### Project Factsheet

**Project duration:** September 2017 – August 2018

**Implementation partner:** Sustainable Food Lab

**Further partners:** ISEAL Alliance, GIZ Deutsche Gesellschaft für Internationale Zusammenarbeit, The Living Income Community of Practice, University of Ghana, KIT Royal Tropical Society

**Indirect beneficiaries:** Cocoa farming households in Ghana

**Focus areas covered:** Increasing the understanding about cocoa farmer livelihoods and their environment (research projects)

---

### Calculating a Living Income benchmark for cocoa growing regions of Ghana

This project intends to develop a living income benchmark for cocoa growing regions of Ghana and to contribute to the learning of the relevance and methodology for the concept of ‘living income’ for smallholder farming systems.

**Context**

A Living Income is the net annual income required for a household/family in a particular place to afford a decent standard of living for all members of that household/family. Elements of a decent standard of living include: food, water, housing, education, healthcare, transport, clothing, and other essential needs including provision for unexpected events. These elements are defined according to the common methodology developed by experts Richard and Martha Anker and as used by the Global Living Wage Coalition.

**Objectives**

The goal of this project is to produce a credible, robust living income benchmark for the critical cocoa growing regions of Ghana through transparent research that is supported by key actors from the national governments, industry and civil society. The project gathers the data on the costs of a decent standard of living for rural farming families in Ghana. This project does not seek to identify the sources of income, but to assess the total income needed at household level for the basic needs for a dignified life. The benchmark is an input into the exercise of analyzing the gap between the costs of living and the diverse ways cocoa farmers cover both costs.
the costs of basic needs as well as their farming business. At the end, an income gap analysis was completed with data from the ‘Demystifying the cocoa sector: Uncover the realities of cocoa growing households’ study, co-funded by the Lindt Cocoa Foundation.

Research question
What is the living income benchmark for cocoa growing regions of Ghana?

Research phases and method
The research project consists of four phases:
1) Scoping
2) Launch workshop, desk research and development of methodological tools
3) Field work and drafts reports generated
4) Validation workshop, final reports and dissemination of findings

This benchmark follows the same research methodology and timeline as a parallel study for a living income benchmark in Cote d’Ivoire, funded by GIZ, and also coordinated by the Living Income Community of Practice, and contributes to the learning on the applicability of the Anker methodology for living income calculations.

The Living Income estimate is based on a study of costs of living in cocoa growing areas. The study uses the comprehensive methodology developed by Martha Anker and Richard Anker to estimate Living Wage benchmarks for waged workers, adapted to the context of smallholder farming.

Organization
The study is conducted by an independent third party research team(s) and coordinated by the Living Income Community of Practice, co-hosted by ISEAL, Sustainable Food Lab and GIZ.

A Steering Committee (SD) oversees the study and is comprised of industry, farmer organization, civil society actors and a representative of the Global Living Wage Coalition (GLWC). This committee is not a decision-making body. The committee is responsible for commenting on project study plan and the draft findings for both the Ivorian and Ghanaian studies. Members of this committee also make themselves available to the researchers to answer questions about the study area, and commit to help open doors and make contacts in the field if possible. In each country, a local coordinating committee is developed including origin country government, industry, farmer organization and civil society actors. The study also has a Technical Committee (TC) of methodology experts from ISEAL, Rainforest Alliance and the Global Living Wage Coalition. The role of the TC is to provide technical backstopping support to the researchers and the organizations coordinating the study. In addition to providing guidance, the TC prepares recommendations on key methodological questions and decisions.

Serving the mission of the Lindt Cocoa Foundation
This living income benchmark for cocoa producing regions in Ghana helps to better understand what constitutes a decent standard of living for cocoa farming families and the gap that needs to be addressed. Having a quantitative, credible study of the costs of living allows deeper and more evidence based dialogue on assessing whether the collective efforts of government, civil society and industry are adding up to the aspirational goals of a sustainable cocoa sector and how to improve the effectiveness of program activities to close the income gap. This all serves the end goal of improved livelihoods for households involved in cocoa production.

March 2019