



Federal Ministry
for Economic Cooperation
and Development

The Living Income
Community of Practice

Guiding steps towards living income in the supply chain

How to mainstream living income in your company's activities



bmz.de

Why Living Income?

To overcome poverty, ensure sustainable production, and achieve long-term success, farmers must have the means for a decent life. They need the opportunity to professionalize their farm and become strong partners. There are good business reasons to engage!

Human rights



Ensuring those in our value chain can afford a decent standard of living is the right thing to do morally and legally.

Business benefits

- Secure license to operate
- Global ethical leader

Reputation



Buyers of our products expect that they are contributing to a decent standard of living for farmers and influencers are making sure of it.

Business benefits

- Decrease risk of consumer backlash
- Increase positive reputation

Supply security



We need to support our farmers to live a decent life and invest in their farms so that there is a stable quality supply.

Business benefits

- Secure future supply of raw materials
- Maintain or increase return on investments

What can we do?

A living income is the basis for any sustainable and attractive supply chain. To reach this goal, here are steps to prepare for and take action:



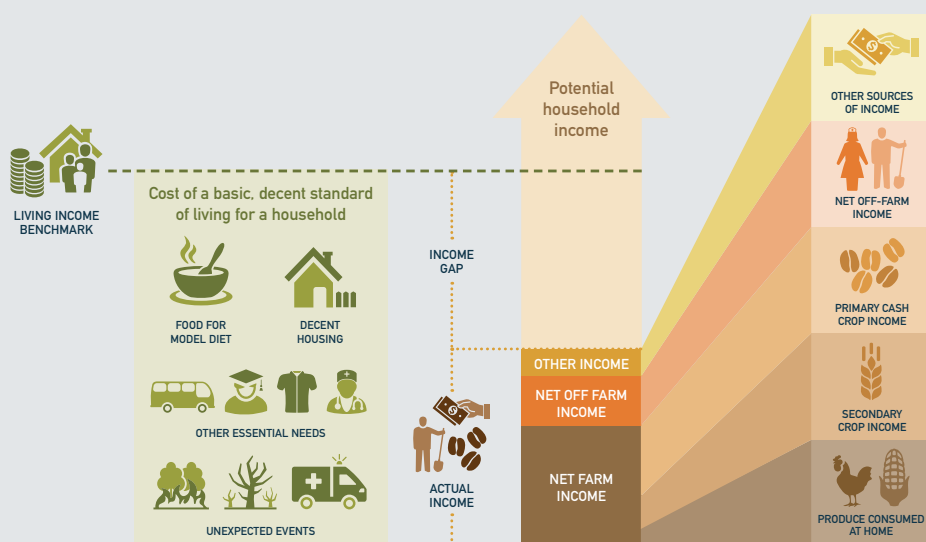
WHAT WORKS:

- *Create transparent and traceable supply chains*
- *Set up long-term, strategic partnerships to improve planning security, incentivize investments on the farm, and pay fair prices to producers*
- *Improve capacity of producers in good agricultural practices and farm management through Farmer Field and Farmer Business Schools*
- *Consider activities targeting specific farmer segments which are characterized by their assets and skills*

The Living Income Story

“Living Income is 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.”

For more information visit the Living Income Community of Practice www.living-income.com



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CONTACT

RL121@bmz.bund.de
www.bmz.de

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Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn, Germany

Programme Sustainable Agricultural Supply Chains and Standards

Sustainable Food Lab
3 Linden Road Hartland, Vermont 05048,
United States