Diplomado of Indigenous Women
Economic Autonomy
and Environmental Justice

1st Edition 2019
From April 15 to June 20, 2019

Módulo 6
Economic Autonomy
With Intercultural
Approach of
Responsability, Reciprosity
And Ustentability of
Indigenous Women
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Module Objective

For indigenous women to have a planning tool that directs in a technical and political manner the development of their startup businesses from the Good Living approach on the basis of the identification of resources and potentialities, as well as the economic and environmental problematics in their life spaces.

Introduction

With this module, we finalize the Diploma. It is time for us to elaborate a startup business with what we have learned and shared. The core of our plans is in the community experience, traditional knowledge and practices, and the principles of the Good Living or Development with Identity. The values or principles that have allowed the survival of the Indigenous Communities are the traditional knowledge, the conduct codes, the human values, the spirituality and the foresight, the capacity of a forward-looking approach. For us, progress is not what the western world think it means. It is not only the accumulation of profit, it means something deeper than that, it is the right to shape the future based on our tangible and intangible heritage.

Some of the main elements that we have to take into account for our business proposals to answer to the indigenous perspective are the following:

1. The control over the indigenous lands and territories that are the spiritual and material basis of the indigenous existence.
2. The respect and conservation of the environment.
3. The recognition and respect for the identities and cultures.
4. The participation in the decisions being taken.

In a practical manner and applying what we have learned, we are going to Learn to Start a Business. In order to do that we are going to make a presentation of a business model, a SWOT analysis of our own businesses, a business plan with its implementation plan and the assessment of said business in terms of: profitability, productivity, competence, customers, volume of sales, technological evaluation, and identifying additional indigenous indicators such as reciprocity, bioculturalism and sustainability with an intercultural approach.
Lesson 1
From the Production Chain to the Value Chain

The production chains are characterized by their rather general vision of the market with which they are linked. For this reason, the actors can understand how the market works globally, but many times they can’t see how it can directly affect their products. One example is the production chain of organic coffee that can know about the national or international demand of coffee, but at the same time not know the types of coffee demanded or the profile of costumer that consumes it, or the specific demand for organic coffee. When the information is too general, it does not help us know the details that are important to know with clarity the demand for our products and the real size of the market.

In contrast, in the production under a value chain approach, the actors manage the specific information about the market of the particular product they are working on, and have identified the final costumers that demand the specific products. With the end of the chain being specified, the value chain is articulated in order to answer to the costumer’s specifications between all of the actors. When the commercial opportunities are real, there is a greater incentive to work united in the chain, improve the competitiveness and develop coordinated action to ensure quality, market and sustainability.

A production chain with equity includes the following aspects:

- All the actors must receive a profit from their economic activity that facilitates and guarantees their presence as actors in the chain.
- Each actor must have the possibility to choose the alternative of articulation that better meets their interests, respecting the previous agreements.
- Equal opportunities for women and men for being part of the chain, and have the same power to make decisions.
- The use practices and the management of resources of the chain must guarantee that the future generations might be able to access these resources in ever-improving conditions.
- No discrimination of any type, in relation to culture, costumes, technology or others.¹

The methodology of the Chain of Value help us make a comprehensive analysis, from the supply provisions to the commercialization, aiming to improve the competitiveness and equity in the production chains. It analyzes the context, the actors (the role they play and their relationships), the critical points, as well as the support services and resources from people in risk of exclusion. From there, a strategy or plan of action is designed in order to add an economic and social sustainable value for the poorest people that are part of the chain and achieve a more sustainable impact.

The Chain of Value approach contains the following elements:

- High levels of trust, will and commitment from all of the actors.
- Cooperation and united vision in the chain by the actors in order to reach goals and common objectives and a secure context when doing business.

¹ Metodología de análisis de cadenas productivas bajo el enfoque de cadenas de valor Fundación CODESPA 2011
• Information flux between all actors that ensure transparency and good communication.
• Organization of producers.
• Formal relationships between actors and the existence of agreements between them (in relation to the horizontal and vertical relationships respectively).
• Market approach and direction of the chain to a market demand (and not to the supply).
• More formal and contractual articulation with the market, meeting its quality standards, value addition and innovation, among others. Specialized support services (including the access to funding) for all the actors.
• Social and environmental sustainability.

In the next table we can see the differences between the Tradition Chain and the Value Chain:

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Production Chain</th>
<th>Chain of Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational structure</td>
<td>Independent Actors</td>
<td>Dependent actors</td>
</tr>
<tr>
<td>Orientation</td>
<td>Focus on the supply</td>
<td>Focus on the demand</td>
</tr>
<tr>
<td>Market identification</td>
<td>Market potential</td>
<td>Niche and specific business</td>
</tr>
<tr>
<td>Main element</td>
<td>Cost/price</td>
<td>Value/quality</td>
</tr>
<tr>
<td>Strategy</td>
<td>Basic products</td>
<td>Differentiated products</td>
</tr>
<tr>
<td>Relationship between actors</td>
<td>Informal</td>
<td>Formal</td>
</tr>
<tr>
<td>Vision of the relationship</td>
<td>Short term</td>
<td>Long term</td>
</tr>
<tr>
<td>Trust level</td>
<td>Low/medium</td>
<td>High</td>
</tr>
<tr>
<td>Flux of information</td>
<td>Low or non-existent</td>
<td>Wide</td>
</tr>
</tbody>
</table>

Six minimal conditions must be met for a Chain of Value to work efficiently. These are the following:

1. **Appropriate environmental conditions** As it has been stated before, counting on public policies that favor the chain as well as the public infrastructure (water, electricity, etc.) has a direct impact on the proper functioning of the chain.
2. **Growing market for the selected product** The market must be dynamic and be ready to receive the product.
3. **Companies (or other organizations) interested in buying the product.** A chain of value cannot be assembled only with the information on trends or expectations on the existence of a potential market. It is necessary to have a market segmentation and identify the real costumers by full name.
4. **Providers of support services to improve and develop the product.** As it has been detailed before, the business organizations, producers and micro entrepreneurs require multiple services in order to improve. Therefore it is quite complicated for a sole institution to provide all the services needed. It is a broad and far too complicated task. Thus, it is necessary to search for an interinstitutional model that links: universities, local government, NGO, International Cooperation, private sector and other institutions to the operation.
5. **Coordination bodies and joint work.** If there are several institutions

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2 Capítulo 1. CADENAS DE VALOR: hacia un desarrollo sostenible - Fundación CODESPA .
that take part of this chain of value work, coordination, planning, accountability, conciliation, follow-up and dialogue bodies must be implemented, as well as the so-called round tables. This “chain spaces” are necessary to joint work on the chain and for each one of the actors to take on obligations and responsibilities, and to respect the interests of all members.

6. **Producer organizations with business approach.** There are several producer organizations, but not many with a business approach. The fact that they have that approach means that they have overcome their internal social problems and weakness and, on the basis of that strengthened organization, they are capable of organizing a company to join, add value and sell.

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### Integration exercise

In our workbooks, let’s briefly answer from our own experiences each of the key questions to develop a **BUSINESS MODEL**. This will be of great help for us to put into practice

- **Key partners**
  - Who are our key partners?
  - Who are our key suppliers?
  - Which key resources are we going to acquire from our partners?
  - What key activities do our partners carry out?

- **Key activities**
  - Which key activities require our value proposal?
  - Our distribution channels?
  - Our customer relationships?
  - Our source of income?

- **Key resources**
  - Which key resources require our value proposal?
  - Our distribution channels?
  - Our customer relationships?
  - Our source of income?

- **Value proposal**
  - What value do we deliver to the costumer?
  - Which of our costumer’s problems are we going to help solve?
  - Which product or service package do we offer to each customer segments?
  - Which of our costumer’s needs are we fulfilling?

- **Customer segment**
  - For who are we creating value?
  - Who are our most important costumers?
Customer relationships
• What kind of relationship does each of our customer segments expect us to establish and maintain with them?
• Which ones have we already established?
• How are they linked to our business model?
• How much do they cost?

Channels
• By which channels do our customer segments want to be contacted?
• How do we contact them now?
• How are our channels composed?
• Which ones work better?
• Which ones are more cost-effective?
• How do we insert them in our customer routines?

Cost structure
• What are the most important inherent costs of our business model?
• Which key resources are the most expensive?
• Which key activities are the most expensive?

Income sources
• What are the most important inherent costs of our business model?
• Which key resources are the most expensive?
• Which key activities are the most expensive?
• For what value are our customers really willing to pay?
• At this moment, why do they pay?
• How are they paying now? How would they prefer to pay?
• How much does each of the income sources contribute to the total revenue?
Lesson 2
Making a SWOT analysis

We are going to make an analysis of the situation of our start-up by using the following matrix:

<table>
<thead>
<tr>
<th>STRONG POINTS</th>
<th>STRENGTHS</th>
<th>OPPORTUNITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>What are we good at?</td>
<td>What are the market trends?</td>
</tr>
<tr>
<td></td>
<td>What do people admire from us?</td>
<td>What changes are coming up?</td>
</tr>
<tr>
<td></td>
<td>How can I take advantage of it?</td>
<td>How can I use them?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WEAK POINTS</th>
<th>Optimize them</th>
<th>Make the most of them</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimize them</td>
<td>Overcome them</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WEAKNESSES</th>
<th></th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>What are we doing wrong?</td>
<td>What does our competition do?</td>
</tr>
<tr>
<td></td>
<td>What can we improve?</td>
<td>What are the obstacles?</td>
</tr>
<tr>
<td></td>
<td>What is holding us back from success?</td>
<td>How can we defend ourselves?</td>
</tr>
<tr>
<td></td>
<td>What are our disadvantages?</td>
<td></td>
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</tbody>
</table>

**Diagram:**
- **Weaknesses**: Correct
- **Threats**: Afront
- **Strengths**: Maintain
- **Opportunities**: Take advantage
Once we have filled our SWOT matrix, we are going to identify the potential of the resources that we have for the success of our initiatives. Remember that the tangible heritage is everything that we have in our territories and that we can see and touch, like the rivers, mountains, land, trees, and other natural resources. The intangible heritage is our language, knowledge, worldview, spirituality. These are the potentialities that we are going to identify by using the following table:

<table>
<thead>
<tr>
<th>Cultural</th>
<th>Economical</th>
<th>Environmental</th>
<th>Political</th>
</tr>
</thead>
</table>

**Presentation in the plenary session**

The SWOT analysis is a good way to identify those situations that are affecting our business and that we do not want, as well as those that help us and that we want to keep strengthening. We can do it periodically or when we consider it necessary. Now we are going to make one for each of the start-ups and share them in the plenary session.
Lesson 3
The importance of the trademark

Let’s read and discuss:

We have to learn to sell our products by creating an attractive trademark that reflects what our business is and allows our customers to identify easily what we are offering them. But the trademark does not only work as identifier, it is a guarantee of the quality of our product, it gains the trust of the customers so they keep on buying our product. Every business plan must have an appropriate trademark that represents what we are, our culture and identity. In addition, a trademark must protect our knowledge and prevent the theft of our tangible and intangible heritage.

Once we have selected and designed it, our trademark must be registered and avoid looking like any other existing one. This will prevent us from conflicts with other companies. We have to find out the different procedures for trademark registering in the different countries and abroad. The trademark must be distinctive in order to be protected and registered in the trademark offices of your countries and abroad. This will raise the possibilities of it being easily recognized by the customers.

Recommendations for the design of the trademark:

- It must be easy to read, spell, pronounce and remember in all the pertinent languages.
- It must not have any unwanted meanings or connotations.
- It must adapt to export markets without having a derogatory meaning in foreign languages, particularly if you want to sell your product abroad.
- It must not lead to confusion about the nature of the product.
- It must be able to adapt to the media.

Let’s share experiences of designing and using of trademarks by indigenous women. Let’s make a trademark proposal for our product using words and images.

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1 OMPI, Organización Mundial de Propiedad Intelectual. https://www.wipo.int/sme/es/ip_business/marks/tm_creation.htm
Lesson 4
Redacting our Plan of Action

We have arrived to the end of the Diploma and it is time for us to elaborate our Plan of Action

Throughout the modules we have worked on a SWOT, made a Tree of Problems and Tree of Solutions, a map of actors and a business plan. We need to have all of these by hand because they are part of our Business Model. Now let’s make the effort of identifying the next steps to return to our workplaces to share with the rest of our sisters and brothers how to start the path that will bring us from the production to the commercialization, and strengthening our culture and identity.

<table>
<thead>
<tr>
<th>Chores</th>
<th>Why is it done?</th>
<th>Starting date</th>
<th>Compliance date</th>
<th>Resources</th>
<th>Responsible</th>
</tr>
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