Inclusive Business Analysis

Enhancing Raphael Group Limited's Farmer Organization servicing model to optimize production and sourcing of rice and beans

Raphael Group Limited | Tanzania

Public report

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idh
transforming markets

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Introduction

Smallholder livelihoods

Agriculture plays a key role in the wellbeing of people and planet. 70% of the rural poor rely on the sector for income and employment. Agriculture also contributes to and is affected by climate change, which threatens the long-term viability of global food supply. To earn adequate livelihoods without contributing to environmental degradation, farmers need access to affordable high-quality goods, services, and technologies.

Inclusive Business Models

Inclusive Businesses provide goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people living at the base of the pyramid, making them part of the value chain as suppliers and/or customers. These business models can sustainably increase the performance of farm(er)s while providing a business opportunity for the company. Using IDH's data-driven Inclusive Business methodology, IDH analyses these models to create a solid understanding of the relation between impact on the farmer and impact on the company.

Insights & Innovations

Our data and insights enable businesses to formulate new strategies for operating and funding service delivery, making the model more sustainable, less dependent on external funding and more commercially viable. By further prototyping efficiency improvements in service delivery and gathering aggregate insights across sectors and geographies, IDH aims to inform the agricultural sector and catalyse innovations and investment in service delivery that positively impact people, planet, and profit.

AgriGRADE | Graduating the cooperative landscape

- AgriGRADE is a strategic partnership initiated by a consortium consisting of Agriterra, the IDH Farmfit Fund, IDH, Oikocredit and SCOPEinsight. This pilot initiative was launched in 2024 and is currently being implemented in Kenya and Tanzania
- **Approach:** AgriGRADE seeks to strengthen farmer organizations (FOs) by delivering tailored business development services to meet specific needs and gaps. It is a standardized and data-driven approach that focusses on professionalizing FOs and connecting them to financing and markets
- **Segmentation and graduation:** FOs are categorized into four levels based on Scope assessments:
  - **Level 4**: Top-performing organizations
  - **Level 3**: Advanced organizations
  - **Level 2**: Advancing organizations
  - **Level 1**: Emerging, informal organizations
- AgriGRADE provides quality BDS services to strengthen the FOs, enabling them to graduate to higher levels of professionalism.
- **Impact:** Over a three-year period, AgriGRADE envisions to increase the number of high-performing FOs through its segmentation and graduation approach. This approach strengthens the business performance and investment readiness of farmer organizations, strengthens value chains, develops pipeline for financial institutions and complements government economic goals.

Abbreviations

AGM	Annual General Meeting
AMCOS	Agricultural Marketing Cooperative Society
BDS	Business Development Services
BoD	Board of Directors
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization
FO	Farmer Organization
FTE	Full-time equivalent
GAP	Good agricultural practices
GDP	Gross domestic product
IBA	Inclusive Business Analysis
ISM	Irrigation Scheme Model
IT	Information technology
MT	Metric ton (1,000 kg)
NGO	Non-governmental organization

P&L	Profit and loss statement
p.a.	Per annum
RGL	Raphael Group Limited
TA	Technical Assistance
TAP	Tanzania Agricultural Partnership
TAPBDS	Tanzania Association of Professional Business Development Services
TARI	Tanzania Agricultural Research Institute
SACCO	Savings and Credit Cooperative Organizations
SHF	Smallholder farmer
SWOT	Strengths, weaknesses, opportunities and threats
ToT	Training of Trainers
USD	United States Dollar (currency)
USADF	United States African Development Foundation
WC	Working capital

Report outline

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Executive summary

Introduction | Raphael Group Limited (RGL) seeks to professionalize farmer organizations to improve contract compliance and source higher-quality rice and beans

Raphael Group Limited and the FOs

- Raphael Group Limited (RGL), founded in 2010 and based in Mbeya, Tanzania, is a leading agribusiness specializing in processing and distribution of rice, beans, groundnuts, and sorghum. It sources grains from 23,000 farmers engaged through 200 farmer organizations (FOs), across Tanzania.[1] Under the AgriGRADE program, 31 FOs of different maturity levels have been selected for analysis and design of an FO graduation model.
- RGL's clientele consists predominantly of local (~70%) and regional (~20%) markets, including Kenya, Uganda, and Zambia. While their primary focus remains these markets, they are exploring opportunities for international expansion with a 10% target, having previously supplied to Belgium and France through intermediaries.
- With a consortium of partners, RGL provides services to FOs, including training, financing and inputs. To enhance capacity, RGL is expanding its storage facilities from 15,000 to 21,000 MT for internal operations and storage as a service.[1]
- Some of the operational challenges RGL experiences include low compliance with contracts by FOs, unpredictable supply volumes, and meeting European export standards. RGL is addressing these issues by improving support to FOs, their farmers and by exploring partnerships in agricultural finance and insurance.[1]

Rice and Beans Value Chains in Tanzania

- **Rice** ranks as the second most cultivated crop after maize occupying approximately 1.1 million hectares of Tanzania's cultivated land.[2] In the 2022/2023 season, rice production reached around 3.29 million metric tons,[3] making Tanzania one of the largest rice producers in East Africa.[4] Despite this, the country still relies on imports to meet its growing domestic demand.[1] Tanzania aims to double yields from 2 to 4 tons per hectare and increase production to 8.8 million tons by 2030, despite challenges like climate change and low irrigation adoption at 9%.[4]
- **Beans**, a vital source of protein, are primarily produced by smallholder farmers (predominantly women). As of 2022, Tanzania's dry bean production was approximately 1.5 million tons, from an area of about 1.1 million hectares, resulting in an average yield of approximately 1.36 tons per hectare.[5] While bean exports are mostly informal, they play an important role in trade with neighbouring countries. Beans provide 38% of dietary protein and 12–16% of calorific needs for low-income families.
- Both rice and beans value chains face several challenges, including low yields driven by limited access to quality seeds, fertilizers, and irrigation. Furthermore, market reliability is affected by side-selling, which undermines trust and stability.

Sources: 1) Company interviews (2024); 2) USDA (ND); 3) National Bureau of Statistics Tanzania (2023); 4) Rice For Africa (2024); 5) Indexbox (2022)

Recommendations

For business sensitivity reasons we have excluded the recommendations section from the public report

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Business model

Objectives and targets | RGL aims to strengthen its FO base through services from the ecosystem, to sustainably grow the business, empower the FOs, and by that benefit the farmers

	Objective	FOs	RGL	AgriGRADE
Core objective	Optimize the sourcing and service delivery model for rice and beans between RGL, the FOs and other service providers in the ecosystem to sustainably grow the business and empower FOs	• Access to markets • Access to services • Higher incomes for farmers	• Secure sufficient high-quality produce • Strengthen FO base	• Contribute to SHF impact • Learning on integrating FOs into inclusive business ecosystems
Secondary objectives	Increase total annual quantities sourced from 29,500 MT to **40,000 MT** and 6,000MT to **10,000MT** of rice and beans respectively	• Long-term off take agreements • Improved earnings	• More control over quality • Traceability	• Contribute to inclusive business models
	Raise the share of produce sourced from FOs from 40% to **70%**	• Access to stable and reliable markets	• Consistent and reliable access to produce	• Contribute to inclusive business models
	Improve access to affordable finance for **25%** of FOs by means of tripartite financing agreements	• Ability to invest in business operations • Access working capital • Improved cash flow	• Mitigate default risk • Consistent and quality supply facilitated by financially stable FOs	• Catalyse investment • Facilitate financial inclusion
	Strengthen climate resilience efforts by equipping 7,000 smallholder farmers (40% women), with essential training	• Resilience and securing livelihoods	• Strengthen FO base to ensure consistency despite climate variability	• Contribute to increased farmer resilience
	Increase sourcing from women from 30% to **40%**	• Gender inclusion	• Strengthened commitment to inclusive sourcing	• Contribute to gender inclusion
	Access premium markets by increasing international and regional trade to at least **10%** of all trade volumes	• Better prices for produce	• Revenue growth • Diversified markets	• Catalyse regional trade

Source: Project proposal (2024)

Location | RGL sources rice and beans from strategically located regions during specific periods and stores them to ensure year-round processing

Overview of farmer locations

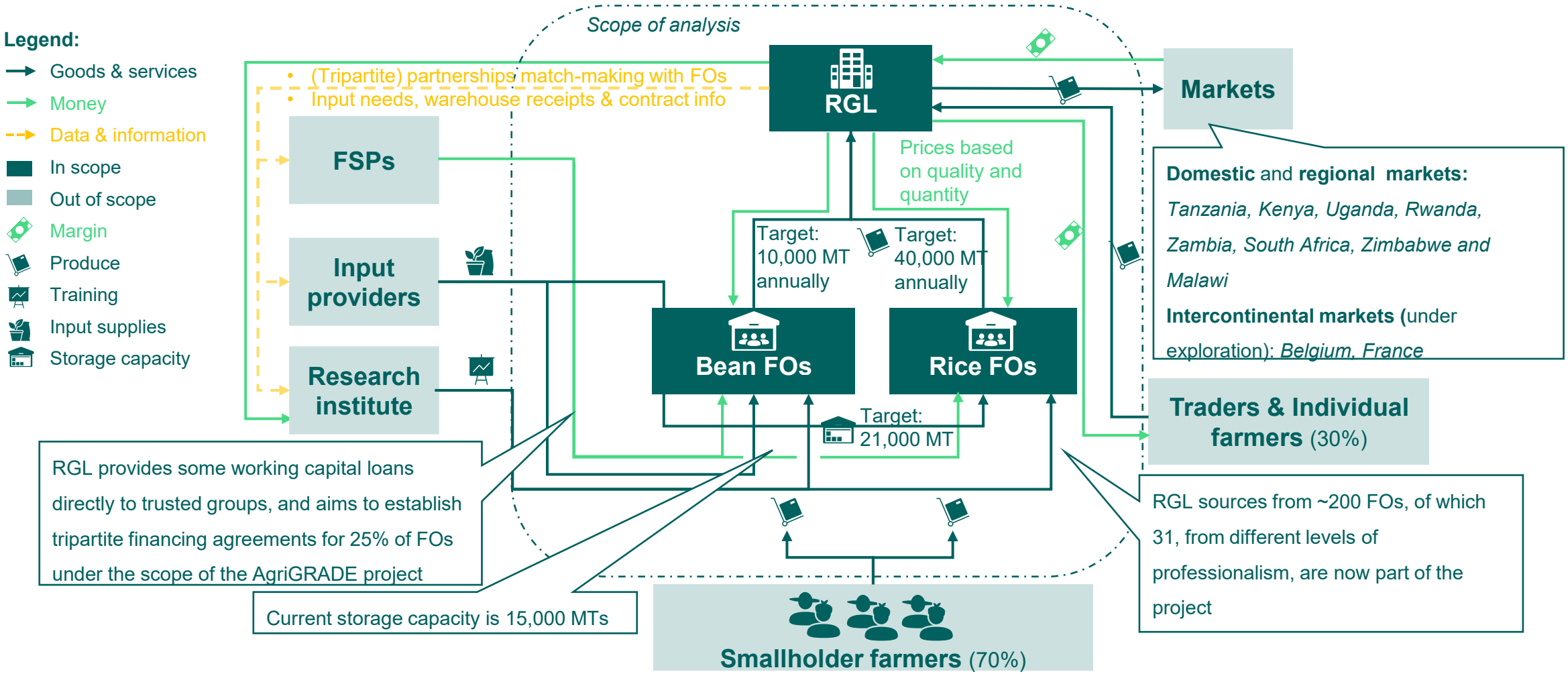
- Rice and beans production in Tanzania is widespread, with smallholder farmers contributing significantly to the production of both crops
- Rice is primarily grown in regions such as Tabora, Morogoro, Mbeya, and Arusha, while beans are cultivated in the northern regions (Arusha, Kilimanjaro, and Manyara), the Great Lakes/Western areas (Kagera and Kigoma), and the southern highlands (Mbeya, Iringa, and Rukwa)
- This project primarily focuses on farmers in the **Morogoro and Mbeya** regions

RGL operations

- RGL's headquarters is located in Mbeya, strategically situated near key rice and bean-producing areas. The proximity to major farming regions allows RGL to source and process these crops throughout the year
- RGL’s processing facilities are in Mbeya, close to major rice-growing areas. This factory engages in milling and processing rice before distribution to local and regional markets
- Additionally, RGL operates aggregation facilities in both Morogoro and Mbeya to support efficient collection and storage of rice from nearby farming regions. For beans, the aggregation facilities are similarly located near production areas to ensure freshness and reduce post-harvest losses

Source: Company interviews (2024)

Business model overview | RGL sources a large proportion of its grain from FOs, and plans to expand sales channels from domestic and regional to include intercontinental markets



Stakeholders | RGL has established partnerships with a range of ecosystem players including input providers, financial service providers, a research institute and IDH

Actor	Legal status	Function (within this model)	Revenue model (within this model)	Incentive to participate (Within this model)
Farmer organizations (FOs)	Some registered	• Aggregate rice and beans from farmers for supply to RGL • Organization of and service delivery to SHFs	• Varies depending on the business model[1]	• Market access • Access to capacity building services
Smallholder farmers	Individuals	• Supply rice and beans to RGL through FOs	• Margin on rice and beans sales	• Increased income • Assured markets
Input providers[2]	Limited companies	• Sale and distribution of agri-inputs to farmers • Training farmers on use of agri-inputs	• Margins on input sales	• Increased sales of inputs
Financial service providers (FSPs)[3]	Limited company	• Provision of loans to farmers	• Interest on loans	• Grow their agri-customer base
Research institute: TARI	Public institution	• Training and research on seeds and soil	• None	• Catalyse development of the rice and beans value chains
Government	Public Institution	• Provision of extension services to FOs	• None	• Catalyse development of rice and beans value chains
IDH	Non-profit	• Provision of TA to off-takers	• None	• Professionalize FOs to improve service delivery to SHFs

Notes: 1. The revenue model of FOs vary and is one of or a combination of subscription fees, margin on produce sales, fees on services such as storage or processing etc. 2. Input providers include Yara, Obo, Agriseeds and Sange 2. FSPs collaborating with RGL include TADB and NMB

FO - RGL Relationships | Since a large proportion of RGL sourcing is from FOs, the collaboration model with them is quite established, but needs formalization and optimization

Area	Observations	Recommendations for improvement
Overall Collaboration	• RGL **identifies** rice FOs through APEX organizations and beans FOs through village elders, both of whom report to local governments. FO **targets** on produce delivery depend on their level of professionalization. Newer groups are given a grace period of 2–3 seasons to meet product specifications. • Four of RGL staff spend 20–30% of their time on FO support, working closely with FO leaders. • RGL **communicates** with farmers via FMIS texts, mainly at the start of the season for contracting and at the end for sourcing purposes. **FMIS adoption** saved RGL 30% in **farmer management** time and 25% in operational costs. RGL plans to recruit a new IT person to continue supporting the efficient use of the FMIS (e-Prod) system.	• Develop a structured onboarding and training process for new FOs to accelerate their ability to meet product specifications. • Consider dedicating specific personnel solely to FO operations to improve efficiency. • Develop farmer training modules that are reusable and easy to update, to reduce dependency on grant funding for trainings. • Train multiple team members to manage FMIS, reducing dependency one team member
Sourcing	• A large portion of sourcing is from FOs, with a smaller portion coming from traders or individual farmers. RGL aims to increase the portion sourced from FOs to at least 70% • FO **selection criteria** is undocumented but requires a minimum of 20 farmers per group growing RGL's focus crops. • About 80% of FOs are formally registered. 20% are informal but recognized by village elders. **RGL currently segments FOs on an informal and undocumented basis.** • **Traceability** mechanisms exist, extending to FO level, including tagging at the factory. **Quality** standards are outlined in FO contracts.	• Document FO selection criteria to ensure consistency and efficiency. • Offer incentives for informal FOs to complete formal registration • Develop an FO segmentation strategy that leverages the AGRIGrade approach, considers RGL's model and reflects the business models of target FO's
Contracting and Pricing	• RGL **contracts** 130-150 FOs annually, with different contract types based on FO performance. A fixed **minimum price** is set at 20% above the estimated cost of production, with higher prices offered for better quality produce. Prices are negotiable, helping RGL to remain competitive within the market and to reduce side-selling. • Contracts are formal for 65%-75% of FOs, with 80% **loyalty** attributed to the negotiable maximum price. Contracts are signed annually at the start of each season. • **Payments** are contractually due within a week but are typically made within 2-3 days.	• Collaborate with farmer organizations to assess the impact of pricing strategies on investment and production decisions.

FO - RGL Relationships | RGL offers a wide range of services and incentives but governance of and compliance in the FO collaboration model could be further enhanced

Area	Observations	Recommendations for improvement
Services	• RGL prioritizes **FO development** and allocates resources for this. • **Key services** include warehouse receipt system services, training and demo plots, input supply, and input financing. Training is provided directly by RGL staff when grants are available; otherwise, government extension officers are leveraged for the purpose. • RGL is piloting provision of working capital to a few FOs to support aggregation. • RGL has **partnerships** with eight entities, including input suppliers and financial service providers. Input supply, including fertilizers, herbicides, and seeds, is delivered at the FO level. Collaboration with research centres focuses on seeds and soil. • RGL gathers **feedback** from farmers and FOs to refine service delivery, with access to credit identified as the most pressing need.	• Advocate for policy support to facilitate credit access for FOs through government programs or subsidies. • Implement a structured feedback mechanism via the FMIS to refine services continuously. • Continuously evaluate services through partners for continuous improvement. • Assess the possibility of scaling working capital financing to more FOs
Performance management	• FO **performance monitoring** is based on pre-agreed metrics but not formally documented. • RGL offers **performance-based incentives**, primarily through higher prices for better quality and larger volumes, is exploring incentives, including financing for aggregation. • **The impact** of FO collaboration **on RGL's margins** or revenues has not been evaluated, though quality is highest from this channel, suggesting a likely positive effect. • FO collaboration with RGL is profitable for FOs that trade grain, as prices are above cost. The profitability of the collaboration is unknown for more atypical FO models.	• Leverage the FMIS to set and monitor performance targets for FOs. • Conduct a profitability analysis to quantify how FO collaboration affects RGL margins. • Develop additional incentives tied to compliance and long-term collaboration.
Governance and Compliance	• No formal **governance mechanism** exists between RGL and FOs, but informal channels function effectively. No formal conflict resolution mechanism exist, but FO leaders use informal communication channels for this purpose. • **Feedback sharing** and progress review remain informal. Risk distribution has not been assessed, though prices are based on a margin above production costs. FOs must comply with RGL values. RGL prioritizes long-term relationships and upholds minimum prices.	• Conduct a risk assessment to determine exposure for both parties and explore shared risk models. • Design and implement a clear, documented conflict resolution process co-developed with FO representatives.

Sourcing Channels | FOs offer the best quality, efficiency, and accountability, but unlocking their full potential requires strengthening their capacity and loyalty

	Quality and Commodity Specifications	Reliability and Volumes Sourced	Contracting and Pricing Mechanisms	Traceability and Compliance Mechanisms
Open Market	• Highly variable quality due to lack of standards or controls • Minimal transparency on production methods • Little control or influence on the type of varieties	• **30%** is bought from traders • Availability fluctuates based on market volatility	• No contracts in place • Prices determined solely by spot market conditions • High exposure to price volatility and speculation • Logistics costs incurred by seller	• No traceability or visibility into origin of products • No mechanisms for monitoring social or environmental compliance • Compliance cannot be enforced
Farmer Organizations	• Generally higher quality due to collective standards and post-harvest infrastructure • Potential to influence varieties through engagement and capacity building	• **40%** is bought from FOs • Volumes can be more reliable than open market but depends on FO coordination and aggregation capabilities • Many FOs (about 90%) do not honour contracts and often engage in side-selling	• FOs are provided with contracts every year where the minimum price is fixed based on the prices of the previous season • Logistics costs incurred by RGL	• Partial traceability through FO records • Compliance can partially be enforced • Limited reliability of sourcing channel since a large part of the FOs do not honour their off-taking agreements
Individual smallholders	• Quality varies widely, farmers store produce at home • Direct engagement allows customization of production if relationships are strong	• **30%** is bought from smallholder farmers. These SHFs are often part of FOs, but do not sell all their volumes through the FO allowing them to spread sales throughout the season • Volumes depend on farmer capacity, weather, and resources	• Few formal contracts • Prices typically negotiated informally • Logistics costs incurred RGL, costs are higher due to having to send agents to scattered plots • High fragmentation increases coordination inefficiencies	• Better traceability • Compliance difficult to enforce individually

Services | RGL mainly provides working capital financing, warehousing and processing services to FOs and works with partners to ensure delivery of other services

Category	Service	Impact	Delivery Mechanism
Training & Information	**Agronomic & Extension services**	Improved yield & quality	Collaboration with the ministry of Agriculture and private sector partners to provide extension services and training.
	Lead farmer & FO training	Improved yield and quality	RGL conducts step-down trainings three times a year and aims to develop a curriculum for standards and quality. The company does not directly recover training costs, which include expenses for trainers, curriculum development, and transport and accommodation for farmers.
	Demo plots	Improved yield & quality	The plan is to grow from 20 to 50 plots. Management of the plots is being shifted to FOs. Set-up costs are still born by RGL, and no income is generated.
Inputs	**Seeds & Inputs**	Improved yield	RGL facilitates connections to input providers. Inputs are often delivered to FOs. RGL does not incur any cost.
Access to finance	**Working capital financing**	FO professionalization Access to inputs	RGL employs both a on-balance sheet and tripartite (through NMB bank and input partners) farmer financing models. On-balance sheet financing allows RGL to target lending to farmers who do not qualify for loans from banks (often beans farmers). The main cost RGL incurs is the risk of loan defaults, which depend on how successful the farming season is.
	Crop insurance	Derisk production	This is not currently being provided but RGL is seeking a partner organization for development and delivery of this service.
Post harvest services	**Storage in village aggregation centres**	Improve storage and market position	FOs, with support from different grant funders, build VACs which they own and manage. Post-harvest equipment is not yet installed.
	Warehousing and processing	Reduce PHLs	RGL provides warehousing and processing services at a fee to individual rice farmers and rice producing FOs

Gender assessment | RGL promotes gender equity through training and data collection but still faces challenges ensuring gender diversity within its staffing and FO leadership roles

	Observations & Strengths	Opportunities
Intentionality	• While there is no direct, gender-specific service offered, there is an emphasis on providing women with access to resources. Both men and women receive training together to ensure men understand the importance of equitable decision-making. • 45% of farmers are female. RGL indicates these groups as being more reliable in repaying loans compared to mixed-gender groups. These groups are targeted for higher revenue-generating activities like seed multiplication and are more likely to have the working capital to scale operations. • Gender equity is integrated into RGL's broader company policies but there is no gender policy. The project lacks a dedicated gender resource, but gender-related metrics are collected, such as the number of farmers and services provided.	• Explore how the government extension agents and other partners can be sensitized on RGL's gender strategy, whenever it is developed. • Youth engagement is crucial to creating long-term shifts in gender dynamics. Engage them in training and provide opportunities for youth to take leadership roles within gender-focused agricultural initiatives.
Workplace policies and practices	• Out of 42 full-time employees, 11 are women. Field staff consists of 3 women out of 12 members, and in management, there is 1 woman out of 4. The main reason for this imbalance is that field level tasks are more male-oriented due to risk concerns. • Temporary labourers (150-200 workers) are predominantly women (60%), as they are primarily responsible for tasks such as sorting and grading of grain. • At the board level, there is equal representation of genders with the 2 directors. • The company follows legal requirements in its policies such as paternity and maternity arrangements. • There is an anti-sexual harassment and violence policy in place, and incidences are handled appropriately, though not formally documented.	• The gender imbalance in permanent staff offers an opportunity to increase diversity in traditionally male-dominated roles. Offer females the additional training if required. • While actions are being taken regarding gender equity, the lack of formal documentation reduces accountability. • Create mentorship programs to support women's career advancement and increase their representation in leadership.
FO base	• RGLs total FO base is about 200 FOs, of which 15 are women groups. • Amongst these FOs, on average the ratio of female to male members is **0.48**. the ratio of female to male managers is **0.17**, and the ratio female to male board members is **0.54**.	• The female representation is a good start, but tracking progress over time will help identify challenges and successes.

Sources: SCOPEInsight data (2025)

Enabling environment (1 of 2) | Technologies like the FMIS have proven valuable, yet require additional investment to generate insights to guide RGL's strategy

Category	Situation	Impact on business model
Technology	• A total of 67.72 million cellular mobile connections were active in Tanzania in early 2024, representing **99%** of the population. Tanzania's internet penetration rate stood at **31.9%** of the total population at the start of 2024.[1] • The TZ government and the UN launched the *Data for Digital Agricultural Transformation Joint Programme (2024-2027)* to enhance agricultural productivity and resilience through digital technologies and real-time data platforms.[2]	• RGL has invested in a Farmer Management Information System (FMIS), eProd, to track farmer performance and improve service delivery. However, data-sharing challenges within the service coalition limit leveraging of synergies.[3] • Strengthening digital infrastructure and data-sharing agreements could improve collaboration.
Natural environment	• Tanzania has experienced climate change which has led to irregular rainfall, rising temperatures, and pest infestations, affecting rice and bean yields.[4]	• Reduced yields impact sourcing volumes, leading to higher production costs and price volatility. RGL's farmer trainings aim to mitigate risks but require scaling.
Infrastructure	• Poor road networks, especially in southern and central Tanzania, increase transportation costs. The TAZARA railway is slow and costly, and alternative rail connections are not fully developed.[5]	• For RGL, higher logistics costs impact competitiveness. Investing in regional aggregation centres could optimize efficiency.
Labor & workforce	• Mechanization remains limited due to CAPEX constraints, and farmers still rely on manual labour. High manual labour reliance keeps productivity low.	• RGL had planned to introduce mechanization services, but financial constraints have delayed implementation. • Exploring leasing models for mechanization services and securing funding could help scale operations.
Trading System	• Since 2023, Tanzania's export regulations have restricted farmgate purchases, causing a 60% drop in corn exports. These measures continue to impact rice and bean exports, adding new compliance hurdles and limiting market access.[6]	• Tightened export regulations in Tanzania pose challenges for international trade of rice and bean, requiring compliance adjustments and strengthened regional partnerships to expand market reach.

Sources: 1) Digital 2024: Tanzania; 2) UN (2024); 3) Company Interviews (2025); 4) Journal of Geography (2023); 5) TAZARA authority (2025); 6) GAIN(2024)

Opportunity | Neutral | Risk

Enabling environment (2 of 2) | Despite RGL's well established partnerships with 3rd party service providers, access to financing and inputs is a significant challenge for its FOs

Category	Situation	Impact on business model
Inputs & Financing	• Farmers struggle with high input costs and inconsistent access to seeds, fertilizers, and pesticides.[1] • While the Tanzanian government has taken steps to make agricultural loans more affordable through interest rate caps and policy incentives, challenges persist, whereby the farmers having access to irrigation have a slight advantage.[2]	• Inconsistent input access affects productivity and supply volumes. Strengthening FO-based input distribution could improve resilience and sourcing stability. • RGL partners with YARA, OBO, and Agri Seeds Technologies to facilitate input distribution.
Pricing & competition	• Increased volatility in grain market prices adds further risk to farmer incomes and by extension RGL's sustainability. The prices for nearly all supplies are market-driven.	• To retain farmers, RGL offers a minimum price 20% above production costs with an aim of reducing side-selling. Rapid payments (within two days) are key strategies to stay competitive.[1] However, prices are volatile, contracts are not honoured, causing distrust in the system, both ways.
Institutional stability	• Tanzania government plays a significant role in smallholder farming through subsidy schemes and financing approvals for farmer organizations. They also employ extension officers.	• The government plays a vital role in RGL's model: 1) They provide a 50% subsidy on fertilizer since prices rose, 2) they need to approve FOs applying for financing, and 3) the ToT model that RGL implements is supported by government extension officers.
Land tenure	• Land ownership is predominantly male-dominated, with patrilineal inheritance favouring men over women. Women typically access land through male relatives.[3]	• Limited land ownership among women restricts their ability to secure credit for farm investments, which should be addressed through inclusive financing and land certification. • Amongst RGL farmers, most women do own their land but have significantly smaller land sizes than men.[4]
Social norms	• Women play a critical role in farming, but decision-making remains male-dominated. • Women-only farmer groups have been formed to strengthen economic empowerment.	• Expanding women-tailored financial products and training could further enhance inclusion and productivity. • RGL has significantly grown the number of women-only farmer groups it works with.

Opportunity | Neutral | Risk

Sources: 1) Company Interviews (2025); 2) Seluhinga (2023); 3) Landesa (2023); 4) Akvo Farmer survey (2023).

3

RGL Business Case

For business sensitivity reasons we have excluded the business case chapter from the public report

4

FO Business Case

FO analysis | A comprehensive and actionable segmentation approach for RGL's FOs should combine insights from existing practices at company level, SCOPE assessments, and the IBA

RGL segmentation

Before the AgriGRADE engagement, RGL was already informally segmenting its +/- 200 FOs based on their perceived level of professionalism. More mature FOs received different types and levels of support compared to less developed ones. However, this segmentation was not systematic - there were no standardized KPIs to track FO maturity over time, and awareness among RGL staff regarding how to assess, serve, or connect FOs to relevant ecosystem services was limited and inconsistent.

AgriGRADE SCOPE assessments segmentation

Under the AgriGRADE approach, SCOPE assessments were conducted to evaluate the maturity of 31 FOs working with RGL across six dimensions: internal and financial management, sustainability, operations and production base, market base, enabling environment, and climate resilience. FOs scoring above a threshold (3.0) further underwent a financial performance assessment. Each FO was then assigned a maturity level, with both scores and qualitative reports providing insights into their organizational capacities.

IBA segmentation

The Inclusive Business Analysis aims to provide an additional, valuable perspective by highlighting the diversity in business models and organizational structures across RGL's FO base. While the SCOPE assessments offer a strong foundation for understanding organizational maturity, the IBA adds depth by showing that FOs with similar maturity levels may still have differing support needs depending on their business models. This insight complements the maturity-based segmentation and reinforces the importance of incorporating business model characteristics into a more refined and tailored support strategy.

Harmonized segmentation

Ideally, these three perspective- RGL's initial segmentation, the structured SCOPE assessments, and the IBA's business model-based view-will be integrated into one cohesive segmentation approach that is both practical and actionable for RGL's collaboration with FOs in future

FO segmentation | Based on SCOPE assessments, 93% of RGLs FOs fall either into the Basic or Advancing segment due to challenges with financial management, production and marketing



	Segment 1 (Basic)	Segment 2 (Advancing)	Segment 3 (Advanced)*
Description *Specify distinguishing characteristics*	• Unprofessional FOs, that are relatively new. • Known to have lower farmer loyalty. Sometimes not formally registered.	• Moderately improved FOs with strong leadership. • Have specific crops they are working on.	• Highly organized FOs with financial records. Tripartite arrangements can be in place. • Often have share capital requirements for their members. These ones can sometimes get loans from RGL.
Scale *Number of members, annual sourcing volumes and turnover*	• **Represent 32%** of the FOs that RGL works with. • Have on average **180** active members with an active member rate of 84%. • Average turnover of **TZS 16,674M**	• Represent **61%** of the FOs that RGL works with. • Have on average **330** active members with an active member rate of 96%. • Average turnover of **TZS 90,725M**	• Represent **8%** of the FOs that RGL works with. • Have on average **1,741** active members with an active member rate of 97%. • Average turnover of **TZS 435,682M**
Service provision *Overview of services provided to farmers*	• Input supply • Warehousing • Training	• Input supply • Warehousing • Access to markets • Training • Equipment & Labour	• Input supply • Warehousing • Access to markets • Training • Equipment & Labour
Service uptake *Received from RGL*	• Access to markets • Input loans	• Access to markets • Input loans	• Access to markets • Input loans • Eligible for working capital loans

*Sources: 1) Scope Insights Assessment Reports (2024); 2) FO Interviews (2025). * Disclaimer: the values for this segment are only based on a small sample of 2 FOs.*

Current FO professionalism (1/3)* | While many FOs have established governance and financial structures, they still face challenges in financial sustainability, HR, and digital adoption

Section	Score	Description/Observations
Internal Management	**2.5**	• Many FOs have documented by-laws covering a range of organizational aspects and responsibilities of the Board of Directors (BoD). • Annual General Meetings (AGMs) are held across many FOs, where strategic, annual, and business plans are presented and discussed. Financial statements are also reviewed during these meetings. • Across the FOs, management has some decisional independence from the BoD. Decisions are made by consensus. • Many FOs have a formal recruitment process but lack documented policies or comprehensive human resource management systems. Some FOs are only staffed with 1 FTE, creating a key person risk. • Most FOs have a business plan. However, these plans sometimes lack key elements such as annual targets, detailed operational plans, and stakeholder input. Continuity of qualified candidates in the organization under 35 years of age are often not identified. • Most FOs have paper-based membership registers. • While most FOs have basic computing infrastructure, utilisation is low, with some FOs using manual inventory management procedures.
Financial management	**2.4**	• The FOs can calculate cost prices and use market data to determine sales prices. • Financial reports are generated and reviewed by management and the board in some FOs. • For the more advanced FOs, income and expenditures are consistently reviewed, actuals are compared with budgets, and outcomes of financial performance monitoring are communicated with members. • However, many FOs face cash flow challenges. A significant percentage of organizations members (40% or more) do not comply with their financial obligations. Financial reporting is not always sufficient. External audits are not consistently performed. • Most FOs need better financial planning and documentation. Many FO leads and members express interest in getting trained on better financial management.

Sources: Scope Insights Assessment Reports (2024); FO Interviews (2025).
*Note: * This analysis is based on the FOs, that have been visited and were assessed in this chapter. Most: above 70%; Many: between 25%-70%; Some: below 25%*

Current FO professionalism (2/3)* | Most FOs provide valuable training and services but face challenges in integrating environmental risk, logistics, traceability, and quality management

Section	Score	Description/Observations
Sustainability	**2.4**	• Many FOs provide training on agriculture, finance, and post-harvest handling, but there is need to integrate environmental risks. • A significant percentage of the organizations' farming methods are not organic or eco-friendly, suggesting room for improvement in sustainable practices. • Many FOs lack a formal carbon footprint management system and knowledge of climate-smart practices. • Some organizations have room for improvement in areas such as ensuring safe working conditions for women and implementing comprehensive training on forced labour. • Some FOs partially implement and enforce their code of conduct and ethics policy, with limited training.
Operations	**2.1**	• Many FOs apply adequate post-harvest handling practices. However, many struggle with inbound logistics, including making projections for incoming stock, planning inbound deliveries and maintaining logistics records. • They also lack comprehensive traceability systems to track products from farm to customer. • A quality management system and dedicated staff are frequently lacking, impacting the consistency and reliability of product quality.
Production base	**1.9**	• Extension services are provided, including training on agriculture, finance, and post-harvest handling. In some cases, FOs encounter competition from other organizations due to lacking strategies to meet members' demands on inputs and services. • Data on member yields is not consistently recorded or calculated, hindering effective production planning and performance monitoring. • Some FOs are in the process of developing and planning to implement a traceability system within the next year. • Some organizations have mechanisms in place to prevent side selling through transparent payment processes.
Enabling environment	**2.5**	• The FOs have relationships with sector organizations and access to capacity building services. • Many FOs are not fully financially independent from donors or NGOs. • Strong community connections, allowing for easy communication and collaboration among farmers.

Sources: Scope Insights Assessment Reports (2024); FO Interviews (2025).
*Note: * This analysis is based on the FOs, that have been visited and were assessed in this chapter . Most: above 70%; Many: between 25%-70%; Some: below 25%*

Current FO Professionalism (3/3)* | Many FOs face gaps in marketing, climate resilience, and financial independence, requiring stronger marketing, risk mitigation, and sustainability initiatives

Section	Score	Description/Observations
Market	**1.5**	• Many FOs lack comprehensive marketing strategies, marketing personnel, and market analysis. • They also need clear processes to set prices and adapt to market fluctuations. There is insufficient evidence that cost prices are regularly calculated per production cycle. • Many FOs have an underutilisation of value addition activities, such as processing or packaging. • Client demand monitoring is insufficient. • Some organizations mitigate market risks by staying informed about market developments, adjusting marketing strategies, and widening their membership base.
External risks	**2.1**	• The FOs are generally aware of weather, natural, and biological risks. However, they need better mitigation strategies. Some organizations are aware of risk mitigation methods and train members in risk mitigation. In general, Weather and natural disasters are not yet addressed in business/strategic plans. • There is limited access to technology or resources that could help improve collection of produces and its efficiency.
Climate resilience	**Not scored ******	• The FOs need climate resilience strategies. Some faced a significant decrease in crop yields due to climate hazards in the past 5 years. • Some FOs actively engage in planting cover crops to improve soil health and prevent erosion, Some do integrated pest management to reduce use of chemicals. • There is little effort towards renewable energy consumption. They also require GHG emission monitoring or reporting systems.
Total score	**2.2**	• Many FOs provide valuable training and services but face challenges in integrating environmental risk, logistics, traceability, quality management, marketing, value addition, and financial independence, requiring stronger marketing, risk mitigation, and sustainability initiatives.

Sources: Scope Insights Assessment Reports (2024); FO Interviews (2025).
*Note: * This analysis is based on the FOs, that have been visited and were assessed in this chapter. Most: above 70%; Many: between 25%-70%; Some: below 25%. **This dimension was added at the request of the program team. It is not part of the standard scope assessment.*

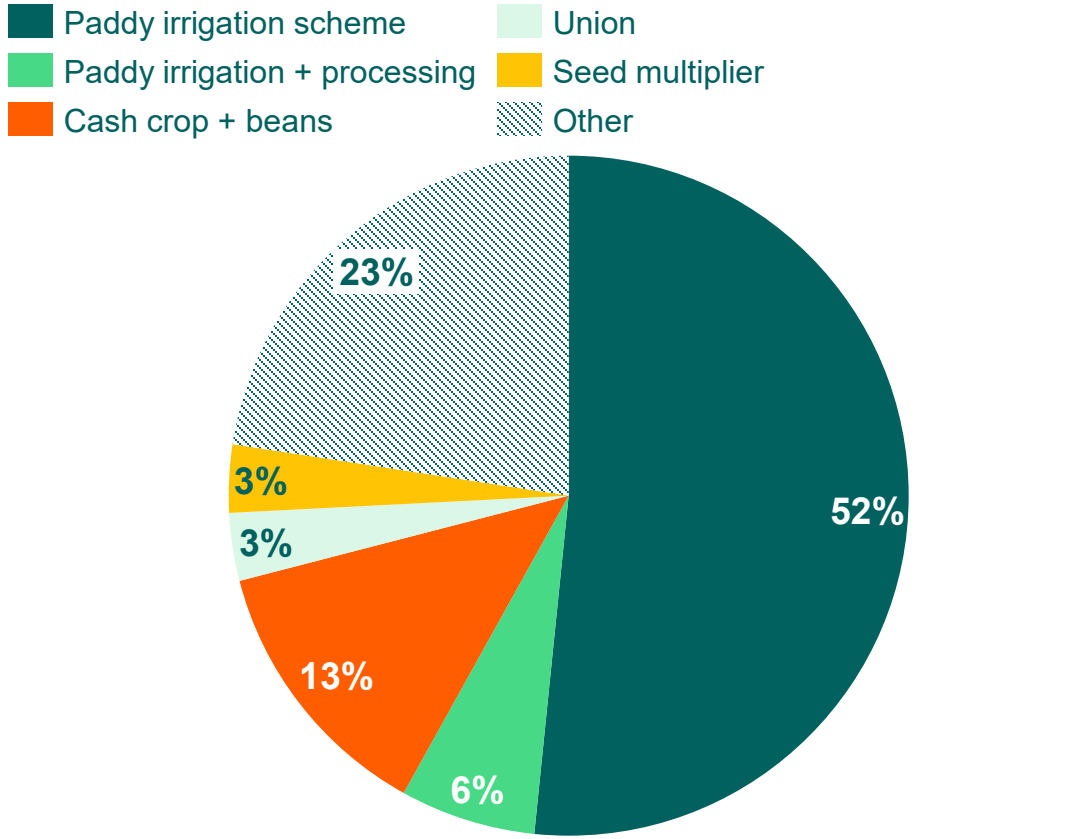
FO profiles | Beyond the different levels of professionalism, FOs engaged by RGL have diverse business profiles including irrigation schemes, unions, AMCOS and seed multiplier

The quantitative assessment in the following slides presents only a sample of RGLs' FOs. These FOs should be considered personas rather than representative examples of all FOs with this structure, and comparisons should be avoided. There may be additional personas that are not covered.

	Irrigation schemes			Association	Bean seed multiplier	Bean FO
FO Name	FO-A	FO-B	FO-C	FO-D	FO-E	FO-F
Level	1	2	2	2	2	3
Key characteristics, activities, other crops	• FO-B engages in processing activities while the others do not			• Lobbies on behalf of FOs. • Facilitates finance linkages and guarantees	• Provides seed beans to other FOs and aggregates beans on behalf of RGL • Maize, rice, vegetables, beans	• Gives loans at an interest • Has share capital. • Beans are not a focus crop. They also do maize and sunflower
Focus Crop	Rice			Rice	Beans	Coffee
Plans to invest in..	Graders, wheel loaders, excavators, combine, input shop, warehouse capacity			Harvesters, tractors, trucks	Processing capacity for precooked beans and maize milling	Completion of warehouse, office and input store construction
Access to finance	No	Yes	Yes	Yes	No	Yes
Key challenges & Needs	• Access to finance with less lengthy applications • Lack of accurate farm-level data limits the effectiveness of collecting the development fees.			• Training on GAP, financial management, leadership, governance, and warehouse management. • Inadequate post-harvest infrastructure	• Attrition in membership • No computer infrastructure (but basic monthly accounting is done)	• The government subsidy program has created challenges in starting the sale of fertiliser

FO Distribution | Half of the assessed FOs engage in paddy irrigation; others support paddy or bean producing farmers taking on different roles such as processing or input supply

AgriGRADE FO distribution per business model

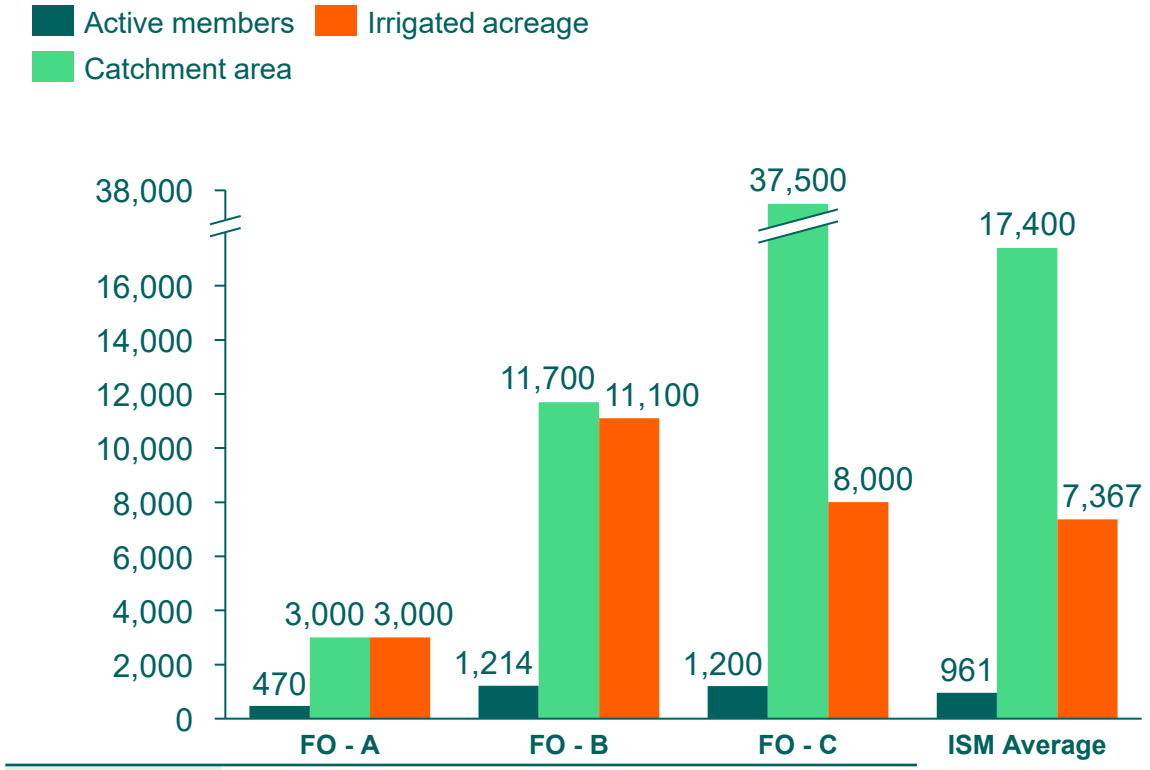


- Of the 31 FOs assessed, 16 operate in paddy irrigation schemes. The main differences amongst these are their size, ability to scale up, infrastructure maintenance, and governance.
- Another 7 are categorized under “Other,” and are involved in paddy-related activities outside of irrigation schemes such as rain-fed paddy production and provision of warehousing services for paddy.
- These FOs engage in rainfed paddy production, aggregation, storage, or solely in paddy processing. They are mostly located in the lowland areas where they get sufficient rainfall.
- 2 more rice FOs manage irrigation schemes while also engaging in processing activities.
- Additionally, 5 FOs focus on bean production. For most of these bean FOs, their primary crop is a cash crop such as coffee—though the seed multiplier stands out as an exception.
- Lastly, there is 1 union. Some of the 30 FOs are be members of the union.

Sources: BDS providers, SCOPE insight data (2025)

Scale – Rice (Irrigation Scheme) | Since the main driver of scale is acreage under irrigation, an FO's capacity to scale under this model is limited by its catchment area

Members, acres & volumes (MT)

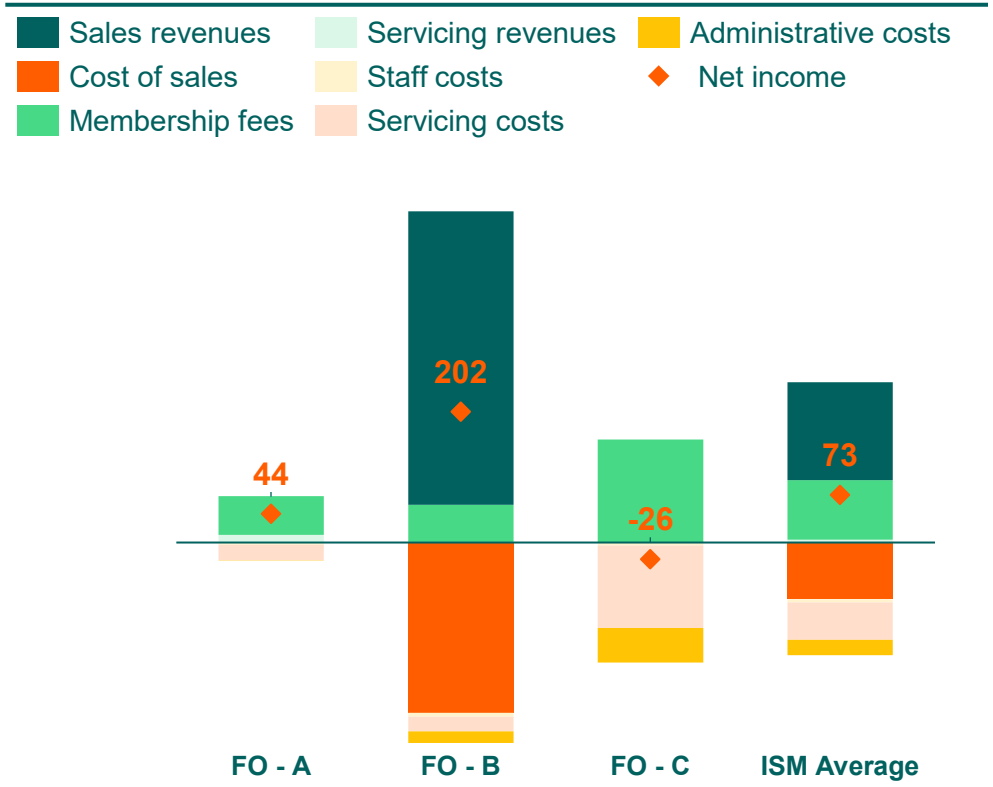


	FO - A	FO - B	FO - C
Warehouse capacity (MT)	N/A	3,000	75
Estimated available MT	10,500	66,600	48,000

- The main driver for scale under the irrigation scheme model(ISM) is acreage.
  - FO-A already has all available acreage under irrigation and cannot scale beyond its catchment area.
  - FO-B has the capacity to increase acreage but lacks the infrastructure to support irrigation.
  - For FO-C, only 8,000 acres are levelled. They are progressively levelling based on resource access.
- If RGL could connect FO-C to the right financiers to obtain the resources to level the remainder of their catchment area, production could be significantly enhanced. The financing could be linked to a loyalty level.
- FO membership base influences revenues through registration and yearly fees but does not affect the cost structure since fees are based on total acreage in the catchment area.
- A distinguishing factor for FO-B is that is has an established paddy processing facility.

FO Performance – Rice (Irrigation Scheme) | FO-B's processing capability results in comparably higher net income as the other FOs rely only on warehousing and development fees

FO Profit and Loss (USD '000)



	FO - A	FO - B	FO - C	ISM Average
Profit margin	62%	39%	-16%	30%

Revenues

- All FOs in irrigation schemes make revenues by charging an annual development fee per acre. In addition, they charge warehousing fees as 2 FOs have their own warehouses, and one makes use of Apex* facilities to provide warehousing services.
- FO-B has a significantly higher net income driven by processing. RGL can evaluate the benefit of outsourcing certain processing steps as it may be strategic to invest in similar FOs to handle those activities.

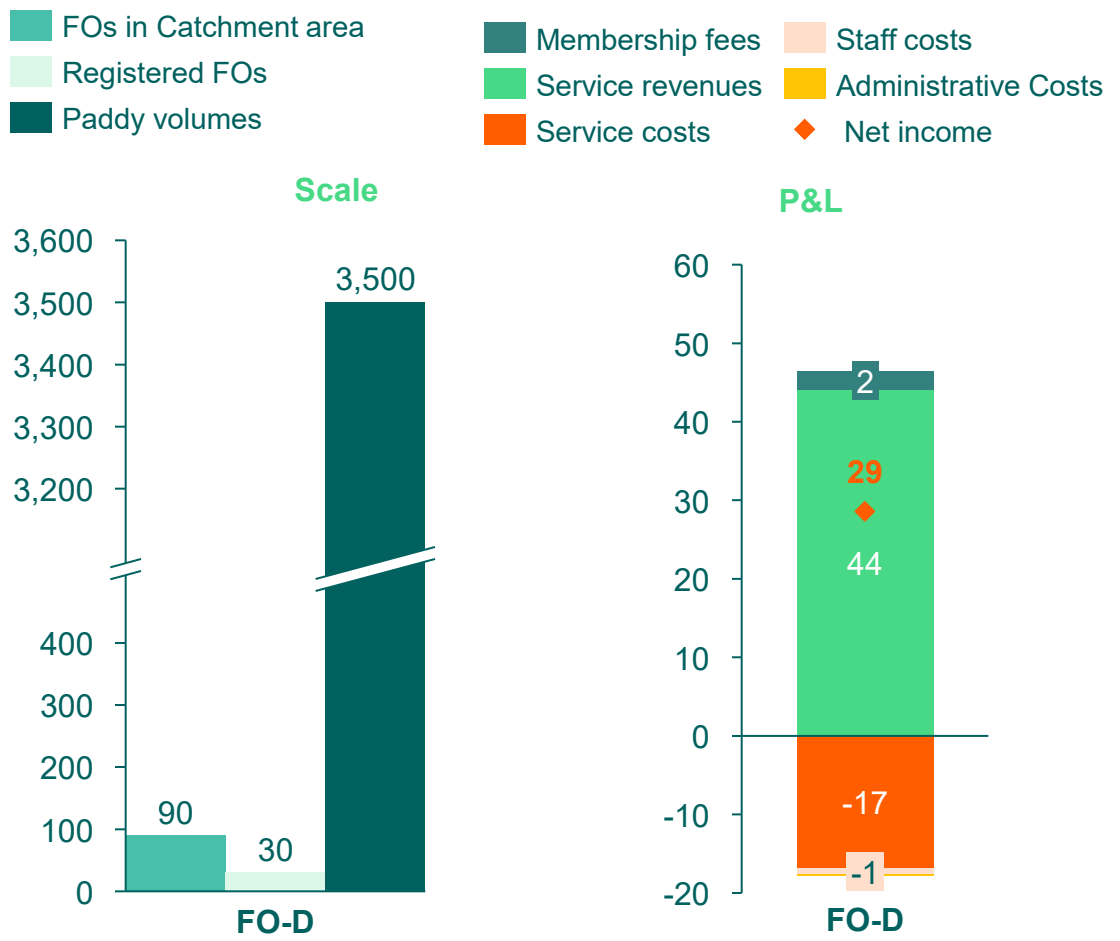
Cost

- The cost structure is comparable amongst these FOs in that 25% of their development fee revenues is allocated to the National Irrigation Commission to cater for operations and maintenance of the irrigation schemes. Other expenses include salaries, operational costs for processing, and a water levy.
- Generally, all the revenue collected by the FOs is expensed in the financial year. There are no profits to distribute to the members.

*Sources: 1) Country visit (2025); 2) SCOPE insight data. *Apex is the highest-level representative body of cooperatives at the national level*

Scale and FO performance – Rice (Association) | The rice union operates a different business model, generating most of its revenue from service fees, primarily from warehousing

Members, volumes (MT) and FO Profit and Loss (USD '000)



Scale

- Since FO-D is a union and unlike the FOs discussed previously where membership is made up of individual farmers, membership in a union is made up of FOs. The union has 30 members, and its catchment area consists another 60 FOs that are not officially registered with the union. Nevertheless, the union provides services to both members and non-members.[1]
- The FO's scaling strategy is largely based on the construction of additional warehouses and the acquisition of machinery.
- More specifically, the union is in the process of building another warehouse of 3,000 MT with a grant from the Tanzania Agricultural Partnership Program (TAP).[2] Furthermore, in the short term, the FO has concrete plans to purchase a combined harvester and to purchase transport trucks in the medium term.

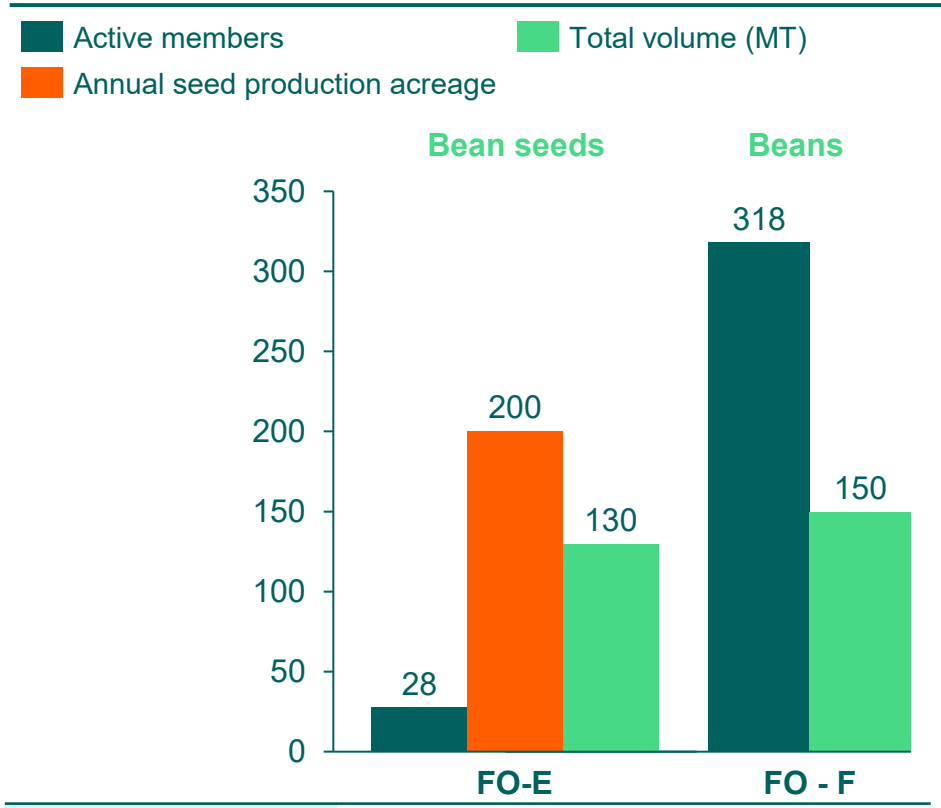
Revenues and costs

- FO-D earns revenues on services like warehousing, fertilizers, pesticides, and power tillers. It reinvests profits in its input business.
- FO-D includes costs such as salaries and credit administration

Sources: 1) SCOPE insight data.
*Note: FO-D is a union whose members are FOs and not individual farmers. *These FOs are presented together to show their diversity. They are by no means comparable.*

Scale – Beans | These FOs have expanded storage with support from other ecosystem actors who can be leveraged to provide some other form of support such as training or financing

Members, volumes (MT), and acreage



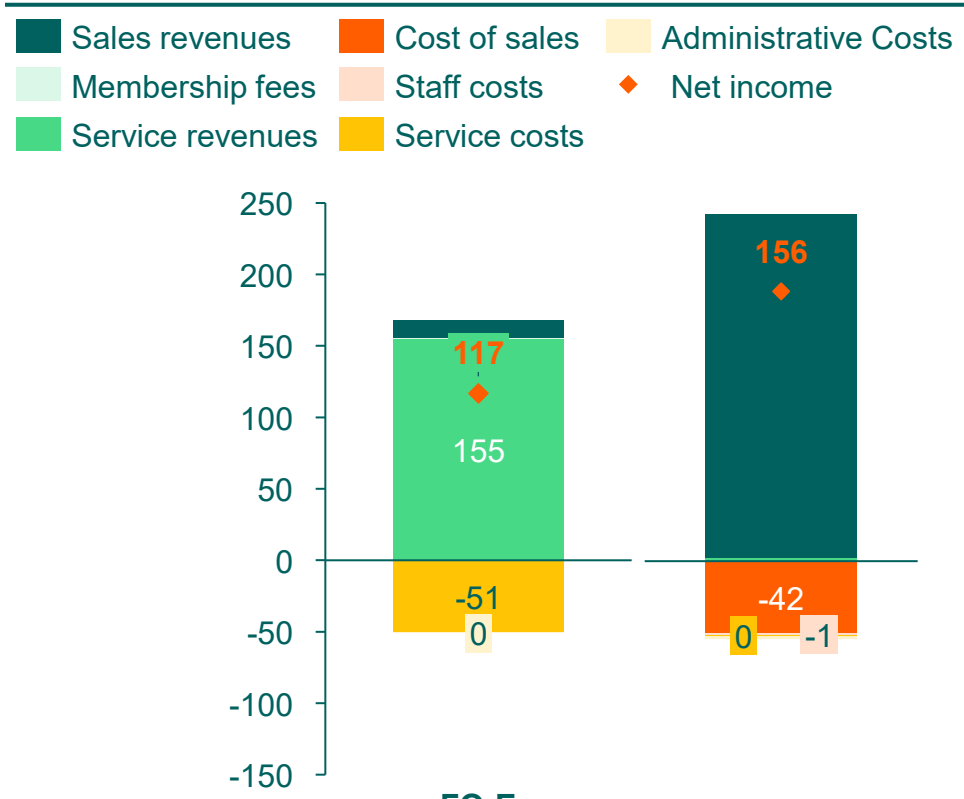
	FO-E	FO - F
Warehouse capacity (MT)	300	150
Estimated available MT	150	150

- Most of the FOs do not aggregate or produce beans as a primary crop.
- FO-E, a bean seed producer, is one of the exceptions. It is a women-owned group with access to 200 acres on which they multiply bean seed for sale to farmers including to its members.
- The FO further provides linkages to bean buyers to the farmers that they sell seed to. Active member numbers are currently low as the FO recently lost about 50% of its members, due to migration across villages.[1]
- Scaling the bean seed multiplication business is limited by the 200 acres that the business currently has access to but may be expanded in future with access to land. The FO can scale the bean aggregation business by expanding reach to farmers/FOs that they do not supply seed to.
- FO-F engages mainly in coffee production, but farmers also supply beans. It has a warehouse of 150 MT and is in the process of building another one of 300 MT.
- Its scaling strategy in future is based on increasing bean production, setting up an input shop and scaling the input credit provision to their members.

*Sources: 1) SCOPE insight data. Note: *These FOs are presented together to show their diversity. They are by no means comparable.*

FO Performance – Beans | Even though FO-F has a high income, some of its revenue comes from coffee which is the anchor crop of the cooperative

FO Profit and Loss (USD '000)



	FO-E	FO - F
Profit margin	70%	78%

Revenues

- The main revenue driver for FO-E is from clean bean seed sales under contracts with companies, and to farmers.
- FO-F aggregates produce for collective marketing, offers credit guarantees and linkages to banks. They provide financial products to members and make some revenues from charging interest. Income diversification and group guarantees schemes ensure that farmers' defaults are low. Often time, FOs selling beans have a different primary crop, coffee in the case of FO-F.

Cost

- FO-E incurs costs largely from the cost of bean seed production. Although they aggregate produce from farmers, the FO does not incur any costs as farmers deliver their produce to collection centres at their own cost.
- This FO also incurs minimal administrative costs as the FO leadership volunteers to run office operations.
- FO-F accounts for salaries, board meetings, office administration, and bad debts.

** These FOs are presented together to show their diversity. They are by no means comparable.*

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idh
transforming markets

IDH Annual Report (2023)

Farmfit Insights Hub

This report was created using think-cell

Thanks

IDH would like to express its sincere thanks to Raphael Group Limited for their openness and willingness to partner through this study. By providing insight into their model and critical feedback on our approach, Raphael Group Limited is helping to pave the way for service delivery that is beneficial and sustainable for farmers and providers

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BILL & MELINDA GATES foundation

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from the British people

5

Annex

5.1 Context

SWOT

	Helpful	Harmful
Internal	**Strengths**	**Weaknesses**
	• RGL has robust internal capacities & strong partnerships like IDH, YARA, and TARI, ensuring access to TA, inputs, and research • Established market for rice and beans, supported by RGL's connections to FOs and service providers • Machinery acquired to meet European quality and standards, opening access to high-margin markets. • Strong processing capabilities for rice and beans, with clear growth targets (e.g. rice to 40,000 MT annually in 3 years).	• Limited storage capacity, currently at 15,000 MT, with no visible timeline for expansion plans. • Vulnerability to side-selling by farmers reducing reliability in the supply chain • Financial partners do not currently cater to agricultural-specific financing, limiting tailored support for FO needs • Pricing with FOs remains variable, with no clear mechanism for capping the maximum price, creating potential financial unpredictability.
External	**Opportunities**	**Threats**
	• Increasing international sales, particularly targeting high-value markets in Belgium and France • Strengthening FO segmentation policies to enhance internal knowledge management and tailor engagement strategies • Crop insurance • Establishing FO graduation strategy	• Ongoing challenges meeting European market quality and standard requirements, especially for rice and beans • Insufficient volumes from contracted FOs, requiring supplementary sourcing from traders or individual farmers to meet targets

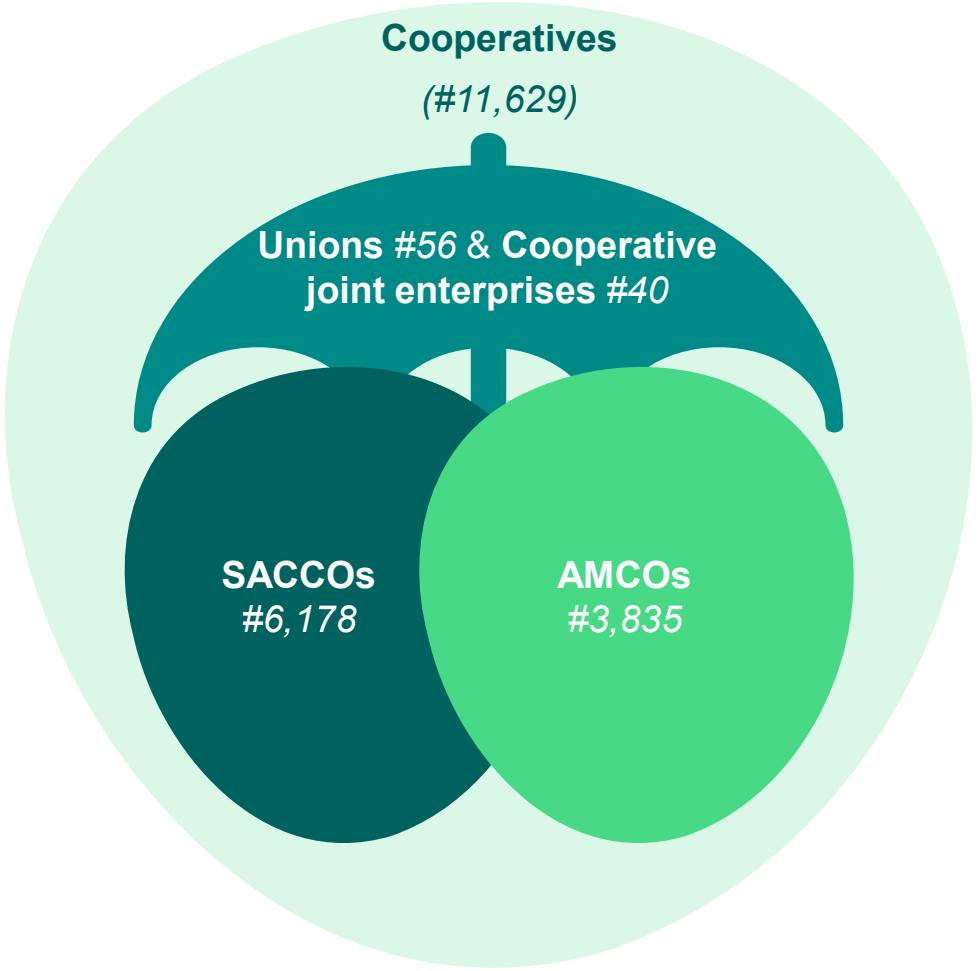
Sources: Company documents & interviews (2024;2025)

Gender context | In Tanzania, gender disparity mainly exists for land- and bank account ownership. For RGL, these indicators do not seem to signal any inequality amongst its farmers

Ratio	Tanzania	RGL*	Observations
Primary education enrolment	1.00	1.09	In Tanzania, there is gender parity in primary education enrolment with for every 100 boys, 100 girls enrolling for primary education.[1] For RGL farmers this ratio is similar.
Estimated earned (farmer) income	0.89	0.51	The disparity is among others caused by access to land, resources, other income, and transportation barriers.[1] RGL female farmers also seem to earn significantly less than men
Bank account ownership	0.63	0.78	Among women who own a bank account, 95% have sole ownership over it.[2] RGL farmers seem to have a higher bank account ownership ratio than the national average.
Mobile phone ownership	0.79	0.94	RGL farmers seem to have a higher mobile phone ownership ratio than the national average.[2] This is important, since RGL communicates via an FMIS system.
Decision-making power	0.64		Participation in all three decisions increases with age, from 35% among women aged 15–19 to 65% among women aged 45–49, in country data.[3]
Employee gender ratio	0.89	0.26	Labor force participation is dominated by men, while more women work in the informal sector.[1] RGL scores even further below this with very little women among its staff.
Land ownership	0.25	1.07	Land ownership stands way higher for RGL farmers compared to the national average.
Equal pay	0.70	1.00	RGL does not explicitly tracks or documents it but has an equal pay for equal work policy that it adheres to.

*Sources: 1) Global Gender Gap, (2024); 2) The Global Findex Database, (2021); 3) Tanzania DHS, (2022). * The ratios at RGL level are based on a farmer survey report from 2023, and RGL company data*

FO Landscape | Tanzania's cooperatives, categorized into SACCOs, AMCOs, Unions, and CJEs, each play a distinct role in financial services, marketing, and value addition for farmers



Farmer Organization Landscape in Tanzania

- Tanzania Mainland has a total of 11,629 registered cooperatives or FOs. The cooperatives provide employment to 90,090 people
- Cooperatives can be classified into Savings and Credit Cooperative Organizations (SACCOs) (#6,178), AMCOS (#3,835), Unions (#56), and Cooperative joint enterprises (CJEs) (#40)
- SACCOS are financial cooperatives, so they focus on savings and credit rather than directly on production or marketing
- AMCOs directly handle marketing and selling. Rice, beans and maize aggregation and marketing predominantly fall under AMCOs because they involve bulk production that fetch better prices with collective marketing
- Unions often represent a collection of AMCOs or SACCOs at regional or national levels. They handle larger-scale operations like processing, exporting, or policy-making on behalf of farmers.
- Cooperative Joint Enterprises are specialized coops that focus on joint ventures or value addition such as processing or acquiring a mill.
- Even though cooperatives are considered important for economic growth, major challenges remain such as low professionalism, restrictive laws and limited financing

Sources: AgriGRADE proposal (2024); Journal of studies in social sciences and Humanities (2022)

5.2

Learning questions

Learning questions

With this IBA, we aim to answer the following questions:

Topic	Question
Business model	• How does RGL segment the FOs it is working with? • What services is RGL providing to the FOs? How can this be improved? • How can RGL leverage the existing service ecosystem to drive the professionalisation of FOs? • How is the relationship between RGL and the FOs currently structured? How can it be improved?
Company performance	• What is RGLs' performance based on their interaction with the FOs? • At what cost and scale are the services provided from RGL to the FO?
FO performance	• What is the current and projected business and financial performance of the FOs?

5.3

Underlying data & information

Company assumptions

For business sensitivity reasons we have excluded the assumptions from the public report

SCOPE Assessment Methodology (1/2)

The SCOPEinsight methodology offers a comprehensive assessment and scoring system that evaluates the professionalism of agribusinesses across multiple dimensions, all of which contribute to sustainable operations. These eight core dimensions are: 1. Internal Management, 2. Financial Management, 3. Sustainability, 4. Operations, 5. Production base, 6. Market, 7. External Risks and 8. Enabling Environment. For more advanced agribusinesses, a ninth dimension—Financial Performance—is included exclusively in the SCOPE Pro assessment.

Dimension	Description
Internal management	How an organization manages, governs and plans its business to achieve its objectives.
Financial management	Planning, directing, monitoring and controlling the financial resources of the organization.
Sustainability	The organization's performance related to social and environmental practices and the way it actively tries to reduce negative environmental and social impact and increase the positive impact.
Production-base	Production base focuses on the management of the farmer base to ensure timely and sufficiently delivery of quality produce to the organization.
Operation	All processes from the collection of the produce from farmers up to the delivery of the produce to the clients, including quality control and the transformation (processing) of the agricultural produce into the desired product.
Market	Market dimension focuses on the organization's understanding of and ability to access and operate in a competitive market and anticipate market risks.
External risk	This dimension focuses on the awareness of biological, climate and social and politically related risks and the capacity of the assessed entity to mitigate these risks.
Enabling environment	The enabling environment is defined as a set of policies, institutions and support services that collectively improve or create a conducive business climate for the organization to develop and thrive. This dimension analyses to what extent the assessed entity effectively relates and gets access to the services and opportunities presented
Financial Performance (Pro)	The Financial Performance dimension gives insight into how the organization is performing financially based on the key financial ratios.

SCOPE Assessment Methodology (2/2)

Scoring Criteria

Each SCOPE assessment consists of over a hundred questions, with responses scored on a scale from 1 to 5. Scores are derived based on verified answers and supporting documentation. SCOPE tools are sector, value chain and country agnostic, ensuring wide applicability.

Scoring is dimension-weighted, meaning specific dimensions may contribute more to the final score, depending on their influence on overall professionalism.

SCOPE Score Range Interpretation:

- **1 to <2: Basic** – Indicates a very immature organization. Minimal governance and limited market engagement.
- **2 to <3: Advancing** – The organization has begun building structures but needs substantial support.
- **3 to <4: Advanced** – Demonstrates solid governance and market participation. Ready to scale with targeted improvements.
- **4 to 5: Top-performing** – Highly professional with strong internal systems and external engagement. Serves as a role model.

Data Collection

The data collection is meticulously designed to ensure reliability and consistency across assessments. It includes a structured interview conducted by a certified assessor, supplemented by reviewing supporting documentation and physical observations when applicable. Additionally, SCOPE Quality Reviewers perform rounds of completeness and consistency checks.

- **Interviews**: Primary information is gathered through in-depth interviews with key organization representatives.
- **Document Review**: Verifiable evidence such as financial records, meeting minutes, organizational charts, and strategic plans is examined to confirm responses.
- **Field Observation**: When feasible, assessors conduct site visits to verify operational infrastructure and observe practices directly.