

I.

India Handicrafts: Best Practice Lessons for Policy and Programs in Egypt

Analysis and Experiences
Gained

Egypt Network for Integrated Development

Case Study 014

II. Introduction:¹

The Handicraft sector in India has proven to be an immense stimulus for growth for the past twenty years. Egypt could adopt the Indian model to tackle poverty, since there are many socio-cultural similarities that exist in both countries, particularly in the poor districts. The handicraft sector can be strengthened to promote employment and income generation, given its limited use of capital. Handicrafts can also become an integral part of exports. With the expansion in mechanization and mass production, customers around the world are demanding more traditional handicraft products that are produced locally. The international demand for handicrafts has experienced growth which is expected to continue from developed countries. In its first year of existence, ENID's Managing Director (MD) visited India on an exploratory mission in November 2012. ENID's second mission to New Delhi was a major learning experience for Egypt's thirteen participants over the period of two weeks (Dec 30, 2013 to Jan 16, 2014). ENID's goal from its second trip to India was to participate in a two week artisanal workshop on the ground to exchange technical knowhow and creative art forms between Egyptian and Indian crafts persons. The trip was a key learning experience for the Egypt team and a crucial part of ENID's attempt to revive and develop a large number of traditional Egyptian crafts. The 20 year old Dastkari Haat Institution is considered by ENID as a Best Practice civil society organization (CSO) from which to learn how to promote some 15 crafts that are being developed in the South of Egypt. The Dastkari Haat Festival is a testament to the potential developmental impact of a supportive and favorable environment for crafts to thrive, and this is only achievable through the production of innovative crafts that meet international standards for the thriving and untapped market for handicrafts exports. Egypt, with its special history and strong cultural heritage, has an excellent opportunity to invigorate its handicraft sector which has been severely impeded by the decline in tourism following the Financial Crisis in 2008 and the Arab Spring uprisings in 2011. These events have placed a considerable burden on the handicrafts sector, with some traditional crafts facing major challenges, particularly given the lack of access to markets and insufficient support.

III. India's Success Story in Handicrafts:

India produced an estimated \$5600 million in handicrafts, with exports in the fiscal year 2012-2013 amounting to \$3304 million with a growth rate of 22.15% from the preceding year, thus Indian exports of handicrafts account for more than half of entire productive capacity.² The share of employment in Indian handicrafts is second only to agriculture. The Indian Export Promotion Council for Handicrafts was established in the year 1986.³ It is a non-profit organization that promotes the production and export of Indian handicrafts through the enactment of policies that ensure the support and promotion of local handicrafts production in India which has quickly become a best practice model for poverty alleviation. Since its inception, the Council has promoted the image projected internationally of high quality production that continually meets

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² All statistics obtained from International Seminar for Promotion of Exports of Indian handicrafts held on 17th and 18th September 2013.

³ Export Promotion Council for Handicrafts, About EPCH,

http://www.epch.in/index.php?option=com_content&view=article&id=53&Itemid=177

international standards and also annually services exports with the most recent designs for the diverse range of products, facilitating export marketing activities and advising government on effective policies to respond to the demands of local master craftsmen and their apprentices. The Council's success can best be captured by the significant increase of \$101.16 million in 2014 in total handicrafts exports, a 15.2% increase over 2013. This is also portrayed through the increased number of fairs and exhibitions throughout India that is supported by the Council, including the India Expo Center & Mart, the Indian Handicrafts and Gifts Fair, and the Technology Upgradation Centre at Saharanpur, among many others.

The results of aggressively promoting the crafts sector has culminated in the sustenance of over 100 handicraft clusters in 27 states across India, exporting a wide variety of products that include jewellery, children's toys, textile embroidery and handloom, horn and bone, painting, leather products, pottery and clay products, wood carving and inlay, woodturning, rugs and carpets, among others. The sector has led to the employment of 7.4 million people, most of who are vulnerable to poverty and reside in rural India. The infrastructural development has allowed for these many clusters to thrive through export incentives, such that India now exports 26.29% of handicraft products to the U.S., 9.57% to the U.K, 8.93% to the UAE, and 7.82% to Germany, with 26% going to many other countries. This focus on exports to developed nations has allowed the industry to thrive.

Such advancement in Indian crafts is testament to a favorable policy environment that has been in place for many years. The focus on market driven designs, establishment of the required infrastructure for local clusters in the state level to thrive, a focus on reviving crafts that are dying out through innovative methods, enhanced technical development and technology upgrading through setting up of common facility centers, as well as improved flows of credit and raw materials to aspiring craftspeople, are some of the key policy areas that promote the Indian handicrafts sector. The facilitation of major emporiums by the government, including the renowned Cottage Crafts Emporium, provides a central hub for the finest quality crafts products to be displayed and sold in all large cities in the country. Another example of India's success is the promotion through numerous e-shops and websites such as FabIndia that display high quality Indian crafts produced especially for the export market and that emphasize a celebration of Indian cultural heritage. This is testament to India's pursuit of expanding its local production that is targeted for both the local markets and higher quality products to be exported.

IV. Overview of ENID's First Trip to India:

In November 2012, in a five-day official visit to India, under the auspices of UNDP Egypt, ENID MD was given an extensive introduction to India's flourishing MSME sector and the organizational structure behind it. The visit took place in New Delhi and outskirts as well as a short stay in Jaipur. It was coordinated by the UNDP Office in Egypt and India, the Indian Embassy in Cairo, the Indian Commission for Handicrafts, the Crafts Commission of India and the Indian Export Promotion Council for Handicrafts. The most important contact was with Mrs. Jaya Jaitly, the president of Dastkari Haat Smiti. Mrs. Jaitly had started the urban market model in 1994, which culminated in the Dilli Haat, a section of a park similar to the Azhar Park in Cairo, a sustainable venue which invites thousands of Indian crafts people to display and sell their wares. Other than visiting a number of crafts and skills centers and obtaining samples of

quality products to show in Egypt, Dr. Handoussa was especially impressed with the work of Mr. Shri Harikishan, Master Potter at a pottery cluster outside New Delhi. Mr. Harikrishan was keen to visit Egypt to demonstrate his specialized skills and it is hoped that this visit can be arranged for the benefit of Egypt's oldest pottery district in the governorate of Qena in Upper Egypt.

Ms. Jaitly's society has more than 1500 members including many development organizations. The society also provides assistance to up to 700 female producers. Dastakari Haat provides 180 stalls which are all made available for a period of two weeks for a craftsman or groups to exhibit and sell their products. For many of these craftspeople, this two week crafts festival is where they sell a full year's output. Mrs. Jaitly has also organized a cooperative activity process for two weeks every year with organizations from other countries that bring their craftspeople and display their handicrafts. So far, Thailand, Vietnam, South Africa and Pakistan had attended the cooperative workshop and Ms. Jaitly extended an invitation to ENID to organize and bring craftspeople from Egypt for the January 2014 Dilli Haat workshop. Dr. Heba gladly accepted this invitation, recognizing the opportunity to enhance cooperation between both countries and to benefit from India's innovative and successful model to promote crafts. This valuable exchange was especially important for crafts that are common and shared between Egypt and India such as calligraphy, hand-woven products, glazing pottery, glass products, wood sculpting, natural dyes, and marble etching.

It was also essential for ENID to engage with numerous policy makers working on promoting the handicrafts sector in India to better understand the necessary policies and government outputs to promote the sector's development and expansion, particularly with regards exports. A meeting with Mr. Shri S.S. Gupta, Development Commissioner for Handicrafts, proved to be most important in terms of organizing further engagement between ENID and potential partners to upgrade the handicrafts sector in Egypt with technical assistance from India. Discussions centered on the structure of the support system for handicrafts and how the various government entities are each responsible for one of many interventions. Mr. Gupta insisted that it was important for policymakers to focus on handicrafts as independent of any industrial sector classification because, as seen in India, the handicrafts sector encompasses all possible crafts and each of these requires different raw materials. A meeting was also arranged with Dr. Amar Singh, former joint secretary responsible for India's vocational training centers at the Ministry of Rural Development and current chairman and managing director for Food Cooperation of India. The objective was to promote Egypt/India cooperation in the field of vocational training for handicrafts (and perhaps other sectors) with a focus on the training of trainers (TOT) as well as on equipment and facilities. The other skills discussed were those on ENID's target list of five Technical Vocational Education and Training (TVET) centers: Building and construction, Tourism and hospitality, Textiles and garments, IT and IT Enabling Services (ITES). One valuable lesson was the importance of linking the planning of TVET curricula and the student capacity according to the forecasts made of the demand structure for labor not only inside India but also in Gulf countries.

The India visit, facilitated in large part by Mrs. Anita Nirody, Resident Representative of UNDP in Egypt, has been an immense help to ENID. Mrs. Nirody arranged the trip for ENID, which has succeeded in establishing links in India that are likely to help in the organization, structure,

product lines, and general upgrade of the MSME sector in Egypt to promote job creation and income generation for development.

V. ENID's Second Trip to INDIA: Value Added

The second trip to India (two first weeks of January 2014) was very beneficial to the artisans that contributed from Egypt, especially on the technical level. These crafts people and artists were carefully selected according to their recognized and superior skill level, as well as their obligation to train a batch of young rural apprentices upon their return to Egypt. According to Mohamed Gaber Mostafa, a kheyameya Artisan, the trip was very fruitful and fulfilling and gave him a great opportunity to better familiarize with Indian culture and their artwork. Below are some of the most important observations from the ENID participants:

Kheyameya. The extensive availability of patchwork was important to note, with availability in plain or flowered materials. Egypt's artisan specializing in Kheyameya (applique tenting products), Mohamed Gaber, noted the beautiful process of layering two clear fabrics in between one colored fabric to provide a professional and beautiful production that can be replicated in numerous ways in Egypt. Mohamed Gaber hopes to follow this technique in order to diversify his kheyameya repertoire. He has by end 2014 completed his mission of training 15 girls in the village of Al Ossayrat in Qena governorate in the South of Egypt and their products are marketed locally with good prospects for export.

Glass Sculptures. New designs and production techniques in Glass Sculptures were highly appreciated by artist and trainer Dr. Houreya El Sayed. This craft is declining at present in Egypt, despite a major opportunity of producing Ancient Egyptian designs to be sold in touristic locations domestically. Dr. Houreya has now trained 13 girls in the art and craft of glass casting in the village of Nagaa Al Awary in Qena. Their products were displayed at an art exhibition in Cairo as well as at the Seventh National Festival for Traditional Handicrafts at the Cairo Opera House for three weeks in October 2014. Sales are slowly but steadily increasing as the young women's skills improve over time.

Leather Crafts. Leather techniques were impressive, such as the blind embossing which is a significantly underutilized technique in Egypt. The leather is placed between two metal dyes and heated in a press to produce the design. Two leather artisans, Mohamed Mansour and Ishak Fahim, were particularly impressed by the simplicity of the Indian traditional methods in leather crafts without the use of sophisticated tools and machines. The leather craft is being introduced by ENID for the first time in the South of Egypt to produce handbags in the village of Al Shaaneya in Qena.

Papier Maché. The paper craft that was presented in the event is the recycled formed paper paste with added Kaolin as a binder. Animals and figurines were produced at the workshop which Egyptian artist Chadi Salama attended. Chadi also benefited from the individual sessions with a notable artisan named Nazeer from Cashmere, producing delicately painted papier mache products using molds. The items were left to dry in the sun and were heavily varnished for extra protection. Although the products required long hours in the sun, the low cost of raw materials makes it possible to introduce this particular methodology in one of Egypt's poor villages in the

South. The village of Al Shaaraneya was selected by ENID to introduce the recycling of paper for the production of notebooks.

Wooden Stamps. Mohamed Habib, an Indian master of this craft with national recognition, met with artist and trainer Elhamy and guided him on various methods. It was interesting to see the carving of these stamps done manually using hard wood that resembles one particular Egyptian wood called Sersou'. The stamps are used for printing on fabric where it is carved with the inverse of the design. ENID hopes to revive Egypt's traditional block printing with designs available at the Museum of Weaving in Fatimid Cairo as well as some contemporary designs.

Alabaster. The traditional methods of crafting marble or alabaster by the Indian craftspeople were explained by the sophisticated sculpting techniques by artist and trainer Sayed Ali. This sophistication arises from the patience that Indian and Egyptian craftspeople enjoy as well as their respect and value for traditional methods of production. Mr. Sayed Ali has set up a new alabaster workshop in Gorna village in Luxor.

Telly Embroidery. The production of telly was initiated in the Egyptian governorates of Assuit and Souhag in Upper Egypt. It consists of silver thread embroidered in different kinds of fabric. ENID's artist and trainer Shaymaa El Sayed traveled to India on the second trip to learn new motifs and stitching techniques. After the trip, Shaymaa El Sayed trained 20 girls on the new embroidery motifs she learned in El Qarameta, a village in Souhag.

From the perspective of the ENID initiative, participation in Dastkari Haat Smiti was thus an invaluable experience to be followed up for continued cooperation between Egyptian and Indian counterparts in the handicrafts sector. The Egyptian mission looks forward to the visit of some of India's top craftspeople to Egypt in the near future for an additional opportunity for knowledge exchange and cultural interaction which would incorporate more stakeholders to enhance the impact of the Indian experience.

Other Ideas of relevance to Egypt:

Publications on crafts. Ms. Jaitly had shared her experience in publishing high quality books on Indian handicrafts as well as children's stories that deal directly with the topic of crafts for Indian children. Incorporated within these very interesting publications are important topics including ecology, cooperation, role reversal games, family interaction and core ethics. The ideas of identity and sustainability is very much intertwined, where publication of major crafts in coffee table editions is a key documentation lasting beyond the scope of short term projects. ENID has produced in Arabic an Egyptian book on Crafts that captures the diversity of traditional and authentic crafts produced across Egypt.

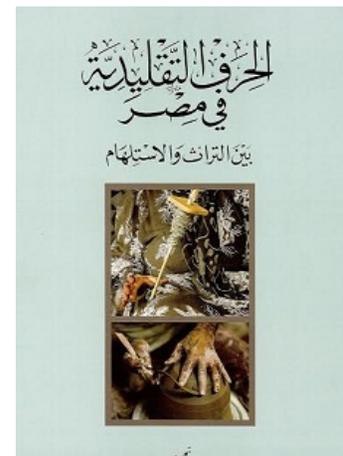


Figure 1 ENID Book on Egyptian Handicrafts

Toys that are affordable. The idea of simple traditional toys for the local market is fascinating. The presence of kaleidoscopes, tops, spinning wheels, bird whistles, clinking pull toys and a rich repertoire of local, traditional and international products are very

much lacking in the Egyptian setting. The parallel market in Egypt can benefit tremendously by the high quality yet relatively cheaper and more diverse toy products that can thrive in the local market.

Fabric Galore. Handmade fabrics in India are versatile and very rich in their design, ranging from simple block printed cottons of modest quality to exquisite and expensive silk Saris and Pashminas. Fabric designs are outstanding, with geometric, floral, and calligraphic elements with different degrees of stylization. The process of mastering these intricate designs is a crucial learning experience that should be adapted to meet the local Egyptian context.

VI. Policy Recommendations:

The outcome of the ENID trip of 2012 was to identify key policy recommendations based on India's best practice handicrafts model. ENID MD has worked hard at advocating the setting up of an Export Council for Handicrafts in the style of India's ECPH, along with the currently few Egyptian exporters. The Ministry of Industry and Foreign Trade has adopted the recommendations and the decree was enacted in November 2013, one year after ENID's first trip to India. Egypt's Export Council for the Handmade and Crafts Manufactures should provide support including marketing abroad; provide exposure to local producers in international crafts festivals around the world, craft-specific training; upgrading the technology used, thus cutting costs and raising quality. Except for a tiny fraction, local producers in Egypt are not yet proficient enough with quality handicrafts that meet the standards required by the export market.

Recommendations include:

- Focus on markets and channels in which there is less direct competition with high-volume, low-cost producers of "industrial" handicrafts, for example, the independent retailer market by way of whole sale importers. Rather than competing directly with China, identify and sell to market niches such as high-end home accessories and the importers whose smaller orders are of no interest to large craft factories.
- Developing nations characterized with large populations, such as Egypt, could benefit from local demand for often cheaper locally produced goods in all commodities including textiles and garments, furniture and home accessories.
- Develop more products that embrace the concept of global designs in order to both access the large and growing demand for contemporary designs and remain distinctive in the marketplace. Opportunities for handicrafts exist in all market segments, but are most abundant for products that fit comfortably into people's homes and bring an authentic indigenous element into their lives.
- Developing and upgrading common facility centers. Egypt will adopt a facility center in the wood production cluster in the Salheya district in Qena. Common facility centers play an important role in strengthening crafts clusters, and allow for easier replication and expansion.
- Look to local and regional markets for opportunities that may have been overlooked and can serve as a springboard to larger and more competitive markets.
- Constantly upgrade skills and techniques, including detailed handiwork, quality (especially finishes), product development, and customer service to remain competitive, difficult to imitate, and appealing to work with.

There is potential to be optimistic in the near future. The increasing demand from numerous developed economies, including the United States and Germany, as well as the proximity of new and close markets including the UAE and other Gulf Arab countries, situates Egypt very favorably for a potential boom in the production and export of local and traditional crafts. The creation of an Export Council for the Handmade and Crafts Manufactures in 2012 is testament to the Egyptian government's aim to further promote the sector in many areas, particularly given the opportunity of increased international demand. Through its developmental interventions in the villages most vulnerable to poverty in the Upper Egypt governorate of Qena, ENID has facilitated the establishment of more than 15 handicrafts workshops in 15 villages adopting the OVOP best practice model. The establishment of a marketing team for ENID in 2014 is intended to provide support in product design and branding to help marketing at home and abroad. The OVOP products include serma, arabesque, kheyameya, camel bone sculpting, mother of pearl inlay, professional painting, glass casting, brass lanterns, and wood turning, among others. ENID's experience in India is testament to the need for the government, particularly the Ministry of Industry, to implement effective policies that would support and promote the expansion of crafts through effective market studies. One example is in leatherwork. More must be done to promote the local development of the leather crafts for sale both domestically and in the international market due to the increased demand. Egyptian sellers prefer to export raw leather, thus contributing to increased prices for leather products domestically that act as a barrier to entry for new producers. Egypt can also be the hub for exports of higher value added garments and accessories due to the unique availability of raw materials and cheap labor in the South.

The Egyptian Export Council for the Handmade and Crafts Manufactures is hoped to play an important role in supporting the handicrafts sector, especially in Upper Egyptian villages where these traditional crafts have long been sustained yet face numerous challenges. The Council aims to provide commercially useful information and assistance to craftsmen to promote exports of their products, offering professional advice on upgraded technology implementation, design and quality improvement to meet international market demands, standards and specifications, and product innovation. The Council would also assist in linking delegations and members of the crafts community to explore new overseas market opportunities, enhance participation in local and international fairs and exhibitions, promote new linkages between the crafts exporters and the government at the central and local levels thereby influencing policy making, and building a statistical database for critical information including import and export data of crafts in Egypt and abroad to identify areas of opportunity and rapidly address the crafts industries that require improvement and further support. It is essential for micro-credit, loans, and training in entrepreneurship to take place as added supports to the crafts sector, especially in governorates such as Qena. The key is to establish the necessary infrastructure and environment that would maintain the authenticity of the Egyptian crafts products while introducing contemporary designs, thus creating new handicraft clusters in villages throughout the country. This would have a considerably positive impact on local development.

With regard policies, the Council would facilitate all the required steps for a craftsman to start producing, including the handling of bureaucratic licensing and paperwork, organizing workshops and competitions, and facilitating the sharing of knowledge on crafts through hosting Training of Trainers workshops and conferences by inviting master craftsmen from countries

such as India. The Export Council for the Handmade and Crafts Manufactures is a necessary and optimistic step forward to cementing its position as a key global exporter of handicraft products, yet more must be done in the short term to support the local crafts that are authentic and highly in demand in the international market. Main markets for handicrafts include countries in the Gulf region such as the UAE, and overseas markets such as the United States, the United Kingdom, and Germany. The Arab Spring is testament to the need for favorable developmental policies in Egypt and the Arab world as a whole, and the untapped international market for locally produced handicrafts represents a major opportunity for Egypt to advance local development goals on the village and district level through establishing the necessary infrastructure for the development of clusters. The provision of the necessary supports and infrastructure will not only save the traditional crafts, but will also bring innovation to the South which is currently non-existent. ENID has recognized this necessity, and observed the strong developmental impact of promoting the sector first hand through the model of India, and hopes to become a best practice, through the adoption of the OVOP model, for the expansion of the Egyptian handicrafts industry for export and local development.