

Methodology Income Performance Dashboard

Definitions

Living income

The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household. Elements of a decent standard of living include: food, water, housing, education, healthcare, transport, clothing, and other essential needs including provision for unexpected events.

Actual household income

The net annual income of the household earned from various sources: the focus crop, other crops, livestock, off-farm labour, and off-farm non-labour sources.

Dashboard input variables

Variable	Unit
Farm size	Hectare
Price	USD/KG
Yield	KG/Hectare
Production costs	USD/Hectare
Non-focus crop income	USD
Living income benchmark value	USD/Year

Calculations

Outcome	Calculation
Focus crop production costs	Production costs * Farm size <i>Production costs considered are costs for labour, inputs and transportation (if applicable)</i>
Focus crop revenues	Farm size * Yield * Price
Net-income focus crop	Focus crop revenues - Focus crop production costs
Non-focus crop income	Sum of all income earned by the household, other than income from the focus crop <i>Examples: livestock, other crops, off-farm labour, government transfers.</i>
Actual household income	Net-income focus crop + Non-focus crop income
Living income gap	Living income benchmark value - Actual household income
Share of income from focus crop	(Net-income focus crop/Actual household income) * 100%
Share of living income gap	(Living income gap/Living income benchmark value) * 100%

References

The current input in the dashboard is based on secondary data retrieved from various academic literature. This input will be removed from the dashboard once more primary data is submitted by IDH.

The sources for the Living income benchmarks are reported below. To compute the benchmark value for the current year, living income benchmark values are adjusted for inflation and converted from the local currency (LCU) to USD using the prevailing exchange rate.

Country	Source
Cameroon	http://www.fao.org/fileadmin/templates/banana/documents/WGs_outputs/WG02/CIMS_WBF_report_II_marzo_14.pdf
Colombia	https://www.solidaridadnetwork.org/sites/solidaridadnetwork.org/files/publications/TP%20CSA%20Coffee%20COL.pdf
Côte d'Ivoire	https://docs.wixstatic.com/ugd/0c5ab3_71310ed04c5d4fec8805580ed901c933.pdf
Ethiopia	https://www.globallivingwage.org/wp-content/uploads/2018/05/Update-Report_Ethiopia_2019.pdf
Ghana	https://www.globallivingwage.org/wp-content/uploads/2018/04/Update-Report_Ghana_2019.pdf
India	https://lebasic.com/wp-content/uploads/2019/10/BASIC_Assam-tea-Value-Chain-Study_October-2019.pdf
Kenya	https://www.globallivingwage.org/wp-content/uploads/2018/05/Kenya_Living_Wage_Benchmark_Report.pdf
Malawi	https://www.malawitea2020.com/uploaded/2020/03/Wages-Committee-Report-final-version-002.pdf
Rwanda	https://wageindicator.org/salary/living-wage/rwanda-living-wage-series-january-2018
Tanzania	https://wageindicator.org/salary/living-wage/tanzania-living-wage-series-january-2018-country-overview
Uganda	https://wageindicator.org/salary/living-wage/uganda-living-wage-series-january-2018-country-overview