

Impact Story 16:

Increasing access to nutritious foods in India

THE OPPORTUNITY

India, home to 224.3 million¹ undernourished population, has been grappling with the silent emergency of malnutrition for decades. The burden of malnutrition in the form of stunting, wasting, anaemia, and obesity is prevalent across women, men, and children. The situation in tea estates of Assam a north-eastern state in India is worse, if not similar to the national average. According to the recent data for the state, (NFHS- 2019-20)² more than 65% of women aged 15-49 years are anaemic, and a whopping 92% of children in the age group of 6-23 months are not receiving an adequate diet. The tea communities often consume a monotonous diet lacking essential nutrients vital for an active life. Consumption of poor diets is usually attributed to

- 1) **low affordability and availability of nutritious foods,**
- 2) **high consumption of calorie-rich and non-nutritious diets** (foods high in salts, fats, and sugars),
- 3) **low awareness** about the importance of healthy diets or lack of motivation to change diets.

Transformation of the food-ecosystem around the tea estates to bring about a nutrition shift requires a comprehensive set of interventions. Improving access to nutritious foods is a critical element.



THE SOLUTION

Regular access to everyday foods in tea estates is restricted to the food items available in their nearby neighbourhood shops (also known as line shops) and weekly markets in the tea estates. These neighbourhood retail shops are conveniently located inside the residential colonies and are accessed by tea worker households throughout the day. Because of the convenience, women frequent these shops whenever they run out of stock. These shops also provide credit thereby enabling emergency purchases. However, these shops do not stock fresh, nutritious, and fortified offerings mainly due to the lack of a reliable linkage between the retail shops and food wholesalers located 20-30 kilometres away. It was unviable for the wholesalers to service the estate shops due to very low order value from the individual shops.

GAIN's Workforce Nutrition program conceived and implemented a market-based supply chain solution to enhance the food environment around tea estates by leveraging the existing neighbourhood line shops to improve access to healthy foods.

Since the neighbourhood line shops are the nearest access points, the project explored mechanisms to improve nutritious food offerings in these shops, which included a product basket of different food items such as fortified cooking oil, pasteurized and packaged milk, lentils and pulses, eggs, soya crumbs, nuts, vegetables and fruits, and iodized salt. The product basket was developed based on insights from food intake behaviour and affordability of the food items for tea worker households. Thus came the idea of turning a line shop into a **healthy line shop (HLS)**.

As a next step, the model explored the idea of connecting the HLSs with a Distributor located at central hub town, for sourcing, supply, and doorstep delivery of the identified food items from various wholesalers at a competitive price. Starting with 12 HLSs in 4 tea estates, initial transportation costs were supported by the project until the Distributor was able to generate sufficient business volume to cover transportation costs. Additionally, training and handholding of HLS distributor and the HLS owners on various aspects of supply chain operation was also provided to enable them to source products effectively. The HLS were also provided with communication material to create a distinctive identity.

1 https://www.fao.org/3/cc0639en/online/sofi-2022/annexes1_a.html

2 http://rchiips.org/nfhs/pdf/NFHS4/AS_FactSheet.pdf

Over the next one year, there was a steady increase in the order values of nutritious food products. But to develop a sustainable and viable business model, it was realized that the total order value of food products from all the HLSs had to attain a threshold of INR 5 lakhs (USD 6250). We onboarded 20 new HLS as part of the model, thereby supporting a total of 32 HLS in 8 tea estates of Assam. With an increase in the number of HLSs shops, an additional range of food products such as chickpea flour, white peas, staples, and health and hygiene?? products were introduced. A credit purchase facility for the retailers were also initiated.

In two years (by end of 2022), these **32 HLSs are functioning in a financially self-sustaining mode**, providing a regular supply of nutritious and other food products to approximately 3200+ households with monthly sales of around **USD 8400 (INR 630,000)**. The initial cost from the project for logistics support has also been phased out.

THE IMPACT

The new and unique identity of a simple neighbourhood retail shop helped the retailer to attract more customers and resulted in a community level improvement in consumption of diverse food groups among workers. This is evident from improved volumes of purchase of nutritious food items such as fortified cooking oil, milk, pulses, eggs, vegetable, and fruits, which were less consumed previously.

The intervention supported the supply chain to consistently grow its business volumes with improved sales and profits across the value chain – retailers, aggregators, and wholesalers. The average order value of nutritious food products per shop which was **USD 24.7 (INR 1850)** in 2019, **has now increased to USD 180 (INR 13506), even after two waves of COVID-19 lockdown and restrictions.**

The model not only provided value for tea worker communities, HLS retailers, and distributor but was also appreciated by tea estate management as it is based on the principles of business and required minimal inputs from the tea companies.

Based on the successful outcome of the model, we are now increasing our reach of the Healthy Line Shops model to 120 new HLS, in 30 new tea estates spread across 7 districts of Assam. We are also planning to contextualize and replicate the model in other geographies to increase accessibility of nutritious food products across vulnerable populations.

