

Living Income Event Day 1:

The Living Income
Community of Practice

Measurement to Inform Action

GIZ Offices, Bonn, 30th January 2019



#livingincomebonn



Fair Trade Certified Tea, Mpanga Growers Tea Factory

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Thanks to our event sponsors:



Anti Trust Statement

As participants in this group, we need to be mindful of constraints of antitrust laws. During both the formal and informal parts of this meeting, participants shall not enter into discussions, agreements or concerted action that may have as their object or effect the restriction of competition. This prohibition covers the exchange of competitively sensitive information including, but not limited to, information concerning individual prices, production, sales, capacities, costs, rates, coverages, market practices, claims settlement practices, company level investments, or any other competitive aspect of an individual company's operation.

Each participant is obliged to speak up immediately for the purpose of preventing any discussion falling outside these bounds.

Thank you!

The Living Income Community of Practice

Facilitate learning and
exchange around
measurement

Understand the gap
between actual and
living income

Identify and discuss
strategies to close the
income gap

Learning across sectors
and helping organisations realise SDG commitments

Open community of practice

Sharing information about the efforts of different actors in this space

Learn more: living-income.com

Contact: adam@isealliance.org

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CoP Implementing Partners



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Some of the organisations participating in the activities of this Community of Practice

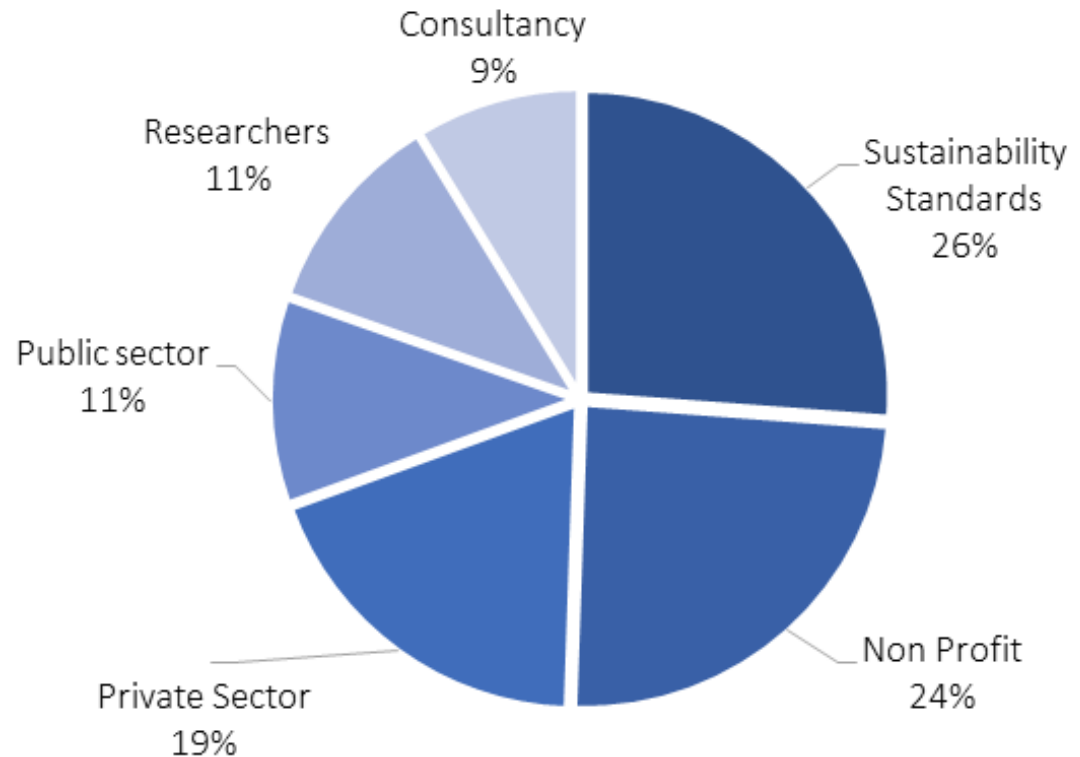


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The Living Income CoP in numbers


- Currently composed of **302 subscribers** – Jan 2019 Snapshot
- The community has **grown by over 70%** in the last 6 months
- Who do we have in the room?



Percentage representation per actor in the CoP

Living Income Activity billboard

- Write your name, organisation and contact details on a post-it (**if you are happy sharing these***)
- Add any relevant activities others should know about, a service you can provide, or a particular need.
- We will be crowd sourcing these over the coming days.
- They will be systemized and shared with the community following the event to help you make connections.



Adam Romo – ISEAL Alliance
adam@isealalliance.org

- Working to calculate living income benchmarks for cotton smallholders in India.
- We can provide input finance packages for smallholders.
- Looking for technical support on smallholder income measurement for our India study.

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Living Income Event Bonn 2019

The Living Income
Community of Practice



**Christel
Weller-Molongua**
Department Head of
Rural Development
and Agriculture
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Cocoa pods © Marie-Amélie Ormières, Fairtrade Fairtrade International

Workshop objectives

This workshop will stimulate dialogue, collaboration and action towards addressing global poverty challenges through the concept of Living Income.

Focus on three main areas:

- **TODAY** - Promoting alignment on **best practices for measuring living income benchmarks, actual incomes and the gap** between the two.
- **TOMORROW** - Exchanging learning on the **effectiveness of strategies to close income gaps**.
- **BOTH DAYS** - Supporting **exchange** between **sectors working on farmer income**.

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Living Income Event, Bonn 2018

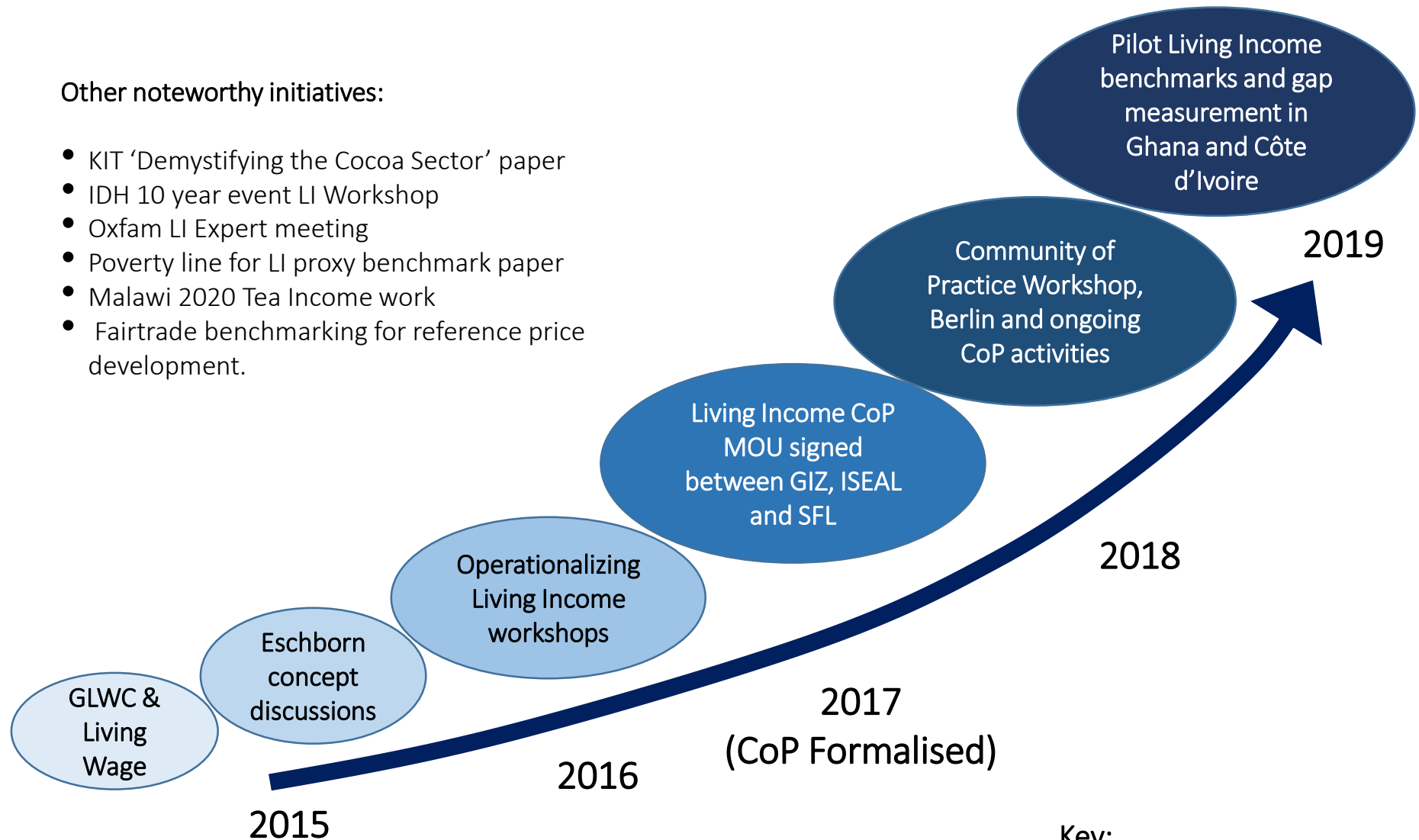
Day 1 Agenda

- | | |
|---------------|--|
| 10:45 - 11:15 | Review of key concepts and definitions around Living Income |
| 11:15 - 12:30 | BREAKOUT 1: Calculating living income benchmarks: what have we learned and where we are going |
| | BREAKOUT 2: Comparing actual incomes to living income benchmarks |
| 12:30 - 13:30 | Lunch break and networking |
| 13:30 - 15:00 | Measuring and monitoring income change and setting income targets |
| 15:00 - 15:30 | Coffee break and networking |
| 15:30 - 17:00 | Living Wage & Living Income: what are the common challenges and differences? |
| 17:00 - 17:45 | Closing remarks |
| 17:45 | Networking session: drinks and finger food |

Story of Living Income Measurement

Other noteworthy initiatives:

- KIT 'Demystifying the Cocoa Sector' paper
- IDH 10 year event LI Workshop
- Oxfam LI Expert meeting
- Poverty line for LI proxy benchmark paper
- Malawi 2020 Tea Income work
- Fairtrade benchmarking for reference price development.



Key:

CoP = Community of Practice

GLWC = Global Living Wage Coalition

LI = Living Income

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A photograph of a hand reaching towards a young plant in a forest. The plant has a small, clear plastic bag tied around its base. The background is a dense forest with green leaves.

The Concept of Living Income

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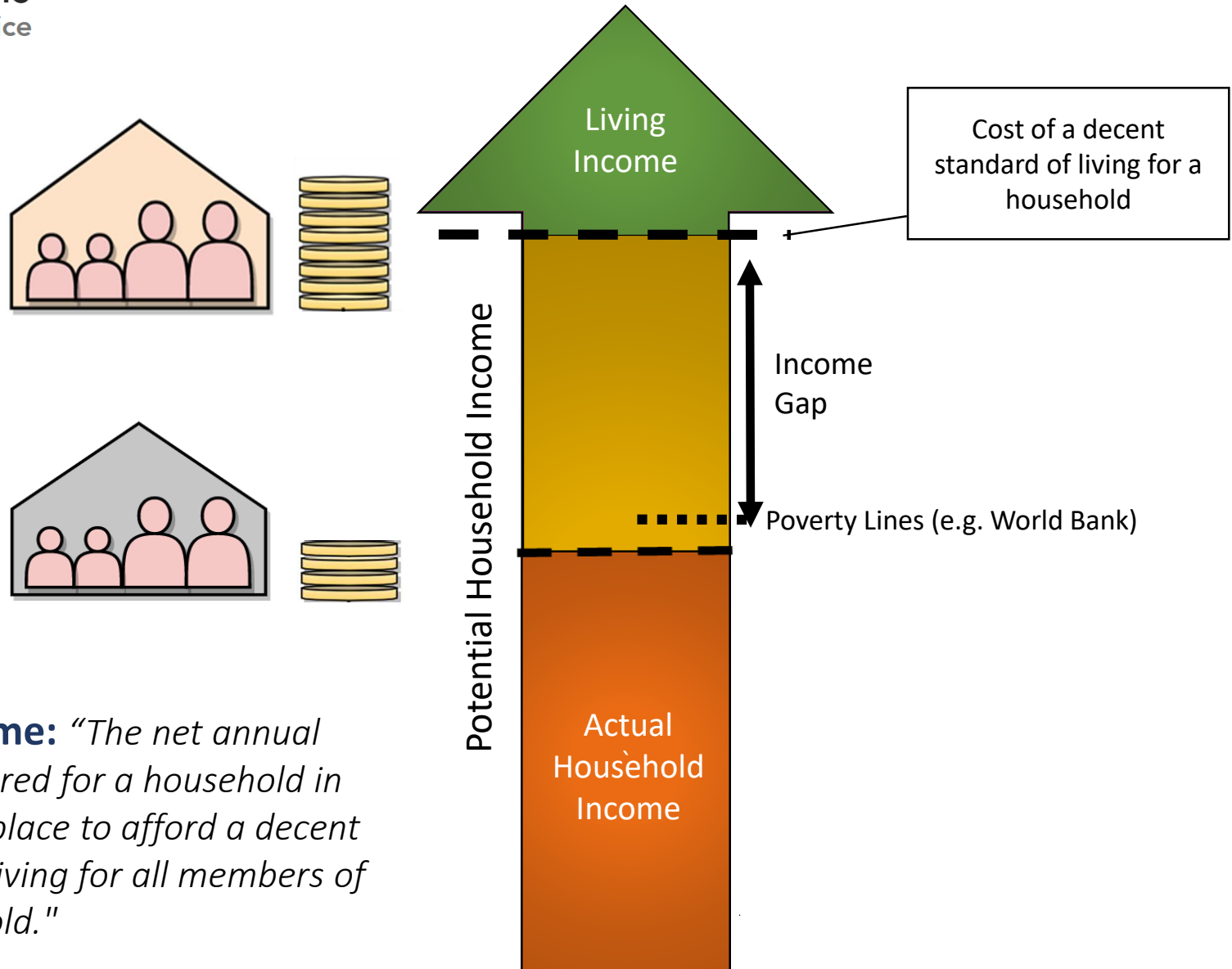
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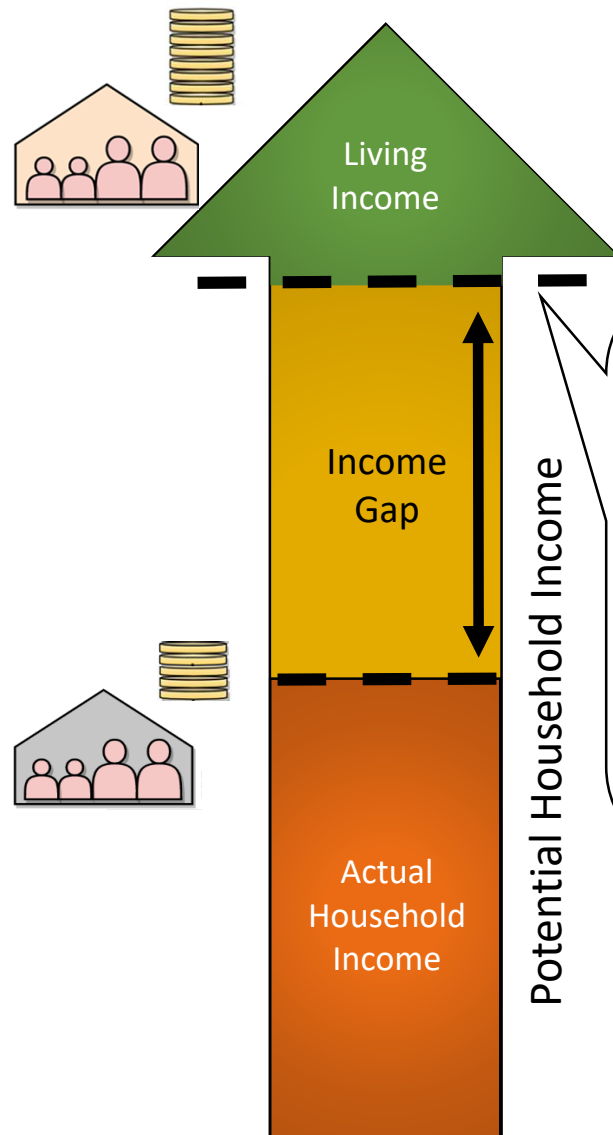
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© Vlad Sokhin, Forest Stewardship Council



Living Income: *"The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household."*



A Living Income Benchmark

Cost of a decent standard of living for a household



Cost of
decent
food

+



Cost of
decent
housing

+



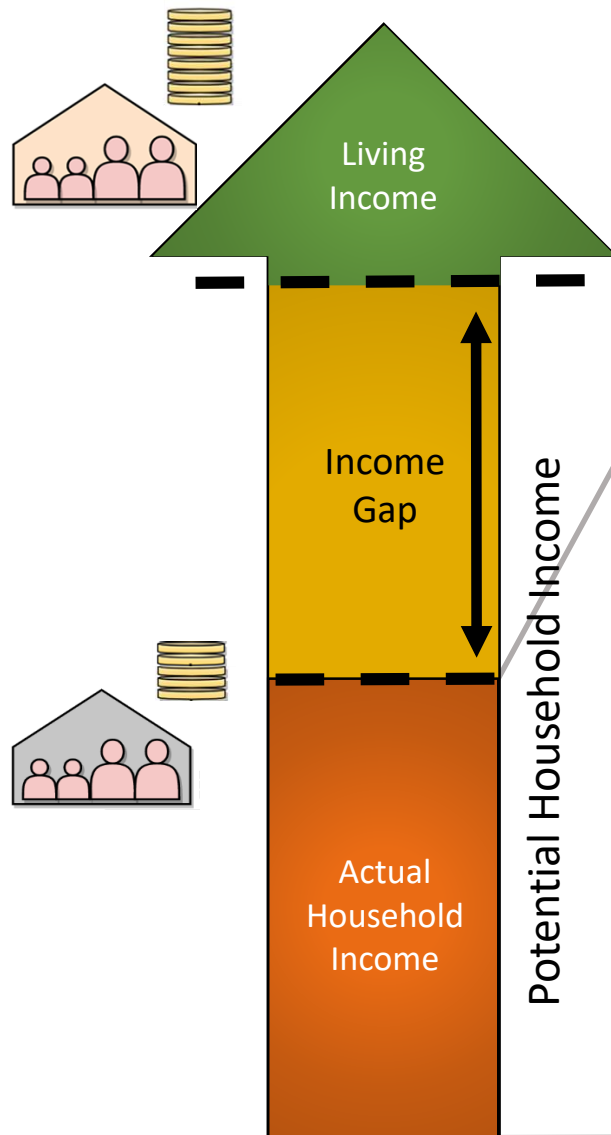
Cost of other
essential
needs

+



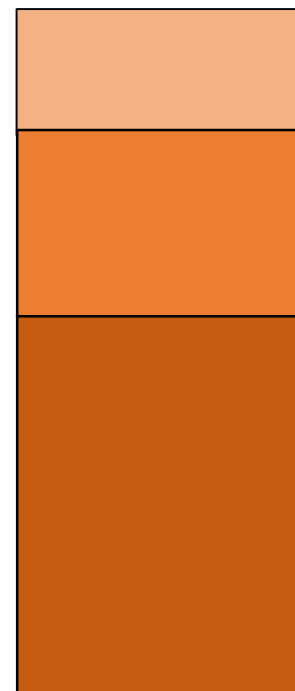
Provisions for
unforeseen
events

*Based on Living Wage methodology: Richard Anker & Martha Anker



Actual Income

Actual Income Composition



In-kind & other
sources of income
(e.g. remittances)



Net off farm
income (e.g. wage
labouring/ other
business)

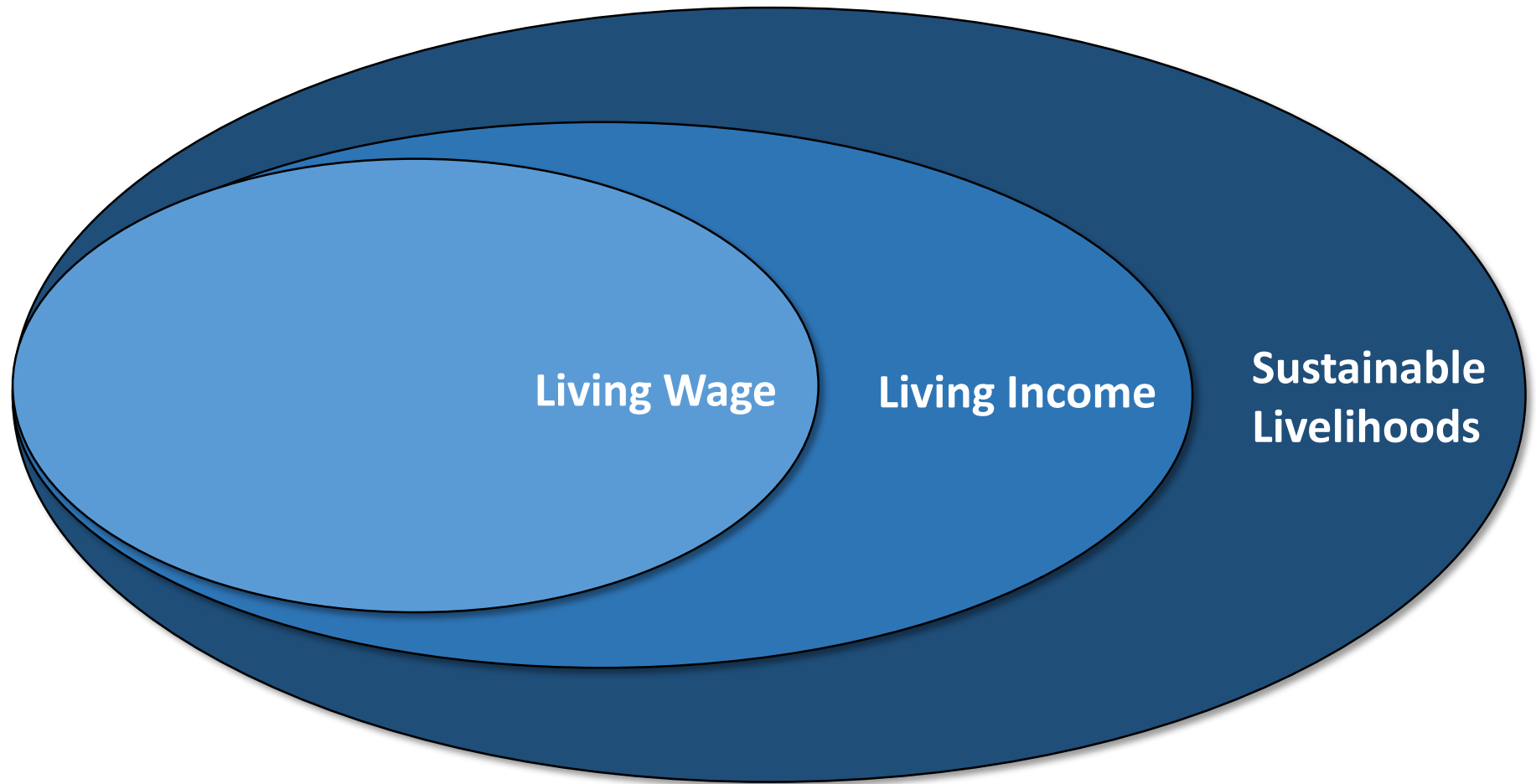


Net income from
farm



**In cash or kind*

Living Income, Living Wage and Sustainable Livelihoods



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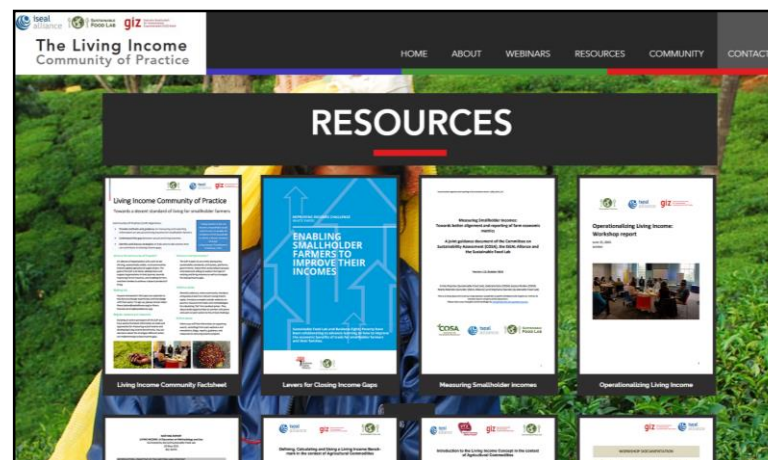
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For more on the Living Income Concepts...

- Living Income concept video on our website: www.living-income.com
- Website has guidance pages, supporting resources and interactive media.
- We are available to answer your questions.



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BREAKOUTS: Nuts and bolts of the Living Income approach

Room	Description
Donau (this room)	Calculating living Income benchmarks: what we have learned and where we are going A review of what we have learned about applying the Anker methodology and aligning around living income benchmark in tea and cocoa, and also drawing from lessons on living wage benchmarks.
BM11037	Comparing actual incomes to living income benchmarks: exploring methodological questions Experience with and issues arising with comparing actual income to living income benchmarks in order to determine and analyse the gap, referencing the West Africa cocoa and East Africa coffee experience for a discussion on the topic.

Activity

1. How comfortable are you with the living income concepts and methods?

2. To what extent is your organisation applying these measurement concepts?



**100°C
(Hot)**

I know the concepts and methodologies inside and out (living and actual income)

My organisation is working actively and extensively to use and apply living income concepts.

**50°C
(Warm)**

I'm aware of the concepts although further clarity would be helpful.

We are potentially thinking about using methodologies to calculate living income.

**0°C
(Cold)**

I'm completely new to the concepts. I've only heard of them because I was invited to be here.

We are not applying these concepts at all because we are either unaware of them or choose not to.



3. On a post-it: What are you looking to learn today?

Two questions that you are bringing to this meeting

