

DIASCA
Digital Integration of Agricultural Supply Chains Alliance

Farmer Income Working Group:

DRAFT Livelihoods Risk Framework

October 2026

Jessica Mullan, COSA

Facilitated by COSA Committee On Sustainability Assessment

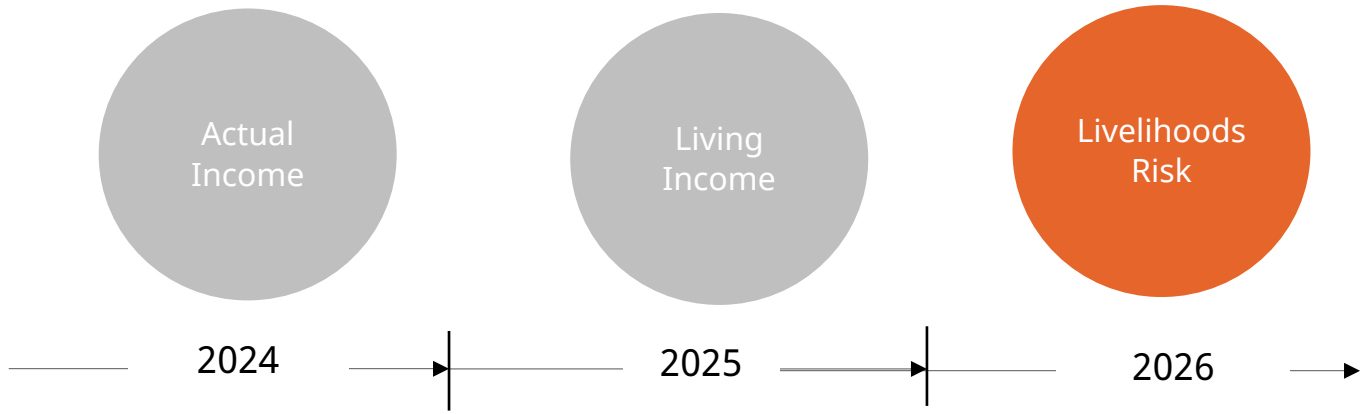
Orientation

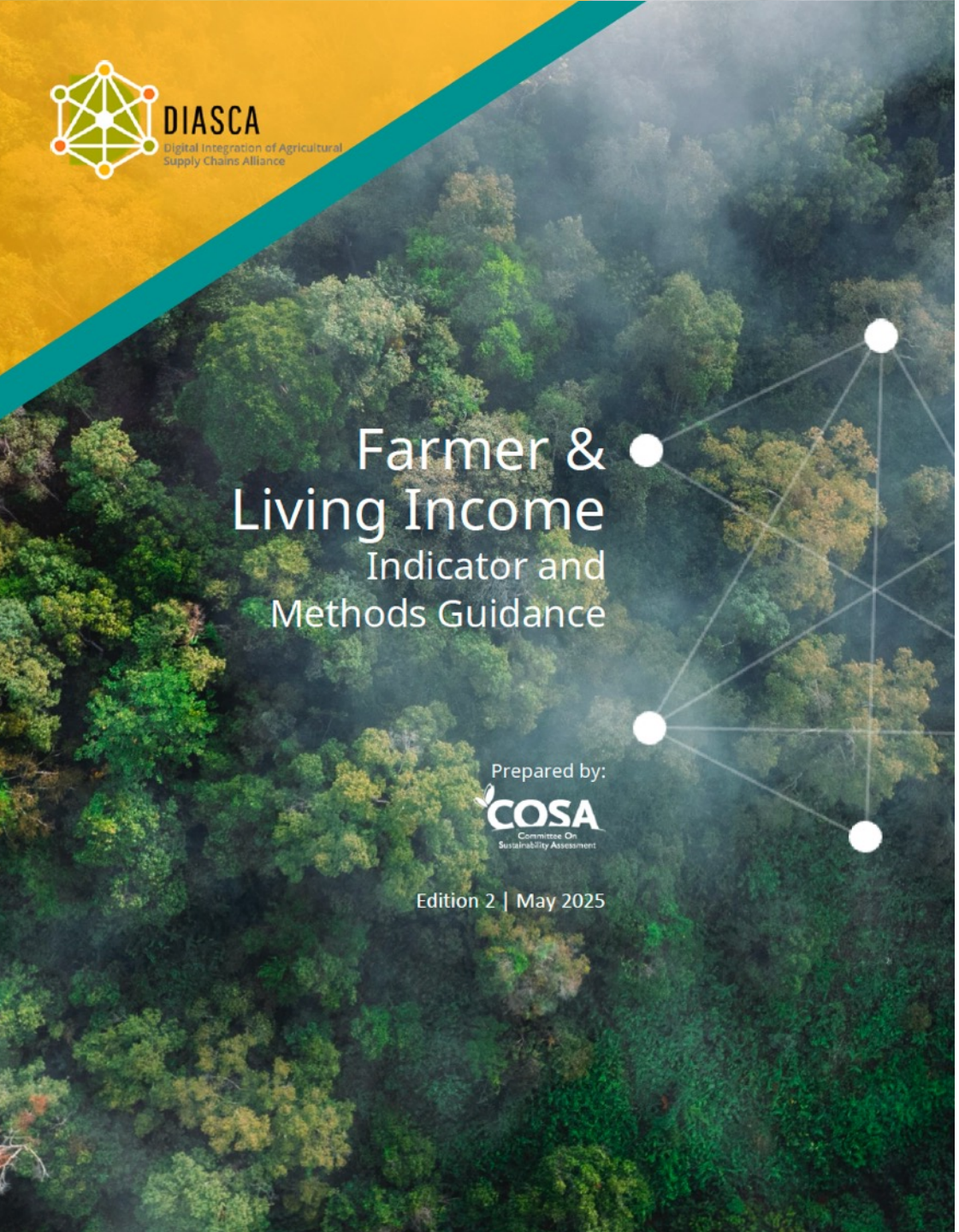
Objective: Validate the structural logic, boundaries, and architecture of the DIASCA Livelihoods Risk Framework indicator set.

Agenda:

1. Why a Farmer Livelihoods Risk Framework?
2. Framework Application & Due Diligence
3. Framework Elements Overview
4. Component Discussion
5. Next Steps

DIASCA Income Group Program Roadmap





Income Guidance Document

Guidance Document with Metrics Detail is publicly available:
https://www.sustainable-supply-chains.org/toolbox

Why focus on a structural indicator set for Famer Livelihoods Risk?

1. Growing **due diligence** requirements demand better visibility into livelihoods risks

2. Comprehensive **household-level assessments** are not feasible across every sourcing context

3. The Framework helps **identify and compare** structural livelihoods-risk signals using publicly available evidence

Potential Applications

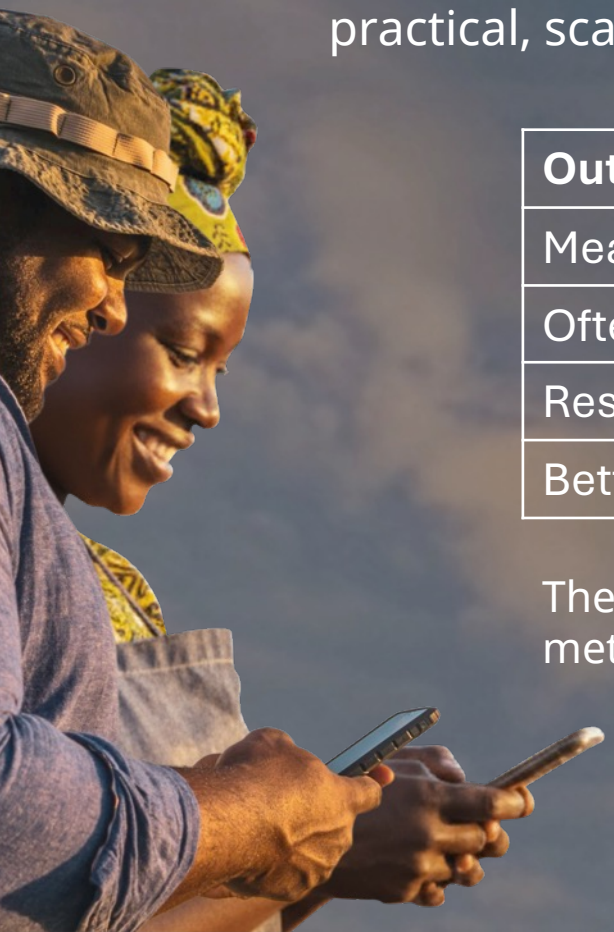
- **Country or Regional Screening**
- **Commodity or Value-Chain Screening**
- **Supply Chain Due Diligence**
- **Program or Landscape Design**

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Outcomes from DIASCA Income Group Sessions

At the Agile Data & DPI Summit

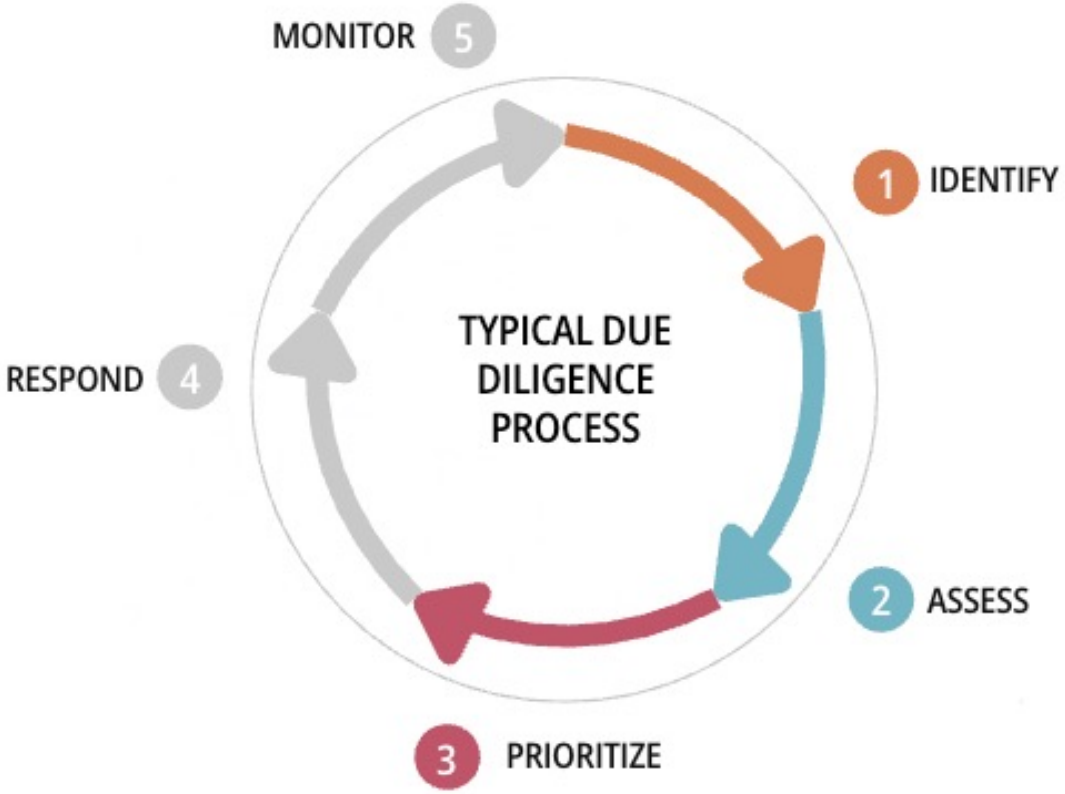
Shift from Livelihoods Outcome Framework to a Livelihoods Risk Framework (more practical, scalable, and better aligned with emerging due diligence requirements)



Outcome Approach	Structural Risk Approach
Measures household conditions	Screens for potential risk conditions
Often requires primary data	Can use public and existing evidence
Resource intensive	Scalable across sourcing contexts
Better for assessing outcomes/impact	Better for due diligence and prioritization

The framework complements existing household-income and living-income methodologies rather than replacing them.

Framework Use & Due Diligence



Step 1: Identify Reviewing structural evidence across the indicator set using publicly available data sources.

Step 2: Assess Risk Signals to determine where conditions suggest elevated risk.

Step 3: Prioritize Use household data, stakeholder engagement, or targeted assessments where deeper understanding is required.

Framework Use & Due Diligence

Existing due diligence approaches often rely on:

- Country-level risk indices
- Certification and audit findings
- Supplier self-assessments
- NGO and media reporting

These approaches may:

- Miss important conditions affecting farmers
- Provide limited visibility into livelihoods-related risks
- Offer little guidance on where deeper investigation may be needed

The Livelihoods Risk Framework provides standardized livelihoods-risk signals focusing on structural conditions affecting farmers to support ongoing due diligence and sourcing decisions.

VALIDATED

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Livelihoods Risk Framework

To identify structural conditions that contribute to livelihoods risk among producers participating in crop value chains.

1

Economic Feasibility

1. Earning Capacity
2. Cost of Living Pressure
3. Production Viability

2

Financial & Market Context

1. Income Stability
2. Income-Source Diversification
3. Contracting Continuity
4. Access to Credit & Financial Services

3

Adaptive Capacity

1. Climate exposure
2. Land tenure
3. Inclusive Financial and Farm decision-making
4. Food Security

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Questions to Consider

1. Does the framework capture the key dimensions of structural livelihoods risk relevant to due diligence?

2. Do the proposed indicators appear appropriate for a screening-level assessment?

3. Are any important structural risk factors missing or out of scope?

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Economic Feasibility

Indicator	Core Question	Screens For
Earning Capacity	Can typical producers earn sufficient income from this crop under normal conditions?	Low earning potential due to limited farm scale, low prices, or limited value capture
Cost of Living Pressure	Are typical earnings sufficient relative to the cost of a basic but decent standard of living?	Structural mismatch between earnings and living costs
Production Viability	Can producers sustain productive output under normal conditions?	High production costs, unreliable inputs, low yields, high losses

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Financial & Market Context

Indicator	Core Question	Screens For
Income Stability	Is income predictable across seasons and years?	Seasonality, volatility, unstable payment timing
Income-Source Diversification	Is income overly dependent on a narrow set of sources?	Single-source dependence, limited livelihood alternatives
Contracting Continuity	Are commercial relationships predictable and stable?	Informal arrangements, short-term agreements, unclear terms
Access to Credit & Financial Services	Can producers access liquidity and financial tools when needed?	Limited financial access, costly credit, weak service availability or digital finance

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Adaptive Capacity

Indicator	Core Question	Screens For
Climate Exposure	Are production systems structurally exposed to climate-related shocks?	Drought, flooding, rainfall variability, climate hazards
Land Tenure	Do producers have secure and stable access to land?	Informal tenure, land disputes, unstable access arrangements
Inclusive Decision-Making	Do women and youth have meaningful authority in production and financial decisions?	Restricted decision-making authority, limited asset ownership, exclusion from registration, eligibility, or financial systems
Food Security	Do households have reliable access to affordable staple foods?	Food shortages, seasonal access constraints, price spikes, market disruptions

Next Steps

1. Stakeholder Review of Indicator Tables (Oct 23rd)
2. Finalize the indicator deep dives using the aligned structural architecture
3. Integrate boundaries, evidence cues, and interpretation information into the resulting guidance document (Dec 2026)