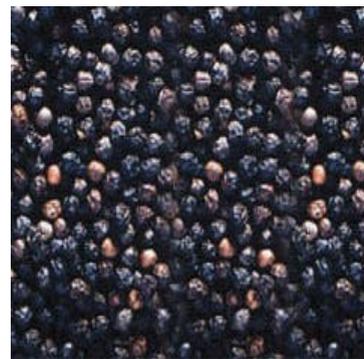




# TOURISM AND SPICES: A RECIPE FOR POVERTY REDUCTION IN INDIA



## EXPORT-LED POVERTY REDUCTION PROGRAMME OBJECTIVE

The Integrated Community-based Export Development Project (ICEDP) in Kerala will assist several thousand rural poor to participate in the promising export value chains of spices and sustainable tourism. By building the supply capacity of communities and local institutions, the project will help to achieve innovative synergy effects, utilize export and tourist market to offer lifestyle and wellness centers as well as products outlets including high value organic spices, exotic herbs and essential oils.

## THE CONTEXT

Small farmers dominate India's spice industry. However, these farmers lack the technical capacity and the necessary market access know-how to sell their products competitively in international markets. Still, India's tourism industry is booming, with a constantly growing interest in alternative forms of tourism that not only contribute to the visitors' wellbeing, but also help preserve the nation's local culture and natural heritage.

The State of Kerala was selected as the most promising location for organizing the Integrated Community-based Export Development Project based on its sizable tourism flows (of which wellness tourism constitutes a part) and its long-standing experience with spice and herb production, since poverty is still prevalent in rural areas.



## ACTIVITIES

An initial opportunity study, which describes the most promising market niches and targets communities and potential support organizations, was finalized in November 2007. Since then, a comprehensive support programme has been drafted covering the following key areas: (1) Increased production capacity and value addition for rural spice farmers; (2) Enhanced capacity of Indian support institutions to develop new products, manage and control quality standards and build an equity brand. This activity also includes the promotion of various opportunities for South-South trade and the transfer of know-how; (3) The promotion of linkages with various key players in the tourism sector; and (4) the building the capacity for managing similar pro-poor technical assistance packages through the transfer of EPRP methodology to Indian counterparts. Through these comprehensive activities, the project will convert trade opportunities into actual business with benefits primarily accruing to the local communities.

## IMPACT ON THE POOR

The project will improve the livelihoods of grass-root producers of aromatic herbs and organic spices in Kerala. These communities are located close to the major tourist centres in the region. Based on calculations of the average household size, 40,000 to 50,000 poor people will benefit from the project. Due to the location and set-up of the project, disadvantaged groups will disproportionately benefit from assistance activities involving women's self-help groups and a large share of tribal communities and Scheduled Castes. The project will be implemented through the self-help groups formed by the beneficiaries, coordinated by partner NGOs as support institutions. Since there are a good deal more similar rural self-help groups existing in Kerala, scaling up potential clearly exists.

## FUTURE DEVELOPMENTS AND SUSTAINABILITY OF THE INTERVENTION

The Spice Board of India is to be the leading counterpart at state level, while at national level this role will be taken by the Department of AYUSH of the Ministry of Health. Specialized agencies and private sector partners, such as the ExIm Bank and the Taj Group, will also be involved in specific project components. The project's implementation is to be assured through local NGOs with extension services and hands-on support being provided.

The project will be part of a larger ITC cooperation strategy with India, including other components and technical assistance activities. It is worth mentioning that this comprehensive technical cooperation package was developed on request and in cooperation with the Indian Government.

## FOR FURTHER INFORMATION, PLEASE CONTACT



Fabrice Leclercq  
Export-led Poverty Reduction  
Programme (EPRP)  
International Trade Centre  
Palais des Nations, CH-1211  
Geneva 10, Switzerland  
T. +41 22 730 0111  
F. +41 22 730 0816  
[Leclercq@intracen.org](mailto:Leclercq@intracen.org)