

Implementation Plan of Recommendations

Project Title and Reference No.: Supply Change: Promoting Reduction of Deforestation Impacts of Commodity Supply Chains' (GEF ID 9858) (2018-2020)
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	PLANS			
RECOMMENDATIONS	ACCEPTED (YES/NO/PARTIALLY)	WHAT WILL BE DONE?	EXPECTED COMPLETION DATE	REPOSIBLE OFFICER/ UNIT/ DIVISION/ AGENCY
<p>Clarity in Project design elements were not aligned with the operational plans. The Forest Trends Supply Change team did not recognize the importance of project design elements and its implication for building an operational model that had a global scope. This resulted in gaps of reporting. These design elements needed to be built early in the project cycle. Planning project design elements from the onset of the project cycle given that it is a digital data driven platform that is tracking and reporting indices in the environmental landscape was key. The first phase terminal review also</p>	Yes	<p>It's important to note that gaps in reporting could also be attributed to gaps in data and transparency, which is always a factor in this type of tracking. Additionally, the research required an active role in tracking data so that also could have been discussed earlier to address resource and reporting gaps that occurred down the line.</p> <p>As the Supply Change Initiative continues to explore its next phase of development, the team can work with GEF and UNEP to ensure alignment in the project design.</p> <p>For example, should Supply Change receive additional funding, the team will consult with colleagues at GEF and UNEP to provide feedback on the proposed design elements for the next phase of the data platform. This would also include collaborating more closely at the inception of the project work to develop the</p>	October 31, 2024	Forest Trends, Supply Change Initiative

Management-Led Terminal Review, UNEP

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recommended the formulation of a more appropriate business model for tracking results. UNEP needed to play a stronger oversight role in questioning project design elements and raising its importance given the context of the growing global scope of the project with Forest Trends.		<p>workplan including timelines for reporting and deliverables, and establish regular check-in discussions to ensure that the work is progressing as expected.</p> <p>In order to advance this work, it's important to note that Supply Change would require additional funding to support the necessary staff time and technical resources.</p>		
<p>Building Financial Sustainability early in the project cycle: Measures to build financial sustainability given the importance of a platform should have been tackled early in the project cycle. Typically, the conceptualization of a digital platform like that of Supply Change demanded a dedicated conceptualization of a strategy, and scoping effort to try and source viable financing options for ongoing operationalization and building of staffing and protocols linked to project design. Discussions with both UNEP and Forest Trends</p>	Yes	<p>It is key for the sustainability of this platform that a sustainable financing model is defined and implemented in order to ensure the success of the project and platform.</p> <p>In several instances maintaining and updating the platform was more resource intensive than imagined. Given the limited funding and staff hours currently inhibiting these plans, the team is committed to ensuring that the next phase has long-term financial sustainability.</p> <p>For example, this will include adapting the research process to reflect the limited resources available while also collecting and publishing data points that are most relevant to the realities of corporate disclosures and for which donor</p>	October 31, 2024	Forest Trends, Supply Change Initiative

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indicated that exploring financing opportunities with the GEF 7 proved to be quite difficult.		<p>organizations are most interested in providing funding.</p> <p>Moving forward, Supply Change would welcome the opportunity to discuss future financing for forthcoming projects from the GEF and UNEP, or other related initiatives.</p>		
<p>UNEP as the implementing agency needed to play a stronger oversight role in emphasizing the importance of and the responsibility of Forest Trends as an Executing Agency, to contributing to and participating in a GEF funded project in a timely manner throughout the GEF grant cycle and its requirements. It is more than likely that GEF and the UNEP as likely to be financing several more forthcoming projects that are built around the support of digital platforms in the sectoral space going forward.</p>	Yes	<p>Whether or not Supply Change receives additional funding for this work, the team recognizes the value of this partnership, and will seek feedback from our GEF and UNEP colleagues on future phases of the Supply Change platform.</p> <p>As mentioned previously, should Supply Change receive additional funding from the GEF the team will collaborate more closely with UNEP at the inception of the project. For example, the SC team would like to implement regular meetings and check-ins with the UNEP project team to ensure open lines of communication and collaboration to make sure the project progresses forward successfully and effectively.</p>	October 31, 2024	Forest Trends, Supply Change Initiative

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The following is a summary of lessons learned from some of the project’s experiences and based upon explicit findings of the review. They briefly describe the context from which the lessons are derived, and the potential for wider application:

<p>Lesson Learned #1:</p>	<p>The importance of greater transparency in Company reporting a critical element of progress: The 2020 PIR states that “the SC project and related deliverables documented measurable growth in company commitments to address commodity-driven deforestation but found that these ambitions were not achieving the desired impacts on the ground. Trends showed that many companies struggled to map and trace their commodity volumes back to the origin, thereby limiting their ability to report comprehensive and accurate progress toward their overall commitments.</p> <p>When faced with supply chain complexity, a growing number of leading companies began to report on innovative implementation approaches to risk management, supplier engagement and incentives, and monitoring. Recognizing that they cannot achieve their commitments alone, companies have begun prioritizing innovative multi-stakeholder solutions and adopting more rigorous and aligned industry standards. Ultimately, greater transparency in company reporting will be needed to achieve accountability such that investors, consumers, governments, and buyer can all differentiate sustainability leaders from laggards.” This lesson remains integral to the functioning of the platform going forward.</p>
<p>Context/comment:</p>	<p>Fully agree. Greater transparency in company reporting should be requested.</p>

<p>Lesson Learned #2:</p>	<p>Engaging in the right partnerships with foresight: The Supply Change project sought to build partnerships with likeminded US based agencies working in the environment and deforestation landscape. An important element missing from the strategy adopted by the project was to build partnerships with a global scope and not limit itself to the US based agencies working in the same area of expertise as Forest Trends. Identifying stakeholders with a global scope and with financing innovative approaches and solutions in data management, tracking and reporting of commodity supply chains seemed to be a missed opportunity. All the partnerships were built with US based agencies and organizations in the West, despite its global scope. Additionality could have been built by identifying agencies with headquarters in Asia, and other regions, to allow for growth. Given the fact that the project had two phases, this could have been built into the planning cycle in foresight.</p>
<p>Context/comment:</p>	<p>Fully agree. The partnership list should be extended and allow a global scope engagement.</p>

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Lesson Learned #3:	Importance of integrating financing planning early in the project cycle: Given the short-term nature of the GEF financing, it would have been appropriate for the Supply Change Management team to think through options for additional financing measures early in the project cycle. Typically financing by the GEF is also known to result in enhanced cooperation opportunities and building of analytical depth into project profiles. Evidence of this seemed spotty at best. Identifying financing opportunities in the form of grants-based assistance from Multilateral Development Banks like the Asian Development Bank, the Islamic Development Bank, the Inter-American Development Bank, the Asian Bank for Infrastructure, etc. are options worth considering going forward.
Context/comment:	Agree. Financial sustainability should be built early in the project cycle.

Lesson Learned #4:	Documenting the challenges faced in the event of a Pandemic or disaster even for a platform that is dependent on information and reporting with a global scope. The reporting by the Supply Change team states that the project did not face any risks and that COVID did not have any impact on the functioning of the project given that it was a platform. However, it is important to note that the Pandemic, did have an effect on project profiles and information flows especially coming in from the Global South and from other agencies, however, this was not recorded by the team in its reporting but was mentioned during the course of discussions with team members and with other stakeholders.
Context/comment:	Agree. The limitation with information flows due to COVID pandemic should be recorded accordingly.

Lesson Learned #5:	The UNEP Role as an implementing agency that drives strategic planning and “purpose driven sustainability” in the GEF cycle: The GEF team from UNEP played a seminal role in the Supply Change Phase 2 Project “Promoting Reduction of Deforestation Impacts of Commodity Supply Chains”. Throughout the Second Phase of the GEF 9858-Supply Change project, the leadership provided by the GEF team was evident in the reporting and documentation of the Project implementation processes from commencement to completion. The quality of assistance in the form of technical backstopping and supervision arrangements were exemplary and timely throughout the second phase and very obvious with the reporting project profiles. The efforts were built around sound scientific knowledge, the collection and sharing of best practices, lessons learned, and innovative solutions to common problems across the area of the promotion of reduction of deforestation impacts of commodity supply chains, and the promotion of learning, among likeminded agencies, implementing agencies and
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	identified partners. The role of the Implementing Agency, in the Supply Change project was directed and “purpose-driven” leadership that was designed to build sustainability through a collaborative, shared leadership environment.
Context/comment:	Agree. UNEP’s role should be focused on leadership ensuring and driving strategic planning.