



Fairtrade Standard for Cocoa, Version 27.09.2023_2.4

Introduction to farm record keeping

Farm record keeping

Keeping track of farm revenues and expenditures is important to gain insights into cost of production and the profitability of farming activities. This is key to managing a farm as a small-scale family business and helps make informed decisions about what investments to make to improve farm returns.

Whether to apply more or less fertilizer, whether to renovate your cocoa trees or to diversify into other crops, whether it makes sense to hire labour or not, these records will/can help optimize household income.

Living income

A living income is sufficient income for a household to afford a decent standard of living, including a nutritious diet, decent housing, schooling and health care and other essential needs, plus a little extra for emergencies and savings.

The cocoa industry is more and more committed to enabling living incomes for the farmers who supply their beans. Fairtrade developed a living income strategy to work with industry partners to attain these living income goals. Good records of farm income results are crucial to monitor progress of these efforts

Household incomes depend on a variety of factors. Cocoa productivity and crop investments, farm size, the family labour dedicated to growing cocoa and other income generating activities, all influence the household budget.

Aggregated data from farm records serve to measure the income gaps and develop effective interventions to bridge the gap to living incomes. The more detailed information is available about these factors, the better services can be customized/tailored to the actual needs of farmers.

Gender considerations

It is often the case in rural households that men and women have different roles and responsibilities on the farm. This is also reflected in the level of knowledge different household members have of the various expenditures and sales revenues. There are certain roles that family members traditionally play more prominently as for example women's focus on food crop production to feed the family.

It is important to involve all the household members in the farm record keeping to make sure all farm activities are captured. This will also contribute to more inclusive decision making in household economics.