Request for Proposals
Better Cotton Living income pilot in India - Consultancy

RFP n#: 2023-06-PR-LINCOME
Location: India
Start date: As soon as possible
End date: 31st December 2023

Better Cotton key contact:
Maria Kjaer
Programmes

All applications must be submitted via this form.
You may submit questions to tender@bettercotton.org - RFP n#2023-06-PR-LINCOME.

Questions, requests, and applications sent after the deadline (24 July 2023) will only be considered in exceptional circumstances.

Description

Better Cotton is the world’s largest cotton sustainability programme. Our mission: to help cotton communities survive and thrive, while protecting and restoring the environment. In difficult times, we are meeting the challenge head on. Through our network of field-level partners we have provided training on more sustainable farming practices to more than 2.9 million cotton farmers in 26 countries. More than a fifth of the world’s cotton is now grown under the Better Cotton Standard and our membership network includes more than 2,400 members. With Better Cotton’s 2030 strategy we have entered a transformation phase to deepen our impact. We are committed to leveraging our position to support farmers and workers achieve living income and living wages to improve living standards and make a positive contribution to the eradication of poverty of smallholder cotton farming communities.

More information about Better Cotton can be found on our website: www.bettercotton.org
Background

The concept of living income is popular among sustainability standard systems and is an alternative to more simplistic poverty measures. Living income is defined as the net income that a household needs to earn to enable all members of the household to afford a decent standard of living. A decent standard of living is defined by a local equivalent income needed to cover basic needs, such as:

- **Decent food** - Local market surveys, model diets and secondary data
- **Decent Housing** - Rental costs, building costs, contextual and international housing standards & secondary data.
- **Non-food non-housing** (such school and clothing) - Focus groups and secondary data.
- **Margin for unforeseen events** - Additional percentage dependent on the context.

Working to achieve a Living Income begins with clarity on current household income and identifying the gap with the living income benchmark for a region. A living income benchmark is an estimate of the cost of a basic and decent standard of living for a household.

This is then followed by an analysis of the income drivers for smallholder farmers to estimate the changes possible to living income gap. Income drivers include, but are not limited too – landholding size, tenure, yield, price, cost of production, as well as other sources of income, like other crops and non-farm income. Based on each of these drivers, strategies can be agreed to increase household income, prioritise actions, and co-design interventions with actors along the supply chain. As part of our Deepening Impact objective, Better Cotton will focus on Better Incomes for small cotton farmers, by focussing on achieving a Living Income for Cotton farmers. By understanding what the current household income is and setting a Living Income benchmark, Better Cotton will work with its partners to close the gap between the current household income and the Living Income benchmark.

Better Cotton’s Living Income project was initiated in 2022 with a commitment to support farmers and workers to achieve living incomes and living wages as part of the Better Cotton Sustainable Livelihood Approach and as a significant step towards reaching our 2030 target to increase net-incomes for farmers and workers. It is coordinated at a global level in collaboration with IDH as a first step to directly address the issue of better farmer and worker income.

During 2023, the **objective is to develop an understanding of current total household income and the living income gap in 1-2 pilot area(s) in India within states where Better Cotton is currently active, as well as strengthening Better Cotton programme partners awareness on this topic.**

Potential states being considered are Gujarat, Telangana & Maharashtra. Following the IDH Living Income Roadmap, the first activity is to establish a baseline for household income in the pilot area(s) and decide on which existing living income benchmark to use.

To support data collection on smallholder households’ total actual income, IDH has developed an Income Measurement Survey Tool. Currently, this tool has been used for primary data collection in the coffee and cocoa sectors.

**We are seeking proposals from skilled individuals or organisations interested in undertaking an income baseline analysis using the IDH Measurement Survey Tool and in the process, adapting this**
tool for use in the cotton sector. In this exercise the consultant will work closely with the program partner in that region, involving them in the adaptation and use of the tool.

The consultant will also compare the baseline data against the living income benchmarks that already exist for rural India (that have been published on the website of the Global Living Wage Coalition).

The total household income to be considered will be the income from all income sources, including on and off farm income as well as support from Government welfare schemes, earned by all household members (not just the BC registered farmer).

**Project Objectives**

- Review the existing “Income Measurement Survey Tool” published by IDH for Coffee and Cocoa (Annex A) and adapt it for use in the cotton sector and the local context, paying special attention to:
  a. Relevance and suitability of questions and where applicable, response options
  b. Administrative data requirements such as contact, partner, geographic and other general information.
  c. Approach to data cleaning and analysis i.e., by setting validations such as appropriate min and max ranges for responses.
  d. Preparation, and/or update, of guidance materials for employing the survey.

- Deploy the adapted survey, conduct a project sampled based baseline study for a target population of Smallholder Cotton Farming households in India, answering the following key questions:
  a. What is the net actual income for sample households? (Including income from farm activities, off-farm labour income, and other sources of income such as non-farm and non-labour as well as income from Government schemes.
  b. What assumptions are made related to costs and income in calculating the net income?
  c. Resource Analysis of the community resources and skills to determine feasible levels of income change that are possible.
  d. Identify existing Living Income Benchmarks for India and make recommendations for which benchmarks to compare to baseline to estimate living income gap. Paying special attention to:
  a. The geographic area of the estimate
  b. The date of the data collection for the study, or of the last update
  c. The typical household size
  d. Potential to add a living income range and/or additional poverty lines

The required deliverables will be:

- Inception report outlining the scope and approach of the assignment clearly outlining timelines, process, and research design, including detailed data collection methodology and survey design. The inception report needs to be approved by Better Cotton
- Baseline survey design and sampling frame; data analysis plan and report. This needs to be approved by Better Cotton and IDH and needs to use the IDH Income Measurement Tool
- Report on enumerator training and field testing of the IDH Tool which may then need adapting or refining.
• 15–20-page living income gap report and executive summary on baseline values of defined household income indicators, chosen benchmark, and additional findings. The report should be engaging and thought-provoking. The main body should be written in simple, non-technical language, with any technical material, to be presented in annexes.
• A user-friendly IDH Income Measurement Tool which has been adapted for use in the cotton sector and which can then be used by Better Cotton in other regions going forward. This will include suggested methodology for Better Cotton to include clear guidance for use and recommendations for future sampling (e.g., size and selection of respondents).
• The working files and final dataset (in all forms) including the raw data and analysis codes.
• Presentation of findings (online webinar) to audience of 8-10 Better Cotton staff members in implementation and MEL
• Abstract and power point presentations of the Baseline results to be used for dissemination to stakeholders. This should be included in a PPT format.

**High-level Timeline**

**Timeline for Application**

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<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>24th July 2023</td>
<td>Applications deadline</td>
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<tr>
<td></td>
<td>All applications must be submitted via <a href="#">this form</a>.</td>
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<tr>
<td>24th July to 28th July 2023</td>
<td>Applications review &amp; shortlisting</td>
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<tr>
<td>7th to 9th August 2023</td>
<td>Interviews</td>
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<td>By 11th August 2023</td>
<td>The successful applicant will be notified</td>
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We expect the consultant to seek comments and feedback from Better Cotton and IDH in sufficient time to discuss and incorporate them into the final report and recommendations. The project timeline may be changed pending recommendations from the consultant.

**Ways of Working**

• The project team will include Better Cotton staff; Smallholder Livelihoods Manager Maria Kjaer, Senior Manager Emma Dennis and the Better Cotton India Country team and Programme Partners (PPs) as well as IDH staff: Innovation Manager Vaibhav Panpaliya, Senior Program Manager Heleen Bulckens, and Program Manager Maveen Pareira.
• The consultant is expected to have bi-weekly status report meetings with the Better Cotton on the progress of the assignment.
Microsoft Teams is our preferred platform for project coordination and collaboration. We will offer access to our network and will provide information on current data collection.

To maximise the learning potential from the consultancy, Better Cotton may publish full reports or excerpts from them or may otherwise share them with interested parties.

### Required Skills & Knowledge

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<tr>
<th>Skills, Knowledge and Experience</th>
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<tr>
<td><strong>Essential</strong></td>
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<tr>
<td>• Demonstrable knowledge/understanding of living income and measurements of living income baseline and benchmarks.</td>
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<td>• Demonstrable academic and practical experience in qualitative and quantitative research methodology.</td>
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<td>• Strong analytical and communication skills.</td>
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<td>• Excellent reporting and presentation skills.</td>
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<td>• Understanding of smallholder farming contexts and income drivers</td>
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<td>• Fluency in spoken and written English: Better Cotton’s language of operation is English.</td>
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<tr>
<td><strong>Optional</strong></td>
</tr>
<tr>
<td>• Experience in quantitative and qualitative data collection within farming communities</td>
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<tr>
<td>• Fluency in regional language relevant to research area</td>
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### Application Requirements

Proposals responding to this Request for Proposals should be a maximum of 10 pages (excluding CVs). And include the following:

- Overview of relevant experience;
- Proposed project methodology, sampling strategy, and qualitative approach for potential strategies to increase household income for small cotton farmers;
- Detailed and transparent budget, preferably in EUROS, broken down into objectives and where relevant, deliverables, including time allocation and day rates for each of the deliverables.

In addition to skills, competencies, and expertise, we will consider value for money and demonstrable commitment to the sustainability field to evaluate applications.

We thank all applicants for their interest; however only shortlisted applicants will be contacted.
Better Cotton is committed to good practice and transparency in the management of natural, human, and financial resources. All applications will be reviewed under the principles and subject to Better Cotton’s policies on equal opportunity, non-discrimination, anti-bribery & corruption, and conflict of interest.

Annex A:

- IDH Living Income Roadmap
  https://www.idhsustainabletrade.com/roadmap-on-living-income/
- IDH Income Measurement Survey
Shared Responses and Queries

1. What information is available concerning the sample size and sampling for the project?

Response: Sampling will take place among smallholder households where a lead farmer is certified under the Better Cotton Standard System. Sampling will happen with help from a Better Cotton programme partner in the 2 states of Maharashtra and Telangana. It will not be needed to stratify the sample into sub-groups, but we will need statistically robust data that can compare the 2 states if budget allows and can be compared with future income measurements of the same households.

2. What is the population distribution within the designated geographical area?

Response: The population distribution for the designated area is shown in the table below.

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>Farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharashtra</td>
<td>Dhule</td>
<td>55060</td>
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<tr>
<td></td>
<td>Nandurbar</td>
<td>40081</td>
</tr>
<tr>
<td>Telangana</td>
<td>Adilabad</td>
<td>9754</td>
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<tr>
<td></td>
<td>Siddipet</td>
<td>17346</td>
</tr>
<tr>
<td></td>
<td>Jangaon</td>
<td>11905</td>
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<tr>
<td></td>
<td>Nalgoda</td>
<td>11136</td>
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</tbody>
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