

# Creating value for producers through bottom-up MEL systems

**Catharine Russell, Fairtrade Africa**

**Vidya Rangan, Fairtrade International**



*Engaging Producers in M&E*

*ISEAL Annual Conference*

*June 12<sup>th</sup> 2013*



## **PART 1**

# **MACRO INSIGHTS TO SHARE: DEVELOPMENT OF A BOTTOM-UP THEORY OF CHANGE FOR FAIRTRADE**

# Context for Fairtrade's MEL system

PARAMETER	SCALE
Number of certified producer organizations	991
Number of farmers and workers	1.24 million
Number of countries with certificate-holders	66
Number of product ranges with Standards	> 16
Number of products on market shelves	> 4500

- Challenges of scale and geographic scope
- Governance structure: 50% producer owned
- Historical knowledge: been around a while
- Resource limits

# How did we go about it?

- Began in October 2011 and in final consultation stage
- Development of conceptual framework based on existing Fairtrade strategic papers and approach
- Development of draft themes at output, outcome and impact level from this and impact literature, M&E data
- Feedback from farmers and workers across 19 countries on draft themes through workshops and group exercises
- Development of indicators by farmers and workers
- Strategic engagement with producer networks
- Review and synthesis by global MEL team
- Feedback / review by farmers and workers through networks

# INSIGHT 1

Important to define 'outcomes' and 'impacts' from a producer perspective and accounting for context - based priorities within these

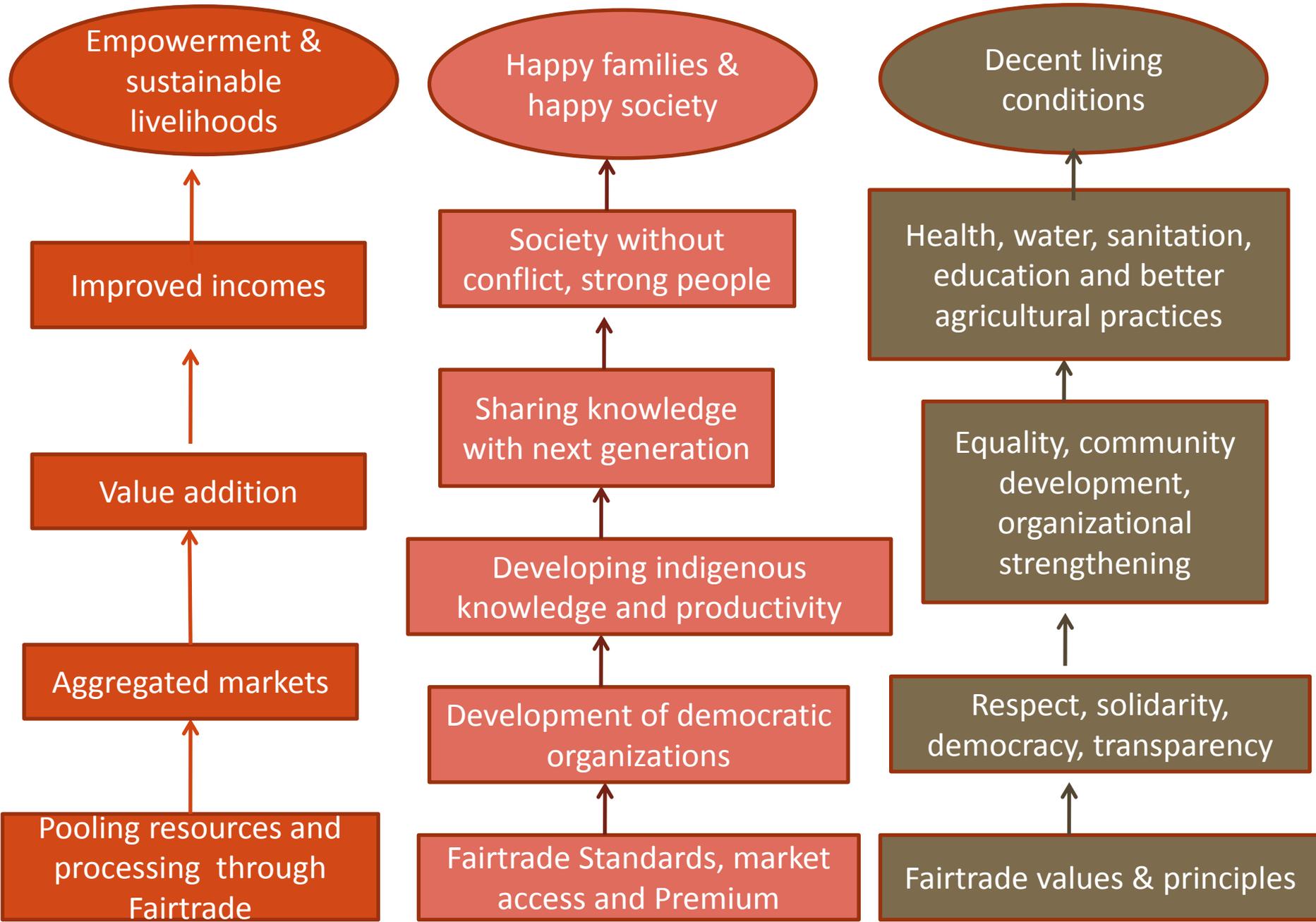
# Illustration: changes to themes based on producers' perspectives

ADDITIONS TO THEMES AT IMPACT LEVEL	
DIGNITY	Asia-Pacific small farmers
INTER-GENERATIONAL SUSTAINABILITY OF FARMING	Latin America small farmers
FINANCIAL SECURITY ON RETIREMENT	Asia-Pacific workers
ADDITIONS TO THEMES AT OUTCOME LEVEL	
LABOUR RELATIONS	Latin America workers
LEADERSHIP	Latin America small farmers
ADDITIONS TO THEMES AT OUTPUT LEVEL	
KNOWLEDGE OF LABOUR LAW AMONG WORKERS AND EMPLOYERS	Latin America workers
RESPECT FOR ECOLOGY & INDIGENOUS KNOWLEDGE	Asia-Pacific small farmers
PRODUCER OWNERSHIP OF STANDARDS	Asia-Pacific small farmers

# INSIGHT 2

Important to allow for context-based differences while mapping impact pathways

# Illustration: impact pathways as drawn by farmers from different regions



# INSIGHT 3

Important to account for differences in stage of development while developing indicators

# Illustration: indicator development by tea workers from two different regions of India

Indicators for Impact-level – Better Education	Indicators for Impact-level – Income & Assets
<b>Workers from Darjeeling (North India)</b>	<b>High number of common indicators</b>
<ul style="list-style-type: none"><li>• % community members able to sign their names</li></ul>	<ul style="list-style-type: none"><li>• Additional household income</li></ul>
<ul style="list-style-type: none"><li>• % mothers literate in the community</li></ul>	<ul style="list-style-type: none"><li>• Household assets (pressure cooker/smokeless stove, white goods)</li></ul>
<ul style="list-style-type: none"><li>• Number of high schools in the community (or Number of children/high school)</li></ul>	<ul style="list-style-type: none"><li>• Increased savings and pension funds</li></ul>
<ul style="list-style-type: none"><li>• # college graduates in the estate</li></ul>	<ul style="list-style-type: none"><li>• Ownership of house outside estate</li></ul>
<ul style="list-style-type: none"><li>• # school drop-outs (linked to income)</li></ul>	
<b>Workers from Tamil Nadu (South India)</b>	
<ul style="list-style-type: none"><li>• # children who are completing high school</li></ul>	
<ul style="list-style-type: none"><li>• Average amount spent on education per year</li></ul>	
<ul style="list-style-type: none"><li>• % computer literacy among children and adults (basic use of a computer)</li></ul>	
<ul style="list-style-type: none"><li>• % students getting vocational training</li></ul>	
<b>Only 1 Common indicator</b>	
School achievement: Number of children achieving higher marks (>80% each year)	

**PART 2**

**MICRO INSIGHTS TO SHARE: FAIRTRADE AFRICA  
PRODUCER CONSULTATIONS**

# Consultation methodology



- Range of products
- Workshops with field visits
- Both Small producer organizations and Hired Labour
- To identify producers' theories of change
- What information they need, details of data collection (if any)
- How could FTA and Fairtrade work with producers to collect data collaboratively

# Overview of Findings



# Make Trade Fair

## Positive Changes

More stable  
and better  
prices

Access to  
premium

Sourcing plans  
and more  
transparent  
negotiations

Standards-better  
enforcement of  
government  
requirements

## Unanticipated Changes

Buyer driven  
supply chains

Low  
number of  
FT buyers

High  
certification  
and audit costs

Lack of  
buyer  
diversity

# Empowerment



Still poor representation within the Fairtrade system

Standards in HL context set mostly by government requirements not FTA

Context largely degree to which standards are effectively implemented

# Fostering Sustainable Livelihoods

Better prices-Better income for farmers

Premium Projects



'Free riding' from community spend perception by some producers

Sustainability issues with some premium projects

Premium covers health insurance/education bursaries increasing disposable income

Premium spend builds community solidarity

'Top up payment'-assists savings and helps in 'low period' for some farmers

# Dependencies

% of Fairtrade  
product sold to  
Fairtrade buyers

Implementation of  
Standards

Contextual factors  
internal/external of the  
value chain

Access to  
premium

Minimum price in  
place

# Producer and Worker Information Needs

Small Producer Organizations	Workers
Market and price information nationally, regionally and internationally and information on supply chain-to enable them to negotiate better terms of contract and to accrue more value from the chain.	Access to data on sales (particularly Fairtrade), buyers, market access from managers-for greater transparency and negotiating power
Information on governance practices to be accountable to members with increasing democratization of cooperative	Information on premium usage for accountability to management and workers
Information on members-to be accountable to standards setters, improve risk management and better quality information to buyers	'map of needs' exercise-information on community and worker needs to identify premium spend
Information to justify premium usage	

# Current Data Collection

SPO

Varying levels of data on members

Data on premium received and used

Varying levels of data on meeting attendance and content

Details on premium credit scheme

Varying levels of data collected from farm level

2 surveys conducted out household level

Hired Labour

Data on premium usage up to output and outcome level and a few to impact

# Data Collection Challenges and Capabilities

Mostly paper rather than soft storage

High costs of conducting data collection

Certain data is of a sensitive nature

Photographs, video technology

Raw data not always extracted and analyzed

lack of human resources

Geographical barriers to reach all members.

Levels of literacy amongst members

Seasonal barriers

Lack of knowledge around M&E concepts

Keen to use mobile phone and other innovative technology

**PART 3**  
**TO SUM UP...**

Benefits	Challenges	Opportunities
<p>Producer organizations provide new perspectives of how change happens-particularly important for unanticipated/negative changes</p>	<p>Important to acknowledge differences in context but need to develop a global M&amp;E system</p>	<p>Encouraging producers to develop their own M&amp;E systems as a long-term goal</p>
<p>Can add further comment on how to make indicators SMART/SPICED consistent, objective, feasible etc..</p>	<p>Lack of knowledge around core M&amp;E concepts</p>	<p>Producer organizations need to collect data too, so are keen to work with Fairtrade and other certification systems</p>
<p>Can gain a greater sense of the realities on the ground-helping to create a more feasible M&amp;E system</p>	<p>Lack of human resources to collect data within PO's, particularly up to impact level-extensive resourcing needed to build capacity</p>	<p>Some organizations have started to collect data and we can learn from their experiences</p>
<p>Producers will feel engaged in the process when we approach with new data collection methods and options</p>	<p>Geographical and financial barriers to collect farm and HH level data</p>	<p>Producer-led data collection is possible up to outcome level but need resources for capacity building with some POs</p>
<p>In the long term it's more cost effective and it's empowering.</p>	<p>With greater ownership of data collection by producer organizations how do we work together given that POs want data to be used to improve market access</p>	<p>Mobile technology and video technology options for collecting farm and HH level data</p>
		<p>Information needs largely reflect FTA and FLO information needs. Large overlap in potential indicators.</p>

**THANK YOU**