

## **SCOPE Basic<sup>®</sup> Assessment Report**

### **Umoja wa wakulima wa parachichi Mbeya (MBEAFA)**

**Assessment date: March 23, 2021**

**Version SCOPE Basic<sup>®</sup> 2.0.1**

**DRAFT REPORT**

**Total score:**

**2.9**

## Index

|   |    |
|---|----|
| About the SCOPE Basic Assessment Report | 3  |
| Chapter 1 Assessment details            | 4  |
| Chapter 2 Organizational details        | 5  |
| Chapter 3 Assessment results            | 9  |
| 3.1 Assessment risks and strengths      | 10 |
| 3.2 Benchmarking                        | 13 |
| Chapter 4 Business performance          | 16 |
| 4.1 Financial Information               | 16 |
| 4.2 Production & Sales                  | 18 |
| 4.3 Value Chain & Enabling Players      | 19 |
| Annex 1: Assessment results in detail   | 20 |
| Annex 2 Documentation                   | 53 |

## About the SCOPE Basic Assessment Report

The SCOPE Basic Report gives insight into the level of professionalism and management maturity of the assessee. Furthermore, it outlines the strengths and weaknesses and business performance of the organization. The assessment data can be used for capacity building, assessing readiness for finance and market development, segmentation, benchmarking, and monitoring and evaluation. The Basic Report can inform companies and financial institutions regarding the assessee's readiness for finance and market linkages, however; it is not a due diligence process and does not make claims as to whether an organization is bankable or not. All data and information was collected during interviews with representatives of the organization.

### Outline report

This Basic Report contains the following items:

*Chapter 1 Assessment details:* outlining information about the assessment and assessor.

*Chapter 2 Organizational details:* provides detailed information about the organization's contact details, sector, services, board, management, membership and infrastructure.

*Chapter 3 Assessment results:* provides the scores per dimension and per subdimension and may compare scores to previous assessments (if relevant). The scores are benchmarked against other assessed organizations (if available). Furthermore, a summary by the assessor of risks and strengths per dimension is given.

*Chapter 4 Business performance:* outlines information about the financial and production information of the organization and presents relevant clients, service providers, and supporting organizations.

### Methodology

The SCOPE Basic tools measures professionalism by assessing the maturity of organizations' management capabilities across 8 dimensions. The 8 dimensions are: Internal Management, Financial Management, Sustainability, Operations, Production base, Market, External Risks and Enabling Environment. Depending on the relevance, each dimension has a different weight when calculating the scores.

### Scoring system

All tools have a scoring system from 1 to 5, 1 being the lowest and 5 being the highest score. Each organization receives a total score and a score on the dimension level.

|         |                                |     |                               |
|---------|--------------------------------|-----|-------------------------------|
| Score 1 | very immature organization     | N/A | Not available                 |
| Score 2 | immature organization          | N/R | Not relevant (not applicable) |
| Score 3 | maturing organization          |     |                               |
| Score 4 | professional organization      |     |                               |
| Score 5 | very professional organization |     |                               |

*Note:* although the scale is the same, a SCOPE Basic score is not the same as a SCOPE Pro score. The Pro methodology assumes a higher level of professionalism. An organization that is considering access to markets and access to finance, and that scores a Basic 4 or higher, can be eligible for a SCOPE Pro assessment. The Basic methodology is aligned with the Pro methodology on dimensions in order to facilitate graduation to the Pro level. More detail about the methodology, weighting of dimensions and score interpretation, can be found in the SCOPEinsight Methodology and Score Interpretation Guidelines.

### Contact

SCOPEinsight provides assessment tools and business intelligence that enables you to professionalize actors in agricultural value chains. Analyses of data will improve the effectiveness of service delivery to those organizations. Assessments need to be conducted by certified SCOPE assessors.

contact@scopeinsight.com – www.scopeinsight.com

*Disclaimer:* This report and any attachments are confidential and may not be copied or distributed to anyone who is not the rightful recipient. If you are not the intended recipient, you must not copy this document or attachment and you may not disclose the contents to any other person. No rights whatsoever may be derived from this document other than the rights stipulated in an agreement between SCOPEinsight B.V. and the entitled party.

## Chapter 1 Assessment details

### Assessee

|                          |  |
|--------------------------|--|
| Name                     | Umoja wa wakulima wa parachichi Mbeya (MBEAFA) |
| SCOPEinsight Assessee ID | 4502   |

### Type of Assessment

SCOPE Basic  
2.0.1

### Dates

|                              |                |
|------------------------------|----------------|
| Assessment Start Date        | March 23, 2021 |
| Assessment Finalization Date | Not finalized  |

### Purpose of Assessment

capacity building

### Representatives Present

|                       |   |
|-----------------------|---|
| Tegemea Maani         | Secretary                               |
| Fautini Mwabulyeme    | Executive Committee Member              |
| Atupakisye Mwakapunya | Executive Committee Member              |
| Raphael Mwakijungu    | Vice Chairman                           |
| Beni Mwasaka          | Executive Committee Member              |
| Juma Mzara            | Agronomist from Rungwe District Council |

### Assessed and Reviewed by

|                  |             |
|------------------|-------------|
| Assessor         | Peter Sanga |
| Quality Reviewer | Maxine Geke |

### Assessment Comments

-

### Observations on assessment process

N/A

## Chapter 2 Organizational details

### Umoja wa wakulima wa parachichi Mbeya (MBEAFA)

| Location | Organizational information |
|----------|----------------------------|
| Bomani   | Legal status               |
| 0255     | Number of members          |
| Mbeya    | Products                   |
| Tanzania | Association                |
|          | 150                        |
|          | Avocados                   |

### Contacts

| Name                 | Position      | Contact Details                           |
|----------------------|---------------|---|
| Prof. Tuli Kassimoto | Chairman      | kassimoto235@hotmail.com<br>+255754567374 |
| Tegemea Maani        | Secretary     | +255756528842                             |
| Raphael Mwakijungu   | Vice Chairman | +255682426278                             |

### Images



ScopeInsight Assessment Participants at MBEAFA on the process to be changed to Bhakasokela Kyuma AMCOS

| Basic & contact details                    |  | Sectors   |
|--|--|---|
| Name                                       | Umoja wa wakulima wa parachichi Mbeya (MBEAFA) | agriculture, forestry   |
| Abbreviation                               | MBEAFA   |   |
| Street                                     | Bomani   |   |
| Street no.                                 |  |   |
| Zipcode                                    | 0255   |   |
| City                                       | Mbeya  |   |
| Region                                     | Mbeya  |   |
| Region ISO                                 | Mbeya  |   |
| Country                                    | Tanzania                                       |   |
| Global region                              | East Africa                                    |   |
| GPS location                               | -9.259444, 33.647222                           |   |
| Office phone number                        | +255787508933                                  |   |
| Email address                              | ptrsanga@gmail.com                             |   |
| Website                                    | N/A  |   |
| Services/Activities                        |  | training, trading, processing, primary production, plantation management, financial services, marketing, advocacy |
| Infrastructure information (main location) |  |   |
| Access roads                               | All-weather road                               |   |
| Distance to hub                            | 0-20km   |   |
| Public transportation                      | Available in vicinity                          |   |
| Power / electricity                        | Unstable without generator backup              |   |
| Internet access                            | Mobile only                                    |   |
| Mobile network coverage                    | Broad coverage                                 |   |
| Running water                              | Running water                                  |   |
| Warehousing                                |  |   |

| Incorporation                        |                                   |
|--------------------------------------|-----------------------------------|
| Legal status (specify if necessary)  | Association Producers Association |
| Year of incorporation                | 2018                              |
| In operation since                   | -                                 |
| Registration/Business license number | N/A                               |
| Tax identification number            | N/A                               |

## Board and management

| Board members               |   | Manager / key staff    |   |
|-----------------------------|---|------------------------|---|
| No. of female board members | 3 | No. of female managers | 0 |
| No. of male board members   | 4 | No. of male managers   | 0 |
| No comment provided         |   | No comment provided    |   |

## Employees

| Full-time employees               |   | Part-time employees               |   |
|-----------------------------------|---|-----------------------------------|---|
| No. of female full-time employees | 0 | No. of female part-time employees | 0 |
| No. of male full-time employees   | 0 | No. of male part-time employees   | 0 |
| No comment provided               |   | No comment provided               |   |
| Seasonal employees                |   |                                   |   |
| No. of female seasonal employees  | 0 |                                   |   |
| No. of male seasonal employees    | 0 |                                   |   |
| No comment provided               |   |                                   |   |

## Membership and outgrowers (direct members of PO + indirect via subsidiary)

| Members                    |     | Active members                      |     |
|----------------------------|-----|-------------------------------------|-----|
| No. of female members      | 40  | No. of <u>active</u> female members | 40  |
| No. of male members        | 110 | No. of <u>active</u> male members   | 110 |
| No comment provided        |     | No comment provided                 |     |
| Member cooperatives        |     | Member unions                       |     |
| No. of member cooperatives | 0   | No. of member unions                | 0   |
| No comment provided        |     | No comment provided                 |     |

| Outgrowers                 |   | Active outgrowers               |   |
|----------------------------|---|---------------------------------|---|
| No. of female outgrowers   | 0 | No. of active female outgrowers | 0 |
| No. of male outgrowers     | 0 | No. of active male outgrowers   | 0 |
| <i>No comment provided</i> |   | <i>No comment provided</i>      |   |

| Governance Structure   |         |                  |   |
|------------------------|---------|------------------|---|
|                        | Present | Number of People | Description   |
| Annual general meeting | Yes     | 150              | Annual General Meeting is conducted once per annum and all members participate in the meeting. In this meeting all plans and implementations reports are approved by members. |
| Management team        | No      | 0                |   |
| Supervisory board      | No      | 0                |   |

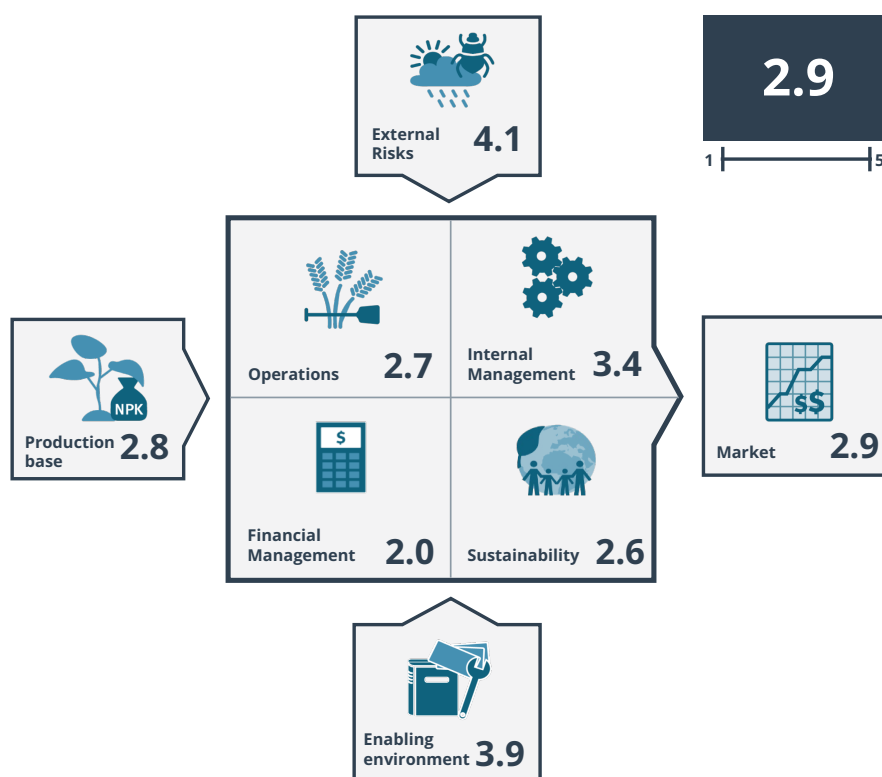
**Mission**

Promote, uniting and facilitate cooperative members to increase avocado production and productivity.

**Vision**



Leading on production and productivity of avocado to improve farmers livelihood.

## Chapter 3 Assessment results



| Total                            | 2.9        | Your scores per dimension    |            |
|----------------------------------|------------|------------------------------|------------|
| Dimension                        | Score      | Dimension                    | Score      |
| <b>INTERNAL MANAGEMENT</b>       | <b>3.4</b> | Strength of production base  | 2.7        |
| Governance                       | 3.7        | Extension services           | 3.3        |
| Internal organization            | 3.1        | <b>MARKET</b>                | <b>2.9</b> |
| Business planning                | 2.8        | Market related risks         | 3.4        |
| Membership management            | 4.1        | Marketing strategy           | 2.3        |
| <b>FINANCIAL MANAGEMENT</b>      | <b>2.0</b> | <b>EXTERNAL RISKS</b>        | <b>4.1</b> |
| Financial administration         | 2.4        | Weather and natural risks    | 4.2        |
| Financial planning               | 2.0        | Biological and environmental | 4.0        |
| Financial reporting & monitoring | 1.7        | <b>ENABLING ENVIRONMENT</b>  | <b>3.9</b> |
| Financial services               | N/A        | Capacity builders & NGOs     | 2.7        |
| <b>SUSTAINABILITY</b>            | <b>2.6</b> | Community                    | 4.0        |
| Social issues                    | 2.7        | Government                   | 4.6        |
| Environmental issues             | 2.4        |                              |            |
| <b>OPERATIONS</b>                | <b>2.7</b> |                              |            |
| Storage                          | 1.0        |                              |            |
| Logistics                        | 3.1        |                              |            |
| Processing                       | 3.6        |                              |            |
| <b>PRODUCTION BASE</b>           | <b>2.8</b> |                              |            |
| Provision of inputs              | 2.3        |                              |            |
| Collection from members          | 3.1        |                              |            |

### 3.1 Assessment risks and strengths

| Section  | Risk areas  | Strong areas   |
|--|---|--|
| <b>INTERNAL MANAGEMENT</b><br>    | <p>An association has not recruited professional staff to manage its operations. Day to day activities is conducted by Executive Committee members having standard VII and form IV education levels with inadequate skills on, managing agribusiness enterprises. Overall association management is inadequate and lacks management tools like, management objectives, and operating policies on financial management, child labor prevention, work and safety and human resource management. Management performance measurement is generalized to Executive Committee instead of individual committee members. Avocado production is done by individual farmers and there are production challenges such as low productivity, pest and diseases not well addressed by the association to its members. Information on production costs, production volumes, sells volumes and sells revenue are not collected at association level. An association don't have Business plan which financial statements like; Income statement, Cashflow and Balance sheet to guide performance of it.</p> | <p>MBEAFA is a registered association with registration RDC/GR. D 459/2019 of the year 2019. It has a total of 150 members in which 110 males and 40 females. An association constitution represented its Mission, Vision, organization structure, membership, and other conditions to govern and manage it. Annual General Meeting (AGM) is a supreme body for decision making and all members attends the meeting. Under AGM followed by Board of Directors which supervises the Executive Committee which execute day to day activities. The Executive Committee is made up by Chairman, Secretary, Treasury and 3 members and is responsible to implement day to association activities. Members in BoD and Executive committee are elected democratically by announcing positions and members apply to compete for the positions, after election they get approval from AGM before starts their responsibilities. The organization is guided by business objective aimed to improve members livelihood and income through avocado production.</p> |
| <b>FINANCIAL MANAGEMENT</b><br> | <p>Financial management skills are inadequate in the association. There is no separate written financial policy or guideline. The organization growth is limited by meagre finance resource as it depends on members contributions and no efforts have been done to source finance form donors or financial institutions. Business performance of the organization is unknown due to absence of business plan, weak financial reporting as it excludes information on productions volumes, costs and sales prices of members produces. Association's financial contributions to its members is not clearly established. In access to finance and farm inputs to members will continue to be a challenge as there is no collective efforts to address these.</p>   | <p>An association depends on members contributions to finance its activities. It has basic paper-based accounting system with accounting tools like, cash book and expense book. Association finances are managed by treasury who is trained on bookkeeping, and reports to Executive Committee. Financial information such as income from members contributions and office operations expenditures are well documented. An association has procurement procedures written in a constitution whereby, all purchases originate from Executive Committee, approved by the Board of Directors, and reported to AGM. They are aware on other sources of funds from donors and government, but they did not apply to access. And cash is professionally managed by keeping records on income and expenditure, and all received cash are deposited in the association account at NMB Bank PLC.</p>   |

## SUSTAINABILITY



There is no clear understanding on child labor and women violence in the association as no assessment conducted. They lack gender policy/guideline on prevention of child labor and women violence leading to guessing on its preventions. Environmental conservations and climate change, understanding is still low even if there are environmental conservation practices done by members. No written documents to address child labor, maternity rights, and environmental conservations in the association.

There is awareness on human rights in the association, they emphasize prevention of child and forced labor. Children works in farms at family levels, but traditionally children go with their families at farms to assist light works and is a way to transfer farming knowledge and skills to youth. An association encourages its members to make follow up on school attendance to their children and sensitize, train, and warn its members on prevention child and forced labor. Traditionally women are not involved on heavy or risky works during pregnancy. Association leaders are elected democratically, and all members (men, women, and youth) are free to apply for the positions. Also, allowance does not discriminate gender of a member. Women are well represented; they are 43% in a Board of Director (BoD). Environment protection is addressed in the association, farmers are trained on soil and water conservation to protect environment degradations. They are aware that farming activities can pollute water bodies, members are well informed that farming activities must start 60 meters from water bodies. Also, prevents water bodies contaminations by chemicals, by employing proper measures on waste disposal. And they are aware on nature protections like avoidance of burning of grasses or shrubs during land preparations.

## OPERATIONS



An association lacks cold room to stock avocado in case buyer delays to collect, also to stock low grades avocado before selling to local traders. Procurement of farm inputs is managed by individual farmers challenged quality and high prices. If they could be buying collectively, they could also negotiate for wholesale price which is lower comparing to retailer price.

An association is well linked with Avocado buyer KUZA Africa, which export products to international markets. They communicate buyer on a day to collect products, in which farmers harvest avocado and take care all hygiene required to avoid product contaminations. Buyer and farmers sorts products at the farm before shipping to buyer's factory for color sorting, cleaning, and packing. Vehicles to carrying products are under buyer arrangements, but farmers communicate with buyer on loads and weather conditions changes which may affects shipping of avocados. Farmers are well trained on Global Gaps, and they implement on avocado production.

## PRODUCTION BASE



Avocado production is done by individual member, and production information are not known at association level, which leads the association to fail to provide informed advisory to its members to increase production and productivity. In access to finance and quality farm inputs is still a challenge to members and there in no efforts done by the association to facilitate its members on access to those production factors. Lack of production and sales information limits the association to clearly understand on its value addition to members livelihoods.

An association is made up by members produces avocado. Individual farmers managed their farms, and follows trainings on avocado good agronomic practices, soil and water management, and are trained by competent trainers from buyers and government. Farmers procure farm inputs from certified agro inputs dealers even if it does not guarantee for good quality farm inputs. An association members and buyer's representatives manage avocado quality by sorting products at the farms collectively. Farmers enjoys premium price from buyer which minimizes side selling.

## MARKET



An association currently is dealing with one buyer KUZA Africa, even if have contract with buyer still are in risk of selling products at lower price or stringently condition when market economy will be in favor of buyer.

An association has reliable market of avocados produced by member; it has contract with buyer (KUZA Africa). And buyers demand is over association members production capacity. Through having contract with KUZA Africa has minimized marketing risks which may face members as they have agreed on quality and quantity to be supplied. Also, the association has strategies to find alternative buyers of avocado to minimize marketing risks.

## EXTERNAL RISKS



Farmers are challenged by low farms productivity attributed by pests and diseases and other natural disasters like winds, high temperatures e.t.c. Farmers' awareness and mitigation strategies are still inadequate to ensure they realize good productivity in their farms. Climate smart agricultural practices are inadequate understood by farmers and not well composed by extension workers for farmers trainings.

Association members are aware on weather and climate risks in agriculture production. They can explain changes on rainfall pattern and raised temperatures. Also, they are aware about pests and diseases in avocado production, they can explain effects of climate, natural, biological, and environmental risks and its effect on social, financial and ecological. They use Integrated Pests Management Methods like; cultural practices, chemicals, biological and mechanical to control pests and diseases.

## ENABLING ENVIRONMENT



They have inadequate agribusiness skills, such as record keeping, marketing, financial management and value addition. This has been caused in access to other Business Development Services (BDS) providers.

An association receives required capacity building on avocado production from government and buyer extension officers. It has good reputation in the community and members are increasing due to the good relationships with government extension workers and KUZA Africa, a buyer. Closeness with government officers has been attributed by association compliance with government laws like being registered, supporting government efforts to improve agriculture production.

## Comments by assessor

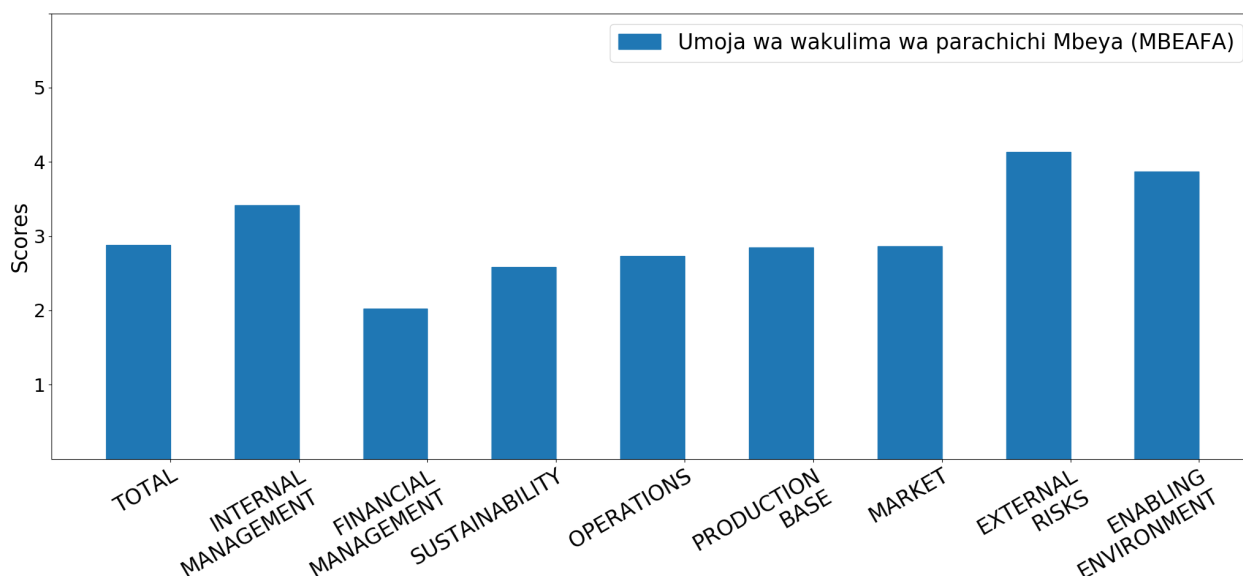
There is a need to engage this farmers association to improve their knowledge and skills on, Leadership and Management, Financial Management, Gender Mainstreaming, Avocado Production Management and Climate Smart Agriculture.

## 3.2 Benchmarking

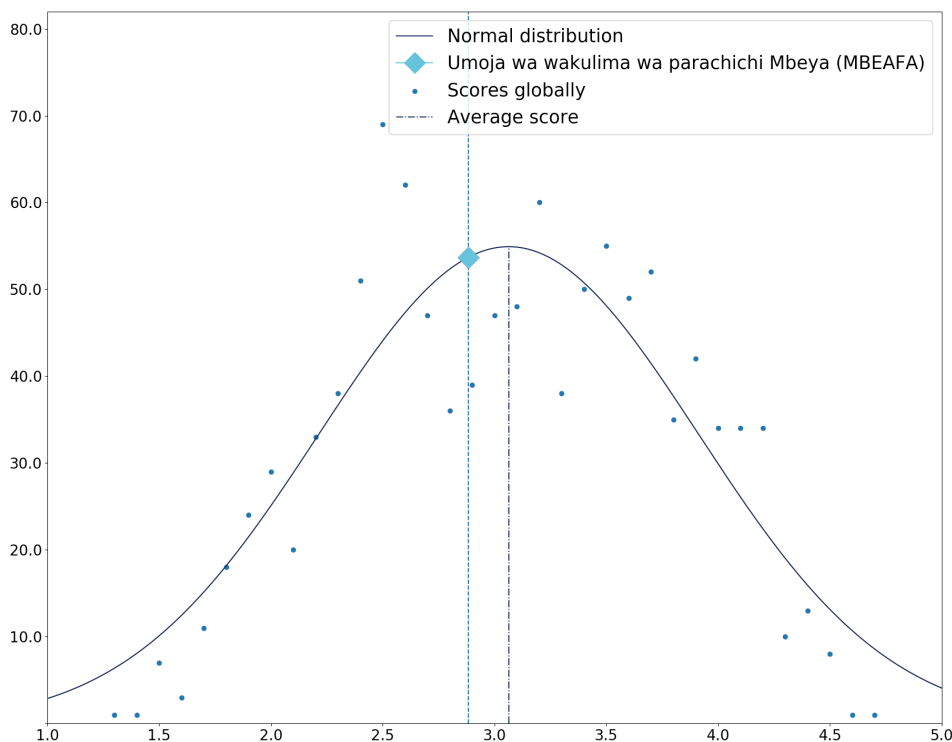
This page shows you benchmarking information of the assessment with other assessment data from the SCOPEinsight assessment database.

### Scores over time

Take regular assessments and you can see your progress over time.



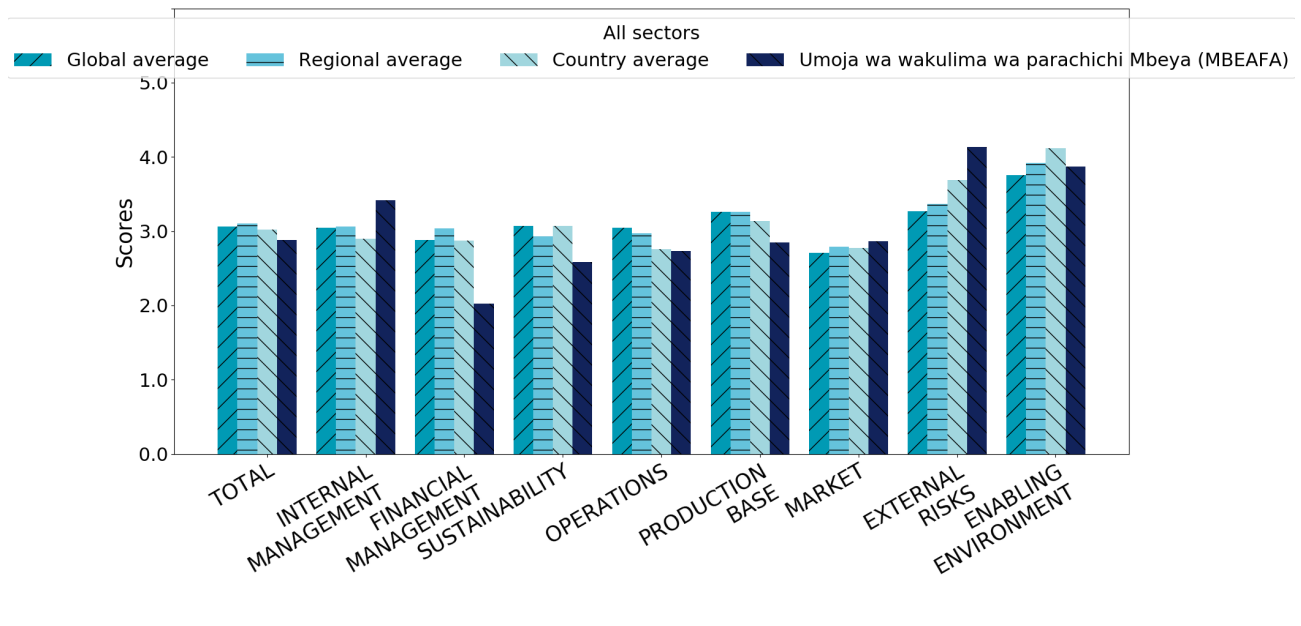
### Where am I



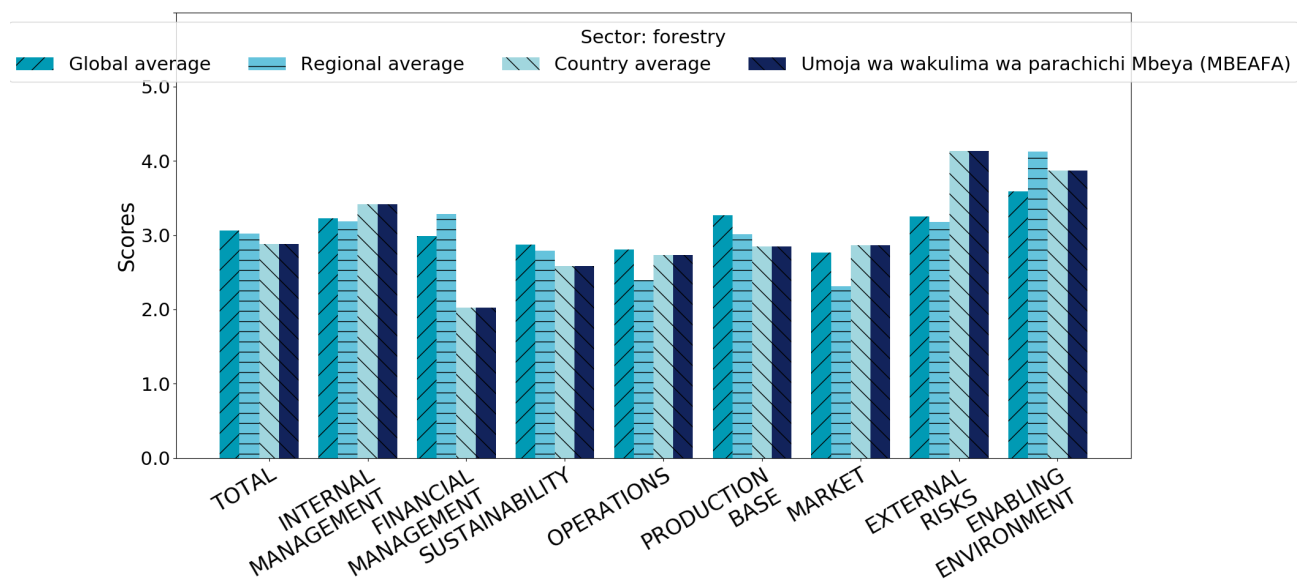
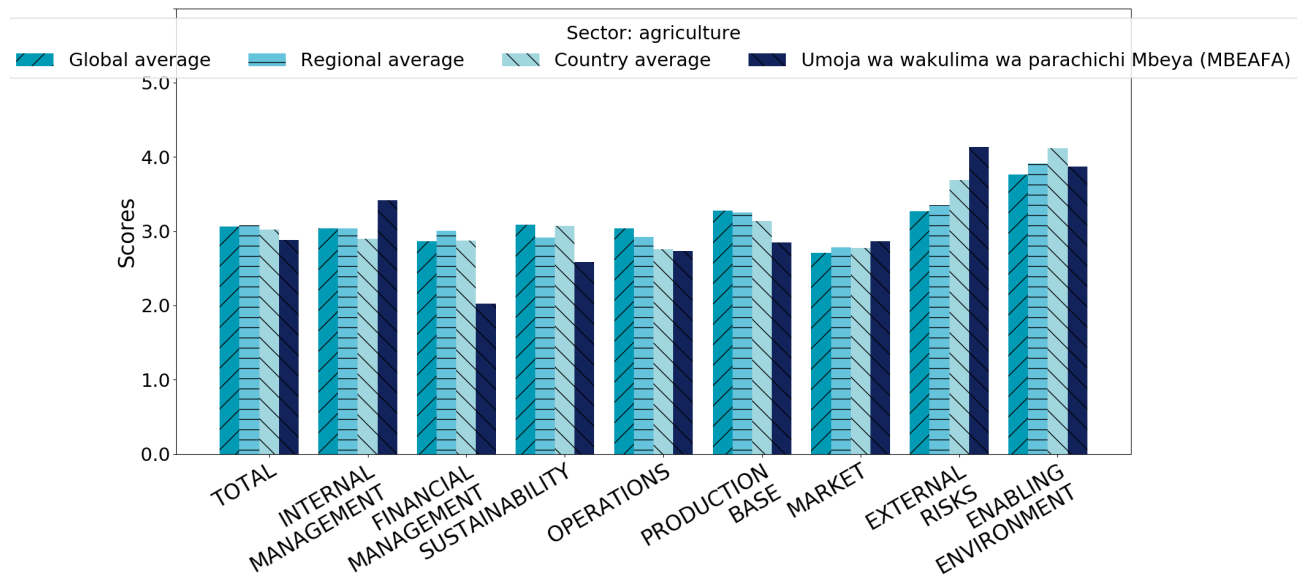
2.9 The total score of 2.9 for your organization is -0.2 points different from the average score of 3.1 for all assessed organizations globally.

42% Your organization scores equally or higher than 42% of all assessed organizations.

## All Sectors Benchmark



## Same Sector Benchmark



## Chapter 4 Business performance

### 4.1 Financial Information

#### Financial Information

| Year | Turnover | Cost of sales | Gross profit | Operational Costs | Net Profit |
|------|----------|---------------|--------------|-------------------|------------|
|------|----------|---------------|--------------|-------------------|------------|

No information available.  
Reason:

#### Financial strategy

Outline in percentages (rough estimates) how the FO is financed in the current fiscal year

| Business surplus | Member fee/capital | Loan           | Pre-finance    | Grant          | Other |
|------------------|--------------------|----------------|----------------|----------------|-------|
| No information   | 11                 | No information | No information | No information | 89    |

#### Bank Accounts

| Bank         | Type    | Active since | Current balance |
|--------------|---------|--------------|-----------------|
| NMB Bank PLC | company | 2019         | TZS 5,600,000   |

#### Loan history

| Loan amount | Type of Financier | Name of Financier | Start date | Duration | Interest rate (annual) | Repayment status | Purpose | Comment |
|-------------|-------------------|-------------------|------------|----------|------------------------|------------------|---------|---------|
|-------------|-------------------|-------------------|------------|----------|------------------------|------------------|---------|---------|

No information available.  
Reason:

#### Pre-finance history

| Amount | Type of provider | Name of provider | Start date | Duration (months) | Annual interest rate | Repayment modality | Purpose | Comment |
|--------|------------------|------------------|------------|-------------------|----------------------|--------------------|---------|---------|
|--------|------------------|------------------|------------|-------------------|----------------------|--------------------|---------|---------|

No information available.  
Reason:

#### Grant history

| Grant amount | In cash / in kind | Name of funder | Funder type | Start date | Purpose | Comment |
|--------------|-------------------|----------------|-------------|------------|---------|---------|
|--------------|-------------------|----------------|-------------|------------|---------|---------|

No information available.  
Reason:

## Comments by assessor

Financial history of the association is characterized by having bank account at NMB Bank PLC, it hasn't done any facilitation to its members to access loan and grants. Members access loan by individual efforts, even if they are highly challenged by inadequate collateral and bank deposits. There is agriculture insurance opportunity for farmers access to finance by not yet exploited by the association.

## 4.2 Production & Sales

### Avocados

| Production & Sales   |        |  |        |
|--|--------|--|--------|
| Category   | Fruits | Certification(s)   |        |
| Type / Variety   | Hass   | Estimated % of member/outgrower production sold to the assessed organization | 100.00 |
| Quality (grade)  | A      |  |        |
| Amount of production units / land used for product (production area)                               | 800.00 |  |        |
| Land unit  | acre   |  |        |
| Production unit  |        |  |        |
| Avg. yield (estimate per land /production unit)  | 800.00 |  |        |
| * e.g. if product is coffee, production-unit is tree; if product is milk, production unit is head. |        |  |        |

### Produce purchased from members

| Year  | Volume | Volume units | Price per unit | Percent certified |
|---|--------|--------------|----------------|-------------------|
| No information available.   |        |              |                |                   |
| Volumes purchased by the producer organization from its members and / or outgrowers |        |              |                |                   |

### Produce purchased from others

| Year   | Volume | Volume units | Price per unit | Percent certified |
|--|--------|--------------|----------------|-------------------|
| No information available.                                  |        |              |                |                   |
| Volumes purchased by the producer organization from others |        |              |                |                   |

### Produce sold

| Year   | Volume | Volume units | Price per unit | Percent certified | Percent exported |
|--|--------|--------------|----------------|-------------------|------------------|
| No information available.  |        |              |                |                   |                  |
| Volumes sold a buyer / offtaker (of produced and/or purchased). Including inputs sold to members/outgrowers if relevant. |        |              |                |                   |                  |

### Inputs purchased

| Name                      | Year | Volume | Volume units | Price per unit | Percent certified |
|---------------------------|------|--------|--------------|----------------|-------------------|
| No information available. |      |        |              |                |                   |

### Comments by assessor

MBEFAFA coordinate its members to produce AVOCADO and facilitate sales to KUZA Africa. Individual member control its revenue and not reported by a group.

## 4.3 Value Chain & Enabling Players

### Clients

|  |  |
|--|--|
| <b>Name</b>                              | KUZA Africa  |
| <b>Organizational type</b>               | Company  |
| <b>Relation</b>                          | Trader (export)  |
| <b>Number years in relation</b>          | 3.0  |
| <b>Contract in place</b>                 | Yes  |
| <b>Contract start year</b>               | 2019   |
| <b>Contract end year</b>                 | 2020   |
| <b>Description of agreement/relation</b> | KUZA Africa is Avocado exporting company purchases Avocado from MBEAFA. And they have a contract which depicts KUZA Africa to provide extension services |

### Service providers and Supporting organizations

|  |   |  |  |
|--|---|--|--|
| <b>Name</b>                              | Rungwe District Council   | NMB PLC  | SOLIDARY DAD   |
| <b>Organizational type</b>               | Govt. body  | Company  | NGO  |
| <b>Type of service</b>                   | Capacity builder  | Financial service provider   | Capacity builder   |
| <b>Number of years in relation</b>       | 3.0   | 2.0  | 1.0  |
| <b>Contract in place</b>                 | No  | No   | No   |
| <b>Contract start year</b>               | -   | -  | -  |
| <b>Contract end year</b>                 | -   | -  | -  |
| <b>Description of agreement/relation</b> | Rungwe District Council provides extension services to MBEAFA members | NMB PLC provides financial services up to it has not extended any loan but it hosts our bank account | It provides capacity building service and 3 youths from our group to receive TOTY training on Avocado. |

### Comments by assessor

Other actors like CRDB Bank are interested to work with a cooperative on Loan provision.

# Annex 1: Assessment results in detail

## 1: INTERNAL MANAGEMENT

### Scores

|     |                            |
|-----|----------------------------|
| 3.4 | 1: INTERNAL MANAGEMENT     |
| 3.7 | 1.1: Governance            |
| 3.1 | 1.2: Internal organization |
| 2.8 | 1.3: Business planning     |
| 4.1 | 1.4: Membership management |

### 1.1: Governance

|       | Topic   | Score | Comments  |
|-------|---|-------|---|
| 1.1.1 | <b>Management</b><br>Does the organization have an executive management for key positions?<br><br><u>Does the organization have hired employees for the key positions?</u><br><input checked="" type="checkbox"/> Manager<br><input checked="" type="checkbox"/> Financial manager (e.g. bookkeeper, accountant)<br><input type="checkbox"/> Marketing manager<br><input type="checkbox"/> Additional manager<br><input type="checkbox"/> None of the above   | 3.0   | No any staff have been employed by the association, daily activities are done by Executive Committee which includes; Chairman, Vice Chairman, Secretary, Treasury, 3 members. |
| 1.1.2 | <b>General manager</b><br><br><u>How was the general manager appointed?</u><br><input checked="" type="checkbox"/> Applicant was appointed by the board of directors and/or recruitment committee<br><input checked="" type="checkbox"/> Applicant made a formal application that was reviewed by the board of directors/recruitment committee<br><input type="checkbox"/> Applicant was selected based on relevant educational background<br><input checked="" type="checkbox"/> Applicant was selected based on experience in a management function(s)<br><input type="checkbox"/> Recruitment process is documented (e.g. HR manual, by-laws or otherwise)<br><input checked="" type="checkbox"/> Applicant was appointed without interferences of third parties (government, NGOs, etc)<br><input type="checkbox"/> None of the above | 3.7   | Executive Committee Chairman is considered as a General Manager. Even if the organization will need to recruit a manager in future.   |

| Topic   | Score | Comments   |
|---|-------|--|
| <p>1.1.3 <b>Quality of management staff</b></p> <p>How many years of relevant experience does the manager have?<br/>25</p> <p>Do key staff have a relevant educational background and experience?</p> <ul style="list-style-type: none"> <li>✓ Manager has a relevant educational background and/or experience</li> <li><input type="checkbox"/> Financial officer/manager has a relevant educational background and/or experience</li> <li><input type="checkbox"/> Marketing officer/manager has a relevant background and/or experience</li> <li><input type="checkbox"/> Additional officer/manager 1 has a relevant educational background and/or experience</li> <li><input type="checkbox"/> Additional officer/manager 2 has a relevant educational background and/or experience</li> <li><input type="checkbox"/> None of the above</li> </ul> | 3.4   |  |
| <p>1.1.5 <b>Accountability of management</b></p> <p>In which way are managers/key staff held accountable for their responsibilities?</p> <ul style="list-style-type: none"> <li>✓ Managers/key staff have distinct responsibilities</li> <li>✓ Responsibilities are clearly documented (e.g. organization's bylaws, HR manual or otherwise)</li> <li>✓ Organization can mention 2 mechanisms of how it holds managers/key staff accountable</li> <li>✓ Measures to hold managers/staff accountable on their responsibilities are documented</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 5.0   | The association have written role and responsibilities stipulated in a constitution.   |
| <p>1.1.6 <b>Independence of management</b></p> <p>To what extent can the management do their work independently?</p> <ul style="list-style-type: none"> <li>✓ The BoD lets the management carry out its functions without interference into the day-to-day management</li> <li>✓ The management takes important decisions by consensus (e.g., on the organization's strategy, hiring new executives, approving budgets)</li> <li>✓ All managers get an equal say in decision-making</li> <li>✓ The management can carry out their work without influence from outside organizations or persons (e.g., government, donors, NGOs)</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 5.0   | No interference by the government on the implementation of activities.   |
| <p>1.1.7 <b>Continuity of management</b></p> <p>Is there continuity of the management?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Qualified candidates in the organization are under 35 years of age</li> <li>✓ Successors are available for the general manager</li> <li>✓ Successors are available for financial officer</li> <li>✓ Successors are available for other key staff positions</li> <li>✓ Potential successors are being trained to become future managers</li> <li><input type="checkbox"/> Candidates will need little or no training to be able to fulfill executive functions</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 3.7   | An association is aware on succession plan of youth on management. They have communicated with other partners to provide training to Youths from their organization. |

| 1.1.8 | Topic   | Score | Comments  |
|-------|---|-------|---|
|       | <b>General assemblies</b> <p><u>Are general assemblies (AGMs) regularly organized?</u></p> <ul style="list-style-type: none"> <li>✓ The organization holds AGMs</li> <li>✓ AGMs occur annually</li> <li><input type="checkbox"/> Strategic, annual and business plans are presented and discussed at the AGM</li> <li><input type="checkbox"/> Financial statements and/or audits are presented during the AGM</li> <li>✓ All members have the right to attend the meeting and/or represented during the AGM</li> <li>✓ Members are able to express their needs and (dis-)satisfactions during the AGM, and this is well-documented</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 3.7   | According to their constitution an association has 2 AGMs. 1 on June and 1 on December.   |
|       | <b>Board of directors</b> <p><u>How are the Board of Directors (BoD) elected?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> There are annual elections for the BoD</li> <li>✓ The BoD has always been democratically elected at the AGM</li> <li>✓ Members elect the board of directors</li> <li>✓ Elections are based on description of eligibility and desired qualifications (e.g., required education and experience)</li> <li>✓ The election procedure is fair (anonymous voting by all members)</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>What are the terms and conditions based on which the board of directors is functioning?</u></p> <ul style="list-style-type: none"> <li>✓ BoD terms are limited in number and duration</li> <li>✓ The board members don't exceed the number of terms or duration of terms</li> <li>✓ BoD change occurs in line with the rules of the organization</li> <li>✓ Organization makes sure all BoD doesn't change at the same time (staggered terms)</li> <li>✓ New board members are trained to prepare them for the board function</li> <li>✓ Term policy and termination processes are documented</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Does the BoD represent its members and are there measures in place to work towards adequate representation?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> A documented policy/quota for percentage/number of young people (&lt; 35 years) to be part of the board</li> <li><input type="checkbox"/> A documented policy/quota for the percentage/number of women to be part of the board</li> <li>✓ A board that adequately represents the membership in terms of member's diversity (e.g. male, female, youth, region, ethnicity, etc.)</li> <li><input type="checkbox"/> None of the above</li> </ul> | 4.1   | Involvement of Women and Youth in the Board is not documented, but considerations was done by members awareness on Gender issues. |

| Topic  | Score | Comments   |
|--|-------|--|
| <p>1.1.10 <b>Division of responsibility</b></p> <p>Is there a clear division of responsibility between the management team and board of directors?</p> <ul style="list-style-type: none"> <li>✓ Responsibilities of managers and board of directors are documented</li> <li>✓ Respondents can describe the distinction in mandate and responsibilities between management team and board of directors</li> <li>✓ NO overlap between functions of management team and board of directors</li> <li>✓ Board of directors stick to their responsibilities and mandate</li> <li><input type="checkbox"/> None of the above</li> </ul> | 5.0   |  |
| <p>1.1.11 <b>Supervisory committee</b></p> <p>Is the supervisory committee functional and qualified?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> comes at least on a quarterly basis together</li> <li>✓ makes minutes about the decisions and agreements made during the meetings</li> <li>✓ reports during the AGM</li> <li>✓ members of the supervisory committee are elected during the AGM, and they have the proper qualifications</li> <li>✓ respondents mention responsibilities of the supervisory committee</li> <li><input type="checkbox"/> None of the above</li> </ul>                     | 4.2   | <p>The association Executive Committee is supervised by AGM is where they report all the activities.</p> |

## 1.2: Internal organization

|       | Topic  | Score | Comments  |
|-------|--|-------|---|
| 1.2.1 | <b>Bylaws</b>  | 4.8   |   |
|       | <p><u>Does the organization have documented by-laws?</u></p> <ul style="list-style-type: none"> <li>✓ has documented by-laws</li> <li>✓ has a written policy how to change/amend the by-laws</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>The by-laws contains information about:</u></p> <ul style="list-style-type: none"> <li>✓ Purpose of the organization</li> <li>✓ Qualification of members / membership criteria</li> <li>✓ Responsibilities of members</li> <li>✓ Dismissal of members</li> <li><input type="checkbox"/> Election of the Board of Directors</li> <li>✓ Organization of general assembly/member meetings (e.g.)</li> <li>✓ Responsibilities of the BoD and management</li> <li>✓ Formation and composition of committees</li> <li>✓ Amendment of constitutions/bylaws</li> <li><input type="checkbox"/> None of the above</li> </ul> |       |   |
| 1.2.4 | <b>Performance of management</b>   | 1.7   | An association is lead by Executive Committee. Performance Evaluation is done to the whole executive committee. |
|       | <p><u>How is the performance of staff measured?</u></p> <ul style="list-style-type: none"> <li>✓ The evaluation methodology is clear</li> <li><input type="checkbox"/> Key staff are evaluated at least yearly</li> <li><input type="checkbox"/> In case of non-performance, staff is given the opportunity to improve. If non-performance continues, staff is replaced</li> <li><input type="checkbox"/> Managers/staff have been trained or are replaced in the past after structural bad performance</li> <li><input type="checkbox"/> Performance reviews are documented</li> <li><input type="checkbox"/> Managers/key staff are rewarded or promoted for consistent good performance</li> </ul>  |       |   |
| 1.2.5 | <b>Record keeping</b>  | 4.2   |   |
|       | <p><u>How and how often are the records documented ?</u></p> <ul style="list-style-type: none"> <li>✓ Records are kept of volumes, prices, sales, clients and purchases</li> <li>✓ Records are frequently updated</li> <li>✓ Records are in good physical condition and readable</li> <li>✓ Records are properly ordered and stored</li> <li><input type="checkbox"/> Digital records are kept with back-up available</li> <li><input type="checkbox"/> None of the above</li> </ul>   |       |   |
| 1.2.7 | <b>Awareness of corruption</b>   | 3.9   |   |
|       | <p><u>Is organization aware of corruption risks and taking measures to prevent these?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> more than 3 corruption risks the organization faces</li> <li>✓ review of valuable purchases ( e.g. car, equipment, expensive office material) by more than one person</li> <li><input type="checkbox"/> code of conduct/anti-corruption handbook</li> <li>✓ accounting standards with adequate checks and balances</li> <li>✓ anti-corruption topics addressed during training</li> <li>✓ use of cashbooks and adequate cash handling</li> <li>✓ bookkeeping review by more than one person</li> <li><input type="checkbox"/> None of the above</li> </ul>   |       |   |

### 1.3: Business planning

|       | Topic  | Score | Comments   |
|-------|--|-------|--|
| 1.3.1 | <b>Mission and vision</b> <p><u>Are the vision and/or mission of the organization well defined?</u></p> <ul style="list-style-type: none"> <li>✓ Organization has a vision statement</li> <li>✓ Organization has a mission statement</li> <li>✓ Vision and/or mission statement are well-defined</li> <li>✓ The vision/ mission represent the interests of members and/or stakeholders</li> <li>✓ Mission and/or vision are communicated internally to employees and members</li> <li>✓ Mission and/or vision are communicated to external stakeholders (e.g. customers, government, donors)</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 5.0   |  |
| 1.3.2 | <b>Awareness of strengths &amp; weaknesses</b> <p><u>Is the organization aware of its strengths and weaknesses?</u></p> <ul style="list-style-type: none"> <li>✓ is aware of its key strengths and weaknesses and can name 2 or more for each</li> <li>✓ is aware of its major opportunities and threats and can name 2 or more for each</li> <li>✓ takes steps to improve its weaknesses and can give clear and relevant examples of how it addresses the weaknesses</li> <li>✓ can explain how s/he is taking advantage of the opportunities</li> <li>✓ can explain how potential threats are addressed</li> <li><input type="checkbox"/> has documented its strengths, weaknesses, opportunities, and threats (e.g., business or strategic plan)</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 4.3   | An association executive committee is aware of Strengths, Weaknesses, Opportunities, and Threats but they are not in a written format. |
| 1.3.3 | <b>Business objectives</b> <p><u>Are there clear, well communicated and documented business objectives for the organization?</u></p> <ul style="list-style-type: none"> <li>✓ The organization has business objectives</li> <li><input type="checkbox"/> Members were consulted in establishing the objectives</li> <li>✓ Members are made aware of the objectives</li> <li>✓ The objectives cover income-generating / value adding activities</li> <li>✓ The objectives are reviewed annually</li> <li>✓ The objectives cover sustainability aspects</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Are business objectives defined in a specific, measurable, achievable, realistic and time-bound manner?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Are specific</li> <li><input type="checkbox"/> Are measurable</li> <li><input type="checkbox"/> Are achievable</li> <li><input type="checkbox"/> Are realistic</li> <li><input type="checkbox"/> Are time-bound</li> <li>✓ None of the above</li> </ul> | 2.7   | Objectives are not written in SMART way.   |

|       | Topic                                  | Score | Comments  |
|-------|--|-------|---|
| 1.3.5 | <b>Business performance monitoring</b> | 2.9   | <p><u>How often does the organization monitor its performance and progress against its objectives?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> Never</li> <li><input type="radio"/> Annually</li> <li><input checked="" type="radio"/> Twice a year</li> <li><input type="radio"/> Quarterly</li> <li><input type="radio"/> Monthly</li> </ul> <p><u>Are operations and plans affected by monitoring?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> No</li> <li><input type="radio"/> Partially</li> <li><input checked="" type="radio"/> Yes</li> </ul> <p><u>Which part of the objectives have been achieved in the past 12 months?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> No objectives were met</li> <li><input type="checkbox"/> Few objectives were met</li> <li><input checked="" type="checkbox"/> More than half of the objectives were met</li> <li><input type="checkbox"/> All objectives were met</li> <li><input type="checkbox"/> Organization outperforms and achieved more than the set objectives</li> </ul> |

## 1.4: Membership management

|       | Topic  | Score | Comments  |
|-------|--|-------|---|
| 1.4.1 | <b>Membership management</b> <p><u>How does the organization manage its membership?</u></p> <ul style="list-style-type: none"> <li>✓ Organization has a membership register/database</li> <li>✓ Organization has membership criteria and respondents can list them</li> <li><input type="checkbox"/> Organization has a recruitment strategy linked to its business objectives</li> <li>✓ Organization has member loyalty and/or retention strategy that respondents can outline</li> <li>✓ Organization has clear membership policies</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>What type of membership data is recorded and available?</u></p> <ul style="list-style-type: none"> <li>✓ Full names, addresses, contact details</li> <li><input type="checkbox"/> Gender of main farmer</li> <li><input type="checkbox"/> Age of main farmer</li> <li>✓ Farm sizes, acreage, unfarmed/unused land</li> <li>✓ Farm location (GPS coordinates)</li> <li><input type="checkbox"/> Volumes produced by farmers</li> <li><input type="checkbox"/> Volumes sold to organization</li> <li><input type="checkbox"/> Fertilizer and crop protection products used</li> <li>✓ Type of crops farmers are producing</li> <li><input type="checkbox"/> Training provided</li> <li><input type="checkbox"/> Amount of shares/member capital</li> <li><input type="checkbox"/> Loans / premiums per farmer / overview of money the cooperative owes individual farmers</li> <li><input type="checkbox"/> None of the above</li> </ul> | 3.3   | Members records need to be improved.  |
| 1.4.2 | <b>Membership communication &amp; engagement</b> <p><u>How does the organization communicate and engage its membership?</u></p> <ul style="list-style-type: none"> <li>✓ Organization trains members on cooperative principles and members' duties</li> <li>✓ Members' needs and (dis-) satisfactions are regularly assessed</li> <li>✓ Organization can mention 2 ways of communicating with its members (beyond the AGM)</li> <li>✓ Organization can name 2 ways of how it actively engages members (e.g participatory business planning, member meetings, etc.)</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>How often do staff or board members visit members?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> Annually or less</li> <li><input type="radio"/> Quarterly</li> <li><input checked="" type="radio"/> Monthly</li> <li><input type="radio"/> 2-3 times a month</li> <li><input type="radio"/> Weekly</li> </ul>  | 4.0   | There is a plan to visit members on Monthly basis mainly to check for production of Avocado and provide advise on Good Agronomic Practices (GAP). |

## 2: FINANCIAL MANAGEMENT

### Scores

|     |                                       |
|-----|---------------------------------------|
| 2.0 | 2: FINANCIAL MANAGEMENT               |
| 2.4 | 2.1: Financial administration         |
| 2.0 | 2.2: Financial planning               |
| 1.7 | 2.3: Financial reporting & monitoring |
| N/A | 2.4: Financial services               |

### 2.1: Financial administration

| Topic   | Score | Comments  |
|---|-------|---|
| 2.1.2 <b>Asset register</b><br><br><u>Does the organization keep an asset inventory and valuation?</u><br><input type="checkbox"/> Organization has a process/policy for asset valuation and depreciation<br><input checked="" type="checkbox"/> Register shows estimate value of assets<br><input type="checkbox"/> Organization has a purchase policy<br><input checked="" type="checkbox"/> Board decides on major purchases together<br><input type="checkbox"/> An financial officer / accountant manages the asset inventory and valuation<br><input type="checkbox"/> None of the above  | 2.6   | An association does not have policies for assets valuation and depreciation and purchases. But they have assets register and purchases are done after Executive Committee agreement and Board approval. |
| 2.1.3 <b>Responsible for daily financials</b><br><br><u>Does the organization has dedicated staff for handling the finance</u><br><input checked="" type="checkbox"/> has someone who does financial administration on top of other tasks<br><input checked="" type="checkbox"/> has someone who is specifically responsible for handling the financial administration<br><input type="checkbox"/> None of the above<br><br><u>Does the person who runs the financial administration have a relevant background and experience?</u><br><input checked="" type="checkbox"/> has basic education<br><input type="checkbox"/> holds a degree / diploma in a finance related field<br><input type="checkbox"/> is trained in bookkeeping and budgeting<br><input type="checkbox"/> has held a similar function before<br><input type="checkbox"/> is able to use a digital bookkeeping system<br><input type="checkbox"/> is able to perform basic financial calculations (e.g. annual profit, turn-over, net sales, etc)<br><input type="checkbox"/> None of the above | 3.3   |   |
| 2.1.4 <b>Accounting policies</b><br><br><u>Which rules are in place for the accounting policy?</u><br><input type="checkbox"/> Cash payments<br><input checked="" type="checkbox"/> Control mechanism<br><input checked="" type="checkbox"/> Authorization of payments<br><input checked="" type="checkbox"/> Who checks what and a clear division of tasks<br><input type="checkbox"/> None of the above   | 4.0   | All these are stipulated in a constitution.   |

|       | Topic                | Score | Comments   |
|-------|----------------------|-------|--|
| 2.1.5 | <b>Cash handling</b> | 1.5   | <p><u>Is cash handled in a responsible way ?</u></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Cash books are updated after every transaction</li> <li><input type="checkbox"/> Cash count reconciliation is done weekly</li> <li><input type="checkbox"/> Bank reconciliations are done each month</li> <li><input type="checkbox"/> Cash received is banked without any being spent</li> <li><input type="checkbox"/> Cash spent and received is recorded in the organization's financial books</li> <li><input type="checkbox"/> Cash is kept in a locked cashbox or safe</li> <li><input type="checkbox"/> Cheques are signed by at least two authorized signatories and no blank cheques are signed</li> <li><input type="checkbox"/> Cash payments by the organization are minimized</li> <li><input type="checkbox"/> None of the above</li> </ul> |

## 2.2: Financial planning

|       | Topic  | Score | Comments   |
|-------|--|-------|--|
| 2.2.2 | <b>Finance strategy</b> <p><u>To what extent is the organization able to finance its business operations?</u></p> <ul style="list-style-type: none"> <li>✓ Respondents can clearly explain how their organization is financed</li> <li>✓ Respondents distinguish differences sources funding (including, donor, loan, pre-finance funding)</li> <li><input type="checkbox"/> Organization is able to cover all the working capital needs of the business</li> <li><input type="checkbox"/> Sale/purchase of produce is not (government)-subsidized</li> <li>✓ Organization carries out income-generating activities without donations</li> <li>✓ Organization carries out service activities without donations</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 3.7   | An association depends on members contributions to run its administrative activities.  |
| 2.2.5 | <b>External finance</b> <p><u>Has your organization received any credit from a financial institution?</u></p> <ul style="list-style-type: none"> <li>✓ is aware of the financial institutions in the area</li> <li>✓ is aware of the finance opportunities financial institutions offer</li> <li><input type="checkbox"/> has collateral that can be used to secure a loan</li> <li><input type="checkbox"/> has once received a loan from a financial institutions</li> <li><input type="checkbox"/> regularly receives loans from financial institutions</li> <li><input type="checkbox"/> has been able to repay its loans</li> <li><input type="checkbox"/> was never late with payments</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Does your organization receive pre-finance from buyers/suppliers for its operations?</u></p> <p>Not relevant</p> <p><u>Does your organization rely on grants/donations for its operation?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> relies on grants/donations for its operations and doesn't have other sufficient finance options</li> <li><input type="radio"/> relies partly on grants/donations and it has some other finance options</li> <li><input checked="" type="radio"/> has a variety of other/own finance options and doesn't rely on grants/donations</li> </ul> | 3.6   |  |
| 2.2.6 | <b>Reserves</b> <p><u>Does the organization have financial reserves and a plan to increase them?</u></p> <ul style="list-style-type: none"> <li>✓ has financial reserves</li> <li><input type="checkbox"/> has managed to increase reserves in last year</li> <li><input type="checkbox"/> has a plan to increase reserves/internal capital and respondents are able to explain how</li> <li><input type="checkbox"/> has financial reserves that are sufficient to cover serious setbacks the organization might experience (e.g. price drops, failed harvest, etc.)</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 2.0   | An association have financial reserves which covers office operations. It has plans to increase financial reserves by increasing rate of annual contributions from its members and increase new members. |

## 2.3: Financial reporting & monitoring

|       | Topic                              | Score | Comments   |
|-------|------------------------------------|-------|--|
| 2.3.3 | Cashflow, income, and expenditures | 1.8   | <p><u>Does the organization record and review income and expenditure?</u></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Income and expenditures are reviewed at least monthly</li> <li><input type="checkbox"/> Income and expenditures are consolidated annually</li> <li><input type="checkbox"/> Cashflow is monitored at least monthly</li> <li><input type="checkbox"/> Actuals are compared with budgets/forecasts</li> <li><input type="checkbox"/> Comparison of budgets with actuals informs new budget</li> <li><input type="checkbox"/> None of the above</li> </ul> |

## 2.4: Financial services

| Topic | Score | Comments |
|-------|-------|----------|
|-------|-------|----------|

### 3: SUSTAINABILITY

#### Scores

|     |                           |
|-----|---------------------------|
| 2.6 | 3: SUSTAINABILITY         |
| 2.7 | 3.1: Social issues        |
| 2.4 | 3.2: Environmental issues |

#### 3.1: Social issues

|       | Topic   | Score | Comments  |
|-------|---|-------|---|
| 3.1.1 | <b>Child labour</b> <p><u>Does child labor occur?</u></p> <ul style="list-style-type: none"> <li>✓ Children under 14 do NOT work for members</li> <li>✓ Children under 14 do NOT work for the organization</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>To what extent are children involved in dangerous or heavy labor activities?</u></p> <ul style="list-style-type: none"> <li>✓ Children do NOT do any heavy lifting</li> <li>✓ Children do NOT work with motorized and / or heavy machinery</li> <li>✓ Children do NOT handle harmful chemicals</li> <li>✓ Children are NOT exposed to dangerous animals and/or extreme heat and/or rainfall during their work</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Has the organization done a child labor risk assessment?</u></p> <ul style="list-style-type: none"> <li><input checked="" type="radio"/> Hasn't done a risk assessment</li> <li><input type="radio"/> Has done a risk assessment</li> <li><input type="radio"/> Has done a risk assessment during the last 2 years</li> </ul>  | 3.7   | An association has not done any assessment on child labor risk but they received trainings on Child labor and risks.  |
| 3.1.2 | <b>Child labor prevention</b> <p><u>What does the organization do to prevent child labor?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> can show child labor policy that reflects international and national requirements</li> <li>✓ communicates the importance of not employing children at least quarterly</li> <li>✓ trains / sensitizes staff / members on an annual basis</li> <li><input type="checkbox"/> has records of the number of staff/members trained</li> <li><input type="checkbox"/> actively discourages child labor by supporting farms who see themselves forced to use child labor</li> <li>✓ actively discourages child labor by warning farms that employ children</li> <li><input type="checkbox"/> involves authorities in instances where children are employed and other discouragement is not effective</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Does the organization undertake actions to improve school attendance and/or literacy of children of members / staff?</u></p> <ul style="list-style-type: none"> <li>✓ undertakes actions to encourage school attendance of children of FO staff, members, and member workers</li> <li><input type="checkbox"/> undertake actions to support literacy and numeracy skill-building for staff, members, and their families.</li> <li><input type="checkbox"/> invest in educational projects / development of schools</li> <li><input type="checkbox"/> documents those actions</li> <li><input type="checkbox"/> None of the above</li> </ul> | 2.4   | Children works in farms at family levels. The organization is aware on that, but traditionally children go with their families at farms to assist light works and is a way to transfer knowledge and skills to youth. The association encourages its members to make follow up on school attendance to their children and preventions of child labor. |

| 3.1.3 | Topic   | Score | Comments   |
|-------|---|-------|--|
|       | <b>Forced labour</b>  | 2.3   |  |
|       | <p><u>What measures are being taken to avoid forced labor?</u></p> <p><input type="checkbox"/> Organization has a zero tolerance policy on forced labor</p> <p><input type="checkbox"/> Organization has a policy (e.g. procedure / handbook) on forced labor</p> <p>✓ The organization does not bind employees nor members to employment as a condition to pay back a debt to the FO/employer.</p> <p><input type="checkbox"/> Organization give employees the right to enter into and to terminate their employment freely</p> <p><input type="checkbox"/> Spouses and children of workers are not required to work, unless separately and voluntarily contracted.</p> <p>✓ Organization reaches out to members to raise awareness and can clearly explain how</p> <p><input type="checkbox"/> None of the above</p>  |       |  |
| 3.1.4 | <b>Non-discrimination and equal opportunity</b>   | 1.4   | The association has not recruited staff. Its day to day activities are done by Executive Committee made up by members and includes women. They are paid allowances without sex discrimination. |
|       | <p><u>To what extent does the organization foster equal employment opportunities?</u></p> <p>✓ Organization is aware of and complies with the national laws</p> <p><input type="checkbox"/> Organization has a non-discrimination regulation, policy or similar document</p> <p><input type="checkbox"/> Employees are hired based on the right qualifications (free from discriminatory bias)</p> <p><input type="checkbox"/> Employees have equal access to training and capacity building and no discrimination takes place</p> <p><input type="checkbox"/> There are no differences in compensation for workers performing equal work</p> <p><input type="checkbox"/> None of the above</p> <p><u>Is there a gender pay gap?</u></p> <p><input type="checkbox"/> Women in similar positions earn less than their male colleagues</p> <p><input type="checkbox"/> Women in similar positions earn the same than their male colleagues</p> <p><input type="checkbox"/> Women in similar positions earn more than their male colleagues</p> <p>✓ None of the above</p> |       |  |

| Topic   | Score | Comments   |
|---|-------|--|
| <b>3.1.5 Diversity</b> <p><u>What is the percentage of women employed by the organization?</u><br/>Not relevant</p> <p><u>What is the percentage of women in the management?</u><br/>Not relevant</p> <p><u>What is the percentage of women in the board of directors?</u><br/>43</p> <p><u>What does the organization do to increase women representation and participation in the organization?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> has policy for women participation and representation in the BoD</li> <li><input type="checkbox"/> has policy for women participation and representation in the management/staff</li> <li><input type="checkbox"/> has ways to enable women to move to higher-level functions (e.g. additional training, special measures, coaching, etc)</li> <li><input type="checkbox"/> trains FO staff and/or BoD regularly in gender sensitization</li> <li><input checked="" type="checkbox"/> conducts meetings at times when women can attend</li> <li><input checked="" type="checkbox"/> executes and tailors training programs to the needs of women (e.g. leadership)</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>What does the organization do to increase women membership and participation?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> has policy for women participation and representation of the membership</li> <li><input checked="" type="checkbox"/> allows per household that both men and women can become a member and / or can be recipient of cooperative services</li> <li><input checked="" type="checkbox"/> organize member workshops/trainings to promote women leadership and participation</li> <li><input checked="" type="checkbox"/> trains the farmers regularly in gender sensitization</li> <li><input type="checkbox"/> offers and supports diversifying income generating activities of its members</li> <li><input type="checkbox"/> enrolls training/vocational programs focusing on youth</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>What does the organization do to increase youth participation?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> offers employment opportunities for youth</li> <li><input checked="" type="checkbox"/> trains youth to become the future leaders of the organization</li> <li><input type="checkbox"/> has youth member in the BoD / management</li> <li><input type="checkbox"/> None of the above</li> </ul> | 2.9   | <p>Membership in the association is for both man and woman from the household. This condition has been facilitating increase number of women memberships in the association.</p>   |
| <b>3.1.8 Occupational health &amp; safety</b> <p><u>To what extent are safety measures taken into account?</u></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> has identified risks and safety issues and communicates those to staff and respondents can name examples</li> <li><input checked="" type="checkbox"/> takes steps to remove risks/dangers and respondents can name 2 examples (e.g. warning signs, clear machine utilization instructions, etc)</li> <li><input type="checkbox"/> has trained employees on H&amp;S issues / first aid</li> <li><input checked="" type="checkbox"/> has a safety procedures / handbook (e.g. emergency, addressing fire, agrochemicals, etc.)</li> <li><input type="checkbox"/> has a first aid kit available accessible for staff and/or members</li> <li><input type="checkbox"/> keeps records of accidents and respondents can show these</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 3.0   | <p>The organization has not conducted any risk assessment. But members are aware with dangerous and risks on chemical applications and fire hazards. They are trained on precautions to be taken during chemical applications and avoids land clearing by fire during land preparations.</p> |

- ✓ Employees working with chemicals have been trained
- ✓ Employees working with chemicals have protective clothing
- ✓ Employees working with chemicals have safe equipment
- ✓ Protective equipment and clothing are in good condition and well maintained
- ☐ All chemicals and hazardous substances are properly labelled
- ☐ The organization has documented information / instructions on agrochemical application (e.g. farmer booklet, IT support) for staff / farmers.
- ✓ Children (under 18), pregnant women, breastfeeding women and people with respiratory illnesses do not handle agrochemicals and are prevented to unsafe exposure to hazardous chemicals
- ☐ Use of protective clothing and safe equipment is monitored
- ☐ None of the above

## 3.2: Environmental issues

|       | Topic   | Score | Comments  |
|-------|---|-------|---|
| 3.2.1 | <b>Water source protection</b> <p><u>How is water management organized?</u></p> <input type="checkbox"/> Organization has had NO problems with water sources drying up and /or being polluted in the past<br><input type="checkbox"/> There are documented measures in place for water protection and/or efficient water use in production and processing<br><input checked="" type="checkbox"/> Organization takes steps to prevent water contamination and is able to explain them<br><input type="checkbox"/> Organization has special waste and chemical disposal methods and avoids disposing those in water bodies<br><input checked="" type="checkbox"/> Members/employees are trained in how to properly manage their water supplies<br><input type="checkbox"/> None of the above  | 2.6   |   |
| 3.2.2 | <b>Waste management</b> <p><u>Does the organization have proper waste management practices?</u></p> <input type="checkbox"/> is aware of legal requirements concerning waste disposal applicable to the organization<br><input checked="" type="checkbox"/> can identify waste sources and ideally those are outlined in a list of waste products<br><input type="checkbox"/> is able to explain how waste is recycled or reused<br><input checked="" type="checkbox"/> is able to explain how waste and expired stock are disposed of (e.g., plastics, expired treated seed, expired agrochemicals)<br><input type="checkbox"/> disposes and stores waste and expired stock in designated areas neither in nor near open water sources, homes or community infrastructure (e.g. boreholes)<br><input checked="" type="checkbox"/> trains or makes employees and/or members aware of proper waste management practices<br><input type="checkbox"/> None of the above      | 3.0   |   |
| 3.2.3 | <b>Agrochemicals</b> <p><u>To what extent do employees/members know how to handle agrochemicals?</u></p> <input checked="" type="checkbox"/> Respondents are aware of what agrochemicals farmers use<br><input type="checkbox"/> The organization is aware of and compliant with local law and regulations related storage, use and application of agrochemicals / crop protection products<br><input type="checkbox"/> FO ensures only authorized agrochemicals are applied<br><input type="checkbox"/> Respondents know how to effectively apply the agrochemicals for their intended purposes, including proper dosage, frequency and timing of use<br><input type="checkbox"/> Members/employees are informed about / trained in correct agrochemical use<br><input type="checkbox"/> No expired agrochemicals are used<br><input type="checkbox"/> Organization responds to improper agrochemical use by its employees<br><input type="checkbox"/> None of the above | 1.6   | Farmers are aware with the use of agrochemicals but they need more trainings on agrochemicals handling in Avocado production. |

|       | Topic   | Score | Comments   |
|-------|---|-------|--|
| 3.2.4 | <b>Protection of nature</b>   | 2.6   | An association has by-laws that prevent nature destructions and restricts land clearing by burning vegetation. In case any member violates the law they are reported to government executives for taking other measures. |
|       | <p><u>Is the organization aware and how does the organization respond to surrounding nature?</u></p> <p><input type="checkbox"/> The organization is aware of surrounding natural / protected areas (e.g. natural parks, forestry reserves, conservation areas, etc)</p> <p>✓ The organization shall ensure that no land is cleared by burning the vegetation</p> <p>✓ The organization has a monitoring system in place to monitor and prevent deforestation and degradation of nature</p> <p><input type="checkbox"/> No deforestation or degradation of forest by the organization and its members has occurred during the last year</p> <p><input type="checkbox"/> The FO has a plan to support farmers in implementing agro-forestry / nature protection activities (e.g planting trees, preservation of semi natural areas like hedges and meadows, shaded cropping, agroforestry practices)</p> <p><input type="checkbox"/> None of the above</p> |       |  |

## 4: OPERATIONS

### Scores

|     |                 |
|-----|-----------------|
| 2.7 | 4: OPERATIONS   |
| 1.0 | 4.1: Storage    |
| 3.1 | 4.2: Logistics  |
| 3.6 | 4.3: Processing |

### 4.1: Storage

| Topic | Score | Comments |
|-------|-------|----------|
|-------|-------|----------|

## 4.2: Logistics

|       | Topic  | Score | Comments |
|-------|--|-------|----------|
| 4.2.2 | <b>Outbound logistics</b> <p> <u>Does the organization have sufficient and reliable vehicles?</u><br/> <input checked="" type="checkbox"/> Organization has enough vehicles<br/> <input checked="" type="checkbox"/> Vehicles are cleaned regularly<br/> <input checked="" type="checkbox"/> Organization has few or no problems with vehicles breaking down<br/> <input checked="" type="checkbox"/> Vehicles are maintained regularly<br/> <input type="checkbox"/> None of the above<br/> <u>What percentage of delays of deliveries to buyers are caused by logistical challenges?</u><br/> <input type="radio"/> More than 30% of the time<br/> <input checked="" type="radio"/> 1 to 30% of the time<br/> <input type="radio"/> There are no delays </p> | 4.0   |          |
| 4.2.3 | <b>Infrastructure</b> <p> <u>How does the organization deal with infrastructural/and or logistical challenges?</u><br/> <input type="checkbox"/> is well-aware of the infrastructural challenges<br/> <input checked="" type="checkbox"/> communicates regularly with the off-taker (e.g. about delivery time, delays, etc.)<br/> <input checked="" type="checkbox"/> checks the road/weather conditions before transport is planned<br/> <input checked="" type="checkbox"/> has spare-wheels / reparation kit in vehicles<br/> <input type="checkbox"/> does minor investments/ improvements on infrastructure<br/> <input type="checkbox"/> None of the above </p>  | 3.4   |          |

### 4.3: Processing

|       | Topic   | Score | Comments  |
|-------|---|-------|---|
| 4.3.1 | <b>Post-harvest handling</b> <p><u>Does the organization use appropriate postharvest handling / processing methods?</u></p> <ul style="list-style-type: none"> <li>✓ the organization is aware and applies the adequate post-harvest handling steps</li> <li>✓ the organization can indicate major reasons for post-harvest losses</li> <li>✓ the organization applies inputs/technologies to avoid/prevent post-harvest losses</li> <li><input type="checkbox"/> the organization has sufficient appropriate processing infrastructure/equipment in place (e.g. washing stations, drying and washing, grading, etc)</li> <li><input type="checkbox"/> storage meets product-specific storage requirements (e.g. temperature, humidity, light)</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 3.4   | Farmers do some post-harvest handling like; ensuring harvested Avocados are well handled in plastic trays to avoid damage and contamination. At farms, there is sorting of Avocados to remove damaged and small sizes. Another post-harvest handling like cleaning color sorting, packaging, and labeling is done by the buyer (KUZA Africa). |
| 4.3.3 | <b>Quality of produce</b> <p><u>Is the organization aware of quality standards?</u></p> <ul style="list-style-type: none"> <li>✓ Has its own quality standards it applies for its produce</li> <li>✓ Has clear and well-formulated quality standards</li> <li>✓ Has documented the quality standards</li> <li>✓ Communicates the quality standards to the farmers</li> <li>✓ Can provide details of clients' buyers' quality standards</li> <li>✓ Has aligned its quality standards with the quality standards of its clients</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Does the organization check the quality of the produce?</u></p> <ul style="list-style-type: none"> <li>✓ The organization has a quality control protocol</li> <li>✓ The organization has quality control equipment in place (e.g. moisture meters, sieves)</li> <li>✓ Equipment used for quality control is maintained in good condition to ensure correct functioning</li> <li>✓ The organization has a quality control person</li> <li>✓ The quality control person is knowledgeable and has sufficient experience in quality control</li> <li>✓ Quality control person does not know whose produce s/he is assessing</li> <li>✓ Clients /buyers are involved in the quality control process and check quality</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>How often are quality checks performed?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> Monthly or less</li> <li><input type="radio"/> Twice a month</li> <li><input type="radio"/> Weekly</li> <li><input checked="" type="radio"/> Daily (peak season)</li> <li><input type="radio"/> Daily (year-round)</li> </ul> | 4.7   |   |

## 5: PRODUCTION BASE

### Scores

|     |                                  |
|-----|----------------------------------|
| 2.8 | 5: PRODUCTION BASE               |
| 2.3 | 5.1: Provision of inputs         |
| 3.1 | 5.2: Collection from members     |
| 2.7 | 5.3: Strength of production base |
| 3.3 | 5.4: Extension services          |

### 5.1: Provision of inputs

|       | Topic   | Score | Comments   |
|-------|---|-------|--|
| 5.1.1 | <b>Provision of inputs</b>  | 2.3   |  |
|       | <u>How does the organization ensure provision of inputs to the farmers?</u> <ul style="list-style-type: none"> <li>✓ Inputs are usually available in the region</li> <li><input type="checkbox"/> Organization has funds to purchase inputs</li> <li><input type="checkbox"/> Organization sources inputs from more than one supplier</li> <li><input type="checkbox"/> Organization is able to get inputs on time</li> <li><input type="checkbox"/> Organization is able to meet the demand of the farmers</li> <li>✓ Infrastructure (e.g. transport means, storage) to/from suppliers is not a problem</li> <li><input type="checkbox"/> None of the above</li> </ul> |       |  |
| 5.1.2 | <b>Quality procedures for inputs</b>  | 2.3   | Individual farmers buys inputs from agro dealers |
|       | <u>How does the organization assure the quality of its inputs?</u> <ul style="list-style-type: none"> <li>✓ Has reliable product sources such as reputable / certified suppliers</li> <li><input type="checkbox"/> Changes suppliers to get better quality inputs</li> <li><input type="checkbox"/> Has quality standards for inputs</li> <li>✓ Checks quality of inputs</li> <li><input type="checkbox"/> Has documented the quality procedures</li> <li><input type="checkbox"/> Buys and sells items in original packaging</li> <li><input type="checkbox"/> None of the above</li> </ul>  |       |  |

## 5.2: Collection from members

|       | Topic   | Score | Comments   |
|-------|---|-------|--|
| 5.2.3 | <b>Reliability of supplies from members</b> <p><u>How does the organization ensure members deliver on time?</u></p> <ul style="list-style-type: none"> <li>✓ Organization clearly communicates collection plan (e.g., times, dates and price) to members</li> <li><input type="checkbox"/> Organization arranges finance to purchase crop/product on time</li> <li>✓ Members are made aware of their obligations</li> <li><input type="checkbox"/> Organization has written contracts with members</li> <li>✓ Member deliveries are monitored</li> <li>✓ Deliveries (amount and time) of members are recorded</li> <li>✓ Organization has measures in place to improve untimely delivery and can mention 2</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>How often is produce delivery delayed?</u></p> <ul style="list-style-type: none"> <li><input type="radio"/> More than 4 times a season</li> <li><input type="radio"/> 4 times a season</li> <li><input type="radio"/> 3 times a season</li> <li><input type="radio"/> 2 times a season</li> <li><input checked="" type="radio"/> Once a season or less</li> </ul> | 4.4   |  |
| 5.2.4 | <b>Quality of member produce</b> <p><u>How does the organization manage the quality of members' produce?</u></p> <ul style="list-style-type: none"> <li>✓ samples and measures quality of all incoming produce of every member</li> <li>✓ rejects produce that doesn't comply with the quality standards set</li> <li>✓ trains members on quality requirements and how to improve quality</li> <li><input type="checkbox"/> is able to manage the traceability system as expected by their buyer</li> <li><input type="checkbox"/> provides (price) incentives for members who provide better quality produce</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>How many specific quality requirements do you require of your members' produce upon delivery?</u></p> <p>4</p> <p><u>Does the organization face quality issues with member supplies?</u></p> <p>0</p>  | 3.8   | Buyer (KUZA Africa) buys Avocado at Farmers farms and all sorting is done at the farm. |

### 5.3: Strength of production base

|       | Topic  | Score | Comments |
|-------|--|-------|----------|
| 5.3.3 | <b>Economic value to members</b> <p> <u>Does membership of the organization provide economic value to its members?</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Discounted services / inputs</li> <li>✓ Higher prices for produce</li> <li>✓ Premium prices for better quality and/or certified produce</li> <li><input type="checkbox"/> Shares</li> <li><input type="checkbox"/> Regular dividend payments</li> <li><input type="checkbox"/> Shared labor / lower labor costs</li> <li><input type="checkbox"/> Direct &amp; transparent payment system</li> <li><input type="checkbox"/> None of the above</li> </ul> <u>How do prices of the organization relate to market prices?</u> <ul style="list-style-type: none"> <li><input type="radio"/> Below</li> <li>● In line with</li> <li><input type="radio"/> Higher</li> </ul> </p> | 2.6   |          |
| 5.3.4 | <b>Side selling</b> <p> <u>Is side selling a significant risk for the organization and how does the organization mitigate that risk?</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Organization pays the full price on delivery</li> <li><input type="checkbox"/> Price setting is transparent and respondents can explain how this is communicated</li> <li><input type="checkbox"/> Side selling does NOT occur</li> <li>✓ Organization pays cash/ directly on delivery</li> <li><input type="checkbox"/> Organization can name other services/mechanisms that prevent members to side-sell</li> <li><input type="checkbox"/> Side selling is NOT a risk</li> <li><input type="checkbox"/> None of the above</li> </ul> </p>   | 1.7   |          |

## 5.4: Extension services

|       | Topic   | Score | Comments |
|-------|---|-------|----------|
| 5.4.1 | <b>Extension</b> <p><u>Which training and member support activities does the organization carry out?</u></p> <ul style="list-style-type: none"> <li>✓ provides training on agriculture</li> <li>✓ has a demonstration plot</li> <li>✓ organizes farmer field school</li> <li><input type="checkbox"/> enrolls innovation testing &amp; adoption</li> <li><input type="checkbox"/> has specialized staff (e.g. trained appropriate agricultural area)</li> <li><input type="checkbox"/> has a training fund</li> <li>✓ monitors and provides follow-up to training activities</li> <li><input type="checkbox"/> None of the above</li> </ul> <p><u>Are the extension / training services provided sufficient and do they meet the staff / farmer's needs?</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Extension and training services are sufficient and cover the major relevant topics</li> <li><input type="checkbox"/> Extension and training services meet the needs of members</li> <li><input type="checkbox"/> Training on relevant topics is provided to staff</li> <li>✓ Training on relevant topics is provided to farmers/members</li> <li><input type="checkbox"/> Training records and attendance lists are kept</li> <li>✓ Trainings are facilitated by a competent person</li> <li>✓ Measures are taken to ensure equal opportunities for women to participate in training and awareness raising sessions</li> <li><input type="checkbox"/> None of the above</li> </ul> | 3.0   |          |
| 5.4.2 | <b>Soil management</b> <p><u>How does the organization and its members work on soil management?</u></p> <ul style="list-style-type: none"> <li>✓ is aware of the soil type and related soil problems in the area</li> <li>✓ informs / trains its members about on soil management and soil fertility (e.g crop rotation, agroforestry, composting, planting nitrogen fixing species, etc.)</li> <li>✓ promotes practices to avoid soil erosion.</li> <li><input type="checkbox"/> is aware and informs members that human sewage, sludge, and sewage water cannot be used for production and/or processing activities.</li> <li>✓ trains members/farmers about the techniques and benefits of leaving organic waste and materials at the farm</li> <li><input type="checkbox"/> None of the above</li> </ul>  | 4.2   |          |

## 6: MARKET

### Scores

|     |                           |
|-----|---------------------------|
| 2.9 | 6: MARKET                 |
| 3.4 | 6.1: Market related risks |
| 2.3 | 6.2: Marketing strategy   |

### 6.1: Market related risks

|       | Topic  | Score | Comments |
|-------|--|-------|----------|
| 6.1.1 | <b>Awareness of market risks</b>   | 3.9   |          |
|       | <u>Is the organization aware of the different types of market risks?</u> <ul style="list-style-type: none"> <li>✓ Volume requirement changes</li> <li>✓ Price changes</li> <li><input type="checkbox"/> Quality requirement changes</li> <li>✓ Changes in delivery methods or timing</li> <li>✓ Customers entering or exiting the market</li> <li><input type="checkbox"/> Market distortions</li> <li>✓ Competition entering or exiting the market</li> <li><input type="checkbox"/> None of the above</li> </ul>   |       |          |
| 6.1.2 | <b>Mitigation of market risks</b>  | 2.1   |          |
|       | <u>How does the organization mitigate market risks?</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Marketing</li> <li>✓ Widening membership base</li> <li><input type="checkbox"/> Investing in delivery/ transport methods</li> <li>✓ Staying informed</li> <li><input type="checkbox"/> Investing in processing</li> <li><input type="checkbox"/> Efficient price setting mechanism to cope with market fluctuation and satisfy members / off-takers</li> <li><input type="checkbox"/> Sufficient storage in place to keep produce until prices get better</li> <li><input type="checkbox"/> None of the above</li> </ul> |       |          |
| 6.1.3 | <b>Bargaining power</b>  | 4.3   |          |
|       | <u>Does the organization have sufficient bargaining power with its off-taker(s)?</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> has at least two main buyers</li> <li>✓ has written contracts with buyers</li> <li>✓ agrees on quality requirements beforehand</li> <li>✓ agrees on service requirements beforehand</li> <li>✓ can negotiate / has influence on the terms (e.g. price, specifications, etc) with buyers</li> <li>✓ agrees on prices beforehand</li> <li><input type="checkbox"/> None of the above</li> </ul>   |       |          |

## 6.2: Marketing strategy

|       | Topic   | Score | Comments   |
|-------|---|-------|--|
| 6.2.1 | <b>Client demands</b> <p><u>Is the organization aware of buyers' / clients' demands?</u></p> <input type="checkbox"/> Organization does market research<br><input checked="" type="checkbox"/> Organization knows quantities buyers want to buy<br><input checked="" type="checkbox"/> Organization knows quality buyers are looking for<br><input checked="" type="checkbox"/> Quantity is specified in contracts<br><input checked="" type="checkbox"/> Quality is specified in contracts<br><input type="checkbox"/> None of the above   | 4.2   |  |
| 6.2.2 | <b>Marketing strategy</b> <p><u>Does the organization actively market its products and services?</u></p> <input type="checkbox"/> does advertising/promotional activities and respondents can name at least 2<br><input type="checkbox"/> has a staff member who is responsible for marketing (e.g. marketing manager/officer)<br><input checked="" type="checkbox"/> looks for new customers and is able to explain how<br><input type="checkbox"/> has basic promotional materials in place<br><input type="checkbox"/> has a recognizable name and brand<br><input type="checkbox"/> organizes or engages in promotional events (e.g. trade / agricultural fairs)<br><input type="checkbox"/> has labeled produce with name and logo<br><input type="checkbox"/> None of the above | 1.6   |  |
| 6.2.3 | <b>Value adding activities</b> <p><u>Which value adding activities does the organization undertake?</u></p> <input type="checkbox"/> Organization sells produce in different forms<br><input type="checkbox"/> Organization provides processing<br><input type="checkbox"/> Organization provides packaging<br><input checked="" type="checkbox"/> Organization grades produce and differentiates prices per grade<br><input type="checkbox"/> Organization sells certified produce<br><input type="checkbox"/> Organization is aware of cost-price of value adding activities<br><input type="checkbox"/> Cost of activities is monitored<br><input type="checkbox"/> None of the above  | 1.6   | An association just sells raw avocado to buyers (KUZA Africa). There is no value addition on avocado at the association. Even low grades left to them are sold to traders for local markets. |

## 7: EXTERNAL RISKS

### Scores

|     |                                   |
|-----|-----------------------------------|
| 4.1 | 7: EXTERNAL RISKS                 |
| 4.2 | 7.1: Weather and natural risks    |
| 4.0 | 7.2: Biological and environmental |

### 7.1: Weather and natural risks

|       | Topic  | Score | Comments   |
|-------|--|-------|--|
| 7.1.1 | <b>Awareness of climate and weather risks</b>              | 4.3   | <p><u>Is the organization aware of weather and natural risks?</u></p> <ul style="list-style-type: none"> <li>✓ Respondents are aware of weather risks</li> <li>✓ Respondents are aware of natural risks</li> <li>✓ Respondents demonstrate a basic awareness about climate change</li> <li>✓ Respondents can list financial, environmental and/or social impacts of weather and natural hazards and name at least 3</li> <li>✓ Weather and natural disasters are addressed in the business/ strategic plan</li> <li><input type="checkbox"/> Organization has mitigation strategies planned for each type of risk and is able to implement them</li> <li><input type="checkbox"/> None of the above</li> </ul> |
| 7.1.2 | <b>Mitigation strategies for weather and natural risks</b> | 4.2   | <p><u>Does the organization have basic mitigation strategies in place for weather and natural risks?</u></p> <ul style="list-style-type: none"> <li>✓ Organization is aware of risk mitigation methods and can name at least 3</li> <li>✓ Organization has employed these methods in the past</li> <li>✓ Members are made aware of risk mitigation (e.g., flyers, meetings, etc.)</li> <li><input type="checkbox"/> Organization has a plan to mitigate future risks</li> <li>✓ Organization has a future plan to raise awareness of risks and train members in risk mitigation</li> <li><input type="checkbox"/> None of the above</li> </ul>   |

## 7.2: Biological and environmental

|       | Topic   | Score | Comments   |
|-------|---|-------|--|
| 7.2.1 | <b>Awareness of biological risks</b>              | 3.4   | <p><u>Is the organization aware of biological risks?</u></p> <ul style="list-style-type: none"> <li>✓ Respondents are aware of biological risks and name them</li> <li>✓ Respondents can explain the impact (financial, social and ecological) of different relevant biological risks</li> <li>✓ Organization has the ability to recognize different pests and diseases</li> <li><input type="checkbox"/> Awareness of pests and diseases translates into relevant points in the business/strategic plan</li> <li><input type="checkbox"/> Organization has mitigation strategies planned for different kinds of biological risks and is able to implement them</li> <li><input type="checkbox"/> None of the above</li> </ul>                 |
| 7.2.2 | <b>Mitigation strategies for biological risks</b> | 4.3   | <p><u>Does the organization have basic mitigation strategies in place for biological risks?</u></p> <ul style="list-style-type: none"> <li>✓ Organization is aware of risk mitigation methods and can name them</li> <li>✓ Organization can mention 2 methods it has employed in the past</li> <li>✓ Members have been made aware of risk mitigation (e.g. flyers, meetings)</li> <li>✓ Members have been trained in risk mitigation and know how to execute mitigation strategies</li> <li><input type="checkbox"/> Organization has a plan to mitigate future risks</li> <li>✓ Organization has a plan to raise awareness of risks and train on risk mitigation among members</li> <li><input type="checkbox"/> None of the above</li> </ul> |

## 8: ENABLING ENVIRONMENT

### Scores

|     |                               |
|-----|-------------------------------|
| 3.9 | 8: ENABLING ENVIRONMENT       |
| 2.7 | 8.1: Capacity builders & NGOs |
| 4.0 | 8.2: Community                |
| 4.6 | 8.3: Government               |

### 8.1: Capacity builders & NGOs

|       | Topic  | Score | Comments  |
|-------|--|-------|---|
| 8.1.1 | <b>Availability of capacity building services</b><br><br><u>Is the organization able to source the right training, capacity building and assistance?</u><br><input type="checkbox"/> Organization is aware of available services<br><input type="checkbox"/> Respondents are able to identify most relevant support areas<br><input checked="" type="checkbox"/> Organization gets support in the right areas<br><input type="checkbox"/> Organization is satisfied with services<br><input checked="" type="checkbox"/> Organization unlocks or offers services focusing on farm business management<br><input checked="" type="checkbox"/> Organization unlocks or offers services focusing on improving farming practices<br><input type="checkbox"/> Organization is NOT dependent on outside services<br><input type="checkbox"/> None of the above | 2.7   | The organization need support on capacity building in many areas; Record keeping, Financial management, Avocado Good Agronomic Practices. |

## 8.2: Community

|       | Topic                           | Score | Comments   |
|-------|---------------------------------|-------|--|
| 8.2.1 | Relationship with the community | 4.0   | <p><u>Does the organization have a good relationship with the local community?</u></p> <ul style="list-style-type: none"> <li>✓ Respondents characterize the relationship with the community as positive</li> <li>✓ There have been no problems in the past</li> <li><input type="checkbox"/> Organization provides employment opportunities</li> <li>✓ Organization can name 2 other benefits it provides to the local community</li> <li><input type="checkbox"/> None of the above</li> </ul> |

### 8.3: Government

|       | Topic  | Score | Comments |
|-------|--|-------|----------|
| 8.3.1 | <b>Awareness of laws &amp; regulations</b> <p>Is the organization aware of laws and regulations that apply to their organization?</p> <ul style="list-style-type: none"> <li>✓ Organization is aware and complies with law applicable to the legal entity (e.g. business regulations, cooperative law, etc)</li> <li>✓ Organization is aware of regulations on its activities</li> <li>✓ Organization has no legal problems at the moment</li> <li>✓ Organization seeks advice on laws and regulations when necessary</li> <li><input type="checkbox"/> None of the above</li> </ul> <p>How often has the organization had legal problems in the last three years?</p> <ul style="list-style-type: none"> <li><input type="radio"/> More than 5 times</li> <li><input type="radio"/> 4 -5 times</li> <li><input type="radio"/> 2 - 3 times</li> <li><input type="radio"/> Once</li> <li><input checked="" type="radio"/> None</li> </ul> | 5.0   |          |
| 8.3.2 | <b>Public services</b> <p>Does the organization unlock public (extension) services?</p> <ul style="list-style-type: none"> <li>✓ Organization is aware of available public (extension) services and can name them</li> <li><input type="checkbox"/> FO/Members take part in on-farm research trials</li> <li>✓ Organization connects with governmental (extension) officers and unlocks / receives public and /or extension services</li> <li>✓ Organization has regular meetings with agricultural officials</li> <li>✓ Organization has a good relation with the local government</li> <li>✓ The organization lobbies with government for infrastructure improvements</li> <li><input type="checkbox"/> None of the above</li> </ul>   | 4.3   |          |

## Annex 2 Documentation

Below list indicates what kind of documentation the organization has available.

| Document type   | Availability | Comments by assessor |
|---|--------------|----------------------|
| Certificate of registration / incorporation                         | yes          |                      |
| Trading license   | no           |                      |
| Business license  | no           |                      |
| Tax / PIN certificate   | no           |                      |
| Constitution / Bylaws   | yes          |                      |
| Articles of association   | not relevant |                      |
| Business plan   | no           |                      |
| Contract with suppliers   | no           |                      |
| Contract with customers   | yes          |                      |
| Contract with other business partners                               | no           |                      |
| Annual accounts most recent year                                    | no           |                      |
| Annual accounts most recent year -1                                 | no           |                      |
| Annual accounts most recent year -2                                 | no           |                      |
| Bank statements past year   | yes          |                      |
| Cash flow forecast  | no           |                      |
| Credit reference bureau report                                      | no           |                      |
| Ownership documents / titles  | no           |                      |
| Asset valuation documents   | no           |                      |
| Offer letters of past loans / loan agreements                       | no           |                      |
| Resolution of right to borrow                                       | no           |                      |
| Proof of certification (e.g. Fairtrade, Utz Certified, ISO, etc...) | no           |                      |
| Insurance policies  | no           |                      |
| List of members   | yes          |                      |
| List of outgrowers  | no           |                      |
| Resume of executive managers  | no           |                      |
| AGM minutes   | yes          |                      |
| Register of production volumes                                      | no           |                      |
| Register of purchases/inputs  | no           |                      |
| HR policy   | no           |                      |
| Finance policy  | no           |                      |
| Administrative policy   | no           |                      |
| Environmental Impact assessment                                     | no           |                      |

### Comments by assessor