



Theory of Change assumptions

- **Pre-competitive cooperation is needed to take action on human rights risks.**
 - There are already insights available on HRDD within the companies as well as within SECO.
 - Participants in the Initiative are willing to share these in the pre-competitive space.
- **Link between better income and child labour:**
 - Income stability, equitable income and increase in income are pre-conditions for eliminating child labour.
 - [From a comparative study done in cocoa](#), we can confirm that a decline in income and shocks to income lead to an increase in child labour. Under that assumption, we work on different components of 'better income' for farmers and aim to achieve a living income
 - From this assumption, field-level activities will focus on income improvement of farmers in line with the IDH income driver thinking and are therefore not specified in detail in the ToC
- **Unusual price conditions in the coffee sector:**
 - The current peak in pricing is temporary and will decline within the timeline of the program
 - Considering the issues around price volatility, the assumption is that long-term, transparent relations between producer and buyer are key to 1) keep visibility of HRDD issues in the supply chain 2) ensure a stable coffee supply and 3) pay prices that enable a living income