

Living Income Community of Practice

Topic specific 2022 webinar series

The Living Income Community of Practice



Federal Ministry
for Economic Cooperation
and Development



Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



SUSTAINABLE FOOD LAB

Roles of Professional Producer Organisations in Living Income

Sept 21, 2022

14:00-15:30 BST (UTC +1)

Today's Facilitators



Rita Mendez
Senior Project Coordinator,
Innovations
ISEAL



Carla Rodriguez
Project Coordinator, Impacts
and Innovations
ISEAL

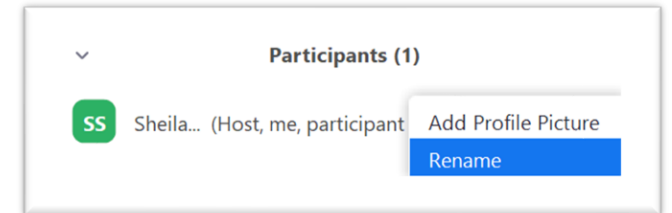
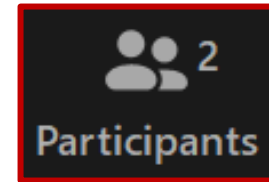
Session Guidelines

RECORDING

- The main session is being recorded and will be shared with all members on the Living Income platform.
- A copy of the slide deck and recording will be available on our website within 2 weeks.

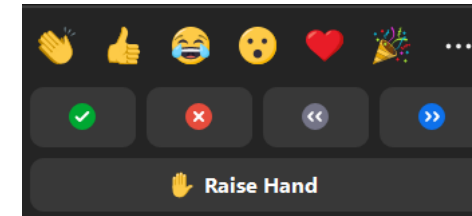
INTRODUCE YOURSELF

- Edit your name and add your organisation in brackets; e.g., [Sheila \(ISEAL\)](#)
- To do this, simply click on the “Participant button”
- Next, click on “Rename” next to your name in the Participant list



HOW CAN I ASK A QUESTION/COMMENT?

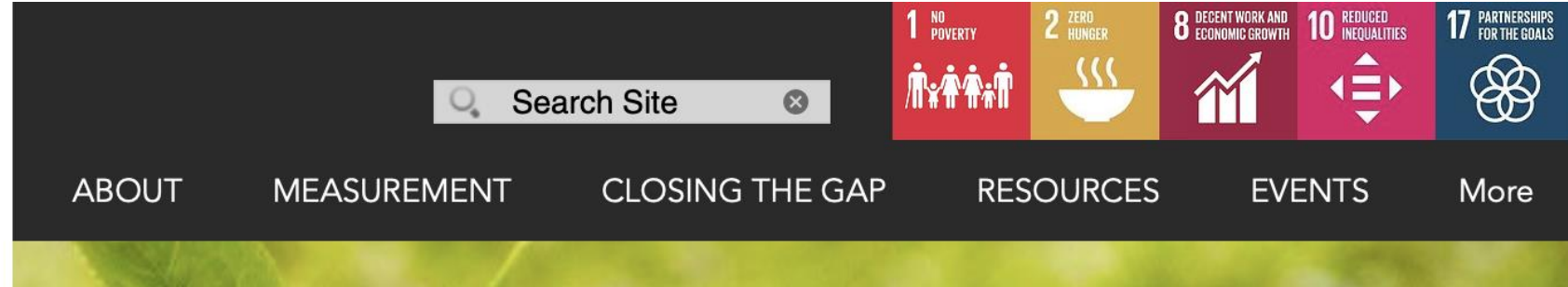
- **Raise your virtual hand** (look for this at the bottom of the Participant list) and organisers will call on you and you can unmute yourself
- Or pop the question in the **chat box**
- Please keep yourself muted when not speaking



TECHNICAL DIFFICULTIES?

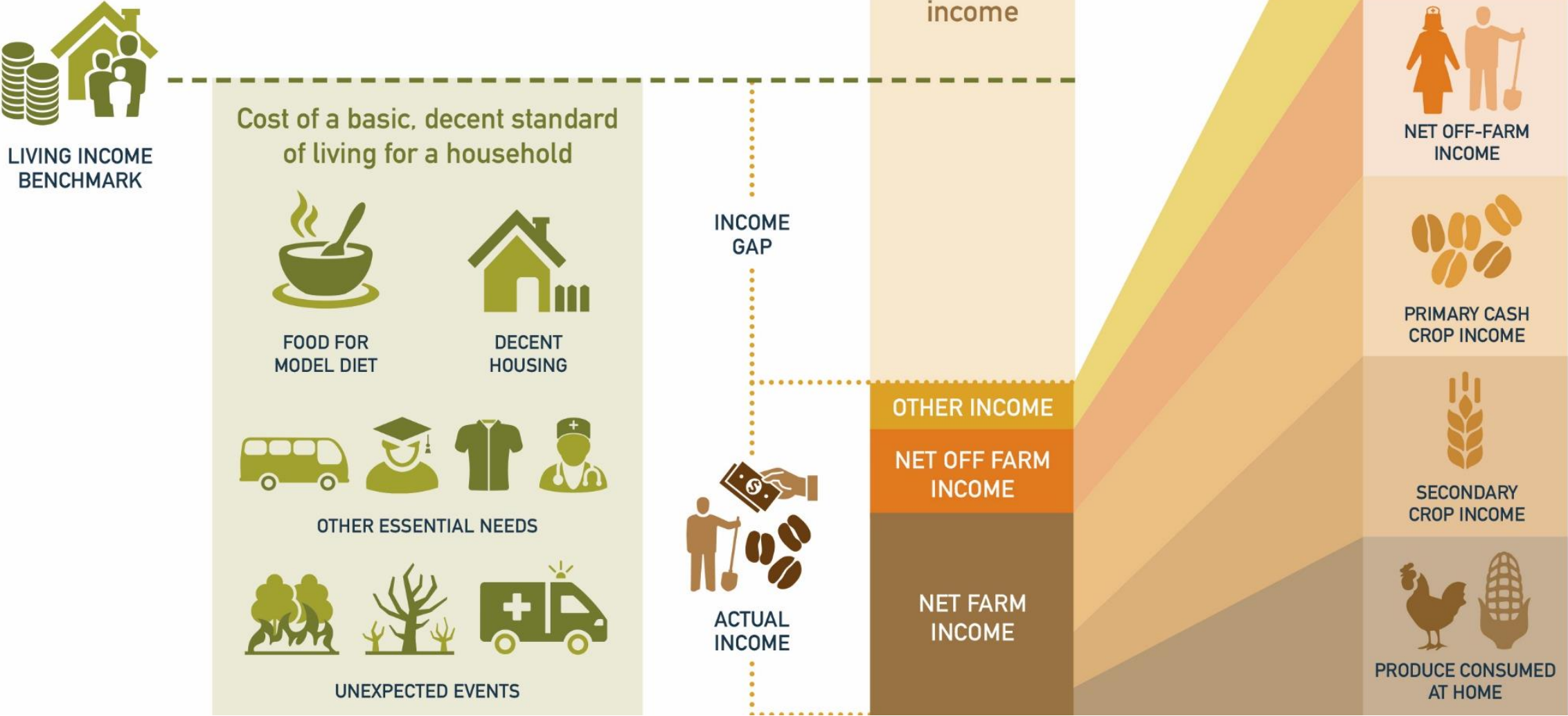
Reach out to carla@isealalliance.org in the chat box or write an email to livingincome@isealalliance.org

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.

The Living Income Story



Agenda & Speakers

TIME (BST/GMT +1)	Duration	
2:00 - 2:10pm	10m	Introduction to Living Income Community of Practice
2:10 – 2:35pm	25m	SCOPEinsight - Marise Blom Will explore the importance of strengthening agribusiness capacity to be professional and the link to finance
2:35 – 3:00pm	25m	Rikolto - Mariela Wismann , Napoleon Molina Will discuss their work on the professionalization process, describing the application of the SCOPEinsight tools in practice.
3:00 – 3:20	20m	Discussion and questions
3:20 – 3:30	10m	Final thoughts and closure

Roles of Professional Agribusinesses in Living income

Introducing SCOPEinsight's Living Income Model



Marise Blom,
Chief Operating Officer
| SCOPEinsight

Marise has over 30 years of diverse and robust experience with a wide array of businesses, from large multinationals to start-ups to funds. For the past seven years, she has been leading the professional team at SCOPEinsight to excel. Marise is passionate about creating linkages between financiers and agribusinesses.

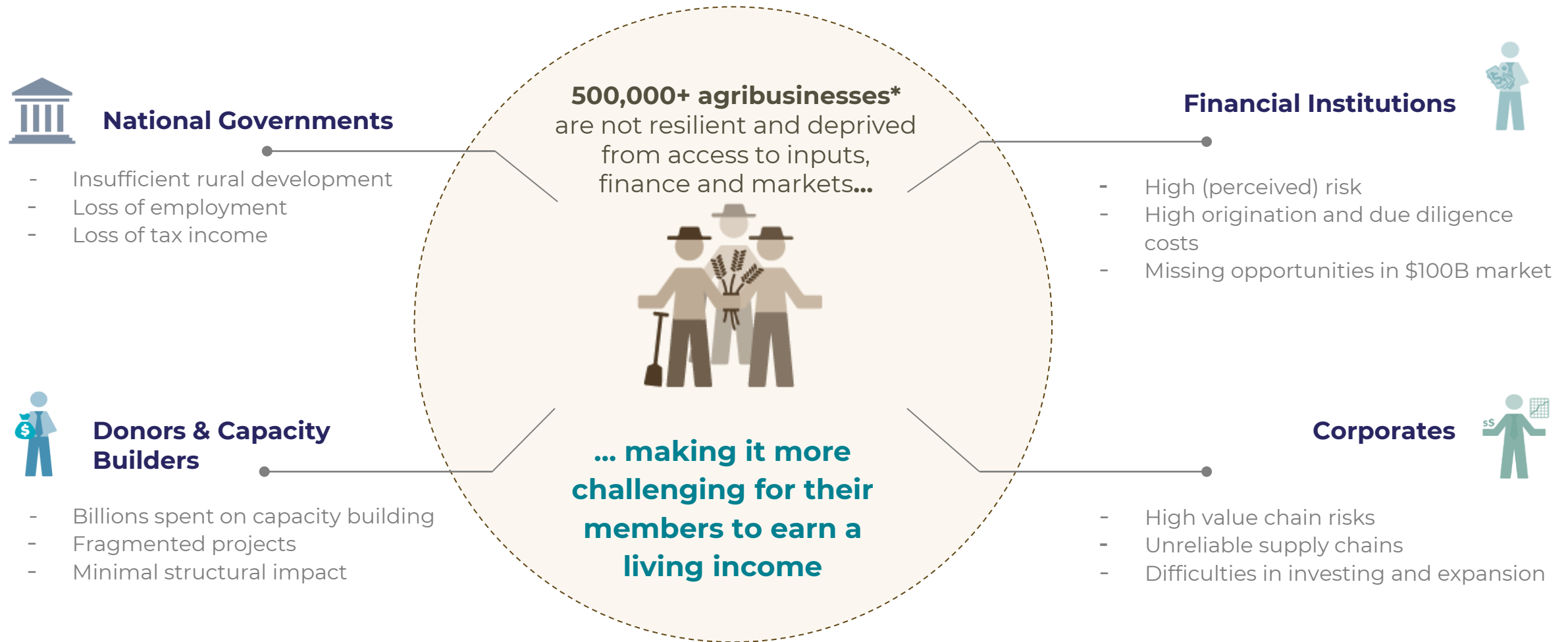
Roles of Professional Agribusinesses in Living income

Introducing SCOPEinsight's Living Income Model

September 21, 2022



Many stakeholders are affected by agribusinesses that are not run as a professional business, including their members



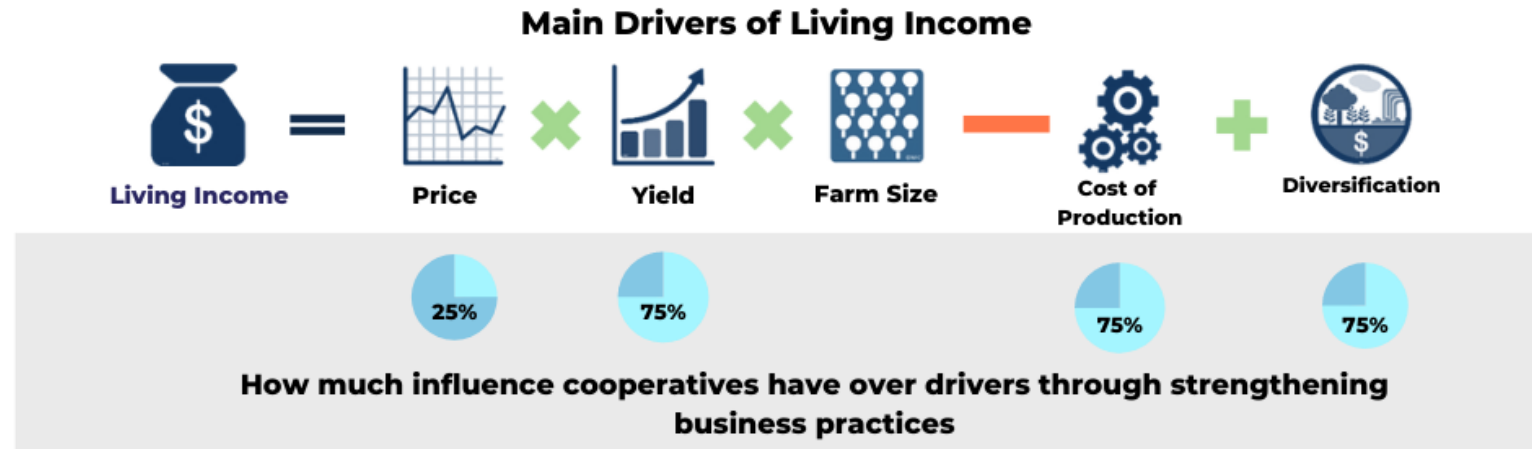
*Agribusinesses refer to farmer organizations, cooperatives, and agri-SMEs

The SCOPEinsight approach has been implemented by partners in 52 countries and 19 agricultural sectors

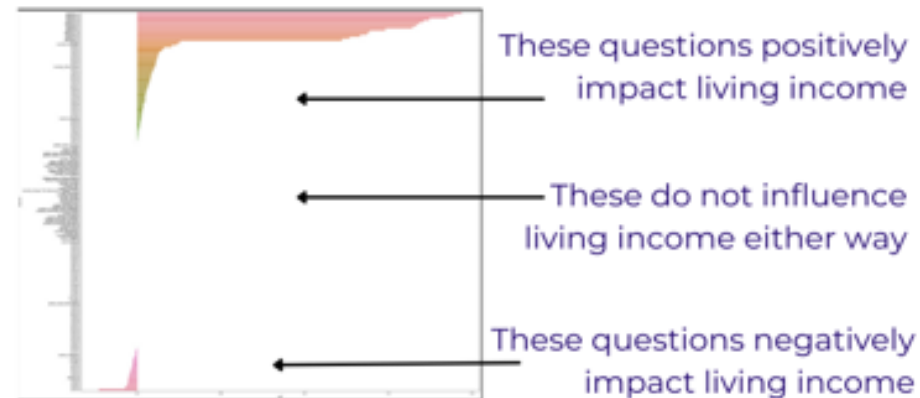


We develop models and use SCOPE Data to find drivers behind Living Income that agribusinesses can influence

Step 1: Theoretic model

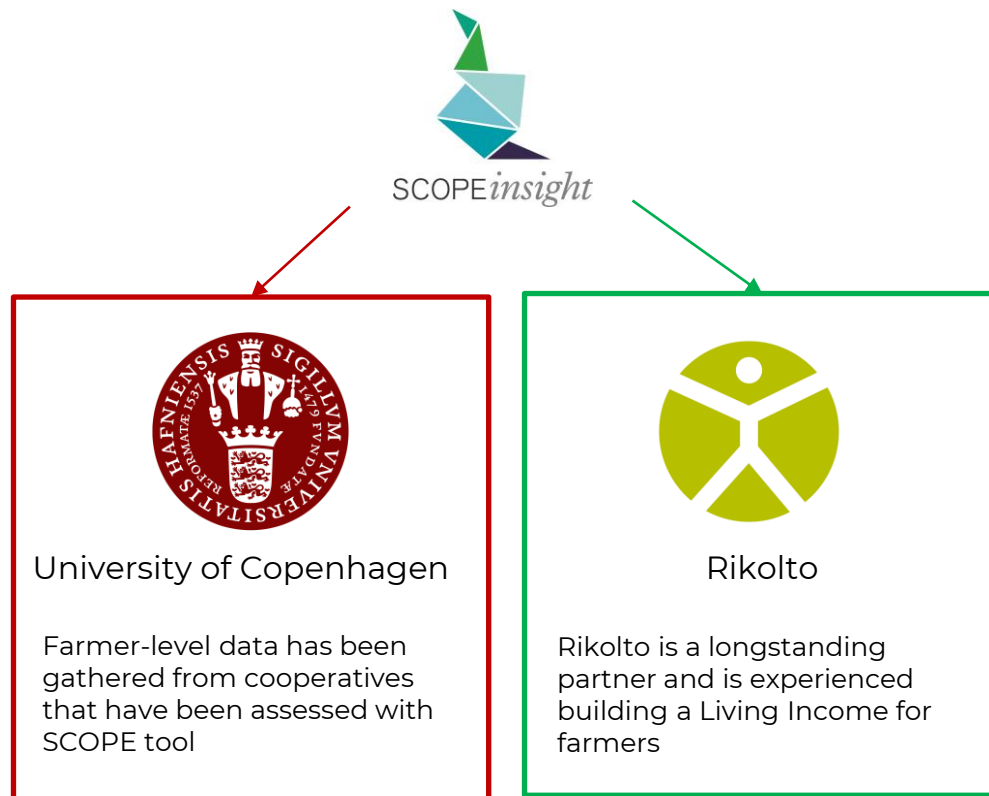


Step 2: Use data & machine learning to determine which questions inform the different elements



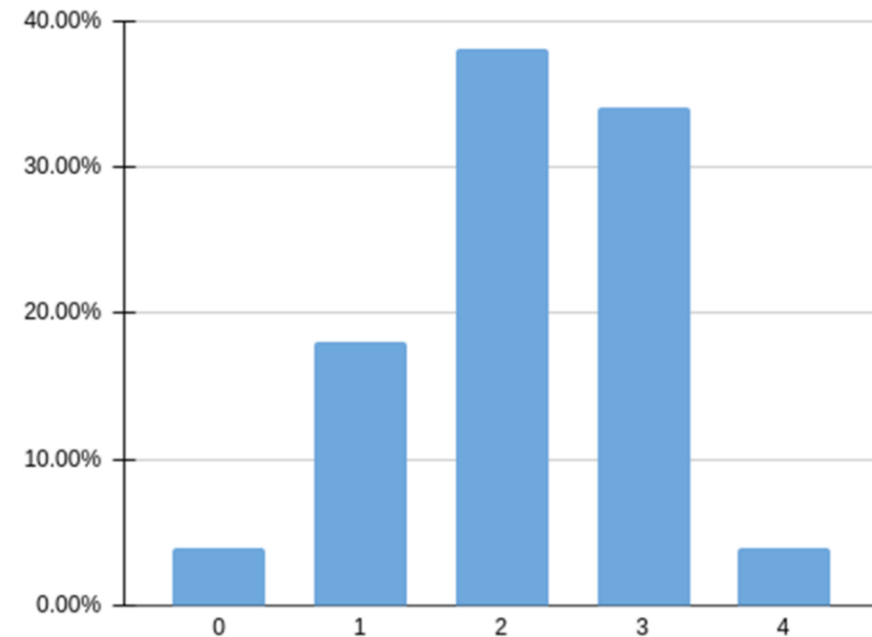
We can provide Living Income Scores at agribusiness, program and/or value chain level

We have validated our model in two ways:

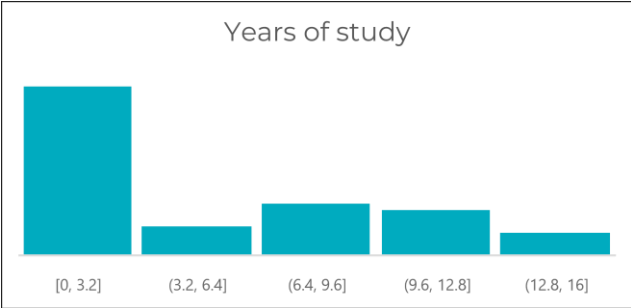
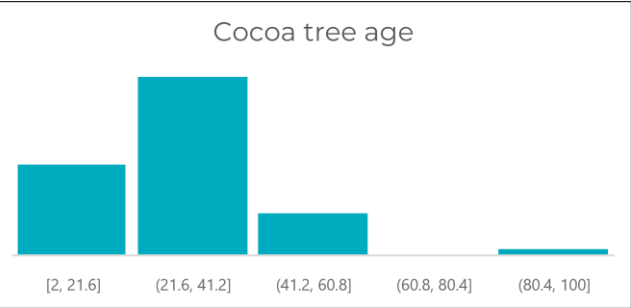
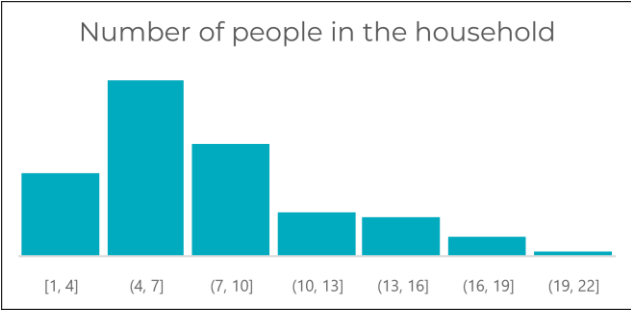
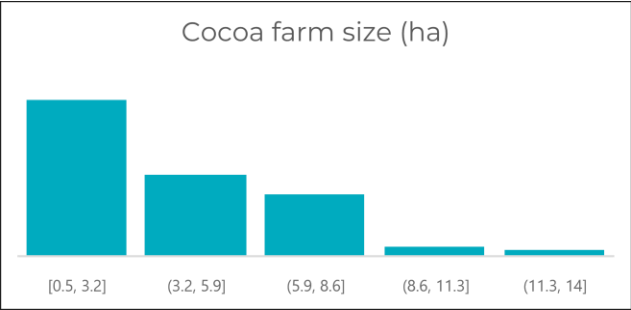
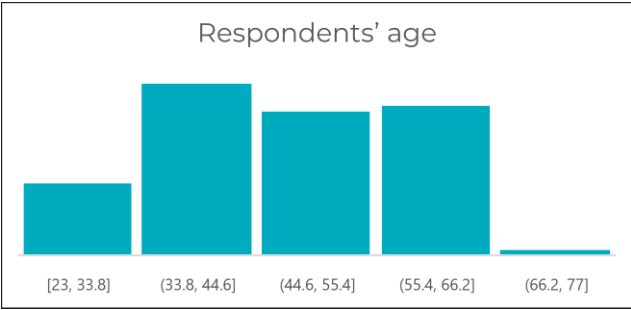
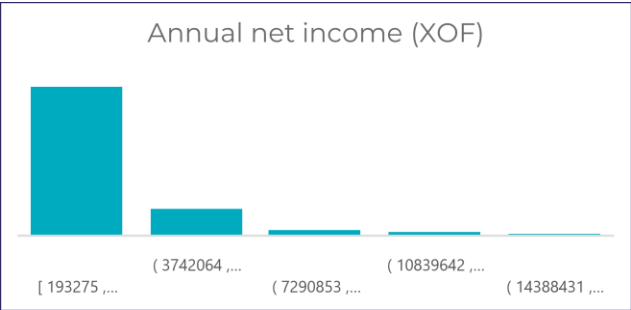


Our data shows that not many coops are able to create a favorable environment

Distribution of Living Income Scores

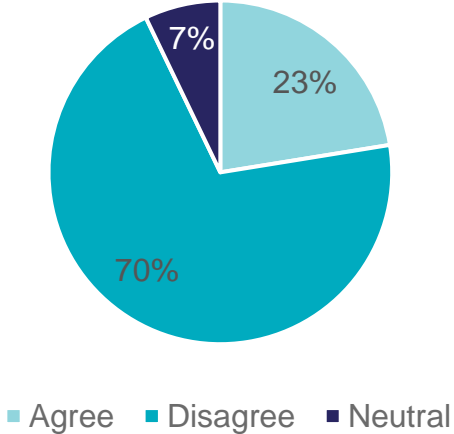


Data from almost 100 households in southern Côte d'Ivoire shows our model's accuracy



Country	Côte d'Ivoire
Interviews	98
Coops	ECOGA, SCAES, ECOOD, CADESA
Districts	Bas-sassandra and Goh-djiboua
Region	San-pedro, Nawa, Gbokle

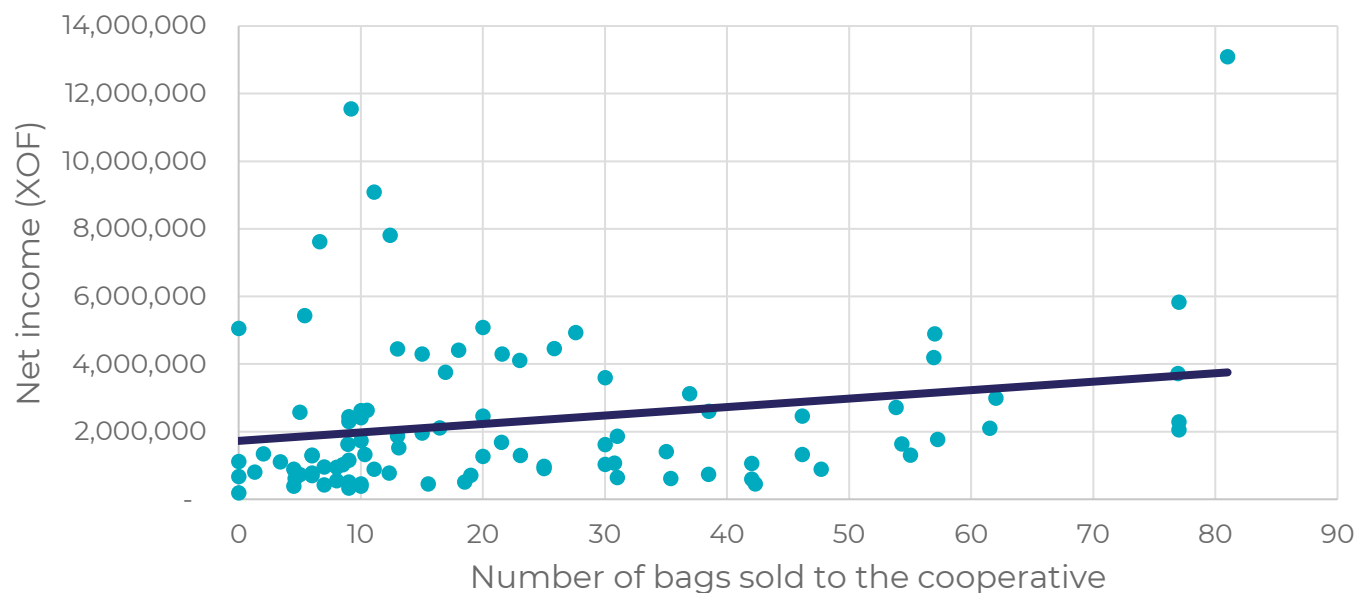
Sufficient income for all household members



Yield has a significant correlation with the overall net income



Annual net income vs. number of bags sold to the coop during the main harvesting season (October - March)

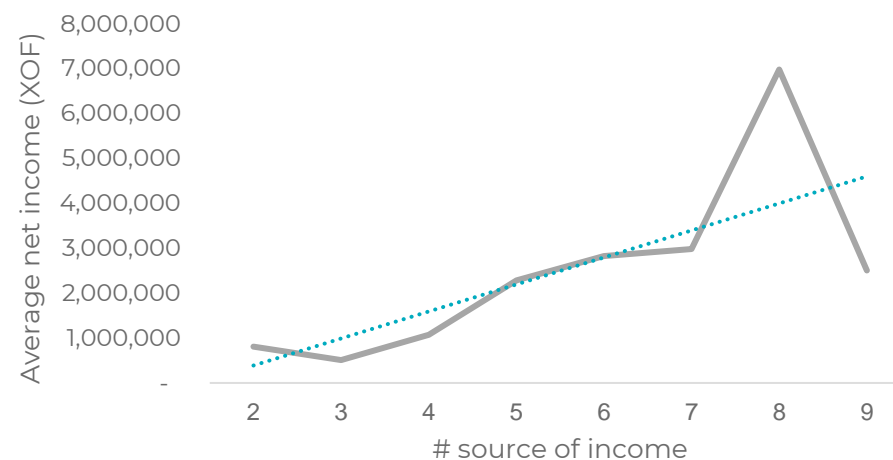


Pearson correlation coefficient = + 0.23

Farmers who diversify have higher net incomes



Average annual net income vs. # source of income

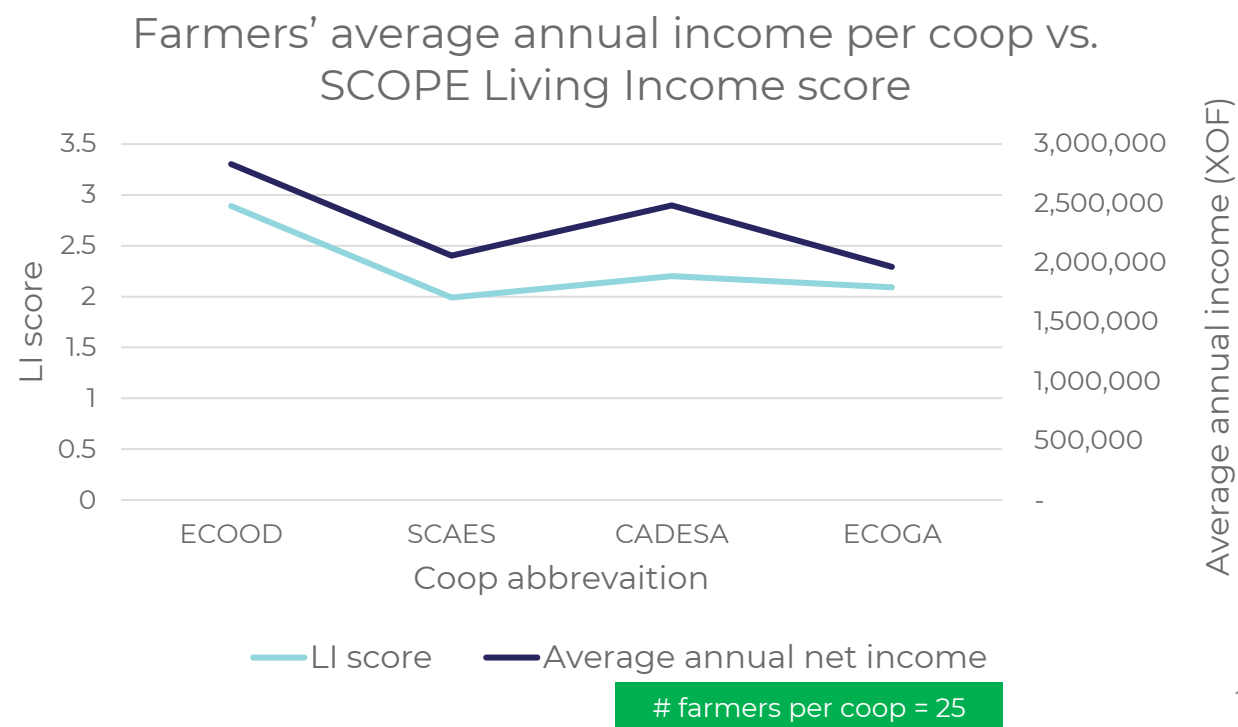


The average net income grows as the number of sources of income increases.

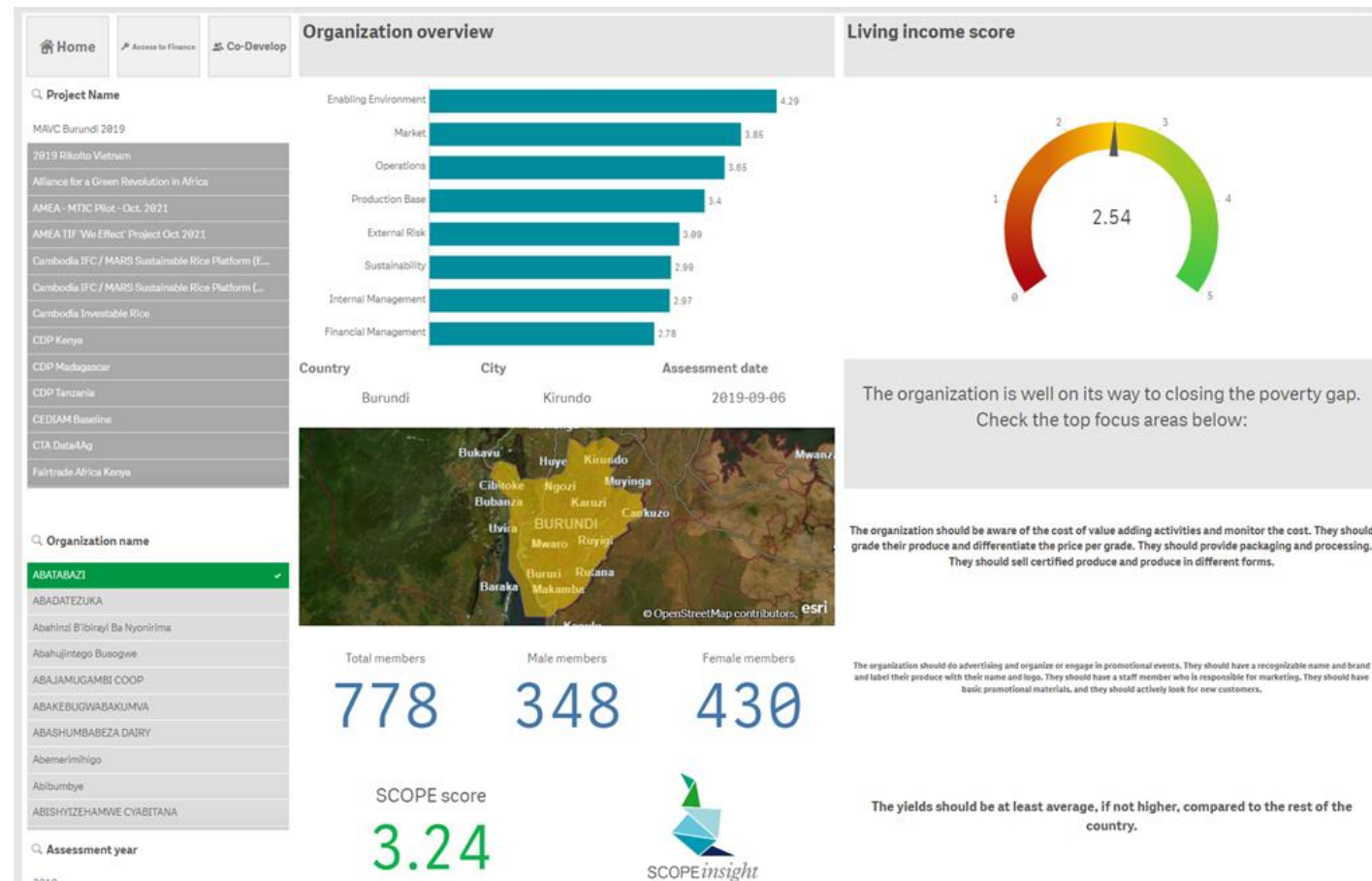
The Living Income Score correlates closely to the actual annual farmer income



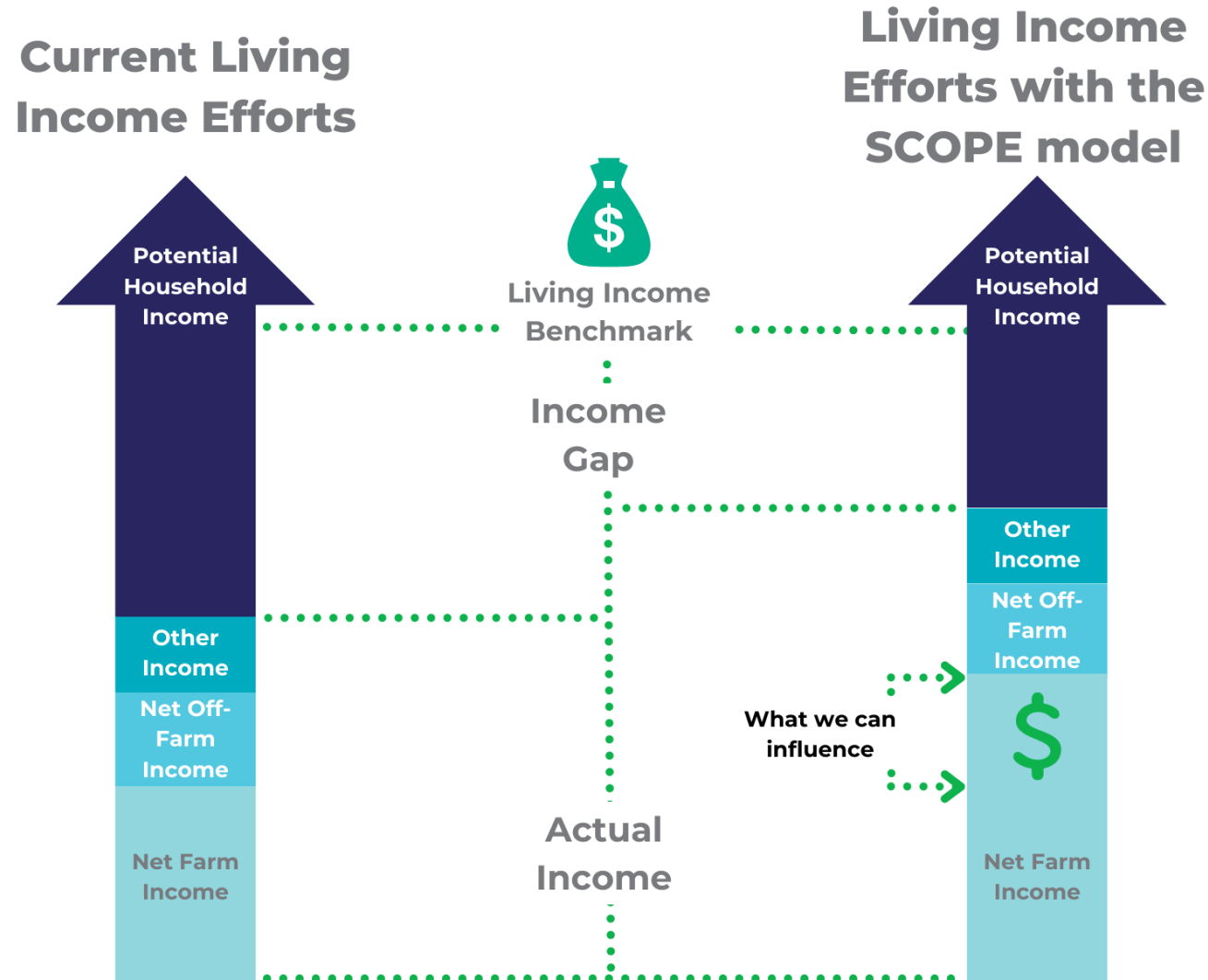
Coop	Average annual net income (XOF)	SCOPE LI score
ECOOD	2,830,955	2.89
SCAES	2,058,599	1.99
CADESA	2,484,027	2.2
ECOGA	1,964,065	2.09



The SCOPE Living Income Model also provides TA guidance per agribusiness, so they can work on improving the Living Income environment for their members



In conclusion, professionalizing agribusinesses is one factor - an important one - in positively affecting living income levels



Adapted from the Living Income Community of Practice

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SCOPE*insight*

Better solutions,
better businesses,
better lives

Thank you

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-  info@scopeinsight.com
-  +31 (0) 30 227 19 02

Professionalization of Farmer Organisations



Mariela Wismann, Director Latin American Coffee Programme | Rikolto

Mariela leads the Latin American Coffee Program which promotes the development of inclusive businesses based on the professionalization of organisations, the development of resilient production systems, and the generation of multi-stakeholder spaces.



Napoleon Molina, Business Development Services Coordinator for Latin America | Rikolto

Napoleon is a specialist in small producer organizations business development, inclusive business facilitation, and value chain management. He has an academic background in Agricultural Engineer with a Master's and Doctorate in Agricultural Economics from Humboldt University of Berlin.

A man with short dark hair, wearing a green long-sleeved polo shirt and blue jeans, is smiling and working in a greenhouse. He is using a long-handled wooden tool to move dark brown coffee beans in a raised bed. The greenhouse has a curved metal frame and translucent plastic covering. The background shows more of the greenhouse structure and some small plants.

rikolto

Professionalization

of Farmer
Organisations

Mariela Wismann and Napoleón Molina
September 21, 2022

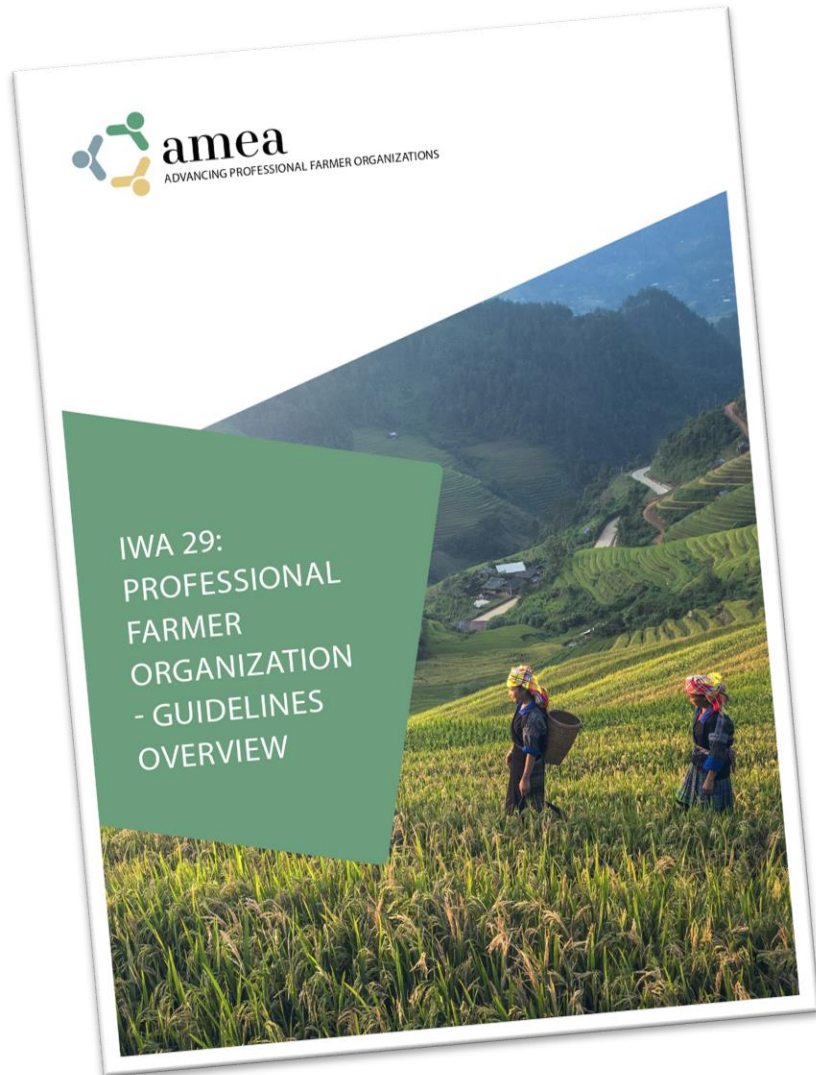
Professionalization of Farmer Organizations (FO):

Why it is important?



- Access to knowledge and networks
- Improved access to markets
- Strengthening the different dimensions that integrate a FO
- Value added for members and community

How can we achieve it?



Stage 1: Gain insight into the needs and opportunities

➤ Application of assessment tools

🔍 Measure business potential

🔍 Identification of services needs

🔍 Facilitate access to services for members



Stage 2: Capacity Building of FOs

- Implementation of the improvement Plan
- 🔍 Full participation
- 🔍 Examination and adaptation of methods and tools
- 🔍 Training and coaching



Stage 3: Connect with key stake- holders

➤ Facilitate collaboration and linkages

- 🔍 Enhance commercial relations with buyers
- 🔍 Connect with input suppliers, technology providers, academy
- 🔍 Promote financial services access



Stage 4: Collective action and advocacy

➤ Multi stake - holder platforms facilitation



Support governance structure and define a common agenda.



Sharing evidence, learning and knowledge built and validated.



Advocate in public policies and private procurement procedures



Case study: APROCASSI

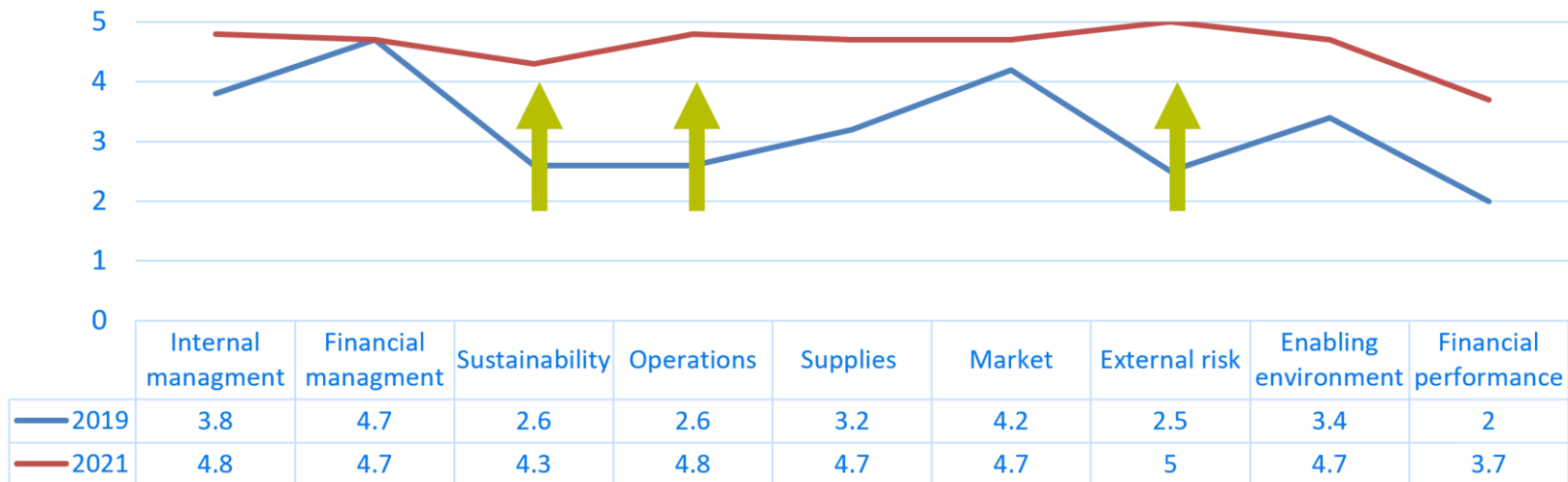
- **Year of foundation:** 2000
- **Zone/Country:** Cajamarca, Peru
- **Legal status:** cooperative
- **Members:** 553 (year 2021)
- **Products:** coffee

4.7/5

SCOPE INSIGHT
SCORE 2021

3.6/5

SCOPE INSIGHT
SCORE 2019



Case study: APROSACAO

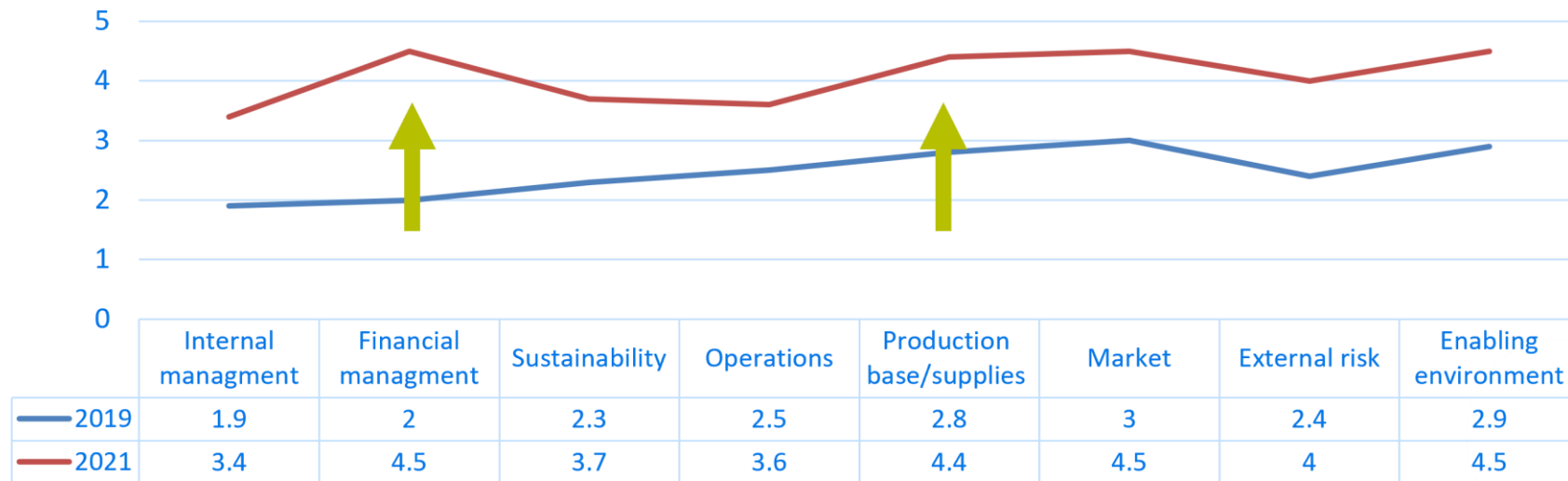
- **Year of foundation:** 2009
- **Zone/Country:** Catacamas, Honduras
- **Legal status:** association
- **Members:** 421 (year 2021)
- **Products:** cocoa

4.1 / 5

SCOPE INSIGHT
SCORE 2021

2.5 / 5

SCOPE INSIGHT
SCORE 2019





A mean to close
the living income
gap?

Some thoughts

- Professionalization causes results at **organization level**
- Increase income doesn't mean **living income**
- **Focus on families!**
Who is responsible for certifying whether a family has a living income? Should we think on an international certification or is it a cooperative's competence?
- Every sector should have its **living income benchmark**.
- LI demands the commitment of key stake- holders



Lessons learned on the way



- The process varies
- Key for inclusive business
- It is accelerated by buyers participation
- Buyers need to play a different role than the commercial one



Lessons learned on the way



- Tools applied in an agile and effective manner are easy to be adopted.
- Highlights the value of associativity,
- The commitment and collective effort of all relevant stakeholders are required.
- MSP are not and do not seek to replace farmer organizations.



In their own words



Our producers' incomes have improved because our

<https://youtube.com/clip/UgkxmD-LNRK0zrQGr3PCi39XNYdZQdJEZZW0>



In their own words

The systematization of information with the integrated accounting and collection system has helped us a lot. I think we are on the right track. Not 100%, but if I, as president, need information right now, I would have it in real time and accurately. Before, the accounting aspect was only manual.

Nilson Aguirre - Aprocassi President



In their own words

As a result of the Leadership School, there are people elected as representatives and then become Coop's authorities, in Councils and specialized Committees. It would be important to focus on the initiatives of youth, women and delegates, given that the Education Committee's function is to train administrative staff and technical team.

*Florentino Condezo, President
Chairman of the Education Committee of La
Prosperidad*





What will we eat tomorrow?



Thank you

**Inclusive business Coordinator -
Latin America**

napoleon.molina@rikolto.org

**Director for Coffee Program -
Latin America**

mariela.wismann@rikolto.org

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Discussion and Q&A



Engagement Opportunities - 2022

www.living-income.com

Webinar | The Role of Governments in Enabling Living Income in Global Agriculture Value Chains| [September 28, 2022, 15:00 UTC+1 \(BST\)](#) - 90mins

Living Income is an important milestone for smallholder farmers along the pathway to prosperity. Both supply and demand-side Governments play an important role in providing an enabling environment for farmers to thrive, and there is a need for more cross sector learning and sharing on what different government actors are doing and what they need from other partners to be successful. This webinar will tackle:

- Why should governments adopt Living Income Strategies and Policies?
- What examples exist?
- What is needed to engage more public policy makers and ensure that all farmers along the value chains receive a Living Income?

Featuring Panelists:



Santiago J. Arguello Campos
Mexican Ministry of Agriculture and Rural Development (SADER)



Alex Assanvo
Côte d'Ivoire-Ghana Cocoa Initiative



Régis Meritan
Sustainable Cocoa Initiative, European Commission, DG International Partnerships



Marike de Pena
Banelino Cooperative, The Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC)



Sebastian Lesch
German Federal Ministry for Economic Cooperation and Development (BMZ)

Webinar | Carbon Market Access for Smallholder Farmers through Climate-Smart Agriculture| [October 6, 2022, 14:00 UTC+1 \(BST\)](#) - 90mins

Making carbon markets accessible to small holder farmers would seem to lie at the intersection of livelihoods and regenerative agriculture. But with the nuances of both disciplines, finding ways for small holders to benefit from increased productivity and fees for environmental services is no small task. Recently, Solidaridad and Rabobank launched ACORN a direct trade platform that aims to make access to carbon markets for smallholder coffee farmers in Colombia a reality. In this webinar, Seth Petchers from the Sustainable Food Lab will join these two organisations to explore what it took to engineer and launch ACORN, and describe the benefits that they expect farmers will realize.



Martine Jansen Head of Partnerships at Rabobank



Joel Brounen Country Manager Colombia Solidaridad

Thank you!



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Photo © tea field Kenya Rainforest Alliance RA