants till they grow.
The economic viability of the wadi was assessed using the cohort approach for 5 cohorts of wadis that were planted since 2005. Capital costs incurred on requirements like fencing, irrigation and other equipment constitute the bulk of the cost for development of wadis. Economic viability was therefore assessed by checking whether the cumulative earnings from a wadi exceeded the capital costs incurred till 2013-14. In other words, the years taken for the cumulative earnings to exceed 100% of the costs were used as the duration required for a wadi to become economically viable. Since both farmers and ACF invested in capital costs, this comparison was done separately for capital costs incurred by each.
This analysis showed that *wadis* in the cohorts of 2005, 2006 and 2007 have not yielded gains to cover even a marginal proportion of the capital cost incurred by the farmer or ACF. This could be because these cohorts were from the initial years after project’s initiation when it faced teething problems in implementation. These included problems such as some farmers not pursuing the wadi with interest and plantation of wrong fruits requiring re-plantation of new fruit saplings in the entire wadi in the second year. However, the performance of cohorts of 2008, 2009 and 2010 suggests that from the farmer’s point of view (see Figure 3) as well as ACF’s point of view (see figure 4), capital costs started getting recovered by the earnings in the third or fourth year after plantation.

![Figure 3. Proportion of Farmer’s Capital Cost Recovered by Wadi Earnings](image)

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For ACF these findings mean that investment in this project has the potential to contribute to the economic empowerment of the farmers. The same sentiment was echoed by some of the farmers as well. As illustrated by the quote below, some farmers have re-invested this income for further development of their wadi.

Interviewer: So, have you done anything with this extra income from last year or last to last year?

Farmer: Yes, yes, of course. This wall that you see is (built) from that income. Otherwise we do not have any other source of extra income from which we could have built this wall.

Apart from providing additional income, the gains from wadi also appeared to have potentially brought about a change in the lifestyle and socio-economic profile of a farmer. The nature of change is evident in the experience shared by a farmer that is quoted below.

Interviewer: Previously you did only farming and now you are doing both – farming and wadi. So, what difference has come about after doing both?

Farmer: Difference as such has been quite a lot. One is that we don’t have to go out to work as labourers, we get employed here itself. Earlier we did farming for four months and after that we had to look out for some other source as labourers or break stones (to earn daily wages). Now we don’t need to go out, we get work in our own houses itself. We carry out cutting and distribution in the summers so that we get firewood, fodder. So, we are busy with all that.

The economic benefits and the viability of the wadi in the project were confirmed by both, the program data and the experiences shared by the farmers. However, in order to make the wadis sustainable in the long-run and to avoid farmers dropping out of the project, ACF will have to continue its support. Many farmers expressed this need because they are unable to derive maximum possible profit from the produce due to difficulties in marketing the product. The views expressed by two farmers illustrate this difficulty.
Farmer 1: Those who sell produce in shops do come to this market and buy it here (at the farm)… we give it in bulk. A single person buys whatever quantity @Rs.25 per kilo. He buys all. Then he sells at 2 (pieces) for Rs.40 or Rs.50.

Interviewer: Twenty rupees, twenty five rupees (for the fruit). If we buy it from the market, then what would be the rate?

Farmer 2: Rs. 80 - 100

Interviewer: Then what is the reason for selling it at Rs. 20?

Farmer 2:….there is no buyer (in the local market). This is the reason, there is no market… We go there (market at district place) to sell. That is our helplessness. What can we do? Either you sell it by yourself by putting up a stall, or this is the problem. If we take that back it will be 80 – 100 rupees a kilo.

Discussion

The legal mandate to invest in CSR has impelled many companies to actively contribute to the social development of India. Several companies are on the cusp of developing a strategic plan for CSR. Notwithstanding whether companies partner with other organizations or get into direct implementation, it is important that their strategic planning aims at long-term sustainable development. We presented findings from an assessment conducted by ACF of the ABL intervention of wadi project. Conducted as a mid-term assessment of an ongoing project it had some inherent limitations. For example, perspectives of the farmers who dropped out from the project were not captured adequately, the role of ACF’s partnership with government and the value of government’s contribution in the form of subsidies was not analyzed. However, despite these limitations the assessment has provided several insights that have a strong potential to guide strategic planning of CSR-led rural livelihood initiatives in India.

The longevity of an ABL intervention was the underlying connecting thread in almost all the findings of our study. As community based ABL interventions take a longer time period, at least a couple of years, to show substantive results the strategy by design should be long-term. Companies need to strategically plan to provide end-to-end support to ensure that the farmers engaged in the program are able to benefit economically and the livelihood activity becomes at least minimally self-sustainable. It would be wise for any company to commit to supporting an ABL program for some additional years than required for the completion of the program cycle.

With the massive increase in CSR investment in India, a large number of companies will plan on supporting ABL interventions in rural areas. It can be extrapolated from this study that these companies will have to devote enough time, monetary and human resources to understand the local context and the perspective of the farmers along with their expectations. It would be judicious on part of the companies to implement only those ABL programs that are customized to the needs of the local communities. The long-term goals of the company’s business will have to be aligned with the goals of the farmer community while supporting these programs. For such an alignment companies will have to adhere to the time-consuming process of connecting with communities. Contrarily, if companies unilaterally develop ABL programs that are only aligned with their business interests, their CSR contribution is unlikely to provide the desired results. In particular, if the CSR strategy is not integrally focused on the empowerment of the neediest farmers, achieving the larger objective of country’s development will be compromised.

As important it is to understand the farmer community, it also behooves the companies to ensure that either its own team or the partner organization’s implementing team has adequate technical competence required for implementation of the ABL intervention. For instance, the wadis could not have been established if the field staff did not have the capacity to offer or arrange for technical support that is critical to the physical survival of a wadi. Even the most well-planned and implemented ABL program will remain susceptible to uncontrollable environmental and economic conditions. Therefore, any plan to support ABL program should enable a company to respond flexibly to unanticipated situations created by such conditions. The scale of the ABL programs and expected outcomes can be attuned with the company’s capacities right at the initiation stage if these aspects are taken into consideration.

The study provided evidence about how an ABL intervention can contribute to economic empowerment of farmers and contribute to overall economic sustainability. Because it was a mid-term assessment of a small project, the study could not assess whether the ABL intervention influenced other aspects of sustainability such as environmental sustainability. However, ACF can now envisage that, if implemented at scale, the ABL intervention could potentially generate resources that can address various business needs while fostering sustainability. For example, it
could potentially increase multi-cropping, increase access to and consumption of fruits. It could also provide by-products such as agro-residues post-harvest (biomass) to companies and indirectly contribute to increasing their thermal substitution rate.

A learning for other companies from ACF’s experience may be that they need to include environmental sustainability as part of their vision right at the outset of strategic planning. This will enable them to determine the scale of the ABL program. It will also help the companies to develop a strong business model that is beneficial to the community as well as to the company. A sound business model for many companies may involve collaboratively working with other companies or government to ensure provision of pre-requisites for ABL programs such as for irrigation and fencing and synergies are drawn upon to combat the challenges involved in contributing to social development.

Conclusion

So far, with the exception of a few large conglomerates, most companies in India have engaged in CSR either through philanthropy or by making operational changes that can help boost the image of the company. Given that most of the Indian rural population’s major source of subsistence is agriculture, the CSR investment in rural development and particularly ABL programs has the potential to bring about an enormous change in the social development of India. For such a change to occur companies will have to weave their CSR as part of their business model that aims to contribute to a larger social cause (Rangan & Karim, 2015). Applied to rural ABL programs, such a model would include companies focusing on creation of livelihood opportunities that can provide long-term sustainability to the marginalized rural population. In order to develop such a model, the starting point for any company would be to develop a long-term strategic plan that envisages addressing community’s felt needs by developing a fair partnership between the company and the community.

References


