

LINK METHODOLOGY



Version 2.0



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CIAT encourages use of the LINK Methodology hereby described. If you are interested in translations and further adaptations of this work, as well as collaborations in implementing this methodology, please contact us at: m.lundy@cgiar.org.

For further explanation and case examples about the contents of this guide, please refer to the full version of the LINK methodology 2.0 available at: <https://hdl.handle.net/10568/49606>.

Why LINK and Gender?

¹ The World Bank, Food and Agriculture Organization and International Fund for Agricultural Development. 2009. *Gender in Agriculture Sourcebook. Module 5: Gender and Agricultural Markets.* The World Bank, Washington, D.C.; Twin. 2013. *Empowering Women Farmers in Agricultural Value Chains.* Rep. Twin, London.

The relationship between gender and market access¹

More and more, women are responsible for providing traditional and high value crops to global markets; however, their contributions often go unrecognized and their work is not remunerated despite the significant role they play.

Furthermore, women farmers and entrepreneurs face greater challenges in comparison to men due to: demanding time constraints, reduced mobility, reduced yields, less opportunity to become members of producer organizations, and limited access to productive resources.

As a product goes from farm to market, the tendency is for women to lose control of the product and corresponding income. As a result, it can be difficult for women producers to maintain a profitable market niche. Additionally, gender and value chain norms are such that men can take control of production and marketing as a crop or product becomes more lucrative. With respect to women entrepreneurs, women-controlled businesses confront increased barriers and tend to receive less services and support than those run by men.

These considerations negatively affect women's effectiveness as value chain actors, and this reduces total market effectiveness. If women were given the

same inputs and education as men, their production and income would improve substantially.

Besides market effectiveness, improving women's access to markets is important in order to reach sustainable development goals. Food security and well-being are strongly linked to women's economic opportunities: when women have control of resources and income, there is a greater chance that it gets used for family consumption, for reduction of child malnutrition, and for improvement of the family's general well-being.

Although the LINK Methodology focuses on inclusion of women and men smallholders in business models, it pays particular attention to women's economic empowerment. The tendency across countries and societies is for women to be excluded from the most profitable and lucrative markets, in comparison to men. Focused analyses and interventions are necessary in order to be able to include women in lucrative markets. It is important to highlight, as well, that projects and programs that seek to increase women's economic empowerment must work with both women and men, including them as partners.



Gender concepts²

² Aguilar, Lorena. 2009. *Manual de capacitación en género y cambio climático*. San José, Costa Rica: PNUD/UIICN; Burns, B. and Patouris, J. (2014). *United Nations Framework Convention on Climate Change (UNFCCC) Decisions and Conclusions: Existing Mandates and Entry Points for Gender Equality*. New York: WEDO; Cooperativa de Servicios Múltiples Flor de Dalia R.L. 2016. *Políticas de Género Cooperativa Flor de Dalia*.

GENDER

Refers to roles, responsibilities, rights, relationships and identities of men and women that are defined or ascribed to them within a given society and context – and how these roles, responsibilities and rights and identities of men and women affect and influence each other. These are changeable over time, between places and within places.

SEX

Refers to the biological nature of being male or female.

GENDER EQUITY

Refers to fairness between men and women in access to society's resources, including socially valued goods, rewards and opportunities. This can include equal or differentiated treatment that is seen as equivalent in terms of rights, benefits, obligations and opportunities. In the context of development, an objective of gender equity often requires incorporating measures to compensate for women's historic and social disadvantages.

GENDER EQUALITY

The concept that all human beings, men and women, are free to develop their personal abilities and choose without seeing themselves as limited by stereotypes, strict gender roles, or prejudices. Gender equality means that women's and men's different behaviors, aspirations and needs are equally valued, considered, and promoted. This does not mean that women and men should become alike, but rather that their rights, responsibilities, and opportunities should not depend on whether they were born women or men.

GENDER GAPS

Refer to societal differences between men and women that are felt to be undesirable. These are often related to unequal access, resource distribution, and power in a given context.

STEREOTYPE

Model of social conduct based on preconceived opinions, which associates values and behaviors with individuals according to their belonging to a social group (gender, race, ethnicity, age, etc.)

GENDER-RESPONSIVE

An approach/strategy/framework that includes planning and programming that contributes to the advancement of gender equality and the fulfillment of women's rights. This advancement will involve changing gender norms, roles and access to resources as a key component of project outcomes.



Gender gaps and access to business models³



³ Rubin D, Manfre C, Nichols Barrett K. 2009. Promoting Gender Equitable Opportunities in Agricultural Value Chains: A Handbook. USAID.

▶ Time

- Women's work days are typically longer than men's, due to the demands of their household responsibilities.
- Women often have less time to participate in communal gatherings and other meetings, in comparison to men.

Example:

In the cooperative COPRAHOR in Nicaragua, due to their domestic obligations women in some communities have participated minimally in demonstrative parcels (VECOMA, 2016).

▶ Mobility

- Socio-cultural gender norms can limit who can travel where, whether alone or in groups, by foot or by car, and the time at which they can be there.
- These can reduce women's opportunities to participate in different social networks and access information.

Example:

"The women members of APROSACAO in Honduras have difficulties traveling to attend meetings, participate in trainings, and carry out necessary processes to access financial and non-financial services provided by the Association" (FAO, CIAT and VECOMA, 2016: 16).

- It can occur that market information is exchanged in typically male-dominated spaces, to the exclusion of women.

▶ Work participation

- Women, in comparison to men, tend to be concentrated in low-skilled labor, throughout production processes and within business organizations themselves.

▶ Participation in producer organizations

- As a result of the limitations women confront related to time, education, and mobility, they tend to be under-represented in producer organizations.
- When they do have leadership positions within the organization, these tend to be limited to peripheral posts.

Access to assets and resources

Land

- Women tend to have less access to land than men. Formal and informal laws limit women's rights to land, by inheritance or by purchase, and consequently restrict their capacity to expand agricultural production. Gender relations within the household limit the areas of responsibility for decisions on land management and use; as a result, women's use rights are often limited to portions or types of land.

Example:

In APROSACAO, Honduras, "access to land rights is a limitation for more producers to be involved directly in the business, especially for women since in the majority of families in the region, men administer land and land is passed on to men by inheritance" (FAO, CIAT and VECOMA, 2016: 26).

- Formal property rights tend to be a requirement for membership in producer organizations; consequently, this prevents women's membership.

Information and extension services

- Despite their significant participation in production, women often have limited access to extension services, in comparison to men. Studies demonstrate that there exist few women extensionists and in general, women tend to have limited interaction with extensionists. This inequality can inhibit adoption of new practices and technologies.

Education

- There tend to be gaps in access to education which negatively affect women. This in turn affects women's and men's work opportunities. For example, there tends to be a low representation of women in agricultural sciences; this can limit their access to technical positions. In general such gaps can debilitate the quality of human capital and consequently impair economic growth.



INCLUSIVE BUSINESS*

**That which includes or is designed to include someone or something.*

A commercial relationship between a private company and a group (formal or informal) of producers whereby both the buyer and seller generate social, economic and environmental value in order to sustain long-term profitable interdependence.

“Inclusive Business models include the poor on the demand side as clients and customers, and on the supply side as employees, producers and business owners at various points in the value chain.” (UNDP, 2008)

“Engage the poor as employees, suppliers, distributors, or consumers and expand their economic opportunities in a wide variety of ways.” (BIF, 2011)

“A profitable core business activity that also tangibly expands opportunities for the poor and disadvantaged in developing countries.” (BIF, 2011)

“An economically profitable, environmentally and socially responsible entrepreneurial initiative.” (WBCSD, SNV, 2011)

PERFORMANCE vs. INCLUSIVITY

Based on the LINK methodology, you should be able to identify two dimensions to enhance business performance:

- Those problems and opportunities which require interventions aimed at improving the **inclusivity** of a business relationship, which is the main thrust of LINK Methodology.
- Those problems and opportunities identified during the previous exercises, with solutions that result in improving the **overall performance** of an organisation.

Why is this distinction important?

Generally, it is assumed that inclusivity and overall performance are mutually strengthened through positive feedback loops. This means that greater inclusivity contributes to better overall performance, and better performance, in general, contributes to greater inclusivity.

This mutual strengthening is the result of a bilateral phenomena: for the actor who wishes to be included, a strong overall performance is more commercially attractive, which in turn increases the possibility of him being included in a business relationship. Conversely, for the actor who implements inclusion, strong performance results in greater ability to include.

However, in order to develop an action plan, determine respective roles, responsibilities and financing for an innovation, it is important to be aware of the distinction between the two terms. Given that inclusion is a bilateral action which involves both parties assuming responsibilities, interventions to improve inclusivity automatically involve both actors in the trading relationship. In contrast, interventions to improve the overall performance of an organisation can usually be carried out more independently of the client/provider (although they may well involve indirect partners and stakeholders such as NGOs, consultants, state actors).

What does LINK offer?

LINK can help your business facilitate a systematic learning process between actors from a selected value chain, and discover new opportunities for innovation, based on the application of a participatory toolkit, with four main tools:

- 1 The value chain map** Used to understand the macro context of markets and the businesses which link rural producers with buyers.
- 2 The business model canvas** Used to understand in more detail each business which links rural producers with buyers.
- 3 The New Business Model principles** Used to determine whether each business which links rural producers with buyers is truly inclusive.
- 4 The prototype cycle** Used to continuously improve the inclusivity of every business which links rural producers with buyers.

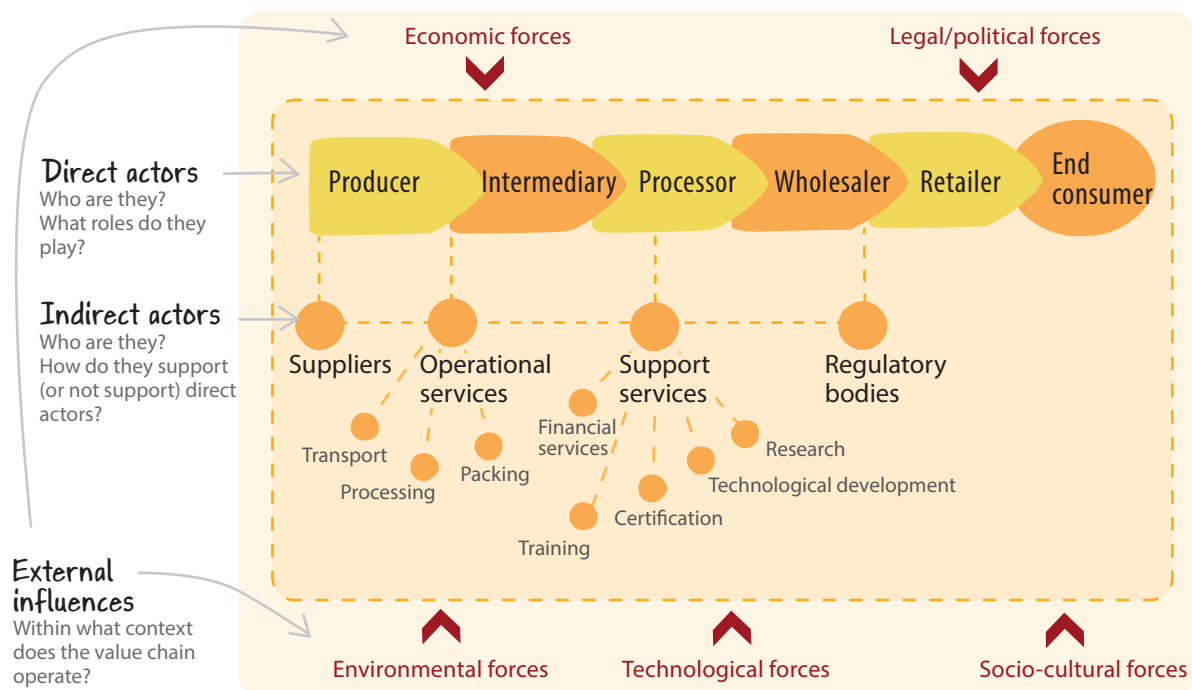
By the end of the process you will have

- understood the relationship between specific business models (buyer and seller) and the overall value chain;
- identified critical areas for improvement;
- designed, implemented, evaluated and improved on the innovation prototype for the business model you selected; and
- evaluated the effects of these changes on small-holder farmers and on the business itself.





Key tool 1 The value chain map



Goals

- Define relationships and interconnections between the value chain actors.
- Understand the flow of products, services, information and payment.
- Enhance communication between different actors.
- Identify entry points or key leverage points to improve the value chain.
- ▶ *Identify socially-differentiated roles in the division of labor along the chain.*

Key questions

- What are the core processes in the value chain?
- How is the chain organized?
- Who are the key actors?
- How do products, payments, services and information flow through the chain?
- Who are key partners?
- What are the external influences that affect the performance of the chain?
- ▶ *Where are men and women concentrated in the value chain?*
- ▶ *How do men and women benefit from their participation in the value chain?*

What it can do?

- Visualise the diverse roles and connections between participating actors in the chain and identify sources of innovation and improvement.
- Provide information from a macro perspective about situation and context; provide a systemic overview and identify the context.
- Trace product and information flows.
- Support a visual- and actor-oriented learning process.
- Identify blockages, bottlenecks and disruptions in the market system.
- ▶ *Analyze gender inequalities in terms of labor roles and benefits perceived.*



What it can't do?

- Provide a detailed review of the inner workings of participating organisations.
- Function to its full potential without the active participation of key actors.
- Generate organisation-specific innovation processes.

Phase 1

Mapping the actors and their relationships

1. The direct actors and their roles

- Who are the actors involved in each link?
- Where are they (geographically) located?
- What do they do within the chain?
- What are their characteristics (e.g. gender, age, education)?
- Which actors are missing?

2. The indirect actors

- Who supports each link in the chain?
- What support services and what operational services are necessary for the activities in the chain?
- Who provides the production inputs?
- What services do they provide?
- What services are lacking?
- Who could provide the missing services?
- What motivates the indirect actors?
- How is power distributed amongst the partners, and how is it being used?
- What kind of relationship is there with key partners? Is it good, bad or indifferent?

3. Product flow and information flow

- You can use different types of lines to illustrate the connections between actors. You also need to think about connections that are not sequential, for example, from producer to retailer.
- Who does each actor sell his/her product to?
- What type of information flows between the actors?
- Who provides whom with information?
- How do the different actors communicate? What modes of communication do they use?

4. Relationships between key actors

- How would you describe the relationships between direct actors? Good, bad, or regular? Why?
- How would you describe the relationships between indirect actors? Good, bad, or regular? Why?

5. Product characteristics

- Describe the characteristics of the product (size, colour, appearance, texture, presentation, etc.).

At the end of each phase, summarise the main conclusions reached during the work session, using the corresponding map as support. This is a useful way of ensuring that the map as it stands is indeed a faithful representation of the group's opinion, and that no information is missing. It will also help you to verify whether all participants are up to speed. Do remember the importance of ensuring that these conclusions and final discussions are documented.

Phase 2

Mapping commercial figures

Draw up a separate chain for the direct actors. This will ensure that participants do not get bogged down with the amount of information, and will help them to visualise the commercial figures. Having done this, the facilitator should lead a discussion with the group, based on the questions below. Finally, the group should write up the main results of the discussion on cards and paste them on the relevant links in the chain map.

1. Prices and payments

What is the sale price at each link in the chain?

At which points or seasons in the year does the price increase or fall?

How do the buyers of the product pay (cash, cheque, electronic transfer etc.)?

How often do the buyers pay (e.g. up front, weekly, monthly, etc.)?

2. Volume

What volume of the product (e.g. kilos, tonnes, units) is sold to each buyer?

How frequently is the product sold to each buyer (daily, monthly, per harvest, etc.)?

During which period(s) is the product more scarce and/or more abundant?

3. Returns

How much does it cost to produce each unit (e.g. kilo, litre etc.)?

At what price is the product sold?

What is the sales margin?

If the product is transformed, what are the conversion ratios (e.g. 2.5 kg of fruit for 1kg of pulp)?

Phase 3

Mapping men's and women's participation in the value chain

For this map you can use the maps drawn up in the previous two phases. The facilitator should lead a discussion with the group, based on the questions below. Finally, the group should write up the main results of the discussion on cards and paste them on the relevant links in the chain map.

1. Household-level participation

In which tasks of the chain are household members involved?

For each task:

- How many men and women participate?
- Is this task/job paid or non-paid?
- What are the conditions of the work-day/job? (permanent or temporary)
- Are reproductive services lacking? (i.e., maternity clinic, childcare during meetings)

2. Distribution of the benefits

Who receives sales payment (number of women and men)?

Do both women and men participate in information flows?



For this map, it is better to start with a newly drawn chain which includes only the basic structure (direct and indirect actors, product flow, information flow and inter-connections), rather than trying to use the maps drawn up in the previous three phases.

The facilitator should then outline the five external forces, based on the questions below. The group should decide which areas are the most relevant in the context of their specific value chain, and the key information should be noted down on cards and pasted onto the relevant part of the chain (previously prepared).

1. Economic forces

Which macroeconomic forces affect the performance of the value chain (e.g. global market conditions, exchange rates etc.)?

Which microeconomic forces affect the performance of the value chain (e.g. access to infrastructure, credit accessibility, land tenure)?

What socioeconomic forces affect the performance of the value chain (e.g. income, land tenure, housing, healthcare, quality of life, etc.)? *Do there exist gender differentials in access to assets, including land, labor, capital, inputs, information, and education?*

2. Political/legal forces

How do laws, regulations, standards or taxes influence the value chain and the selected market? *What are the legal and regulatory frameworks related to credit; property ownership and inheritance; and employment terms and conditions? How do these affect how women and men benefit from the value chain?*

How do private sector standards and business practices influence the value chain and the selected market?

How do other policies influence the value chain (pricing policies, consumer policies, etc.)?

3. Socio-cultural forces

What are the cultural, religious, demographic, educational and ethnic factors of the value chain's actors and partners? *Do there exist beliefs and perceptions about appropriate women's economic activity? Or related to inheritance patterns, leadership roles, mobility, participation in public fora, control over assets?*

How do values, beliefs, attitudes and lifestyle influence consumer preferences, business practices and producer organizations?

4. Environmental forces

How does climate change and climate variability influence the value chain? *How does climate change and variability affect women's and men's participation in the value chain?*

How does the chain relate to key environmental functions (e.g. water access, soil health) and how do these support or inhibit the development of the chain?

5. Technological forces

Is technology available for the value chain actors and their partners? *Are certain technologies developed particularly for women, men, or other specific social group?*

Is the use of technology desired or possible?

How do the costs and availability of technology affect the value chain?

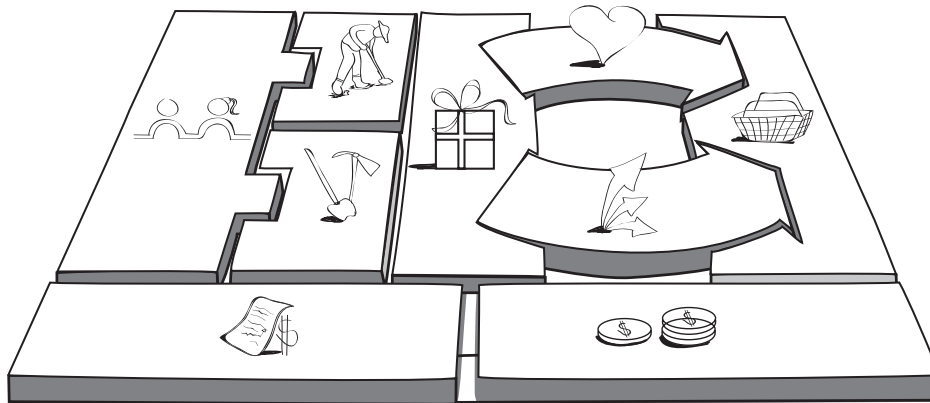
Is technology developed and available locally for the chain or does it come from external sources?

Key tool 2 The business model canvas

BUSINESS MODEL

“A business model describes the rationale of how an individual firm creates, captures and delivers value.”

Alexander Osterwalder



Goals

- Assess how a key business in the value chain functions.
- Develop a shared language to describe and assess a business model.
- Create a baseline for the development of innovations in the business model.
- ▶ *Identify to what extent the business model takes into account gender considerations.*



Key questions

- How does my organisation or business function?
- Is the existing business model viable? What change(s) could improve the overall performance of my organisation?
- What are the strengths and weaknesses of the existing business model?
- What external influences impact positively and negatively on the business model?
- Is the buyer's business model open to the inclusion of small-scale producers as providers?
- Does the buyer's business model contain a double-facing value proposition (i.e. both towards their customers and towards their providers)?
- Does the producer organisation's current model make it attractive as a business partner for a formal buyer?
- ▶ *Can changes be made to the business model to promote greater gender equality?*

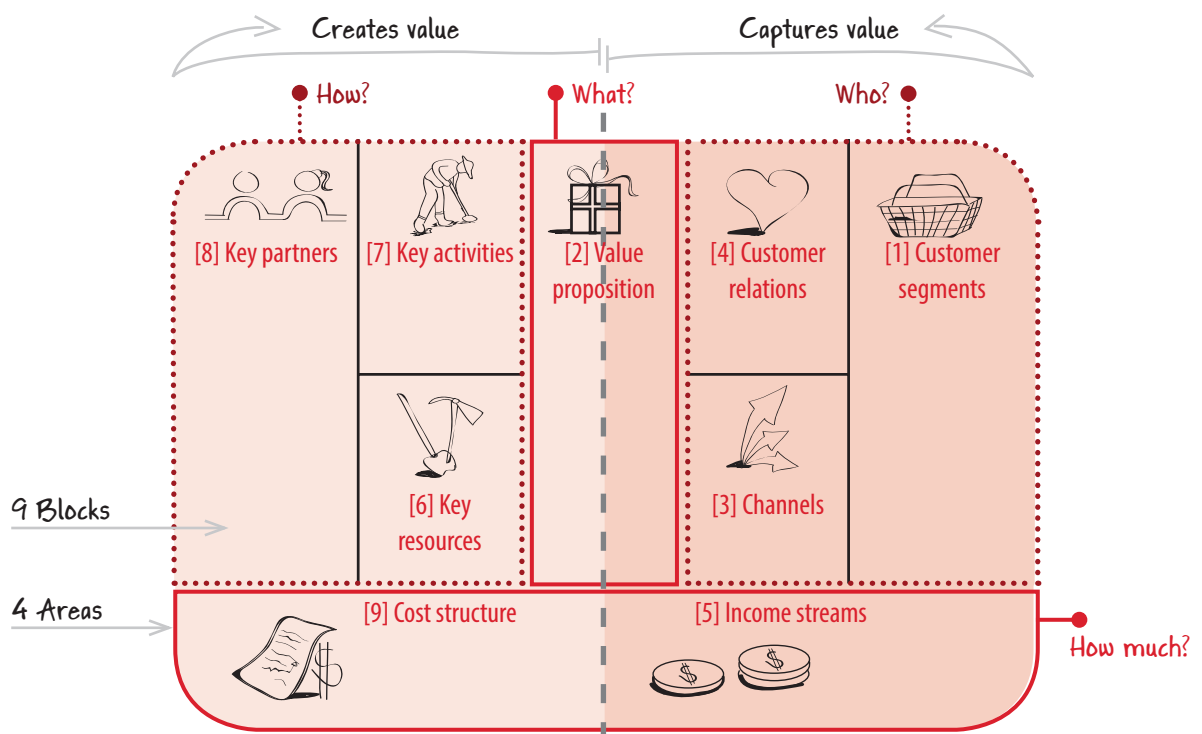
▶ What it can do?

- Facilitate a grounded dialogue between farmers and buyers in order to establish formal business relations.
- Highlight bottlenecks and (financial) imbalances in the business model.
- Identify areas for innovation or improvement.
- Present complex business issues in an easy and accessible fashion.
- Help enhance business thinking at the farm level.
- Evaluate how distinct business relationships between small-scale farmers and formal buyers are functioning.
- Provide a quick sketch of an organisations's business model in order to facilitate future analysis.
- Nourish the construction of a business plan.
- ▶ Evaluate areas where gender inequality may be inhibiting a more innovative business model.

▶ What it can't do?

- It can complement, but not replace, existing work on value chains, competitiveness and financial analysis.
- The business model constitutes an additional tool that can support our growing rural enterprise development toolkit. As with the other tools, it is possible to misuse this approach or apply it superficially.

▶ The business model canvas



Key questions to be answered visually

Key partners

Who are your key direct partners (producers, input suppliers, transporters)?
Who are your key indirect partners (financial institutions, research centres, universities, NGOs, public sector agencies, etc.)?
Additional questions
What key resources do you gain from your partners?
How would you rate the quality of the resources gained from your partners?


Key activities

What key activities are associated with production?
What key activities are associated with processing?
What key activities are associated with the sale of products?
What key activities are associated with logistics management?
What key activities are associated with the financing of the business?

Value proposition

What type of product do you sell to each customer?
What are the tangible characteristics of the product?
What are the intangible characteristics of the product? Do we value gender equality in our business model?
What makes your product different?
Additional questions
Which products include additional processes that add value to the postharvest (selection, packing, washing, etc.)?
What volume or percentage of the products is rejected by each customer?
Is the value proposition complemented by some other service?
Is there a gender policy?




Customer relations

How frequently do you communicate with each customer?
What method of communication is used with each customer?
Additional questions
What is communicated to each customer?
Is our customer relationship good, bad or indifferent? Why?


Channels

What form of transport is used to deliver the product to the customer?
Additional questions
Who bears the transport costs?
How long does transport take?
What delivery terms are there (pick up from the farm, delivery to the customer, etc.)?
How is the product stored?

Customers

Who are your customers (e.g. intermediaries, processors, wholesalers, retailers, end consumers)?
What does each customer need?
Additional questions
Where is each customer (geographically)?
What is the volume and sales frequency for each customer (e.g. kg, litres, tonnes etc; daily, weekly, monthly etc.)?
When did the business relationship start?
What type of commercial agreement is maintained with each customer?

Cost structure

Which costs associated with the business model are the most important (e.g. staff, rent, public services, maintenance, supply, raw materials, certification, credit-related costs, etc.)?
Additional questions
Which costs are fixed? Which are variable?
What percentage of your costs is covered by third parties (e.g. corporations, projects, subsidies, etc.)?

Revenue streams

Income from the sale of products:
What is the total sale value per customer (e.g. monthly, annually)?
What is the total sale value per product category?
What is the profit margin per customer?

What payment method does each customer use?
How often does each customer pay?
Other income:
What income other than sale of products do you have?

Additional questions
What is the volume and sales frequency for each customer (e.g. kg, litres, tonnes etc; daily, weekly, monthly etc.)?
When did the business relationship start?
What type of commercial agreement is maintained with each customer?

The value proposition

The value proposition is the reason customers choose your product or service over another. To identify the value proposition for each customer or customer segment, consider the problem or need that your product or service satisfies. In most cases, the value proposition has a tangible component which includes all characteristics that can be perceived with the five senses, such as the size of the product, nutritional composition, colour, taste and smell. Intangible characteristics cannot be directly perceived and include properties such as health, or characteristics to do with the origins of the product or the processing of the product, such as organic agriculture or Fair Commerce.

What creates value for a buyer?

Quality of supply
Reliable supply
Certificates and standards
Competitive price
Reliable quality
Transparency of processes
Gender equality

What creates value for a smallholder?

Stable and consistent demand
Provision of supplies
Training and technical assistance
Financial services
Contracts
Market information

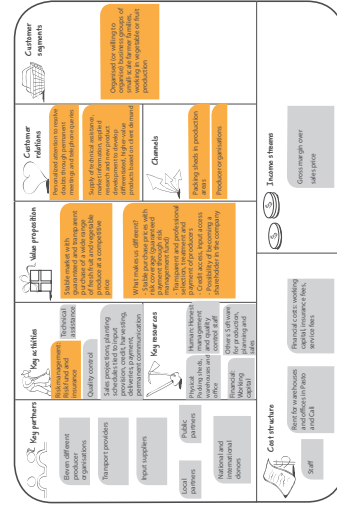
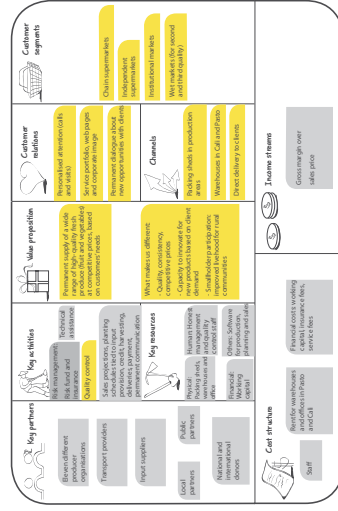
Channels

Channels refer to how the product or service reaches and interfaces with its customers. In the case of agricultural products, the sales channel is often the same as supply chain logistics, which transfer the product from the producer to the end consumer.

The double-facing value proposition

When buyers value their business relations with their providers (i.e., further backwards in the chain), and wish to revise these with a view to improving them, the Key Partners block ends up acting like the Customer block: buyers need to consider the needs of their providers and how they are meeting these needs.

Consequently, the value proposition of one actor (e.g. a cooperative), can be seen from 2 perspectives (i) from the producers point of view supplying the cooperative, and (ii) from the buyer's perspective. In other terms, in that case, the Customer of the cooperative can be either the suppliers or the buyers. This results in having 2 different business models canvas, for which Value proposition, Customers relations, Channels, and Customers are different, while Key partners, Key activities, Key resources and Cost structure are the same.



For further explanation on the other blocks of the canvas, please refer to pages 55–63 from the full version of the LINK methodology 2.0. For further explanation on the double-facing value proposition, please refer to pages 73–75 from the full version of the LINK methodology 2.0.

Key tool 3 The New Business Model principles

▶ Goals

- Evaluate to what extent a business relationship with a formal buyer is inclusive of small-scale producers.
- Define concrete actions to improve inclusivity for smallholder farmers.
- ▶ *Assess to what extent lack of consideration of gender aspects might be inhibiting inclusion.*

▶ Key questions

- How inclusive is your business model?
- What options exist for better inclusion of smallholder farmers?
- Where in the business model should you concentrate innovation efforts?
- ▶ *Does your business model take into account gender and other significant social differences among actors that might influence their level of inclusion?*

These principles should not be used as a check-list but rather as guides to assess and improve business models.

New Business Model principles have a two-fold purpose: to help both buyers and sellers evaluate their current business relationship using the criteria of inclusivity.

▶ What it can do?

- Focus the business model analysis on areas that are critical to the sustained inclusion of smallholder farmers.
- Assess the performance of the business model in areas that are critical to the sustained inclusion of smallholder farmers.
- Help identify possible areas of innovation and improvement in the selected business model.
- ▶ *Indicate areas and steps to be taken to enhance gender equality in the business model.*
- Provide input for the design of an improved business model such that smallholder farmers are able to connect to markets.

▶ What it can't do?

- The New Business Model principles are not a magic wand which will automatically achieve smallholder inclusion.
- These principles should not be used as a check-list but rather as guides to assess and improve business models.
- The principles will not give you a specific answer, but they will help you to evaluate and think through relevant solutions for your business model.



► Overview of NBM principles and key questions



1. Chain-wide collaboration

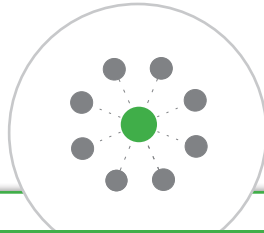
The resolution of problems, in both commercial and social aspects of the New Business Model, means that all, or most, of the actors in the chain need to establish shared goals for collaboration.

The development of a systemic view of the chain recognises and values the interdependence of the actors. Reaching and implementing agreements often involves identifying one or more 'champions' along the chain who will lead the process. Due to gender-based constraints, women may be inhibited from contributing to collaborative processes.

Key questions

- *Do actors share the same goals?*
- *Do actors exchange information regularly?*
- *Are there structures in place to motivate collaboration or shared problem solving?*
- *Is there one or more 'champions' who will lead the process of co-innovation?*
- *Do all actors understand and acknowledge the interdependence of the trading relationship?*





2. Effective market linkages

Farmers and their organisations need to be linked to a stable market that not only provides them with access to key services, but also has clear signposting in terms of quality standards, volume and price (Principle 4). These linkages should contribute to improved livelihoods for the producers.

For buyers, the linkage must provide a consistent supply of safe, quality products at competitive prices. In practice, achieving both producer and buyer goals entails creating and delivering social and commercial value along the entire length of the chain.

Key questions

- *Are trading relations stable?*
- *Are trading relations profitable?*
- *Do actors take advantage of market opportunities?*
- *Do actors respond quickly enough to the changing needs of clients?*



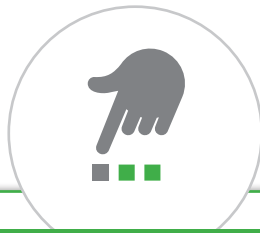
3. Fair and transparent governance

Fair and transparent governance refers to the establishment and implementation of clear and consistent quality standards, clear commitments to buy and sell certain volumes of certain grade products at certain times, and equitable processes of risk management.

Mutually recognised interdependency between chain actors is a key criteria. Shared commercial risk and insurance against failure are frequently cited as the cement of successful relationships.

Key questions

- *Are sale/purchase volumes and prices communicated clearly?*
- *Are quality standards clear and consistent across the chain?*
- *Are risks understood and shared proportionately along the chain?*
- *Are trading relationships based on formal contracts or clear informal agreements?*



4. Equitable access to services

One of the special challenges faced by small-scale producers is gaining access to services such as finance, market information, and best agronomic practices that could improve quality, yield, food safety, and environmental practices.

Successful solutions enable smallholders to access credit, knowledge, technology, and develop incentives that encourage producers to invest in their own production based on market needs. These will also address gender-based barriers to access that women may confront.

Key questions

- *Do producers have access to technical support services provided by the buyer or an indirect actor?*
- *Do producers have timely access to market information provided by the buyer or an indirect actor?*
- *How do men's and women's information sources differ, and how does this affect their access to market information?*
- *Do producers have access to financial services provided by the buyer or an indirect actor?*
- *What barriers might be preventing women from accessing financial and technical support services?*
- *Are there examples of service provision that go beyond basic production services, for example health care and day care?*





5. Inclusive innovation

New Business Models promote innovation in products, services and the processes that underpin both by multiple actors along the chain.

Innovations should be developed with smallholder farmers, rather than for them. Inclusive innovation development provides the means to remain competitive in dynamic markets; to improve the commercial value of goods and services; and for innovation gains to be shared among partners, all of which build business durability. It is equally important that the preferences and interests of both women and men contribute to innovation development.

Key questions

- *Are innovation processes carried out collaboratively?*
- *Who participates and why?*
- *If innovation is evident, who gains from the results?*
- *Are there differences in how women and men benefit from innovations?*
- *Are there profit-sharing mechanisms in place?*
- *Are small-scale producers encouraged to participate in inclusive innovation?*





6. Measurement of outcomes

A business axiom states that you cannot manage what you do not measure. Our sixth principle is to incorporate tailored indicators and monitoring plans to assess the health of the on-going trading relationship, both as a for-profit business, as well as in its effectiveness as a vehicle for community development.

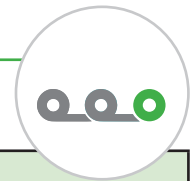
Constant monitoring of the health of the trading relationship reduces the risk that minor problems will destroy the business.

Key questions

- *Have indicators been established that will measure the success of the business relationship?*
- *Are the results of the business relationship measured frequently?*
- *Are there feedback loops in place to guarantee effective chain-wide management and decision-making?*
- *Do there exist indicators to evaluate the social and economic benefits received by women and men from contributing to the business?*



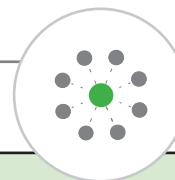
Scorecard for sellers



Principle 1 Chain-wide collaboration		Strongly agree	Strongly disagree	N/A	Why?
1	We frequently exchange information formally with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	We frequently exchange information informally with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	We are aware of the effects our decisions have on our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	Our commercial goals are aligned with those of our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Our social goals are aligned with those of our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	Our environmental goals are aligned with those of our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We work closely with our customer to resolve problems.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We are able to respond quickly to problems that may occur to do with customer relations.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We recognise and value the interdependence between ourselves and our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	Our activities and roles complement those of our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
11	Incentives (financial and non-financial) exist to enhance collaborative behaviour with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
12	Champions have been identified to lead the collaboration process with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
13	We use information and communication technology (ICT) to enhance collaboration with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
14	We work with our buyer in order to promote gender equality in our business model.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
15	There exist equal opportunities for both women and men to lead collaborative processes with our buyer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
		Total points =			
		Average score =			
		Total points / (15 – Number of criteria marked N/A) =			



Scorecard for sellers



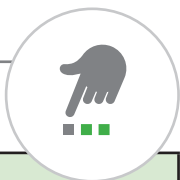
Principle 2 Effective market linkages		Strongly agree	Strongly disagree	N/A	Why?
1	Our product offer is stable for our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	Our trading relationship with our customer is profitable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	Our customer provides social value.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	Our customer helps us to conserve environmental resources.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	We generate a stable income from the sale of our products to our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	We have the capacity to identify market opportunities and tendencies.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We frequently review with our customer our position in the market in relation to potential opportunities.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We react rapidly to changes in our customer's needs.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	Our customer is familiar with our production system.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (9 – Number of criteria marked N/A) =</i>					

Scorecard for sellers



Principle 3 Fair and transparent governance		Strongly agree	Strongly disagree	N/A	Why?
1	We know the quality standards required by our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	The quality standards we need to meet for our customer are consistent.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	We understand how our customer determines the pricing for our product.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	We know and understand our customer's trading terms and conditions.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	We have formal contracts with our buyer. <i>(If you respond 'Yes', proceed to #6, but skip #7 and #8; if you respond 'No', skip #6 and proceed to #7 and #8.)</i>	Yes <input type="radio"/> No <input type="radio"/>			
6	We comply with the formal contracts we have with our buyer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We comply with the informal agreements we have with our buyer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We share production risk equitably with our buyer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We share market risk equitably with our buyer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	The products we sell to our customer are traceable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score = <i>Total points / (9 – Number of criteria marked N/A) =</i>					

Scorecard for sellers



Principle 4 Equitable access to services		Strongly agree	Strongly disagree	N/A	Why?
1	Our buyer helps us (directly or indirectly) to access appropriate technical assistance for the production process.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	Our buyer helps us (directly or indirectly) to access appropriate production technology.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	Our buyer helps us (directly or indirectly) to access appropriate post-harvest technology.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	Our buyer helps us (directly or indirectly) to access adequate transport services.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Our buyer helps us (directly or indirectly) to access the inputs necessary for production and post-harvest.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	Our buyer helps us (directly or indirectly) to access appropriate financial services. <i>(If you respond with a score greater than '0', proceed with #7; if you respond with '0', for #7 select 'N/A' and proceed with #8.)</i>	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	The financial services provided are affordable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	Our buyer helps us (directly or indirectly) to access up-to-date market information.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	Our buyer helps us (directly or indirectly) to access appropriate training services.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	The services that are provided (directly or indirectly) by our customer satisfy our needs.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
11	Our buyer helps us (directly or indirectly) to access appropriate production risk insurance.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
12	Our buyer helps us (directly or indirectly) to access appropriate market risk insurance.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
13	The services that our buyer facilitates for us take into account gender considerations such that women and men have equal opportunities of access.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (13 – Number of criteria marked N/A) =</i>					



Scorecard for sellers



Principle 5 Inclusive innovation		Strongly agree	Strongly disagree	N/A	Why?
1	We develop innovations jointly with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	Innovation is an ongoing activity in our relationship with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	Our customer takes our perspectives and needs into consideration when developing innovations.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	The innovations we develop respond clearly to our customer's needs.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	We share the returns (tangible or intangible) from innovations.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	Innovations enable us to offer a differentiated value proposition.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	Incentives form part of our motivation to participate in innovation processes.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	Our contributions to innovation development processes with our buyers reflect the interests and needs of both women and men.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (8 – Number of criteria marked N/A) =</i>					



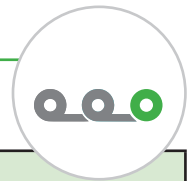
Scorecard for sellers



Principle 6 Measurement of outcomes		Strongly agree	Strongly disagree	N/A	Why?
1	We know and understand the indicators which define the success of our trading relationship with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	We have established (formal or informal) mechanisms which enable us to measure the success of our relationship with our customer. <i>(If you respond with a score greater than '0', proceed with #3; if you respond with a score of '0', select 'N/A' for all the following criteria).</i>	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	Evaluation or feedback processes are regular and consistent.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	The evaluation process is simple and cost efficient.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Results from evaluation and/or feedback processes form the basis for decision-making.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	The results of measurement rapidly lead to action.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We understand clearly the purpose of measuring information.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	The evaluation and feedback processes are jointly designed and tested with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We play an active role in deciding what information to collect.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	We exchange the generated information with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
11	We discuss the generated information with our customer.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
12	Gender equality is incorporated in our indicators of success.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (12 – Number of criteria marked N/A) =</i>					



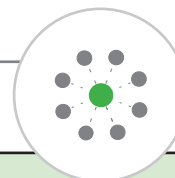
Scorecard for buyers



Principle 1 Chain-wide collaboration		Strongly agree	Strongly disagree	N/A	Why?
1	We frequently exchange information formally with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	We frequently exchange information informally with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	We are aware of the effects our decisions have on our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	Our commercial goals are aligned with those of our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Our social goals are aligned with those of our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	Our environmental goals are aligned with those of our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We work closely with our provider to resolve problems.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We are able to respond quickly to problems that may occur to do with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We recognise and value the interdependence between ourselves and our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	Our activities and roles complement well those of our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
11	Incentives (financial and non-financial) exist to enhance collaborative behaviour with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
12	Champions have been identified to lead the collaboration process with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
13	We use information and communication technology (ICT) to enhance collaboration with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
14	We work with our provider in order to promote gender equality in our business model.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
15	There exist equal opportunities for both women and men to lead collaborative processes with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
		Total points =			
		Average score =			
		Total points / (15 – Number of criteria marked N/A) =			



Scorecard for buyers



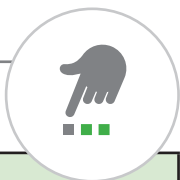
Principle 2 Effective market linkages		Strongly agree	Strongly disagree	N/A	Why?
1	The product supply from our provider is stable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	Our trading relationship with our provider is profitable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	We deliver social value to our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	We help our provider to conserve environmental resources.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Our provider generates a stable income from our purchase of their products.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	We promote our provider's creation of new business.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We frequently review with our provider their position in the market in relation to potential opportunities.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We react rapidly to changes in our provider's needs.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We are familiar with our provider's production system.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (9 - Number of criteria marked N/A) =</i>					

Scorecard for buyers



Principle 3		Strongly agree	Strongly disagree	N/A	Why?
Fair and transparent governance					
1	We communicate our quality standards clearly to our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	The quality standards we require from our provider are consistent.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	We help our provider to understand how we determine pricing for their products.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	We communicate our trading terms and conditions clearly to our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	We have formal contracts with our provider. <i>(If you respond 'Yes', proceed to #6, but skip #7 and #8; if you respond 'No', skip #6 and proceed to #7 and #8.)</i>	Yes <input type="radio"/> No <input type="radio"/>			
6	We comply with the formal contracts we have with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We comply with the informal agreements we have with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	We share production risk equitably with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We share market risk equitably with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	We help our provider to ensure that their products are traceable.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (9 – Number of criteria marked N/A) =</i>					

Scorecard for buyers



Principle 4 Equitable access to services		Strongly agree	Strongly disagree	N/A	Why?
1	We help our provider (directly or indirectly) to access appropriate technical assistance for the production process.	⑤④③②①①①①①①		<input type="radio"/>	
2	We help our provider (directly or indirectly) to access appropriate production technology.	⑤④③②①①①①①①		<input type="radio"/>	
3	We help our provider (directly or indirectly) to access appropriate post-harvest technology.	⑤④③②①①①①①①		<input type="radio"/>	
4	We help our provider (directly or indirectly) to access adequate transport services.	⑤④③②①①①①①①		<input type="radio"/>	
5	We help our provider (directly or indirectly) to access the inputs necessary for production and post-harvest.	⑤④③②①①①①①①		<input type="radio"/>	
6	We help our provider (directly or indirectly) to access appropriate financial services. <i>(If you respond with a score greater than '0', proceed with #7; if you respond with '0', for #7 select 'N/A' and proceed with #8.)</i>	⑤④③②①①①①①①		<input type="radio"/>	
7	The financial services we provide directly to our provider are affordable.	⑤④③②①①①①①①		<input type="radio"/>	
8	We help our provider (directly or indirectly) to access up-to-date market information.	⑤④③②①①①①①①		<input type="radio"/>	
9	We help our provider (directly or indirectly) to access appropriate training services.	⑤④③②①①①①①①		<input type="radio"/>	
10	We are able to satisfy our provider's needs through the services we provide (directly or indirectly)	⑤④③②①①①①①①		<input type="radio"/>	
11	We help our provider (directly or indirectly) to access appropriate production risk insurance.	⑤④③②①①①①①①		<input type="radio"/>	
12	We help our provider (directly or indirectly) to access appropriate market risk insurance.	⑤④③②①①①①①①		<input type="radio"/>	
13	The services that we facilitate for our providers take into account gender considerations such that women and men have equal opportunities of access.	⑤④③②①①①①①①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (13 – Number of criteria marked N/A) =</i>					



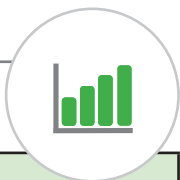
Scorecard for buyers



Principle 5 Inclusive innovation		Strongly agree	Strongly disagree	N/A	Why?
1	We develop innovations jointly with our provider.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
2	Innovation is an ongoing activity in our relationship with our provider.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
3	We take our provider's perspectives and needs into consideration when developing innovations.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
4	We help our provider to develop innovations that respond directly to our needs.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
5	We share the returns (tangible or intangible) from innovations with our provider.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
6	The innovations we foster with our provider enable us to offer a differentiated value proposition.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
7	We offer incentives to motivate our provider's participation in innovation processes.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
8	Our contributions to innovation development processes with our providers reflect the interests and needs of both women and men.	⑤ ④ ③ ② ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score = <i>Total points / (8 – Number of criteria marked N/A) =</i>					



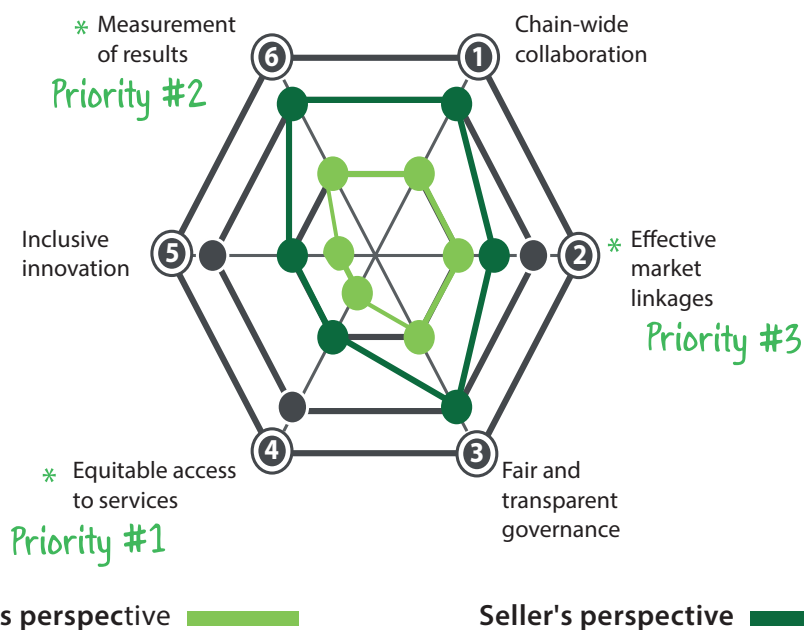
Scorecard for buyers



Principle 6 Measurement of outcomes		Strongly agree	Strongly disagree	N/A	Why?
1	We know the indicators which define the success of our trading relationship with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
2	We have established (formal or informal) mechanisms which enable us to measure the success of our relationship with our provider. <i>(If you respond with a score greater than '0', proceed with #3; if you respond with a score of '0', select 'N/A' for all the following criteria.)</i>	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
3	Evaluation or feedback processes are regular and consistent.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
4	The evaluation process is simple and cost efficient.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
5	Results from evaluation and/or feedback processes form the basis for decision-making.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
6	The results of measurement rapidly lead to action.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
7	We ensure that our provider clearly understands the purpose of evaluation and/or feedback processes.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
8	The evaluation and feedback processes are jointly designed and tested with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
9	We allow our provider an active role in deciding what information to collect.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
10	We exchange the generated information with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
11	We discuss the generated information with our provider.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
12	Gender equality is incorporated in our indicators of success.	⑤ ④ ③ ② ① ① ① ① ① ①		<input type="radio"/>	
Total points =					
Average score =					
<i>Total points / (12 – Number of criteria marked N/A) =</i>					



Visualisation of scoring



If it is not possible to arrive at an agreement in plenary or through voting, you can use a decision-making matrix which includes criteria such as implementation, cost, dependence on external actors to implement, etc.

When selecting action areas for the business model, bear in mind:

- Time and funding constraints be realistic about what can be accomplished within given time/budget limits.
- Power relationships are a key challenge for New Business Models. It may be easier to start with a relatively small innovation in order to promote trust before attempting more transformative change.
- Ensure coherence around key, agreed goals. On the flip side, a common threat can also promote collaboration.

But do bear in mind:

- Even when collaborative, trading relationships will always contain an aspect of tension. It is from this tension that innovation is born.
- More important than designing a perfect solution is to start moving forward and learning on the way.

For further explanation, please refer to pages 90–102 from the full version of the LINK methodology 2.0.

Key tool 4 The prototype cycle

▶ Goals

- Design, test and continually evaluate the business model in order to improve.

▶ Key questions

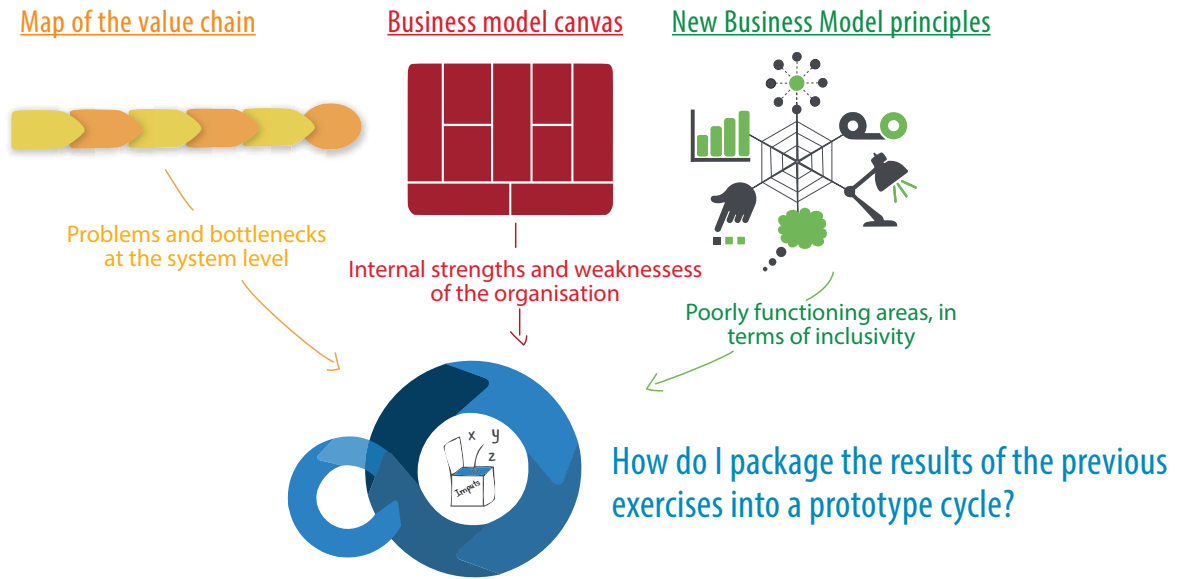
- Where is our business model today?
- Where do we want our business model to be in the future?
- What has to change?
- What would progress look like and how can we measure it?
- What worked, what did not and how can we improve?

▶ What it can do?

- Provide a framework to move from the analysis of the current business model to a process of iterative design-testing-evaluation to improve specific areas of the business model.
- Facilitate practical, learn-by-doing cycles that permit rapid testing and learning to achieve faster results.
- Identify ways to measure progress towards an improved business model, highlight what is working well and what is not working well and assist in reaching scalable improvements.
- ▶ *Identify and incorporate ways of measuring progress towards gender equality in the improvement cycle of the business model.*
- Encourage the engagement of all members of the business model in dialogue and testing of improvements.

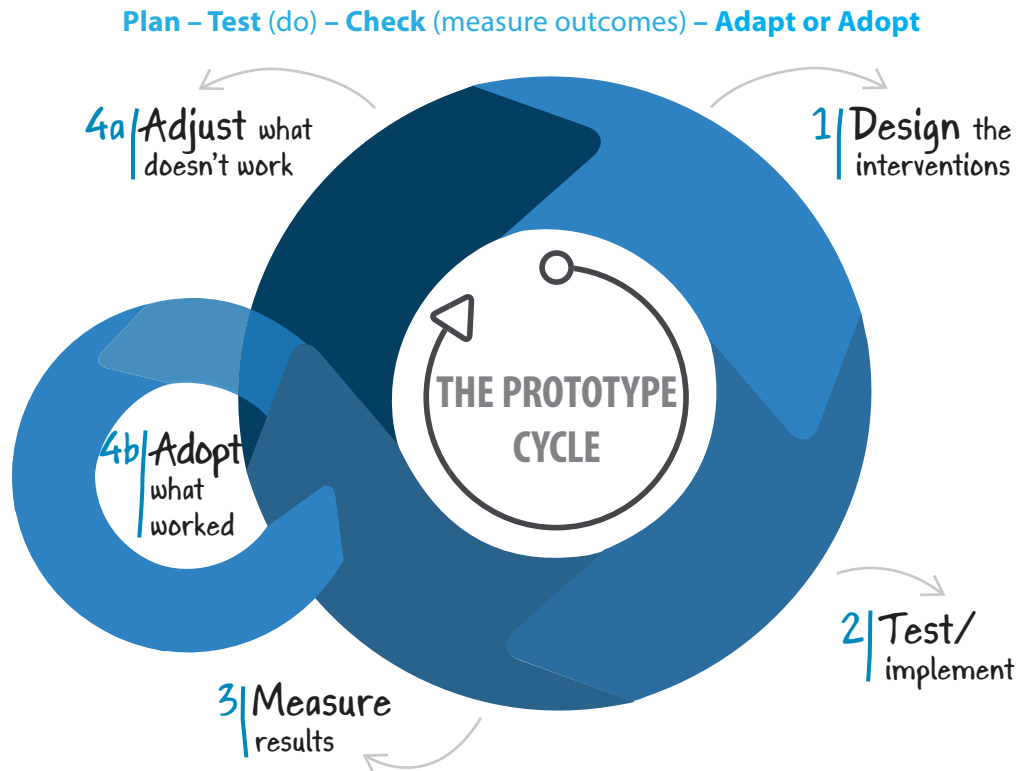
▶ What it can't do?

- Provide a perfect solution to improve your business model right away.
- The prototype cycle is designed as an iterative learning process. Learning takes place as you move towards your goals. Trying new things is inherently risky, with failure possible. This tool does not guarantee success but rather a process in which to "fail forward".



▶ What is the prototype cycle?

The prototype cycle is a doing-and-learning cyclical process. The aim of the prototype cycle is to resolve those problems which impede progress, rotating between the following stages:



▶ Performance indicators for three dimensions of change

1 Indicators for the business model level

The business model is the first dimension where you can expect to see change initiated by interventions.

Block 1: Customers

- Number of customers per segment/market
- Frequency of sales per customer
- Volume of sales per customer
- Duration of business relationship with each customer
- Type of business agreement with each customer

Block 2: Value proposition

- Description of the product(s)
- Product portfolio
- Tangible characteristics
- Intangible characteristics

Block 3: Channels

- Means of distribution
- Responsibility for delivery
- Place of delivery
- Time taken to deliver

Block 4: Customer relations

- Method of communication with each customer
- Frequency of communication with each customer

Block 5: Revenue streams

Income from product sales:

- Value of product
- Total value per client
- Total value per product category
- Net profit
- Payment method
- Payment frequency
- Cost types

Other income

Block 6: Key resources

- Availability of key resources
- Degree of efficiency in the use of key resources
- Sustainability of key resources

Block 7: Key activities

- Efficiency of key activities

Block 8: Key partners

- Number of partners necessary for the smooth functioning of the business
- Degree of dependency of key partners
- Benefits obtained by key partners
- Quality of services delivered by key partners
- Duration of relationship with key partners

Block 9: Cost structure

- Type and value of most important costs
- Value of fixed costs and value of variable costs (alternatively: value of direct costs and value of indirect costs)
- Percentage of costs covered by support partners

2 Indicators for the value chain level

The value chain is the next level, after the business model, where you can expect to see change.

Costs

Evolution of production costs in the different links of the chain. Are costs stable, increasing or decreasing?

Harvest per unit

Evolution of harvests or productivity per unit, investment or employment in the value chain. For example, production per hectare planted or quantity of cheese produced per litre of milk.

Product value

Evolution of the end product's commercial value (adjusting for currency). Is the product value stable, increasing or decreasing?

Profitability

Evolution of gross or net profit along the value chain. Is profit stable, increasing or decreasing?

Distribution of benefits

How does the distribution of the final product or products along the value chain and among diverse actors evolve over time? Who retains the most value, and how does this distribution change over time?

3 Indicators for the level of small-scale producers' livelihoods

This level, which represents the usefulness of many interventions, is the final level in which the results of interventions can be seen. Changes at this level take place over a longer period of time.

Diversification of income sources and income stability during the year

- How do market chain activities affect income diversity and security of the target population during the year?

Use of added income of the market chain

- How does the target population use the added income generated by the market chain?
- Who decides upon the use of the added income generated by the market chain?

Employment generation

- How does the market chain contribute to temporary or permanent employment generation disaggregated by gender, ethnicity or age?
- Who from within the community gains most of these opportunities?

Participation in the local economy

- How does the relative importance of the market chain change over time in relation to other economic activities in the local economy?

Participation of income from the business model in overall livelihood strategies of the target population

- How does the percentage of the target population's income originating from the activities related to the business model evolve?
- This measurement can include the sale of products, employment or reduction in purchases as a result of the strategy to increase competitiveness. Although income gains are positive, it is critical to avoid overdependence on any one activity or business model.

4 Indicators for measuring progress towards gender equality



Business model level

- *Level of development of support program for women (maternity clinic, childcare during meetings, women's trainings)*
- *Level of development of sex disaggregated census data*
- *Change in percentage of women who participate in association meetings*
- *Change in percentage of women in technical positions*
- *Change in percentage of women on board of directors*
- *Change in percentage of women who obtain loans through the enterprise's internal credit fund*
- *Change in percentage of women who participate in producer organization trainings*
- *Change in percentage of women who participate in contract negotiations and decision-making*
- *Level of development and of dissemination of gender policy*

Value chain level

- *Percentage increase of women in sowing plans*
- *Percentage increase of women delivering product to supply centers and commercializing through the producer organization*
- *Percentage increase of women in paid labor*
- *Percentage increase of women in permanent employment*

Level of small-scale producer's livelihoods

- *Proportion of increased production that pertains to women*
- *Percentage increase of income controlled by women*
- *Percentage change in women's membership*
- *Percentage change in women's land access (individual or joint ownership)*
- *Percentage change in women project beneficiaries*

Guidelines for INTERVIEWING

The most important factor in making an interview a success is the attitude of the interviewer towards the persons that are being interviewed. The interviewer must be willing to take the posture of someone who is learning – as indeed he/she is – from the person being interviewed. This is reflected in the general list of “do’s” and “don’ts” in interviewing that is given below. The purpose of these “do’s and don’ts” is to develop a fruitful dialogue between the interviewer and the persons being interviewed, by creating an atmosphere in which the latter feel free and confident to express their knowledge and opinions freely, and are actively and passively stimulated to do so.

Do’s in interviewing	Don’ts in interviewing
<ul style="list-style-type: none"> • Do spend time on thorough preparation: formulate a checklist with points for the interview. • Do introduce yourself and explain clearly who you are, where you come from, and what you propose to do. • Do indicate a time frame, and ask if it is convenient to do the interview. If not, make an appointment. • Do use the seven helpers for interviewing: what, when, how, who, where, how many and why. • Do search for inconsistencies in answers given during the interview, and do try to resolve these by returning to the questions involved and asking for clarification, starting by saying: “I do not quite understand” • Do show a keen interest in what the person says, even if you consider that what is said is less relevant. • Do ask clear, concise questions covering only one topic • Do be absolutely open, and put aside any preconceived views you may have on the situation. This is important to avoid “filtering out” information contrary to those views – something that may happen subconsciously. 	<ul style="list-style-type: none"> • Do not go unprepared, i.e., without having thoroughly thought out which topics to treat in the interview, and which questions to ask. • Do not start immediately with asking questions, without an introduction and a proper explanation of the reasons of the interview, and of what will be done with the results. • Do not push a person for an interview if it is obvious the moment is not convenient. • Do not express your opinion on the information the person is giving, even it seems wholly implausible. Do not do this either by saying so (through correcting or stating “that’s not right”) , nor through “body language” (such as smiling or shaking one’s head in disbelief) • Do not confront the person with an apparent inconsistency by saying: “that can’t be, because you just said ...”, or “that contradicts”. • Do not show, either in a spoken way (“can you keep your answers short, please”) or through body language (yawning, hanging in your seat, looking the other way) that you consider the information given less relevant or not interesting at all. • Don’t ask questions that combine two queries (for example: do you have a school here and is it operating well?)

Do's in interviewing

- Do be flexible and allow for a “natural” order of discussing topics that comes up during the interview, especially in informal interviews. In case of a more structured interview, you can subtly guide the person back to the main interview line by indicating that the topic he/she is discussing is very interesting, and that you have some questions about it later on in the interview, but that now it is easier for you to collect and write down the information if you stick to the format.
- Do prepare for bad interviews: some persons simply lack the capacity and sometimes, knowledge to answer your questions. In that case, conclude the interview in a polite manner, thanking the person for his / her cooperation, and leave.
- If not writing down the information during the interview, do so directly afterwards. (It has been estimated that in the first 24 hours after an interview, half of the information absorbed during the interview is lost. And this may well be more if several interviews are carried out immediately after each other.)

When interviewing in a team:

- Do work out beforehand in a general manner who is going to treat which topics.
- However, do be flexible and allow for team members to pursue certain relevant matters further even if it is not their agreed-upon responsibility. You are a team, and supposed to strengthen each other's work!
- Do give each other the chance to finish one's line of questioning.
- Do indicate when you have finished your line of questioning and are ready to hand over to another team member, for example, by saying to another team member “OK, go ahead”.
- Do discuss the interview results afterwards, with the team, and hold regular meetings and brainstorming sessions.

Don'ts in interviewing

- Do not ask “leading” questions: questions that predispose the interviewed person to an answer. For example: “The school here is good, isn't it?” Instead ask: “How is the school here?” or if further clarification is needed: “Is the school here good or bad?”
- Don't “help” a person who is hesitating by making suggestions – at the most, rephrase the question.
- Do not leave out questions of which you think you already know the answer because you have heard it several times before: a new viewpoint may still crop up, leading to interesting new information and leads for further information gathering!
- Do not ask obvious questions – such as, when sitting next to a school: “Is there a school here?” On the other hand, do ask if you are not absolutely sure (for example, if it is not entirely clear the building is a school). This is the only occasion that you are permitted to ask leading questions (“there is a school here, isn't there, this is it right here?”), so as to confirm your very strong impression without appearing stupid!
- Do not expect every interview to be a fluid dialogue yielding huge quantities of new, valid information: some interviews are likely to be less successful!

When interviewing in a team:

- Do not interrupt other team members' line of questioning, wait till they have finished. Interrupt only if you feel a very important / interesting issue is not covered or followed up, and then not before offering an apology to the team member involved (“sorry, but I have some more questions about this, please allow me?”). Then be sure to hand the initiative back when the topic is exhausted.

Promoting business models that benefit women and men farmers

Posted by Tatiana Gumucio on CIAT Blog

Case studies of LINK Methodology with gender lens

Thanks to a project by the CGIAR Research Program on Policies, Institutions and Markets, the CIAT Linking Farmers to Markets and Gender research groups are working to improve the gender responsiveness and transformative potential of its tools for developing inclusive business models, the LINK Methodology. The CGIAR Research Program on Forests, Trees and Agroforestry is providing gender integration support for the tool development, as well. Tools are being enhanced such that users will be better able to identify barriers and opportunities for men's and women's: meaningful participation in producer organizations; use of adequate mechanisms to access market information; participation in decision-making processes; and equal access to capacity building, capital, and other financial services. In this way, the updated version of LINK seeks to ensure that men and women are able to equitably access and benefit from value chain opportunities.

A test version was piloted through partner VECO Mesoamerica (VECOMA) in four cases in Honduras and Nicaragua, with support from FAO. Initial results suggest that the adapted tools allow gender concerns to be brought to light as had not been possible before. For example, thanks to the new tools, users in all four cases disaggregate participation in value chain nodes by gender. They also take note of leadership positions held by men and women in the business model. This allows to identify where men's and women's participation is concentrated in value chains, and can begin to suggest how accessible leadership positions are to women. Users of the adapted LINK tools have also made efforts to address gender equity concerns in their action plans. The piloting was carried out with vegetable and cocoa producer organizations in the two countries:



Honduras

Consorcio Agrocomercial

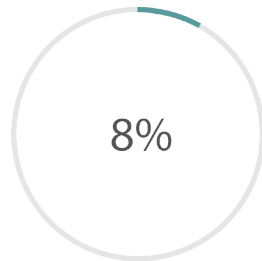
Consorcio Agrocomercial, a consortium of vegetable producer organizations in Honduras, reported that 7.98% and 4.52% of members participating in production activities are women and youth, respectively.⁴ At the supply node, 55.56% of its operators at supply centers are women. A gender observation at the post-harvest level was that

⁴ VECOMA. 2016. *Informe Final. Proyecto Modelos de Negocios Inclusivos*. FAO-CIAT.

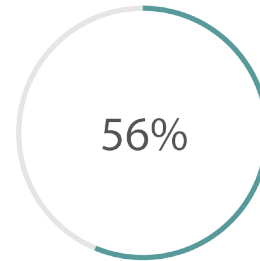
Honduras

Consorcio Agrocomercial

women tend to confront product rejection problems due to the fact that they tend to cultivate vegetables that require less investment, like cauliflower and broccoli, but that are more prone to be affected by plagues and diseases, reducing their quality. In general, the Consorcio recognized the need to incorporate women and youth more significantly in the business model. For example, there is minimal representation of women on the board of directors.



Women organization members in production



Women employees in supply centers

Honduras

Aprosacao

Also in Honduras, the cocoa producer organization Aprosacao found that women were particularly involved in harvest and post-harvest activities. However, the majority of women's contributions tend to be non-remunerated, since these activities tend to take place on the farms of their husbands or fathers. Less than 15% of the producers who receive payment for sales or any type of service in the value chain are women.

Aprosacao recognized that up until then, no mechanisms had existed to encourage women's participation in value chain activities and in the general business model. To address these gaps, the organization incorporated indicators and activities in their plan of next steps that take into account women's barriers to entry, for example: monitoring of access to services like loans; and development of a sex-disaggregated mapping system.

Nicaragua

COPRAHOR

In Nicaragua, the vegetable producer organization COPRAHOR observed that women were more concentrated in processing work, rather than in production node activities. Up until then, support services to facilitate women's increased participation in value chain activities had not existed, but the organization's recently developed gender policy could serve to correct this. COPRAHOR notes areas in which it has been attending to gender concerns, for example: that innovation processes have reflected men's and women's interests and necessities; also, that there exist equal opportunities for men and women to lead collaborative processes with buyers. Nonetheless, in its plan of next steps, COPRAHOR includes actions to incorporate women better in the business model, for instance by socializing the new gender policy and channeling financial resources for women's business initiatives.

Cocoa producer organization La Campesina, in Nicaragua, noted with regards to its business model that there tended to be more gender equitable representation of women and men among employees in the post-harvest node. While women's participation in the organization's directive board was low, men and women were seen to participate more equitably as technicians.

Moving forward

Across the four case studies it was seen that few women held managerial positions in comparison to men, and their participation levels in trainings were low. There also tended to be a lack of concrete mechanisms to include women in the business models. However, the producer organizations included in the pilot demonstrated interest in addressing these challenges in order to strengthen business model development.

The testing of the tools in the four Honduran and Nicaraguan cases has helped to incorporate gender considerations more concretely into the tools. In this way, the newly developed Tool Box will help users bring to light the most complete, relevant information on gender equity concerns and develop solutions to address them.

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