Terminal Evaluation of the UN Environment Project "Greening the Cocoa Industry" (GEF ID 3077/GFL2328-2715-4B83)

FINAL VERSION

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ABOUT THE EVALUATION[1]

Joint Evaluation: Yes

Report Language(s): English

Evaluation Type: Terminal Project Evaluations

Brief Description: This report is a terminal evaluation of a UN Environment-Global Environmental Facility project implemented between 2011 and 2016.The project's overall development goal is to *conserve globally important biodiversity in cocoa growing landscapes in Cote d'Ivoire, Ghana, Madagascar, Nigeria, Indonesia, Papua New Guinea, Brazil, Dominican Republic, Ecuador, and Peru*. Its *objective* is "*to change production in major cocoa producing countries and business practices in cocoa and chocolate companies, such that they conserve biodiversity in cocoa production landscapes, provide greater long-term stability to the industry and increased income for smallholders*. The evaluation assesses the project performance (in terms of relevance, effectiveness and efficiency), and the outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UN Environment, the Global Environmental Facility and their executing partner the Rainforest Alliance and Its partners in the project participating countries.

Key words: Sustainable agriculture; Cocoa production; Value chain; Cocoa and Chocolate companies; Payment for Ecosystem; Biodiversity; Climate Change; Deforestation; Landscape approach; Certification; Global Environmental Facility.

[1] *This data is used to aid the internet search of this report on the Evaluation Office of UN Environment Website*

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Main Cocoa Certification Systems

The Greening the Cocoa Industry Project has used the Sustainable Agricultural Network Certification to demonstrate the positive impact from sustainable cocoa production to the conservation of the biodiversity in and around the farm. This Evaluation report mentions several other certification systems are also implemented by the cocoa growers. A short description[2] of the various certification standards is provided below.

In January 2018, Rainforest Alliance merged with UTZ, a leading sustainability certification organization. The new organization, which is carrying forward the Rainforest Alliance name, is tackling environmental and social issues around the world, including climate change, deforestation, poverty, and unsustainable farming. The new organization is an advocate for change, continuing to protect the natural environment and striving to make sustainable agriculture and forest management the norm by working side by side with communities, businesses and governments.

Sustainable Agricultural Network (SAN) Certification

The Sustainable Agriculture Network is a coalition of non-profit conservation and rural development organizations in the Americas, Africa and Europe promoting the environmental and social sustainability of agricultural activities through the development of good practice standards, certification and the training of rural producers throughout the world.

The Rainforest Alliance works to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices and consumer behaviour.

Compliance with the Sustainable Agricultural Network Standard is indispensable for farm certification and the right to use the Rainforest Alliance Certified TM seal on agricultural products. Both, Sustainable Agricultural Network and Rainforest Alliance are co owners of the certification system.

Through local partners, the Sustainable Agricultural Network supports producers of all sizes to adopt agricultural practices that have a positive impact on ecosystems and rural communities.

UTZ certification

UTZ Certified is an independent, non-governmental, not-for-profit sustainability label and program dedicated to create an open and transparent marketplace for socially and environmentally responsible agricultural products. UTZ has developed three main tools to achieve these goals: the UTZ Traceability System, the UTZ Code of Conduct and the Chain of Custody documents.

[2] The overview of the main certification systems active in cocoa is taken from the Standards Map (http://www.standardsmap.org/)

The UTZ has a web-based traceability system for coffee, cocoa, tea and rooibos from producers to buyers. UTZ Certified producers sell their produce to UTZ Certified registered buyers and all transactions can be viewed online and in real time on the system.

The UTZ Chain-of-Custody requirements include criteria for the separation of certified/noncertified commodities and for keeping records of direct suppliers and buyers. The UTZ Code of Conduct follows a risk-based approach as well as a principle of continuous development.

Fairtrade Certification

Fairtrade International is an independent, non-governmental, not-for-profit organization that promotes sustainable development and poverty alleviation and sets the Fairtrade standards. Nineteen national organizations, called Fairtrade Labelling Initiatives, market the Fairtrade products in 24 countries in Europe, North America, Australia, New Zealand. One organization - FLO-CERT - is responsible for auditing and certification of compliance against the Fairtrade standards.

Fairtrade provides producers with access to a fast-growing market segment that is highly recognized by consumers in the global North.

- Fairtrade standards are designed to tackle poverty and empower producers in the poorest countries in the world. The standards apply to both producers and traders.
- The Fairtrade standards are developed through a collaborative and voluntary process by members, farmers, industry, scientists and advisors from the private and public sector.

Table 1: Project Identification Table

GEF project ID:	3077	Project type:	Full Sized Project
Implementing Agency:	UN Environment	Executing Agency:	Rainforest Alliance (RA)
Sub-programme:	Ecosystem Management	Expected Accomplishment(s):	MTS 2010 – 2013 (c)That countries and regions begin to realign their environmental programmes and financing to address degradation of selected priority ecosystem services.
UN Environment approval date:	January 2011	Programme of Work Output(s):	PoW 2010 – 2011 (c) 2 & 3
GEF Operational Programme #:	BD-5	Focal Area(s):	Biodiversity
GEF approval date:	15 March 2010	GEF Strategic Priority:	BD SP5/The GEF Earth Fund
Expected start date:	January 2011	Actual start date:	January 2011
Planned completion date:	31 Dec 2016	Actual completion date:	December 2017
Planned project budget at approval:	US$20,000,000	Actual total expenditures reported as of [date]:	US$ 32,367,267.97
GEF grant allocation:	US$5,000,000	GEF grant expenditures reported as of [date]:	US $4,848,879.12 As of (31 Dec 2017)
Project Preparation Grant - GEF financing:	-	Project Preparation Grant - co-financing:	
Expected Full-Size Project co-financing:	US $15,000,000	Secured Full-Size Project co-financing:	US $27,854,531
First disbursement:	7 January 2011	Date of financial closure:	31 December 2017
No. of revisions:	1	Date of last revision:	2 May 2012
No. of Steering Committee meetings:	10	Date of last/next Steering Committee meeting:	Last: June 2015 | Next:
Mid-term Evaluation *(planned date):*	July 2013	Mid-term Evaluation (actual date):	September 2013
Terminal Evaluation *(planned date):*	2016	Terminal Evaluation (actual date):	December 2017 – March 2018
Coverage - Country(ies):	Cote d'Ivoire, Ghana, Madagascar, Nigeria, Indonesia, Papua New	Coverage - Region(s):	Africa, Asia, Latin America

	Guinea, Brazil, Dominican Republic, Ecuador, Peru		
Dates of previous project phases:		Status of future project phases:	

Executive Summary

1. The increased demand for cocoa and its products, coupled with unsustainable farming practices and deforestation have led to a loss in biodiversity in the cocoa producing areas, in wet forest landscapes. Over 90% of cocoa is produced by smallholder farmers who live in tropical wet landscapes. Many producers lack access to the necessary inputs and services, follow unsustainable practices such as clearing land, and face low productivity which threaten the ecosystems they depend on for their income and the livelihood of the cocoa farming communities.

2. The *goal* of the "*Greening the Cocoa Industry*" project is "*to conserve globally important biodiversity in cocoa growing landscapes in ten* countries (Brazil, Cote d'Ivoire, Dominican Republic, Ecuador, Ghana, Indonesia, Madagascar, Nigeria, Papua New Guinea, and Peru). Its *objective* is "*to change production in major cocoa producing countries and business practices in cocoa and chocolate companies, such that they conserve biodiversity in cocoa production landscapes, provide greater long-term stability to the industry and increased income for smallholders*".

3. The Sustainable Agricultural Network has developed an integrated approach to farming through a Standard, and a certification system, co-owned[3] with Rainforest Alliance to promote sustainable agricultural practices. Through compliance of the Sustainable Agricultural Network standard, the project has been able to demonstrate the positive impact from sustainable cocoa production to the conservation of the biodiversity in and around the farm.

4. The project has targeted ten countries, selected for their importance for both biodiversity and cocoa production, representing 8.7 million hectares. The project pursues its objective through two main approaches. At the production end, it promotes the adoption of sustainable cocoa production practices by farmers along the criteria set in the Standard. At the market end, it persuades traders, processors and brand manufacturers to demand sustainable cocoa as defined by these criteria. The project intends to achieve its objective through four outcomes and nineteen outputs. The Global Environmental Facility) grant allocation is USD 5 million from 2011 to 2017.

5. In accordance with the UN Environment Evaluation Policy (2016), the goal of the Terminal Evaluation is to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. Its main purposes are:

    - to provide evidence of results to meet accountability requirements,

[3] This set-up of co ownership has prevailed during all the project until the RA merger with UTZ in January 2018.

- to promote operational improvement, learning and knowledge sharing through results and lessons learned among UN Environment and Rainforest Alliance.

Overall Evaluation Rating

6. The overall Performance of the Greening the Cocoa Industry Project was evaluated as **Highly Satisfactory.** The summary Rating is provided below and in detail in section 6 in table 11.

Table2: Summary of Evaluation Criteria, Assessment and Ratings[4]

Criterion	Summary Assessment	Overall Rating
A Strategic Relevance	The project is highly relevant to the Cocoa sector, country needs and to UN Environment/Global Environmental Facility strategic priorities	HS
B Quality of Project Design	The project was well designed, it provides different levels of coordination for the implementation. overall rating was 5.04.	S
C Nature of External Context	Some macro-factors have affected the delivery of activities in some countries such as the political instability in Cote d'Ivoire, Ecuador, the climate change in Côte d'Ivoire, Ghana, Peru, Indonesia,	F
D. Effectiveness	1. Delivery of outputs: Activities were effective to create demand of sustainable cocoa and to build capacity in sustainable production but farmers and producers' organization still need more training. 2. Achievement of outcomes: Sales target were met. Productivity gains are mixed. The Standard and certification system have been strengthened, but audit has still some weakness. 3. Likelihood of impact: The project is likely to impact in view of the commitments of major companies to sustainability and to combat deforestation, as well as with the Cocoa and Forests Initiative and Berlin declaration Overall Rating	HS S HL HS
E. Financial Management	The documentation was provided, including the co- financing reports but no detailed evidence. The communication has been good. The overall financial management was compliant with UN Environment Standards.	HS
F. Efficiency	The project was cost effective by building a network in the countries of production, taking the training-the-trainer approach.	S
G. Monitoring and Reporting	The Monitoring and Evaluation was not designed as an integral part of the project to support its activities but as a separate outcome, with the provision of specific studies.	MS
H. Sustainability	The practices promote sustainability at farm level and the capacity building activities brought institutional sustainability. Farm income has increased but it may not have a living income. The participation royalty contributes to the financial sustainability of Rainforest Alliance.	L
I: Factors Affecting Performance	1. Preparation and readiness: the project partners were well prepared 2. Quality of project management: the project was well managed. 3. Stakeholder participation: Stakeholders participated in the project. Despite the drop of 3 cooperatives and of a major client, the project met its target.	S HS MS

[4] Most criteria will be rated on a six-point scale as follows: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU). Sustainability and Likelihood of Impact are rated from Highly Likely (HL) down to Highly Unlikely (HU) and Nature of External Context is rated from Highly Favourable (HF) to Highly Unfavourable (HU).

	4. Responsiveness to Human Rights and Gender: there was no gender policy but the project included women in trainings and promoted specific projects. 5 Country ownership was uneven among producing countries. 6. Communication and public awareness: Rainforest Alliance raised sustainability awareness, but did not have a fully fledge communication strategy for the project	MS MS S
Overall Rating	The project delivered or even exceeded some of its targets. There was however a declining trend on the sales and hectares. The weighted rating of all criteria is 5.18 or Highly Satisfactory.	HS

7. The main strengths of the Greening the Cocoa Industry project were:

    - It was highly relevant to the cocoa production sector facing low productivity and timely as sustainability was starting to be looked upon by cocoa industry.

    - The project was well designed overall, and it was effective to rely on the local network to implement the activities. Certification brought a sustainable-systems thinking approach to the cocoa sector. The project was effective in catalyzing the adoption of sustainability in the sourcing strategies of the cocoa industry.

    - The project was effective and efficient in building capacities of farmers through the train-the trainer approach.

    - Focusing on producers' organization was effective to ensure the provision of the necessary inputs and services to farmers and to strengthen their role in the value chain.

    - The project enabled Rainforest Alliance to build institutional capacity and engage with the cocoa sector on concepts such as landscape scale conservation (Ghana), protecting wildlife (Côte d'Ivoire) and mobilizing communities and local governments to conserve forests (Peru). As a result of the project RA is a prominent NGO in the cocoa sector and several innovative[5] projects have been leveraged with companies.

    - The project was well managed and adopted a pragmatic approach in the implementation relying on local partners. The project was able to meet and surpass many targets despite some changes in personnel due to normal level of staff turnover in different organisations.

8. The main weaknesses of the Greening the Cocoa Industry project were:

    - The project design did not include a specific focus on the inclusion and contribution of women and the youth even though required by the UN Environment Mid Term Strategy 2010-2013. Efforts were made in the execution of field activities to take into

[5] Innovative projects initiated by the project included for example the development of the Payment for Ecosystems Methodology for cocoa, the "Climate Smart Value Chain project, the creation of an innovative blended finance product to finance the cocoa rehabilitation.

account gender sensitive issues when planning capacity building sessions, or have income diversification projects to empower women. (e.g., chicken or beekeeping).

- While climate change risk was not analysed during the design phase the project responded to climate change throughout its life (e.g. paragraphs 122, 133, 135).

- The project was implemented in ten countries which spread resources and management focus too thinly.

- The Monitoring and Evaluation was defined as output 4.1 and not strategized as a management tool, as a result it was not systematically performed across all the activities and countries.

Findings

9. **Relevance**

The design of the Greening the Cocoa Industry project was laid on the extensive assessment of the production context and stakeholders' capacities and needs. The project is in line with the UN Environment and Global Environmental Facility priorities. It is highly relevant for the cocoa producing countries and it is aligned to their national environmental priorities. The project design has articulated a coherent and mutually reinforcing set of outputs and outcomes by improving production and business practices along the Sustainable Agricultural Network standard requirements. However, it has not systematically addressed social inclusion and contribution of women and the youth and it has underscored the role played by climate change on the cocoa production choices.

10. **Effectiveness**

The project was effective in protecting biodiversity with a total of 182,362 farms certified as of 31st May 2017, a decline[6] from the peak in 2014 which was at 263,134 farms. The certified farms represent a total of 896,954 hectares at the project end, above the 750,000 hectares target.

11. **Outcome 1**. The project catalyzed a change by bringing sustainability in the sourcing strategies of companies. Key players in cocoa and chocolate trade and industry have committed resources to co-financing, which enabled the provision of services and building capacities of farmers and farmers' group in the project countries. At the end of the project, 54 cocoa traders and processors as well as 54 brand companies were committed to increase the demand of certified cocoa. The sales of certified cocoa have increased and surpassed the 165,000 Metric tons project target in 2013 by reaching 275,137 Metric tons, and since declined to 176,065 Metric tons at end of 2016. The participation royalty based on these sales secured substantial funding to support the Rainforest Alliance activities. Fees collected has been 88% of the invoices at the end of 2016.

[6] The decrease in the number of Rainforest Alliance certified farms is due to the decreased demand following a change in the purchasing strategy of some major customers and the increased competition from UTZ Sustainability standard (see paragraph 116). Those farms may nevertheless continue sustainable farm-level practices.

12. **Outcome 2.** The project has created capacities and partnerships that have channelled innovation at the cocoa farm level. Farmers have received various market incentives that include: training and technical assistance in sustainable agricultural practices, a price premium for the certified cocoa, pre-financing, pesticide spraying, fertilizers and chemicals and in some cases the access to social services. The existence of producers' organizations and the creation of new ones and the train-the-trainers approach were crucial to facilitate and scale the certification of smallholder farmers. Several companies are committed to directly support the cocoa producers' groups. By the end of the end of the project, Rainforest Alliance had 27 accredited lead trainers based in the project countries. In addition, 722 technicians have been trained in 2012 on Sustainable Agricultural Network 2010 standard, of which 392 in Côte d'Ivoire, 78 in Ghana, 50 in Nigeria, 25 in Indonesia, 100 in Brazil, 40 in Peru, and 583 were retrained on the 2017 version of the Standard. A total 26 partnerships including with National Authorities in charge of the cocoa sector were established. Farmers appreciate the positive impact of the sustainable practices on their farms as well as on their families' welfare. Productivity increased on average by 10 to 20% on the project, and up to 80% in Cote d'Ivoire with the coaching of the Sustainable Yield Module.

13. **Outcome 3**. The standard underwent a process of local interpretation to align it with local regulations and cultural tradition in five out of the ten countries. 164 auditors were trained and accredited and 10 certification bodies authorized to award Rainforest Alliance certification. The 2017 Standard has been strengthened with productivity and climate smart criteria as well as with gender sensitive and remediation actions in case of child labour. A new computerized system makes the traceability system more reliable.

14. **Outcome 4**. The Rainforest Alliance team and its partners have pioneered the landscape approach in cocoa in Ghana. The project designed methods to measure the biodiversity indicators and carbon stocks for cocoa production. This contributed to a pilot for the national Reduce Emissions from Deforestation and Forest Degradation strategy in Ghana as well as to the design of blended financial products for the rehabilitation of cocoa farms. Studies done in Côte d'Ivoire and Ghana showed that certification contributed to raising the yield and income of the cocoa farms, to conserving soil and water, to reducing child labour.

15. **Likelihood of impact**

    The project raised the awareness on sustainability among the actors of the cocoa value chain. It has stimulated the smallholder farmers' collaboration with trade and industry thus enhancing their mutual understanding. The demand should continue to increase as several key players in cocoa and chocolate trade and industry have publicly committed to purchase only sustainable certified cocoa by 2020 and to dedicate resources for delivering services and building capacities of farmers and farmers' groups through market incentives. European national sustainable cocoa platforms have been created to coordinate and promote the industry commitments to sustainability. The landscape approach has already been replicated in new projects in Ghana, in Côte d'Ivoire and Sierra Leone. The Cocoa and Forest Initiative (2017) and the Berlin Declaration (2018) show that the cocoa sector is now engaging through wide partnerships to support the transformation of the cocoa sector to protect the biodiversity and to improve the livelihood of the cocoa farmers and communities.

16. **Efficiency**

Almost all the Global Environmental Facility grant has been executed: USD 4,839,639 have been disbursed over the USD 5 million allocated. The co-financing has overcome the target: USD 24,558,709 or 51% more than planned and the leveraged financing from other projects USD 692,668. The project approach has been cost effective in: 1) adopting a training-the-trainer approach in creating local capacities, and 2) mobilizing a network of partners to implement its activities in the piloted countries and enhance existing capacities.

17. **Monitoring & Reporting**

    The project Monitoring & Evaluation system has not been homogeneously and coherently established across the project countries. Indeed, no effort was made in establishing a participatory M&E ensuring both upstream and downstream accountability. The excessive number of indicators has created some incongruencies. The programme has developed several documents and disseminated them among partners as well as some articles, presentations of Sustainable Agricultural Network practices, video, online releases for the consumers, general public.

18. **Sustainability**

    The number of farmers adopting sustainable production practices is expanding. The *participation royalty* has fostered the financing of the certification system. However, the decline in the cocoa demand in 2016-2017 has created some uncertainty in its funding as this money pays for the fixed costs of the RA services (e.g., market transformation teams, traceability, seal protection, communications, legal team, standard development and the work of the International Standard Committee) and not the variable costs of the technical assistance to the farmers. Future technical assistance depends on the ongoing commercial link of the producers' organization with the traders and processors. Women participation in the training sessions has been assured and some actions aimed at the diversification of the farm production have targeted women's socio-economic needs.

Conclusions

19. **Linking the sustainability of the cocoa landscape to the conservation of important biodiversity hotspots through the Sustainable Agricultural Network standard certification is effective and has a great potential for up scaling.** The landscape approach adopted in Ghana as well as the partnership approach in Côte d'Ivoire and Nigeria has protected the biodiversity of the protected areas. In other countries targeted actions have contributed to the preservation of biodiversity, soil fertility and water purity at the farm level.

20. **The project has mainstreamed sustainability in cocoa production and trade**. The industry has sourced sustainable cocoa and helped the industry to bring a systematic approach to sustainability in the supply chain. The value chain integration has linked cocoa supply and demand in a win-win partnership.

21. The **smallholders have adopted sustainable practices** such as planting shade trees, green land cover, cutting, grafting[7], safe disposal of chemicals, and recycling of farm waste. The social well-being of their family has improved.

22. The **producers' group have been crucial** to engage the farmers and to facilitate the delivery of training, technical assistance and social services. The training of trainers has mobilized and built local capacities now available for up-scaling and replicate the capacity building of the farmers

23. The **authorities in charge of the protected areas have positively contributed** to the compliance of the Standard by collaborating in the implementation of the biodiversity requirements in proximity of the hotspots.

24. The **Rainforest Alliance certification system has been strengthened** through the revision and integration of the learning's of the Sustainable yield module and of the Climate smart agriculture module.

25. The project monitoring was insufficiently funded. Its performance was neither systematic nor participatory. The financial management of the project was adequate.

26. The **social, environmental and economic status of the farmers' household has been enhanced,** although the increased income may still not be sufficient. The participation royalty has funded the development of new skills capacities and of a multidisciplinary approach to agriculture and eco-system preservation.

27. The project network approach has mobilized the capacities of the local partners. Training and social inclusion actions have enhanced the women' role in the cocoa production and welfare.

Lessons learnt

28. **Lesson 1**: Promote the development of sustainable value chain and biodiversity conservation using the landscape approach.

29. **Lesson 2**: Promote the landscape approach to build partnerships between economic, environmental, and social sector representatives in the conservation and sustainable use of protected areas resources, and assist in linking it to larger biodiversity initiatives.

30. **Lesson 3**: Promote full development of agricultural commodity value chains through greater participation of project stakeholders (including the private sector and protected areas authorities) in the formulation, fine tuning and implementation of the proposed actions as well as in mobilizing project partners resources.

31. **Lesson 4:** Prioritize sector-wide public-private partnership in addressing the conservation of biodiversity hotspots and/or protected areas affected by deforestation and agricultural

[7] Except in Côte d'Ivoire where grafting is not allowed to avoid spreading Swollen Shoot disease.

encroachment to increase the awareness and effectiveness of the conservation strategies and measures.

32. **Lesson 5**: When formulating or revising the SAN standard in the future, consider alignment to other internationally recognized standards to strengthen the value chain approach.

33. **Lesson 6**: Include a Climate change risk assessment in the identification of projects supporting the conservation of biodiversity and implement a climate change mitigation strategy in the overall project.

34. **Lesson 7**: Strengthen the managerial capacities of farmers' cooperatives, associations, etc. to enhance the producers' collaboration with the other value chain stakeholders.

35. **Lesson 8**: Ensure the establishment of national coordination bodies at the identification or start of the implementation of a project to fully involve local partners in steering the project and delivery activities in a well-modulated way and to ensure that the co-financing is strictly aligned to the project strategy and coordinated with its other activities implementation.

36. **Lesson 9**: Involve a broad set of stakeholders identifying and formulating projects with a social component to mainstream gender and social inclusion in the design. Include gender split indicators in the project LogFrame.

37. **Lesson 10**: Include a policy revision component when promoting value chains of agricultural commodities to ensure strong collaboration with national strategies and institutions.

Table 3 : Summary of the Recommendations

Actor	°	Recommendation
UN Environment	1	Disseminate the achievements and lessons learned with GEF, among UN Environment partners
Rainforest Alliance/ UN Environment	2	Issue a joint policy summary to be shared with national government of Greening the Cocoa Industry countries through UN Environment offices
Rainforest Alliance	3	Design a checklist for future projects taking into account the lessons learned especially for the landscape approach.
Rainforest Alliance	4	For the future revision of the Standard: 1. focus on a balance between the generic practices applying to all crops and the crop specific practices as well as on the promotion of the overall farm sustainability. 2. a specific section to guide the adaptation of the standard to local peculiarities should be included in the guidance for implementation. 3. invite a broad set of stakeholders in the revision process (e.g., protected areas authorities) to strengthen the value of the standard as part of a landscape approach.
Rainforest Alliance	5	To strengthen the training: 1. Strengthen the training platform to exploit the Sustainable Agriculture Network capacities across initiatives and share resources to small holder's 2. Strengthen the modules to further build capacities of producers' organisations
UN Environment	6	Create a checklist that incorporates lessons learnt for future Global Environmental Facility projects that combine a landscape and value chain approach

1 Introduction

1. The *Greening the Cocoa Industry* (GCI) project is inscribed in Global Environmental Facility (GEF-5) Programming document (2010) *Strategic goal n.1:* Conserve, sustainably use, and manage biodiversity, ecosystems and natural resources globally, taking into account the anticipated impacts of climate change. The Project Document (ProDoc) states that the *goal* is "*to conserve globally important biodiversity in cocoa growing landscapes in Cote d'Ivoire, Ghana, Madagascar, Nigeria, Indonesia, Papua New Guinea, Brazil, Dominican Republic, Ecuador, and Peru*". Its *objective* is "*to change production in major cocoa producing countries and business practices in cocoa and chocolate companies, such that they conserve biodiversity in cocoa production landscapes, provide greater long-term stability to the industry and increased income for smallholders*".

2. This document presents the terminal evaluation of the project structured as per the UN Environment/GEF outline. The GCI project received GEF Council approval on 15 March 2010, Chief Executive Officer Endorsement on 15 September 2010 and the grant was signed on 19 November 2010. The United Nations Environment (UN Environment) and Rainforest Alliance, Inc. (RA) signed the Project Cooperation Agreement[8] (PCA) in support of the GCI on 20-24 January 2011. The activities started on 1 January 2011. The first disbursement was done in February 2011 and the first Steering committee meeting took place in March 2011 in Ecuador. The project Logical Framework (LogFrame) was adjusted in June 2011 and the Project Document was revised in May 2012. The project activities were originally planned to run for 72 months and were extended at no-cost by one year until 31 December 2017.

3. *UN Environment* through its *Ecosystems Division*[9] is the implementing agency. The project contributes to the Ecosystem Management sub-program of its 2010-2011 Program of Work, as part of its Medium Term Strategy 2010-2013. The *Rainforest Alliance* (RA) is the executing agency. The *Project Steering Committee* (PSC) - meeting half-yearly - provides the strategic guidance of this action. It gathers selected senior managers of RA, a representative of UN Environment and a senior manager from Mars. The Project manager directs the Project Management Unit (PMU) that is made of RA staff based in London, United Kingdom. The Project Management Unit leads the National project coordinators' Committees in charge of the project activities in the project countries. Partner Civil Society Organizations coordinate the implementation of activities there.

4. UN Environment/GEF financing for the project was USD 4,931,846, co-financing has raised USD 24,434,938 exceeding the project document target (USD 15,000,000) by 55% and leveraged financing was USD 692,688 raising the project funding envelope to USD 25,127,606. A Mid-term evaluation was held in September 2013.

5. This initiative is implemented in nine of ten countries: Brazil, Côte d'Ivoire, Ecuador, Ghana, Madagascar, Nigeria – later added to the project -, Indonesia, Papua New Guinea, Peru.

[8] Partner Cooperation Agreement Reference number: PCA/2011/002 GFL-2328-2715-4B83.
[9] Until 2011 the UN Environment Division of GEF Coordination (DGEF) was the implementing agency of the project until the division, was disbanded- The GEF portfolio was integrated into the UN Environment's Ecosystems division,.

Dominican Republic was dropped[10] from the project. The project activities ran from January 2011 to December 2017, including one no-cost extension year.

6. The terminal evaluation assesses project performance (in terms of relevance, effectiveness and efficiency) and determines outcomes and impacts (actual and potential) stemming from the project, including sustainability. Its primary purposes are:
    - to provide evidence of results to meet accountability requirements,
    - to promote operational improvement, learning and knowledge sharing through results and lessons learned among UN Environment and Rainforest Alliance. The terminal evaluation is therefore expected to identify lessons of operational relevance for future project formulation and implementation.

7. The following Key Strategic Questions (see section 9 of the Terms of reference) were addressed as part of the report:
    - How effectively did the project activities provide the necessary support to change the production and business practices in major cocoa producing countries and cocoa companies?
    - How effective has the project been in directing market benefits (certification) to farms where unsustainable practices are directly contributing to biodiversity loss (e.g. hunting, conversion of forest for cocoa production)?
    - Has the project enabled cocoa farmers to apply sustainable agricultural practices that integrate biodiversity conservation?
    - How likely is it that the project has contributed to the conservation of biodiversity in piloted countries?
    - How effective was the new financial mechanism[11] introduced in 2011 in recovering the costs of preparing for an operating certification from the private sector?
    - To what extent were recommendations from the Mid Term Evaluation incorporated into the project?
    - How consistent and reliable is the monitoring data; how credible are the findings of the studies and what do the combined Monitoring & Evaluation (M&E) data suggest about the effectiveness of this project? To what extent have the emerging findings been used to inform project development?
    - To what extent is the project able (documented evidence, articulation of its approach, existence of strong sector champions etc) to support scaling up and replication of this approach in other countries? Lessons learned that might be relevant for design of future initiatives, which are part of the standard content of the main evaluation report, will be of particular interest to the project team.

8. The target audiences are the GEF, UN Environment, Rainforest Alliance, co-financing institutions, and to the degree applicable, some of its implementing partners.

[10] The Steering Committee (March 2015) decided not to start activities in Dominican Republic as two third of the project had already elapsed.
[11] As mentioned in the ProDoc under financial sustainability

2 Evaluation Methods

9. The evaluation is the result of the integrated analysis of project documents, field visits and interviews and cross-checks these data. It consists of 3 phases (Figure 1).

Figure 1: Methodological phases for the Cocoa Greening Industry Terminal Evaluation

10. The *Desk phase* started with a briefing with UN Environment project task manager, Rainforest Alliance project manager and the collection of project documents. These documents and initial discussions have been used to reconstruct the Theory of Change (TOC), which provides a frame for assessing the long-term impact and sustainability of the project achievements. This phase resulted in the elaboration and submission of the inception report including the work plan, evaluation matrix, key informants' interview guide, reconstructed Theory of Change, and stakeholders' analysis.

11. *The Field phase*. The first field survey was held in Peru (Dec. 2017 to Jan. 2018), a country that has still a quarter of its rich hotspots intact, some of them threatened by the increasing cocoa production as well as by expanding economy. The second field visit was held in Côte d'Ivoire (Jan. 2018), the largest cocoa producing country, that faces a strong *deforestation* process. Furthermore, the project performed the cost benefit analysis of the production performed along sustainable agricultural practices in Côte d'Ivoire. The interview of key informants has been while visiting production, trade and processing sites. Four Focus group discussions[12] were held with cocoa producers in Peru and two in Côte d'Ivoire. Between January and March 2018, the evaluators have conducted phone interviews with other key informants such as the RA project unit, representatives of cocoa and chocolate trade and industry and project partners in the target countries. A total of 147 people (including focus groups) were interviewed. The evaluation consultants collected additional documents during the field visits and interviews.

12. The evaluators met with farmers, local authorities and community representatives. The evaluators also met organization such as the World Cocoa Foundation Côte d'Ivoire office whose views are not fully aligned with certification. In addition, interviews were held with organizations such as Mighty Earth that issued reports on deforestation linked to cocoa production.

13. *Primary data collection*: The primary data collected have been systematized into a datasheet presenting the key informants' answers in a comparative way. The feed-back of the field survey in Peru were synthesized into a comprehensive analysis report. At the end of February 2018, the evaluators met to discuss the key elements of the study and drafted the preliminary

[12] No specific consideration could be given to ethnics, gender, marginalised groups in the selection of the discussion groups.

findings presentation of the evaluation. Annex 2 & 3 presents the interviewees by category and country.

14. The *Synthesis phase*. The study of the project has been guided by the evaluation questions listed in the evaluation matrix. Thus, the findings have been clustered by evaluation questions grouped under the UN Environment criteria. The financial analysis has been limited to the assessment of the consistency of actual vs. planned contributions and their correspondence to the project implementation needs (cost – effectiveness analysis). Data collected covers the cocoa and chocolate value chain but not the final consumers. The new documents have filled in some gaps of the inception report. Field survey data have been used to cross-check the project indicators values. *Preliminary findings* were presented to stakeholders on March 26th, 2018, by tele-conferencing prior to the initial drafting of the evaluation report.

15. *Limitations*. Several staff have changed jobs within the companies/organizations or left the companies/organizations during the life of the project, so there are gaps in the coverage of project activities. Furthermore, not all Sustainability Managers in the Companies who provided some co-financing were available for interviews.

3 The Project

3.1 Context

16. The Greening the Cocoa Industry (GCI) project has targeted ten countries, some being the major cocoa producers, representing 8.7 million hectares (ha) of cocoa plantations in 2011 (FAOSTAT). Much of this land is situated in biodiversity hotspots (e.g., the Upper Guinean Forest and the Atlantic Forest of Brazil) that is under threat as smallholder farmers deforest or move into land that others have cleared, in order to establish new planting. The short-term exploitation of cocoa plantations that follows forest clearing lowers soil fertility and cocoa production (with yields as low as 250-300 kg/ha in Côte d'Ivoire, the world's largest producer) and prompts further deforestation. Without access to training in improved management techniques, such a trend is endangering biodiversity as impoverished farmers shift to protected areas.

17. With increased demand for cocoa and its products, smallholder farmers face severe constraints in fulfilling the consumers' requirements due to these producers' inability to raise high-yielding, healthy cocoa trees and to deliver a homogenous and reliable product to their customers. As smallholders' food security depends on crops and revenues diversification, the degradation of forests and other natural resources is a threat to the welfare of their households. Thus, improving sustainability through improved cocoa cropping and raw cocoa beans processing techniques and conservation of the environment is a shared interest for all the participants to the cocoa and chocolate value chain. It creates the conditions for further expansion and improvement of the yield and characteristics of cocoa – in accordance with the market needs - without endangering the other sources of income of the farmer's household and surrounding communities.

18. The tropical wet forest landscape consists of particularly fragile ecosystems as it is the output of intense natural processes that, once disturbed, may result in disasters and progressive erosion of the natural resource basis of farming and human life (soil depth, composition, water balance and discharges, micro-climate and energy balance, land morphology, etc.). According to the Project Document (ProDoc), the cocoa tree ecological affinity with tropical biodiversity hotspots results in the expansion of the agricultural frontier and in parallel the erosion of biodiversity also due to the impact of climate change. The negative impact of land degradation and poverty on the sustainability of cocoa production in its present form is worrying the cocoa and chocolate industry. Deforestation is increasing the costs of production in the long term – as the degraded environment harms crop growth – and creates a negative image for the industry itself.

3.2 Objectives & Components

19. The project pursues its objective through two main approaches:
    - at the production end, it promotes the adoption of sustainable cocoa production practices by farmers along the criteria set in the Sustainable Agriculture Network (SAN) standards.
    - at the market end, it persuades the traders, processors and brand manufacturers to demand sustainable cocoa as defined by these criteria.
20. The project objective is achieved through four outcomes and nineteen outputs:

Table 4. Project outcomes and outputs

Outcome	*Output*
1: Mainstream market acceptance of Rainforest Alliance Certified drives commitments to sustainability and integration of biodiversity conservation in the cocoa and chocolate value chain	1.1 Industry relations developed and managed 1.2 Sourcing certified cocoa planned and facilitated 1.3 Value chain costs analysed 1.4 Consumers and stakeholders engaged 1.5 Certification model financially sustainable
2: Cocoa farmers have access to affordable, quality training, extension and business services that enable them to apply sustainable agricultural practices that integrate biodiversity conservation	2.1 Capacity building materials created 2.2 Trainer quality control system implemented 2.3 National capacity built for training, technical and business services 2.4 Links built with other service providers 2.5 Model for operating Internal Control System with unorganized farmers developed
3: The Rainforest Alliance certification program continuously improves its robustness and responsiveness to the key issues in cocoa sustainability, including biodiversity conservation	3.1 Standard localized 3.2 Standard aligned with key cocoa sustainability issues 3.3 Network built of accredited auditors 3.4 Sustainable Agriculture Network certification system strengthened and expanded 3.5 Cocoa traceability system developed

4 The contributions of sustainable cocoa production to biodiversity conservation, natural resource management and net farmer income are measured	4.1 A Payment for Ecosystem services (PES) methodology to provide carbon value for farmers is piloted and developed 4.2 Monitoring and Evaluation systems established to measure contribution of sustainable cocoa production to biodiversity conservation 4.3 Measurable biodiversity conservation achieved in cocoa landscapes 4.4 Studies demonstrate that the costs for farmers of adopting the Sustainable Agriculture Network (SAN) Standard do not exceed the benefits over life of project

21. The project outcomes are closely connected, each of them contributing to the project objective. The project enhances the integration of the cocoa and chocolate value chain by improving its actors' commitment to environmental sustainability, social engagement and adherence to an international standard. Specific studies should demonstrate the economic case for sustainably grown cocoa.

22. The project promotes the demand for sustainable cocoa along sustainable production and trade criteria. In so doing, it coordinates the value chain actors and leads them to adopt common values, knowledge and work tools that along the requirements of the SAN standard. Its environmental benefits include the restoration of an ecosystem favourable for growing cocoa and the preservation of the landscape together.

23. The support to the process of certification of the cocoa producers includes incentives – such as training and technology transfer, pooling the access to the market, and promoting the use of market incentives to the cocoa industry – that foster the yield and conformity of cocoa to the market standards.

24. The convergence of the project outcomes to change the farm production and business practices in the assisted countries along sustainability criteria is aimed at enhancing Biodiversity conservation in hotspots critical for the global biodiversity conservation.

3.3 Stakeholders

25. The ProDoc identifies four broad groups of Stakeholders in the project: the national and regional governments, the private sector, civil society organizations and the funders. The identified stakeholders carry different and often conflicting interests, typically when negotiating the product price. They have a shared interest in improving the cocoa and chocolate characteristics to fulfil consumers' requirements and enhance the profitability of the value chain. Their sustainability is interlinked with the preservation of the natural resources of the landscape / hotspots as they are the basis for (a) the environmental services supporting the cocoa plant growth and smallholder's household welfare and (b) the cocoa bean health and organoleptic characteristics. The desired or intended roles of each group are described hereafter:

26. The **brand manufacturers** broker the evolution of the consumers' requirements and influence their clients' preferences. They lead the evolution and integration of the cocoa and chocolate market.

27. The **traders** and **processors** are pressured by brand manufacturers and retailers in the value chain. They influence the demand of sustainable cocoa. Working with tight margins, volume and internalization of costs are important for them.

28. **Rainforest Alliance** and other **certification bodies** acting internationally and locally provide specialized services that facilitate the certification of producers against the SAN standard. They enhance they prompt the stakeholders' participation in the review of SAN standards and dissemination of best practices across the agricultural sector.

29. **Civil society organizations** raise environmental awareness and promote inclusiveness in cocoa production, by mobilizing interest groups (consumers, environmentalists), marginal people (women, youth). They are knowledgeable about the context and issues at stake in sustainable development and bear different interests, varying from country to country or the geographical scale of their reach.

30. **National and regional governments** set the regulatory framework. In Ghana and Côte d'Ivoire the government sets the price at which cocoa is bought from farmers; in Ghana the government is also the sole exporter of cocoa beans. They understand the benefit of the inclusive policies, clarify the ownership of inputs and set the rules for the protection of the biodiversity and landscape.

31. **Donor organizations**, multilateral, bilateral or private, will invest in specific aspects of the project according to their own objectives either in cash and/or in-kind.

32. **Women, Youth and marginalized communities** have not been identified as separate group with a dedicated strategy in the project. The project made an effort to include them in capacity building or awareness session.

33. Each group contributes to the project strategy along its goals, capacities and resources. The project fosters their commitment to biodiversity conservation by increasing their understanding of the linkages between the impact of the depletion of the natural resources on the continuation of cocoa production and farmers' welfare.

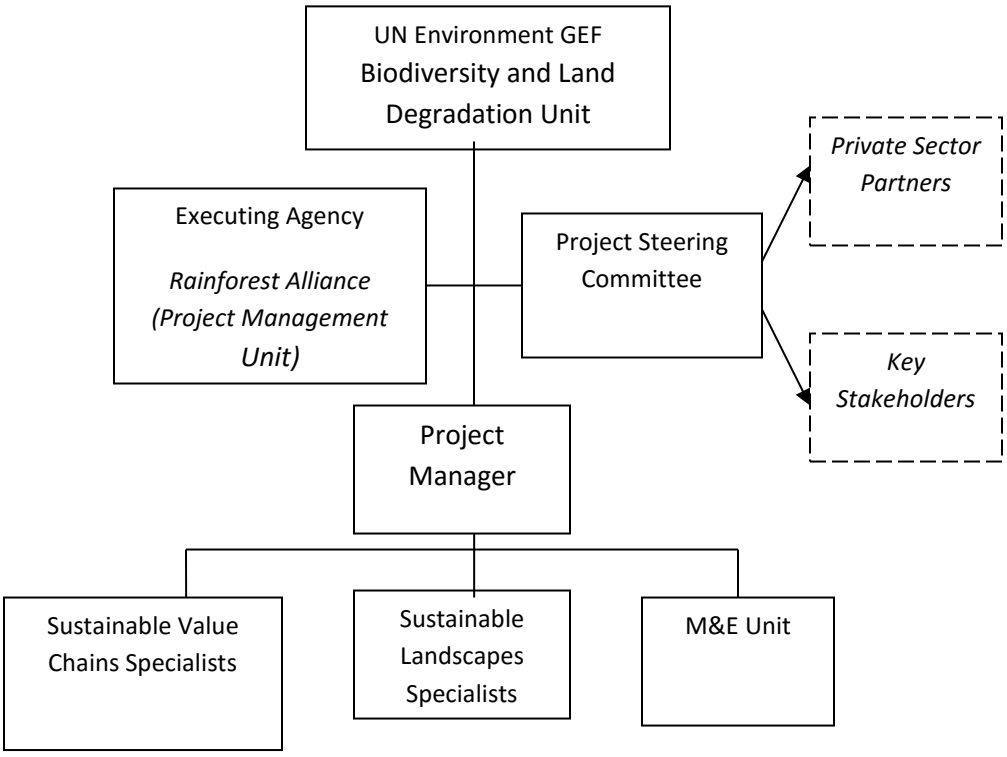
3.4 Project Implementation Structure & Partners

34. UN Environment was the Implementing Agency. The Rainforest Alliance was the Executing Agency. A Project Steering Committee (PSC) has overseen project implementation. It was composed of seven people: a representative from UN Environment; a representative from Mars Inc and five staff members from Rainforest Alliance (Project Manager; Cocoa Programme Manager; Director, Evaluation & Research; Director, Sustainable Value Chains and the Senior Vice President, Programmes).

35. Rainforest Alliance (RA) appointed a Project manager in charge of the Project Management Unit (PMU), based at their London headquarters, to execute the GCI activities. The PMU

directed the project global activities, supervised the partners working in the participating countries, administered the project finances and liaised with the PSC. A National Project Coordinators' Committee, compromising representatives of the lead implementing partners in each participating country, or a National Coordinator was responsible for mainstreaming activities in the field. The following figure presents the project organigram.

Figure 2. Greening the Cocoa Industry (GCI) organigram



36. RA launched project activities just before its official inception (February 2011) and had all except one of project staff in place by January 2011. The project was officially launched in 4 countries (Côte d'Ivoire, Ghana, Ecuador, Indonesia), accompanied by 3 full inception workshops in March-May 2011. Project activities in Nigeria, Madagascar and Peru started in 2012, in the Dominican Republic in 2013 and in Brazil and Papua New Guinea in 2014. The Project Steering Committee met once or twice per year between March 2011 and June 2015. There was one no-cost extension to December 2017 for the training on the 2017 version of the SAN standard.

37. The RA local staff and/or local civil society organizations were in charge of the project field activities by collaborating with authorities, technicians and farmers' organizations in the pilot countries (see Table 4).

Table 5. Project partners by country

Country	Main Coordinating Partner	Other partners
Côte d'Ivoire	Cabinet d'Etudes, Formation, Conseils, Audits (CEFCA)	For the Taï Project: Barry Callebaut, Office Ivoirien de Parcs et Réserves, Wild Chimpanzee Foundation, Gesellschaft für Internationale Zusammenarbeit (GIZ)
Ghana	Ghana Rainforest Alliance (RA) staff	Olam Ghana, Ghana Cocoa Board (COCOBOD), Forestry Commission,
Nigeria	Ghana RA staff / Conservation Alliance	
Madagascar	London RA staff / Agriculture Français Développement International (ADFI) Picardie	
Indonesia	RA Indonesia staff	
Papua New Guinea	London RA staff	
Brazil	Imaflora	
Ecuador	NaturaPlus	
Peru	Peru RA staff	
Dominican Republic	Costa Rica RA staff	

3.5 Changes in design during implementation

38. The greater challenge to project implementation has been the political tension in Côte d'Ivoire and in Ecuador resulting in delays rather than in a change in the project design. A no-cost extension has been justified in terms of delivery of new knowledge, SAN standard 2017, a product of the project itself.

39. Participation in Steering Committee meetings has varied, depending on each board member's other commitments. Changes in project staff and the efficiency of coordination at the national level have had little influence over the project design and strategy but rather on the speed in the execution of field activities, sharing of experiences and progress reporting. The positive response of co-financing has facilitated the fine tuning of activities as the purchase of cocoa has been assured and has stimulated the technology transfer to farmers.

40. Two redundant indicators (number of chocolate manufacturers and of farmers) were eliminated from the LogFrame, the definition of twelve other ones was finetuned (for example, the farm set aside area substituted the natural ecosystem protected one) and three other ones were added in May 2012. These changes simplified measuring the project progress by making the indicators more concrete and consistent.

3.6 Project Financing

41. The project's total value was USD 5 million. The project was financed with USD 4,931,845.66 through a Global Environmental Facility (GEF) grant, USD 24,434,938 co-financing and USD 692,668 leveraged financing from other projects.

Table 6: Budget at Design and Actual Expenditures

Item *All figures as USD*	Estimated cost at design (USD)	Actual Data on June 30 2017 (USD)	Difference (USD)
Cost to GEF Trust Fund	5,000,000	4,931,845.66	-68,154.34
Co-financing	15,000,000	24,434,938	+9,434,938
Leveraged Financing		692,668	692,668
Total Cost of Project	20,000,000	29,490,555	+9,490,555

42. The overall budget expenditure that includes GEF Trust fund and co-financing was allocated between the 4 project outcomes, the project management (outcome 5) and a remaining $165,000 for the project mid-term and terminal evaluation. Outcome 1 (mainstream market development) and outcome 2 (training, extension and business services) were apportioned most of the total funding (equivalent to 35 % each), outcome 3 (The upgrading of RA certification) 9.7%, outcome 4 (Monitoring and Evaluation, Biodiversity Conservation and Increased Income for Farmers), and outcome 5 (project management) 13%.

Table 7: Budgeted Expenditure by Outcome

Outcome	**Mainstream Market Development (1)**	**Training, extension and business services (2)**	**The upgrading of RA certification (3)**	**Monitoring and Evaluation, Biodiversity Conservation and Increased Income for Farmers (4)**	**Project Management (5)**
Budgeted Cost (USD)	7,133,450	7,066,865	1,941,488	1,093,093	2,600,104

4 The reconstructed Theory of Change

43. The Theory of Change (TOC) of a project identifies the causal pathways leading to the achievement of its desired impacts and goal. It explains the causal linkage of the intervention linking its outputs to its direct outcomes to the assumptions and drivers contributing to the achievement of its impacts and goal through the intermediate states. Diagram 1 presents the project reconstructed TOC. Annex I relates the LogFrame elements to those of the reconstructed TOC.

44. The project's objective is to assist cocoa producers to be certified along the Sustainable Agriculture Network (SAN) standard promoted by the Rainforest Alliance (RA) to make quality cocoa sustainably produced, available for industry, while ensuring biodiversity conservation

in cocoa growing landscapes, for long term stability to all value chain participants and increased income for small holder farmers. The project combines a dual approach: an environmentally conscious market-based demand stimulates sustainable production and an environmentally and socio-economically conscious production promotes the adoption of sustainable practices benefitting the cocoa producing farms and surrounding landscape i.e., the protected areas, together.

45. The four outcomes are mutually reinforcing triggering farmers to adopt sustainable cocoa production practices in line with the SAN standard. This is further strengthened by some inputs as some outputs may contribute to several outcomes. For example, while increased traceability reinforces the confidence in the certification system, it facilitates the sourcing of certified products along the chain. Traceability in the value chain is also expected to strengthen the commitment of the industry and trade to invest in long-term partnership with the farmers. As supplies of sustainably produced cocoa increase and become more reliable, the traders and cocoa industry are encouraged to buy more cocoa and integrate the value chain. Increased transparency in the value chain, especially on the use of price premium, should reinforce trust and commitment of brand companies and processors to collaborate with producers – through the supply of technical assistance and to implement cocoa production contracts. The project approach fosters the collaboration of traders, processors and brand manufacturers, a critical assumption, in building a value chain, strengthening their mutual understanding through the adoption of the SAN standard. Thus, the project outcomes contribute to the intermediate states: smoothing the value chain, building trust among industry, trade and producers and making smallholders adopt sustainable practices. Furthermore, the compliance of SAN criteria requires the adoption of eco-friendly practices, an intermediate state that benefits the management of the hotspots bordering with the cocoa producing farms.

46. The reconstructed TOC resembles that of the RA presented in the diagram of the 2015 SAN/RA impact report[13] and explained in more details in the SAN/RA Monitoring & Evaluation (M&E) system public report[14] (section 5). In the reconstructed TOC, the assumptions that contribute to the sustainability of agriculture vis-à-vis the challenge of deforestation are made explicit. These assumptions counter the soil erosion and soil fertility decrease. They also consider the adaptation to change in climate to discourage the resource-poor or exploitative cropping practices. The smallholder cocoa producers entering protected areas are also a challenge to sustainable production in the farmed land. Thus, containing deforestation is both an assumption and an intermediate state of sustainable agricultural production.

47. The increased cocoa productivity and income for smallholder farmers contribute to and are reinforced by the integration of the cocoa and chocolate value chain. It raises the local socio-economic context and welfare of the farmers' households. Production growth and stability also broaden the acceptance of Sustainable Agriculture Network (SAN) certification and stimulate the transfer of technology to the value chain actors with a positive feed-back for all actors and their integration.

48. The SAN standard links sustainable production to the conservation of the biodiversity. Several assumptions underpin this process. The most important one is that farmers adopt

[13] 2015 SAN/Rainforest Alliance Impact report, page 16 and 2018 Rainforest Alliance Impact report, page 76
[14] 2015 SAN/RA M&E system public report

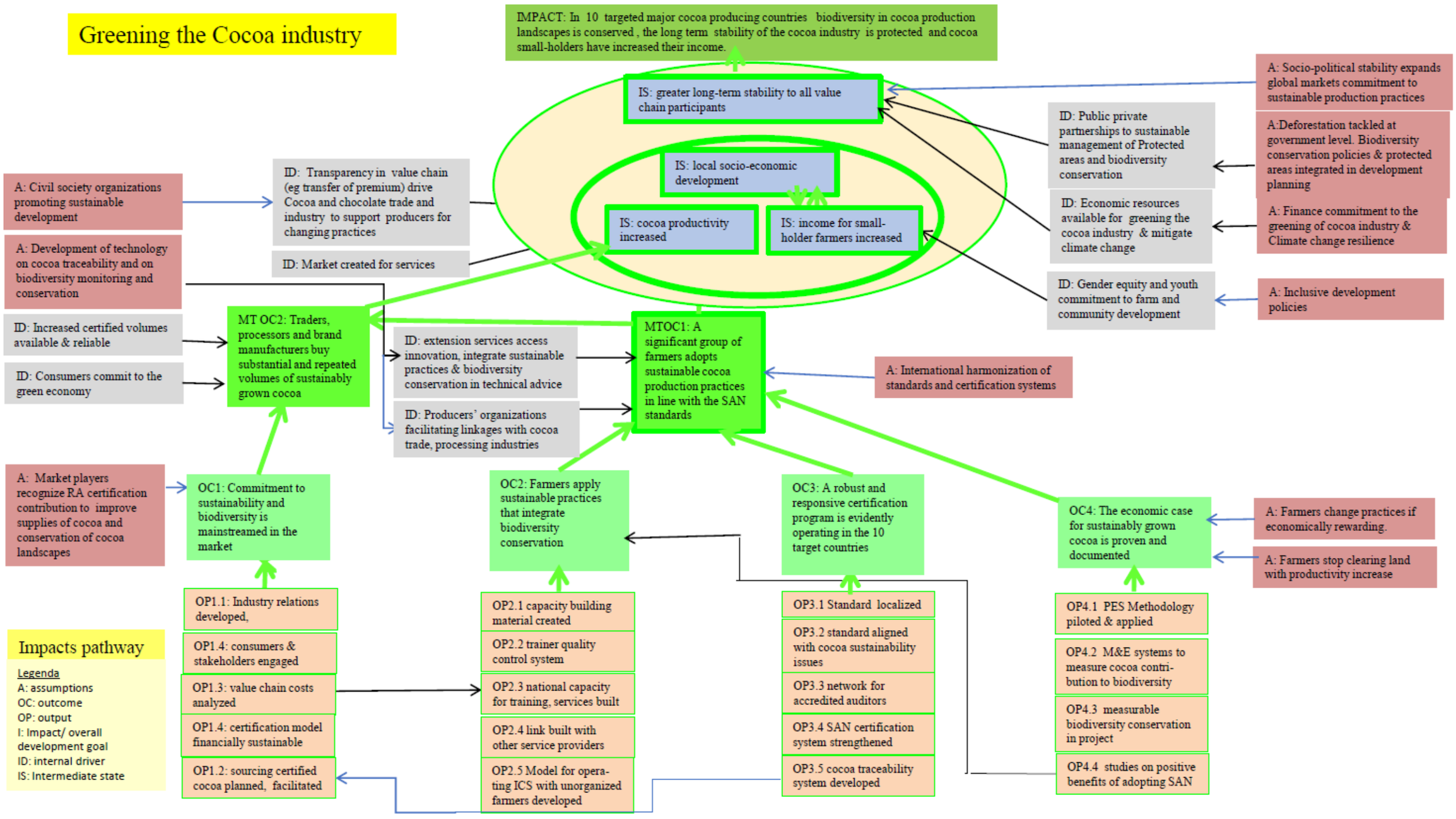
environmentally sustainable and economically profitable agricultural practices. In addition, it is assumed that farmers will stop clearing land as productivity increases. Land clearing is an opportunistic, low input approach that may be correlated to the yield and return of farm production. It is triggered by the scarcity of man-power and/or capital, i.e. by the expectation of marginal gains in filling a demand of product volume. On the other side, a greater demand for the characteristics of the product reduces the appeal of land clearing as it requires an increase in man-power and/or capital. This process requires the establishment of enabling conditions such as the collaboration of producers' organizations, extension services, the cocoa and chocolate industry.

49. The establishment of public private partnerships is expected to boost the adoption of sustainable practices as well as to take a broader approach to issues such as deforestation and climate change. Civil society organizations contribute to make consumers and other value chain actors aware of the implications of the greening of cocoa industry on their welfare and the environment. Alignment to SAN standard criteria rewards the cocoa producers, typically through better cocoa trading conditions (foremost, the stability of quantity and price), and encourages financial investments mobilization to make production and trade sustainable, thus strengthening the economic capacities of the actors of the value chain.

50. The project is conducive to structurally change the market along UN Environment/GEF Strategic priorities. Partnerships in the value chain integration are established for the conservation of the natural resource base of smallholders' income generation.

51. This shift in cocoa production, strengthening the farmers' links to consumers, contributes to the project goal: *In the ten targeted major cocoa producing countries biodiversity in cocoa production landscapes is conserved, the long term stability of the cocoa industry is protected and cocoa smallholders have increased their income.*

Figure 3: Reconstructed Theory of Change



5 Evaluation findings

5.1 Strategic Relevance

52. The project is strategically relevant to the UN Environment Medium Term Strategy and Program of Work 2011-2013. It is aligned with the UN Environment / Global Environment Facility (GEF) priorities. However, gender mainstreaming is only prioritized in the execution of some field actions such as training.

53. Ecosystem management is an UN Environment cross-cutting priority and one of its subprograms[15]. The project facilitates the management and restoration of ecosystems in a sustainable manner for socio-economic development. The compliance of the Sustainable Agricultural Network (SAN) standard clearly addresses the linkages between the state of ecosystems and human well-being (priority C[16]), including poverty and health, by integrating the ecosystem management approach into development actions. It builds the cocoa-producers' capacity to utilize ecosystem management tools and helps to reverse the degradation of the farm and protected areas ecosystem services. It also reduces the impact of harmful substances on the environment and human beings (priority E) and increases the resources-efficiency in cocoa production (priority F) along the supply chain.

54. The project contributed to several GEF-5 Focal areas, namely to its Biodiversity strategy, its climate change strategy (e.g. objective 5 and 6), its land degradation, desertification and deforestation strategy (e.g. objective 1 and 3) as well as to its sustainable forest management. It contributes also to the Bali Strategic Plan through the provision of capacity building in the cocoa producing countries. The dissemination of knowledge created by the project contributes to the south-south co-operation.

55. The ten project countries have ratified the 1992 Biodiversity Convention and have adopted the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity targets[17]. The project is highly relevant for the implementation of the National Biodiversity Strategies and Action Plans (NBSAPs), and especially for the Aichi targets 4, 5, 7, 8. The implementation of the NBASPs in each country should promote a policy development which will reinforce the sustainability of the project outcomes.

56. The project benefited from complementarities with other existing initiatives in the pilot countries. The Certification Capacity Enhancement enabled the drafting of a shared training manual and the training of farmers in Ghana, Côte d'Ivoire and Nigeria. The Certification Capacity Enhancement project was not located in the same priority zone of the GCI project. Similarly, the Cocoa Livelihoods Program was implemented in different zones than the priority zone of the GCI project but nevertheless contributed to some increase in the uptake of the SAN standard. The Indonesian National Indicators and Criteria for Sustainable Cocoa Farms certification contributed to development of local indicators and awareness building to the sustainability of cocoa production; Iniciativa para la Conservación en la Amazonía Andina (four consortia of partners) in 2006-2011.

[15] UNEP Medium-term Strategy 2010-2013, Section III: Strategic direction: cross-cutting priorities and objectives.
[16] Priority C: Ecosystem management; "The UN EP objective is that countries utilize the ecosystem approach to enhance human well-being." ."The UNEP expected accomplishments are:
(a) That countries and regions increasingly integrate an ecosystem management approach into development and planning processes;
(b) That countries and regions have capacity to utilize ecosystem management tools;
(c) That countries and regions begin to realign their environmental programmes and financing to address degradation of selected priority ecosystem services.
[17] Conference of the Parties to the Convention on Biological Diversity, Tenth meeting Nagoya, Japan, 18-29 October 2010 Agenda item 4.4

Strategic Relevance is rated 'Highly Satisfactory'

5.2 Quality of the Project Design

57. The design of the "Greening the cocoa industry" was laid on the extensive Rainforest Alliance (RA) assessment of the context and discussion with stakeholders. The project design *strengths* were:

- The executing agency had articulated a coherent and mutually reinforcing set of outputs and outcomes conducive to the desired impact, by focusing on changing both production and business practices as well as upgrading the Sustainable Agriculture Network (SAN standard.
- The demand for sustainable cocoa was expected to contribute to the preservation of the natural resources of the hotspots in the cocoa producing areas – where deforestation is a major challenge to the agricultural production sustainability.
- The multilayer coordination mechanism ensured the harmonious deployment of activities across the ten project countries.
- The project strategy was coherent, with the SAN standard compliance making explicit the objectives of the sustainable production of cocoa and framing coherent and practical approaches to achieve them.
- The components and phases of the project properly considered the elements contributing to building, transferring and validating good agricultural practices, along a market driven approach.
- Key market players were forecast to co-finance such activities thus ensuring the adaptation of cocoa production to customer's requirements. Local partners already involved in SAN standard compliance were linked to cocoa producers' organizations thus facilitating their involvement in the project.
- The commitment of stakeholders to strengthen the value chain enhanced the identification of critical problems and mobilized complementary capacities and resources to address them.

58. The project design weaknesses were:

- The lack of focus on the inclusion and contribution of women and the youth. While women may also have benefited of the project, there was no strategy to ensure they were systematically included in the project. Some interventions were designed in the course of the project to target women also if these have been some been isolated cases.
- The lack of strategy focusing on climate change was evident as the impact of Climate change has resulted in droughts that have affected the cocoa production.
- The Project Document (ProDoc) presents the Logical framework, but the project designed lacked a common implementation framework across the ten countries.
- The uneven partners' involvement in the project design and spread the financial resources across countries. Several interviewed key informants report that their collaboration started after the project inception and that they were less informed about its progress. Several RA staff report that having a smaller number of countries may have enhanced the implementation of the intervention in the project countries.
- Monitoring and Evaluation (M&E) has been conceived as the project Outcome 4 to present some research studies and has not been strategized as an element of the project strategic management along shared, consistent approaches deployed evenly in all the project countries.

- M&E reporting has not been linked to the project communication campaign. The knowledge developed has been used to disseminate specific information, relevant for the project technology transfer, but not to feed accountability in a strategic way, upstream and downstream.

Quality of Project Design is rated 'Satisfactory'

5.3 Nature of the External Context

59. Some macro-factors have affected the delivery of activities in some countries. For instance, the political instability in *Cote d'Ivoire* – although less relevant in the cocoa producing areas - at the beginning of the project had delayed the start of activities there. In addition, the Ebola outbreak was contained in the Tai National park area, and did not affect significantly the project activities, though some awareness raising was included in the training to communities. It should be noted that as a follow up of stabilization, the international development community has invested in the recovery of the cocoa production as a major component of this country export, assisting the government in shaping new policies and brokering the access to technology and investments. Among the other initiatives, the establishment of the rural cadastre apart from creating the conditions for investments and protection of the environment, is in line and contribute to some of the core elements of the SAN standard implementation[18].

60. The coca – an illicit crop - and hydrocarbon production provide a more challenging market distortion in the Andean countries (Peru, Ecuador): they discourage investments in cocoa production. Manpower and security costs reduce the convenience of cocoa production. Migration, loss of young workforce and the appeal of smart money are especially strong.

61. In Ecuador, the uncertainty on the agricultural policies have not directly impacted on the project deployment, as the strong integration of the value chain makes it independent from the public extension services.

62. The spreading impact of Climate change also affects project strategy. An increased frequency of natural disaster – succession of drought and floods – is recorded in West Africa (Côte d'Ivoire, Ghana and Nigeria) and Latin America (Ecuador, Peru) alike. Apart from the immediate, short term impact on cocoa tree tolerance to biotic and abiotic stresses and on production costs, the change in micro-climate means the shift of the conditions favourable for growing cocoa and other crops – i.e., in a shift of crops. More notably, the most negative effects[19] are expected near the forest-savanna transition zones of cocoa plantations in West Africa, and the change of the altitudinal belt of cocoa plantations to occupy areas left by coffee retreating to higher altitudes due to the increase of temperature in Latin America.

63. The migration patterns are very diversified, depending on each country's social, economic, environmental and other factors. Population pressure and deforestation go hand in hand. Exploitation of virgin areas along a short-term horizon presents the advantage of no cost in land acquisition. The more intense demography of external migrants is associated to the use of depleting practices such as slash and burn farming and often, encroaching on protected areas to grow cocoa.

64. The overall socio-economic context in the pilot countries is displaying common prevailing factors that impede doing business[20]. They include lack of adequate infrastructure (roads conservation is affected by the humid tropics weather), complex administrative procedures

[18] The *Programme national de sécurisation du foncier rural* (PNSFR) implements the 1998 act on Rural cadastre along the Programme National d'Investissement Agricole (PNIA/CAADP 2012-2015) along the priorities of the *Plan national de développemen*t (PND 2012-2015) and in the *Horizon 2020* timeframe.

[19] Götz Schroth, Peter Läderach, Armando Isaac Martinez-Valle, Christian Bunn, Laurence Jassogne 2016, Vulnerability to climate change of cocoa in West Africa: patterns, opportunities and limits to adaptation, Science of the Total Environment 556 (231-241)

[20] World Economic Forum, World Competitiveness Report, 2017

(export requires authorization by entities removed from the production areas), lack of access to finance by smallholder farmers lacking collaterals, mismanagement of resources where the value chain is not well established. The lack or low level of public financial resources in many of these countries (Côte d'Ivoire, Ecuador, Ghana, Indonesia, Papua New Guinea, Peru) are hampering the public extension services. Thus, the contribution of industry and trading companies has been crucial for providing technical assistance and other inputs to the farmers.

65. At farm level, subsistence farming and market-oriented production have impacted on the delivery of project activities in all the pilot countries. In some, the cocoa value chain is already in place and well-organized, but in most of these countries it had to be restructured or organized from scratch. The project design, while considering such topic, has not developed a strategy to address the challenge of these diversified contexts. It has left such task to the project implementers of each country.

Nature of External Context is rated 'Favourable'

5.4 Effectiveness

5.4.1 Delivery of the Outputs

66. The project has pursued its objectives through a dual approach: promote the adoption sustainable cocoa production practices following the Sustainable Agriculture Network (SAN) criteria in major producing countries and support trading, processing and brand companies to demand certified SAN sustainable cocoa. To do so, the project has organized 19 outputs in 54 activities to deliver the 4 expected outcomes that would contribute to achieve its overall goal.

Outputs for the delivery of outcome 1: Commitment to sustainability and biodiversity is mainstreamed in the market

67. Five outputs with 15 activities have been defined to promote the demand of sustainable cocoa in the major manufacturing and brand companies.

68. **To develop the industry relations (Output 1.1)**, RA has focused on growing the demand of sustainable cocoa from chocolate manufacturers and brand companies in the main markets: North America, Europe as well as in the UK market. They targeted the major chocolate manufacturing and brand companies to enable a big increase in the volumes of the demand as well as some medium size companies.

69. While Mars, Mondelez, Blommer, Barry Callebaut or Unilever for the launch of its Magnum campaign were already convinced at the start of the project, the commitment of new companies such as Hershey USA contributed to the volume growth. Other major brands such as Ferrero increased their sourcing of RA cocoa, though, they did not demand the RA seal. Several retailers such as Tesco, Asda in the United Kingdom or Lidl in Germany have committed to RA certified cocoa.

70. The project allowed the RA marketing team to grow and structure their offer to clients in a more systematic way. They were better able to understand their customers' requirements, and tailor their service to support them by training their customers' marketing team on sustainability issues, working on the sustainability message, helping the promotion of new product launch, common trips to the sourcing countries to produce communication material such as videos. These trips and videos made were typically one of the way to also create more awareness for consumers as well as for farmers understand the value of the cocoa they produce for consumers, as suggested in the Mid Term Evaluation. The participation to international (e.g., International Coffee and Cocoa Oorganization conference, ChocoVision, Expo-West) or regional events was an additional opportunity to dialogue with customers.

71. **Sourcing certified cocoa planned and facilitated (Output 1.2)**: the demand of sustainable certified cocoa from manufacturers has prompted the traders to create the direct access to sustainable certified cocoa in the countries of origin, hence transforming their role from a trading model to a supply chain model. To do so, trading companies had to develop sustainability expertise within their companies and in the countries of origin, as well as to start offering different services to farmers to secure the cocoa purchases. The RA trained them on the SAN standard (see Outcome 2 outputs).

72. The RA developed a tracking system for the cocoa certified volume and for planning the future. Such information was key in discussing with the brands and processing companies about their sourcing plan and the investments needed in origin countries. It attracted USD 24,434,938 of co-financing to the project well above the planned USD 15,000,000.

73. The RA has allowed only a segregated cocoa option for certification that enables tracking all sustainable cocoa from its production area up to the consumer while some competing standard such as UTZ have used the mass balance option since starting in cocoa in 2009. The mass balance allows the incorporation of non-certified sustainable cocoa to be mixed with the certified sustainable cocoa, and therefore does not require the processors to run segregated processing lines with segregated storage, which lowers the processing costs.

74. The adoption of the mass balance system from competing standards such as UTZ has undermined the SAN certified cocoa sale. Furthermore, while they apply the standard 1 : 0.82 industry conversion rate from cocoa beans to cocoa liquor[21], UTZ standard adopted a more favourable 1 to 1 ratio between cocoa beans and cocoa butter instead of the 1 to 0.5 ratio. This means that a processor purchases less UTZ certified equivalent cocoa weight under its mass balance system than that of the SAN-certified cocoa butter. RA has taken a combined approach together with Fair Trade and UTZ that all mass balance system should use the same conversion ratio which will be effective only on January 2018.

75. RA has commissioned together with FairTrade and UTZ a customer's perception study on mass balance from Nielson that surveyed 3,700 consumers split among "Advocates" and "Aspirationals" in the United States, United Kingdom, Sweden, The Netherlands, and Germany. Consumers are still knowingly ready to purchase the certified product though their intent declined (-28% and -12% respectively), and the credibility of the system dropped by 21 % and 16 % respectively. The acceptance was better in United States of America, United Kingdom and Netherlands compared to Germany and Sweden.

76. **Value Chain cost analyzed (Output 1.3):** the activities focused on understanding the cost structure of cocoa farms. In the project, the certification costs (audit, training etc.) were usually born by the trading companies, though it was found that some were taking only 70% of the audit cost. Farmers costs correspond to the input, the labour and all the rehabilitation costs of the cocoa farm. The project provided shade trees, improved cocoa pods for nurseries. The price premium covers some of the investment to transform the farm for certification, it is not sufficient for investing in new cocoa trees.

77. The RA Sustainable Finance department performed a study on the potential of a long-term loan to finance the renovation and rehabilitation of cocoa trees in Côte d'Ivoire and develop a financial model to assess cocoa renovation financing. It was then adapted to assess cocoa diversification strategies in Ghana (coconut and palm oil), in Ecuador (cocoa, ranching activities and other crops). RA finance department following its research worked with Rabobank Investment Advisory Services to pilot test some financial products which help financing the rehabilitation. Support of projects is seen as very important to initiate the rejuvenation and rehabilitation of cocoa farms.

[21] UTZ certified Chain of Custody, for Cocoa, Version 3.1 June 2012

78. The brand and manufacturing companies invest via the traders and processors to build capacity of the producers' organization, train the farmers and pay a price premium. Furthermore, the premium price is often shared between the producers' organization for the set-up of the internal control system and specific services to farmers and the farmers. The cost structure in the value chain and percentage of the investment and market incentives from brand and manufacturing companies transferred to the farmers is not known. Several brands companies report that there is a lack of transparency on the use of their investment and especially on the farmer premium. SAN standard does not include requirements on the price premium. Investment information is out of the RA control, as it is a property of these companies

79. **Consumers & Stakeholders engaged (Output 1.4)**: as RA built its own capacity (human, services and tools developments), they intensified their support to companies with the development of special projects. For example, they helped Läderach set-up their "Family Life Project"[22] targeting 200 cocoa farms in the Kakum area in Ghana, their main cocoa sourcing, with specific projects to enhance the livelihood of the cocoa farmers. The goal was to support them getting certified (e.g., training, price premium) gaining additional income (e.g. farming glasscutters) and improving their infrastructure such as water supplies and the access to social services. The project specifically required the women to receive the additional money. The publication of articles in various journals, blogs, presentations were made in conferences on the initial results from the project (for example sharing the Jua Baeso story[23]) have been shared to increase the companies and customer awareness on the benefits of RA certification. Companies submitting for the seal approval have increased from 297 in 2014 to 467 in 2017.

80. The participation royalty was set up for making the *certification model financially sustainable (OP5)*. It is charged on volumes of traded crops sourced from Rainforest Alliance Certified farms and registered in the RA traceability system. The fee varies with the crop, it is 0.015 USD/kilogram of cocoa. The participation royalty was paid by 88% of the companies in December 2016, to reach 100% with the implementation of the new fully computerized traceability system in 2017, that eased all invoicing and administrative features.

81. Overall the activities performed for the project have been highly effective for mainstreaming the sustainability in the market demand.

Delivery of outputs for Outcome 1 are rated 'Highly Satisfactory'

Outputs for the delivery of outcome 2

82. Activities have focused on building up the capacities to ensure that cocoa farmers have access to affordable, quality training, extension and business services to enable farmers to apply sustainable practices that integrate biodiversity conservation.

83. **Capacity building and material created (Output 2.1)**: the RA has developed training materials on the SAN standard (2010 version) in English, French, Spanish, Indonesian and Chinese, as well as training modules online (http://www.sustainableagriculturetraining.org/). Posters, handouts, training materials were adapted and made available in local languages. For example, Gesellschaft für Internationale Zusammenarbeit (GIZ) supported the creation of training flipcharts in Côte d'Ivoire. The material was clear, well designed on the key features of SAN Standard. These manuals and training materials are used by the RA lead trainers. Awareness handouts such as those on biodiversity done together with the Wild Chimpanzee Foundation in Côte d'Ivoire have been given to the farmers. The project partners locally linked with the national extension services to provide input on sustainable practices in their training material on cocoa production (e.g., Association Nationale d'Appui au Dévelopment Rural (ANADER) and Le Conseil du Café -Cacao in Côte d'Ivoire, Ghana cocoa board [COCOBOD] in Ghana). The Certification

[22] https://www.laederach.com/en/chocolate-family/sustainability
[23] Example of article: https://www.rainforest-alliance.org/sites/default/files/2016-08/A-landscape-approach-to-climate-smart-agriculture-in-Ghana.pdf

Capacity Enhancement Project in Western Africa (Côte d'Ivoire, Ghana, Nigeria) project created a manual to harmonize the training between the Fairtrade, RA and UTZ standards. A new version of the SAN standard was published in 2016 and became operational in 2017 and the training material and training modules were adapted to it. A software App[24] has recently been made available for the farmer training.

84. The guidelines for using the SAN standard have been developed in Ghana, Madagascar, that define how to interpret the criteria in the local context (e.g. list of recommended shade trees, social regulation). Besides printed materials, some radio programs have been run together with partners as awareness campaigns (e.g., in Côte d'Ivoire). Specific trainings have been performed by Institut Africain pour le Développement Economique et Social to strengthen the business management of 5 cooperatives in the Taï National Park project in Côte d'Ivoire.

85. A project was developed in Ghana with Toyota Foundation to research the residues level in cocoa in order to help streamlining messages on pesticide use as a follow-up to the Mid Term Evaluation recommendation.

86. **The trainer quality control (Output 2.2)**: by the end of the end of the project, RA had 49 lead trainers worldwide, of which only 27 were based in 4 of the 10 countries of the project. The overall target was met but remained low to cover the cocoa producing countries adequately. The combined on-line testing and peer evaluation of the training programme enabled reaching wider audience and lowering the training costs while providing good quality training.

87. **National Capacity built for training, technical and business services (Output 2.3):** most cocoa farmers lack access to services (training, extension, information on market and new technologies, access to input and to finance). Two factors have been critical to build capacity for farmers to adopt sustainable practices: the existence of **farmers' group** or creation of new ones to reach the farmers, and the **training the trainers approach** to multiply the number of farmers.

88. **Developing the commitment of the industry to invest in the cocoa sector was crucial** to increase the volume of certified cocoa sold as well as to create the incentive for the adoption sustainable practices. Several companies committed to directly support some cooperatives/producers groups (e.g., Barry Callebaut including in the Taï National Park project in Côte d'Ivoire, Olam in cooperatives neighbouring Kakum and Bia National Park in Ghana) have organized the farmers in groups (e.g. Olam in Nigeria) to bring them to certification and to participate to yield raising actions (e.g. Mars). Companies provided economic incentives to cocoa growing by training the cooperatives management (especially to the criterion of the SAN standard and to the set-up of the internal control system), by pre-financing the cocoa crop (purchase of pesticides, fertilizers), by providing a price premium for the certified cocoa, as well as in some cases social benefits to the farmers family. These incentives contributed to build the trust between Trading companies and farmers' organizations.

89. The **train-the-trainer approach** was very cost efficient and effective in reach. A total 263,134 farms were certified by 2014, but the number declined to 182,362 by the end of the project and allowed the certification of 13.4% of world cocoa production by volume. The training to prepare for SAN certification is a generic training, and the training programme is commendable as it has provided a systematic training to farmers not having access to any form of training or access to services due to the lack of resources of national services. The capacity building was described by one company as bringing these farmers to *the elementary school level*. Additional training is needed for continuous improvement.

90. The **Sustainable Yield module** was tested by coaching 40 farmers in 3 areas of Côte d'Ivoire (Aboisso, Taï and Yakassé), in Ghana (Ankassa region) and Peru. The productivity increased significantly in Côte d'Ivoire in 2012-2015 by 80% overall with 167% in Yakasse from a 251

[24] https://www.rainforest-alliance.org/business/training/

kilogram/hectare (kg/ha) yield, 44% in Tai from a 455 kg/ha to 673 kg/ha. Results in Ghana and Peru were modest, about 5% increase recorded between 2011 and 2013 in Peru from 330 kg/ha to 350 kg/ha. The coaching of farmers was very effective especially in Côte d'Ivoire to demonstrating to farmers that by changing only a few targeted practices can increase significantly the yield but such training was costly (about USD 2,000 per year per farm).

91. The inception workshops held in Ghana, Ecuador and Indonesia and later in Côte d'Ivoire helped understand the key issues in the country, gather the interest of stakeholders and detect the most committed ones. Specific projects targeting cocoa producing areas in biodiversity hotspots were identified in each pilot country. This pragmatic approach was effective in developing specific partnerships for "project in biodiversity hotspots" and in identifying the local partners. Annex 9 provides a summary of the country programmes.

92. **Links built with other service providers (Output 2.4)**: the project engaged with National authorities managing the cocoa markets (e.g., Le Conseil du Café- Cacao in Côte d'Ivoire; COCOBOD in Ghana) and with the technical extension services. In other countries, collaborations have been established with the respective cocoa sector institutions, although their engagement has been limited. To engage on biodiversity protection, they worked with the authorities in charge at national level (e.g., OIPR in Côte d'Ivoire) or at local level (e.g. POSO university in Indonesia, municipalities of Quellouno and Ivochote in the Mengatoni National Sanctuary Buffer zone in Peru). A total of 26 partnerships with Non-governmental organizations (NGO), Public institutions were reported by the end of 2017.

93. **Model for operating Information and communication services with unorganized farmers developed (Output 5)**: cooperatives and producers' association have been strengthened through partnerships with traders (e.g., Olam in Nigeria, in Ghana; Barry Callebaut in Côte d'Ivoire). Other project partners, such as GIZ in Côte d'Ivoire funded specific training.

94. Overall the activities performed have been effective for building capacity in sustainable production, but producers still need training for continuous improvement, possibly more individualized (i.e., coaching).

Delivery of outputs for outcome 2 is therefore rated as 'Satisfactory'

Outputs for the delivery of outcome 3:

95. Rainforest Alliance had been working in cocoa for only four years. The SAN standard and RA certification system have been strengthened and to adapted to the cocoa context to establish its credibility in catering to the specific needs of an increasing demand of certified cocoa.

96. **Standard Localized (Output 3.1)**: the SAN standard (2010 version) scope is broad and applicable to different crops. Its implementation allows for the development of local interpretation guideli*nes to interpret binding criteria for local conditions or a specific crop* when necessary. This was done in Côte d'Ivoire, Ghana, Madagascar. For example, it has covered the principle 1, 2, 3, 5, 8 in Ghana[25] explicitly linking to the Ghana legislation, list of allowed chemicals and specified the minimum of 18 shade trees per hectare in farms with mature trees, together with a list of suitable tree species.

97. In addition, High Conservation Values were defined in Côte d'Ivoire, Ghana, Indonesia and Peru. SAN Standard critical criteria 2.2 requires that to maintain the integrity of aquatic or terrestrial ecosystems inside and outside the farm. In Côte d'Ivoire[26], it was based on the Decree n° 96-894 of November 8, 1996, defining the natural zones at risks as well as on the law no 65-425 of December 20, 1965, the "Code forestier". This output was partially achieved as not all countries

[25] Interpretation Guidelines, Indicators for sustainable cocoa production in Ghana, Sustainable Agriculture Network, April 2009

[26] Interprétation des Ecosystèmes naturels (NE) et des Ecosystèmes à Haute Valeur (HVE) en Côte d'Ivoire, Analyse comparative avec les principes et critères SAN, rapport d'étape 2, M. TOURE Moussa, Dr ETIEN N'Dah, Mai 2013.

were covered. Only 6 documents instead of 10 were published. *Standards are aligned with key cocoa sustainability issues (OP3.2)* which included increasing productivity and child labour at the start of the project

98. The "Sustainable Yield Module" was developed based on literature review and experts' interviews to look into the most effective practices to improve the cocoa productivity. This was tested in Côte d'Ivoire, Ghana, Indonesia, and Ecuador. The learnings were shared with SAN and incorporated in the 2017 standard. Emphasis has been put on the establishment of nurseries and general management practices and not on specific practices such as grafting, although effective to renovate the cocoa trees, as it is not allowed in countries like Côte d'Ivoire to avoid the risk of spreading the Swollen Shoot, a major threat currently.

99. Child labour issue has been and remains a key issue for the cocoa sector. SAN standard has a critical criterion on child labour, but it does not include any remediation measure. Olam International, Blommer Chocolate, Mars Chocolate and Ferrero have set up the Child Labour Evaluation and Remediation Project together with Fair Labor Association and with RA to develop an Internal Monitoring and Remediation Program in two cooperatives in Côte d'Ivoire. The learning from the project including remediation measures in the revision of the criterion covering child labour in the new standard.

100. **Network of accredited auditors (Output 3.3.)**: RA has set a system of accreditation of certification bodies as well as for the auditors. Trainings were organized to accredit new auditors at the beginning of the project in Côte d'Ivoire, Ghana, Indonesia and Ecuador. RA together with Certification Bodies must ensure regular training update. The Training Platform is an important tool. No indication was provided to the evaluator on how systematic the training update for auditors was except for retraining on the 2017 Standard. Training focused especially on the revised or new criteria such as Management systems for smallholders and groups, pesticide management and integrated pest management for smallholders, minimum wage and labour rights, child labour and forced labour, group administration and management, natural ecosystems and shade cover, wildlife and human conflict, high conservation value and natural ecosystems, freedom of association. The auditing process remains a weak area as some cases of frauds are still detected and need to be improved.

101. In addition, the project has organized various technical meetings to ensure trainers and auditors were aligned in their evaluation of the standard, to provide a coherent and calibrated assessment during audits.

102. **SAN certification strengthened and expanded (Output 3.4)**: the project used the 2010 SAN certification standard and the smallholders' group published in 2011. In line with the requirement of ISO 65 standard, an accreditation system has been designed for the application process of certification bodies. Ten certification bodies have been accredited.

103. The revision process of the SAN 2010 standard started in 2013 along the International Social and Environmental Accreditation and Labelling[27] rule of two rounds of stakeholder input. While the 2010 SAN standard covered 10 sustainability principles, these have been condensed into 4 in the new version: 1) effective planning and management system, 2) biodiversity conservation, 3) resource conservation, 4) improved livelihoods and human wellbeing. The 2017 SAN standard covers new topics such as productivity, protection of High Value Conservation Areas, new pesticide management approaches, a plan towards providing living wage and further protections of women's rights at work. It is more inclusive. It supports equality and empowerment of women, protects pregnant women and those having recently given birth. The number of critical criteria has been increased from 23 to 37, and therefore forces the implementation of more practices which were not critical (e.g., Integrated Pest management plan). Annex 5, List A5.1 and A5.2 present the critical and the new criteria.

[27] See also: 3Keel 2018. The effectiveness of standards in driving adoption of sustainability practices: A State of. Knowledge Review

104. The SAN acts as a local support for certification. Being part of SAN enables to have a voice on the standard development. Attracting new members has been a way to build more capacity in countries. While several project partners were approached, only the Royal Society for the Protection of Birds joined. In addition, the project has organized meetings with the International Standard Committee.

105. **Cocoa traceability system developed and upgraded (Output 3.5):** the traceability system is a crucial element for the reliability and trust in the certification system. It was performed via an Excel spreadsheet for cocoa during the life of the project (Marketplace 1). Not all participants in the value chain were registered in the system. By the end of 2016, all the transactions were registered, and were split in 34% for cocoa processors, 31% for producers' groups, 19% for exporters, 13% for importers. The traceability system has been positive for farmers, some interviewed reported it helped reduce the cases of fraud linked to the weights of cocoa beans. The project enabled to set up a computerized system with Chain point (Marketplace 2) which now automatically traces the cocoa, generates the certificates, consolidates trademark approval requests, registration and monitors the customer's base. It can also easily integrate new crops. This activity was implemented in 2017 following the set-up of the 2017 standard.

106. The implementation of an electronic system has strengthened the standard and the traceability system. The auditing process remains a weak area as some cases of frauds were still detected and need to be improved

Delivery of outputs for outcome 3 is rated 'Highly Satisfactory'

Outputs for the delivery of outcome 4: sustainable cocoa production contributes to biodiversity and natural resource management and provide a net financial return to cocoa farmers.

107. **Payment for Environmental Services (PES) Methodology developed and applied (OP 4.1**: the Juabeso/Bia Landscape project was used as a pilot project to feed results of the benefits of climate friendly practices in addition to the SAN standard into the national Reduce Emissions from Deforestation and Forest Degradation (REDD+) in Ghana[28]. The landscape conservation approach has transferred knowledge and skills to all the farmers with the assistance of COCOBOD. A total of 3,033 farms in 34 communities were trained and 61,488 trees have been planted. The carbon value of these practices was measured with the Cool Farm Tool[29] in 3 farms (Juabeso-Bia project). A farmer-based stratification and carbon quantification system was developed. The supervised classification of Rapid Eye multi-spectral satellite imagery of the project area was chosen to become part of a landscape methodology for carbon measurement. The delivery of the Juabeso-Bia Project was outstanding for its pioneering work in cocoa and contribution to the REDD+ in Ghana.

108. **Monitoring and Evaluation of the implemented projects (Output 4.2)***:* monitoring and evaluating of the GCI action in each country was not included in the project formulation. The national interventions were designed after the GCI inception. The Monitoring and Evaluation team waited until the signature of their respective Memorandum of Understanding to conduct the baselines in uneven way across countries: farm data were surveyed in South Sulawesi (Indonesia) and Madagascar. Collection of data in Cote d'Ivoire and Peru consisted in the farm boundaries mapping with Global Positioning System. A follow-up household survey in Indonesia is forecast depending on funds availability.

109. Several activities were performed to establish cocoa production traceability and to monitor the exploitation of protected areas. The Natural Ecosystem Assessment methodology[30] was

[28] Reduce Emissions from Deforestation and Forest Degradation
[29] https://coolfarmtool.org/
[30] Jeffrey C. Mildor, Deanna Newsom. Charting Transitions to Conservations Friendly agriculture. The Rainforest's Alliance approach to monitoring and assessing results for biodiversity, ecosystems and the environment.

used to map the extent of conservation and restoration of set-asides in Ghana and in Ulu Mason NP in Sumatra. A *land sparing* approach was adopted in Ghana as the goal there was to improve the management of the farmland and to stop the encroachment of protected areas, while a *land sharing* approach was used in Bantaeng (South Sulawesi, Indonesia) to conserve the remaining forest patches.

110. **Biodiversity impacts measured (Output 4.3):** Indonesia was the country selected to define biodiversity criteria and monitoring methodology which was funded by the Biodiversity and Agriculture Commodities Programme funded by the International Finance Corporation in Bantaeng and Aceh in Indonesia.

111. The Baseline map of land use (2012) was elaborated for Jiem-Jiem and Lala communities in buffer zone of Ulu Mason National Park in Aceh and Bantaeng in South Sulawesi. The Socio-economic (Bantaeng) and Ecosystem (Jiem-Jiem and Lala) assessments (2013) recorded an extensive forest clearing for oil palm plantation in the former area and the pivotal role of cocoa production for the farmers' income in the latter one. A Farm survey has been held to define the beneficiaries farm and household characteristics (2015) and learning from project training (2016) in Bantaeng.

112. This exercise showed a substantial growth in the compliance of SAN requirements especially in farmer agricultural capacity, in wildlife and forest protection practices and in the adoption of improved agro-chemicals usage practices, with benefits on water conservation and waste management. The result of the study of the *kuzkuz* (small climbing bear) has created the knowledge to raise the awareness of farmers on the fact that this wild animal is not harmful for cocoa and should be protected. The El Niño drought conditions negatively impacted on agriculture reducing cocoa yield and farmers' income in the same period.

113. **Cost-Benefit analysis undertaken (Output 4.4**): the Committee on Sustainability Assessment survey study[31] was conducted in the Haut Sassandra, Bas Sassandra and Moyen Comoe region of Côte d'Ivoire (2009-2011). This study showed that the certified farms have higher in the yield, net income, training, community participation, soil and water conservation. However, this differential is decreasing over time. No follow up study was performed for cost reason and the project decided instead to perform a study[32] in Ghana. It found that certified farms are marginally better in terms of income compared to non-certified farms, It also demonstrate a better awareness to and reduced child labour on RA certified farms. Both studies showed positive impact of certification, but results cannot be compared nor extrapolated as the local context differ.

Effectiveness of outputs for delivery of outcome 4 is rated 'Satisfactory'

Effectiveness of the overall delivery of outputs is rated 'Highly Satisfactory'

5.4.2 Achievement of Direct Outcomes

Outcome 1: Commitment to sustainability and biodiversity is mainstreamed in the market

114. One key goal of the project was to drive the commitment to sustainability and biodiversity in the value chain by ***increasing the demand of SAN standard certified producers' cocoa***. A steady growth of the number of traders and processors committed to purchase SAN certified cocoa was recorded: from 10 at the beginning of the project up to 54 by 2017. ***The project catalyzed a behavioural change in the industry by bringing the sustainability at the core of companies***

[31] COSA survey of Rainforest Alliance certified farms 2009-2011
[32], Evaluation of the impacts of Rainforest Alliance certification on smallholder cocoa producers in Ghana, University of Greenwich, Natural Resources Institute, 2017

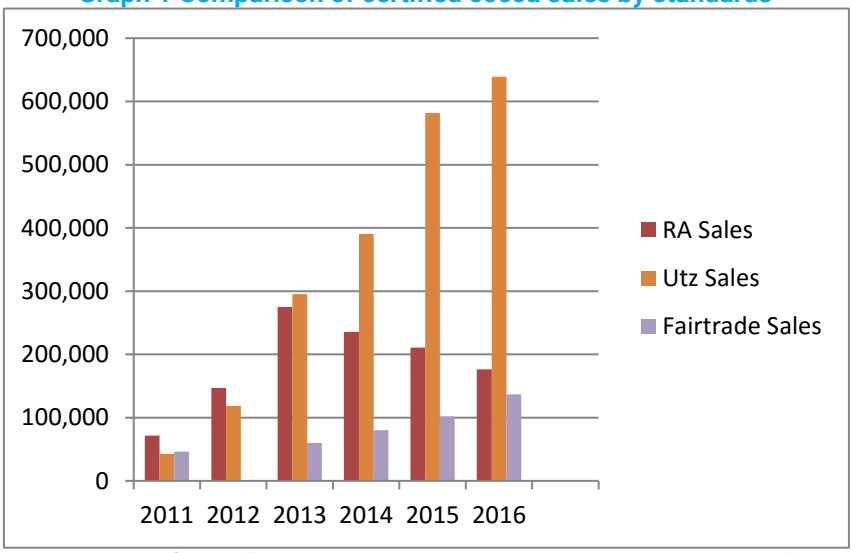
sourcing strategies. Most of the cocoa is still sourced globally via trading but direct sourcing is now estimated to be about 20-25%[33]. An increasing number of large companies (e.g., Mars, Hersheys, Ferrero) have publicly committed to source only certified cocoa by 2020 (see Annex 6, Figure A6.1.) Besides the major brands, retailers use *a* lot of cocoa for their private labels. In Germany, retailers accounted for 30%[34] of the market in 2015. Lindt and Rew use only sustainable cocoa in manufacturing chocolate. In 2016, Tesco committed to SAN certified cocoa for all its private label chocolate.

115. While the demand for SAN certified cocoa is increasing, the RA market staff worked very closely with the Brands marketing teams to support them in understanding and marketing the sustainability issues (e.g., videos, story-telling) to the consumers. ***54 brands used RA seal in 2017 (exceeding the target of 20).*** While this figure is large, it does not reflect the trend that started to emerge in 2014, as the five major global brands Mondelez, Mars, Nestlé, Hershey, Ferrero have not launched new product bearing a third-party certification seal. The assumption that market players recognize SAN sustainability standard contribution still holds, as these major brands companies (except Nestlé buy certified cocoa from a competitor) purchase SAN certified cocoa and cocoa butter although without identifying them on their packs.

116. The sales of certified cocoa have surpassed the 165,000 Metric tons (MT) project target in 2013 by reaching 275,137 MT, and decreased to 176,065 TM at end of 2016, to become slightly less in 2017 (160,481 MT). A total of 1,276,292 MT SAN certified cocoa was sold during from 2011 to 2017 included, i.e***. 182,327 MT per year (10% more than the project target).***

117. This decrease depends on the change in purchasing strategy of some major customers such as Mondelez with the set-up of its own sourcing program, Cocoa Life program, the increased competition of UTZ sustainability standard using the Mass Balance option, and potentially some erosion in the trust of certification. The graph below compares the sales between SAN, UTZ and FairTrade Standard and shows the decline of RA sales to the benefit of UTZ and to a lesser extent FairTrade.

Graph 1 Comparison of certified cocoa sales by standards



Source: Rainforest Alliance, Cocoa Barometer 2015, UTZ 2016 report, FairTrade

The SAN certified cocoa sales represented 5% of global world volumes in 2015, and 4% in 2016. The total sales of the 3 major sustainable-certified cocoa (RA, UTZ, FairTrade) was 22% in 2015 and 2016 of the world market[35]. The sales of these 3 standards together reach now a significant

[33] Estimation given in an interview with trading company.
[34] Idem
[35] Estimated by the author with Individual sales figures of Standard and ICCO total grindings taken as proxy of total demand.

percentage of the market, showing that companies commit to sustainability in a major way. ***Several people interviewed in the industry highlighted the fact that the project was the only one dealing at scale with sustainability in the sector, while there were more a series of individual projects. The whole project helped the industry align to a better thinking about sustainability and catalyzed the mainstreaming of sustainability.*** This was demonstrated by the strong commitment from the industry to the project with an amount of USD 24,558,709 co-financing well above the USD 15,000 anticipated.

118. The participation royalty (0.015 USD/kg of cocoa) generated revenues up to USD 4,127,055 at the highest sales level in 2013 and decreased to USD 2,407,213 in 2017. The mechanism is effective in generating substantial income for the RA to support mainly the internal services such as seal management, communication, traceability system, standard development, markets transformation program, legal and administrative services. The royalty generated after 2013 may not provide sufficient financing for all activities. With the recent merger between UTZ and RA (2016-2017), the combined sales should enable a sound financing of the certification system.

119. The project catalyzed a mainstreaming of sustainability in the cocoa sector. While there was little interest by companies in biodiversity, the RA has raised awareness on the biodiversity issues in the cocoa industry, which now have put deforestation as a major issue as demonstrated by the Cocoa and Forests Initiative[36]. Even though its sales declined after a peak, the project achieved the overall sales target, and attracted USD 9,558,709 funding above the target. The RA certification system is secured through financing of the participation royalty.

Achievement of outcome 1 is rated 'Highly Satisfactory'

Outcome 2: Farmers apply sustainable agricultural practices that integrate biodiversity conservation

120. Training material was created and made available especially through the training platform. Among the 49 lead trainers trained, 27 had specific cocoa expertise. In 2012, 722 technicians have been trained on SAN standard, of which 392 in Côte d'Ivoire, 78 in Ghana, 50 in Nigeria, 25 in Indonesia, 100 in Brazil, 40 in Peru. These included technicians from project partners, the major traders' sustainability teams, producers' organization, and from the national extension services. In 2017, 583 technicians were retrained on the new version of the SAN standard. The 26 partnerships set during the project facilitated the provision of capacity building and biodiversity preservation.

121. The review of the 186 out of 266 SAN certificates covering 170,000 farms in Côte d'Ivoire, Ghana, Ecuador, Peru, and Indonesia provides insights in which practices have been adopted[37]:

- SAN certified farms in all regions complied fully with the mandatory requirements to protect on-farm and off-farm natural ecosystems. The shade tree cover was adopted in Ecuador and Peru, and in a lesser extent in Ghana, Côte d'Ivoire, and Indonesia.
- agronomic practices such as fertilization, integrated pest control, pruning were adopted at different rates across countries.
- all certified farms complied with the child labour and access to education for school aged children criteria, except one in Ecuador
- nine out of ten certified farms provided access to medical services for farmers, workers and their families.
- agrochemical safety best practices were adopted at a variable rate across countries; this improvement being greater in Ghana and Côte d'Ivoire.

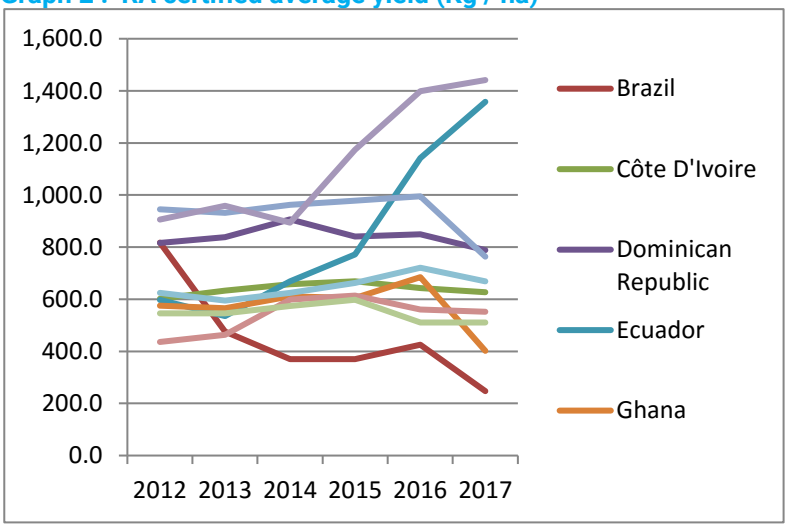
[36] The Government of Cote d'Ivoire and Ghana together with top leading companies announced during the COP23 a framework to combat deforestation and restore forests areas.
[37] Deanna Newsom, Jeffrey C. Milder and Matthew Bare, Towards a Sustainable Cocoa sector. Effects of SAN/Rainforest Alliance Certification on Farmer Livelihoods and the Environment, April 2017

- biodiversity conservation on the farm site increased although there is no evidence of its correlation with productivity.

122. Farmers interviewed in Côte d'Ivoire and Peru highlighted how the trainings enabled them to change their practices in areas such as the sanitary treatment of trees (pruning, weeding), integrated pest management and improved their quality of life with better waste management. In Côte d'Ivoire, farmers could decrease the storage of chemicals in their farms, and resort to "spraying" professionals through their cooperatives. The increased productivity enabled them to purchase motorcycles, to improve household income and to send their children to school. Adoption of soil conservation techniques was found to be higher in Peru.

123. Change in productivity have been mixed in all project countries as depicted on graph 2. Yield has increased everywhere except in Brazil. The 2016-2017 West Africa droughts negatively influenced productivity. Certified farms cocoa trees have better resisted drought than those of non-certified farms. The increase in the estimated productivity[38] was on average 16% (see Annex 5, table 5.1) with Peru, Ecuador and Nigeria experiencing the largest growth.

Graph 2 : RA certified average yield (Kg / ha)

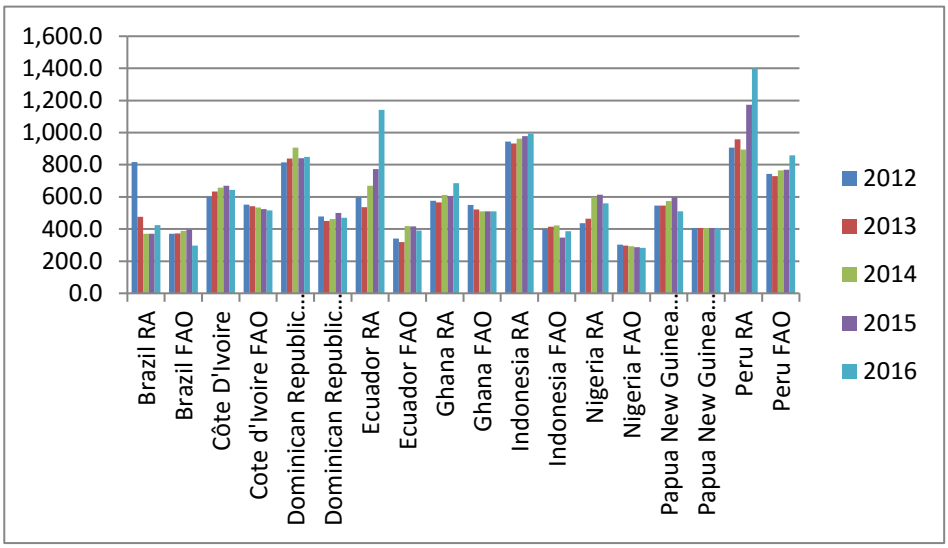


Source: Rainforest Alliance internal data

124. RA certified yields measured are significantly higher than the average yield in the respective countries recorded by the Food and Agriculture Organization of the UN[39]. The most significant increase is recorded in the Dominican Republic, Ecuador, Indonesia, Peru, as well as Nigeria. In Côte d'Ivoire, the largest producer and SAN certified country, the increased yield varies between 10% to 20%. (Table 8). The comparison on an annual basis shows that RA certified cocoa yields were more resilient to the 2016 climate change impact.

[38] Yields have been estimated dividing the production volume by the production area. The estimate does not take into account that the set of farms covered may vary from year to year.
[39] Food and Agriculture Organization of the United Nations

Graph 3: Comparison of RA Certified yield with country data yield (Kg/ha)



Source: Rainforest Alliance internal data, FAO data

Table 8: Comparison of RA Certified yield with country data yield (% of Kg/ha

Yields (comparison RA vs Country data)	2 012	2 013	2 014	2 015	2 016
Brazil	238.0%	133,6%	101,4%	100,1%	114,4%
Côte D'Ivoire	107,1%	110,3%	115,4%	121,3%	118,4%
Dominican Republic	227,3%	220,3%	255,9%	175,7%	188,5%
Ecuador	197,3%	145,9%	119,2%	226,1%	357,7%
Ghana	129,6%	143,2%	139,7%	110,1%	131,2%
Indonesia2	185,3%	182,2%	234,1%	244,8%	240,3%
Nigeria	162,5%	147,9%	190,0%	202,3%	188,4%
Papua New Guinea	133,3%	132,3%	140,7%	147,0%	125,6%
Peru	163,3%	158,7%	133,2%	157,7%	192,0%

Source: FAO statistics, RA internal data

125. The change in yield has impacted on the farm income along with the change in cocoa price and production costs. World cocoa prices have plunged in 2016, from a peak 3,400 USD/MT in to USD 2,000 /MT (Annex 6, Graph A6.5) due to oversupply. This has resulted in a decrease of the state-guaranteed farm gate price in Côte d'Ivoire from francs CFA 1,100 /kg (USD 2145 /MT) to francs CFA 700 /kg in 2017 (or USD 1,270 /MT). Ghana maintained the price of Cedis 7,600 /kg (or USD 1,735 /MT) creating some price asymmetry between the two neighbouring countries. This producer price corresponds to about 70% of the world price market[40]. In other countries, markets have been liberalized and farmers receive a bigger share of the world market price, about 95% in Indonesia, and close to 100% in Ecuador. The increase in productivity while positive at micro level, may hit back through decreasing world prices in case of oversupply as experienced in 2016.

126. The project has whenever possible promoted the rehabilitation of old cocoa trees by replanting in a step wise approach (e.g., in Côte d'Ivoire, replanting was done on 0.5 ha on farms

[40] Nienke Oomes & Bert Tieben (Team leaders, SEO), Anna Larven (KIT), Ties Ammerlaan (SEO), Rmy Appelman (SEO), Cindy Biesenbeek (SEO), Eelco Buunk (SEO), Market concentration in the value chain and price formation in the global cocoa value chain, 2016. The interviewees confirmed this information.

only while the other 0.5 ha freed could be used to raise other crops). The concept being of intensification and simultaneous diversification to raise alternative income.

127. Price premium is a critical component of the pricing for certified cocoa. The SAN standard does not require the payment of premium as part of the standard while it is included in the UTZ standard, and premium are predefined in FairTrade standard. The interviewed farmers confirmed that they had received the price premium. The traders provide the total premium to the producers' organizations that usually keep 50% for their functioning and give 50% to the farmers. In Côte d'Ivoire, the farmers are paid at the harvest time, and the payment of the premium later. The RA premium paid to farmers in Côte d'Ivoire had been in the range of francs CFA 100 /kg (about USD 0.2 /kg) and declined to francs CFA 60 /kg (about USD 0.12 /kg) or 8% of the farm gate price. Some interviewees indicated that on average farmers may receive a premium between USD 80 and USD 100 /MT.

128. Improved quality with better fermentation techniques and less admixtures has been quoted as an important impact of SAN standard compliance on the cocoa beans, which translate in more volumes meeting the market requirements, and hence improved income.

129. The data above showed that price premium has been granted for certified farms, there is an increased volume being sold mainly as a result of increased yield, but also better quality. The COSA[41] study done in Cote d'Ivoire in 2009 and 2011 did not find a difference in the cost structure between certified and non-certified farm, but this may not be generalized. Certified farms were found to have a higher income than non-certified farms.

130. The support provided to producers through the certification process foster the yield and conformity to the market standards, in so doing, it enhances the smallholders' integration in the cocoa and chocolate value chain thus making them more reliable partners of the traders and processors.

131. A key outcome of this process is the increased bargaining power of the smallholders that have access to innovation and certification through their cooperatives and associations. The organization of value chains aligned to the SAN standard is a major outcome of the project as it achieves scale economies, transfers innovation and improves business practices that the smallholders individually may not have access to.

Achievement of Outcome 2 is rated 'Satisfactory'

Outcome 3: A robust and responsive RA certification program is evidently operating in the 10 target countries.

132. The standard underwent a process of local interpretation to align it with local regulations and cultural tradition in five out of the ten countries. For instance, a targeted Ghana version and local interpretation guide for High conservation value areas were developed. The Internal Standard Committee has decided to publish a local adaptation of the standard that has been implemented by the Ghana Working group. The adaptation for the other 4 countries has been tied to the publication of the revised standard.

133. The learning's of the Sustainable Yield Module as well as from the Climate Smart module have been included in the 2017 standard especially as element of effective planning and management systems. The revised structure of the standard contributes also to its strengthening. The revised list of banned pesticides is a challenge in some countries. For example, Neonicotinoids like Imidacloprid and Thiamethoxan, which are the most used pesticides in cocoa production, and are even provided to farmers by the government for free in Côte d'Ivoire, Ghana and other countries should be banned effectively in 2020.

[41] Côte d'Ivoire, Cocoa:COSA survey of Rainforest Alliance certified farms, 2012

134. There are 164 auditors trained and accredited and 10 certification bodies authorized to award SAN certificates. Both numbers are exceeding the project initial target. Despite the good coverage in terms of auditors and certifying bodies, concerns have been raised on some certified Group administrators as some member farms infringe the SAN criteria. This issue has especially been raised[42] in areas close to the classified forests of Cavally in Côte d'Ivoire where immigrants of the 1970's, and 1980's surround the park and produce cocoa in protected forests. Actions were taken to prevent further certification of cocoa from these areas. According to the RA certification rules, certification should be suspended in such cases. Whenever problems are detected, unannounced audits should be performed to verify that the non-conformities have been settled. Audit companies indicated that they rotate auditors, hence one auditor should not audit the same group 2 consecutive years. The auditor decides on the farms to be visited when arriving, but sometimes, the logistics and costs limit the randomness of the selection. The big limitation of certification is that it based on an assessment of a sample of farms conducted at a fixed date. Their number is calculated based on the square root of the total farms number, which is the normal practice for third party audit. Some interviewees reported that the auditors might be more lenient in some cases to certify some farms for all their good effort done than rather than for the actual result, when encountering very poor farmers. Finding ways of reinforcing the reliability of the certification process is crucial but this may be done with complementary tools – such as geo-localization and the Global forest watch - as the auditing can only represent like a "photograph" of the situation. Cocoa fields of the two cooperatives in the Taï Project have been mapped with Global Positioning System during the project.

135. The traceability of cocoa sales is a critical factor for the credibility of the value chain. By the end of 2016, all the transactions were registered: 34% for cocoa processors, 31% for producers' groups, 19% for exporters, 13% for importers. Farmers recognize that traceability had a positive benefit for them as it reduces the cases of fraud in the cocoa beans weighting. An electronic traceability system was implemented by RA with the 2017 standard thanks to the project, and eased the overall management of certificates. It can be easily extended to other products.

Achievement of Outcome 3 is rated 'Moderately Satisfactory'

Outcome 4. The economic case for sustainably grown cocoa is proven and documented.

136. The greenhouse gas calculator for farming (cool farm tool) has been tested in the Juabeso project in Ghana. In partnership with the Sustainable Food Lab, it has also been adapted to tree crops in Ghana and to define quantitatively "climate friendly cocoa" in Bahia, Brazil. The learning's from the cool farm tool, together with the biodiversity studies and the landscape approach have ensured the success of the Juabeso Project.

137. The RA has participated in the definition of the modalities, procedures for registration of trees planted in cocoa in Ghana towards setting a legislation.

138. The IFAD[43]-funded project "Climate Smart Value Chain" has assessed the West Africa Cocoa Belt suitability and found that poor access to finance is a major barrier to cocoa production. Convergence Finance has awarded funds to Rainforest Alliance together with Rabobank International Services (RIAS) to develop an innovative blended finance product:

- A revolving investment facility (5 years) is set up alongside COCOBOD's existing finance facility. Proceeds are used directly by COCOBOD or through PPPs to deliver Climate Smart Agriculture trainings, inputs and services to farmers. Repayment is secured by COCOBOD on either the spread between farm-gate price and net Free on Board price margin or in-kind payments from individual farmers who enter a loan.

[42] Frederic Varlet, Etude de la Production de cacao en zone riveraine du parc national de Tai: GIZ et le Ministère de la Côte d'Ivoire, Février 2013.
[43] International Fund for Agricultural Development (IFAD)

- A revolving fund (7-15 years) pools public and private sector contributions in a layered capital structure supported by a technical assistance facility. Proceeds are used for direct investment in Climate Smart Agriculture projects led by private actors. Repayments derive directly from projects managed by the investees.

139. These tools and potential long-term funds will provide an alternative for purchasing farm inputs and renovate cocoa plantations. The provision of Global Positioning System and training to support the mapping effort has been useful to verify that the absence of encroachment in biodiversity areas and to strengthen the effectiveness of the project in Ivory Coast and Ghana.

140. **Studies**: the RA has published the summary of the sustainable agricultural practices adopted in Côte d'Ivoire , Ghana, Ecuador, Dominican Republic and Peru[44]. The Biodiversity studies performed in Indonesia are discussed in paragraphs 110 to 112 and were especially valuable for the set-up of the project activities.

141. The Committee On Sustainable Assessment[45] study was performed in 2009 and 2011 in the 3 regions. An independent study was performed in Ghana by the University of Greenwich[46]. The project has commissioned some other studies on the best practices in Sustainable cocoa production. These have been disseminated through the project communication events and website www.sustainableagriculturetraining.org. These studies provided valuable information on the cocoa production in the selected countries, but results are contextual and cannot be extrapolated.

Achievement of outcome 4 is rated 'Satisfactory'

Achievement of Outcomes is rated 'Satisfactory'

5.4.3 Likelihood of Impact

Overall impact as measured by global indicators

142. A total of 182, 362 farms were certified as of end of May 2017, a decline from the peak in 2014 at 263,134, but ending below the 250,000 Farmers target. The certified farms represent a total of 896, 954 hectares at the of the project, above the 750,000 hectares target. The project has therefore been effective in bringing substantial cocoa areas under sustainable production practices, that impact positively the biodiversity of cocoa landscape through better soil and water conservation techniques, and the promotion of agroforestry. The SAN audit data show that 64,559 hectares or 7,2% of the SAN certified farm land has been set aside. The set-aside rate is higher in Latin America (22% in Peru) than in West Africa (11% in Côte d'Ivoire[47]).

Overall impact is therefore rated Likely.

143. **Commitment to sourcing SAN certified cocoa**: sourcing sustainable cocoa is strategic to ensure continued access to cocoa and protect reputation, this has driven many companies to announce their commitment to purchasing only sustainable cocoa (Annex 5.1). The major cocoa companies now develop their **own sustainability programme** with or without certification. Some are critical of the certification impact at the farm level and tend to move from a compliance to an impact approach of sustainable production practices. Some prefer to control directly their investment towards farmers as well as their own sourcing of cocoa. This strategy enhances their control of the costs as well as of the delivery of the services and/or infrastructure to be provided to farmers and raise the transparency in the chain. Certification is an important tool for

[44] Deanna Newson, Jeffrey C: Milder, and Matthew Bare, Towards sustainable cocoa sector. Effects of SAN/Rainforest Alliance Certification on Farmer Livelihoods and the Environment

[45] Committee on Sustainability Assessment (COSA)

46 R. Kumar, V. Nelson, N.Andoh, A. Martin, S.Young (2017) 'Evaluation of impact of Rainforest Alliance certification on smallholder cocoa producers in Ghana'. Commissioned by Rainforest Alliance, study conducted by Natural Resources Institute, University of Greenwich report, Chatham: UK.

[47] internal data provided by RA M&E team

sustainability but has several limitations (see above). It has to be linked to broader approaches (e.g., landscape approach) to address the issues such as child labour, deforestation, productivity, gender empowerment, and poverty in a holistic way.

144. **Major brands have not used the Rainforest Alliance "frog" seal in their new products**. In fact, the RA seal appeals more to the smaller cocoa companies. The former ones now invest in their own brands / labels rather than in the RA seal. Building an image of sustainability associated to the company name as such, rather than in some specific brands, is cost effective and ensures the full ownership of the investment. RA certified cocoa products are purchased for the "generic" sustainability attributes and traceability requirements of RA Sustainability certification rather than to invest in the RA "*frog* seal" logo.

145. Cocoa actors in Europe have created **national sustainable cocoa platforms** to coordinate and promote their commitments to sustainability. The Dutch platform has pledged to consume 100% of sustainable cocoa by 2025 in the Dutch market. The German Initiative on Sustainable Cocoa members aim at buying 70% of cocoa from sustainable sources in their products by 2020. The Swiss Platform for Sustainable Cocoa has been created in January 2018 and should fix its sustainability target in the near future.

146. These investments show that sustainability is at the core of the strategy of the companies, and all the commitments to sourcing sustainable cocoa are likely to increase the demand for certified cocoa. A coalition of environmental and social Non-Governmental Organizations have created the **Accountability framework initiative**[48], a "collaborative effort to establish common definition, norms and good practices for delivering on companies' ethical supply chain commitments". This initiative provides a benchmark for sustainability reporting.

147. **Transparency in the chain**. The transmission of the market incentives provided by brand and manufacturing companies through the value chain is not clear (see § 79). With the development of certification, traders in the cocoa producing countries have started to pay a premium price, to provide technical support and other services (e.g., crop cash advance, strengthening of the internal management system, Global Positioning System mapping[49]) to smallholder cocoa producers. However, some interviewees have criticized the lack of transparency in the modalities of allocation of these incentives especially between the traders and the farmers. The modalities of delivery of the premium price is not publicly advertised. As farmer's value added is 6.6%[50], traders' is 6,3% while processing is 7,6 %, manufacturing is 35,2% and retail distribution is 44,2%, the low added value in trade may explain such situation: the allocation of the premium price is part of the individual commercial agreements and thus it is not disclosed to keep it out of the competition view.

148. The SAN standard compliance does not require the payment of a premium price though, in practice, companies pay a price premium for certified cocoa. UTZ standard demands that the members of a certified group receive it. However, UTZ does not prescribe how the premium should be divided between the Group administrator and the farmers and its granting doesn't take into account the Group administrator's in-kind investments. The revision of the RA standard should address jointly the premium and the issue of farmer's "living" income.

149. **Supporting the implementation of sustainability on the ground:** ongoing training of farmers is a key component of the continuous improvement, but it should now be tailored to farmers' need, as "**coaching**". Companies like Mars have started implementing a coaching program, Ecom has also a tailored training program with Bronze, Silver and Gold groups of farmers. In addition, companies provide usually ongoing training to producers' organization management as part of the services provided.

[48] https://accountability-framework.org/
[49] Global Positioning System
[50] Cocoa barometer 2015

150. The project has brokered the adoption of innovative **information technology to support farmers**. Farms have been mapped with **GPS[51] locators facilitating the traceability of cocoa production** and the potential delivery of customized services to the farmers, to optimize inputs use. Such information could be used by nationa**l extensi**on services and the producers group to strengthen their technical support. The increasing use of such data needs however to be well structured in terms of the property and access rights of the information. RA already uses an App and UTZ with the SAT4 Program in Ghana have already initiated programs, both are actively looking into how best leverage the use of data for the future.

151. The **producer organizations** are crucial actors in the supply chain for the effectiveness of the whole sustainability program, but they operate in a context of competition locally among them. Enhancing the services they offer to farmers will reinforce the trust of farmers in the producers' organization and reinforce their loyalty to remain as member. Similarly, as traders provide the necessary technical and financial support to producers organization, they need to trust their management team and accountability to build long term relationships. Trust is core to building a long-term stability in the value chain.

152. Despite a thorough initial review from the project team to select project participants, the project in Côte d'Ivoire dropped 3 cooperatives early on after they had not delivered the pre-financed crop to the traders. Building trust among the actors of the value chain is crucial to increase its transparency and stability.

153. **Training is a precondition**, but to adopt new practices, the access to the necessary services such as fertilizers, chemicals, finance and improved material for rehabilitating the old cocoa trees. Changing practices and **transforming the cocoa sector requires time and funding to rehabilitate cocoa farms,** i.e. structural investments. The Rainforest Alliance (RA) has also facilitated the development of innovative financing products for farmers supporting the rehabilitation of cocoa farms with a 5 to 7 years repayment time.

154. **The insecurity in land tenure** in Côte d'Ivoire, Ghana, and Nigeria is a barrier to the adoption of sustainable practices. For example, in Côte d'Ivoire the farmers face lengthy procedures in having their customary right recognized through the release of the "*Certificat du foncier*". The customary access to farmland, through oral, sketchy agreements may give way to conflicts and hence discourage investments.

155. The project has provided GPS in those countries. The adoption of GPS[52] mapping is an opportunity to clarify the relations between landowners, sharecroppers and tenants and the quantity of cocoa trees growing in each parcel of land. This will also improve the traceability of the production and the potential creation of new services (e.g., provision of a proforma private land ownership agreement, support in registering trees, epidemics control by phytosanitary services and natural disasters quantification by insurances).

156. The **merger between Rainforest Alliance and UTZ** will provide additional capacities and a harmonized approach to promote sustainable certification. The forthcoming unified certification is likely to tackle many of the above-mentioned challenges. The merger enables them to become the lead sustainable certification.

157. A study[53] on the practices of the six biggest cocoa processing companies (Ferrero, Hershey, Lindt & Sprungli, Mars, Mondelez and Nestlé) and of the three certifications systems (FairTrade, RA and UTZ) shows that **certification is deemed to become the baseline for sustainability by 2020**.

[51] Global Positioning System
[52] Global Positioning System
[53] A Matter of Taste. A study of the role of chocolate manufacturers and certifiers are playing in combatting human trafficking and child labour in Côte d'Ivoire's and Ghana's cocoa growing communities., March 2017, Stop the Traffik Australian coalition, Baptist World Aid Australia in consultation with Influence global and the Voice Network.

158. The **new International Standardization Organization/Comité Européen pour la Normalisation standard**[54] has been developed with the support of companies, and its future adoption rate is unknown, especially as its lower requirements could appeal to some companies

159. **Beyond certification**. Certification can promote sustainable production practices in a systematic way but cannot on a stand-alone basis address the main challenges faced by the sector: child labor, deforestation and prevailing poverty especially in Western Africa. Poverty is a major cause of child labour, additional approaches are needed.

160. **The landscape approach** offers a holistic and structured way to address community concerns, gender issues, sustainable agriculture while promoting certification, preservation of biodiversity hotspots and protected forests. The Juabeso project in Ghana confirms that upscaling such approach to include it in a national effort such as REDD+[55]. **The commercial link of** certification with the landscape project was also a key factor of success. Rainforest Alliance is running cocoa landscape projects in Ivory Coast, Ghana and Sierra Leone.

161. **Farmer's economy**. Several interviewees highlighted that cocoa is mainly a "subsistence crop" in West Africa. In Latin America it is produced for its comparative advantages by combining in a variable proportion with other crops to fulfil the producers' needs. Its cost benefit ratio is the main justification in South Asia where farmer's choices are very sensitive to price variation. Cocoa contributes also as a cash crop to food security. Farmers eager to diversify production and employ family labour exploit the opportunities offered by this tree to be associated to other annual and perennial crops. Thus, certification plays a different role in motivating farmers in each continent, being more effective where it is central in boosting the market-access of farmers. The SAN certification may have reaped the "low hanging fruits" with farmers who were either supported by producers' organization or could be organized. The farmers that face more complex production choices and are not supported by well-structured organizations may be the more exposed to poverty and encroachment on protected areas. In fact, the project has trained several of these farmers that have not chosen to be certified for compliance to SAN because this standard is too exigent or expensive.

162. The Cocoa and Forests initiative[56] and the Berlin Declaration[57] during the Fourth World Cocoa Conference show that the cocoa sector is now engaging through wide partnerships to support the transformation of the cocoa sector to protect biodiversity and to set inclusive approaches for the farms and community development which will contribute to the anticipated project impact.

163. The public commitments to sustainable certified cocoa of some major companies will drive more demand, while others are committed to sustainability but through their own programme. The Deforestation Initiative and Berlin declaration show that it is likely that conducive policies, funding and partnerships will be set to transform the cocoa sector for sustainability.

Likelihood of Impact is rated " Highly Likely"

[54] The International Standard Organization together with the European Committee for Standardization (CEN) are developing the ISO 34101 series of standards, Sustainable and traceable cocoa beans to be released soon.
[55] Reduce Emissions from Deforestation and Forest Degradation
[56] Cocoa and Forests Initiative launched a Joint framework of action for Ghana and Côte d'Ivoire during the Conference of Parties 23 in Bonn, November 2017
[57] https://www.icco.org/about-us/icco-news/387-berlin-declaration-of-the-fourth-world-cocoa-conference.html

5.5 Financial Management

5.5.1 Completeness of financial information

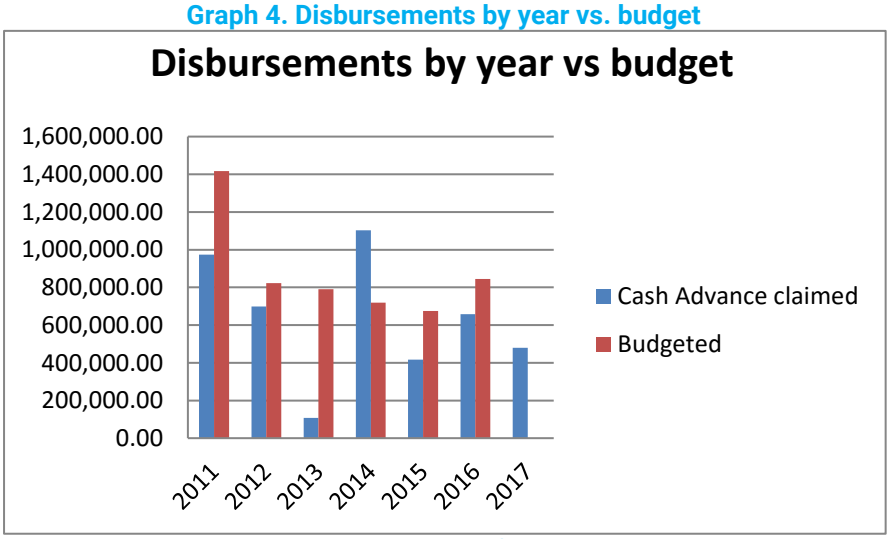
164. Appendix 1 and Appendix 2 of the Project document provides the co-financing and project costs. The total budget at design and actual expenditures are presented in Table 7 paragraph 42.

165. A revision to the budget was approved (December 2011). The detail by category is provided in Appendix 7. The revision consisted especially to increase the share of GEF cash used for the personal component and rent while some of the initial training and equipment cost have been covered through co-financing. The magnitude of the revision corresponds to 6.5 % of the total GEF cash and is normal for such project size.

166. All relevant project legal agreements were provided to the evaluators, including the Project Cooperation Agreement with Annexes for the full size project and its amendment for the no cost extension.

167. Proof of funds transfers documents were provided through the salesforce system. The RA has asked for 17 cash advances. They have been timely released, except the two last ones (10%) retained until the end of project due to the delay in the preparation of the required reports. The 20% of the expenses has occurred in the first year, 60% by 2014 and the last 10% in 2017. This repartition matches the growth of the project activities which means an increase in the use rate along the years. The Graph 4 illustrates the variation in the timing of the cash advance claimed and the initial budgeted expenditures.

Graph 4. Disbursements by year vs. budget



Source: RA Financial reports

168. Proof of co-financing (cash and in-kind). A total USD 692,668 of leverage financing has been declared although this value is not broken-down by initiative or project outcome. Projects partners such as GIZ, COCOBOD, AFDI, Progresso have provided co-funding which is not reported as part of the project co-funding but as leveraged funding. During the field visits and interviews, some interviewees have mentioned that they had other cocoa projects (e.g., Arcus Foundation in Côte d'Ivoire, Toyota Foundation in Ghana, Gates Foundation (see table below).

Table 9: Co-financing Table

Breakdown of sources of the co-financing Partners	Type of Co-financing	Amount (US$) Planned	Amount (US$) Actual

Private Sector (Armajaro, Barry Callebaut, Olam/Blommer, Ecom, Mars)	Direct financing of research and field work, marketing investments	6,750,000	24,434,938
Bilateral Aid Agencies (USAID[58], GIZ)	Grant	2,500,000	-
NGOs (Rainforest Alliance, Technoserve and other project partners)	Grant	3,250,000	-
Private Foundations (Doen Foundation, Goldman Fund, Gates Foundation)	Grant	2,500,000	-
Total Co-financing		15,000,000	
Leverage Financing Bilateral Aid Agencies (USAID, GTZ) Private Foundations (Doen Foundation, Goldman Fund, Gates Foundation)			692,668

Source: ProDoc, RA Financial reports

The partner companies have declared a total amount of USD 24,758,709 as *co-financing*, largely exceeded the target of USD 15,000,000 set by the project. They include Armajaro, Barry Callebaut, Olam/Blommer, Ecom and Mars. The co-financing was globally reported and cannot be analysed by budget line. The interviewees didn't show any substantive element confirming the reliability of the declared co-financing amounts. Most commitments correspond to what they needed to commit as part of their commercial activity. Some companies ran special projects (e.g. Sustainable Yield Module, child labour) as part of the Greening the Cocoa Industry project. As the co-financing target was already reached, a partner company was also authorized to report as co-financing, money spent in Cameroon, a country with the highest rate of deforestation in Africa after the Democratic Republic of Congo[59], to promote sustainable cocoa production. As the reporting framework does not require to report separately any additional co-financing linked to the project, no financial data was provided. No data was provided for the grant co-financing of actors other than for the private sector, but a total of 692,668 USD was reported as leverage financing for these other actors.

169. A summary report on the project's expenditures during the life of the project was provided. The project funds have been allocated along the approved Global Environmental Facility (GEF) budget. The quarterly budget expenditures have been recorded by the UN Environment reporting categories. The GEF funds expenditures have been reported by budget line.

170. The Table 10 provides the budgeted expenses by outcome, as well as the reconstructed spending of the GEF funds by outcome based on the same cost repartition as presented in the ProDoc. There has been some shift in the actual expenses of GEF Funds between the outcomes, with more funding going to the Outcome 2 and 5 while spending on outcome 1 and 3 decreased. The funding of the project management (Outcome 5) has increased by 150% from the initial budget and correspond now to 15,5 % of the total GEF budget. It is therefore below the 20% maximum target allowed by GEF.

Table 10: Expenditures by Outcome

Component/sub-component/ output (All figures as USD)	Estimated cost at design	Actual Cost/ expenditure	Expenditure ratio (actual/planned)	Budgeted GEF Financing	Budgeted Co-Financing	Actual as of dec 31 2017 GEF Financing	Budgeted GEF Fund / Total budget	Actual Expenditure GEF / Budgeted GEF
Component 1 / Outcome 1	7 133 550	NA	NA	1 159 748	5 973 802	834 190	16,29%	71,93%

[58]United States Agency for International Development (USAID)
[59] https://theredddesk.org/countries/cameroon/statistics

Component 2 / Outcome 2	7 066 865	NA	NA	1 652 159	5 414 706	2 304 071	23,38%	139,46%
Component 3 / Outcome 3	1 941 488	NA	NA	798 748	1 142 740	209 990	41,14%	26,29%
Component 4 / Outcome 4	1 093 093	NA	NA	724 344	368 749	754 790	66,27%	104,20%
Component 5 / Project Management	2 600 100	NA	NA	500 000	2 100 100	749 429	19,23%	149,89%
Total Project Financing	19 835096			4 880 000	15 000 097	4 848 679	24,23%	

Source: ProDoc, RA Financial reports

171. There has been some flexibility in the allocation of funds to enable the support of some replicating projects. For example, the UN Environment Task manager had authorized unspent USD 20,000 from Nigeria as the project had already achieved its target, to be used as seed money to support a landscape replication project with a cocoa component in Sierra Leone, a country not assisted by the project but part of the same Upper Guinean forest hotspot as Ghana and Côte d'Ivoire.

172. Copies of the financial audits were provided to the evaluators. No other financial information was required for the project. There were no gaps in terms of financial information that could be indicative of shortcomings in the project's compliance with the UN Environment or donor funds.

173. All the key financial documents were presented to the evaluator as indicated above and in the summary table 11 below.

Completeness of project financial information is rated 'Highly Satisfactory'

5.5.2 Communication between finance and project management staff

174. The Project Manager and the Task Manager were aware of the project's financial situation. The overall communication between the Project Manager and the UN Environment Task Manager and Finance Manager were good. The later were informed regularly of the project progress and received financial information as needed. Financial management was good and there were no financial issues during the project life.

Communication between finance and project management staff was 'Highly Satisfactory'

The overall financial management has been rated as 'Highly Satisfactory'

Table 11: Financial Management Table Rating

Financial management components:		**Rating**	**Evidence/ Comments**
1. Completeness of project financial information[60]:			
Provision of key documents to the evaluator (based on the responses to A-G below)		HS	All the key documents have been provided
A.	Co-financing and Project Cost's tables at design (by budget lines)	Yes,	The ProDoc provides the detail of the co-financing funds allocation by Outcome and Budget line
B.	Revisions to the budget	Yes,	The revised budget was approved

[60] See also document 'Criterion Rating Description' for reference

C.	All relevant project legal agreements (e.g., SSFA, PCA, ICA)	Yes,	All legal agreements were provided
D.	Proof of fund transfers	Yes,	Yes, proof was available through Salesforce
E.	Proof of co-financing (cash and in-kind)	Yes,	Co-financing reports were provided as laid down in the UN Environment reporting framework, without detailed evidence
F.	A summary report on the project's expenditures during the life of the project (by budget lines, project components and/or annual level)	Yes	The project expenditures were provided by budget lines, and annual level
G.	Copies of any completed audits and management responses *(where applicable)*	Yes	The RA audit reports were provided. The 2017 report has a special annex on the project, no cost was questioned by the auditors.
H.	Any other financial information that was required for this project (list):	No	No other financial information is required
Any gaps in terms of financial information that could be indicative of shortcomings in the project's compliance[61] with the UN Environment or donor rules		No	The financial information has been provided
Project Manager, Task Manager and Fund Management Officer responsiveness to financial requests during the evaluation process		HS	The project manager, task Manager and Fund Management Officer were responsive during the evaluation
2. Communication between finance and project management staff		HS	Communication was good
Project Manager and/or Task Manager's level of awareness of the project's financial status by the		HS	The Project Manager and Task Manager were aware of the project financial status
Fund Management Officer's knowledge of project progress/status when disbursements are done		HS	The Fund Manager Officer was regularly informed of the project' progress
Level of addressing and resolving financial management issues among Fund Management Officer and Project Manager/Task Manager		S	No financial issues were raised, although the 2 last payments are held back until finalization of the project.
Contact/communication between by Fund Management Officer, Project Manager/Task Manager during the preparation of financial and progress reports		S	Contacts are done.
Overall rating		HS	Documentation was provided, including the co-financing reports but without detailed evidence. The communication has been good. The overall financial management has been fine, and compliant with UN Environment Standards

5.6 Efficiency

175. The project has been executed timely, efficiently and cost-effectively and completed with a one year no-cost extension. Some administrative delays in fund allocations and timely start of field operations occurred. They have not affected the execution of the project as the Project Management Unit has solved these problems before they affected the project strategy execution. The delay in the disbursement of the last two Global Environmental Fund tranches has not affected the project performance. The Country managers have been reactive in tackling the general challenges faced as in the case of the Juabeso project in Ghana and the Taï project in Côte d'Ivoire.

176. The project no-cost extension has enabled the training of the lead auditors, technicians and auditors on the 2017 SAN standard ensuring the continuity of the farms certification process.

177. The project has leveraged its experience in running GEF funded projects such as the Biodiversity Conservation in Coffee one. Its strategy has capitalized the experience matured in the execution of previous projects in the piloted countries such as the "Sustainable Tree Crop" in Ghana, the "Iniciativa para la Conservacion en la Amazonia Andina in Peru and Ecuador, the work

[61] Compliance with financial systems is not assessed specifically in the evaluation. Nevertheless, if the evaluation identifies gaps in the financial data, or raises other concerns of a compliance nature, a recommendation should be given to cover the topic in an upcoming audit, or similar financial oversight exercise.

of the Indonesia Cocoa Coffee Research Institute, as well as with some companies project such as Mars Partnership for African Cocoa Communities of Tomorrow in Ghana.

178. The project approach has been cost effective in 1) adopting a training-the-trainer approach in creating local capacities, and 2) mobilizing a network of partners to implement its activities in the piloted countries and enhance existing capacities. The strengthening of the value chain has engaged the private sector (Barry Callebaut in Côte d'Ivoire, Olam in Ghana, Olam in Peru, etc.), technical partners (CEFCA in Côte d'Ivoire, Agro-Eco in Ghana, Conservation Alliance in Ghana and Nigeria), national cocoa organizations (COCOBOD in Ghana), Extension services (ANADER in Côte d'Ivoire), national (OIPR in Côte d'Ivoire) and local authorities (Servicio de Areas Naturales Protegidas por el Estado in Peru), funding agencies (GIZ AFID Picardie), as well as the civil society (e.g., Wild Chimpanzee Foundation in Côte d'Ivoire). Memoranda of Understanding were signed with some of them to articulate these partnerships. Relying on local partners for the execution of field activities and wide use of teleconferencing for international meetings have minimized the UN Environment footprint.

Efficiency is rated as Satisfactory

5.7 Monitoring & Reporting

179. **Monitoring Design and Budgeting**: Monitoring and evaluating of the GCI action in each country was not included in the project formulation. The national interventions were designed after the GCI inception. Section VI of the Project Document (ProDoc) establishes the features of the project M&E plan. It is complemented by Appendix 7 that list the means of verification and the costs associated with obtaining the information to track the indicators. The main outputs of the project M&E system are the Table of indicators, updated to June 30, 2017, the PIR reports and the baseline and thematic studies conducted in some target countries.

180. **Indicators:** the Result framework of the project (Appendix 4 of the ProDoc) includes 24 indicators. Their definition and proposed target values are reasonable. The excessive number of indicators results in some incongruencies, e.g.

- the Objective Indicator **Number of cocoa farmers that apply the majority of practices of the Sustainable Agriculture Standard (certified and/or in training)** looks like a variant of the Outcome 2 Indicator **Number of farmers that apply the Standard and obtain certification**.
- the Objective Indicator **Number of hectares under cocoa production using improved production practices** is an unlikely consequence of the Outcome 1 Indicator **Annual volume of certified cocoa sold**.
- the Objective Indicator **Change in number of hectares of on farm natural ecosystem that are identified and protected** is not linked to any Outcome indicator i.e. specific project activities are not directed to its achievement. It should be noted, that although the conservation of biodiversity in cocoa growing landscapes was the project goal, no Indicator at any level cover it.
- the Outcome 2 Indicator **Percentage improvement in productivity on certified farms in Cote d'Ivoire and Ghana** is specific for a couple of countries, in dissonance from other Outcome Indicators (some being global, some being regional), apart from the fact that it measures an achievement strictly correlated to the Outcome 2 indicator already mentioned.

181. A possible indicator that has not been considered is the number of **Group administrators**, i.e. the entities representing and monitoring the certified farms. Thus, their critical role in the success of farmers' aggregation has not been made visible or analysed in the project reporting. Some inconsistencies in the Indicators wording can be identified, such as the reference to certified farms and certified farmers, alternatively, as in the Indicators mentioned above. Overall, such inconsistencies in the definition of the Indicators point to the fact that 24 indicators are too many for one project. In 2011-2012, some redundant indicators have been dropped and some other fine tuned to make easier their measurement.

Monitoring, Design and Budgeting is rated as "Moderately Unsatisfactory "

182. **Monitoring of project implementation**: the main monitoring activities performed consisted in recording the delivery of project activities (whose values are not properly indicators), systematizing the feedback of the certification system (certification tools, certified farms and production). In practice, the recording of indicators values has been the result of their reporting by implementing partners and national coordinators, in absence of a structured project Monitoring and Evaluation (M&E) function – ensuring data recording independently from its generation -. Partners have submitted reports elaborated along independent criteria. Nevertheless, the project indicators could have been inadequate for this task, notably for the insufficient data recorded on a key issue for the success of the project: the conservation of biodiversity. Knowledge on such topic has been developed through thematic studies, such as the Nature ecosystem baseline assessment for Ghana and Indonesia, although such study too concerns the farm landscape rather than the protected areas impacted by cocoa production. The values of most indicators have been calculated as they refer to the execution of project activities (e.g., trainees, studies, co-financing) or its immediate achievements (certification, production). Several of these values are over target, thus confirming that the initially set target values were reasonable. Indeed, the indicator not calculated is that concerning the conservation of biodiversity in cocoa production landscapes. This notwithstanding the fact that Output 4 has contributed to build the project M&E capacities (the reported value of the corresponding Indicator: *Status of M&E system implementation*, is not meaningful).

183. The project monitoring has not been homogeneously and coherently established across the project countries. The existence of established methods and tools for monitoring – that is the object of certification -, as well as of dedicated staff has not been exploited to create a structured approach to M&E for the project. Thus, the ProDoc M&E plan has not been strategized and developed in methods and tools for the independent collection and evaluation of the Indicators. No reflection has been done on how to improve the original set of indicators. The field survey interviews don't show any improvement of the local partners' M&E capacities, notwithstanding the Outcome 4 included activities for their build up. Indeed, no effort was done in establishing a participatory Monitoring and Evaluation (M&E) approach ensuring both upstream and downstream accountability.

Monitoring Implementation is rated as Moderately Unsatisfactory

184. **Project reporting**: the main outputs of the project M&E system are the Table of indicators, updated to June 30, 2017, the Project implementation review (PIR) reports and the baseline and thematic studies conducted in some target countries.

185. **Studies**. the project has completed the Indicators recording with the execution of thematic studies – baselines, analysis of key topics – that have provided useful insights for developing and fine tuning the content of the technology transfer actions and of the project activities. Baselines and impact assessment have targeted the farmers' socio-economy and farm environment. They have provided information on the value and threats to the farm landscape biodiversity (see the Nature ecosystem baseline assessment for Ghana and Indonesia), as well as on the achievements of the training and certification activities supported by the project The Household survey carried out by Poso in Indonesia provided some gender disaggregated data to set the context but the data is limited and too contextual to draw any gender based conclusion there.

186. **Learning, communication and outreach**: No project communication strategy was elaborated, this component having been mainstreamed across its Outcomes and Outputs, e.g. by linking awareness raising to the training exercises and by complementing the reporting process through publicly available documents. In fact, the *Plan de comunicación* – redacted in

Spanish in 2016 when most of them had already been performed – is a position paper reflecting on the activities conducted in some countries and focusing on the handover of the project knowledge. It had no incidence on the other project planning. The M&E products have been used for dissemination purposes. Activities in each country were introduced through an inception workshop gathering partners and other stakeholders of the cocoa production process. Technical meetings and other events were organized in the project countries, with the participation of cocoa producer associations and government agencies. Several communication products have been elaborated including articles, presentations of SAN practices, video, online releases (see https://www.rainforest-alliance.org/articles/rainforest-alliance-certified-cocoa webpage), exchanges of experiences (e.g., participation of farmers and technicians to the cocoa world conference held in Santo Domingo). An Infographic, several videos, project presentations, case studies of field activities, and technical analysis have been published to raise awareness on the SAN standard and the project progress. Such documents are downloadable from the Rainforest Alliance website and have been shared with news agencies and through blog-spots. Some articles about the SAN standard have been published in international magazines such as Newsweek. The project contributed to communication campaigns to engage consumers by elaborating and disseminating consumer-facing editorial contents.

187. The project results dissemination among stakeholders has included conferences, forums, participation to fairs and other public events, occasional papers publication to communicate the successes and learning from the project, news articles. At the farmer's field-level the visual materials for training and examples of best management practices for extension workers, auditors, and technical meetings with the participation of cocoa producer associations, government agencies, and other development institutions have disseminated the sustainability practices of the SAN standard. The adaptive management approach of the project supervision has ensured a reflective learning to adjust the work plans to the new situation created by the project gains. Such integrated approach to information management has ensured that the content and implementation of this action has learnt from experience along a continuous improvement approach.

Project Reporting is rated as 'Satisfactory '

The overall Monitoring and Reporting is rated 'Moderately Satisfactory'

5.8 Sustainability

5.8.1 Socio-political sustainability

188. The Sustainability of project results at Farm level benefit from the adoption of the economic, environmental and social requirements of the Sustainable Agriculture Network (SAN standard, which are inherently sustainable. The field survey has shown that their adoption is variable and in line with the compliance of the requirements. As trained farmers are now conscious of the benefits brought by the adoption of the sustainable practices of the SAN standard, they intend continue applying them. Nevertheless, updating these skills is a continuous process in which the producers' organizations play a key role in updating these skills. For instance, the dissolution of the Cocla association of cooperatives in Peru has entailed the dramatic decrease in the technical assistance to and SAN certification of farmers in Cuzco department; while stronger cooperatives are expanding the capacity building and certification of cocoa producers to the San Martín department.

189. The sustainability of producers' organization is influenced by the commercial relationships established with the purchasers and service providers, as in the case of Barry Callebaut supporting the cooperatives in the Taï project in Côte d'Ivoire. As indicated in § 151, the trust created between the producers' organization and the companies as well as with farmers, and

ethical behaviour lead to sound and stable relationship among the value chain actors, key factor to sustainability. The growing commitment of cocoa manufacturers and Brands to sourcing sustainable cocoa (certified or not certified) fosters investments in sustainable practices, access to external services and infrastructure. The number of farmers adopting sustainable production practices is expanding.

190. The local socio-political context of each country as well as the factors impacting the economic viability of the cocoa production (climate change impact, cocoa price variation and cocoa production competitiveness with that of other crops) affects the adoption of sustainable practices. The adverse climate has negatively affected the yield and volume of certified cocoa in 2016-2017. Interviewees recognize that the certified cocoa farms are more resilient to climate change than those non-certified. The 2017 version of the SAN standard has incorporated the learning's of the Climate smart module. This new version fosters the adoption of the agro-forestry and soil and water conservation techniques. The trained farmers now understand the importance of shade trees, although the uncertainty on the tree ownership is a barrier to technical change in West Africa. The Côte d'Ivoire legislation now is more favourable to tree ownership, but most farmers are not aware of it. Ghana has set a legal framework on the tree ownership in 2018. A system of registration of new tree planted has been set-up in Nigeria but farmers need technical support in complying with the administrative requirements for tree ownership.

191. The oversupply in the cocoa market has provoked the sharp decline of cocoa prices in 2017. The decline of the price has countered the gains in productivity. The prices have recovered since then but are still much lower than in 2015. Diversification of income mitigates the price risk. The project has promoted such approach.

192. Diversification of income helps mitigate risk of price and production decline. Furthermore, the income of cocoa farms although positive may not be sufficient as a "living income" for the farmer and his family. For example, a project was designed to empower women raising chicken in Côte d'Ivoire. In Ghana, the project started teaching raising grass cutters to stop farmers going in the forests while creating a new source of income

193. Cocoa production depends heavily on the smallholder farmer's and his / her neighbours family hands. Hired labour is found only in big farms. Sustainable practices are more labour intensive and require more skilled labour (e.g. pruning, composting, etc.) while its optimal use depends on mechanisation. Labour shortage may be challenge sustainability. The smallholder farmers met in Côte d'Ivoire rely on the community solidarity network to source extra hands to perform intensive tasks such as pruning and harvesting cocoa.

194. The low demand of the certified cocoa produced in some cases (e.g., in Tai Project in Côte d'Ivoire or Juabeso/Bia project in Ghana) has not been well understood by farmers. This situation has resulted in some reduced incentive for farmers. The merger between the RA and UTZ, and the adoption of the mass balance possibility should support an increased demand for the RA certified cocoa, especially in a context of companies committing to sustainable cocoa sourcing.

Socio-political sustainability is rated 'Highly Likely'

5.8.2 Financial sustainability

195. The **participation royalty** has fostered the financing of the RA certification system. However, the decline in the cocoa demand in 2016-2017 has created some uncertainty in its funding as this money pays for the fixed costs of the RA services (e.g., market transformation teams, traceability, seal protection, communications, legal team, standard development and the work of the International Standard Committee) and not the variable costs of the technical assistance to the farmers.

196. The GEF grant and co-financing have paid for the initial training on certification. The continuity of the capacity building of certified farmers is laid on the collaboration of the RA partners (e.g., CEFCA, Imaflora, NaturaPlus), technical Civil Society Organizations (e.g., Conservation Alliance, Louis Bolk Eco) and on the Rainforest Alliance staff working in Ghana, Indonesia, and Peru.

197. Most smallholder farmers do not have enough resources to pay for the training and, purchase of inputs (fertilizers, chemicals) and seedlings of improved varieties needed to rehabilitate the cocoa plantations. Part of the price premium covers the costs of the farmers and producers' organizations. Farmers in liberalized cocoa market receive a higher price, up to 95% of the world price in Latin America. The price paid to the Côte d'Ivoire and Ghana farmers covers up to 60%-70% of the world price. The differential between prices is partially allocated to pay the technical services supplied to the farmers by ANADER and COCOBOD, respectively. While they are being trained to RA standard requirement. The amount of extension people is not sufficient to reach all the farmers on a regular basis. COCOBOD had been providing fertilizers and pesticides for free until 2016, although not to all the farmers. The fall in the cocoa price from 3000 USD/MT to 1800 USD/MT has reduced drastically the funding of COCOBOD, whose deficit has reached 2 billion USD[62] and may impact their capacity to purchase the beans.

198. In short, a cost recovery system financing the technical assistance to farmers has proved to be unviable. Thus, the work on "Payment for Ecosystems Services" helped design and promote blended financial products to fund the purchase of planting material in collaboration with Rabobank in Ghana and secured through COCOBOD. These Medium Term financial solutions are promising for the rehabilitation of the cocoa sector. Funding for technical assistance has to come from other sources and address farmers through their organizations. However, the poorest famers – those more likely to encroach biodiversity hotspot – are not organized and depend on public extension services of external projects to adopt sustainable practices. Ecom and other traders have set-up their own services to train farmers. Cocoa industries fund these services as part of the premium price.

199. The project has catalysed the awareness of the cocoa sector on the negative impact of deforestation. This topic was not a priority before the New York Declaration on Forests (2014) and COP23 on Climate change (2017). The Cocoa and Forests Initiative (2017) has culminated at the Conference of Parties (COP23) with the declaration on the no deforestation in Côte d'Ivoire and Ghana. Cocoa is now seen as contributing to deforestation like palm oil, soya, beef production. The World Bank has just approved a program[63] supporting integrated forest and climate-smart cocoa production in Côte d'Ivoire and Ghana; it is also formulating a comprehensive program that addresses deforestation through blended financial mechanisms leveraging existing environmental finance sources. **The huge need of support needed to transform the cocoa sector points to longer financing horizons than the 6 years** of the GCI project. Phased project up to 15 to 20 years long split in 6 years phases should be explored. The value chain approach with its commercial link is crucial for the sustainability of the cocoa production. However, the co-financing funds should be better detailed to clarify the private contribution to the project activities and success.

200. The RA participation to the cocoa royalties has financed the services not funded by the project. As a mission-based organization, the RA relies for 30% - 40% of its budget on project funding. The RA expects that this value reach 50% in the future. The merger with UTZ will create additional capacities, as UTZ has a steady income from a system of participation royalties, and resorts less on project funding. The financial mechanism will have to adapt to the RA/UTZ combined strategy. While certification will play a key role also in the future, the holistic approach to sustainability addressing poverty, gender empowerment, children education, deforestation will require new partnerships and mechanisms to deal with community and landscape development.

[62] https://www.graphic.com.gh/business/business-news/cocobod-operates-on-2-billion-budget-deficit-due-to-fall-in-cocoa-price.html
[63] Forest and Climate-smart cocoa in Côte d'Ivoire and Ghana, Aligning Stakeholders to support Smallholders in Deforestation-Free Cocoa, World Bank.

It could be tempted to reduce its presence in several of countries to enhance the intensity of the activities there. The blending of the deforestation and landscape approach may source new funds in the social and environmental sector and the merger with UTZ may support the expansion of certification. In fact, they are launching three cocoa landscape projects in collaboration with Olam, one in Côte d'Ivoire funded with Darwin Initiative and two in Ghana funded by DFID[64]. The structuring of this institutional framework strongly contributes to the continuation of the project achievements by rooting them in the evolution of the RA/UTZ strategy. Of course, in Côte d'Ivoire and Ghana there is more buy in from government and commitment by the purchasing companies heavily depending on these countries for their cocoa supply.

Financial Sustainability is rated Likely

5.8.3 Institutional sustainability

201. A total 26 partnerships with public and private institutions that promote sustainability have been established. These organizations have been capacitated in supplying services for the sustainable production of cocoa.

202. The project has trained the technicians of the SAN network (e.g. CEFCA Imaflora, Naturaplus), of the technical Civil society organisations (e.g., Conservation Alliance, Agro Eco Louis Bolk, SwissContact, etc.), of several traders and processors in the project countries, of the national cocoa and extension services and certification bodies. These resources are available to continuing the technology transfer to the cocoa producers

203. Gender has not been mainstreamed in the project strategy. Nevertheless, women participation in the training sessions has been assured and some actions aimed at the diversification of the farm production have targeted women' socio-economic needs. Such minor contributions to the gender perspective are far from ensuring a steady contribution of women to the project results sustainability. The 2017 SAN standard is more inclusive and promotes women empowerment.

204. The project has built capacities of RA staff in many fields (e.g., market transformation, communication, seal traceability, sustainable agriculture, training, building the training platform). The RA teams have also learned to work together joining their competences (e.g., sustainable agriculture, forestry, monitoring evaluation, markets) in broader projects such as the landscape one in Juabeso.

205. The merger between RA and UTZ prompted the take-over of the SAN standard by the RA. the relations between the RA and the Sustainable Agriculture Network has lost some clarity. While RA relied on the SAN Network for its outreach in producing countries, UTZ had its own staff in producing countries. SAN network is therefore redefining its strategy model to deliver capacity building in producing countries Capacities at country level should be strengthened following the new strategies being set by RA/UTZ and SAN.

206. Following the merger, RA has taken ownership of SAN standard, but created a conflict of interest with its audit services branch, RA-Cert. Thus, RA-Cert its auditing arm had to become independent, and they joined Nepcon to become the largest certification body. With all these changes, RA/UTZ can focus on certification, training for agricultural practices and they could outline new services to work on a more systematic way on landscape approaches with commercial agriculture.

[64] Department for International Development, UK (DFID)

Institutional Sustainability is rated 'Highly Likely'

Overall Sustainability is rated 'Likely'

5.9 Factors Affecting Performance

5.9.1 Preparation and Readiness

207. The project builds on the RA extensive experience in promoting biodiversity conservation, sustainable agricultural practices towards certification (e.g., coffee) and project management and network of partnerships in sustainable agriculture. The project objective is relevant to their environmental policies although the commitment of each country to the protection of nature is variable depending on its resources and development context. See paragraphs 26-33, 56, 177 for more details.

Preparation and Readiness is rated 'Satisfactory'

5.9.2 Quality of Project Management and Supervision

208. The RA has efficiently managed the project activities with a one-year no-cost extension to achieve a smooth transition to the adoption of the revised SAN standard (2017). It has executed almost all the grant of the GEF raised co-financing overcoming by over 50% the target. The Steering Committee gave guidance but due to change in people did not function after 2015. See paragraphs 34-37, 156, 165-167 for more details.

Quality of Project Management and Supervision is rated 'Highly Satisfactory'

5.9.3 Stakeholder participation and Co-operation

209. The smallholder farmers through their organizations have effectively collaborated with the trade and the industry in mainstreaming sustainability into the cocoa value chain by building capacities, sharing knowledge and establishing commercial partnerships that enhance the sustainability of the farm environment and production and welfare of the farmer's household. This win-win approach has overcome the shortages of the public sector often unable to reach the field and protect the environment in the ten assisted countries. See paragraphs 26-33, 56-57, 78 for more details.

Stakeholder participation and Co-operation is rated 'Moderately Satisfactory'

5.9.4 Responsiveness to human rights and gender equity

210. The project has mainstreamed human rights and gender equity into farming practices along the social requirements of the SAN standard. However, the development context of each assisted country has strongly influenced the achievements in such field thus limiting the compliance of the SAN standard to the advantage of other management standards recognized by the industry less exigent in the social field. See paragraphs 58, 79, 99, 121, 185 for more details.

Responsiveness to human rights and gender equity is rated 'Moderately Satisfactory'

5.9.5 County Ownership and Driven-ness

211. The organization of the cocoa value chain varies across the assisted countries depending on the importance of this crop and impact of concurring development factors. This situation

explains the greater commitment of stakeholders to the replication and expansion of the project results Côte d'Ivoire and Ghana. See paragraphs 57, 59-64, 138-141, 168, 171 for more details.

Country ownership and Driven-ness is rated 'Moderately satisfactory'

5.9.6 Communication and Public Awareness

212. The RA and its partners have raised the awareness of the public by fostering the industry and trade to deliver sustainable cocoa and chocolate to their customers. In absence of a fully-fledged communication strategy, these actions have been less effective at the cocoa producers' level, where the socio-economic context requires the development of innovative communication patterns. See paragraphs 68-70, 79, 186-187 for more details.

Communication and public awareness is rated 'Satisfactory'

6 Conclusions, Lessons learned and Recommendations

8.1 Conclusions

Certification promotes Biodiversity conservation

213. The Greening the Cocoa Industry project overall goal of linking the sustainability of the cocoa landscape to the conservation of important biodiversity hotspots is appropriate and has a great potential for up scaling. The dual approach to promote sustainable production in major cocoa producing countries and business practices in cocoa and chocolate companies is crucial towards bringing the conservation of biodiversity and the long-term stability to the cocoa sector and increased income. The use of the Sustainable Agriculture Network standard requirements as a tool to promote sustainability at the farm level while conserving biodiversity in the farm and surrounding landscape has been effective. The Greening the Cocoa Industry Project has mainstreamed sustainable agricultural practices in cocoa production and auditors have certified the compliance of 182,362 farms to the Sustainable Agricultural Network standard covering a total of 896,654 hectares including 64,559 ha of farmland set aside for protection. The project has also contributed to conserve biodiversity in some selected cocoa growing landscapes, such as with the Tai Project in Côte d'Ivoire, Juabeso/Bia Project in Ghana, and Kanyang project in Nigeria.

214. The project identification has properly built on the previous experience of Rainforest Alliance in other sectors as well as in other projects. The project has catalyzed the awareness and the demand for sustainable certified cocoa in the chocolate industry, by selling the value of the "Frog" seal to consumers. It has built a network of producing countries and actors of the value chain committed to the sustainability of the cocoa production and trade. The Group certification approach has been crucial to encourage farmers to join forces through their producers' groups and to access to external services and market of sustainable cocoa. Traders have built expertise in sustainability and collaborating with the farmers in building capacities and agree on shared cocoa standards. The set-up of local partnerships involving protected areas authorities in Côte d'Ivoire, Ghana as well as in Nigeria have effectively protected the natural biodiversity. In other countries targeted actions have contributed to the preservation of biodiversity, soil fertility and water purity at the farm level. The experience built in execution the project activities has been used in the revision and updating of the certification standard.

Mainstreaming of sustainability in business and production practices

215. The project, by creating the demand in the cocoa industry of sustainable certified chocolate, led the industry to source sustainable cocoa and helped the industry to bring a more aligned and systematic approach to sustainability along the supply chain. The adoption of good agricultural practices has been recognized by industry and trade as the entry point for long term collaboration with producers and other actors of the value chain. The industry has committed to purchase and to financially invest for farmers to adopt sustainable practices, as demonstrated by the public announcement of several large companies. Some 54 cocoa traders and processors have purchased a total of 160,481 Metric tons in 2017 after having reached 275,137 Metric tons in the 2014 peak year. 54 Brands had launched cocoa products with the "frog" seal.

216. The project supported smallholders to adopt sustainable practices by providing training and as well as through market access incentives. The project partners have committed USD 24,434,398 in 2017 to support the training of farmers, provide them technical and certification services, production inputs and premium price. These incentives have reached the producers' group and farmers via the traders.

Project value chain approach

217. The project value chain approach has linked cocoa supply and demand in a win-win partnership:

    1.1. forging long term collaborations between producers and traders / processors,
    1.2. providing to farmers new, sustainable technologies, crop pre-financing, premium price and in some cases access to some social services (building schools, awareness raising on social issues).

218. The project achievements have been underpinned by the integration of the value chain. The training of farmers has ensured the compliance of the Sustainable Agriculture Network standard requirements. The brand manufacturers and processors have committed resources through the value chain (co-financing) to build the capacities of the producers' group. The elaboration of training materials has been customized to the local needs by incorporating the results of the baseline studies and experience of local partners. The training of the trainers modality has transferred this knowledge to the smallholder farmers. The Rainforest Alliance has built learning platforms sharing knowledge between different standards, e.g., Sustainable Agricultural Network, UTZ, Organic and FairTrade. At the same time, the value chain approach has stimulated the adoption of innovation by providing market incentives, premium price, crop advance payment, production inputs (geo-localization of the farms, fertilisers, pesticides, etc.), new approaches to identifying common challenges (technical committees / *mesas técnicas*). However, the project farm-centred approach to technology transfer has not considered the challenges of the resilience of the farm economy to Climate change, cocoa price fluctuation and other macro socio-economic trends. This has resulted in the late decline of the certified farmers and cocoa volumes in 2016-2017.

Impact of certification on sustainability of cocoa Farms

219. The Sustainable Agricultural Network practices have promoted sustainability at farm level. Smallholders adopted good agricultural practices such as planting shade trees, green land cover, cutting, grafting (except in Côte d'Ivoire as it is forbidden), safe disposal of chemicals, and recycling of farm waste. They also have cared for the wildlife and biodiversity hosted in their farms and reduced the impact of pests and diseases on the cocoa production by establishing more favourable ecological conditions for the growth of this tree. The improvement in the characteristics of cocoa bean are confirmed by the expansion of the sale of cocoa compliant of the Sustainable Agricultural Network standard. Farm sustainability has scored good results in reducing manpower and agrochemicals in the farm. On average, the

yield has augmented by 16% in the certified farms of assisted countries. The adoption of the Sustainable Yield Module has scored better, increasing the cocoa yield by 80%.

Crucial role of farmer's group

220. The Rainforest Alliance has leveraged the features of the Sustainable Agricultural Network Group Standard to reach the smallholder farmers through the producers' group. These groups (cooperatives, associations, training groups) assembly farmers, facilitate the access to technical assistance and collaborate with industry and trade that supply training services, crop pre-financing, premium price and in some cases social services (e.g. building schools). Some groups in Côte d'Ivoire offer to their members the pesticides "spraying services" along sustainable modalities. The management capacities of these organizations and collaboration with the traders has encouraged the producers to change farming practices and take commercial risks they alone could not do.

Training approach

221. The train-the-trainers approach has mobilized and built local capacities now available for up-scaling and replicate the capacity building of the farmers. The Rainforest Alliance has developed 20 training modules and 6 indicator guidance documents downloadable from the project website. The project has organized 23 training sessions and participations to fairs and other events capacitating 49 lead trainers and 583 technicians – including 164 auditors -. The train-the-trainers approach is cost effective as it has the potential for reaching and assisting a great number of farmers along the years although it is not always customized to address the producer's specific needs. The level of adoption of practices following the training is variable, depending of the farmer's origin, literacy level, farm size. An individualized "coaching" approach was applied in Côte d'Ivoire through the Sustainable Yield Module with good results although it is very expensive. The learning's of this module have been used in the revision of the Sustainable Agricultural Network standard.

Partnership approach

222. The collaboration with the authorities in charge of the protected areas have been essential to promote the implementation of Sustainable Agricultural Network practices, especially the biodiversity protection requirements in proximity of the biodiversity hotspots. The Rainforest Alliance collaboration with the authorities, traders and service providers (e.g., trainers) has mobilised the multidisciplinary skills used in addressing the troublesome farm-ecosystem relations. The project has launched the geo-localisation of the cocoa fields to enable the traceability of the production and protection of hotspots from the encroachment of free-rider farmers.
223. The landscape approach was piloted in Juabeso/Bia, Ghana, with positive results by involving communities and training the farmers in the conservation of the environment. Women and young farmers have participated to the governance of the territory through the Land management board. This approach has been linked to national initiatives through the Reduce Emissions from Deforestation and Forest Degradation strategy. The Rainforest Alliance is replicating this approach in three new projects in Ghana and Côte d'Ivoire.

The RA certification system is robust and reliable

224. The Rainforest Alliance certification system has been strengthened and is reliable:
    - The Sustainable Agricultural Network standard has been updated (2017) by incorporating the lessons learnt from the productivity and the climate smart agriculture modules; it has also introduced a continuous improvement requirement on the adoption of sustainable practices.

- The trained auditors (140) and the certification bodies (10) are skilled and reliable.
- The participation royalty makes financially sustainable the Rainforest Alliance certification system.
- The cocoa production traceability system has been implemented.
- The mass balance approach to cocoa trade creates the conditions for a flexible scaling up of the sale of sustainable cocoa.

225. The Rainforest Alliance has developed capacities in famers' training and Sustainable Agriculture Network standard certification. The Rainforest Alliance has taken over the ownership of the Sustainable Agricultural Network standard following its merger with UTZ. To maintain independency of the Sustainable Agricultural Network standard from audit, Rainforest Alliance has ceded its auditing branch, RA-Cert to NepCon. The adoption of mass balance approach (2017) is expected to boost the volumes of the sustainable cocoa sold to industry.

Climate change impact

226. The Climate change impact affects the cocoa health and yield and it is expected to displace it to fit the modification of the farm ecosystems. Shift between cocoa, coffee and tropical fruit trees is ongoing along with the variation of temperature and rainfall in the tropics. The agro-forestry skills built by the project smooth such changes. In fact, the training on the agro-ecological analysis and practices for restoring the soil fertility can be applied to different crops. The certified farms have shown greater resilience to climatic adversities such as the drought that has occurred in Indonesia in 2016.

Monitoring and Evaluation

227. Project monitoring was insufficiently funded. Its performance was neither systematic nor participatory. The recording of project indicators and downstream accountability were incomplete. Supporting ten countries at once has exceeded the Greening the Cocoa Industry project resources and produced uneven results across the project countries. The project monitoring has been focused on the audit of the compliance of Sustainable Agricultural Network standard by farmers. Such indicators are reliable and show the progress of the target countries in sustainability of the tropical areas exploitation. However, they are farm-centred and don't capture the project impact on the landscape of protected areas. Further gaps in the project monitoring include the establishment of baselines (e.g. the socio-economic surveys) not used as a basis for calculating the progress in the corresponding indicators. The lack of a standardized approach to data collection – except for the SAN compliance audit – across countries has produced unreliable values of the indicators about biodiversity and farmers' welfare.

Financing.

228. The financial management of the Greening the Cocoa Industry project is adequate. The Rainforest Alliance has leveraged the expected co-financing from companies and positively collaborated with other projects. The co-financing and leveraged financing of the project activities has exceeded the target by 64%. However, it is difficult to assess the distinctive impact of such resources to the project achievements. In fact, the greater contribution of industry and trade to the project success consists in establishing long-term partnerships with the farmers through the delivery of technical assistance in the frame of the farm contracts.

Sustainability

229. The enhancing the social, environmental as well as the economic status of the farmer's household is a long-term achievement. The increase in farm production has improved the economic situation but is often is insufficient to take smallholders out of poverty.

Diversification strategies are needed as a risk mitigation against cocoa price fluctuations and climate change and as well as an additional source of income (e.g. chicken and bee project with women in Côte d'Ivoire).

230. The Participation royalty funds the Rainforest Alliance core services. The Rainforest Alliance expects to access to new sources of funding through the merger with UTZ and framing of new initiatives in deforestation and landscape farming (see the new landscape projects in Côte d'Ivoire, Ghana, and Sierra Leone).

231. The project network approach has mobilized the capacities of the local partners. The Rainforest Alliance staff have been trained and it has developed multidisciplinary approaches to agriculture and eco-system preservation.

Gender issue

232. The compliance of the Sustainable Agricultural Network standard includes provisions enhancing gender and social inclusion. Women participation to the project implementation has been relevant although it has not been mainstreamed into its strategy or recorded in the indicators. Women have benefitted from training and the financing of social services for the farmer's household. Such actions have been performed case by case, not systematically. A few income diversification projects have funded targeting women' economic needs.

Projects weaknesses

233. The main setbacks in the project implementation originate from its identification and design. The macro factors influencing cocoa production described in the project document are not exhaustive, and some were beyond the scope of the project. The failure to target local context constraints, to ensure national coordination in some countries, to mainstream gender, to establish an integrated Monitoring & Evaluation, reporting and communication system should have been addressed before the start of field activities. Where migrations, competition of stronger economic activities, and lack of coordination with public social services have interfered with the project field work, farmers have not been certified.

Overall Project Rating

234. The overall Greening the Cocoa Industry project performance was graded 5.18 and has been rated **Highly Satisfactory**. The detailed ratings discussed in the section V on the Evaluation Findings are summarized in the table below.

The overall rating of the project is Highly Satisfactory.

Table 12: Detailed Table of Evaluation Criteria, Assessment and Ratings[65]

Criterion	Summary Assessment	Overall Rating
A Strategic Relevance	The project is highly relevant to the Cocoa sector, country needs and to UN Environment/GEF strategic priorities.	HS

[65] Most criteria will be rated on a six-point scale as follows: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); Highly Unsatisfactory (HU). Sustainability and Likelihood of Impact are rated from Highly Likely (HL) down to Highly Unlikely (HU) and Nature of External Context is rated from Highly Favourable (HF) to Highly Unfavourable (HU).

Alignment to MTS and PoW	The project is strategically relevant to the UN Environment Medium Term Strategy and Program of Work. It is aligned with the UN Environment / GEF / Donor priorities.	HS
Alignment to UN Environment/GEF/Donor Strategic	It is aligned as the ten countries have ratified the Convention on Biodiversity.	HS
Relevance to regional, subregional and national environmental priorities	The ten countries have ratified the Convention on Biodiversity and set national biodiversity strategies. Cocoa strategy is important for all these countries.	HS
Complementarity with existing interventions	The project benefited from complementarities with other existing initiatives in the pilot countries such as the Certification Capacity Enhancement, the Cocoa Livelihoods Program, the Indonesian National Indicators and Criteria for Sustainable Cocoa Farms certification, Iniciativa para la Conservación en la Amazonía Andina.	HS
B Quality of Project Design	The quality of the project design overall rating was 5.04.	S
C Nature of External Context	Some macro-factors have affected the delivery of activities in some countries such as the political instability in Cote d'Ivoire, Ecuador, the climate change.	F
D. Effectiveness	Activities were effective to create demand of sustainable cocoa and to build capacity in sustainable production. Farmers and producers' organization still need more training. Productivity gains are mixed. The Standard and certification system have been strengthened, but audit has still some weakness. The project is likely to impact in view of the commitments of major companies to sustainability and to combat deforestation.	HS
1. Delivery of outputs	Activities performed have been highly effective to increase the market demand for sustainable cocoa as well as to build capacity in sustainable production, but farmers and producers' organization still need training, possibly more individualized (i.e., coaching). The SAN standard was revised and the baseline studies performed.	HS
2. Achievement of direct outcomes	The project achieved the sales target set overall and attracted USD 9,558,709 funding more than the target. The RA certification system is secured through financing of the participation royalty. Certification has benefited positively to farmers and stirred some adoption of sustainable techniques to become certified. Additional training is necessary for continuous improvement. Productivity results have been mixed. Outcome 3 strengthened the SAN standard, and audit, but despite strengthening, audit system had some weakness. Studies performed were fine.	S
3. Likelihood of impact	The public commitments to sustainable certified cocoa of some major companies will drive more demand, while others are committed to sustainability but through their own programme. The Cocoa and Forests Initiative and Berlin declaration show that it is Highly Likely that conducive policies, funding and partnerships will be set to transform the cocoa sector for sustainability.	H L
E. Financial Management	The documentation was provided, including the co-financing reports but no detailed The communication has been good. The overall financial management has been fine, and compliant with UN Environment Standards.	HS
1. Completeness of project information	All the documentation is available.	S
2 . Communication between finance and project management.	Communication was smooth between finance and project management.	HS
F. Efficiency	The project was cost effective by building a network in the countries of production, taking the training-the-trainer approach.	S
G. Monitoring and Reporting	The Monitoring and Evaluation was not designed as an integral part of the project to support its activities but as a separate outcome, with the provision of specific studies.	MS
1. Monitoring design and budgeting	The M&E was not designed as an integral part of the project. M&E did not have a clear budget although it was costed in the ProDoc.	MU

2. Monitoring of project implementation	The M&E was not set as monitoring of project implementation.	MU
3. Project reporting	Reporting was done as per UN Environment request.	S
H. Sustainability	The practices promote sustainability at farm level and the capacity building activities brought institutional sustainability. Farm income has increased but it may not have a living income. The participation royalty contributes to the financial sustainability of the project results.	L
1. Socio-Political Sustainability	The practices promote sustainability at farm level. The ongoing commercial support of traders is the key to sustainability of the country projects. The trend of large commitments by companies and additional capacities with the merger are supporting the sustainability.	HL
2. Financial Sustainability	Certified cocoa has increased the farm income but may not be sufficient for farmer to have a living income. The RA sustainability system is sustainable with the participation royalty.	L
3. Institutional Sustainability	The partnerships have been formed, the partners have been trained even to the new standard. The RA/UTZ merger will provide additional Capacities.	HL
I: Factors Affecting Performance	The project partners were well prepared, the project was well managed. Despite the drop of 3 cooperatives and of a major client, the project met its target. The country ownership was uneven among producing countries. RA raised sustainability awareness, but did not have a fully fledge communication strategy for the project.	S
1. Preparation and readiness	The core partners were ready to start; the PMU had recruited the Programme Manager. The scaling of the inception activities was done.	S
2. Quality of project management and supervision	Project was well managed. Despite changes in People, results were there. The Steering committee gave guidance but due to change in people, did not function after 2015.	HS
3 Stakeholders participation and cooperation	Stakeholder participated in the project as it was the core approach to work through network. Despite the drop of 3 cooperatives in the Tai project and the change in sourcing strategy of a major customer, the project could still meet its targets.	MS
4 Responsiveness to human rights and gender equity	There was no gender policy in the project. The project nevertheless included women in trainings and promoted some specific projects.	MS
5 Country ownership and Drive-ness	There was country ownership in the major producing countries (Côte d'Ivoire and Ghana) and uneven results in other countries.	MS
6 - Communication and public awareness	RA and its partners raised sustainability awareness. They did not have a fully fledge communication strategy for the project.	MS
Overall Rating	The project delivered or even exceeded some of its targets. There was however a declining trend on the sales and hectares. The weighted rating of all criteria is Highly Satisfactory.	HS

8.2 Lessons learned

Lesson 1: Promote the development of sustainable value chain and biodiversity conservation using the landscape approach.

235. The landscape approach offers a coherent approach that is inclusive of all communities people, farms as well as stakeholders and combined with a sustainable value chain approach, it provides the communities with the necessary awareness, and governance to preserve the biodiversity hotspots while enabling them to farm using better practices and to link them to the market.

236. The SAN standard compliance promotes sustainability on the farm and the conservation of biodiversity hotspots. The broader landscape approach involving communities and not only farmers is required to preserve the endangered hotspots in a comprehensive way.

Lesson 2: Promote the landscape approach to build partnerships between economic, environmental, and social sector representatives in the conservation and sustainable use of protected areas resources, and assist in linking it to larger biodiversity initiatives.

237. The commitment of farmers to the conservation of protected areas leverages on the benefit of the environmental services provided by the hotspots. Their consultation in the management of such areas contributes to biodiversity conservation and sustainable use as they understand the value. The landscape approach can provide a governance mechanism to communities to take their responsibility in avoiding the encroachment in the biodiversity hotspot. In addition, the landscape approach in biodiversity conservation projects can be scaled up to contribute to Reduce Emissions from Deforestation and Forest Degradation Plus country strategies.

238. Knowledge on the value and management of biodiversity is growing and creates expectations. The commitment of farmers interested in environmental services to the conservation and use of the natural resources of protected areas contributes to their preservation. Advisory bodies have been established elsewhere and may be taken as a model.

Lesson 3. Promote full development of agricultural commodity value chains through greater participation of project stakeholders (including the private sector and protected areas authorities) in the formulation, fine tuning and implementation of the proposed actions as well as in mobilizing project partners resources.

239. The formulation of a project involving the actors of a value chain evolves from their discussion about the shared goals, challenges and partnerships. The participation of local stakeholders in the fine-tuning of local activities through a national coordination body is the natural continuation of such discussion and fosters the exchange of information, reporting and accountability between stakeholders.

240. Some stakeholders of the cocoa and chocolate value chain have been marginally involved in the project implementation – e.g., protected areas authorities -. These have considered the Sustainable Agricultural Network standard as a farmers' issue rather than an interface to address shared challenges. This situation has negatively affected the impact of the project on the protection of biodiversity in some project countries.

Lesson 4: Prioritize sector-wide public-private partnership in addressing the conservation of biodiversity hotspots and protected areas affected by deforestation and agricultural encroachment to increase the awareness and effectiveness of conservation strategies and measures.

241. The Sustainable Agricultural Network standard compliance contributes to the conservation of protected areas although the sustainability of production practices is its main focus. A sector wide approach to agricultural commodity production should be adopted to commit all actors of the supply chain to sustainability through a public-private partnership. This partnership should include the public authorities in charge of the protected areas and all other entities – e.g. businesses, civil society organizations, conservation organizations – to increase the awareness and effectiveness of conservation strategies and measures. The formalization of the partnership with a Memorandum of Understanding and a formal governance contributes to a successful implementation.

Lesson 5: When formulating or revising the SAN standard in the future, consider alignment to other internationally recognized standards to strengthen the value chain approach.

242. Discuss the principles and provisions of the standardization of sustainable agricultural practices with other developers of sector standards. Develop training tools for assisting farmers that exploit the same technicians and resources and harmonize audit checklists. The Sustainable Agriculture Network standard is more stringent than Organic and FairTrade as it includes a larger set of requirements. Standard compliance procedures share many tools such as checklists, verification processes, auditors. Recognition of the commonalities of these standards would facilitate farmers in moving from Organic and FairTrade to Sustainable Agricultural Network certification. The market promotes the plurality of standards to match the complexity of the trade, processing and consumption exigencies. However, some core requirements can be agreed as they are inspired to shared principles.

Lesson 6: Include a Climate change risk assessment in the identification of projects supporting the conservation of biodiversity and a climate change mitigation strategy in the overall project.

243. The change in micro-climate – temperature, rainfall and air moisture – affects the sustainability of the suitability of the farm for cocoa, coffee or fruit trees production. The Climate change assessment is part of the calculation of the suitability of crops and farming practices. Certified cocoa production was more resilient than non-certified cocoa but was still affected by climate change.

Lesson 7. Strengthen the managerial capacities of farmers' cooperatives, associations, etc. to enhance the producers' collaboration with the other value chain stakeholders.

244. The organizations of smallholder farmers face great challenges in dealing with service providers and purchasers, endowed with greater bargaining power. The adoption of the Group administrator approach to Sustainable Agricultural Network certification recognizes such situation. The value chain strengthening requires the enhancement of the managerial capacities of the farmers' organizations.

Lesson 8. Ensure the establishment of national coordination bodies at the identification or start of the implementation of a project to fully involve local partners in steering the project and delivery activities in a well-modulated way and to ensure that the co-financing is strictly aligned to the project strategy and coordinated with its other activities implementation.

245. The convergence of the project activities and management of information create the conditions for the success of a multi-country project. National coordination bodies are the interface between the local and global project execution. They are essential for the customization of activities and dissemination of information upstream and downstream.

246. Defining during the project design the specific contribution of each co-financing actors to the project achievement beyond business as usual and agreeing a monitoring system would contribute to the alignment of the project strategy, planning and implementation.

Lesson 9: Involve a broad set of stakeholders in the identification of projects with a social component to mainstream gender and social inclusion in the design. Include gender split indicators in the project LogFrame.

247. Gender mainstreaming and social inclusion should be mainstreamed in the project at the time of its identification. The impact of pilot interventions is obviously limited. The progress in

this field should be measured through disaggregated indicators and reported accordingly.

Lesson 10: Include a policy revision component when promoting value chains to ensure a stronger collaboration with the national strategies and public sector.

248. Public private partnerships are relevant also in managing the value chains as national policies and public resources define the institutional context of the production of commodities. The value chains evolution may conflict with national priorities. Thus, the collaboration with the entities in charge of sector policies revision creates the conditions for the success of the value chains.

8.3 Recommendations

249. Recommendations are listed below:

UN Environment	1	Disseminate the achievements and lessons learned with GEF, among UN Environment partners
Rainforest Alliance/ UN Environment	2	Issue a joint policy summary to be shared with national government of Greening the Cocoa Industry countries through UN Environment offices
Rainforest Alliance	3	Design a checklist for future projects taking into account the lessons learned especially for the landscape approach.
Rainforest Alliance	4	For the future revision of the Standard: 1. focus on a balance between the generic practices applying to all crops and the crop specific practices as well as on the promotion of the overall farm sustainability 2. a specific section to guide the adaptation of the standard to local peculiarities should be included in the guidance for implementation. 3. invite a broad set of stakeholders to take part in the revision process (e.g protected areas authorities) to strengthen the value of the standard as part of a landscape approach.
Rainforest Alliance	5	To strengthen the training: 1. Strengthen the training platform to exploit the Sustainable Agriculture Network capacities across initiatives and share resources to small holder's 2. Strengthen the modules to further build capacities of producers' organisations
UN Environment	6	Create a checklist that incorporates lessons learnt for future Global Environmental Facility projects that combine a landscape and value chain approach

Annex I. List of acronyms and abbreviations

AFDI	Agriculture Français Développement International
ANADER	Agence Nationale d'Appui au Développement Rural (Côte d'Ivoire)
CEFCA	Cabinet d'Etudes, Formation, Conseils, Audits
COCOBOD	Ghana Cocoa Board
Coop AHZ	Coopérative Agricole Hèrè de Zagné
Coop CAESA	Coopérative Agricole Espoir de Zagné
COP	Conference of parties
COSA	Committee On Sustainability Assessment
CSA	Climate Smart Agriculture
CSO	Civil Society Organization
F CFA	Franc Communauté Financière Africaine
FAO	Food and Agriculture Organization
GCI	Greening the Cocoa Industry
GEF	Global Environmental Facility
GIZ	German Society for International Cooperation
GPS	Global Positioning System
ha	Hectare
HCV	High Conservation Values
ICCO	International Cocoa Organization
INADES	Institut Africain pour le Développement Economique et Social
ISEAL	International Social and Environmental Accreditation and Labelling Alliance
kg	Kilogram
LogFrame	Logical Framework
M&E	Monitoring and Evaluation
MT	Metric Ton
MTE	Mid-term Evaluation
NGO	Non Governmental Organization
NRI	Natural Resources Institute
OC	Outcome
OECD/DAC	Organization for Economic Cooperation and Development
OIPR	Office Ivorienne de Parcs et Reserves
OP	Output
PES	Payment for Environmental Services
PIR	Project Implementation Review
PMU	Project Management Unit
PPP	Public-Private-Partnership
ProDoc	Project document
PSC	Project Steering Committee
RA	Rainforest Alliance
REDD+	Reduce Emissions from Deforestation and Forest Degradation
SAN	Sustainable agricultural network
SYM	Sustainable Yield Module
TOC	Theory of Change
UN Environment	United Nations Environment Programme
USAID	United States Agency for International Development
USD	American Dollar
UTZ	*Name of a label and program for certification of agriculture products*

Annex II. Evaluation matrix

The Evaluation matrix, including the evaluation questions is presented here below. Indicators are those of the project Result framework but for a few ones that are retrievable from the project reports or are going to be elaborated on the base of the feedback of the field survey.

N	*Criteria*	*Evaluation questions*	*Indicators*	*Values*	*Sources / date*
1	Strategic relevance	To what extent were the objective and outcomes of the program relevant with UN Environment MTS and PoW, and to the UN Environment and GEF strategic priorities	Alignment with UN Environment / GEF priorities	Aligned with cross-cutting priorities (C) Eco-system management, (E) Harmful substances and hazardous waste, (F) Resource efficiency – sustainable consumption and production of UNEP Medium-term Strategy 2010-2013	Project document, UNEP MTS, PoW, GEF strategy. Interview UNEP.
		To what extent were the objective and outcomes of the program relevant to the situation in each target country, and to the needs of different actors along the value chain?		The ten assisted countries have ratified the 1992 Biodiversity Convention making relevant the project objective biodiversity conservation to their environmental policies.	Project documents, national strategies, Interviews
2	Nature of external context	Did the country specific context affect the outcome of the project?		Yes, the greater integration of cocoa-production into national development is in line with the importance of the cocoa sector in the national economy (e.g., Côte d'Ivoire, Ghana, Ecuador, Indonesia being more favorable and scoring better results in cocoa-sustainability and SAN certification).	Project document, Interviews
3	Effectiveness	How effectively did the project activities provide the necessary support to change the production and business practices in major cocoa producing countries and cocoa companies?	Number of cocoa traders and processors committed	54	RA, 5/2017 document analysis, Interviews
			Number of certification bodies authorized to award Rainforest Alliance certification	10	RA, 5/2017 document analysis, Interviews
			Number of Lead trainers trained in the SAN standard and approved	40	RA, 5/2017 document analysis, Interviews

			through annual evaluations		
			Number of technicians trained in the SAN standard	200	RA, 5/2017 document analysis, Interviews
4		How effective has the project been in directing market benefits (certification) to farms where unsustainable practices are directly contributing to biodiversity loss (e.g. hunting, conversion of forest for cocoa production)?	Number of hectares under cocoa production using improved production practices	896,654 including 64,559 setaside	RA, 5/2017 document analysis, Interviews
			Percentage improvement in productivity on certified farms	+ 16 %	RA, 5/2017 document analysis, Interviews
5		Has the project enabled cocoa farmers to apply sustainable agricultural practices that integrate biodiversity conservation?	Number of cocoa farmers that apply the majority of practices of the Sustainable Agriculture Standard Network (certified and/or in training)	182,362	RA, 5/2017 document analysis, Interviews
			Annual volumes of certified cocoa sold (tons)	1,151,000	RA, 5/2017 document analysis
6	Impact	How likely has the project contributed to the conservation of biodiversity in piloted countries	Extent (hectares) of set asides that are identified and protected under SAN Standard	64,559	RA 5/2017 document analysis, interview
			Biodiversity conserved	N/A.	Final evaluation report (qualitative analysis)
7	Financial Management	Was the project cost effective? How efficient was the financial management of the project including disbursements process?	GEF: $4,512,736.97 disbursed Co-financing: $27,854,531	GEF: 90% Co-financing +51% over target	RA 6/2017 Final evaluation report, interview
8	Efficiency	How effective was the new financial mechanism introduced in 2011 in recovering the costs of preparing for an operating certification from the private sector?	Percentage of industry participation fee collected	87.68% of invoiced participation royalties that have been recovered	RA, 12/2016

9		To what extent were recommendations from the MTE incorporated into the project?	Status of M&E system implementation	2017 SAN Standard published	RA, 12/2016 Interview on each MTE recommendation
10	Monitoring & Reporting	How consistent and reliable is the monitoring data; how credible are the findings of the studies and what do the combined M&E data suggest about the effectiveness of this project?	M&E reliability	Monitoring data reliable about scoring of SAN certification (beneficiaries, improved cocoa land, production). N/A for biodiversity conservation	Final evaluation report
11		To what extent have the emerging findings been used to inform project development?	Number of local indicator guidance (LIG) documents published	6	RA, 12/2016
12	Sustainability	To what extent is the project able to support scaling up and replication of this approach in other countries?	Documented evidence, articulation of its approach, existence of strong sector champions etc.	N/A project-wide. Best practices are enshrined in the 2017 revised SAN standard, available for scaling-up and replication. Champions: increase in sustainable production area in Côte d'Ivoire, Ghana, Dominica republic, Peru, Ecuador.	Final evaluation report
			Number of appropriate training materials developed for small holder cocoa farmers and trainers	online training platform in English, Spanish, Portuguese, French, Bahasa, Chinese, and Vietnamese	RA, 12/2016
			Number of partnership established with Government and other institutions to promote Sustainable Agriculture Network Standard and biodiversity conservation	26	RA, 12/2016
			Preparing proposals for and negotiating companies' contributions to certified supply building	New Proposals Approved: 6, New Proposals submitted: 2	
13		Which are the Lessons learned that might be relevant for design of future initiatives?	Lessons learned that might be relevant for design of future initiatives	Sector-wide approach of the commodity putting pressure to the hotspot. Landscape approach of agricultural production areas. Certification: ensuring a systematic approach to sustainable production. Strengthening producers organizations. Training producers along a continuous improvement approach. Country level public-private partnerships. Climate Change & Gender mainstreaming. M&E structured to feed decision making and accountability	Final evaluation report

Annex III. Evaluation itinerary and persons interviewed

Table 3.1: Peru Itinerary

date		*place*	*activity*	*Interviewees*
December 2017				
8	Fri	Milan	trip Bergamo - Milan	
9	Sat	Lima	trip Milan - Lima	
10	Sun	Cusco	trip Lima - Cusco	briefing with Oscar Maroto & Gerardo Medina. Rainforest Alliance
11	Mon	Quillabamba	trip Cusco - Quillabamba	Oscar Gutierrez Fernandez Direction of agriculture USAAC, Randolf Ascara farmer Kellouna district
12	Tue	Quillabamba	trip to La Estrella, Quellouno. Farmers' focus group discussion	Juvenal farmer, Victor Jara Agriculture directorate, Luis Arroyo Cooperativa José Olaya, 8 farmers focus group
13	Wed	Quillabamba	trip to Ivochote Pangoa. Farmers' focus group discussion	Gerardo Sanchez trainer, Amelia Quispe farmer, 13 farmers focus group
14	Thu	Quillabamba	interview	Miluzca Arryola gerente de compras, Maritsa Arryola gerente general (AICASA)
			interview	Edwin. Cooperativa Bajo Urubamba (CBU)
			interview	Romulo Gutierrez Atausinchi departamento técnico, Danilo Vinche Basualo, consultor. Cooperativa agraria cafetalera Maranura
15	Fri	Cusco	trip to Cusco. Phone interview	Erick Efraim Zamalloa Calle. SERNANP Quillabamba
16	Sat	Lima	trip to Lima	
17	Sun	Lima		
18	Mon	Lima	interview	Eduardo Montauban Urriaga gerente general, David Gonzales Cucho, coordinador de proyectos. CPC&C
			interview	Hebert Flores Vilchez. Rainforest alliance certification (RA cert.)
			interview	Luis Mendoza. Aguilar APP cacao
19	Tue	Lima	interview	Jorge Clive Figueroa Rojas. DG agricultura, Minagri
			interview	Javier Sanchez. ECOM Agroindustrial corp.
			interview	Oscar Maroto & Gerardo Medina. Rainforest alliance
			interview	Luis Gomero. RAAA
January 2018				
3	Wed	Wed	interview	Luis Chuquichaico Samaniego. APECO
4	Thu	Lima	interview	José Muro. DEVIDA
			interview	José San Martin Tudela. Exportadora Romex SA
			interview	Jorge del Barco Valladares. Rainforest alliance
5	Fri	Lima	interview	Prospero Yance. Serfor
6	Sat	Lima	trip Lima - Miami	
7	Sun	Miami	trip Miami - Milan - Bergamo	

Table3.2 Côte d'Ivoire Itinerary

date		*place*	*activity*	*Interviewees*
January 2018				
14	Sun		Trip Geneva – Abidjan	
15	Mon		Trip Abidjan - Daola	Melanie Bayo, CEFCA
16	Tue	Zagne region	Farmers' field school Farms visit	28 farmers participated in the farmers' field school Farmers: Ouatara Ardiouma, Daniel Samwiraogo Konan Kouassi (CEFCA Trainer)
17	Wed	Zagne region	Coop AHZ, farms visit	Coop AHZ: Daouda Ima (President), Bedy Assié bienvenue(ADG) Kouassi Konadia Mejacques (Technician)Farmers: Kaboré Karim, Ago Kona Etienne
18	Thu	Zagne region	Farms visit, OIPR, Barry Callebaut	OIPR: Lt. Ouattara, OIPR Farmers: Ynors Konadio Kouassi Konan Kouadio Benoit, Saco (Barry Callebaut): Mamery Kone
19	Fri	Zagne region	Community awareness event Coop CAEZA	Coop CAEZA: Fousseni Kenaté (President), Kouadi Kouakou (Director General), Tepko Jean-Moise (ADG)
20	Sat	Abidjan	Interview	Oscar Moroto, RA
22	Mon	Abidjan	Wild Chimpanzee Foundation, RA-Cert	WCF: Emma. Normand (Directrice AFrique Ouest) RA Cert: George Kouassi (Manager), Yepanke Ouattara (Support Manager)
23	Tue	Abidjan	OIPR World cocoa foundation	OIPR : col. N.'Goran, Cne Agnimel WCF: Ngo-Eyok Suzanne (country director, Cocoa Livelihoods Program Director), Yao Eric (CLP & CSC Program Officer)
24	Wed	Abidjan	CNRA, ANADER	CNAR: M. Adiko, ANADER: N. Aphing (Vice Manager), Ehhougban V. (Head of cocoa and coffee department)
25	Thu		Trip Abidjan – Geneva	

Annex IV. Organizations and Persons interviewed by Phone

Country	*Organisation*	*Name*	*Surname*	*Role*
Australia	Mars	Tejada Chavez	Angela	Sustainability Manager
Brazil	Imaflora	Trevisan Gonçalves	Eduardo	Gerente
Costa Rica	Rainforest Alliance	Deugt	Michelle	Director, Agriculture
	SAN	Bach	Oliver	Technical Manager
Ecuador	Natura pLus	Lopez	Fidel Alberto	Gerente
France	Livelihood Venture	Servat	Eric	Program Director (Former GCI Programme Manager)
	UNDP	Petit	Nicolas	Green Commodity Programme
Germany	GIZ	Some	Andrea	Technical Manager
	Rainforest Alliance	Wijn	Annemieke	Board Member
Ghana	RA	Mensah	Christian	Accra
	Agro Eco - Louis Bolk Institute	Oppong	Denis	Program Manager, Sustainable Agriculture
	COCOBOD	Dr. Anim-Kwapong	Gilbert	Senior Scientist
	COCOBOD	Dr Wiafe	William Minta	Technical Manager (Extension), Cocoa Health and Extension Division
	OLAM	Sackey	Isaac	Cocoa Sustainability Manager, Olam Cocoa
	Rainforest Alliance	Mensah	Christian	Senior Manager and Technical Lead
Indonesia	Rainforest Alliance	Tahiruddin	Najemia	Training Expert
Kenya	UNEP	Bhimjiani	Pooja	Fund Management Unit - Ecosystems Division
Mexico	Rainforest Alliance	Avalos	Betriz	Senior Manager, Evaluation
Nigeria	Conservation Alliance	Adesina	Chief Abraham	Country Manager
	OLAM Nigeria Limited	Abuah	Jennifer	Sustainability Manager
Peru	Rainforest Alliance	Barco	Jorge	Finance Manager
	Instituto de cultivos tropicales (ICT)	Arevalo Gardini	Enrique	
	Asociacion Verde Amazonico	Guevara	Nilda Estela	

Sierra Leone	RSPB	Horvath	Björn	Project manager Rainforest Friendly Cocoa
Switzerland	Barry Callebaut	Spannagle	Matt	Carbon & Forest Adviser
	UNEP	Esen	Ersin	GEF Task Manager (Met in person)
	Humana	Steiner	Arthur	Laderach Board Member
UK	Rainforest Alliance	Fadika	Sarah	Sr. Associate, Landscapes and Livelihoods, Africa
	Rainforest Alliance	Miller	Edward	Director, Africa and SE Asia
	Ecom	Green	Jason	Chief Sustainability Manager
USA	World Bank	Brett	Chris	Lead Agribusiness Specialist, Global Engagements Unit, Agriculture Global Practice (Former Olam Sustainaility Director)
	Rainforest Alliance	Morgan	Alex	Chief Markets Officer, Markets Transformation
	Rainforest Alliance	Koch	Bethany	Sr Manager, Claims, Traceabilty & Trademarks
	Rainforest Alliance	Salinas	Maria	Finance Director
	Mighty Earth	Hurovitz	Greg	CEO
	Mighty Earth	Higonnet	Ethelle	Campaign and Legal Director

Annex V. List of documents consulted

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Annex VI. : Supporting data for the evaluation of GCI project

Table A6.1 : Data on RA cocoa production in project countries

Total Hectares RA	2012	2013	2014	2015	2016	2017	% change 2012-2016	% change 2012-2017
Brazil	6 492	6 492	5 929	5 929	6 154	1 304	95%	20%
Côte D'Ivoire	549 612	632 280	819 698	545 204	557 730	593 208	101%	108%
Dominican Republic	55 491	55 101	37 976	15 330	36 818	32 251	66%	58%
Ecuador	9 243	23 995	30 488	28 320	28 320	44 931	306%	486%
Ghana	139 834	156 416	172 384	141 608	174 798	170 215	125%	122%
Indonesia	27 675	38 264	57 233	51 191	51 213	26 581	185%	96%
Nigeria	20 280	24 428	28 595	28 595	28 595	22 556	141%	111%
Papua New Guinea	2 380	2 380	3 441	2 602	2 602	4 537	109%	191%
Peru	28 458	40 502	48 863	12 014	15 609	12 939	55%	45%
Total 10 countries	839 465	979 858	1 204 607	830 793	901 840	908 522	107%	108%

Total cocoa crop hectares	2012	2013	2014	2015	2016	2017	% change 2012-2016	% change 2012-2017
Brazil	1 074	655	750	750	552	655	51%	61%
Côte D'Ivoire	409 052	467 652	601 553	410 668	402 349	435 298	98%	106%
Dominican Republic	46 441	45 496	32 679	14 846	24 367	28 239	52%	61%
Ecuador	5 393	11 418	15 070	17 365	18 437	21 926	342%	407%
Ghana	115 654	130 290	152 261	130 864	124 850	128 764	108%	111%
Indonesia	26 814	37 933	56 287	48 683	50 449	26 409	188%	98%
Nigeria	18 100	22 248	23 347	21 908	7 169	17 852	40%	99%
Papua New Guinea	2 372	2 372	2 903	2 512	3 922	3 922	165%	165%
Peru	3 089	4 880	6 979	3 990	4 877	2 154	158%	70%
Total 10 countries	**627 989**	**722 944**	**891 829**	**651 586**	**636 972**	**665 218**	**101%**	**106%**

Volumes cocoa kg	2012	2013	2014	2015	2016	2017	% change 2012-2016	% change 2012-2017
Brazil	877 925	311 863	277 735	277 735	234 659	161 956	27%	18%
Côte D'Ivoire	246 246 446	296 237 243	395 472 475	274 711 092	258 595 708	272 913 142	105%	111%
Dominican Republic	37 880 741	38 156 486	29 627 058	12 482 001	20 701 644	22 268 966	55%	59%
Ecuador	3 222 927	6 112 895	10 084 044	13 413 285	21 049 706	29 772 399	653%	924%
Ghana	66 563 436	73 699 098	93 007 548	79 191 410	85 498 641	51 741 787	128%	78%
Indonesia	25 349 456	35 336 932	54 163 317	47 620 272	50 207 732	20 161 208	198%	80%
Nigeria	7 892 238	10 324 281	13 977 578	13 452 359	4 019 072	9 843 945	51%	125%

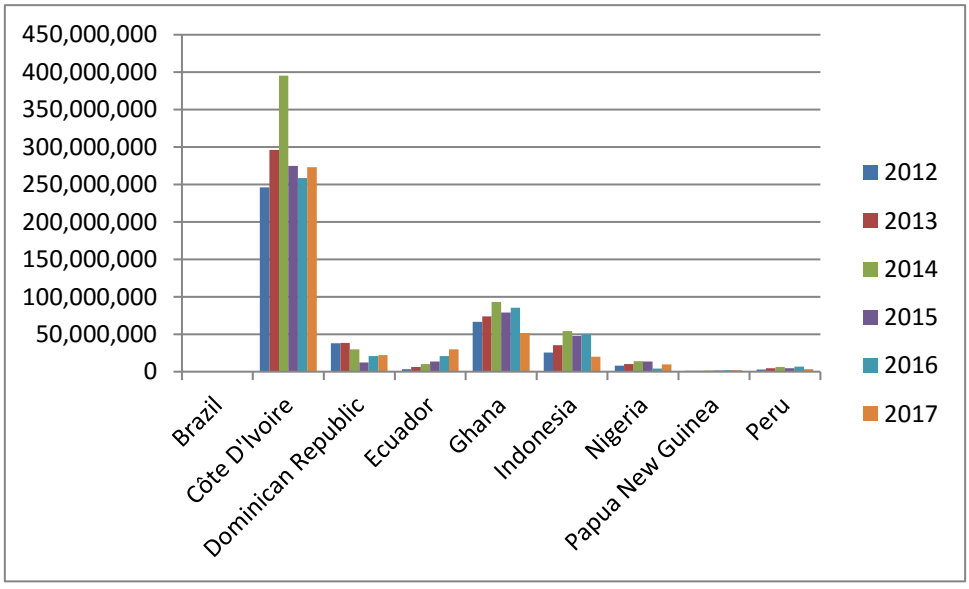
Papua New Guinea	1 295 296	1 295 296	1 666 786	1 502 418	2 002 951	2 002 951	155%	155%
Peru	2 798 864	4 677 937	6 239 181	4 682 297	6 823 910	3 104 580	244%	111%
Total 10 countries	**392 127 329**	**466 152 031**	**604 515 722**	**447 332 867**	**449 134 024**	**411 970 935**	**115%**	**105%**

Yields	2012	2013	2014	2015	2016	2017	% change 2012-2016	% change 2012-2017
Brazil	817,4	476,1	370,3	370,3	425,1	247,3	52%	30%
Côte D'Ivoire	602,0	633,5	657,4	668,9	642,7	627,0	107%	104%
Dominican Republic	815,7	838,7	906,6	840,7	849,6	788,6	104%	97%
Ecuador	597,6	535,4	669,1	772,4	1 141,7	1 357,9	191%	227%
Ghana	575,5	565,7	610,8	605,1	684,8	401,8	119%	70%
Indonesia	945,4	931,6	962,3	978,2	995,2	763,4	105%	81%
Nigeria	436,0	464,1	598,7	614,0	560,6	551,4	129%	126%
Papua New Guinea	546,1	546,1	574,2	598,1	510,7	510,7	94%	94%
Peru	906,1	958,6	894,0	1 173,6	1 399,2	1 441,3	154%	159%
Total 10 countries	**624,2**	**595,0**	**624,3**	**662,1**	**721,0**	**668,9**	**116%**	**107%**

Nbr of farms	2012	2013	2014	2015	2016	2017	% change 2012-2016	% change 2012-2017
Brazil	2	2	2	2	19	18	950%	900%
Côte D'Ivoire	85602	92226	124913	84939	86262	92022	101%	107%
Dominican Republic	13713	13712	6152	2440	5083	5035	37%	37%
Ecuador	1424	2275	3051	2765	2881	2302	202%	162%
Ghana	36116	45809	68549	56091	52185	44846	144%	124%
Indonesia	22722	28264	40352	41444	40007	18966	176%	83%
Nigeria	10043	9981	11594	11594	2444	11236	24%	112%
Papua New Guinea	1312	1312	1959	6458	7465	7465	569%	569%
Peru	1706	2677	3954	1150	1505	-	88%	0%
Total 10 countries	**172 640**	**196 258**	**260 526**	**206 883**	**197 851**	**181 890**	**115%**	**105%**

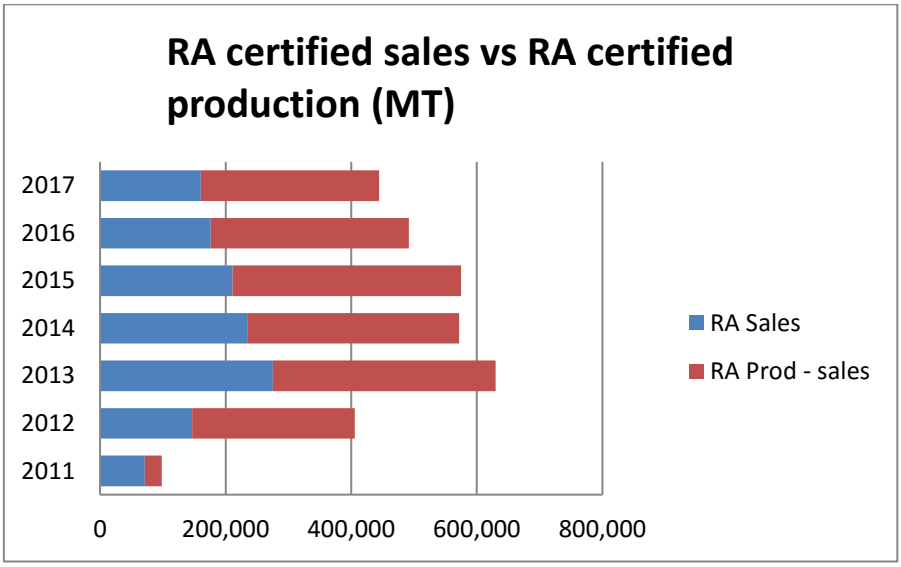
Source : RA data

Graph A6 1 : Total RA certified Cocoa Beans production by country (kg)



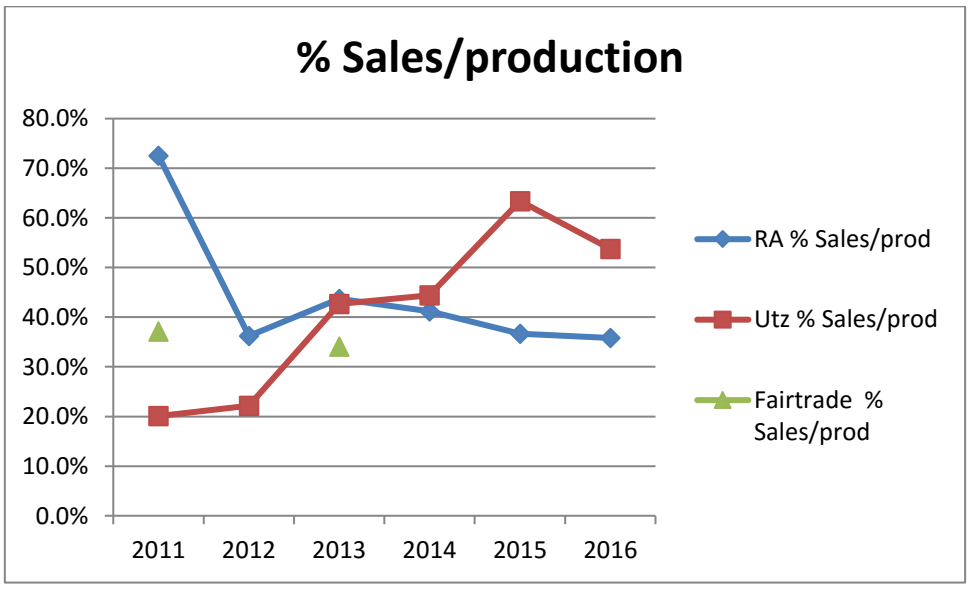
Source : RA data

Graph A6.2: RA certified sales versus RA certified Production



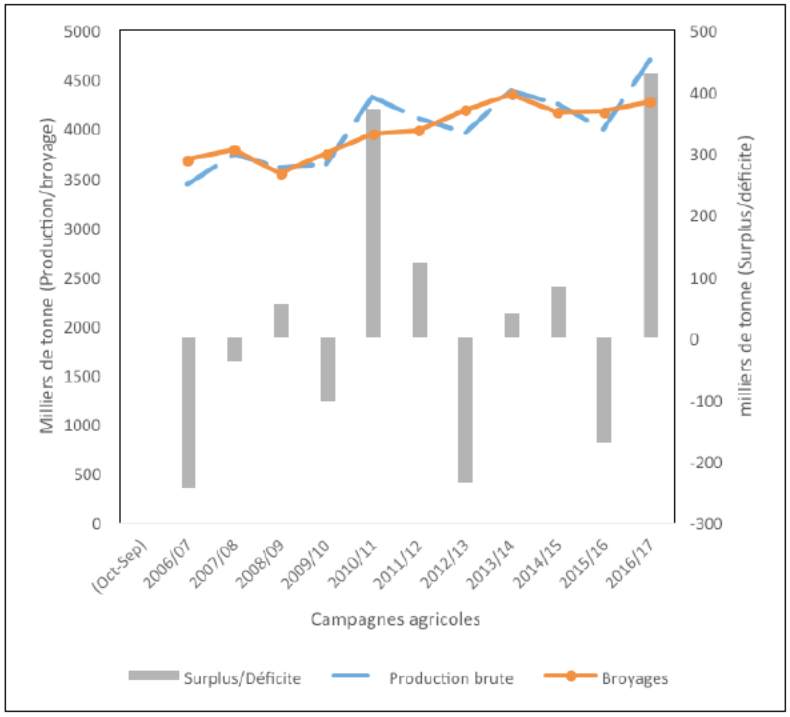
Source : RA data

Graph A6.3 : comparison of certified sales against certified production (RA, UTZ, Fairtrade)



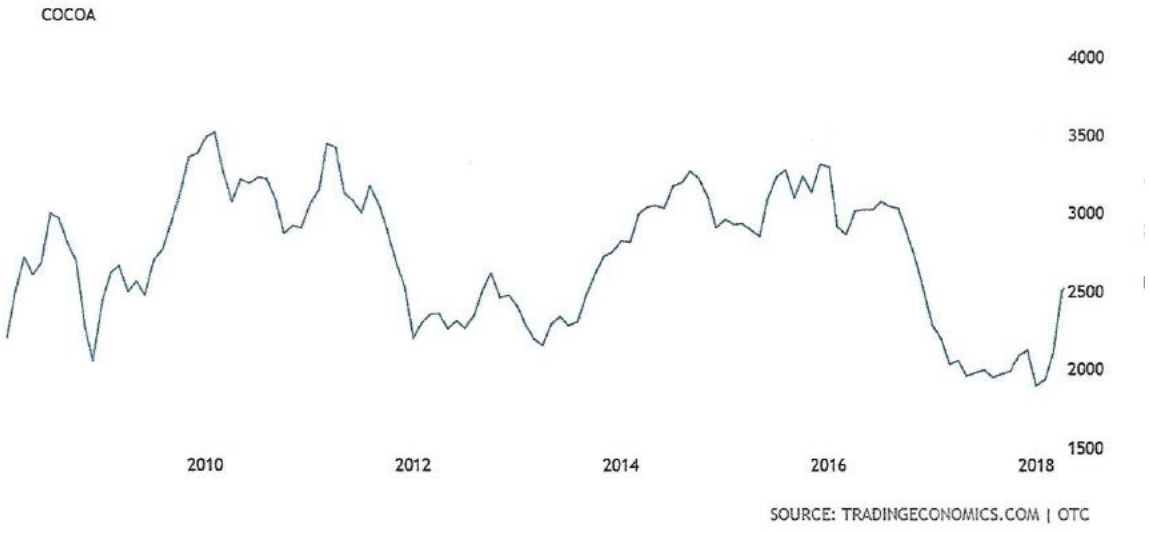
Source: RA data, UTZ and Fairtrade annual reports, Cocoa Barometer 2015

Graph A 6.4: World cocoa supply and demand



Source : Données ICCO, 2017

Graph A6.5: World cocoa prices USD/Metric tons



List A6.1 : Revisions to the RA Standard 2017: list of critical criteria

No.	Critical Criteria
1.1	Farm baseline assessment conducted
1.2	Sold product does not exceed harvest volume
1.3	Mixing of certified product with non-certified products prevented
1.4	Environmental and social impact assessment (ESIA) for major land conversion/major new farm infrastructure
1.5	Service providers are selected and monitored for compliance with applicable Critical Criteria
1.6	Management commitment for Standard implementation and compliance with applicable law
	<u>For group administrator certification only:</u>
1.13	Enrollment of all members recorded
1.14	Members' compliance with the Standard
2.1	No destruction of High Conservation Value areas after November 2005
2.2	No conversion of forests and other natural ecosystems in the past five years or after January 2014
2.3	No negative effects on protected areas
2.4	No hunting
3.1	Wastewater from processing operations meets quality parameters
3.2	Sewage is not discharged into aquatic ecosystems
3.3	Develop and implement an Integrated Pest Management (IPM) plan
3.4	No use of Rainforest Alliance prohibited pesticides and application of only legally registered pesticides
3.5	Conditions for aerial fumigation
3.6	Rainforest Alliance certified crops do not contain GMOs
3.7	No use of human sewage in production or processing activities
4.1	No forced labor
4.2	No mistreatment of workers; no sexual harassment
4.3	No discrimination
4.4	Freedom of association and collective bargaining
4.5	Payment of minimum wage
4.6	No worst forms of child labor
4.7	Child laborers (under 15 years) not contracted and conditions for young workers (15-17 years)
4.8	No avoidance of benefits
4.9	Grievance mechanisms for workers
4.10	48 regular working hours and one rest day per week
4.11	Regulations on overtime
4.12	Access to drinking water
4.13	Basic conditions for housing
4.14	Develop and implement an Occupational Health and Safety plan
4.15	Use of Personal Protective Equipment (PPE)
4.16	Training on pesticide risks for pesticide handlers
4.17	All pesticide handlers use bathing facilities after application
4.18	Avoiding risk tasks for pregnant or nursing women
4.19	Legitimate land use rights
4.20	Free, Prior and Informed Consent (FPIC)
	<u>Cattle certification scope only:</u>
5.1	6-month minimum stay of animals on certified farms; conditions for cattle's other portions of life
5.2	Cattle identification record
5.3	Prohibition of cloned animals
5.4	No mistreatment of animals
5.5	No feeding of prohibited substances for cattle
5.6	Prohibited chemical substances for cattle not used

Source : RA standard

List A6.2 : List of the new criteria included in the RA standard 2017.

Covered by	Topic
CC 1.1	Farm baseline assessment conducted and documented.
CC 1.4	Independent environmental and social impact assessment (ESIA) conducted prior to land conversion or the development or expansion of farm infrastructure (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CC 1.5	Monitoring, and management of service providers to ensure they comply with applicable critical criteria (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CIC 1.7	The farm management and group administrator develop and update regularly a farm management plan to optimize productivity, input use efficiency, and comply with this standard.
CIC 1.9	Annual analysis of records of farm inputs and production, evaluation of the achievement of the farm management plan and adjustments for the following year.
CIC 1.13	Supporting equality and empowerment of women, including participation in training and education as well as equal access to products and services.
CIC 1.18	Developing, documenting and implementation of a mechanism for a non-discriminatory calculation and distribution of revenues to group members by the group administrator.
CIC 1.20	Group administrator is responsible for developing and implementing a plan to provide access to health care and basic education to its members where those services are not currently available.
CC 2.1	No destruction of High Conservation Value (HCV) areas from November 1, 2005.
CC 2.2	Conservation of all natural ecosystems and no destruction of forest or other natural ecosystems in the five-year period prior certification or after January 1, 2014, whichever date is earlier.
CC 2.3	Production activities do not degrade any protected area. (Upgraded from the continuous improvement criterion in 2010 SAN Standard).
CIC 2.5	Maintenance of native vegetation outside natural ecosystems.
CIC 2.6	A farm's map that includes natural ecosystems and agroforestry canopy cover with estimated vegetation coverage and an estimated percentage of native species composition. Development and implementation of a plan to progressively increase or restore the native vegetation to a minimum of 15% of the total area for farms growing shade-tolerant crops, or 10% of total area for non shade-tolerant crops.
CIC 2.12	Prohibition of the intentional introduction of invasive species (plants and animals).
CC 3.3	Implementation of an Integrated Pest Management Plan (IMP) that should be updated annually (Upgraded from continuous improvement criteria in 2010 SAN Standard).
CC 3.4	Prohibition on using substances from the new SAN List of prohibited pesticides, based on the WHO/FAO framework for Highly Hazardous pesticides.
CC 3.5	Pesticide application by aircraft has to comply with SAN requirements for aerial fumigation.
CC 3.7	No use of human sewage in production or processing activities.
CIC 3.13	Reduction of soil compaction.
CIC 3.27 and 3.29	Specific risk mitigation measures for application of substances listed in the SAN List of Pesticides for Use with Risk Mitigation (to protect against risk of inhalation, or harm to aquatic life, wild life and pollinators).

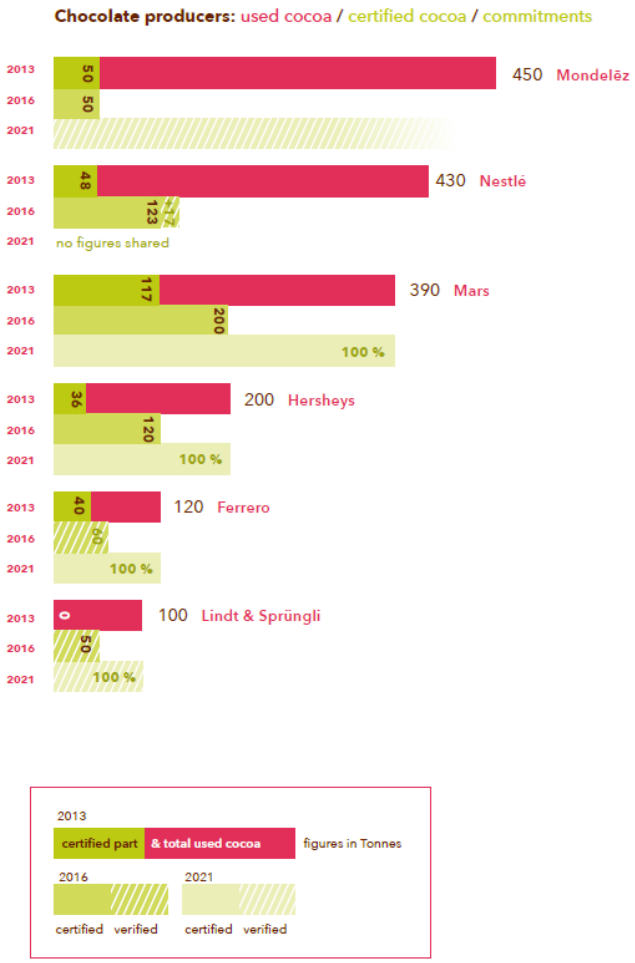
CC 4.8	The farm management and group administrator do not engage in arrangements or practices designed to eliminate or reduce pay and benefits that are due to workers, for example employing contract or temporary workers to do permanent or ongoing tasks. (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CC 4.10	Regular working hours of all workers do not exceed 48 hours per week, and there is at least one full day of rest for every six consecutive days worked. Workers receive one meal period break for every six hours worked. (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CC 4.11	All overtime is voluntary. Overtime does not result in a work week exceeding 60 total hours, except under extraordinary circumstances. All overtime is paid at the rate required by applicable law or as collectively negotiated, whichever is higher. (Upgraded from continuous improvement criteria in 2010 SAN Standard).
CC 4.14	Implementation of an Occupation Health and Safety Plan. (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CC 4.18	Women who are pregnant, nursing or have recently given birth are not assigned to activities that pose risk to the woman's, fetus's or infant's health. In cases of job reassignment, there is no reduction in remuneration.
CC 4.19	Demonstrated legitimate right to use the land. (Upgraded from continuous improvement criterion in 2010 SAN Standard).
CC 4.20	Activities diminishing the land or resource use rights or collective interests of communities are conducted only after having received the communities' free, prior and informed consent (FPIC).
CIC 4.25 and **4.26**	Paid maternity leave, flexible working schedules or work site arrangements.
CC 4.13 and **CIC 4.28, 4.30** and **4.32**	Specific conditions for housing that improves over time.
CIC 4.29	Plan for payment of a Living Wage.

Figure A6.1 : Commitments of the actors in cocoa industry to purchase certified cocoa

Source: cocoa Barometer 2015

Update on commitments in 2018 for traders & Grinders (information from company website)

Company	2016/2017 volumes	commitments
Barry Callebaut	36 % sustainably sourced Launch forever chocolate	Sustainable cocoa the norm by 2025 Eradicate child labor Lift more than 500'000 farmers out of poverty Will be carbon and forest positive Will have 100 % sustainable ingredients
Cargill	2016/2017 45 % from ceritfied sources (up from 32 % in 2015/16) Cocoa promise plan	1 million farmers reached by 2030 Zero child labor incidents by 2025 Zero deforestation by 2030 100 % farmer to plant traceability by 2030 100 % ingredients sourced sustainable according to Cargill's code by 2030. Partnerships and data for SDG 5, transforming together
Olam	168 856 MT procured from 331,052 ha,	100% traceable and sustainable volumes from our direct origination supply chain by 2020
Ecom	NA	Committed to sustainability (no target set)
Touton	NA	Cocoa are traceable in supply chain (no target set)
Bloomer	NA	Invest USD 45 mio , expand network to 100,000 farmers and 100,000 metric tons of sustainable and traceable cocoa by 2020.
Continaf	NA	NA



Source: Cocoa Barometer 2015

Company	2016/2017 volumes	commitments
Mondelez	In 2015, 21% sourcing came from cocoa life	Cocoa life: will invest USD 400 mio 2012-2022 to reach 200,000 Farmers No commitment to certification other than Fairtrade Eliminate deforestation by ??
Nestlé	2017: 150,000 T from Cocoa Nestlé Plan 2018: 175,000T from Cocoa Nestle plan	Eliminate deforestation by 2020 Work to eliminate child labor 2020: 230,000 T sourced from Cocoa plan
Mars	2016: 50 % of purchases were certified	100 % certified cocoa sourced in 2020
Hersheys		Launched Cocoa for God April 2018 USD 500 mio investment up to 2030 100 % certified cocoa by 2030 Zero child labor Zero deforestation
Ferrero		100 % cocoa certified as sustainable 2020
Lindt & Sprüngli	2017: 79 % of cocoa sourced is traceable and verified (not certified)	Commitment to sustainability but no target.

Source: Companies website

Annex VII. . Revision to the Project GEF cash budget

	GEF Cash Initial Budget	GEF Cash Revised Budget	GEF Cash Change from initial	GEF Cash % Change from initial
Personnel Component				
Sub-total Project personnel	**2 229 328**	**2 416 992**	**187 664**	8,4%
Sub-total consultancies	**1 266 989**	**1 234 878**	**-32 111**	-2,5%
Sub-total administrative support	**200 916**	**278 541**	**77 625**	38,6%
Sub-total travels	**487 000**	**454 704**	**-32 296**	-6,6%
Component Total	**4 184 233**	**4 385 115**	**200 882**	**4,8%**
Sub-Contract Component				
Sub-Contracts (MOUs/LOAs for cooperating agencies)	**0**	**0**		
Training Component				
Sub-Total training	**217 000**	**116 146**	**-100 854**	-46,5%
Sub-total meetings	**210 400**	**83 424**	**-126 976**	-60,3%
Component Total	**427 400**	**199 570**	**-227 830**	**-53,3%**
Equipment & Premises Component				
Sub-total expandable equipment	**17 525**	**23 861**	**6 336**	36,2%
Sub-total equipment	**97 800**	**172**	**-97 628**	-99,8%
Component Total	**115 325**	**24 033**	**-91 292**	**-79,2%**
Miscellaneous Component				
Sub-total (rent)	**139 842**	**268 451**	**128 609**	92,0%
Sub-total (postage, professional fees)	**13 200**	**2 830**	**-10 370**	-78,6%
Component Total	**153 042**	**271 281**	**118 239**	**77,3%**
Total before UN Environment participation cost	**4 880 000**	**4 880 000**	**319 121**	**6,5%**

8.1 Maryline Guiramand-Gois (Team Leader)

Address:	**Ec-Terra** **Sarl** 21 Avenue Choiseul CH – 1290 Versoix	**Tel:** **Mobile:** **Email:**	+41 (022) 575 33 13 +41 (0)79 235 06 71 mguiramand@ec-terra.com

Profile & Expertise:

Expert in building sustainable supply chains from agricultural producer to final customer: design of strategy, set-up of certification systems, design of practical indicators, coordination of multi-stakeholder involvement, implementation in the supply chain.

- **Implementation of sustainability in the agri supply chain**:
  - Designed sustainable production practices, criteria and indicators for the economic, environment and social aspects of sustainable agriculture for a number of agricultural commodities (cereals, cocoa, coffee, dairy, fruits, vegetable & potatoes, palm oil, sugarcane, feedstock in general) and supported the implementation.
  - Coordinated the design and implementation of the Roundtable on Sustainable Biofuels third party certification system
  - Designed quantitative social indicators for sugarcane production and milling for Bonsucro
  - Panel expert to benchmark sustainability standards for the Global Social Compliance Programme of the Consumers Good Forum, and independent adviser for their clients.
- **Strategy and market analysis:** Strategy formulation for UNDP- Global Commodity Platform and for SAI Platform. Successful development of activities and membership (SAI Platform), analysed the value chain of the potato sector (OFAG); analysed the structure of the organisation in André Group, recommended the creation of new departments (including sugar desk) and set up management tools; analysed the world cereal market and established regular forecasts (FAO); analysed the EU cereal market with a special emphasis on feed sector (Louis Dreyfus); analysed the variability of production and prices in agriculture and its effects on farm income (University of Minnesota).
- **Creation and coordination of multi-stakeholder forum:** Stakeholder consultation for the Plant Treaty (ITPGRFA)**.** Chaired the Technical Working Group on social issues for the Better Sugarcane Initiative; Set-up of an Implementation working group in RSB, coordinated the International Forum for Assessing Sustainability of Agriculture (INFASA), co-created a multi-stakeholder consortium" fields for food or fuel 2025" to do scenarios up to 2025, managed the Sustainable Agriculture Initiative Platform and set-up of a high level network.

Experience

Since 2006 **Independent Consultant, Founder of Ec-Terra Sarl, Geneva, Switzerland**

Promotion of sustainable development in agri-food/fuel sector:

- Sustainability strategy development
- Sustainable sourcing of agricultural products
- Multi-Stakeholder approach and partnerships (e.g. 2025, fields for food or fuel, Stakeholder consultation for the International Treaty on Plant Genetic Resources)
- Communication and training
- Design and implementation of integrated management systems in the supply chain for quality and sustainable development, including third party certification systems

Since 2012 **Consumers Good Forum: the Global Social Compliance Programme – Panel expert and coordinator**

Benchmarking of sustainability standards/codes against GSCP tools and advice to some of their clients

2012-2014 **UNDP, Green Commodities Programme;** Strategic advice and development of some communication material. Terminal evaluation of the Global Environmental Project funded project: "Biodiversity Conservation in Coffee: transforming productive practices in the coffee sector by increasing market demand for certified

Since 2008 sustainable coffee".

Bonsucro (before Better Sugarcane Initiative (BSI)), London, United Kindgom

Chair of the Social Technical Working Group: design social indicators for 2010 certification.

2008-2011 Revision of the social criteria in 2013. Ad hoc support on social issues.

Roundtable on Sustainable Biomaterials (RSB), Lausanne, Switzerland
Senior Advisor, Implementation: design and set up of the third party certification systems which together with RSB standards were recognized by the EU in July 2011.

2007-2008

International Institute of Sustainable Development (IISD), Winnipeg, Canada
Coordinator of the International Forum for Assessing Sustainability of Agriculture (INFASA)

2002- 2005 **Sustainable Agriculture Initiative (SAI) Platform, Geneva, Switzerland**
A platform created by the Food industry to promote sustainable agriculture

Platform General Manager

- Creation of SAI Platform: elaboration of business plan, and set-up of the organisation (strategy, financial and human management, statutory requirements, etc.)
- Development to 20 members: Campina, Coca Cola, Danisco, Dole, Ecom, Efico, Findus, Friesland Food, Groupe Danone, Kraft, Mc Cain, Mc Donald's, Nestlé, Neumann Kaffee Gruppe, Sara Lee, Tchibo, Unilever, Volcafe with global sales above € 140 bo
- Development of activities : coffee, cereals, dairy, fruits, vegetables & potatoes, palm oil
- Established a high level Advisory Council with IFAP, OECD, IUCN, CIRAD, IFC & CGIAR
- Development of worldwide network of food chain stakeholders and established partnerships

2001 **TATIS, Geneva, Switzerland**
A start-up launching a product to enhance tax authorities capabilities to collect taxes from international trade especially targeted to developing countries , ***Consultant in Communication***

1990-2001 **ANDRE & CIE S.A., Lausanne, Switzerland**
An International Trading Group of Agricultural commodities active in cereals, oilseeds, cocoa, coffee, sugar and providing trade finance services, shipping (3 000 employees worldwide)

Communication manager, André Group ***1998-2001***.

Advisor to the Director General, International Trading Division ***1990-1997***
Fondé de Pouvoir

- Strategy formulation for the Division: creation of new departments, implemented management tools like systematic annual objectives and budget planning and ensured the follow up.
- Development of special projects: Set-up of a food aid desk, developed relationships with World Bank Group (World Bank, IFC, MIGA) that led to the insurance of a Chinese green-field plant against political risk, debt negotiations, representing Swiss Companies in Albania, advice to hotel chains for the Ministry of tourism in Cuba part of barter deal with agricultural commodities

1986-1988 **Food and Agriculture Organisation of the United Nations, Rome, Italy**
Specialised UN agency for agricultural issues
Commodity Specialist

- Managed the FAO database of world cereal production, consumption and trade and wrote monthly articles on the cereal market and policies in various FAO publications

1984-1986 **Société Louis DREYFUS, Paris, France**
An International Trading Group of Agricultural commodities
Economist, Economic Studies Department

Education

INSEAD (European Institute for Business Administration), Fontainebleau, France
Master of Business Administration **1989**
University of Minnesota, Saint Paul, United States
Master of Science in Agricultural Economics **1981-1983**
Institut Supérieur d'Agriculture, Lille, France**, *Agricultural engineer*** **1976-1980**
Continuing Education : Integrated Quality Management Systems **2007**

Nationality : Swiss-French

Date of birth: 24.06.1962

Nationality: Italian

Address: via Manara 7, 24122 Bergamo. Gv.brandolini@gmail.com. T. +39 342 758 9241

Education:

Institution*: Date from – Date to*	Degree(s) or Diploma(s) obtained
Istituto Agronomico per l'Oltremare, Florence, Italy - January 1991– July 1991	PostDoc specialisation in Remote Sensing and Natural Resources Evaluation
European school of climatology and natural hazards, IATA, Florence, Italy September 1988	Course on Climatic change and impacts in agriculture
Università degli Studi di Milano, Major in Agricultural Sciences, Milan, Italy - November 1981 – July 1986	Laurea (MSc) in Agriculture; emphasis on rural development

Professional Experience

Date	*Location*	*Company*	*Position*	*Description*
6-7/2017	South Sudan	European commission /Eptisa consortium	Evaluation expert	ROM review of the projects: - Enhanced knowledge and education for resilient pastoral livelihoods in South Sudan - Building resilience of vulnerable communities of Panyijiar County through integrated food security and nutrition approaches
5/2017	Malawi	EC / AECOM consortium	Team leader, food security and resilience expert	Mid-term review of the Global Climate Change Alliance – Malawi program
3-4/2017	Ethiopia	EC / Particip consortium	Team leader, food security and resilience expert	Mid-term review of the Support for Horn of Africa Resilience (SHARE) – Ethiopia program - Accelerating Resilience Capacity in Southern and Eastern Ethiopia (ARCE)
11-12/2016	Kenya, Tanzania, Rwanda, Burundi, Uganda	USAID / IBTCI	Team leader	Performance evaluation of USAID support to the East Africa Community program framing and implementing EAC regional governance policies and regional economic integration
10/2016	Mauritania	European commission / Aecom	Senior environmental expert	Mid-term evaluation of the project Global Climate Change Alliance Mauritania - Promotion of the food security resilience
4-5/2016	Ethiopia	UNDP	Team leader / Senior evaluator	Terminal evaluation of the Sustainable Development of the Protected Areas System of Ethiopia
11-12/2015	Ethiopia	Cooperazione italiana / CESECO International	Senior evaluation expert	Final evaluation of the *Agricultural value chains in Oromia project*
4-5/2015	Tunisia	Cooperazione Italiana, Tunis	Team leader / senior development expert	Coordination of a multidisciplinary team field survey, agro-ecological study and elaboration of the Integrated rural development programme in Hazoua and Tamerza Delegations
6-9/2014	Tanzania, Tunisia, Mauritius	UNEP	Team leader, Senior M&E expert	Terminal Evaluation of 3 UNEP/GEF projects supporting the Implementation of the National Biosafety Framework for Tanzania, Tunisia and Mauritius

1-4/2014	Ethiopia, Botswana, Kenya, Mauritius	European commission/Human Dynamics	Senior M&E expert	Design and start-up of the M&E system of the programme *Monitoring of environment and security in Africa*
11-12/2013	El Salvador, Ecuador	UN-Habitat	Senior evaluation expert	Final evaluation of the UN-Habitat's Role in Joint Programming For the Delivery of MDGs in Latin America and the Caribbean
9-10/2013	Nigeria, Niger, Djibouti, Kenya, Ethiopia	European commission	Senior evaluation expert	Final evaluation of the African monitoring of the environment for sustainable development (AMESD) programme
1-2/2013	Sri Lanka, Uzbekistan, Bolivia	UNEP	Team leader, Senior environmental expert	Final evaluation of the programme: *In situ* conservation of crop wild relatives *in natural habitats and protected areas*
5-6/2012	Nigeria	European commission / Particip consortium	Team leader and environmental expert	Elaboration of the country environmental profile
4-5/2008 6/2008	Tunisia	Italian cooperation / Agora' 2000	Team leader, institutional expert	Socio-economic study of the project *Rehabilitation and creation of the Rjim Maâtoug, date palms exploitations*
1-2/2008 5/2008	Nigeria	European commission / Agrifor consortium	Team leader, environmental expert	Elaboration of the Nigeria environmental profile
4-5/2007	Equatorial Guinea	European Commission/Agreco consortium	Team leader, environmental expert	Elaboration of Equatorial Guinea environmental profile
11-12/2006	Liberia	European Commission/Agreco consortium	Team leader, environmental expert	Elaboration of Liberia environmental profile
3/2006	Comoro islands	European Commission/IBF consortium	Senior evaluator	Final evaluation of the Multi-annual program of micro-realizations (8th FED)
6-11/2004	Rome, Italy	Food and Agriculture Organization of UN	Project Manager / Project analyst	In charge of the International Year of Rice (IYR). Projects cycle management of 28 micro-projects and international promotional campaign of IYR 2004
8/2000–2/2001	Ermera, East Timor	UNDP / UNTAET	Sub-district Co-ordinator	Administrator of Letefoho Sub-district; elaboration of the environmental profile of the sub-district
6/1992–7/1999	Latin American and other regions	Private investors/Italian co-operation – CRF Bergamo	International program manager	Identifying, coordinating and monitoring agricultural projects, including environmental assessment along EIA/EMS guidelines (France, Italy, Romania, Greece, Spain, Ukraine); agro-forestry / natural resources (Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Paraguay; Mozambique, South Africa, Senegal, India); SMEs promotion (Israel, Palestine, Tunisia, Morocco, Argentina); agricultural biodiversity research and valorization (Bolivia, Peru).
11/1988–11/1990	Santa Ana, El Salvador C.A.	Italian co-operation / Universidad UNICO	Full professor, Rural development expert	Technical assistance to farmers, training of rural development technicians, teaching. Agricultural biodiversity and traditional uses of native crops survey

Annex IX. Terms of reference of the Terminal evaluation

Section 1: PROJECT BACKGROUND AND OVERVIEW

Section 2. OBJECTIVE AND SCOPE OF THE EVALUATION

7. Key evaluation principles

- Evaluation findings and judgements should be based on **sound evidence and analysis**, clearly documented in the evaluation report. Information will be triangulated (i.e. verified from different sources) as far as possible, and when verification is not possible, the single source will be mentioned (whilst anonymity is still protected). Analysis leading to evaluative judgements should always be clearly spelled out.
- The **"Why?" Question**. As this is a terminal evaluation and a follow-up project is likely [or similar interventions are envisaged for the future], particular attention should be given to learning from the experience. Therefore, the "*Why?*" question should be at the front of the consultants' minds all through the evaluation exercise and is supported by the use of a theory of change approach. This means that the consultants need to go beyond the assessment of "*what*" the project performance was, and make a serious effort to provide a deeper understanding of "*why*" the performance was as it was. This should provide the basis for the lessons that can be drawn from the project.
- **Baselines and counterfactuals**. In attempting to attribute any outcomes and impacts to the project intervention, the evaluators should consider the difference between *what has happened with, and what would have happened without, the project*. This implies that there should be consideration of the baseline conditions, trends and counterfactuals in relation to the intended project outcomes and impacts. It also means that there should be plausible evidence to attribute such outcomes and impacts to the actions of the project. Sometimes, adequate information on baseline conditions, trends or counterfactuals is lacking. In such cases this should be clearly highlighted by the evaluators, along with any simplifying assumptions that were taken to enable the evaluator to make informed judgements about project performance.
- **Communicating evaluation results.** A key aim of the evaluation is to encourage reflection and learning by UN Environment staff and key project stakeholders. The consultant should consider how reflection and learning can be promoted, both through the evaluation process and in the communication of evaluation findings and key lessons. Clear and concise writing is required on all evaluation deliverables. Draft and final versions of the main evaluation report will be shared with key stakeholders by the Evaluation Office. There may, however, be several intended audiences, each with different interests and needs regarding the report. The Evaluation Manager will plan with the consultant(s) which audiences to target and the easiest and clearest way to communicate the key evaluation findings and lessons to them. This may include some or all of the following; a webinar, conference calls with relevant stakeholders, the preparation of an evaluation brief or interactive presentation.

8. Objective of the evaluation

- In line with the UN Environment Evaluation Policy[66] and the UN Environment Programme Manual[67], the Terminal Evaluation (TE) is undertaken at completion of the project to assess project performance (in terms of relevance, effectiveness and efficiency), and determine outcomes and impacts (actual and potential) stemming from the project, including their sustainability. The evaluation has two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote operational improvement, learning and knowledge sharing through results and lessons learned among UN Environment and Rainforest Alliance. Therefore, the evaluation will identify lessons of operational relevance for future project formulation and implementation [especially for the second phase of the

[66] http://www.unep.org/eou/StandardsPolicyandPractices/UNEPEvaluationPolicy/tabid/3050/language/en-US/Default.aspx
[67] http://www.unep.org/QAS/Documents/UNEP_Programme_Manual_May_2013.pdf . *This manual is under revision.*

project, if applicable].

9. Key strategic questions

- In addition to the evaluation criteria outlined in Section 10 below, the evaluation will address the strategic questions listed below. These are questions of interest to UN Environment and to which the project is believed to be able to make a substantive contribution:
  (a) Under the assessment of the achievement of outcomes (effectiveness). The following should be addressed:
    - How effectively did the project activities provide the necessary support to change the production and business practices in major cocoa producing countries and cocoa companies?
    - How effective has the project been in directing market benefits (certification) to farms where unsustainable practices are directly contributing to biodiversity loss (e.g. hunting, conversion of forest for cocoa production)?
    - Has the project enabled cocoa farmers to apply sustainable agricultural practices that integrate biodiversity conservation?
    - Overall, how likely is it that the project has contributed to the conservation of biodiversity in piloted countries?
  (b) Under the assessment of financial sustainability and/or the likelihood of impact: how effective was the new financial mechanism[68] introduced in 2011 in recovering the costs of preparing for an operating certification from the private sector?
  (c) To what extent were recommendations from the MTE incorporated into the project?
  (d) The project design refers to detailed M&E plans (paras 6, 7 & 9) which include a set of biodiversity indicators and three country-based studies (Ghana; Cote d'Ivoire and Indonesia). How consistent and reliable is the monitoring data; how credible are the findings of the studies and what do the combined M&E data suggest about the effectiveness of this project? To what extent have the emerging findings been used to inform project development?
  (e) To what extent is the project able (documented evidence, articulation of its approach, existence of strong sector champions etc) to support scaling up and replication of this approach in other countries? Lessons learned that might be relevant for design of future initiatives, which are part of the standard content of the main evaluation report, will be of particular interest to the project team.

10. . Evaluation criteria

- All evaluation criteria will be rated on a six-point scale. Sections A-I below, outline the scope of the criteria and a link to a table for recording the ratings is provided in Annex 1). A weightings table will be provided in excel format (link provided in Annex 1) to support the determination of an overall project rating. The set of evaluation criteria are grouped in nine categories: (A) Strategic Relevance; (B) Quality of Project Design; (C) Nature of External Context; (D) Effectiveness, which comprises assessments of the achievement of outputs, achievement of outcomes and likelihood of impact; (E) Financial Management; (F) Efficiency; (G) Monitoring and Reporting; (H) Sustainability; and (I) Factors Affecting Project Performance. The evaluation consultants can propose other evaluation criteria as deemed appropriate.

A. Strategic Relevance

- The evaluation will assess, in line with the OECD/DAC definition of relevance, '*the extent to which the activity is suited to the priorities and policies of the target group, recipient and donor*'. The evaluation will include an assessment of the project's relevance in relation to UN Environment's mandate and its alignment with UN Environment's policies and strategies at the time of project approval. Under strategic relevance an assessment of the complementarity of the project with other interventions addressing the needs of the same target groups will be made. This criterion comprises four elements:

[68] As mentioned in the ProDoc under financial sustainability

i. *Alignment to the UN Environment Medium Term Strategy[69] (MTS) and Programme of Work (POW)*

- The evaluation should assess the project's alignment with the MTS and POW under which the project was approved and include reflections on the scale and scope of any contributions made to the planned results reflected in the relevant MTS and POW.

ii. *Alignment to UN Environment /GEF/Donor Strategic Priorities*

- Donor, including GEF, strategic priorities will vary across interventions. UN Environment strategic priorities include the Bali Strategic Plan for Technology Support and Capacity Building[70] (BSP) and South-South Cooperation (S-SC). The BSP relates to the capacity of governments to: comply with international agreements and obligations at the national level; promote, facilitate and finance environmentally sound technologies and to strengthen frameworks for developing coherent international environmental policies. S-SC is regarded as the exchange of resources, technology and knowledge between developing countries. GEF priorities are specified in published programming priorities and focal area strategies.

iii. *Relevance to Regional, Sub-regional and National Environmental Priorities*

- The evaluation will assess the extent to which the intervention is suited, or responding to, the stated environmental concerns and needs of the countries, sub-regions or regions where it is being implemented. Examples may include: national or sub-national development plans, poverty reduction strategies or Nationally Appropriate Mitigation Action (NAMA) plans or regional agreements etc.

iv. *Complementarity with Existing Interventions*

- An assessment will be made of how well the project, either at design stage or during the project mobilization, took account of ongoing and planned initiatives (under the same sub-programme, other UN Environment sub-programmes, or being implemented by other agencies) that address similar needs of the same target groups. The evaluation will consider if the project team, in collaboration with Regional Offices and Sub-Programme Coordinators, made efforts to ensure their own intervention was complementary to other interventions, optimized any synergies and avoided duplication of effort. Examples may include UNDAFs or One UN programming. Linkages with other interventions should be described and instances where UN Environment's comparative advantage has been particularly well applied should be highlighted. The ProDoc identified 'Biodiversity in Coffee' a GEF/United Nations Development Programme as a similar project.
- *Factors affecting this criterion may include:* stakeholders' participation and cooperation*;* responsiveness to human rights and gender equity and country ownership and driven-ness.

B. <u>Quality of Project Design</u>

- The quality of project design is assessed using an agreed template during the evaluation inception phase, ratings are attributed to identified criteria and an overall Project Design Quality rating is established. This overall Project Design Quality rating is entered in the final evaluation ratings table as item B. In the Main Evaluation Report a summary of the project's strengths and weaknesses at design stage is included.
- *Factors affecting this criterion* may include (at the design stage): stakeholders participation and cooperation and responsiveness to human rights and gender equity, including the extent to which relevant actions are adequately budgeted for.

C. <u>Nature of External Context</u>

- At evaluation inception stage a rating is established for the project's external operating context (considering the prevalence of conflict, natural disasters and political upheaval). This

[69] UN Environment's Medium Term Strategy (MTS) is a document that guides UN Environment's programme planning over a four-year period. It identifies UN Environment's thematic priorities, known as Sub-programmes (SP), and sets out the desired outcomes, known as Expected Accomplishments (EAs), of the Sub-programmes.

[70] http://www.unep.org/GC/GC23/documents/GC23-6-add-1.pdf

rating is entered in the final evaluation ratings table as item C. Where a project has been rated as facing either an Unfavourable or Highly Unfavourable external operating context, the overall rating for Effectiveness may be increased at the discretion of the Evaluation Consultant and Evaluation Manager together. A justification for such an increase must be given.

D. .Effectiveness

- The evaluation will assess effectiveness across three dimensions: achievement of outputs, achievement of direct outcomes and likelihood of impact.

i. Achievement of Outputs

- The evaluation will assess the project's success in producing the programmed outputs (products and services delivered by the project itself) and achieving milestones as per the project design document (ProDoc). Any *formal* modifications/revisions made during project implementation will be considered part of the project design. Where the project outputs are inappropriately or inaccurately stated in the ProDoc, a table should, for transparency, be provided showing the original formulation and the amended version. The achievement of outputs will be assessed in terms of both quantity and quality, and the assessment will consider their usefulness and the timeliness of their delivery. The evaluation will briefly explain the reasons behind the success or shortcomings of the project in delivering its programmed outputs and meeting expected quality standards.
- *Factors affecting this criterion may include:* preparation and readiness and quality of project management and supervision[71].

ii. Achievement of Direct Outcomes

- The achievement of direct outcomes is assessed as performance against the direct outcomes as defined in the reconstructed[72] Theory of Change (TOC). These are the first-level outcomes expected to be achieved as an immediate result of project outputs. As in 1, above, a table can be used where substantive amendments to the formulation of direct outcomes as necessary. The evaluation should report evidence of attribution between UN Environment's intervention and the direct outcomes. In cases of normative work or where several actors are collaborating to achieve common outcomes, evidence of the nature and magnitude of UN Environment's contribution should be included.
- *Factors affecting this criterion may include:* quality of project management and supervision; stakeholders' participation and cooperation; responsiveness to human rights and gender equity and communication and public awareness.

iii. Likelihood of Impact

- Based on the articulation of longer term effects in the reconstructed TOC (i.e. from direct outcomes, via intermediate states, to impact), the evaluation will assess the likelihood of the intended, positive impacts becoming a reality. Project objectives or goals should be incorporated in the TOC, possibly as intermediate states or long term impacts. The Evaluation Office's approach to the use of TOC in project evaluations is outlined in a guidance note available on the EOU website, web.unep.org/evaluation and is supported by an excel-based flow chart called, Likelihood of Impact Assessment (see Annex 1). Essentially the approach follows a 'likelihood tree' from direct outcomes to impacts, taking account of whether the assumptions and drivers identified in the reconstructed TOC held. Any

[71] In some cases 'project management and supervision' will refer to the supervision and guidance provided by UN Environment to implementing partners and national governments while in others, specifically for GEF funded projects, it will refer to the project management performance of the executing agency and the technical backstopping provided by UN Environment.

[72] UN Environment staff are currently required to submit a Theory of Change with all submitted project designs. The level of 'reconstruction' needed during an evaluation will depend on the quality of this initial TOC, the time that has lapsed between project design and implementation (which may be related to securing and disbursing funds) and the level of any changes made to the project design. In the case of projects pre-dating 2013 the intervention logic is often represented in a logical framework and a TOC will need to be constructed in the inception stage of the evaluation.

unintended positive effects should also be identified and their causal linkages to the intended impact described.

- The evaluation will also consider the likelihood that the intervention may lead, or contribute to, unintended negative effects. Some of these potential negative effects may have been identified in the project design as risks or as part of the analysis of Environmental, Social and Economic Safeguards.73
- The evaluation will consider the extent to which the project has played a catalytic role or has promoted scaling up and/or replication74 as part of its Theory of Change and as factors that are likely to contribute to longer term impact. Ultimately UN Environment and all its partners aim to bring about benefits to the environment and human well-being. Few projects are likely to have impact statements that reflect such long-term or broad-based changes. However, the evaluation will assess the likelihood of the project to make a substantive contribution to the high level changes represented by UN Environment's Expected Accomplishments, the Sustainable Development Goals[75] and/or the high level results prioritised by the funding partner.
- *Factors affecting this criterion may include:* quality of project management and supervision, including adaptive project management; stakeholders participation and cooperation; responsiveness to human rights and gender equity; country ownership and driven-ness and communication and public awareness.

E. Financial Management

- Financial management will be assessed under three broad themes: completeness of financial information, communication between financial and project management staff and compliance with relevant UN financial management standards and procedures. The evaluation will establish the actual spend across the life of the project of funds secured from all donors. This expenditure will be reported, where possible, at output level and will be compared with the approved budget. The evaluation will assess the level of communication between the Task Manager and the Fund Management Officer as it relates to the effective delivery of the planned project and the needs of a responsive, adaptive management approach. The evaluation will verify the application of proper financial management standards and adherence to UN Environment's financial management policies. Any financial management issues that have affected the timely delivery of the project or the quality of its performance will be highlighted.
- *Factors affecting this criterion may include:* preparation and readiness and quality of project management and supervision.

F. . Efficiency

- In keeping with the OECD/DAC definition of efficiency, the evaluation will assess the cost-effectiveness and timeliness of project execution. Focussing on the translation of inputs into outputs, cost-effectiveness is the extent to which an intervention has achieved, or is expected to achieve, its results at the lowest possible cost. Timeliness refers to whether planned activities were delivered according to expected timeframes as well as whether events were sequenced efficiently. The evaluation will also assess to what extent any project extension could have been avoided through stronger project management and identify any negative impacts caused by project delays or extensions. The evaluation will describe any cost or time-saving measures put in place to maximise results within the secured budget and agreed project timeframe and consider whether the project was implemented in the most efficient way compared to alternative interventions or approaches.
- The evaluation will give special attention to efforts by the project teams to make use of/build upon pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other initiatives, programmes and projects etc. to increase project

[73] Further information on Environmental, Social and Economic Safeguards (ESES) can be found at http://www.unep.org/about/eses/

[74] *Scaling up* refers to approaches being adopted on a much larger scale, but in a very similar context. Scaling up is often the longer term objective of pilot initiatives. *Replication* refers to approaches being repeated or lessons being explicitly applied in new/different contexts e.g. other geographic areas, different target group etc. Effective replication typically requires some form of revision or adaptation to the new context. It is possible to replicate at either the same or a different scale.

[75] A list of relevant SDGs is available on the EO website www.unep.org/evaluation

efficiency. The evaluation will also consider the extent to which the management of the project minimised UN Environment's environmental footprint.

- *Factors affecting this criterion may include:* preparation and readiness (e.ge. timeliness); quality of project management and supervision and stakeholders participation and cooperation.

G. . Monitoring and Reporting

- The evaluation will assess monitoring and reporting across three sub-categories: monitoring design and budgeting, monitoring of project implementation and project reporting.

i. Monitoring Design and Budgeting

- Each project should be supported by a sound monitoring plan that is designed to track progress against SMART[76] indicators towards the achievement of the projects outputs and direct outcomes, including at a level disaggregated by gender or groups with low representation. The evaluation will assess the quality of the design of the monitoring plan as well as the funds allocated for its implementation. The adequacy of resources for mid-term and terminal evaluation/review should be discussed if applicable.

ii. Monitoring of Project Implementation

- The evaluation will assess whether the monitoring system was operational and facilitated the timely tracking of results and progress towards projects objectives throughout the project implementation period. It will also consider how information generated by the monitoring system during project implementation was used to adapt and improve project execution, achievement of outcomes and ensure sustainability. The evaluation should confirm that funds allocated for monitoring were used to support this activity.

iii. Project Reporting

- UN Environment has a centralised Project Information Management System (PIMS) in which project managers upload six-monthly status reports against agreed project milestones. This information will be provided to the Evaluation Consultant(s) by the Evaluation Manager. Projects funded by GEF have specific evaluation requirements with regard to verifying documentation and reporting (i.e. the Project Implementation Reviews, Tracking Tool and CEO Endorsement template[77]), which will be made available by the Task Manager. The evaluation will assess the extent to which both UN Environment and donor reporting commitments have been fulfilled.
- *Factors affecting this criterion may include:* quality of project management and supervision and responsiveness to human rights and gender equity (e.g. disaggregated indicators and data).

H. . Sustainability

- Sustainability is understood as the probability of direct outcomes being maintained and developed after the close of the intervention. The evaluation will identify and assess the key conditions or factors that are likely to undermine or contribute to the persistence of achieved direct outcomes. Some factors of sustainability may be embedded in the project design and implementation approaches while others may be contextual circumstances or conditions that evolve over the life of the intervention. Where applicable an assessment of bio-physical factors that may affect the sustainability of direct outcomes may also be included.

i. Socio-political Sustainability

- The evaluation will assess the extent to which social or political factors support the continuation and further development of project direct outcomes. It will consider the level of ownership, interest and commitment among government and other stakeholders to take the

[76] SMART refers to indicators that are specific, measurable, assignable, realistic and time-specific.
[77] The Evaluation Consultant(s) should verify that the annual Project Implementation Reviews have been submitted, that the Tracking Tool is being kept up-to-date and that in the CEO Endorsement template Table A and Section E have been completed.

project achievements forwards. In particular, the evaluation will consider whether individual capacity development efforts are likely to be sustained.

ii. Financial Sustainability

- Some direct outcomes, once achieved, do not require further financial inputs, e.g. the adoption of a revised policy. However, in order to derive a benefit from this outcome further management action may still be needed e.g. to undertake actions to enforce the policy. Other direct outcomes may be dependent on a continuous flow of action that needs to be resourced for them to be maintained, e.g. continuation of a new resource management approach. The evaluation will assess the extent to which project outcomes are dependent on future funding for the benefits they bring to be sustained. Secured future funding is only relevant to financial sustainability where the direct outcomes of a project have been extended into a future project phase. The question still remains, as to whether the future project outcomes will be financially sustainable.

iii. Institutional Sustainability

- The evaluation will assess the extent to which the sustainability of project outcomes is dependent on issues relating to institutional frameworks and governance. It will consider whether institutional achievements such as governance structures and processes, policies, sub-regional agreements, legal and accountability frameworks etc. are robust enough to continue delivering the benefits associated with the project outcomes after project closure.

- *Factors affecting this criterion may include:* stakeholders participation and cooperation; responsiveness to human rights and gender equity (e.g. where interventions are not inclusive, their sustainability may be undermined); communication and public awareness and country ownership and driven-ness.

I. <u>Factors and Processes Affecting Project Performance</u>

- These factors are rated in the ratings table, but are discussed as cross-cutting themes as appropriate under the other evaluation criteria, above.

i. Preparation and Readiness

- This criterion focuses on the inception or mobilisation stage of the project. The evaluation will assess whether appropriate measures were taken to either address weaknesses in the project design or respond to changes that took place between project approval, the securing of funds and project mobilisation. In particular the evaluation will consider the nature and quality of engagement with stakeholder groups by the project team, the confirmation of partner capacity and development of partnership agreements as well as initial staffing and financing arrangements. (Project preparation is covered in the template for the assessment of Project Design Quality).

ii. Quality of Project Implementation and Execution

- Specifically, for GEF funded projects, this factor refers separately to the performance of the executing agency and the technical backstopping and supervision provided by UN Environment, as the implementing agency.
- The evaluation will assess the effectiveness of project management with regard to: providing leadership towards achieving the planned outcomes; managing team structures; maintaining productive partner relationships (including Steering Groups etc.); communication and collaboration with UN Environment colleagues; risk management; use of problem-solving; project adaptation and overall project execution. Evidence of adaptive project management should be highlighted.

iii. Stakeholder Participation and Cooperation

- Here the term 'stakeholder' should be considered in a broad sense, encompassing all project partners, duty bearers with a role in delivering project outputs and target users of project outputs and any other collaborating agents external to UN Environment. The assessment will

consider the quality and effectiveness of all forms of communication and consultation with stakeholders throughout the project life and the support given to maximise collaboration and coherence between various stakeholders, including sharing plans, pooling resources and exchanging learning and expertise. The inclusion and participation of all differentiated groups, including gender groups, should be considered.

iv. Responsiveness to Human Rights and Gender Equity

- The evaluation will ascertain to what extent the project has applied the UN Common Understanding on the human rights based approach (HRBA) and the UN Declaration on the Rights of Indigenous People. Within this human rights context the evaluation will assess to what extent the intervention adheres to UN Environment's Policy and Strategy for Gender Equality and the Environment.

- The report should present the extent to which the intervention, following an adequate gender analysis at design stage, has implemented the identified actions and/or applied adaptive management to ensure that Gender Equity and Human Rights are adequately taken into account. In particular, the evaluation will consider to what extent project design (section B), the implementation that underpins effectiveness (section D), and monitoring (section G) have taken into consideration: (i) possible gender inequalities in access to and the control over natural resources; (ii) specific vulnerabilities of women and children to environmental degradation or disasters; (iii) the role of women in mitigating or adapting to environmental changes and engaging in environmental protection and rehabilitation.

v. Country Ownership and Driven-ness

- The evaluation will assess the quality and degree of engagement of government / public sector agencies in the project. The evaluation will consider the involvement not only of those directly involved in project execution and those participating in technical or leadership groups, but also those official representatives whose cooperation is needed for change to be embedded in their respective institutions and offices. This factor is concerned with the level of ownership generated by the project over outputs and outcomes and that is necessary for long term impact to be realised. This ownership should adequately represent the needs and interests of all gender and marginalised groups.

vi. Communication and Public Awareness

- The evaluation will assess the effectiveness of: a) communication of learning and experience sharing between project partners and interested groups arising from the project during its life and b) public awareness activities that were undertaken during the implementation of the project to influence attitudes or shape behaviour among wider communities and civil society at large. The evaluation should consider whether existing communication channels and networks were used effectively, including meeting the differentiated needs of gender and marginalised groups, and whether any feedback channels were established. Where knowledge sharing platforms have been established under a project the evaluation will comment on the sustainability of the communication channel under either socio-political, institutional or financial sustainability, as appropriate.

Section 3. EVALUATION APPROACH, METHODS AND DELIVERABLES

- The Terminal Evaluation will be an in-depth evaluation using a participatory approach whereby key stakeholders are kept informed and consulted throughout the evaluation process. Both quantitative and qualitative evaluation methods will be used as appropriate to determine project achievements against the expected outputs, outcomes and impacts. It is highly recommended that the consultant(s) maintains close communication with the project team and promotes information exchange throughout the evaluation implementation phase in order to increase their (and other stakeholder) ownership of the evaluation findings. Where applicable, the consultant(s) should provide a geo-referenced map that demarcates the area covered by the project and, where possible, provide geo-

reference photographs of key intervention sites (e.g. sites of habitat rehabilitation and protection, pollution treatment infrastructure, etc.).

- The findings of the evaluation will be based on the following:

a) A **desk review** of:

- Relevant background documentation inter alia UN Environment Medium-Term Strategy 2010-2013 and 2014-2017 and respective programmes of work;
- Project design documents (including minutes of the project design review meeting at approval); Annual Work Plans and Budgets or equivalent, revisions to the project (Project Document Supplement), the logical framework and its budget;
- Project reports such as six-monthly progress and financial reports, progress reports from collaborating partners, meeting minutes, relevant correspondence and including the Project Implementation Reviews and Tracking Tool etc.;
- Mid-Term Evaluation of the project (September 2013);
- Evaluations/reviews of similar projects (Biodiversity in Coffee, a GEF/UNDP project).

b) **Interviews** (individual or in group) with:

- UN Environment Task Manager (TM);
- Project management team;
- UN Environment Fund Management Officer (FMO);
- Sub-Programme Coordinator;
- Project partners, including Rainforest Alliance, traders, local and national governments etc;
- Relevant resource persons.

c) **Surveys** as developed/designed during the inception phase.

d) **Field visits** – selection of countries will be finalised at the inception phase of the process.

e) **Other data collection tools** as developed during the inception phase.

11. Evaluation Deliverables and Review Procedures

- The evaluation team will prepare:
- **Inception Report**: (see Annex 1 for links to all templates, tables and guidance notes) containing an assessment of project design quality, a draft reconstructed Theory of Change of the project, project stakeholder analysis, evaluation framework and a tentative evaluation schedule.
- **Preliminary Findings Note**: typically in the form of a powerpoint presentation, the sharing of preliminary findings is intended to support the participation of the project team, act as a means to ensure all information sources have been accessed and provide an opportunity to verify emerging findings. In the case of highly strategic project/portfolio evaluations or evaluations with an Evaluation Reference Group, the preliminary findings may be presented as a word document for review and comment.
- **Draft and Final Evaluation Report:** (see links in Annex 1) containing an executive summary that can act as a stand-alone document; detailed analysis of the evaluation findings organised by evaluation criteria and supported with evidence; lessons learned and recommendations and an annotated ratings table.
- **Evaluation Bulletin**: a 2-page summary of key evaluation findings for wider dissemination through the EOU website.
- **Review of the draft evaluation report**. The evaluation team will submit a draft report to the Evaluation Manager and revise the draft in response to their comments and suggestions. Once a draft of adequate quality has been peer-reviewed and accepted, the Evaluation Manager will share the cleared draft report with the Project Manager, who will alert the Evaluation Manager in case the report contains any blatant factual errors. The Evaluation Manager will then forward revised draft report (corrected by the evaluation team where necessary) to other project stakeholders, for their review and comments. Stakeholders may

provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions as well as providing feedback on the proposed recommendations and lessons. Any comments or responses to draft reports will be sent to the Evaluation Manager for consolidation. The Evaluation Manager will provide all comments to the evaluation team for consideration in preparing the final report, along with guidance on areas of contradiction or issues requiring an institutional response.

- Based on a careful review of the evidence collated by the evaluation consultants and the internal consistency of the report, the Evaluation Manager will provide an assessment of the ratings in the final evaluation report. Where there are differences of opinion between the evaluator and the Evaluation Manager on project ratings, both viewpoints will be clearly presented in the final report. The Evaluation Office ratings will be considered the final ratings for the project.
- The Evaluation Manager will prepare a **quality assessment** of the first and final drafts of the main evaluation report, which acts as a tool for providing structured feedback to the evaluation consultants. The quality of the report will be assessed and rated against the criteria specified in template listed in Annex 1 and this assessment will be appended to the Final Evaluation Report.

- At the end of the evaluation process, the Evaluation Office will prepare a **Recommendations Implementation Plan** in the format of a table, to be completed and updated at regular intervals by the Task Manager. The Evaluation Office will track compliance against this plan on a six monthly basis.

12. The consultants' team

- For this evaluation, the evaluation team will consist of a Team Leader and one Supporting Consultant who will work under the overall responsibility of the Evaluation Office represented by an Evaluation Manager, Neeral Shah, in consultation with the UN Environment Task Manager Ersin Esen, Fund Management Officer Paul Vontramitis and the Sub-programme Coordinators of the Ecosystems Management, Niklas Hagelberg. The consultants will liaise with the Evaluation Manager on any procedural and methodological matters related to the evaluation. It is, however, the consultants' individual responsibility to arrange for their visas and immunizations as well as to plan meetings with stakeholders, organize online surveys, obtain documentary evidence and any other logistical matters related to the assignment. The UN Environment Task Manager and project team will, where possible, provide logistical support (introductions, meetings etc.) allowing the consultants to conduct the evaluation as efficiently and independently as possible.
- The Team Leader will be hired for 6 months spread over the period November 2017 to April 2018 and should have: an advanced university degree in environmental sciences, international development or other relevant political or social sciences area; a minimum of 10 years of technical / evaluation experience, including of evaluating large, regional or global programmes and using a Theory of Change approach; a broad understanding of the cocoa industry; proficiency in French and Spanish along with excellent writing skills in English; team leadership experience and, where possible, knowledge of the UN system, specifically of the work of UN Environment. The Supporting Consultant will be hired for 6 months spread over the period November 2017 to April 2018] and should have: an undergraduate university degree in environmental sciences, international development or other relevant political or social sciences area; a minimum of 10 years of technical/monitoring/evaluation experience; a broad understanding of [cocoa industry; proficiency in French or Spanish along with excellent writing skills in English and, where possible, knowledge of the UN system, specifically of the work of UN Environment. Experience in managing partnerships, knowledge management and communication is desirable for all evaluation consultants.
- The Team Leader will be responsible, in close consultation with the Evaluation Office of UN Environment, for overall management of the evaluation and timely delivery of its outputs, described above in Section 11 Evaluation Deliverables, above. The Supporting Consultant will make substantive and high quality contributions to the evaluation process and outputs. Both

consultants will ensure together that all evaluation criteria and questions are adequately covered.

- Specifically Evaluation Team members will undertake the following:

Specific Responsibilities for Team Leader:

- The Team Leader will be responsible, in close consultation with the Evaluation Manager, for overall management of the evaluation and timely delivery of its outputs, described above in Section 11 Evaluation Deliverables.

Managing relations, including:
- maintain a positive relationship with evaluation stakeholders, ensuring that the evaluation process is as participatory as possible but at the same time maintains its independence;
- communicate in a timely manner with the Evaluation Manager on any issues requiring its attention and intervention.

Inception phase of the evaluation, including:
- preliminary desk review and introductory interviews with project staff;
- draft the reconstructed Theory of Change of the project;
- prepare the evaluation framework;
- develop the desk review and interview protocols;
- draft the survey protocols (if relevant);
- develop and present criteria for country and/or site selection for the evaluation mission;
- plan the evaluation schedule;
- prepare the Inception Report, incorporating comments until approved by the Evaluation Manager

Data collection and analysis phase of the evaluation, including:
- conduct further desk review and in-depth interviews with project implementing and executing agencies, project partners and project stakeholders;
- (where appropriate and agreed) conduct an evaluation mission(s) to selected countries, visit the project locations, interview project partners and stakeholders, including a good representation of local communities. Ensure independence of the evaluation and confidentiality of evaluation interviews.
- regularly report back to the Evaluation Manager on progress and inform of any possible problems or issues encountered and;
- keep the Project/Task Manager informed of the evaluation progress and engage the Project/Task Manager in discussions on emerging findings throughout the evaluation process.

Reporting phase, including:
- draft the Main Evaluation Report, ensuring that the evaluation report is complete, coherent and consistent with the Evaluation Manager guidelines both in substance and style;
- liaise with the Evaluation Manager on comments received and finalize the Main Evaluation Report, ensuring that comments are taken into account until approved by the Evaluation Manager
- prepare a Response to Comments annex for the main report, listing those comments not accepted by the Evaluation Consultant and indicating the reason for the rejection; and

Specific Responsibilities for the Supporting Consultant:

- The Supporting Consultant will make substantive and high quality contributions to the evaluation process and outputs. Both consultants will ensure together that all evaluation criteria and questions are adequately covered.

Inception phase of the evaluation, including:
- preliminary desk review and introductory interviews with project staff;
- contribute towards the draft reconstructed Theory of Change of the project;
- prepare the evaluation framework;

- develop the desk review and interview protocols;
- draft the survey protocols (if relevant);
- develop and present criteria for country and/or site selection for the evaluation mission;
- contribute towards the plan of the evaluation schedule;
- contribute towards the preparation of the Inception Report, incorporating comments until approved by the Evaluation Manager

Data collection and analysis phase of the evaluation, including:

- conduct further desk review and in-depth interviews with project implementing and executing agencies, project partners and project stakeholders;
- (where appropriate and agreed) conduct an evaluation mission(s) to selected countries, visit the project locations, interview project partners and stakeholders, including a good representation of local communities. Ensure independence of the evaluation and confidentiality of evaluation interviews.

Reporting phase, including:

- contribute towards the Main Evaluation Report, ensuring that the evaluation report is complete, coherent and consistent with the Evaluation Manager guidelines both in substance and style;
- prepare a Response to Comments annex for the main report, listing those comments not accepted by the Evaluation Consultant and indicating the reason for the rejection; and
- prepare a 2-page summary of the key evaluation findings and lessons;

Annex X. Summary of the main country results to build sustainable agriculture and conserve biodiversity hotspots

Country	Project location & Features	Project Partners	Governance	Number of farmers included	Services brought by project	Impact	Sustainability
Ivory Coast	Zagne Province, Tai National Park Goal: preserve the Tai National Park	CEFCA,GIZ,OIPR, Barry Callebaut, Wild Chimpanzee Foundation	MoU signed. Steering Committee in Abidjan twice per year, Technical Committee in Tai.	5 cooperatives initially, 2 cooperatives (897 farmers) at the end	Training of farmers and cooperatives Awareness raising on Tai National park, 131,756 Shade trees 131,756 Shade trees 90,000 Cocoa plants Mapping of fields	Renovation of 60 hectares of cocoa 131,756 Shade trees Improved practices and yields Protection of Tai Park	The ongoing commitment of Barry Callebaut ensures continuity
	Tai and Yakasse Region: Test of the sustainable Yield Module	CEFCA, Mars, Cemoi, IDH		120 farmers (40 in each province)	Individual coaching of farmers on sustainability and productivity practices	Overall productivity increase by 80 % although variable with regions	
Ghana	Jua Baeso	Olam, Forestry Commission, COCOBOD	MoU Signed, Landscape Approach with set up of Landscape Management Board	10 communities at start extending to34 (3400 Farmers) with 15,000 farmers in landscape trained generally of GAP by Cocobod	Mapping on fields Training on smart agriculture Climate	2847 Farms certified (6,052 ha) and SAN Climate module Verified 50,940 shade trees planted 15 % yield increase, about + 20 % income	The ongoing commitment of Olam ensures some continuity
	Kakum Family Life project - test the ""beyond certification" RA concept	Olam/Laderach	MoU RA/ Laderach	200 farmers, in 5 communities	train on productivity and diversification of income investment in infrastructure (e.g. borehole)	Increase Income	Ongoing Laderach Support
Nigeria	Kanyang site in Cross RIver State (Biodiversity project Additional state (Ondo and Oyo reached building on a USAID project)	Conservation Alliance Nigeria, Cocoa Farmers Association (COFA),		Kayang (Cross River State) : 1000 farmers in 9 communities Ondo State (13,500) Oyo State (6,000)	Training on SAN Standard Awareness raising on biodiversity, climate change, social issues Support to producer group (especially COFA)- Started support in Fish farming	Training: 19,500 farmers, 49 extension agents Improvement of fermentation technologies, 4,748 hectares, 1,804 MT of cocoa	Continuing support of Conservation Agriculture, Challenge to have interest of traders
		Olam		4 groups of farmers (coops and unorganized farmers)		Certification achieved	

Madagascar		AFDI Picardie, Union de Cooperatives de Lanzan'ny Sambirano (UCLS)	Good relationships with partners but no MoU signed	3 cooperatives	Training on SAN, cocoa productivity Training to strengthen Coop IMS Tree replanting of degraded land Investment in restoring water access and treatment	Certified as Organic, and not yet RA. Found 1 buyer with Ethiquable, and potentially Cocoaconnect that would enable to invest in RA certification if sufficient volume.	Link with Buyer should enhance sustainability of project, but additional funding needed
Indonesia	Baenteng , South Sulawesi	Mars, RA Indonesia Cocoa Associate, ICCRI	Contracting and training trainers from University	Training of 2800 farmers, 2 cooperatives (2013), and of 8,000 farmers, 200 farmers groups (2015)	Training or trainers and farmers using SAN content, trainers' methodology - Specific studies done: Baseline map of land use, including natural ecosystem extent indicator for Jiem-Jiem and Lala communities in buffer zone of Ulu Mason National Park in Aceh and Bantaeng in South Sulawesi	35 buyer companies certified Small bear protected Sample *Farmer agriculture capacity score* increased from 51% to 76% in South Sulawezi over 2015-2016	
	Central Sulawesi, Poso			872 new farmers Still need more trainers in Pan Su			
Papua New Guinea					Only general training	3922 Ha certified in the country	
Brazil	Serra Bonita, a private protected area in southern Bahia	Imaflora, Original Beans	Grant agreements	200 farmers	cooperative administrators trained on GAP / GMP, 1 cooperative (300 members) strengthened, 10 ha cocoa agro-forestry implemented	Adoption of GAP in cocoa production and processing 10 hectares cocoa agro-forestry implemented	Integration of assistance to cocoa producers into the reforestation programme
		Imaflora, cooperativa Mista dos Pequenos Productores do Alto Xingu (CAMPPAX)	Grant agreements	200 farmers trained 25 farmers,	100 ha of cocoa agroforestry and 122.4 ha of protected areas (riparian forests), 36 ha of improved silvo-pastoral systems, 12 local nurseries (6000 native tree species seedlings)	Reforestation of degraded areas	
Ecuador	Napo Region	Natura Plus, Transmar, coop Winak	Training contract	Training in 4 sites of 153 farmers from 20 indigenous communities , 25 technical staff from cooperatives	Coop Winak : focus on increased productivity	Good agricultural practices implemented by farmers 18 farmers' association SAN certified	

				and export companies			
	Napo	Natura Plus			(Activity 50)PES /Environment Communication campaign	Mesa técnica established in collaboration with Parque Nacional Sumaco – Napo Ruta del cacao established encouraging rural tourism	Continuation of activities by local partners, focus on indigenous communities
Peru	Mangatoni National Sanctuary	Servicio Nacional de Áreas Naturales Protegidas por el Estado (SERNANP) Quillabamba	Meeting with RA to design awareness raising workshop	21 local level groups in Quellouno and Ivochote municipalities Participation to World Cocoa Conference in the Dominican Republic in May 2016	(Activity 50) Ivochote (Peru) Awareness raising on environmental convervation in the buffer zone of Megantoni protected area (park regulation, management of fire)	Trained armers not exploiting protected area	Georeferenced farm boundaries Institutional collaboration of farmers to be developed
	RA	Contracted trainers	Training events (2017)	North, Center and South region	12 cooperatives assisted, 100 technicians and 1,500 farmers trained on GAP and SAN	Shading, soil coverage, grafting, reduced use of agro-chemicals, reduced water contamination from cocoa bean processing	Trainers and auditors sharing capacities in SAN/UTZ, Organic, FairTrade Mesas técnicas screen, mainstream innovation to farmers
		Local companies CAC Oro Verde, ASPROC, Cooperativa Progreso and Amazonas Trading		Invested in Cocoa farms for SAN certification			Group administrators ensure farmers' compliance of SAN standards
Dominican Republic					8 technicians trained on SAN	28 239 ha certified in the country	

Annex XI. Quality Assessment of the Evaluation Report

Evaluation Title:

Greening the Cocoa Industry GEF 3077

All UN Environment evaluations are subject to a quality assessment by the Evaluation Office. This is an assessment of the quality of the evaluation product (i.e. evaluation report) and is dependent on more than just the consultant's efforts and skills. Nevertheless, the quality assessment is used as a tool for providing structured feedback to evaluation consultants, especially at draft report stage. This guidance is provided to support consistency in assessment across different Evaluation Managers and to make the assessment process as transparent as possible.

	UN Environment Evaluation Office Comments	Final Report Rating
Substantive Report Quality Criteria		
Quality of the Executive Summary: The Summary should be able to stand alone as an accurate summary of the main evaluation product. It should include a concise overview of the evaluation object; clear summary of the evaluation objectives and scope; overall evaluation rating of the project and key features of performance (strengths and weaknesses) against exceptional criteria (plus reference to where the evaluation ratings table can be found within the report); summary of the main findings of the exercise, including a synthesis of main conclusions (which include a summary response to key strategic evaluation questions), lessons learned and recommendations.	Final report:	5
I. Introduction A brief introduction should be given identifying, where possible and relevant, the following: institutional context of the project (sub-programme, Division, regions/countries where implemented) and coverage of the evaluation; date of PRC approval and project document signature); results frameworks to which it contributes (e.g. Expected Accomplishment in POW); project duration and start/end dates; number of project phases (where appropriate); implementing partners; total secured budget and whether the project has been evaluated in the past (e.g. mid-term, part of a synthesis evaluation, evaluated by another agency etc.) Consider the extent to which the introduction includes a concise statement of the purpose of the evaluation and the key intended audience for the findings?	Final report:	5

II. Evaluation Methods This section should include a description of how the *TOC at Evaluation*[78] was designed (who was involved etc.) and applied to the context of the project? A data collection section should include: a description of evaluation methods and information sources used, including the number and type of respondents; justification for methods used (e.g. qualitative/ quantitative; electronic/face-to-face); any selection criteria used to identify respondents, case studies or sites/countries visited; strategies used to increase stakeholder engagement and consultation; details of how data were verified (e.g. triangulation, review by stakeholders etc.). Methods to ensure that potentially excluded groups (excluded by gender, vulnerability or marginalisation) are reached and their experiences captured effectively, should be made explicit in this section. The methods used to analyse data (e.g. scoring; coding; thematic analysis etc.) should be described. It should also address evaluation limitations such as: low or imbalanced response rates across different groups; gaps in documentation; extent to which findings can be either generalised to wider evaluation questions or constraints on aggregation/disaggregation; any potential or apparent biases; language barriers and ways they were overcome. Ethics and human rights issues should be highlighted including: how anonymity and confidentiality were protected and strategies used to include the views of marginalised or potentially disadvantaged groups and/or divergent views.	Final report:	5
III. The Project This section should include: • *Context:* Overview of the main issue that the project is trying to address, its root causes and consequences on the environment and human well-being (i.e. synopsis of the problem and situational analyses). • *Objectives and components*: Summary of the project's results hierarchy as stated in the ProDoc (or as officially revised) • *Stakeholders:* Description of groups of targeted stakeholders organised according to relevant common characteristics • *Project implementation structure and partners:* A description of the implementation structure with diagram and a list of key project partners • *Changes in design during implementation:* Any key events that affected the project's scope or parameters should be described in brief in chronological order	Final report:	5

[78] During the Inception Phase of the evaluation process a *TOC at Design* is created based on the information contained in the approved project documents (these may include either logical framework or a TOC or narrative descriptions). During the evaluation process this TOC is revised based on changes made during project intervention and becomes the *TOC at Evaluation*.

• *Project financing:* Completed tables of: (a) budget at design and expenditure by components (b) planned and actual sources of funding/co-financing		
IV. Theory of Change The TOC at Evaluation should be presented clearly in both diagrammatic and narrative forms. Clear articulation of each major causal pathway is expected, (starting from outputs to long term impact), including explanations of all drivers and assumptions as well as the expected roles of key actors. Where the project results as stated in the project design documents (or formal revisions of the project design) are not an accurate reflection of the project's intentions or do not follow OECD/DAC definitions of different results levels, project results may need to be re-phrased or reformulated. In such cases, a summary of the project's results hierarchy should be presented for: a) the results as stated in the approved/revised Prodoc logframe/TOC and b) as formulated in the TOC at Evaluation. *The two results hierarchies should be presented as a two column table to show clearly that, although wording and placement may have changed, the results 'goal posts' have not been 'moved'.*	Final report:	5
V. Key Findings **A. Strategic relevance:** This section should include an assessment of the project's relevance in relation to UN Environment's mandate and its alignment with UN Environment's policies and strategies at the time of project approval. An assessment of the complementarity of the project with other interventions addressing the needs of the same target groups should be included. Consider the extent to which all four elements have been addressed: v. Alignment to the UN Environment Medium Term Strategy (MTS) and Programme of Work (POW) vi. Alignment to UN Environment/ Donor/GEF Strategic Priorities vii. Relevance to Regional, Sub-regional and National Environmental Priorities viii. Complementarity with Existing Interventions	Final report:	5
B. Quality of Project Design To what extent are the strength and weaknesses of the project design effectively <u>summarized</u>?	Final report: A good summary of the strengths and weaknesses.	6
C. Nature of the External Context For projects where this is appropriate, key <u>external</u> features of the project's implementing context that limited the project's	Final report:	5

performance (e.g. conflict, natural disaster, political upheaval), and how they affected performance, should be described.		
D. Effectiveness **(i) Outputs and Direct Outcomes:** How well does the report present a well-reasoned, complete and evidence-based assessment of the a) delivery of outputs, and b) achievement of direct outcomes? How convincing is the discussion of attribution and contribution, as well as the constraints to attributing effects to the intervention. The effects of the intervention on differentiated groups, including those with specific needs due to gender, vulnerability or marginalisation, should be discussed explicitly.	Final report: A systematic approach together with a thorough narrative that was well reasoned and evidence based, including discussions on gender, vulnerability and marginalisation of people was presented.	6
(ii) Likelihood of Impact: How well does the report present an integrated analysis, guided by the causal pathways represented by the TOC, of all evidence relating to likelihood of impact? How well are change processes explained and the roles of key actors, as well as drivers and assumptions, explicitly discussed? Any unintended negative effects of the project should be discussed under Effectiveness, especially negative effects on disadvantaged groups.	Final report: The unintended results/growing trends were especially 5well discussed within the narrative.	5
E. Financial Management This section should contain an integrated analysis of all dimensions evaluated under financial management and include a completed 'financial management' table. Consider how well the report addresses the following: • *completeness* of financial information, including the actual project costs (total and per activity) and actual co-financing used • *communication* between financial and project management staff	Final report: *(if this section is rated poorly as a result of limited financial information from the project, this is not a reflection on the consultant per se, but will affect the quality of the evaluation report)*	5
F. Efficiency To what extent, and how well, does the report present a well-reasoned, complete and evidence-based assessment of efficiency under the primary categories of cost-effectiveness and timeliness including: • Implications of delays and no cost extensions • Time-saving measures put in place to maximise results within the secured budget and agreed project timeframe • Discussion of making use of/building on pre-existing institutions, agreements and partnerships, data sources, synergies and complementarities with other initiatives, programmes and projects etc.	Final report:	5

• The extent to which the management of the project minimised UN Environment's environmental footprint.		
G. Monitoring and Reporting How well does the report assess: • Monitoring design and budgeting *(including SMART indicators, resources for MTE/R etc.)* • Monitoring of project implementation *(including use of monitoring data for adaptive management)* • Project reporting *(e.g. PIMS and donor report)*	Final report:	5
H. Sustainability How well does the evaluation identify and assess the key conditions or factors that are likely to undermine or contribute to the persistence of achieved direct outcomes including: • Socio-political Sustainability • Financial Sustainability • Institutional Sustainability	Final report:	5
I. Factors Affecting Performance These factors are <u>not</u> discussed in stand-alone sections but are **integrated in criteria A-H as appropriate**. Note that these are described in the Evaluation Criteria Ratings Matrix. To what extent, and how well, does the evaluation report cover the following cross-cutting themes: • Preparation and readiness • Quality of project management and supervision[79] • Stakeholder participation and co-operation • Responsiveness to human rights and gender equity • Country ownership and driven-ness • Communication and public awareness	Final report:	5
VI. Conclusions and Recommendations **i. Quality of the conclusions:** The key strategic questions should be clearly and succinctly addressed within the conclusions section. It is expected that the conclusions will highlight the main strengths and weaknesses of the project, and connect them in a compelling story line. Human rights and gender dimensions of the intervention (e.g. how these dimensions were considered, addressed or impacted on) should be discussed explicitly. Conclusions, as well as lessons and recommendations, should be consistent with the	Final report:	6

[79] In some cases 'project management and supervision' will refer to the supervision and guidance provided by UN Environment to implementing partners and national governments while in others, specifically for GEF funded projects, it will refer to the project management performance of the executing agency and the technical backstopping provided by UN Environment.

evidence presented in the main body of the report.		
ii) Quality and utility of the lessons: Both positive and negative lessons are expected and duplication with recommendations should be avoided. Based on explicit evaluation findings, lessons should be rooted in real project experiences or derived from problems encountered and mistakes made that should be avoided in the future. Lessons must have the potential for wider application and use and should briefly describe the context from which they are derived and those contexts in which they may be useful.	Final report:	5
iii) Quality and utility of the recommendations: To what extent are the recommendations proposals for specific action to be taken by identified people/position-holders to resolve concrete problems affecting the project or the sustainability of its results? They should be feasible to implement within the timeframe and resources available (including local capacities) and specific in terms of who would do what and when. At least one recommendation relating to strengthening the human rights and gender dimensions of UN Environment interventions, should be given. Recommendations should represent a measurable performance target in order that the Evaluation Office can monitor and assess compliance with the recommendations.	Final report:	5
VII. Report Structure and Presentation Quality		
i) Structure and completeness of the report: To what extent does the report follow the Evaluation Office guidelines? Are all requested Annexes included and complete?	Final report:	5
ii) **Quality of writing and formatting:** Consider whether the report is well written (clear English language and grammar) with language that is adequate in quality and tone for an official document? Do visual aids, such as maps and graphs convey key information? Does the report follow Evaluation Office formatting guidelines?	Final report:	5
OVERALL REPORT QUALITY RATING		**5.1**

A number rating 1-6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1. The overall quality of the evaluation report is calculated by taking the mean score of all rated quality criteria.

At the end of the evaluation, compliance of the evaluation process against the agreed standard procedures is assessed, based on the table below. *All questions with negative compliance must be explained further in the table below.*

Evaluation Process Quality Criteria	**Compliance**	
	Yes	**No**
Independence:		
1. Were the Terms of Reference drafted and finalised by the Evaluation Office?	**Y**	
2. Were possible conflicts of interest of proposed Evaluation Consultant(s) appraised and addressed in the final selection?	**Y**	
3. Was the final selection of the Evaluation Consultant(s) made by the Evaluation Office?	**Y**	
4. Was the evaluator contracted directly by the Evaluation Office?	**Y**	
5. Was the Evaluation Consultant given direct access to identified external stakeholders in order to adequately present and discuss the findings, as appropriate?	**Y**	
6. Did the Evaluation Consultant raise any concerns about being unable to work freely and without interference or undue pressure from project staff or the Evaluation Office?	**Y**	
7. If Yes to Q6: Were these concerns resolved to the mutual satisfaction of both the Evaluation Consultant and the Evaluation Manager?		
Financial Management:		
8. Was the evaluation budget approved at project design available for the evaluation?	**Y**	
9. Was the final evaluation budget agreed and approved by the Evaluation Office?	**Y**	
10. Were the agreed evaluation funds readily available to support the payment of the evaluation contract throughout the payment process?	**Y**	
Timeliness:		
11. If a Terminal Evaluation: Was the evaluation initiated within the period of six months before or after project operational completion? Or, if a Mid Term Evaluation: Was the evaluation initiated within a six-month period prior to the project's mid-point?	**Y**	
12. Were all deadlines set in the Terms of Reference respected, as far as unforeseen circumstances allowed?	**Y**	
13. Was the inception report delivered and reviewed/approved prior to commencing any travel?	**Y**	
Project's engagement and support:		
14. Did the project team, Sub-Programme Coordinator and identified project stakeholders provide comments on the evaluation Terms of Reference?	**Y**	
15. Did the project make available all required/requested documents?	**Y**	
16. Did the project make all financial information (and audit reports if applicable) available in a timely manner and to an acceptable level of completeness?	**Y**	
17. Was adequate support provided by the project to the evaluator(s) in planning and conducting evaluation missions?	**Y**	
18. Was close communication between the Evaluation Consultant, Evaluation Office and project team maintained throughout the evaluation?	**Y**	
19. Were evaluation findings, lessons and recommendations adequately discussed with the project team for ownership to be established?	Y	

20. Did the project team, Sub-Programme Coordinator and any identified project stakeholders provide comments on the draft evaluation report?	**Y**	
Quality assurance:		
21. Were the evaluation Terms of Reference, including the key evaluation questions, peer-reviewed?	**Y**	
22. Was the TOC in the inception report peer-reviewed?	**Y**	
23. Was the quality of the draft/cleared report checked by the Evaluation Manager and Peer Reviewer prior to dissemination to stakeholders for comments?	**Y**	
24. Did the Evaluation Office complete an assessment of the quality of both the draft and final reports?	**Y**	
Transparency:		
25. Was the draft evaluation report sent directly by the Evaluation Consultant to the Evaluation Office?	**Y**	
26. Did the Evaluation Manager disseminate (or authorize dissemination) of the cleared draft report to the project team, Sub-Programme Coordinator and other key internal personnel (including the Reference Group where appropriate) to solicit formal comments?	**Y**	
27. Did the Evaluation Manager disseminate (or authorize dissemination) appropriate drafts of the report to identified external stakeholders, including key partners and funders, to solicit formal comments?	**Y**	
28. Were all stakeholder comments to the draft evaluation report sent directly to the Evaluation Office	**Y**	
29. Did the Evaluation Consultant(s) respond adequately to all factual corrections and comments?	**Y**	
30. Did the Evaluation Office share substantive comments and Evaluation Consultant responses with those who commented, as appropriate?	**Y**	

Provide comments / explanations / mitigating circumstances below for any non-compliant process issues.

Process Criterion Number	**Evaluation Office Comments**