




ALICO LIVING INCOME STRATEGIC FRAMEWORK



Farm and Supply Chain Level

Pillars	 Cocoa Productivity & Cost of Production	 Cocoa Pricing & Trading	 Diversification
Drivers and Barriers	<ul style="list-style-type: none"> Yield and quality Investment and operational costs Climate change/shocks Pests and diseases Available Labor Access to services & finance 	<ul style="list-style-type: none"> Price volatility Farm-gate price Collective bargaining/stronger farmer organizations Market speculation Lack of transparency 	<ul style="list-style-type: none"> Vertical/Downstream integration Land and labor availability Gender roles Access to markets Income Seasonality Food security
Strategies	<ul style="list-style-type: none"> Farm service delivery <ul style="list-style-type: none"> Inputs Access to affordable and timely finance Technical Services Market access Professional producer organizations Risk mitigation tools Good agricultural practices Climate smart agriculture Farmer Leadership & Business Training 	<ul style="list-style-type: none"> Strategies to reduce price volatility Procurement practices <ul style="list-style-type: none"> Minimum pricing (incl. living income reference price calculation) Supplier management (incl. long-term contracts and partnerships) Certifications & Premiums Marketing <ul style="list-style-type: none"> Public reporting Consumer engagement New product development 	<ul style="list-style-type: none"> Complementary Market Development Business Training at both farm and enterprise levels Income diversification <ul style="list-style-type: none"> Crop diversification (e.g. in combination with agroforestry) Off-farm activities Cocoa processing Farm service delivery for non-cocoa crops



Enabling Environment

Community & Landscape Development

- Land & tree tenure
- Social inclusion and protection
- Women's empowerment
- Youth empowerment
- Landscape governance
- Health, nutrition and sanitation
- Education and schooling
- Watershed / forest protection
- Community based income projects
- Infrastructure (e.g. road, warehouses, etc.)

National Cocoa & Agriculture Policies and Strategies

- Supply and market management
- Living Income Differential
- Land tenure & ownership policies & enforcement
- Anti-trust policies
- Rural development policy (including education, health, infrastructure, land/tree tenure, employment)
- National cocoa strategies and policies
- National agriculture strategies and policies (incl. diversification)

Global Cocoa & Agriculture Strategies

- Regulation and legislation on due diligence and sustainability in supply chains
- Coordination of sustainability initiatives, support, and donor efforts
- Sector supply management and alignment of cocoa policies;
- Sector wide global commitment to living income
- Investments in R&D

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