

Atelier d'apprentissage par l'action

Les initiatives du revenu décent

Côte d'Ivoire – 10 Mai 2023

Hôte:

**The Living Income
Community of Practice**



En partenariat avec:

Living Income Thematic Group
of Côte d'Ivoire
Working Group 8 of the Public-Private Partnership
Platform of the Conseil du Café Cacao



Glossary

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- [Policy Debates and Regulation on Living Income and Living Wages - Dernières nouvelles de la politique de l'UE](#)



Directives relatives à l'événement

TRADUCTION SIMULTANÉE

- L'atelier se déroule en français. Une traduction simultanée en anglais est disponible.
- L'équipement de traduction peut être récupéré pendant le processus d'inscription et sera disponible au bureau principal.

QUESTIONS/COMMENTAIRES?

- Veuillez lever la main ou utiliser le temps de questions-réponses désigné.

DIFFICULTÉS?

- Si vous avez des questions ou des préoccupations, contactez notre personnel pour obtenir de l'aide.

*Nous allons enregistrer quelques sections de l'atelier. Veuillez vous nous informer si vous avez aucun souci



Molly Leavens
For assistance in
English



Rita Mendez
pour l'assistance en
Français



Déclaration antitrust

En tant que participants à ce groupe, nous devons être conscients des contraintes des lois antitrust. Pendant les parties formelle et informelle de cette réunion, les participants ne doivent pas engager de discussions, d'accords ou d'actions concertées qui ont pour objet ou pour effet de restreindre la concurrence. Cette interdiction couvre l'échange d'informations sensibles sur le plan de la concurrence, y compris, mais sans s'y limiter, les informations concernant les prix individuels, la production, les ventes, les capacités, les coûts, les taux, les couvertures, les pratiques du marché, les pratiques de règlement des sinistres, les investissements au niveau de l'entreprise ou tout autre aspect concurrentiel de l'exploitation d'une entreprise individuelle.

Chaque participant est tenu de prendre la parole immédiatement dans le but d'empêcher toute discussion dépassant ces limites.

Merci!



Préparer le terrain

Preuves de l'impact

Modérateur :

- **Elvis Core** - GIZ

Haut-parleurs :

- **Mr Benjamin Walker** - Groupe de travail thématique sur le revenu décent de la Plateforme de partenariat public-privé du CCC
- **H.E. Alex Assanvo Arnaud** - Côte d'Ivoire Ghana Cocoa Initiative
- **Carole Attoungbre** - IDH Transforming markets



Ordre du jour de l'événement - Matin

9:45 Brise-glace

10:00 - 11:00 Les coopératives au cœur de l'impact sur le revenu décent des communautés cacaoyères

Panel: Tony's Open Chain, ECOJAD, COOBADI et SACO/Barry Callebaut.

11:00 - 11:30 Pause-Café / Cacao et Réseautage

11:30 - 13:00 [Pratiques d'approvisionnement : Qu'est-ce qui compte vraiment?](#)

Panel: IDH, ECAM, ECOOKIM, Mars, Cargill

13:00- 14:00 Pause-déjeuner

Ordre du jour de l'événement – Après-midi

14:00 - 15:00 Stratégies de main-d'œuvre pour les investissements de revenu décent

Panel: KIT Royal Tropical Institute, Nestlé, Sobe Green, CAPRESSA coop.

15:00 - 16:00 Discussions en petits groupes

Adapter les services aux différents segments d'agriculteurs

Haut-parleurs : Wageningen University, Cocoa Life Mondelez, Rainforest Alliance

Diversification des revenus pour combler l'écart

Haut-parleurs : Rikolto and Technoserve

16:00 - 16:15 Pause-café & cacao

16:15 - 16:30 Débriefings des salles de sous-groupes

16:30 - 17:00 Dernières nouveautés de la politique de l'UE *Haut-parleurs: GIZ*

17:00 - 17:15 Besoins & Offres

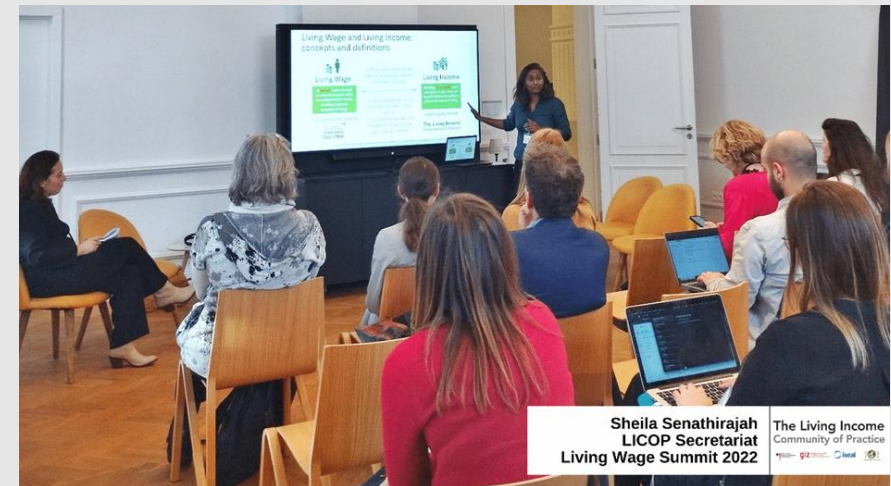
17:15 - 17:30 Clôture et faits saillants

18:00 Réception et Réseautage

The Living Income Community of Practice



Construire collectivement des voies vers un revenu décent grâce à des outils communs et à des échanges mondiaux



Communauté de pratique du revenu décent

Objectifs



Accroître la compréhension
de la mesure du revenu
de subsistance et de
l'écart de revenu

Partager et organiser
des nouvelles et des
événements



Identifier et discuter des stratégies
pour combler l'écart de
revenu

Créer des outils et des
ressources



Partager l'apprentissage et faciliter la collaboration
entre les secteurs et entre les
acteurs

Animer les comités
techniques et
consultatifs

Faciliter et fournir des
conseils stratégiques



Ice breaker – making connections and getting to know each other.

Connection – établir des liens et apprendre à se connaître.

Mettre la coopérative au premier plan en tant que producteur d'un revenu décent pour les communautés cacaoyères

Modérateur :

- **Joke Aerts** - Tony's Open Chain

Haut-parleurs :

- **Korotoum Doumbia** - Tony's Open Chain CIV
- **Adama Fofana** – ECOJAD
- **Bengaly BOURAMA** – COOBADI
- **Ghislaine Ada** - SACO/Barry Callebaut





Pause cafe- cacao

11:00-11:30

Pratiques d'achats : Qu'est-ce qui compte vraiment?

Procurement Practices: What really matters?

Co-facilitateurs :

- **Gael Lescornec** - IDH et **Mireille Fofana** - IDH Abidjan

Panelists :

- **Serge Ehouman** – ECOOKIM (Responsable Achats)
- **Thomas Nuttin** - Cargill (Directeur Commerciale)
- **Christophe Julienne** – Barry Callebaut (Directeur Achat et Durabilite)
- **Anne-Marie Yao** – Mars (Directrice des Relations Publiques)



IDH/FIL Procurement Framework

**Foster long-term commitments and relationships &
Commit to process efficiency that reduces costs and complexities**

Supply Chain Management

Supplier Relationship Management

Products & Specifications

Traceability & Transparency

Value Distribution

Finance

Farmgate Value

Upstream Investments

Managing Risk

Contracts & Payments

Upstream Investments

Procurement practices / Pratiques d'Achats “WORLD CAFÉ”

What are the 1-3 priority procurement practices that can help improve living income?

What existing examples can we draw from and who should be in the lead?

Quelles sont les 1-3 pratiques d'achats prioritaires pour contribuer à l'amélioration des revenus décent?

Quelles sont des exemples actuels et qui sont les acteurs principaux?

IDH/FIL Procurement Framework

Input from LICOP-IDH-CCC Action Workshop



FARMER INCOME LAB

Supply Chain Management

Supplier Relationship Management

- Equal relations between equal partners
- Long term partnerships between coops-traders and between traders-brands
- Support / engagement from brands to create strong networks of coops and improve contracts and price
- Invest in building negotiating capacity of farmers and farmer organisations
- Enabling coops to access markets (cocoa but also non-cocoa (anything that the farmer can produce professionally))
- Integrate procurement and sustainability within companies and build into company hiring and training

Traceability & Transparency

- Cross-actor coordination and alignment - among companies and with national systems (RE Systematising of producer IDs - new CDI system)
- Reinforcement of traceability monitoring and control systems – allows for better decision making by coops and farmers
- Traceability of financial flows (prices and premiums) at company and coop-farmer
- Transparency and visibility into volumes to be purchased, premiums and margin potential (by companies and by coops to farmers)
- Polygon mapping / legal cocoa zone
- Establish mechanism to encourage participation / complaint by farmers

Value Distribution

Farmgate Value

- Guaranteed minimum fair price should include sustainable production and wages;
- Stable and predictable pricing AND premiums (for BOTH seasons - currently in cocoa only main season)
- How LID built into pricing mechanism and respected by all supply chain actors
- Take into account regulatory context
- Price to be held up with cooperatives and all the way through to farmers

Finance

- Practices that enable financial independence of cooperatives, enable risk sharing and financial security and safety (digitalization VS cash)
- Pre-financing by first buyers appreciated but must be in a way that does not create dependency

Products & Specifications

- Specifications take into account needs of farmers / Coops

Managing Risk

Contracts & Payments

- Long term / multi-year contracts (between coops and farmers and between buyers and coops)
- Enforcement / Respecting contracts
- Negotiated VS imposed contracts through “consensual framework for contracting”
- Payment schedule to enable cooperative management + farmer household cash flow (eg: Sept VS oct to cover school fees)

Upstream Investments

- Alignment / harmonization of long term sustainability programs and risk sharing investments to ensure effectiveness and predictability

Key Take Aways

1. Regulatory context critical for level playing field
2. Contracts- long term, duration, timing
3. Minimum price for farmers
4. Prefinancing/financial autonomy for coop
5. Invest in building better procurement/sustainability teams -hiring process, training

Key Principles

- Not only Long term but more **Equal** partnerships
- Earn **Trust** of coops to become buyer of choice
- Long term contracts and other practices for **Predictability**
- **Willingness** at highest level to be demonstrated through risk sharing and value distribution

Existing Practices:

- Tony's Open Chain 5 Sourcing Principles
- Fairtrade LIRP
- Cargill/BC Pre-financing

Key Actors:

- Farmer organisations/farmers
- First line buyers/traders
- Brands/Processors
- Producing Governments

Discussions en petits groupes: Veuillez vous choisir un sujet

Please proceed to the breakout room of your preference

Group 1

Adapter les services aux différents segments d'agriculteurs

Tailoring services for different farmers

Salle/Room: Pullman

Cadrage & modérateur / *Framing and facilitator:*

- **Stephanie Daniels** - Sustainable Food Lab

Haut-parleurs / *Speakers:*

- **Yuca Waarts** - Wageningen University & Research
- **Ahmadou Cisse** - Cocoa Life Mondelez
- **Matt Bare / Noel Soro** - Rainforest Alliance

Group 2

Diversification des revenus pour combler l'écart

*Income Diversification to Close
the Gap*

Salle/Room: Zaouli-Tematé

Cadrage & modérateur / *Framing and facilitator:*

- **Kaitlin Sampson Murphy** - Sustainable Food Lab

Haut-parleurs / *Speakers:*

- **Alphonse Amani** - Rikolto
- **Fayelle Ouane** - Technoserve





Pause déjeuner

13:30-14:15

Stratégies de main-d'œuvre pour les investissements de revenu décent

Cadrage & modérateur

- Oumou Dialo - KIT Royal Tropical Institute

Haut-parleurs :

- Nathan Bello – Nestlé
- Anicette Nguessan – Sobgreen
- Charlotte Koffi Bla Brigitte - CAPRESSA coop.



Labour Strategies for living income investments

Living Income Community of Practice
Workshop

10/05/2023

Oumou Diallo



KIT Royal
Tropical
Institute

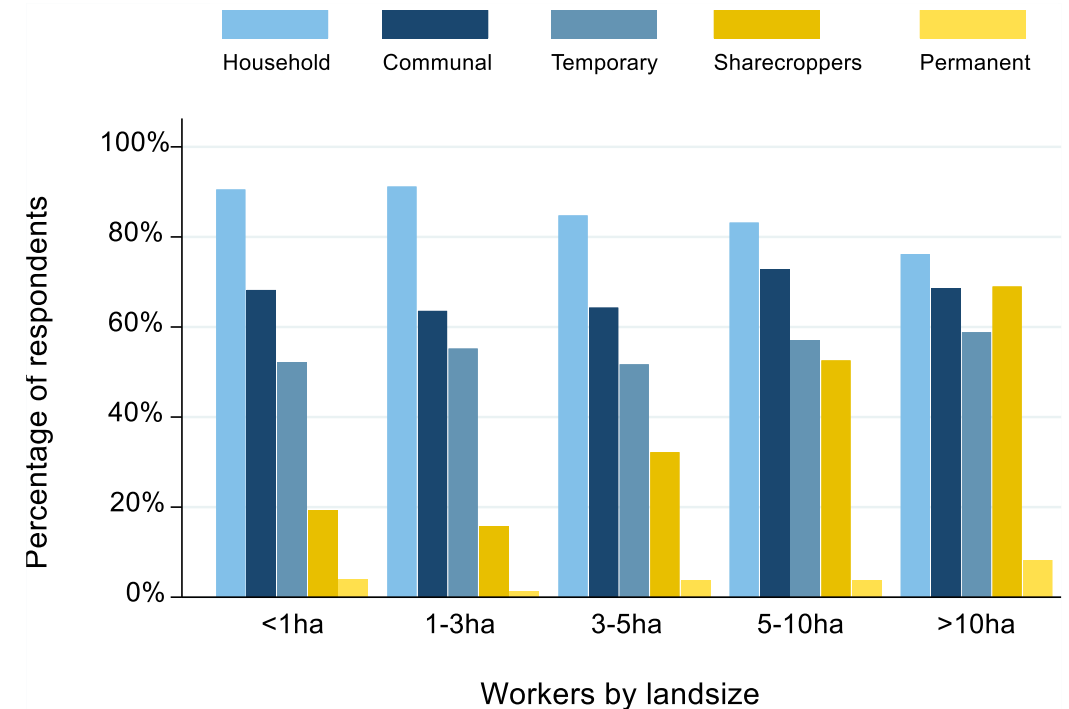


Cocoa production and labor needs

- Cocoa production is a very labor-intensive activity: about 130–150 days of work per ha to reach a reasonable yield level
- Extra activities such as GAPs adoption and/or farm rejuvenation for extra yields (at least 1 mt/ha) require extra labor
- Household members are the first pool of labor (large households are less likely to hire workers or work with sharecroppers).
- But the seasonality of activities, the skill set required for some activities as well as limited time available for household members call for more resources.

Labour sources in KIT's latest data

- 'Who worked on your cocoa farm last campaign' (*multiple answers possible*) – 2000 cocoa farming households:
 - Household members: 85%
 - Communal workers (**unpaid**): 62%
 - Temporary workers (paid): 53%
 - Sharecroppers: 35% (almost all 1/3 of the harvest).
 - Permanent workers (paid): 3%
- Also on small farms, laborers are hired (av. cost of 64 USD per year)
- Communal work is based on reciprocity; the means to hire professional labor are absent.
- Sharecropping is more common than permanent workers. For larger plots, sharecroppers are even more frequent than temporary workers.



Labour type per production step

	Land clearing	Planting	Fertilizers	Phyto	Weeding	Harvest	Post-harvest	Transport
Household	64%	87%	71%	39%	55-61%	73%	82-85%	24-26%
Communal	21%	2%	2%	5%	11-20%	5-7%	76-91%	3%
Temporary	26%	7%	21%	58%	20-35%	5-10%	1-10%	12-14%

* Data from KIT surveys in Cote d'Ivoire (2018 and 2022)

Labour use (days per ha) per production step

	Land clearing	Planting	Fertilizers	Phyto	Weeding	Harvest	Post-harvest	Transport	Total
Household	1.70	1.55	0.46	1.15	6.08	6.67	1.74	0.41	20.71
Communal	0.29	0.02	0	0.06	1.89	0.55	4.47	0.13	7.56
Hired	0.35	0.03	0.07	0.66	1.55	0.48	0.12	0.22	4.05

* Data from: Demystifying the cocoa sector in Ghana and Cote d'Ivoire (KIT 2018)

Summary and questions for discussions

- Household members provide a labor pool but don't cancel the need to hire workers, even on smaller cocoa plots.
- Owners of large plots are more likely to resort to Sharecroppers but only if they don't have sufficient household members.
- Temporary workers are mostly used for applying phyto products and weeding (specific skill sets or very time-intensive tasks).
- Post-harvest activities done in common (unpaid labor based on reciprocity)
- → Need for a segmented approach based on household size?
- → Attention to the required time for extra activities to avoid non-desired externalities?
- → Training to give the workers a specific skill set that makes them valuable?
- → Professionalize existing communal groups of workers to improve quality and reduce post-harvest loss?
- → Question of costs given the limited resources available to farmers before harvest season?



Contact

KIT – Royal Tropical Institute

Mauritskade 64

1092 AD Amsterdam

Oumou Diallo

Advisor for Impact Economics

o.diallo@kit.nl



KIT Royal
Tropical
Institute

Our approach to professionalize labor

2. Train

Adding new expertise to existing groups on 3 types of pruning including young trees and old trees



4. Sensitize

Farmers to accept 1 ha of their cocoa farms to be pruned



1. Leverage existing

Groups exist at community level working to help each other and serve also as communal labor

3. Select a group of 10

On a voluntary basis pruning groups members are selected to create a new pruning group.

5. Subsidize

Support pruning groups with subsidies for the 10 first farmers who volunteer to prune



Grade 1 Pruned Farm

Discussions en petits groupes: Veuillez vous choisir un sujet

Please proceed to the breakout room of your preference

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Group 2

Diversification des revenus pour combler l'écart

*Income Diversification to Close
the Gap*

Salle/Room: Zaouli-Tematé

Cadrage & modérateur / *Framing and facilitator:*

- **Kaitlin Sampson Murphy** - Sustainable Food Lab

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- **Fayelle Ouane** - Technoserve



Towards a living income: what suitable interventions for different groups of cocoa farming families?

First results from new study to feed discussion on strategy design

Yuca Waarts, Valerie Janssen, Chloe de Vries, Nina Motovska, the Netherlands & global research and collaboration partners



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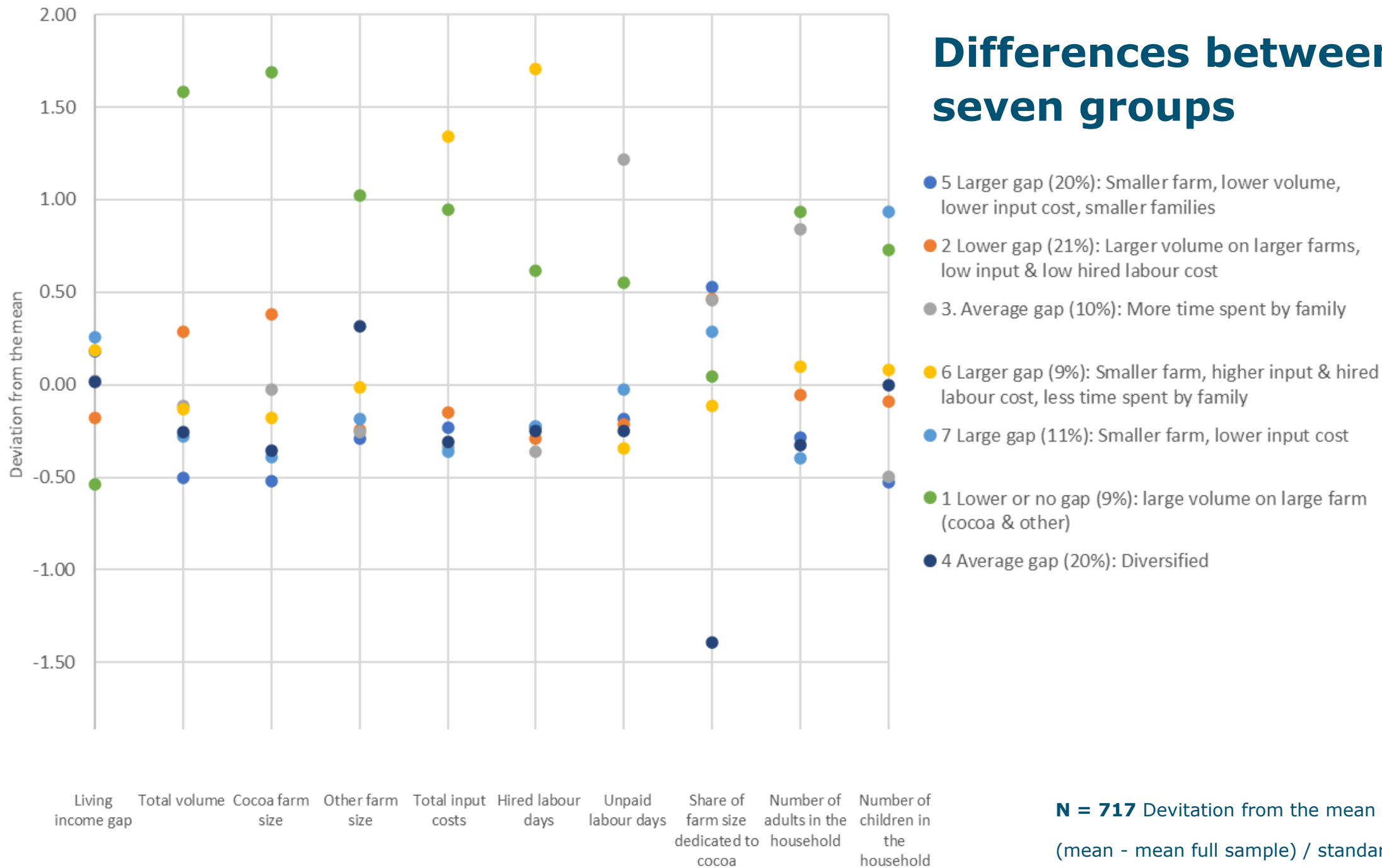
Multiple pathways towards a living income

- A **large majority of the smallholder farming families** in cocoa, coffee and tea do not earn a living income. 30-50% earns below the World Bank poverty line (Ghana, Indonesia, CDI)
- Living income gaps are often large, on average **thousands of dollars** per family per year. Billions are needed per country to close all gaps
- What **cocoa farming family groups** can we identify based on the data?
- **What suitable policies and interventions** for these groups?
- Case study with Data from CIV, but with reflection on GH and IND

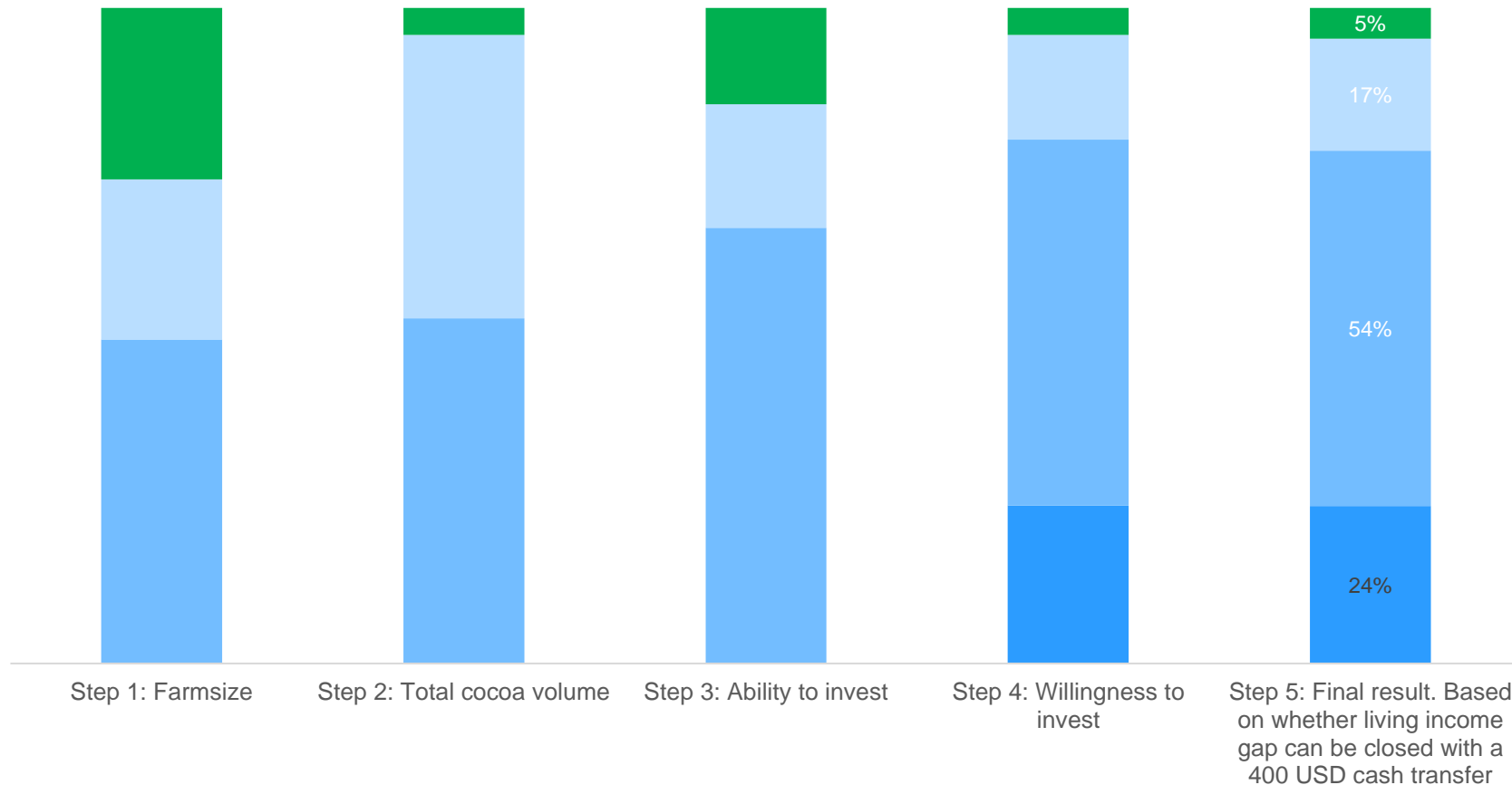
Seven family groups identified in Côte d'Ivoire

1. Lower or no gap (9%): large volume on large farm (cocoa & other)
2. Lower gap (21%): Larger volume on larger farms, low input & low hired labour cost
3. Average gap (10%): More time spent by family
4. Average gap (20%): Diversified: lower share of farm with cocoa
5. Larger gap (20%): Smaller farm, lower volume, lower input cost, smaller families
6. Larger gap (9%): Smaller farm, higher input & hired labour cost, less time spent by family
7. Large gap (11%): Smaller farm, lower input cost

Differences between the seven groups



Barriers to achieve a living income without structural change for households not earning LI



Group proportions

Living income: 5%
Very large barriers: 23%
Large barriers: 51%
Medium barriers: 16%
Low barriers: 4%

Key factors

- Inability to invest
- Willingness to invest in cocoa (low income / risk)
- Farm size

Description of the groups based on barriers to LI

Average indicator values	Earns living income (5%)	Very large barriers (23%)	Large barriers to LI (51%)	Medium barriers to LI (16%)	Low barriers to LI (4%)
Total net cocoa / household income (USD)	7,070 / 9,040	1,030 / 1,290	2,200 / 2,460	2,530 / 2,795	2,550 / 2,825
(Cocoa) Farm size, Ha	6.3 / 9.9	1.7 / 2.3	3.9 / 5	4 / 5.5	5 / 7
Total cocoa volume, Kg	4,170	680	1,500	2,200	2,300
Cocoa yield/ha	780	430	470	570	510
Production cost/ha & total in USD	84 / 1,340	45 / 682	54 / 750	244 / 720	280 / 530
Days family labour/ha	52	60	38	24	25
Willingness to invest in cocoa	65%	0%	27%	30%	94%
Net non-cocoa income USD	1,970	270	260	270	275
LI gap in USD before cash transfer scenario	- 2,300	1,740	1,521	1,470	1,400

What suitable interventions per group?

Poorest half earning Below or around the WB poverty line

- Entrepreneurial growth cannot be expected in cocoa/other: no sufficient income base
- Cash transfers / price increase - min. price guarantee (+ supply management / capacity building)
- Support off-farm employment
- Decrease cost of living

Group with low-medium barriers (max around a quarter)

- Support entrepreneurial growth with intensive farm support
- Cash transfers / price increase also relevant for this group
- On-farm diversification if enough land, adult family time available, willingness & room to invest + investment in new supply chains (input-sales).

Thank you!

For more information, please contact:

Yuca Waarts: yuca.waarts@wur.nl

Further reading:

- [Balancing the living income challenge](#) (2021)
- [Multiple pathways to living income](#) (2021)
- [A Living Income for Cocoa Producers in Côte d'Ivoire and Ghana?](#) (2021)
- [WUR white paper on living income](#) (2019)



Important factors in predicting the income gap

Main factor: Total cocoa volume produced

- Total input costs
- Cocoa farm size
- Farm ownership
- # days spent by hired labour (total)
- Gender & Region
- # People in household

Differences between countries

- IND:
 - Total input cost, cocoa farm size and regions are more important
 - Gender less important
- CIV: Ownership more important
- GH: Region less important

Discussions en petits groupes: Veuillez vous choisir un sujet

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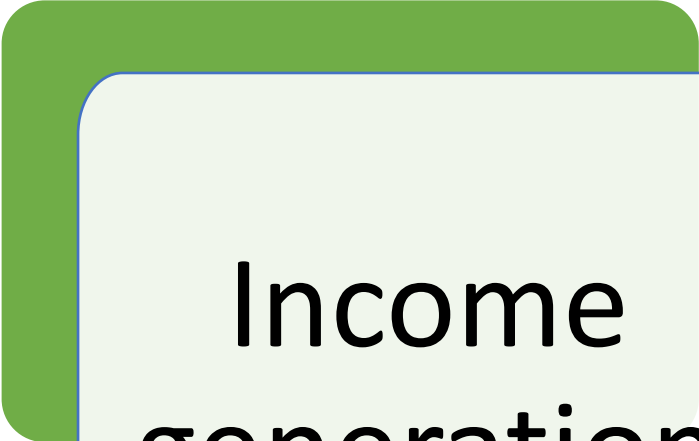
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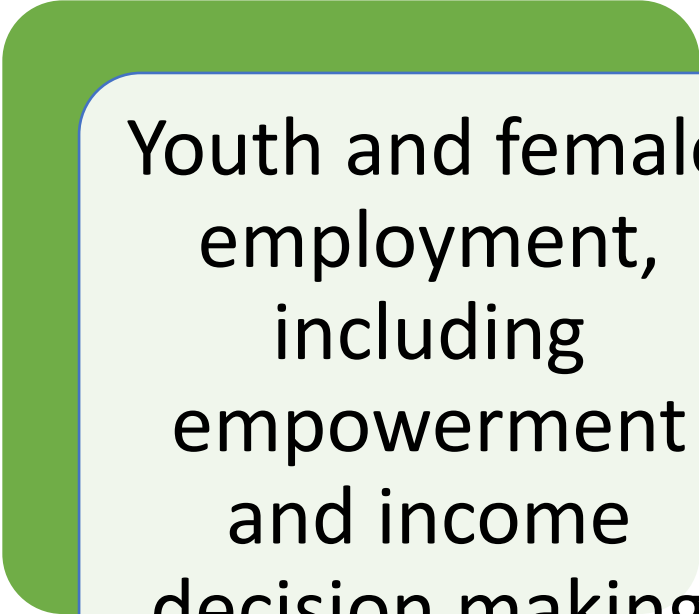
Benefits of Diversification



Income
generation



Increased
resilience



Youth and female
employment,
including
empowerment
and income
decision making

Types of Diversification

On-farm

- Secondary crop-including intercropping, shade trees, or other crops
- Subsistence crops or family gardens
- Livestock production
- Value-add or by-products
- Agrotourism

Off-farm

- Entrepreneurial businesses
- Laboring
- Agro-services (pruning, spraying etc.)

Scale & Partnership of Diversification



AWALE Entrepreneurship Program:

Diversifying Incomes of Cocoa Households

Living Income Community of Practice Workshop
Abidjan, May 10, 2023

Fayelle Ouane
Country Director



Content

1. Project Summary & Results

2. Success Factors

3. How can AWALE's approach be scaled?

4. Testimonial: Ms Emilienne Djebou Desse



Project Summary & Results

LOH DJIBOUA region



Period

03/2021– 02/2023 (Phase I); 03/23- 02/2025 (Phase 2)

Location

Loh Djoboua region (Rural areas located in the departments of Divo and Guitry)

Target Group

1400 direct beneficiaries surrounding cocoa cooperative COOP-CA SOCABB
Support Women and Youth to diversify incomes through entrepreneurship training

Results (Phase I)

- **1415** participants (88% women; 44% youth)
- **56%** Average Increase in Incomes (target 50%)
- **175.2 US\$** Average Income / month / participant
- **US\$125k** Savings Mobilized
- **5** new markets identified for groups through the cooperative support services
- **46** functional savings groups supported
- **Multiple Sectors** Micro-Retail, Food Preparation & Processing, Livestock
- **Program RoI** 6.1! (every \$1 program spend resulted in \$6.1 of financial benefits)

Success Factors

1

Proven Training Methodology: Training & Coaching

2

Skills & Capital (Savings) combined

3

Market Led Income Generating Activities: Multi-Sector Focus (Micro-Retail, Food Processing, Livestock, etc.)

4

Gender Focus: working within the social and cultural dynamics of the household to promote increased agency and decision-making for women and youth

5

Ecosystem Focus: include cocoa cooperative to support cocoa households to diversify incomes (opportunity for scale)

How can AWALE's approach be scaled?

- 1 **Customer/industry demand for income diversification** and entrepreneurship approaches being **integrated into sustainability approaches** and investments -> Cargill to pitch to its customers as part of income-focused programming recommendations
- 2 Effectively managing/enabling the **shift in perception of income diversification** and skills **from a 'CSR' or 'community' pillar lens** to a 'supply chain' lens
- 3 **Support from partners** (including IDH who are Cargill's strategic partner on living income) to **magnify results** and potential of the program in **multi-stakeholder events** and workshops
- 4 **Demonstration of Awale's effectiveness as part of package of interventions** to **increase cocoa farming household incomes** –How can Awale help cocoa **achieve broader rural development priorities** & opportunities -> Awale 2.0
- 5 **Linkages with the broad rural development ecosystem** working on deepening skills development and opportunities in rural areas – How can Awale/TNS/Cargill **crowd in 'non-cocoa' financing and interest** (i.e. accelerator, incubator, BDS type project funding) and **work in other supply chains?**

Testimonial: Ms Emilienne Djebou Desse



[Video](#)

Merci



A close-up photograph of two hands sorting through a large pile of cocoa beans in a burlap sack. The beans are dark brown and have a glossy, slightly irregular shape. The hands are dark-skinned and are positioned on either side of the pile, with fingers gently touching and moving the beans. The background is slightly blurred, showing more of the sack and some indistinct shapes.

Diversification contribution's to Living Income

Case of Beyond Chocolate Project in San-Pedro (Côte d'Ivoire)

- 1- Rikolto in the World
- 2- Beyond Chocolate Living Income Project
- 3- Context Analysis
- 4- Strategic Response : Diversification
- 5- Business Case
- 6- Contribution to Living Income
- 7- Benefits for Farmers

Rikolto in the World

- ❑ Belgian International NGO
- ❑ More than 50 years' experience in partnering with farmer organisations and food chain stakeholders across the World
- ❑ Present in 4 continents for 18 countries :
 - ❖ Africa : 9
 - ❖ Latin America : 5
 - ❖ Asia : 3
 - ❖ Europe : 1
- ❑ Organized in 3 Programs :
 - ❖ Coffee-Cocoa
 - ❖ Rice
 - ❖ GF4C
- ❑ 3 strategic focus domains :
 - ❖ Sustainable Crop Production
 - ❖ Market Inclusion
 - ❖ Enabling Environment



22-26 Impact Goal : A sustainable coffee and cocoa sector that contributes to living income for smallholder coffee and cocoa farmers, creating employment for women and youth with access to nutritious and affordable food



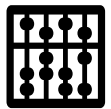
Beyond Chocolate Living Income Project



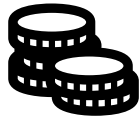
Productivity



Quality



Diversification



Financing



Agroforestry



Price



San-Pedro region

BC Living Income Project



3-year Project with consortium 7P

2 Communities

102 direct hh Beneficiaries
i.e 1,015 people

Context Analysis

Why Diversification for Living Income?



Fairtrade Study

What is its contribution to the Living Income?

- Area : 5,3 hectares
- Productivity : 800 Kg/ha



KIT (Royal Tropical Institute) – 2017 Study

- Without Living Income : + 70% of farmers

➤ Beyond Chocolate Project's Context

- Area : 2 – 3 hectares
- Productivity : 525 kg/ha
- Cocoa dependence : 80 - 90%
- Living income : 0%



Cocoa Barometer 2022

- Cocoa dependence : 80% of producers' incomes



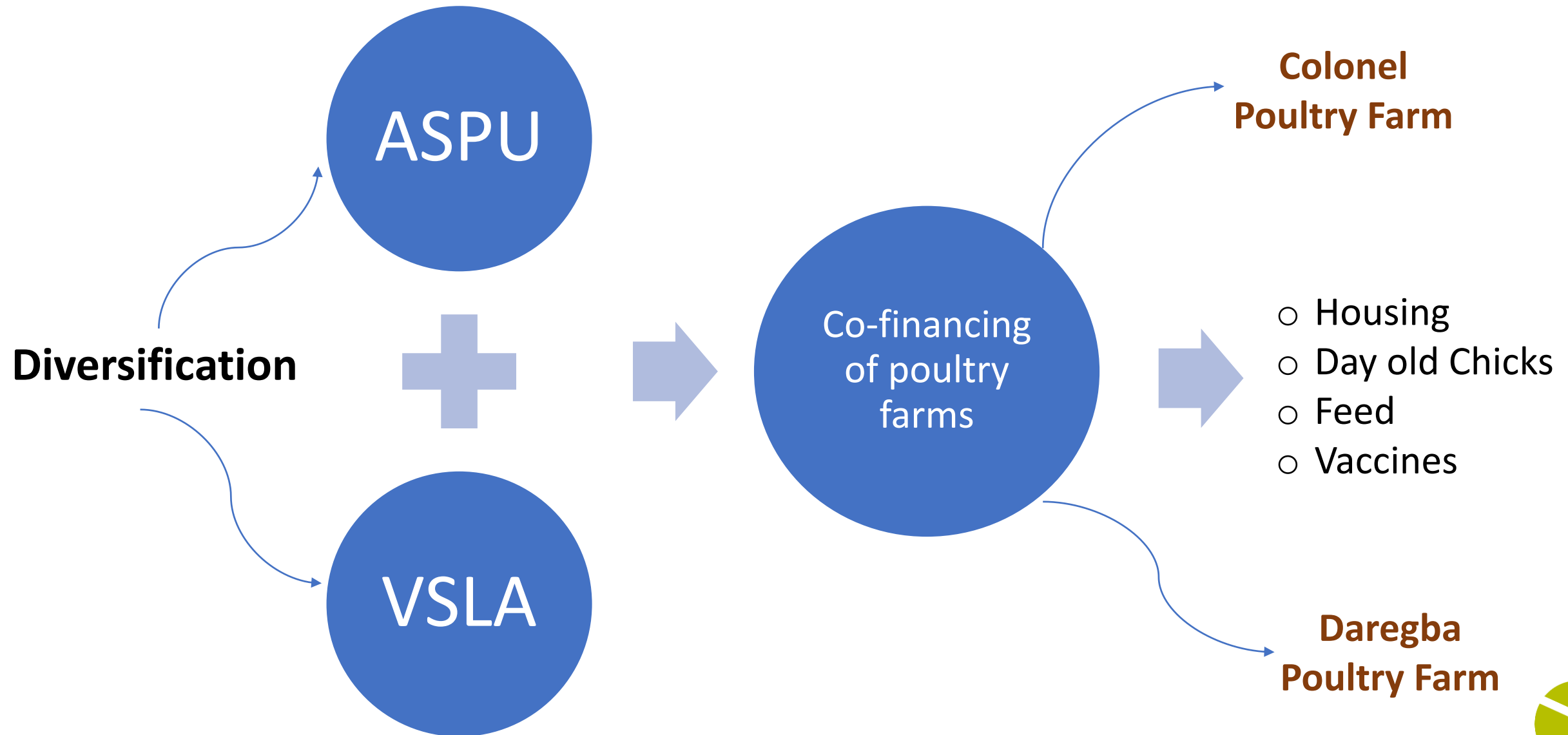
Strategic Response : Diversification

Harnessing the energy of young people and the ambition of farmers in the beneficiary communities by setting up :

1. Agricultural Service Provider Units
"ASPU"
2. Village Savings and Credit Associations
"VSLA"

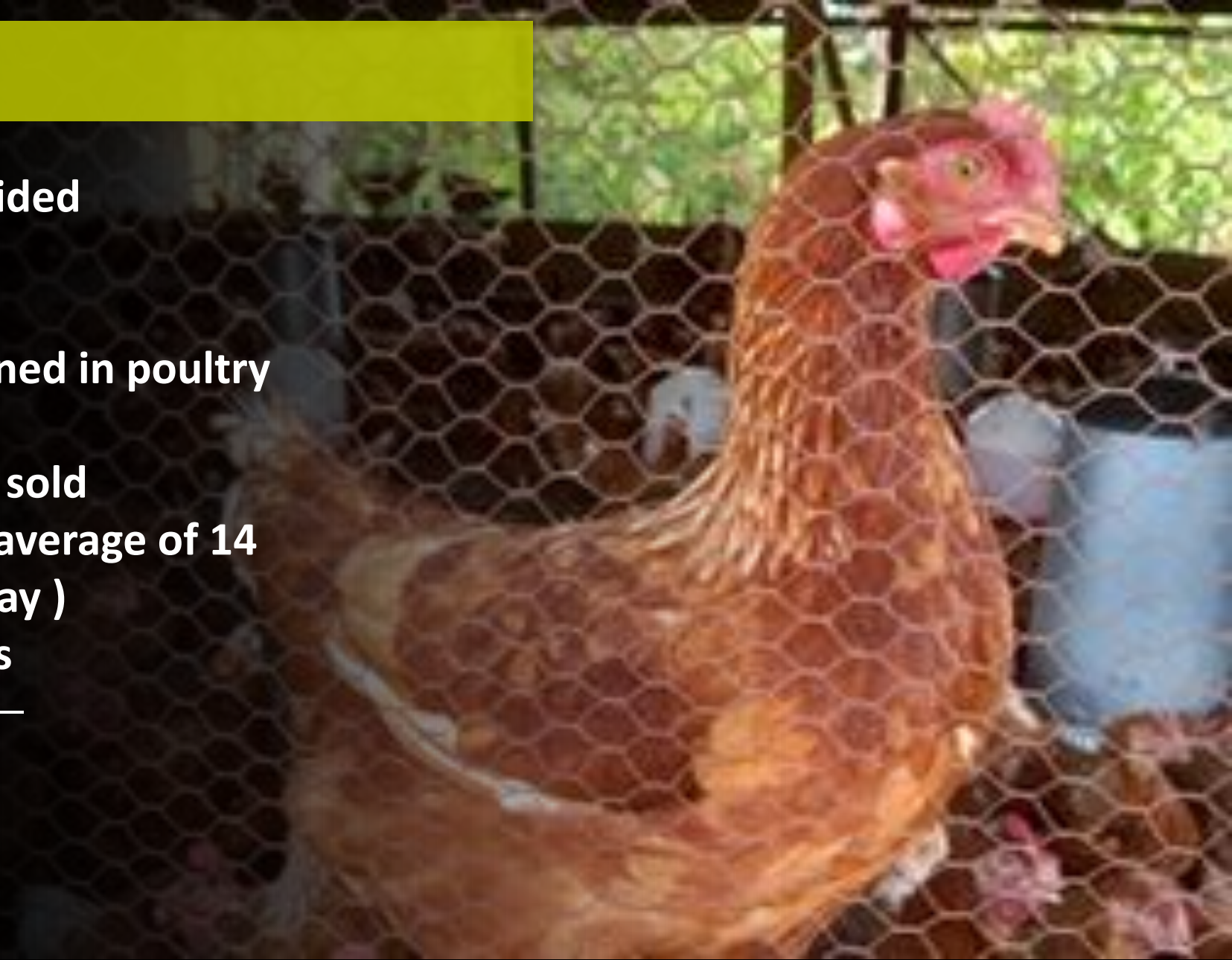


Diversification



Poultry Farms

- 1,150 Day Old chicks provided
 - 103 chickens sold
 - 6% mortality rate
 - 53 producers involved trained in poultry production techniques
 - 51,210 eggs produced and sold
 - 1,707 egg platelets i.e. an average of 14 platelets per day (47 € / day)
 - Contracts with local buyers
-



Business Case

Turnover
34,908,226 XOF
53,217 €

-

Cost of production
30,783,242 XOF
46,928 €

=

Net income
4,124,984 XOF
6,289 €

Turnover

Sale of
Chickens

Sale of eggs

Sale of
droppings

Domestic
Consumption

Production costs

Poultry
Housing

Day old
Chicks

Feed

Vaccines

-



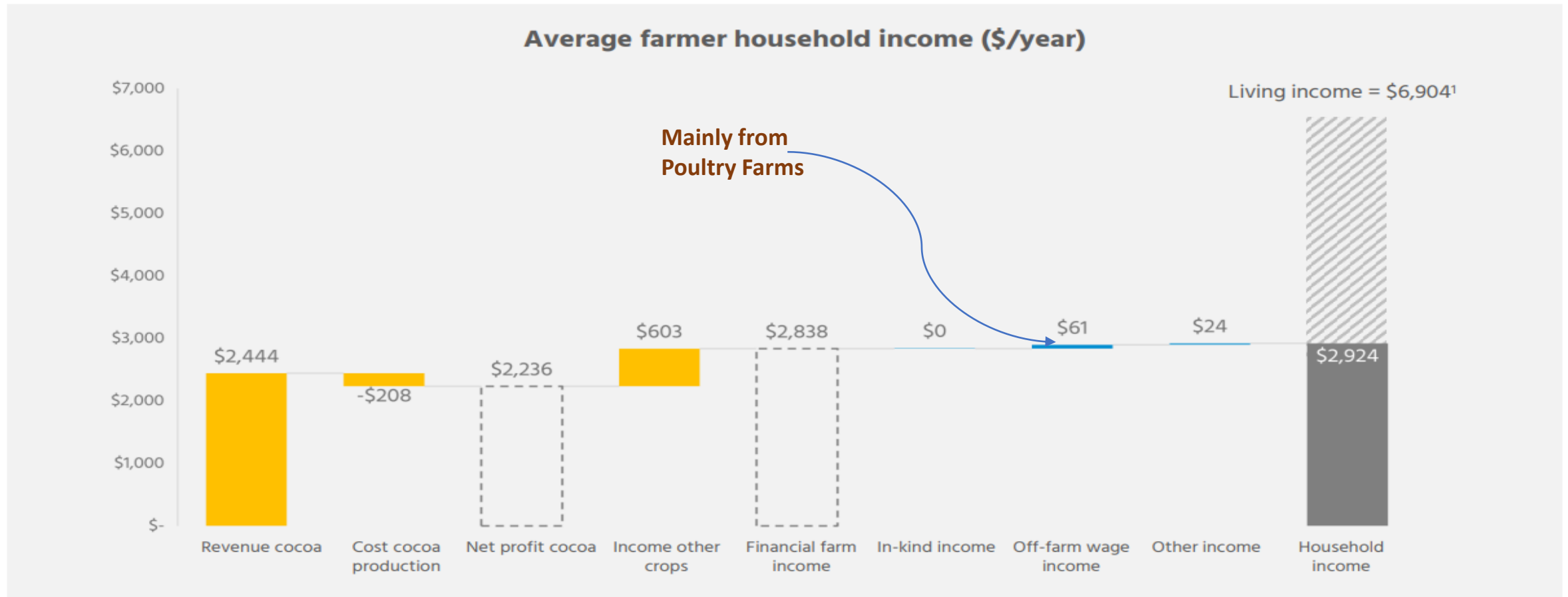
1,150 Day old
chicks over 18
months



Contribution to Living Income



LIVING INCOME ASSESSMENT | PRELIMINARY RESULTS



Benefits for farmers

- Income Opportunities
- Contribution to food security
- Raw material for compost
- Source of funding for other diversifications
- Source of community development
- Development of poultry know-how



Rikolto staff with eggs platelets bought from
Farmers' Poultry farms



The poultry farm in pictures

Head in the clouds and feet on the ground



THANK YOU !



What will we eat tomorrow?



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Pause cafe- cacao

16:30-16:45

Dernières nouvelles de la politique de l'UE

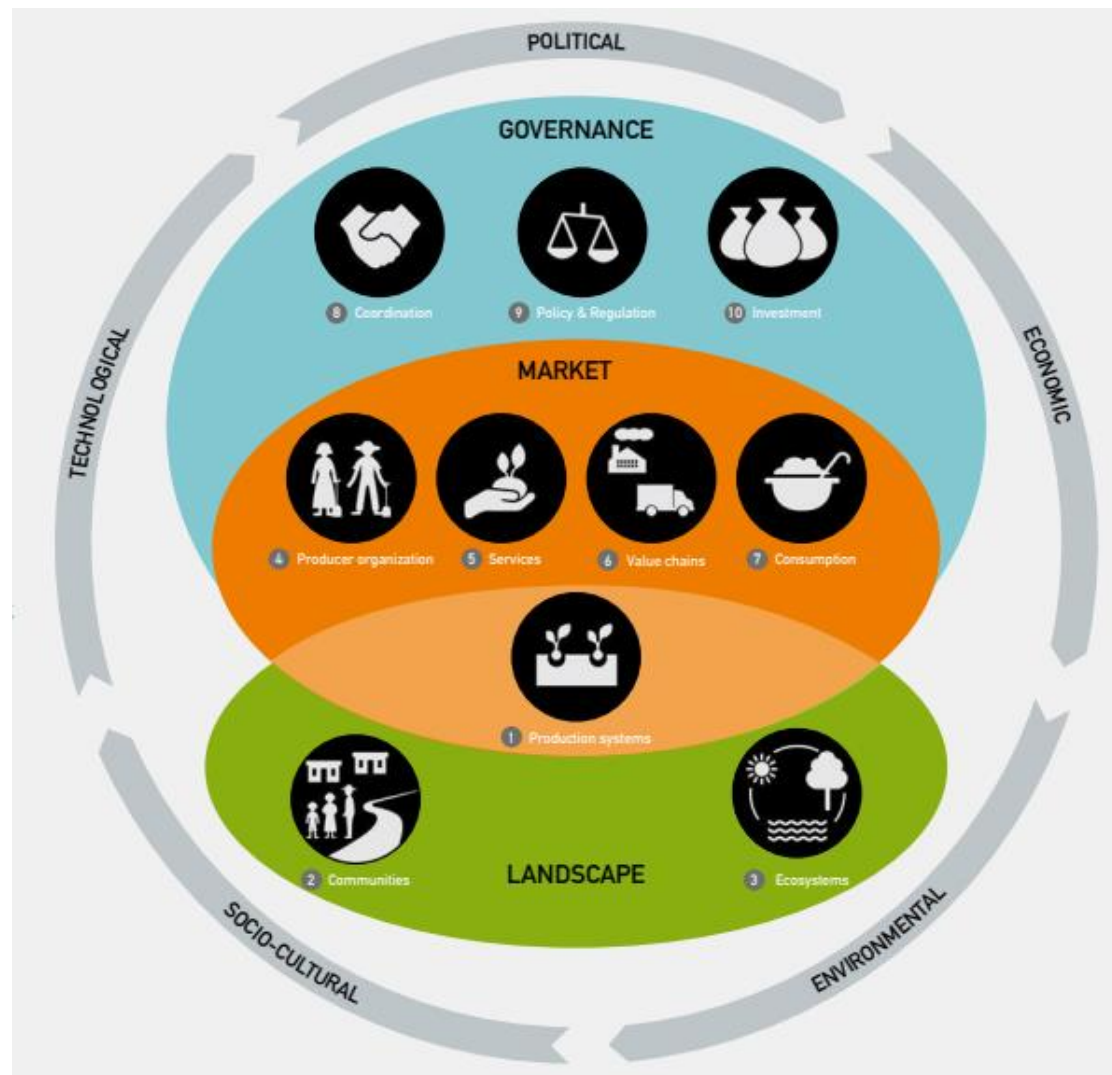
Présentateur :

- **Simon Gmeiner** - Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

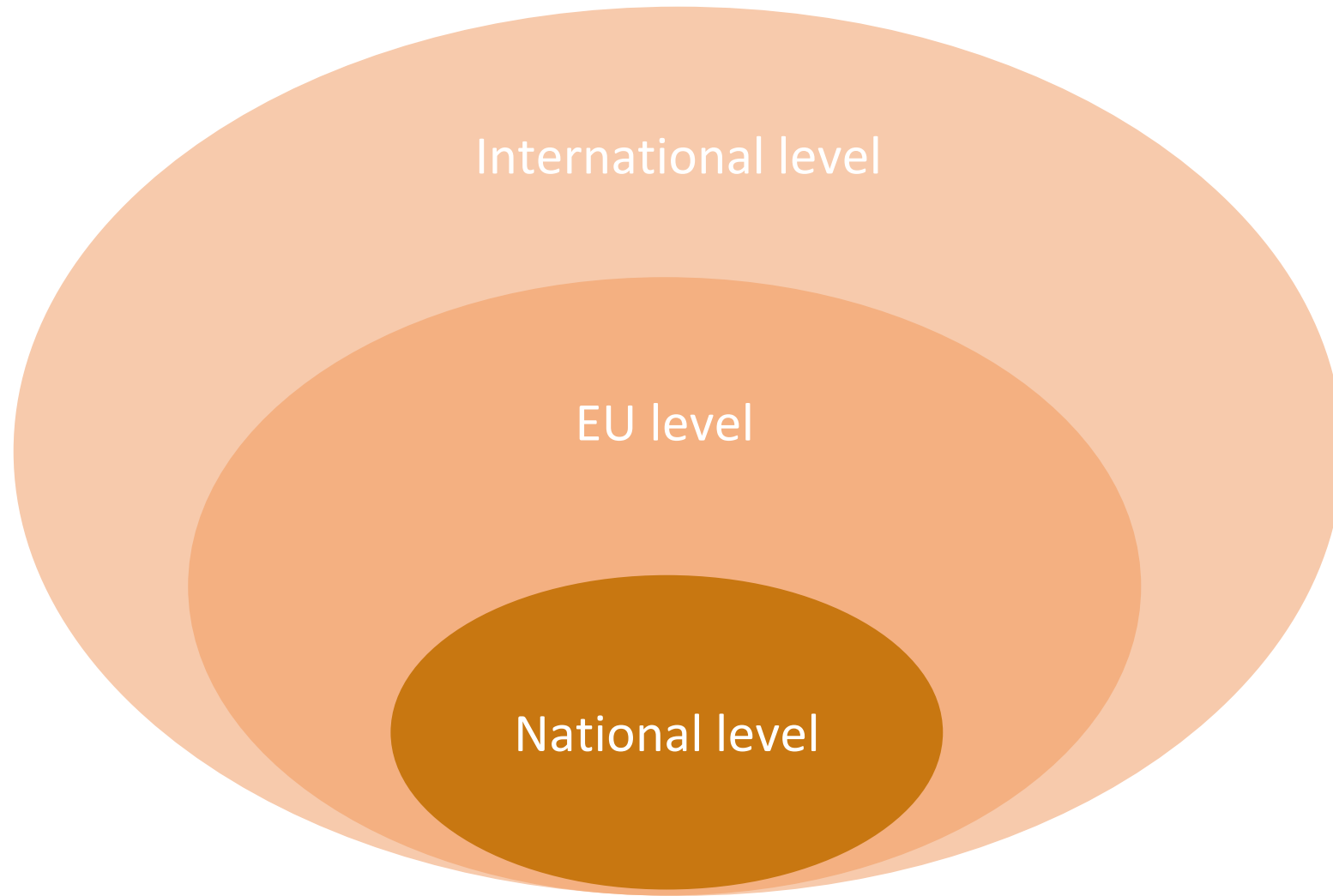


Policy Debates and Regulation on Living Income and Living Wages

Focus on policies and regulation



On which levels is LI/LW debated?





National level

- An example from the German context

Coalition Agreement of the German Government 2021- 2025 (SPD, Greens, FDP)

*„Together with trade unions,
companies and civil society, we
campaign for fair and formal
working conditions and **living
wages worldwide.**“*

German Supply Chain Due Diligence Act (LkSG)

Comes into force from 1 January 2023:

- **Goal:** Establishment of **human rights and environmental due diligence obligations** for large companies with headquarters or branch offices in Germany.
- **Scope:** Companies with at least 3000 employees (from 1.1.2023). From 1.1.2024 for companies with at least 1000 employees.
- **Focus on human rights due diligence** (prohibition of forced labour, child labour, right to equal treatment, worker representation, etc).

German Supply Chain Due Diligence Act (LkSG)

Focus on local minimum wages:

- „Prohibition of withholding a **fair wage**; the fair wage shall be **at least the minimum wage established by applicable law** and shall otherwise be determined by the law of the place of employment“
- **Due diligence process:** based on the OECD Due Diligence guidance – Risk-based analysis, preventive measures and remedial action

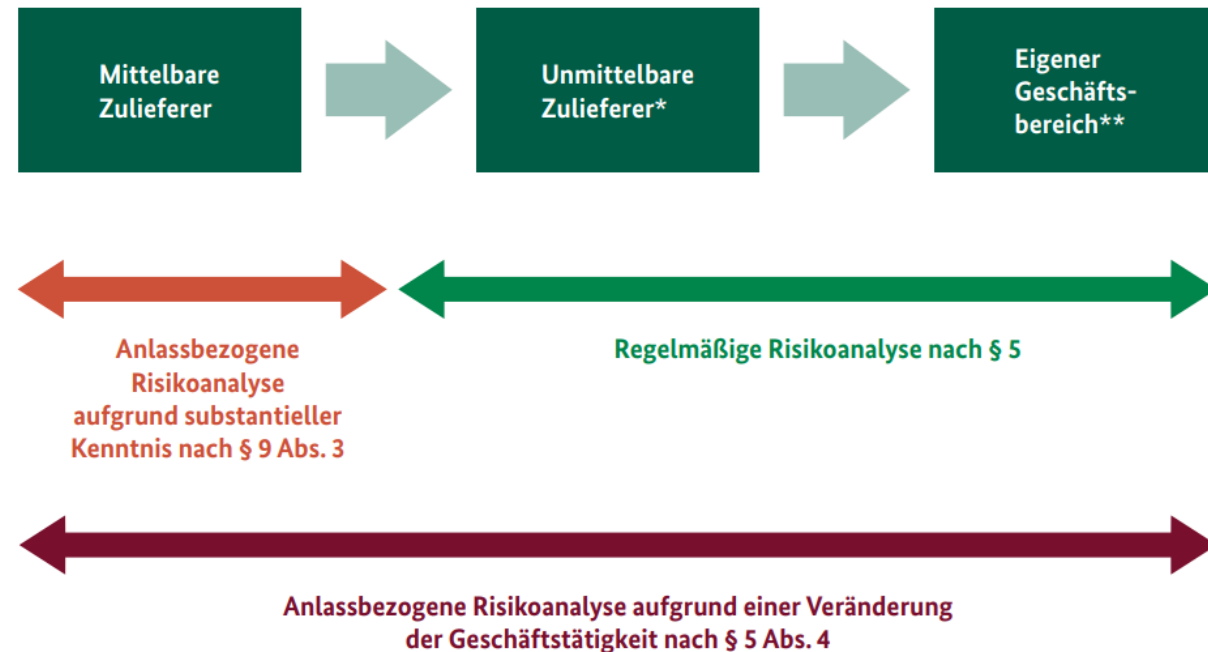


German Supply Chain Due Diligence Act (LkSG)

Gradation of due diligence obligations:

- **Stricter regulations** apply in the **own business unit** and with **direct suppliers** than with indirect suppliers at the beginning of the supply chain
- **Risk analysis** has to be carried out **regularly** in own business unit and with **direkt suppliers** – only in specific cases with indirect suppliers

Ziel: ein angemessenes und wirksames Risikomanagement entlang der gesamten Lieferkette



EU level

INA The European "landscape" on due diligence regulation

	Cross-sector and cross-thematic	Thematic and/or sector specific
EU-wide	Upcoming EU Directive on Corporate Sustainability Due Diligence (CSDDD)	Upcoming EU regulation on deforestation-free products (EUDR) EU Timber Trade Regulation (EUTR) EU Regulation on Conflict Minerals
National	German Supply Chain Sourcing Obligations Act (LkSG) French Loi de Vigilance, etc.	Dutch Child Labour Due Diligence Law, etc.

Upcoming EU Directive on Corporate Sustainability Due Diligence

Legislative proposal from 23 Feb 2022:


- **Goal:** Define binding **human rights and environmental due diligence** obligations for companies active on the EU market in all sectors
- **Envisaged scope:** Companies with 500 or more employees and an annual turnover of at least €150 million on the EU market
- **Risk sectors:** Companies in **risk sectors** (agriculture, textiles, mining) with 250 or more employees and an annual turnover of at least €40 million on the EU market



Upcoming EU Directive on Corporate Sustainability Due Diligence

Differences to the German Law:

- Instead of distinguishing between direct/indirect suppliers, the focus is on so-called "**established business relationships**" (criticism: definition unclear)
- EU legislative proposal foresees **civil liability** for companies
- The EU proposal explicitly protects **living wages**: „Violation of the prohibition of withholding an **adequate living wage** in accordance with Article 7 of the International Covenant on Economic, Social and Cultural Rights“

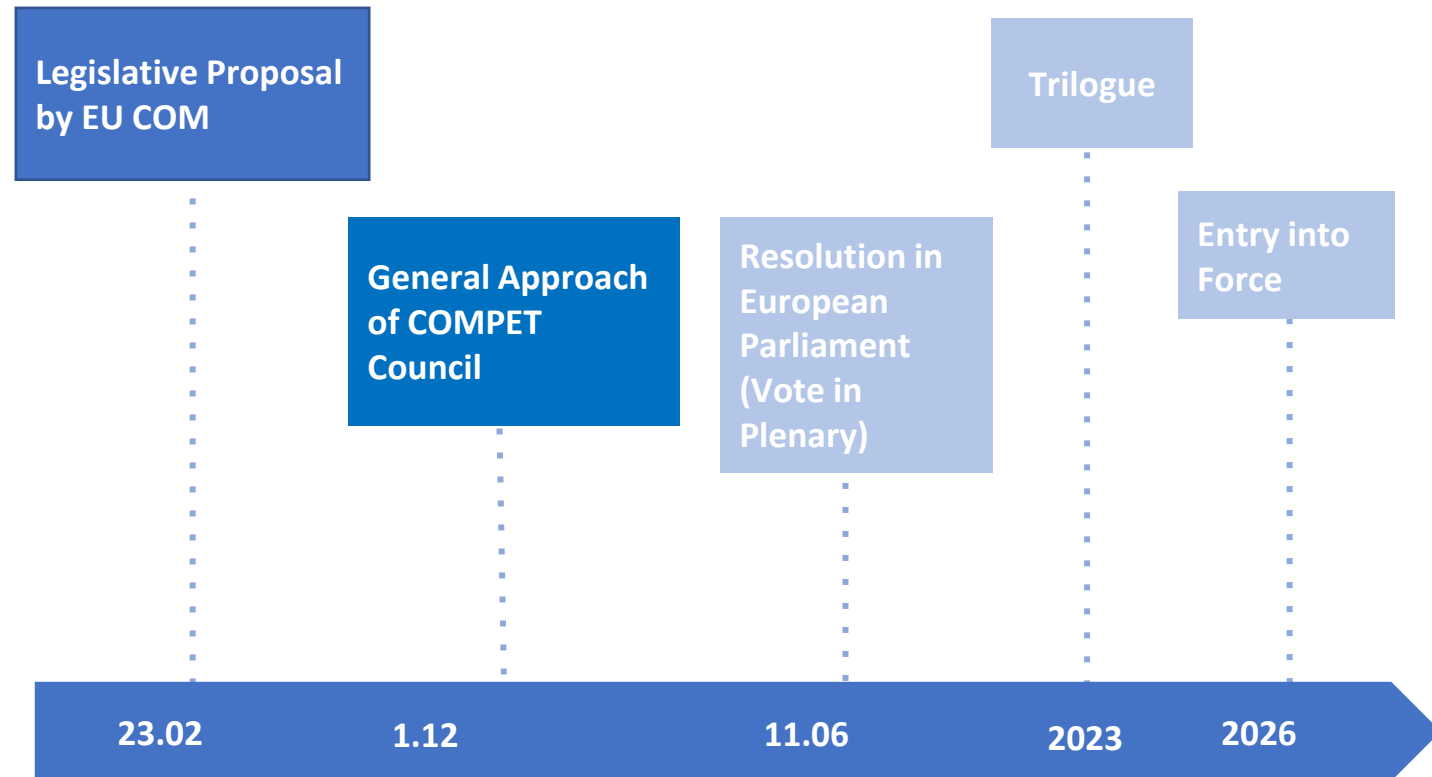


JURI Committee of the European Parliament asks for inclusion of **living income for self-employed workers and smallholders** in addition to living wages

Timeline of the upcoming EU Directive on Corporate Sustainability Due Diligence (CSDDD)

Commissioner of Justice Didier Reynders presented the Commission's proposal for the directive on 23.02.2022

Directive = to be translated into national law of Member States



EU Member States: Joint Declaration on Living Income and Wages

Signed on 27 January 2021:

- **Goal:** Like-minded countries working to include **living income** and **living wages** in the upcoming EU Directive on Corporate Sustainability Due Diligence and to mainstream the concept in their development policies.
- **Members:** Germany (BMZ), Netherlands (MinBuZa – Foreign Ministry) – Belgium and Luxemburg will join in **May 2023**



Ministerie van Buitenlandse Zaken



Bundesministerium für
wirtschaftliche Zusammenarbe
und Entwicklung

Joint Declaration
by
the Minister
for Foreign Trade and Development Cooperation
of the Netherlands
and
the Federal Minister
for Economic Cooperation and Development
of the Federal Republic of Germany
regarding
Living Wage and Living Income
27. January 2021



International level

INA International actors on living income and wages



ILO: Starting to work on living income and living wage

- **Previously:** ILO work on living wages and living income was blocked by its tripartite decision-making structure – governments, labour unions and employers associations – where it was blocked by the employers
- **ILO Project on Living Income and Wages:** Germany (BMZ) and the Netherlands (MINBUZA) will fund a large-scale ILO Project to implement the LI/LW concept in the ILO's work
- **ILO Brief** on „The question of living wages“ is released in October 2022, paving the way for the ILO to work on LI/LW in the future



October 2022

Setting adequate wages: The question of living wages

align.-tool.com

ILO: New Director General Gilbert F. Houngho

Vision Statement:

*„A programme for universal social protection, based on the concept of the Social Protection Floor, with a special attention to universal health care and to the possibility of an **evidence-based minimum living income for all**;“*

INA OECD: Upcoming Handbook on LI/LW for Companies

- BMZ funds the development of the handbook focussing on living income and wages the **agriculture** and **textile sectors**
- The publication will become an **international framework of reference** for companies to implement living income and wages based on the **OECD risk-based due diligence** process
- The development of the handbook is supported by an **Informal Expert Group** (IEG) consisting of key stakeholders and experts from the private sector, civil society, academia and governments



*OECD handbook for
companies to enable
living incomes and
wages in global supply
chains*

Thank you!



Federal Ministry
for Economic Cooperation
and Development

Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

INA Initiative for Sustainable
Agricultural Supply Chains

Merci!

Stay Engaged!

Site Web sur le revenu decent : www.living-income.com

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

Questionne? Écrivez-nous à : livingincome@isealalliance.org

The Living Income Community of Practice



En partenariat avec :

Living Income Thematic Group
of Côte d'Ivoire

Working Group 8 of the Public-Private Partnership
Platform of the Conseil du Café Cacao



The Living Income Community of Practice

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Living Income Thematic Group
of Côte d'Ivoire

Working Group 8 of the Public-Private Partnership
Platform of the Conseil du Café Cacao



LEARNING WORKSHOP

Group Statement

We recognise that to achieve impact on the living income of smallholder farmers at scale, multistakeholder action requires:



Private – Public Sector agreements



Aligned action among supply chain actors



Common learning & methodology