

Living Income Webinar Series

Closing the income gap: What Works to raise Farmer Incomes, Mars
Farmer Income Lab and Wageningen University

20 February 2020



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Cotton field at sunset © Better Cotton Initiative.jpg

Today's webinar facilitators



Stephanie Daniels
Senior Program Director
Sustainable Food Lab



Rita Mendez
Coordinator, Impacts
ISEAL Alliance

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Agenda

- 1. Introduction** to the Living Income Community of Practice and the concept of living income.
- 2. Presentation** by Heather Pfahl, Global Socioeconomic Sustainability Lead for Mars and Joost Guijt, Wageningen University & Research, Lead Author of What Works to Increase Smallholder Farmer Incomes
- 3. Open** Q&A and discussion
- 4. CoP** updates

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The Living Income Community of Practice

Living Income Community of Practice is an alliance of partners dedicated to the vision of thriving, economically stable, rural communities linked to global food and agricultural supply chains.



For more information and to join the community visit:

www.living-income.com

Contact: livingincome@isealalliance.org

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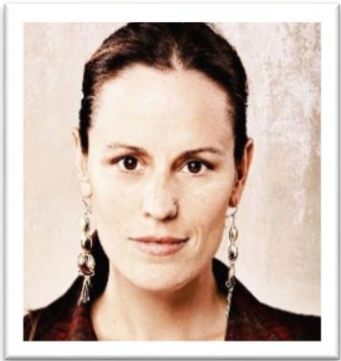
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alliance



Today's guest speakers



Heather Pfahl

Socio-Economic Impact Lead
**Mars Incorporated, Global
Sustainability**



Joost Guijt

Senior Advisor for Inclusive
Agrimarkets
**Wageningen University &
Research**

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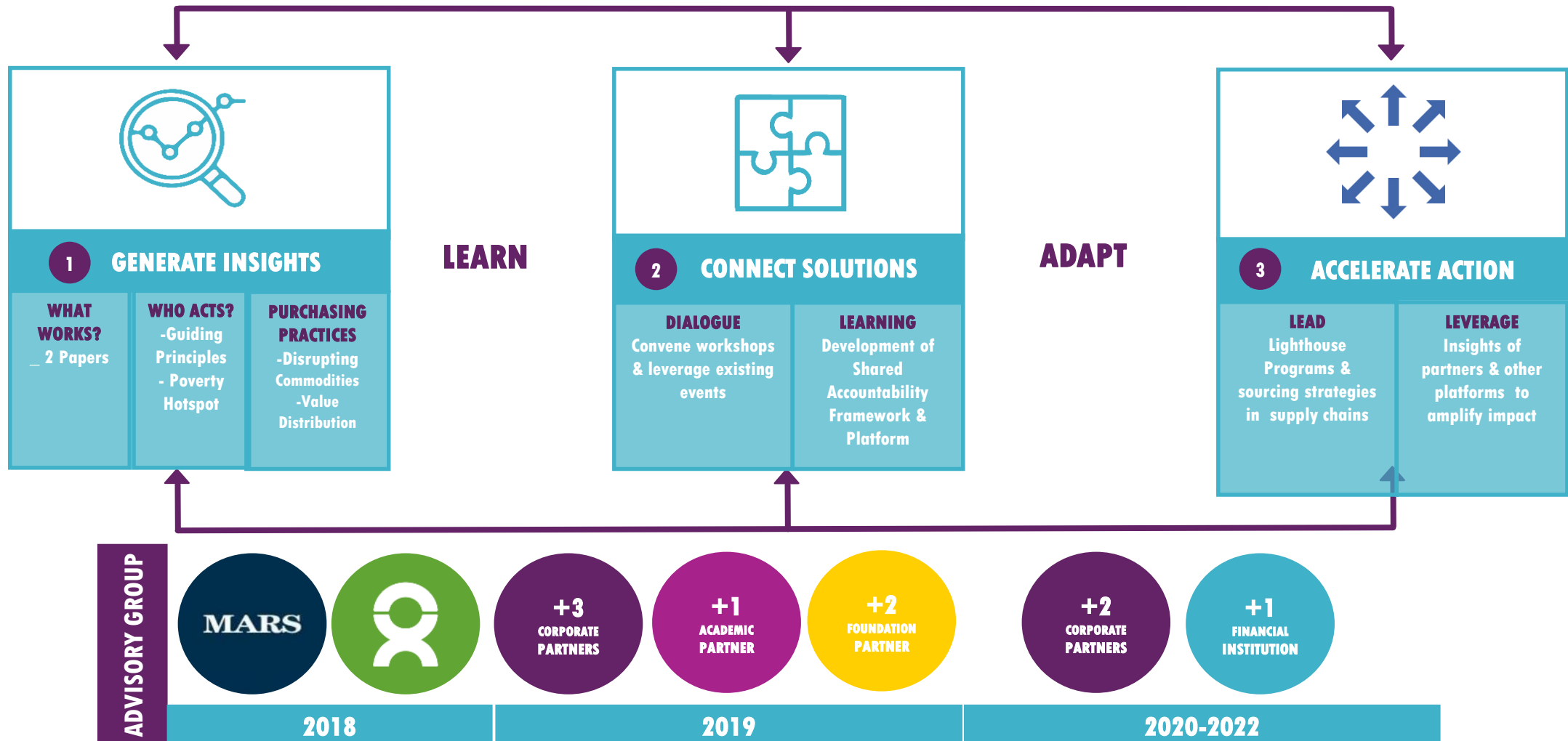
Tea, Kenya © Ola Höiden for Fairtrade

FARMER INCOME LAB

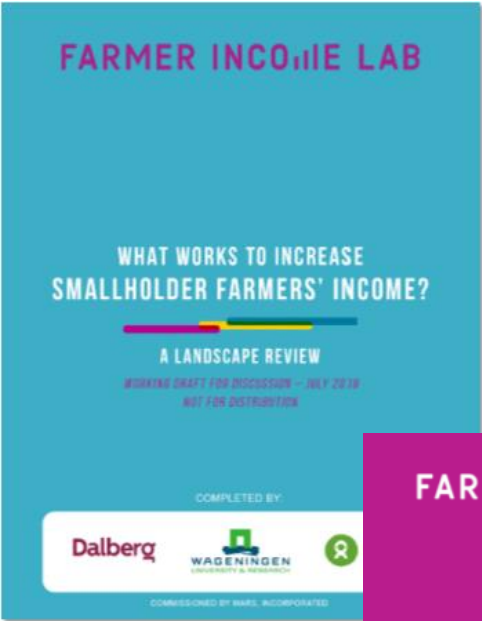
STRATEGIC PLAN: 2019-2021

OBJECTIVE

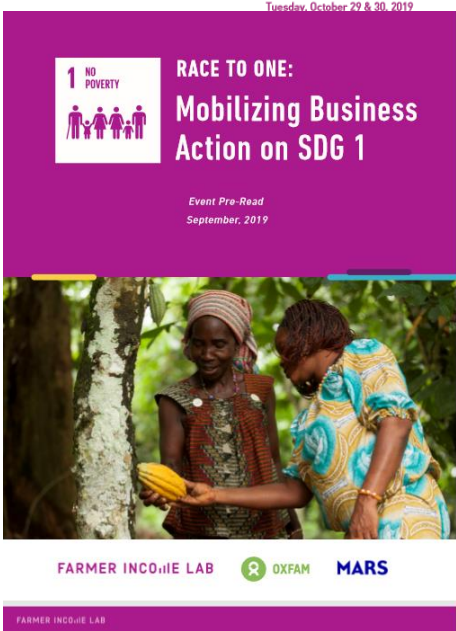
Identify and test the optimal ways to drive meaningful improvements in smallholder farmer incomes



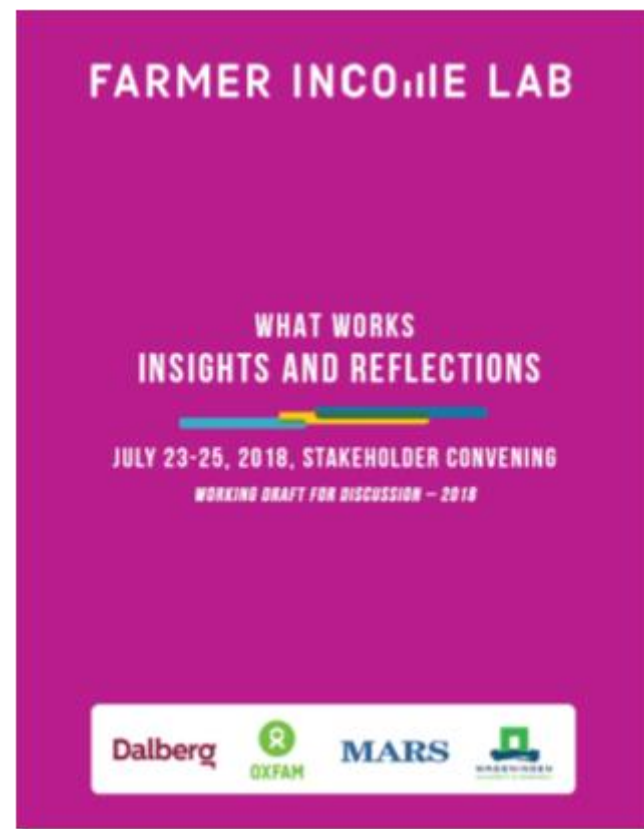
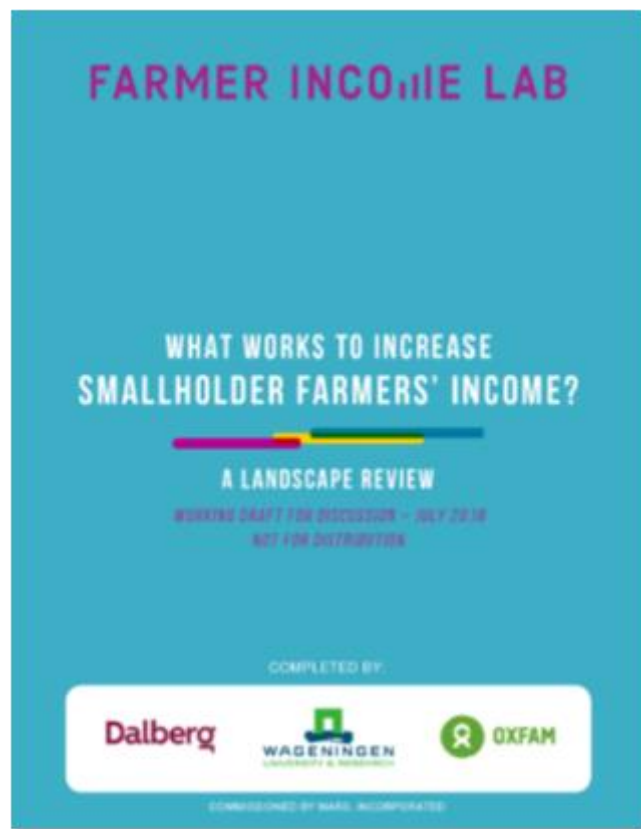
What we have done...



Mars, Incorporated and the Farmer Income Lab, in partnership with IDH, are thrilled that you can participate in our first Disrupting Commodities workshop. This document provides background and an agenda for this event.



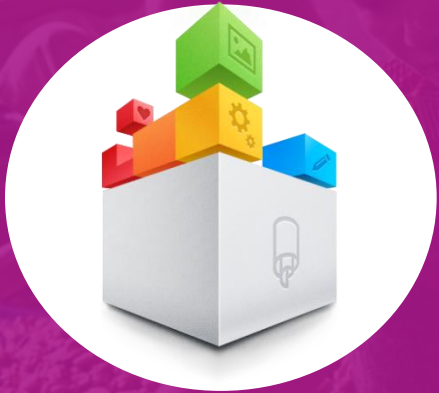
WHAT WORKS?



FARMER INCOME LAB

Four Key Success Factors: Across All Interventions

BUNDLING



CONNECTING



CUSTOMIZING



PARTNERING



What We Learned



FOCUS ON INCOME



TARGET ROOT CAUSES



DEFINE ROLES + RESPONSIBILITIES



ALIGN ON TARGETS



ENABLE SUCCESS and STRENGTHEN
SYSTEMS (informal & formal)



Boosting Farmer income: 'Great Cases' Analysis

*Shifting from intervention
to case perspective*

FARMER INCOME LAB



Boosting
farmer income:
further insights
from great cases

What can we learn from 'great cases' demonstrating farmer income improvement?

Project Approach:

- STEP 1** Crowdsourcing 'great cases' from credible experts and practitioners
 -> longlist
- STEP 2** Review top 7-10 cases
- STEP 3** Analyze findings
- STEP 4** Article: preliminary insights, possible implications for lead buyers
 -> Methodology paper

Crowdsourcing cases

- > 80 experts and practitioners
 - Tough ask – few people were confident ‘theirs’ were the best
- 103 cases, 60 claimed income increases of less than 50%, or no income data at all
- 21 claimed income increases of 100% or more; 6: 200% or more

Best practice: based on assumption or evidence?

Selecting most impactful cases

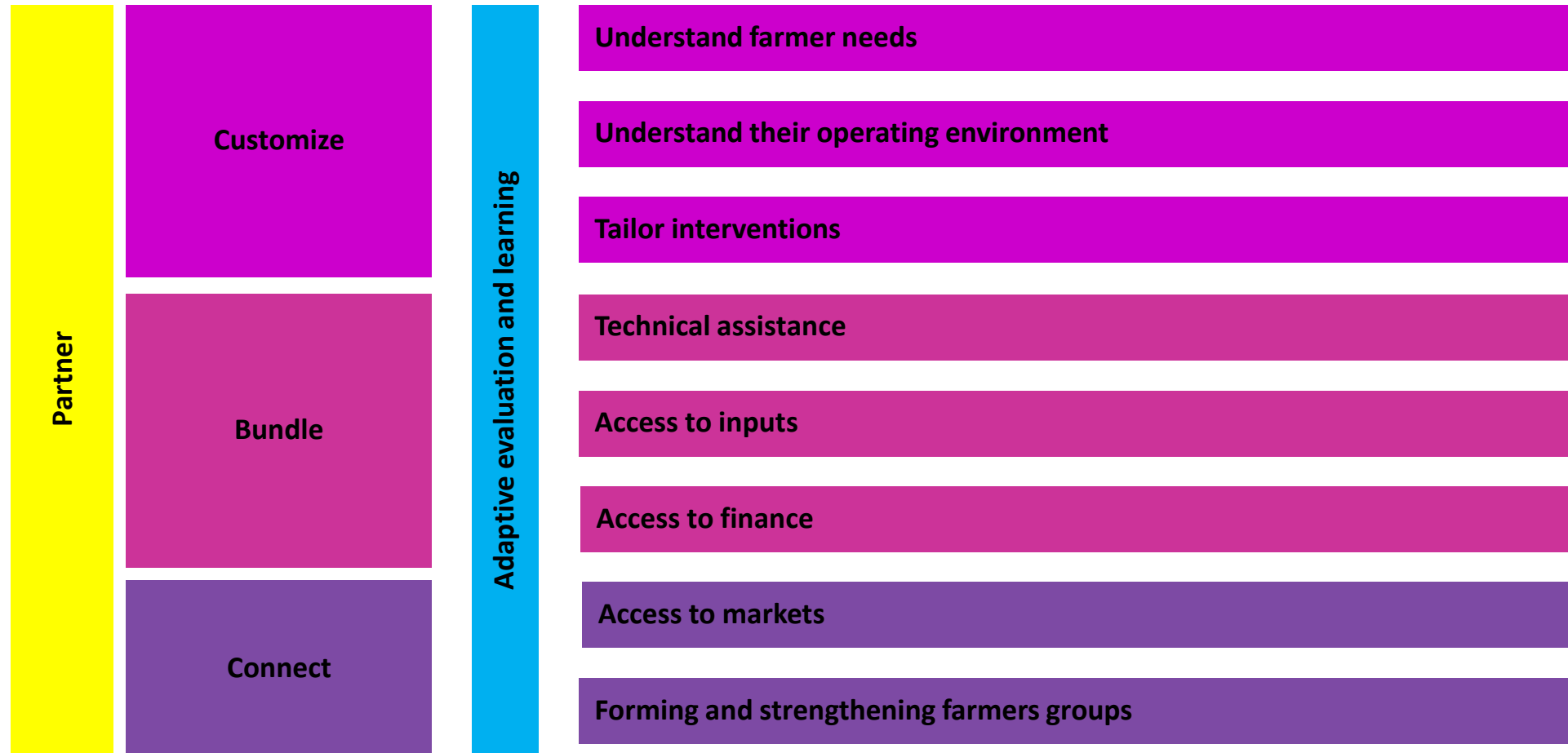
- Wanted to select on
 - Income increase
 - Scale
 - Inclusivity
 - Durability
- However, no data on inclusivity and durability
- Excluded cases lacking documented income impact
- ‘Income’ = crop income, not household income. No benchmark.
 - *We cannot say whether participating HH have emerged out of poverty*

These cases have among the highest and best-documented income impact and scale

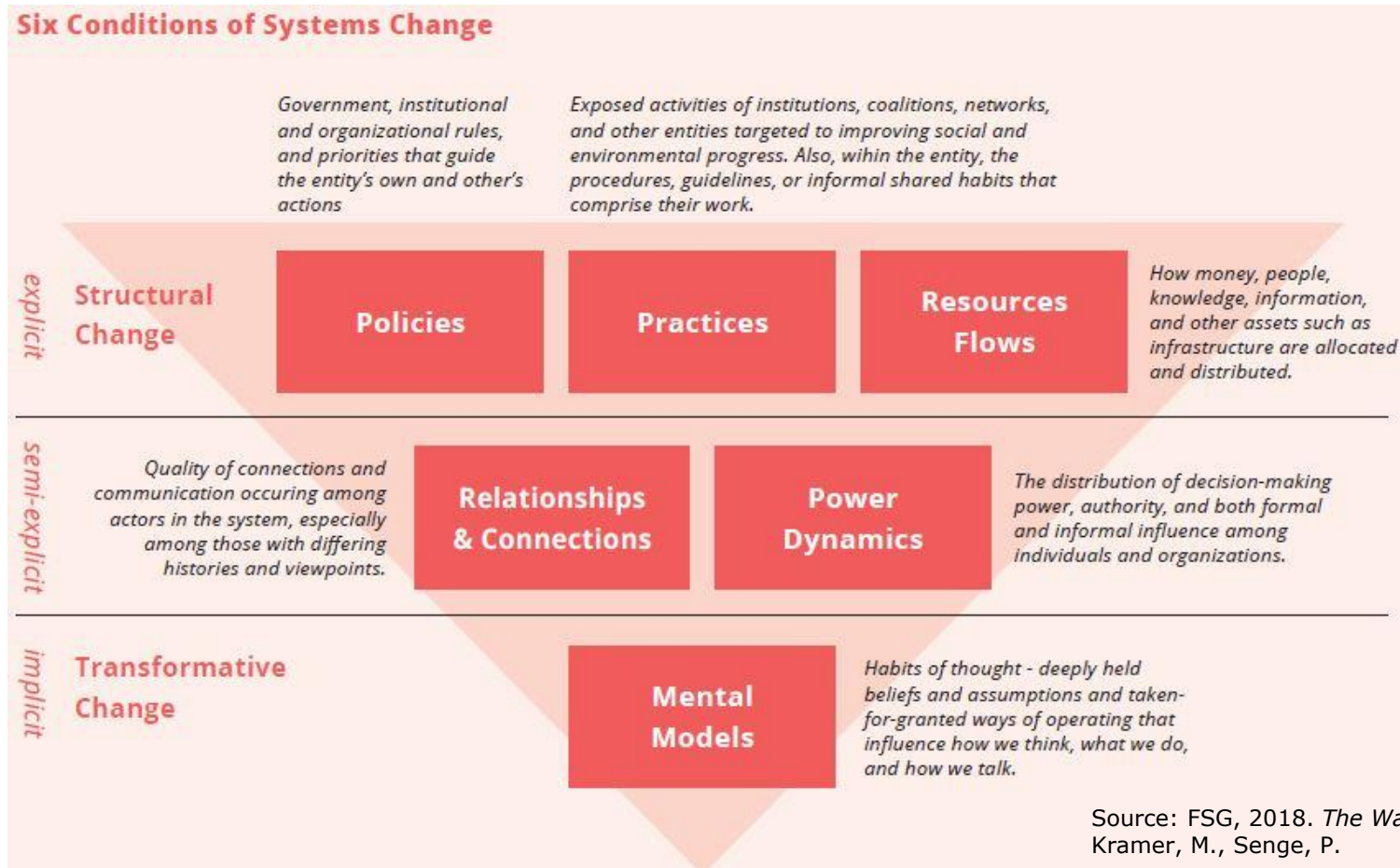
Name	Commodity	Geography	% income increase	# farmers reached
Kennemer Foods	Cocoa	Philippines	200-250	12,000
Amul Dairy	Milk	India	300	3.6 million
Competitive African Rice Initiative (CARI)	Rice	Sub-Saharan Africa	287	450,000
NUCAFE	Coffee	Uganda	250	>1 million
Tony Chocolonely	Cocoa	Ghana, Cote d'Ivoire	150-250	5,021
TechnoServe/Syngenta	Tomato	Kenya	181	25,000**
Project Nurture	Mango	Kenya, Uganda	142	
East Africa Dairy Development (EADD)	Milk	Kenya, Rwanda, Uganda	125	315,000
Honey Care	Honey	Kenya, Tanzania, South Sudan	100	12,000

**** This number includes farmers growing tomato and potato; it is not clear whether some of them grew only potato**

'Best practice' for improving farmer incomes



Probing systemic change



Source: FSG, 2018. *The Water of Systems Change*. Kania, J., Kramer, M., Senge, P.

We found nearly all FIL 2018 programmatic ‘key success factors’ in all cases

Name	Adaptive eval, learning	Understand farmer needs	Understand enabling environment	Tailor interventions	Technical assistance	Access to inputs	Access to finance	Access to markets	Forming, strengthening farmers’ groups
Kennemer Foods									
Amul Dairy									
CARI									
NUCAFE									
Tony Chocolonely									
Mavuno Zaidi									
Project Nurture									
EADD									
Nile Breweries									
Honey Care									

Green = best practice identified; **unshaded** = unable to determine. This assessment is based on a rapid review of existing documentation and more in-depth review would be necessary to validate it.

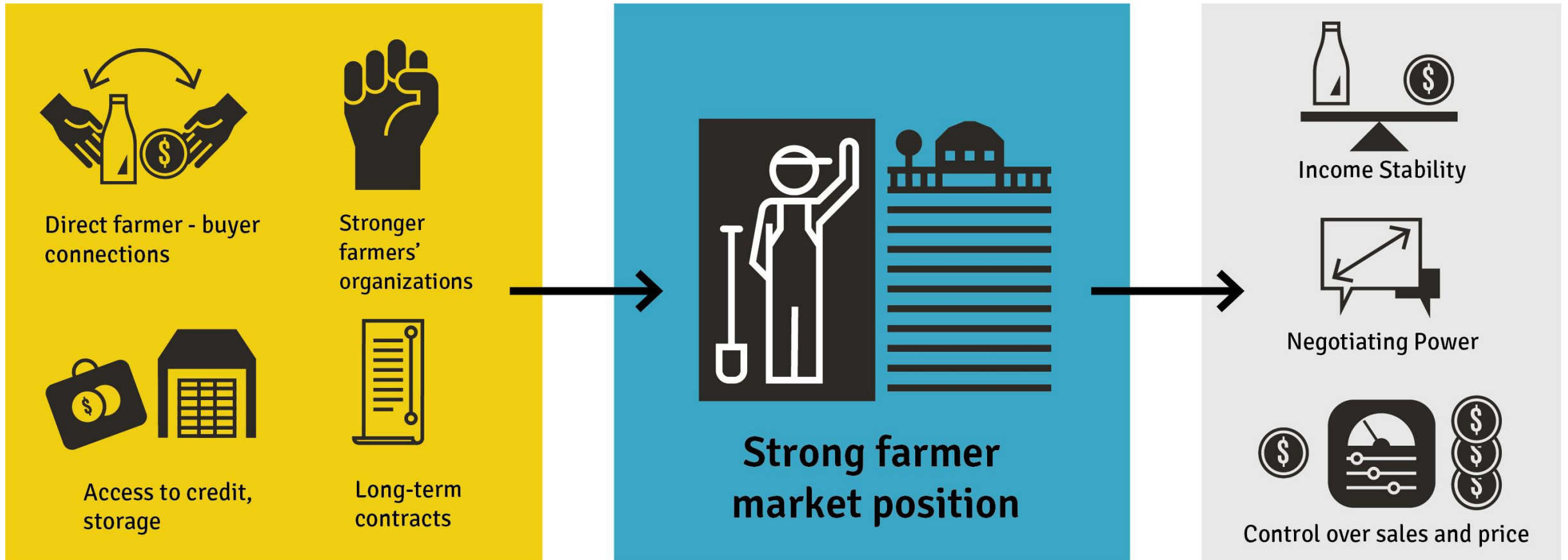
The cases also seem to be changing systems – from supply chains to whole sectors

Name	Changes in beliefs, assumptions	Changes in relationships, connections	Changes in power dynamics	Changes in government policy	Changes in standard practice	Changes in resource flows
Kennemer Foods						
Amul Dairy						
CARI						
NUCAFE						
Tony Chocolonely						
Mavuno Zaidi						
Project Nurture						
EADD						
Nile Breweries						
Honey Care						

Light green = supply chain level systems change; bright Green = sector level systems change; unshaded = unable to determine based on documentation. This assessment is based on a rapid review of existing documentation and more in-depth review would be necessary to validate it.

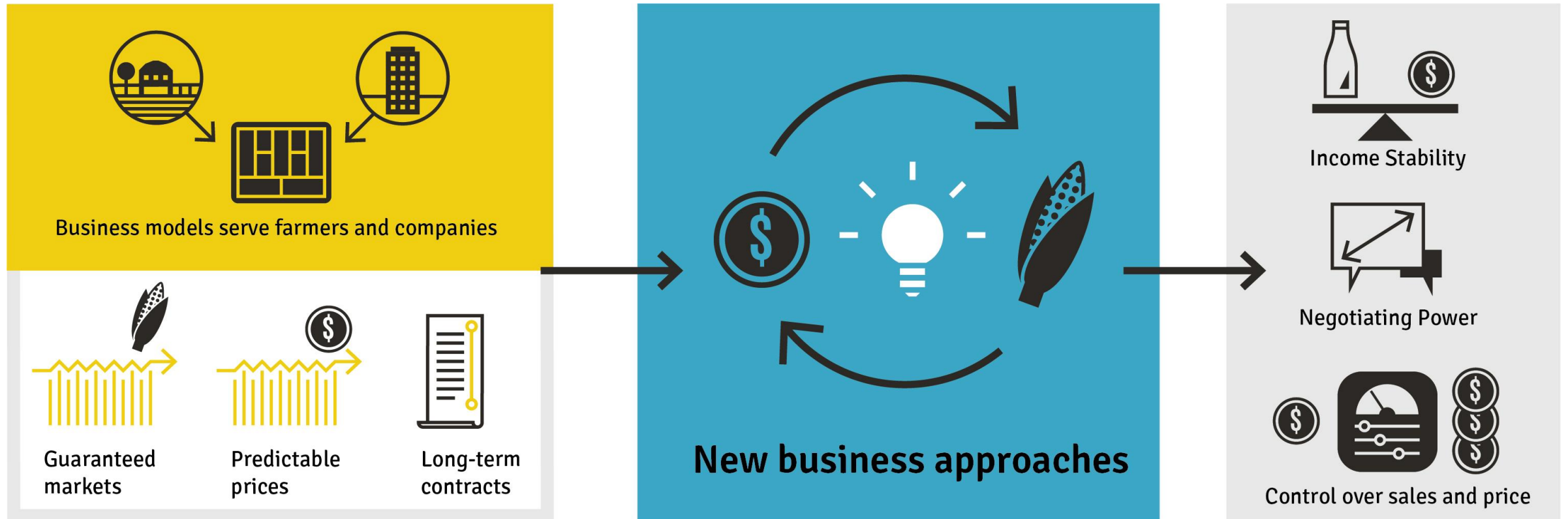
Pattern 1

Greatly strengthening farmer market position

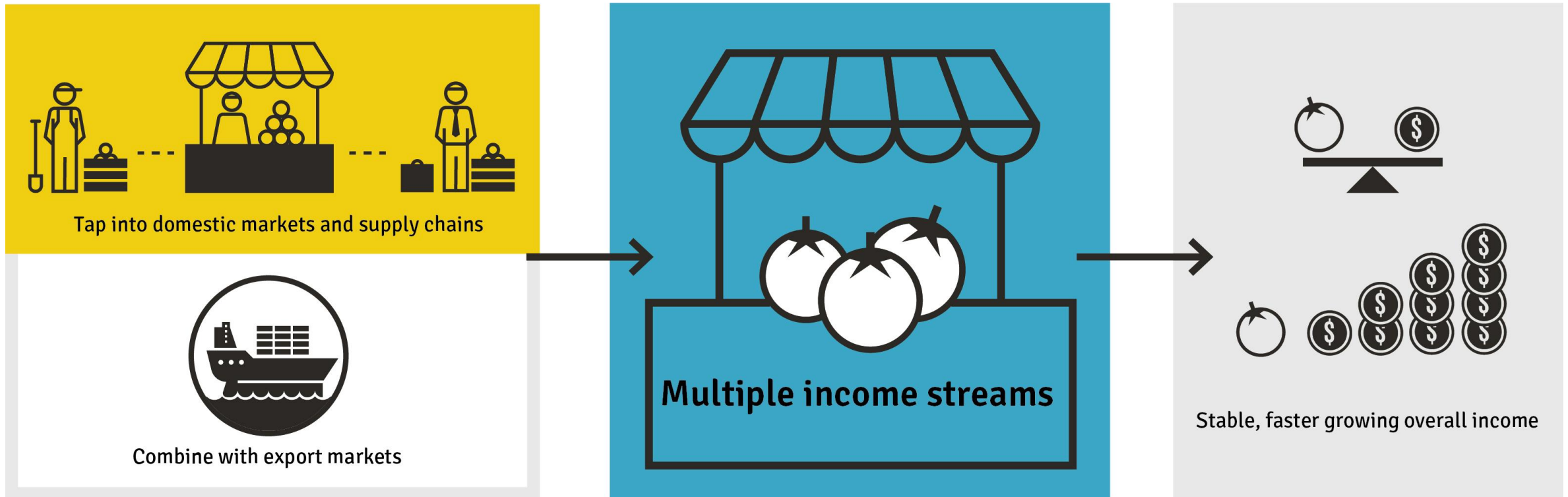


Pattern 2

Businesses playing an important role, but not through business as usual



Tapping into growing domestic markets



Implications?

- Building the right evidence base for household level change
 - Household income?
 - Systemic change?
- Benchmarking impact: Living Income as core parameter?
- Inclusion needs to be built into core business models and operational practices: what can we foster?
- Tackling poverty is not the same as raising income or improving food security: what do we focus on?

What is ahead for 2020...

Recommended key activities

Generating insights

- Disrupting commodities – final report
- Hotspot analysis 2.0 (Placed Based Approach)
- Analysis of value distribution by key commodity
- 'Just transition' insights

Connecting solutions

- Disrupting Commodities – Workshop May 2020
- Disrupting Commodities- Ecuador 2020
- Lab endorses new Pact to Act mobilization & launch

Accelerating actions

- 6+ Action Lighthouse Programs Deployed
- Shared Accountability Platform and Framework Developed
- Funding leveraged

JOIN US:

SIGN UP AT:

INFO@FARMERINCOMELAB.COM

www.farmerincomelab.com

Email:

heather.Pfahl@effem.com

joost.guijt@wur.nl

Questions?

Community of Practice Updates

**Webinar | Living Income and Standard systems: Introducing living income -
Thu, Feb 27, 2020 2:30 PM - 3:30 PM GMT**

Register

here: <https://attendee.gotowebinar.com/register/4922598624533596417>

**Webinar | Living Income and Standard systems: case studies and practical
examples - Tues, March 31 / 2:30 PM - 3:30 PM BST**

Register

here: <https://register.gotowebinar.com/register/9027009560736854531>

**Webinar | Living Income and Standard systems: main challenges and cross-
sectoral learning - Thu, May 21 / 2:30 PM - 3:30 PM BST**

Register

here: <https://register.gotowebinar.com/register/8266181599176436483>

Event | Living income Workshop 2020

The Living Income Community of Practice will host our next in person workshop with the aim of facilitating conversation and driving for greater action and impact for farmer livelihoods. Find out more about the event:

<https://www.living-income.com/living-income-event-2020>

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A freshly-opened cocoa pod, Nicaragua © Sean Hawkey for Fairtrade International

Stay informed!

Living income

www.living-income.com

Mailing list: <http://eepurl.com/gMKLgT>

Linkedin group:

<https://www.linkedin.com/groups/13784101/>

Living wage

<https://www.globallivingwage.org/>

Questions? Email us at:

livingincome@isealalliance.org

TOOLS to support organisations in developing their strategies to closing the income gap.

ALIGN is a guidance tool for agri-food companies aiming to reduce complexity around the topic of living wage and living income.

Evidensia is an evidence platform that aims to make it easy for sustainability practitioners to work with evidence on the impacts of supply-chain sustainability approaches.

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Thank You!

