

MANAGEMENT RESPONSE



Regional office: DRC

Title evaluation report: Social Return of Investment in coffee sub-sector in DRC

Date of the Management Response: May 1st 2021

Staff involved in the Management Response: Ivan, Germaine, Augustin, François and Leopold

Cleared by: Germaine

Management response	We appreciate this first trial of the efficiency analysis of our coffee work in Congo since it concretises (and triggers us about) the number of changes we contribute to in terms of ratio and values (1\$ invested generates 1,38\$). The score seems below the reality due to the lack of data about some benefits. It still has room for improvement since we found out (as the report stresses) that some benefits that could be translated into monetary values (environmental benefits of intercropping, agroforestry, etc.) are not adequately captured. There are quick wins while we reinforce and expand our data collection and sensemaking efforts, including some benefits missing in this analysis, and with a better control over some intervention costs and investment decisions at Cooperatives' level (see below).			
Key action(s)	Time frame	Responsible	Tracking	
			Status	Comments
1.1 Develop SROI tools and train Rikolto and cooperatives staff (as SROI champions) and later launch data collection and sensemaking on a seasonal or yearly basis: <ul style="list-style-type: none"> - Establishment and training of the Efficiency Champions team (4-5 members) - Cost-benefit analysis of coffee farms by a limited and fixed sample of producers in each coop under the coordination of the cooperative management - Establish and update every year a price breakdown tool per kg of coffee (or per cup) - Introduce the gender equity index (which includes a benefit analysis for women) in all coffee coops - Develop a fixed cost monitoring tool for every cooperative as a gauge to contain these costs at a reasonable level to avoid an exaggerated cost price per kg of green coffee. 	2021 2001 2022 2022 2021	Augustin Leopold Leopold Lydie/ANPC Augustin	Improve existing tool and practice. Also, we are waiting of the practical tool for pre-intervention efficiency calculations. Check with buyers who is using the tool Acquire and study the index Compare fixed costs between coops	[Tracking is for updates to be presented at the bi-annual presential IMT meetings]

- Assist the cooperatives in designing a cherry purchasing fund monitoring tool to ensure that inequities between amounts of money sent to the micro-washing stations and volumes of parchment coffee delivered to the coops are identified in real time and action is taken to prevent losses at this level.	2021	Cécile	Collect data about the current monitoring systems used	
1.2 While a strategy for the promotion of domestic coffee consumption will be designed and implemented, we will also install a data collection system that will capture the appreciation of the coffee by consumers and translate this into market trends.	2022-2026	Leopold	Strategy development starts with DGD programme proposal	Currently domestic consumption is almost inexistant, hence promoting it will be very gradual and take time.
1.3 Since undertaking consumer inquiries in Europe or the USA is too costly, we will limit data collection to roasters and distributors to find out if they organize consumer appreciation inquiries and are willing to share the results with us regarding the DRC coffees.	July 2021 Once a year	Leopold	Identify roasters and distributors to be contacted	
1.4 Intensify cooperation with research institutes, NGO experts in environmental issues in order to support Rikolto in quantifying data related to carbon sequestration and its monetary value.	September 2021	Germaine & Ivan	Initial contacts with WCS in May 2021	
1.5 Exchanges with Rikolto in Indonesia on payment of ecosystem services	April -August 2021	Léopold	First meeting with Rikolto in Indonesia took place at the end of April and the exchanges will continue	
1.6 Seek coffee buyers who understand the relevance to sign in advance sales contracts (with COOKKANZ and Bblo Kawa) which bear a higher price for coffee produced in border zones than those paid by coffee smugglers.	June 2021	Ivan & Léopold	Collect samples and explain the context to buyers	