



GOOD
GROWTH
PARTNERSHIP



Generating Responsible Demand for Reduced Deforestation Commodities

Child Project ID: 9182 / WWF ID - G0008

WWF-GEF Midterm Evaluation (MTE)

Final Report

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Project Summary Table

PROJECT DATA	
Project/Program Title	Generating Responsible Demand for Reduced Deforestation Commodities
GEF Project ID	9182 (Child Project ID); 9072 (Program ID)
WWF (Agency) Project ID	G0008
Implementing Agency(s)	WWF GEF Project Agency
Executing Agency	WWF Markets
Executing Partner(s)	TRASE, Proforest, WWF-Indonesia, WWF-Singapore, WWF-Brazil
Countries	Brazil, Sierra Leone, Indonesia, Paraguay
Focal Area(s)	BD, LD, SFM
GEF Operational Program	GEF-6
Total GEF Approved Budget	\$8,098,060
Total Co-financing Approved	\$42,334,902
RELEVANT DATES	
CEO Endorsement/Approval	1/27/2017
Agency Approval Date	3/27/2017
Implementation Start	4/1/2017
Project Completion Date (proposed or actual)	3/31/2021

Executive Summary

Project description

Demand for agricultural commodities such as oil palm, soy, and beef has resulted in large scale conversion of tropical forests and grasslands. Commercial agriculture alone represents two thirds of tropical deforestation. While initiatives such as the New York Declaration of Forests, CBD and UNFCCC, as well as corporate commitments, have addressed, and continue to address, major threats and barriers for global forest and grassland conservation - especially in the scope of the critical biomes impacted by deforestation for oil palm, soy, and beef production - critical issues and gaps hinder further success. The GEF Commodities Integrated Approach Program, renamed Good Growth Partnership, has been launched to address these gaps, and strengthen global capacity to leverage demand, transactions and production in an integrated way to deliver reduced deforestation commodities.

The objective of the Demand project is to “*strengthen the enabling environment and public and private sector demand for reduced deforestation commodities in priority markets*”. Its goal is to drive demand of reduced deforestation commodities. The Project aims to strengthen reduced deforestation supply chains for oil palm, soy, and beef by focusing on demand actors. It has five interrelated components that include: (1) mainstreaming demand for reduced deforestation commodities with major buyers and traders; (2) strengthening the enabling environment for reduced deforestation commodities in demand markets; (3) promoting reduced deforestation commodities in major markets; (4) advancing supply chain transparency, traceability & decision support tools; and, (5) Monitoring and Evaluation.

Summary of conclusions, ratings, recommendations and lessons.

The project has made good but uneven progress at Midterm. It has already provided major transformative impact on the ground, that will need to be further strengthened during the second phase of the project.

- In soya, the agreement signed by 64 global buyers as Signatories of Support for the Cerrado Manifesto in February 2019 is a major milestone to protect the Cerrado biome but requires major funding for the financial mechanism.
- The intention of one major retailer to launch sustainable cooking oil during the first quarter 2020 would be a major milestone for the Indonesian market, which is the world’s second biggest market for palm oil. Strong support is needed to ensure the launch is successful.
- The Trase Platform has been extremely innovative in tracing flows of exports from the district of production up to the country of import, showing transparency on the main companies being involved along the supply chain.
- The good relationship built with Cofco on soya by multiple partners is a promising step to better understand the Chinese market for Brazilian soy.

Other key outcomes have been achieved. Proforest has designed the Soy toolkit which is useful to build capacity for companies implementing responsible sourcing policies. This has enabled Proforest to engage and to partner with the Soft Commodities Forum, with the 6 major soy traders. WWF Singapore is training and supporting the Asian investors on integrating environmental and social issues, including deforestation, into their investment processes; this also involves enabling them to engage Fast Moving Consumer Goods companies / other investee companies over deforestation in supply chains. The African Palm Oil initiative has provided support to 10 West and Central African countries to advance sustainable palm oil development through convening regional meetings where lessons learned and strategic dialogues can be shared about implementing sustainable palm oil in the African context; 6 of these countries have moved into implementation of national principles and action plans over the past two years, 3 were already in implementation at project start. Sierra Leone has increased its domestic stakeholder capacity to implement its sustainable palm oil action plan.

The project has been less successful so far in Indonesia due to delays to build the necessary in-country awareness on sustainable palm oil. In Paraguay, the Chaco Platform has agreed on an Action plan and a national platform has been launched. There is still no agreement on sustainable beef production among different stakeholders.

The project has been found relevant to GEF, WWF, GGP, to the Palm oil, Soy and Beef sector, to Indonesia, Brazil and

Paraguay as well as for the financial priorities of Singapore. The complex structure of the project with 17 outputs and 9 subgrantees implied a lot of coordination. Relevance was rated "Satisfactory". The project effectiveness has been rated as moderately satisfactory given the uneven progress outlined above. The project was cost efficient as it relied extensively on the expertise of Partners and cofinancing, and rating was Satisfactory. The overall rating of the project outcomes is Moderately Satisfactory.

The project has set a good foundation to sustain in the future. Nevertheless, financial sustainability in Paraguay needs to be addressed carefully. Trase will need to think to its financial business case for 2021 to maintain the platform and to regularly update data. Financial Sustainability was rated Moderately Likely. Social issues need to be carefully monitored in companies responsible sourcing and political context may create some risk to sustainability. Sociopolitical risks are rated moderately likely. While capacities have been built with partners, Platform's sustainability may face risk. The integration of the project requires coordination from the Project management which was not accounted for. Institutional and Governance risks have been rated moderately likely, No environmental risk has been defined. The overall sustainability of the project outcomes is rated as moderately likely.

The Monitoring and Evaluation design and implementation were rated as satisfactory. Despite a complex set-up with many sub-grantees, the overall the project has been well managed. The implementation and Execution rating for both the GEF Agency and the Executing Agency were highly satisfactory.

Recommendations for the next 2 years

Nbr	Recommendation	Entity responsible
Priority		
1	Indonesia communication strategy should be strengthened :, A high level expert acting as adviser should support the team to ensure that the communication strategy creates sufficient consumer awareness for the foreseen launch of sustainable cooking oil by one retailer in the first quarter 2020.	WWF Indonesia
2	Support to create the conditions for a market of sustainable cooking palm oil in Indonesia , : With the foreseen launch of sustainable cooking by one retailer in the first quarter 2020 , the project should support to the retailer with the necessary steps to be performed .	WWF Indonesia
3	Brazil, support with corporate engagement for funding the Cerrado agreement: While CFA has the main responsibility for presenting the financial mechanism to major companies, and donors, WWF Brazil should verify progress on funding for Cerrado Agreement and explore any additional support from WWF US that could be provided to engage with companies and donors	WWF Brazil
4	Create a sustainable beef sector in Paraguay which will preserve the forest. The Demand project aims to promote national principles to incentivize the demand for sustainable beef from Paraguay . Even though an action plan has been agreed by the UNDP led Chaco Platform, there is still no consensus between producers, buyers, and government on how to define sustainable beef production in Paraguay. Agreeing on a common vision for sustainable beef is a therefore crucial to meet the project target but this is a first step towards creating the demand for sustainable beef, but it is not sufficient. <u>1) The recommendation is therefore to build on the UNDP facilitated platform dialogue both at the Chaco regional level but especially at the National level to agree on the common vision.</u> While a common definition at the regional Chaco level would be positive, this common vision should be done at the National level. There are several elements which can contribute to the common vision: 1) the Paraguayan Roundtable for sustainable beef has been created with the support of WWF Paraguay as a national chapter of the Global Roundtable on Sustainable Beef, it has drafted a standard which is more like a legal compliance standard. 2) IFC under the Transaction project is piloting sustainable intensification to understand the business model for proposing financial mechanism to support this production, as well traceability	UNDP Paraguay UNDP RHLAC support

	<p>systems with a cooperative, 3) UNDP has launched the National sustainable beef platform which includes the 3 main Ministries (Ministries of Agriculture and Livestock, Ministry of Environment and Trade and Commerce).</p> <p><u>2) Explore a systems approach for co-creating a sustainable beef sector in Paraguay that preserves forest.</u></p> <p>Given the weakness of the beef sector, the lack of robust traceability system, absence of a rigorous grading system, lack of awareness on sustainability, and weak enforcement of regulations, the beef sector needs to be strengthened before the standard can become an effective tool for increasing the demand of sustainable beef. In order to best leverage all the individual actions and fully include the need to conserve forests beyond the legal requirement and the financial sector which is key to support the sector transformation, a systems approach should be explored.</p>	
5	<p>Paraguay - Financial Management :</p> <p>1 - Budget revision is recommended following some mistakes in the initial project document which did not allow full funding of the project team.</p> <p>2 - Contribute to securing the financial sustainability of Platform team in order to continue to support the project after June 2020.</p>	UNDP Paraguay
Others		
6	<p>Paraguay: An international beef expert should support the project with his/her knowledge on sustainable beef production, on the international sustainable standards or criteria required by those markets who already purchase sustainable beef from other origins as well as on his/her own network to suggest how to open new markets.</p>	UNDP Paraguay
7	<p>Corporate engagement strategy review and monitoring</p> <p>The context in which companies operate is constantly evolving, hence, any corporate strategy needs to be extremely adaptive. While companies relationships is a sensitive information, reflecting on the corporate engagement at project level and also among key NGO's and other organizations is nevertheless of utmost importance. It would still be interesting to reflect on what could be done to ensure the most effective and adaptive corporate engagement for the next 2 years</p>	WWF US All Partners
8	<p>Re-evaluate the Asia Learning Exchange value for money and explore the potential to fund a Palm oil Toolkit, as well as to finance elements of a system approach in Paraguay</p>	WWF US

Lessons learned for future projects

Project Design:

- Collective impact of companies is the most effective strategy to engage companies (eg Cerrado agreement, Soft Commodities Forum) as it enables a level playing field among partners.
- Corporate engagement strategy should be defined at design stage and its implementation should be discussed at the start of the project to best leverage actions with companies and business organizations.
- Future integrated projects need to already agree on how the integration will happen during the design phase
- The alignment of projects with similar objectives funded with different donors should be discussed during the design phase to ensure the most efficient use of funding, a leveraging effect on each project to also ensure there is a common approach to the targeted beneficiaries.
- To demonstrate a systemic impact, process indicators should be included to measure the progress and quality of the transformation.
- Donors should consider to include systematically a certain "budget" for Adaptive management in projects to enable project to adapt more easily to the changing context or to initial procurement delays.

Project Implementation

- Alignment of partners takes time and resources, but is essential for the success of projects. Adaptive management is a key feature to integrate in project management for its success.

Acronyms and Abbreviations

A&L	Adaptive Management & Learning
APOI	African Palm Oil Initiative
BZ	Brazil
CBD	Convention on Biological Diversity
CFA	Collaboration for Forests and Agriculture
CI	Conservation International
CIAP	Commodities Integrated Approach Pilot
CPO	Crude Palm Oil
CPC	Paraguayan Beef Chamber (Cámara Paraguaya de Carnes)
CSO	Civil Society Organizations
ESG	Environmental, Social and Governance
FFB	Fresh Fruit Bunch
FMCG	Fast Moving Consumer Goods
GCP	Green Commodities Programme
GEF	Global Environment Facility
GGP	Good Growth Partnership
GL	Global
GMO	Genetically Modified Organism
GRSB	Global Roundtable for Sustainable Beef
GTC	Cerrado Working Group
IAP	Integrated Approach Pilot
ID	Indonesia
IDH	The sustainable Trade Initiative
IFC	International Finance Corporation
IKI	International Climate Initiative (Germany)
IPOP	Indonesian Palm Oil Pledge
KEE	Essential Ecosystem Area legislation -Kawasan Ekosistem Essential Indonesia
LATAM	Latin America
MADES	Ministry of Environment (Paraguay)
M&E	Monitoring & Evaluation
MPCS	Roundtable of Sustainable Meat (Paraguay)
MTE	Midterm Evaluation
NGO	Non-Governmental Organization
PIR	Project implementation report
PMU	Project Management Unit
PSC	Project Steering Committee
PY	Paraguay
RSPO	Roundtable for Sustainable Palm Oil
RTRS	Roundtable on Responsible Soy
SEI	Stockholm Environment Institute
SEA	South East Asia
SoS	Cerrado Manifesto Signatories of Support (Brazil)
SPOI	Sustainable Palm Oil Initiative
Trase	Transparent Supply Chains for Sustainable Economies
UNDP	United Nations Development Programme
UNDP RH LAC	United Nations Development Program Regional Hub Latin America and Caribbean
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
WWF	World Wildlife Fund

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1. Introduction to Evaluation

1.1. The Good Growth Partnership

The Good Growth Partnership (GGP) is a commodities-focused integrated approach pilot programme consisting of five GEF funded child projects working across production, financing and demand in Brazil, Indonesia, Liberia, and Paraguay:

1. The **Adaptive Management & Learning (A&L) project** led by UNDP that acts as the coordinating umbrella project for the other child project
2. The **Production project** implemented globally by UNDP works to improve the enabling environment for sustainable commodity production through dialogue platforms, policy reform, land use planning, and farmer training and support. It focuses on oil palm in Indonesia and Liberia, as well as on beef in Paraguay.
3. The **Demand project** led globally by WWF-US helps raise awareness and strengthen demand for beef, palm oil and soy among consumers, policy makers, companies and investors.
4. The **Transactions project** is co-led by UN Environment's Finance Initiative (UNEP-Fi) and the International Finance Corporation (IFC) to help make sustainable financing more accessible for businesses, farmers and producers who require additional capital to invest in more environmentally sound practices.
5. The **Brazil project**, led by Conservation International, combines the production, demand, and transactions streams into a single project in that country including landscape focus of the Matopiba region.

The program aims to bring 39 million hectares under sustainable land management and to mitigate 66 million tons GHG emissions through its support for transformational shifts towards low-emission and resilient commodity production¹. This report is focusing on the "**Generating Responsible Demand for Reduced Deforestation Commodities**" or "**Demand Project**," one of the child projects. The project will be referred as the "Demand Project" throughout this report.

1.2. Purpose of Mid Term Evaluation

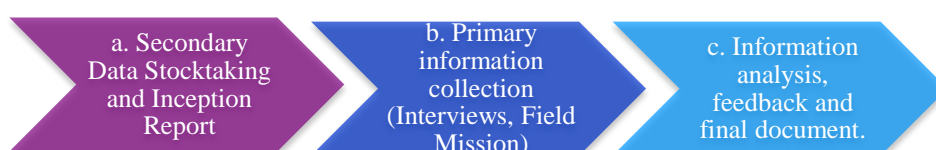
The objective of the Mid Term Evaluation (MTE) is to assess the achievement of the project objectives as specified in the Demand Project document, to identify early signs of success or failure and to provide recommendations on necessary changes to enable the project to achieve its intended results. The MTE will review the project's strategy and risks to sustainability. The MTE will also analyze how the Demand project results contribute to the overall GGP program goal. This report will not assess the coordination among child projects, nor the role of WWF USA within the impact platform as this is covered in the evaluation report of the child project Adaptive Management and Learning.

¹<https://www.thegef.org/sites/default/files/publications/Commodities.pdf>
<https://www.thegef.org/sites/default/files/publications/Commodities.pdf> GEF Good Commodities Program: Good Growth Partnership.

1.3.Scope & Methodology

According to WWF² and GEF's³ guidelines, and the expected information on the six evaluation criteria (relevance and quality of design, efficiency, effectiveness, impact, sustainability and adaptive capacity) to be produced by the MTE, the methodology relied on the three stages (Figure 1) to enable to collect, analyze and assess the project. The theory of change underlying the demand project approach is that increased demand for sustainable commodities will promote increased sustainable production that helps conserve forests, biodiversity and ecosystems especially in Brazil for soy, Indonesia for palm oil, Paraguay for beef and West Africa for palm oil .

Figure 1 Methodological stages for Midterm Evaluation



The consultant completed a desk review of relevant sources of information, such as project documents, project progress reports, and key project deliverables.

The collection of information during the field mission and interviews was guided by the Evaluation Matrix (**See Annex 1**) and the interview guidelines (**Annex 2**). The Project Management Unit (PMU) provided all the necessary support for introducing the consultant to the key partners as well as for organizing the field mission. A total of 76 interviews were carried out to perform the evaluation, which included people met during the field missions and those carried out through phone. The list is available in **Annex 3**. Field missions were performed in Indonesia (July 22-24, 2019), Paraguay (August 26 to August 30, 2019) and Brazil (September 2-3, 2019). The detailed field mission programs are inserted in **Annex 4**. The analysis of data and cross checking of information was done thereafter. The preliminary findings presentation was held on October 2nd, 2019.

Since the Good Growth Partnership aims to have a systemic change through its child projects, assumptions of the theory of change and indicators used in the project were analyzed with this approach to better appraise the contribution of the Demand child project towards the overall GGP Project.

1.4.Limitations of the evaluation

The evaluation is not exhaustive as only key people responsible for the project component were interviewed as well as a limited number of the stakeholders. Only a few international companies could be interviewed, 2 traders (e.g. Cargill, Cofco), 2 retailers in Indonesia but no food manufacturer. The mission dates for the WWF Demand project MTE have been fixed to be performed back to back to the mission done for the UNDP Production Project MTE in Indonesia and Paraguay in order to be cost and time efficient. For the sake of timing, the number of days spent in Indonesia, Brazil and Paraguay were limited. The missions were nevertheless extremely useful to provide a good overview of the project.

² Resources for Implementing the WWF Project & Programme Standards.. Step 5.3 Evaluation Guidelines, November 2012

³ Guidelines for GEF Agencies in Conducting Terminal Evaluation for Full-sized Projects, April 2017

1.5. Structure of the evaluation report

After a brief description of the project, the report presents the findings of the evaluation. They cover the project design, the project implementation, gender equality and mainstreaming, stakeholder engagement, safeguards review, and finance and co-finance. The final section provides concluding remarks as well as lessons learned so far and recommendations.

2. Project description and development context

2.1. Project start and duration

The Project was granted the GEF CEO endorsement on January 27, 2017. The project officially started on April 1 2017 and is expected to close on March 31, 2021, financial closure during the period June-September 2021. It was officially launched as part of the Good Growth Partnership event on September 17, 2019 in New York with all the child projects.

2.2. Main stakeholders

The key actors identified during the design phase for the Demand project were: **companies, investors, policy makers, and consumers**. Producers, local communities or local civil society stakeholders were not included as key stakeholders for the Demand project but for the Production project. Nevertheless, producers whenever relevant for the Demand project should have been included (e.g. Indonesia). The Project consulted a wide range of stakeholders during the design phase in Indonesia, Brazil, and Paraguay. This was done at international, regional and national levels and was overall adequate.

The engagement with private sector at design was done via initiative such as the Consumer Goods Forum, high level meetings, as well as individual meetings and was appropriate.

General Comment: A list of the key stakeholders would have been useful to include at project design in order to develop a stakeholders engagement strategy and its monitoring for the project.

2.3. Problems that the project sought to address

Demand for agricultural commodities such as oil palm, soy, and beef has resulted in large scale conversion of tropical forests and grasslands. Commercial agriculture alone represents two thirds of tropical deforestation. While initiatives such as the New York Declaration of Forests, Convention on Biological Diversity (CBD) and United Nations Framework Convention on Climate Change (UNFCCC,) as well as corporate commitments, have addressed, and continue to address, major threats and barriers for global forest and grassland conservation - especially in the scope of the critical biomes impacted by deforestation for oil palm, soy, and beef production - critical issues and gaps hinder further success:

- (1) insufficient awareness and/or capacity for companies and investors;
- (2) lack of commitment to screen investments to ensure reduced deforestation practices, and lack of disclosure on all investments;
- (3) limited collective action among companies and other stakeholders;
- (4) weak enabling environments or conflicting policies inhibit capacity to meet demand for reduced deforestation commodities;
- (5) lack of consumer awareness on the benefits of sustainably produced commodities;
- (6) limited transparency tools that help actors understand expected demand, and where/how commodities are being produced, traded and consumed; and,
- (7) limited market intelligence and projections to inform public and private decision making.

2.4. Project Objective Outcomes of the project

The project objective is "to strengthen the enabling and public and private sector commitment to and demand for reduced deforestation commodities in priority markets." The demand project is focussing on key commodities driving deforestation in the tropical eco-regions and focused on: Indonesia and West Africa for palm oil, Brazil for soy, Paraguay for beef. The demand project is expected to move companies, investors, governments and consumers to reduced-deforestation commodity sourcing. This is done at global level, creating greater engagement among buyers and traders internationally, and within markets of target regions. The table below is the project description summary.

Objective: To strengthen the enabling environment and public and private sector commitment to and demand for reduced deforestation commodities in priority markets		
COMPONENT	OUTCOMES	OUTPUTS
1. Mainstreaming demand for reduced deforestation commodities with major buyers and traders	1.1 Key buyers and traders make commitments and have increased capacity to implement commitments to source reduced deforestation commodities.	1.1.1. Learning exchanges and workshops with key palm oil traders and buyers to drive reduced deforestation commitments [SEA], [PY], [LATAM, ID], [BZ], [GL],
		1.1.2 Workshops, guidance notes, and learning trips to mobilize and engage buyers in the beef sector to generate demand for reduced deforestation beef produced in the Chaco [PY]
		1.1.3. Soy Tool Kit delivered [LATAM]
		1.1.4. Meetings to engage Indonesian companies including brands, retailers and traders to facilitate reduced deforestation palm oil sourcing and sales within domestic markets [ID]
	1.2 Increased investor capacity to incentivize fast-moving consumer goods (FMCG) companies towards reduced deforestation sourcing	1.2.1. Workshops and trainings to educate investors on best practice for sustainable investing criteria for their portfolio companies and internal practices [SEA]
		1.2.2. 1:1 meetings with investors to mobilize collective engagement by investors towards Asian Fast Moving Consumer Goods company investees on issues of performance and transparency in Asian palm oil supply chains [SEA]
1.2.3. Annual scorecard of investors exposed to palm oil supply chains, to assess how well investors address deforestation risks through their ESG integration and policies [SEA]		
2. Strengthening the enabling environment for reduced deforestation commodities in demand markets	2.1 Capacity strengthened to inform policy dialogue around reduced deforestation in project demand markets	2.1.1. Learning exchanges, workshops, and technical support for project demand country governments to increase their capacity to meet SDG 12.7 on reduced deforestation demand [SEA]
		2.1.2. Recommendations and technical support to increase government capacity within the policy process to remove barriers to demand for sustainable, reduced deforestation palm oil [WA]
		2.1.3. National principles to incentivize demand [PY]
3. Promoting reduced deforestation commodities in major markets	3.1 Increased consumer awareness to drive demand for reduced deforestation products in key demand markets	3.1.1. Press events, media briefings, workshops and field visits to inform Indonesian media on impacts of oil palm [ID]
		3.1.2. Media campaigns in three major cities in Indonesia to expose consumers to links between unsustainable palm oil production and the products they purchase [ID]
4. Advancing supply chain transparency, traceability & decision support tools	4.1. Increased supply chain transparency to facilitate verification of sustainably produced commodities.	4.1.1. Supply chain actors identified for pilot regions to link commodity purchases from geographical origin to destination [GL, ID]
		4.1.2. Publically available commodity portal developed to increase transparency along the supply chain and raise awareness of supply chain actors' risk exposure in different production geographies [LATAM, BZ, PY]
		4.1.3. Four case studies on Brazilian soy and Paraguayan beef completed to validate and test the usefulness of the data offered in the commodity portal [LATAM, BZ, PY]
		4.1.4. Transformative Transparency Year Book to present aggregate measures of risk and performance for both key territories and commodity traders [LATAM, BZ, PY]
	4.2. Global demand and finance projections for palm, soy, and beef support project and program knowledge	4.2.1. R&D products developed through market intelligence to provide strategic insights on market demand, trade flows, consumption trends, and finance trends [GL]

	management.	
5. Monitoring and evaluation	5.1. Project M&E informs project management	5.1.1. Project M&E implemented [GL]

Note: SEA = South East Asia; PY=Paraguay; LATAM = Latin America; ID = Indonesia; BZ = Brazil; GL = global. ; WA = West Africa

2.5. Discussion of baseline

The Project is seeking high-impact intervention opportunities, in terms of developing demand for reduced deforestation products, and it relies on engagement with four key actors: companies, investors, policy makers, and consumers. The project has set its activities on the basis of a baseline situation in each of the target geographies. These are analysed in the table below:

Palm Oil in South East Asia	Comment
<p><i>Baseline:</i></p> <ul style="list-style-type: none"> • High domestic consumption • Low consumer awareness/demand for reduced deforestation palm oil • Large international and Indonesian companies supply branded reduced deforestation product to international market (not domestic) • Limited ESG screening and disclosure by investors <p><i>Project Interventions:</i></p> <ul style="list-style-type: none"> • Increase company commitments and government awareness via Learning & Exchange program • Encourage Indonesian companies to supply reduced deforestation palm oil domestically • Domestic consumer campaign for reduced deforestation palm oil • Increase investor capacity to incentivize reduced deforestation sourcing among FMCG companies 	<ul style="list-style-type: none"> • Indonesia, China, and India are the main consumers of palm oil. Trying to create the awareness in these countries for reduced deforestation palm oil could move the market significantly. Since the project could not include China and India in this project, and even though WWF Indonesia has some work related to supply chain with China with other projects, finding alternative ways to create awareness through the learning exchange was interesting. • Main target is to support Indonesian companies to supply sustainable palm oil in the domestic market and support the first mover to sell sustainable cooking oil in Indonesia while creating consumer campaign. This is a good base for intervention, but there are key potential barriers to consider: perception that selling RSPO for Indonesian market will earn a lower return, and that cooking oil is a basic food with a regulated price and for which consumers are highly sensitive to price. Consumer buy low price oil. Sustainable palm oil cooking oil is rare on the market • Building Investor capacity is excellent as it can act as a big lever for change for large FMCG companies. It is important that investors are integrating ESG in their investment decision making processes in a meaningful way to ensure impact.
<p>Palm Oil in West Africa</p> <p><i>Baseline:</i></p> <ul style="list-style-type: none"> • Largely domestic consumption • Low uptake and implementation of sustainability requirements • Limited large market players demanding reduced deforestation oil palm, • Low policy foundation and enabling environment, no guiding regional principles <p><i>Project Interventions:</i></p> <ul style="list-style-type: none"> • Develop enabling environment to demand reduced deforestation palm oil • Advance principles for reduced deforestation policy frameworks 	<ul style="list-style-type: none"> • Palm oil demand is an emergent industry, so there is the opportunity to develop some principles to guide the sector from an early stage. Palm oil in Africa is dominated by small holders, and production, processing and trading are domestic by nature. It is therefore good to support the sector from start. Government are in the best position to deliver exchanges. Even though this type of intervention is closer to the child Production project as it impacts more production than demand, but it is needed as many companies are vertically integrated in terms of production and trade, and demand has to be stimulated in emerging markets.
<p>Beef in Latin America (Paraguay)</p> <p><i>Baseline:</i></p> <ul style="list-style-type: none"> • Insufficient awareness and understanding among 	<p>The Beef sector is lacking understanding of sustainable beef production and sustainable purchasing options.</p>

<p>buyers and traders of sustainable purchasing options in Paraguay</p> <ul style="list-style-type: none"> • No national principles guiding the sector • Lack of supply chain transparency from origin to destination • Increased conversion due to continued expansion of cattle <p><i>Project Interventions:</i></p> <ul style="list-style-type: none"> • Advance national principles for reduced deforestation policy frameworks • Increase transparency of the beef supply chain • Further uptake of reduced deforestation beef due to corporate engagement and awareness. 	<p>There is no clear understanding about the supply chain from origin to destination. The proposed intervention are good. There is a strong need for:</p> <ul style="list-style-type: none"> • The interventions to bring a common vision about the sustainable beef production throughout the entire sector. Having a standard is a good way to translate the common vision. • Transparency in the supply chain • Strengthening the processing sector with adequate tools (traceability, grading) to help meet international standards for sustainable markets is crucial. IFC, as part of the Transaction project is exploring some traceability tools with one cooperative in Paraguay. This should be further integrated and scaled in the Demand project.
<p>Soy in Latin America</p>	
<p><i>Baseline:</i></p> <ul style="list-style-type: none"> • Global base of buyers • Lack of trader engagement • Limited sector collaboration and movement towards reduced deforestation soy in certain geographies • Lack of supply chain transparency from origin to destination <p><i>Project Interventions:</i></p> <ul style="list-style-type: none"> • Increase company commitments and capacity to implement commitments • Create roadmap through Soy Traders Platform • Increase transparency of the soy supply chain 	<p>Brazil is a major producer and exporter of soy. The demand for sustainable soy is limited. The supply chain is complex and lacking transparency. The project interventions are good. While getting companies commitments is a first key step, it has been shown⁴ that few companies have reported progress on the implementation. A strategy to help companies to implement is therefore important (the change from the soy traders platform to creating a soy tool kit has shown that support is really needed even with large trading companies).</p>

2.6. Expected results

The Project is expected to help leverage on existing global demand for reduced deforestation commodities to drive change in the targeted regions, while building complementary consumer demand, government policies and needed tools. Coordinated activities with the other Commodities IAP Project's will help ensure that increased demand translates into reduced biodiversity loss and deforestation. The expected deliverables of the project are increased, enabled, and mobilized demand for reduced deforestation commodities in target regions, with subsequent global uptake. In conjunction with the IAP as a whole, expected benefits include reduced deforestation for agricultural commodities that will extend throughout the life of the program and beyond.

3. Findings

3.1. Project Design / Formulation

3.1.1. Underlying Theory of Change for the Good Growth Partnership Program

The GGP Project document lays down that " *The Theory of Change for the overall GGP program builds on the premise that the increased adoption of agricultural commodity production practices that are less destructive of forests is contingent on several factors:*

⁴ Forest 500, Extending the reach of companies policies and action on soya, briefing note, March 2018

- 1- enabling conditions including policies and land use/spatial plans must be in place to make the right lands available for production and to make high biodiversity value and high carbon stock forests less accessible.
- 2- producers need enhanced capacity to adopt good agricultural practices and improve yields.
- 3- increased financial flows and economic incentives are necessary to support these good production practices in the right locations and fewer incentives must be provided in inappropriate locations.
- 4- market awareness and demand for reduced deforestation supply are critical to promote more sustainable production.

If these factors are addressed, agricultural production can be increased and growth achieved with sharp reductions in deforestation compared to business-as-usual scenarios."

The GGP program aims to bring systemic change by addressing the above factors through integrated child projects focused on production, financing, and demand. The Responsible Demand project has been designed to address the GGP assumption that " market awareness and demand for reduced deforestation supply are critical to promote more sustainable production".

3.1.2. Assessment of the Demand Theory of change

3.1.2.1. Review of the major underlying assumptions

The Demand Project aims to bring a systemic change, as part of the integrated approach of the Good Growth Partnership. The underlying assumptions presented in the Theory of Change of the section 2.3.1 of the Responsible Demand project document are analyzed in such context as well as key highlights from a GGP workshop⁵ on systemic change.

Demand project Theory of change / Main Assumption: *If sufficient demand for sustainable, reduced deforestation commodities exists, commodity production will shift to reduced deforestation practices, resulting in environmental and social benefits.*

Strengthening demand for sustainable, reduced deforestation commodities can be achieved by advancing awareness, capacity and collective actions of four key actors. The actors are: corporations (e.g. buyers, processors, traders, and retailers), investors (e.g. pension funds, insurance companies, investment funds, and regional banks), consumers (e.g. individual retail buyers) and policy makers (e.g. local, federal, multilateral agencies).

Complexity behind the assumption: Increased demand is normally driving supply. The current demand for sustainable palm oil and sustainable soy is not sufficient, not only from European markets but also from emerging markets that have the major share of the markets for Brazilian soy⁶. For example only half of the available sustainable Crude Palm Oil Production⁷ is being purchased, and about 62 % of the Roundtable on Responsible Soy (RTRS) certified soy was sold. The low demand of sustainable soy is partly explained by the fact that these commodities are "**invisible**" ingredients used in other products (e.g livestock products⁸). Palm oil is mainly an ingredient to many food and other daily consumer products. In addition both soy oil and especially palm oil have a captive market with biofuel use⁹. In Indonesia, the second¹⁰ largest palm oil consumer country in the world, palm oil is also sold directly to the consumers. Cooking oil is considered as a **basic food by the government with regulated price**, and there is limited consumer awareness to

⁵ Good Growth Partnership, Accelerating systemic change in sustainable agricultural commodity production roundtable report, Washington DC, October 3rd 2018.

⁶ Trase , <https://trase.earth/>

⁷ <https://askrspo.force.com/s/article/Why-is-only-half-of-the-available-sustainable-palm-oil-sold>

⁸ Virah-Sawmy et al. 2019. Sustainability gridlock in a global agricultural commodity chain: Reframing the soy–meat food system. <https://www.sciencedirect.com/science/article/abs/pii/S2352550918303166>

⁹ Commodity market intelligence, spotlight on energy crops, August 2019.

¹⁰ Commodity market intelligence, update N° 2, Issue feature: palm oil

sustainability. So far no sustainable palm oil is offered on the shelves with a specific label. Demand for meat by European retailers is more driven by health and safety issues of meat and Genetically Modified Organism (GMO) soy rather than sustainability issues⁶. The typical importers of Paraguayan beef (Chile, Russia) do not require sustainability, nor the domestic market. So **the market for sustainable beef has to be created** or expanded with these few companies who purchase sustainable beef. **Voluntary private sector action** on reducing deforestation in major commodity supply chains have proven insufficient¹¹ to reduce rates of deforestation, due to limited penetration of certification and lack of pressure from many demand market.

Nevertheless, deforestation free supply chain is becoming an important strategy for reducing deforestation. For palm oil and soy, while it does not work directly with consumers, large companies which face consumers do not want to face reputation risk, and tend to make commitments¹² towards deforestation free supply chains. Hence, the basic theory of change works for these large companies who face reputation risks.

1 - Other Assumption: The most efficient engagement of all the key actors in the supply chain is with the companies that can drive major change in oil palm, soy, and beef markets. Only a few hundred companies control a majority of the global market for palm oil, soy and beef

Evidence for this assumption: Given the concentrated structure of the market within the supply chain (from Retailers to traders/processors), working with just a few companies may trigger an extremely powerful market signal. WWF is therefore implementing a stepwise¹³ approach toward corporate stewardship. Large companies tend to make the most commitments¹¹ **Collective action** with companies (e.g. Amazon moratorium) proves extremely efficient to reduce deforestation.

Other factors: Many large companies have already engaged to manage their operational supply risk and also their reputation risk. Many have made public commitments, but implementation have been reported¹¹ to be lagging behind. Given the complexity of the supply chain, some of the reasons is the lack of capacity, even in large companies (eg both to design the responsible sourcing and to implement through the supply chain but also to build capacity to the farmers). Traceability¹⁴ is rarely quoted in companies' commitments. One of the reasons is the difficulty to implement it in such complex chains. Many of the smaller local companies may not have the same ethics nor face the same reputation risks than of large companies. These companies are therefore more likely purchasing commodities from unknown sources which may involved in illegal practices.

2- Other assumption: In some markets, corporate demand alone is insufficient to drive change in 40-50% of the production practices; engaging other levers such as financial investment, government regulation, and consumer awareness can be critical supporting strategies for directly and indirectly impacting demand thereby shifting producers to better practices.

Evidence for the Assumption: These additional levers are critical. Adopting sustainable production practices may require some investment, levers such as financial investment as well as a conducive government regulation can be key factors of change.

Other factors: For the Paraguay beef market, demand has to be created for sustainable beef. It is so far limited to few niche markets like demand with McDonald's. The lack of a common understanding of sustainable beef production and the weakness of the sector itself (lack of appropriate traceability tools as well as of insufficient quality grading system) do not create the necessary pull from demand, and need to be considered. The Production project focuses on the sustainable production aspects. The Transaction project is piloting some traceability tools with one cooperative, which can inform the Demand project.

¹¹ Accelerating Systemic change in sustainable agriculture commodity production, Roundtable report, GGP, October 3rd 2018

¹² Impacts of Supply Chain commitments on the Forest Frontier, Thiago Chacas, Chralotte Streck, Hilda Galt, Steve Zwick, Ingrid Schulte, Alan Kroeger, Ashley Thompson, Climate Focus and Forest Trends, 6 June 2018.

¹³ WWF Market transformation, 2016

¹⁴ Zooming in, companies, commodities & traceability commitments that count, Supply change research on corporate disclosure of traceability and commitments to address commodity-relating deforestation, February 2018, Supply change and Ceres.

3 - Other : If financial actors are aware of their risks in investing in practices that lead to deforestation, they will implement practices and policies to reduce the money flow associated with deforestation and increase the level of active engagement with supply chain players on these issues. The application of environmental risk screening tools to investments can shift investment to more sustainable opportunities.

Evidence for the assumption: The assumption should have been phrased with a broader view such as "integrating environmental considerations into investment decision-making processes can ensure financial portfolios contribute to reduced deforestation and other positive environmental and social outcome". Responsible investment includes not only the environmental risk screening but involves aligning/integration of decision-making with best practice standards, certifications and science based targets as well as the implementation of engagement with portfolio companies to drive change. At investors' level, the Principle of Responsible Investment have been supported by large investors in Europe and North America. In the USA, between 2011-2017, 51¹⁵ shareholder resolutions were filed by US investors asking corporate policies to address financially material reputational and market risks tied to the sourcing of unsustainable palm oil and other deforestation-linked commodities. 23 companies responded by making commitments to source sustainable palm oil and, in some cases by making cross-commodity no-deforestation commitments.

Other factors : Sustainable Finance report¹⁶ highlights that "to date, deforestation risks have either been ignored in Environmental, Social and Governance (ESG) criteria or **inappropriately factored in**. Additionally, many challenges exist around integration of deforestation risks in ESG criteria, such as **law enforcement, low consumer consciousness, difference between perceived and real risk towards deforestation** from banks, and incoherent asks that banks can receive around managing data and risks. The environmental risk screening tools therefore need to provide more clarity on the sourcing of the products.

4- Government intervention can be effective in shifting production practices both directly and also indirectly by influencing demand and supply chain actors, thereby creating an enabling environment for reduced deforestation commodities.

The role of government is key for setting the right enabling environment. This is the major assumption behind the African Palm Oil Initiative (APOI) and behind the platform engagement led by UNDP in the Production Child project. This holds not only at the production side but also at the consumption side.

Other factors: Policy changes can be proposed as it is the case with the West African countries in the African Palm Oil initiative. There is the need of additional government **buy-in** for successful strategy preventing leakage from one country to another. Lengthy government procedures in Indonesia slowed the process towards the legalization of the National Action Plan. This in turn, is not putting the necessary pressure for companies to require sustainable palm oil. Furthermore, **Governments need to be sufficiently strengthened** to ensure that the proposed legislation or regulatory frameworks are **enforced**. Currently, the legislation on forestry is not being well enforced in Paraguay, thus not creating a credible base for "sustainable practices".

5- Consumers can place pressure on brands to shift their sourcing practices. If consumers are more aware of the correlation between their consumption of products and the potential impacts to deforestation, this increased awareness can drive responsible purchasing choices and encourage demand actors such as companies to change their policies on reduced deforestation sourcing.

Consumers preferences¹⁷ are now shifting towards sustainability. Creating consumer awareness is the initial stage, but the good intention needs to translate to purchases, despite the usually higher prices for green products. There is often a huge gap as it is perceived to be at higher prices. Some surveys shows that Millennials¹⁸ and Generation Z¹⁹ consumers may be willing to pay more.

Other factors: consumer choice for invisible ingredients may be difficult to shift.

6- Transparency tools can reinforce the actions of the above actors (companies, investors, policy makers, and consumers).

¹⁵ Interview WWF Singapore

¹⁶ Good Growth Partnership: Developing opportunities and solutions in Sustainable Agricultural Finance, Workshop report, Geneva February 6th 2019.

¹⁷ <https://www.triplepundit.com/story/2018/consumer-preferences-continue-shift-toward-sustainability-market-research-shows/55496>

¹⁸ <https://blog.globalwebindex.com/chart-of-the-week/green-consumerism/>

¹⁹ <https://www.globenewswire.com/news-release/2019/01/10/1686144/0/en/CGS-Survey-Reveals-Sustainability-Is-Driving-Demand-and-Customer-Loyalty.html>

Evidence shows that the transparency is needed in the financial world to highlight their potential risk as well as to apply pressure to actors of supply chain actors. It is a blue print for NGO's to follow.

3.1.2.2. Theory of change - Results Chain

The Results Chain provides a good visualization of how the project intended actions would deliver the project objective. The assessment of the underlying assumptions shows that some elements should be modified or further specified. For example, taking the diagram summarizing the project component 1, 3, 4, (**Annex 5**) here are some suggested changes:

- The overall diagram on consumer demand may work only for cooking palm oil, as currently it is not for soy nor beef. (for example the embedded soy tool driver is not working at consumers level)
- Policies need to be understood and potentially amended to push behaviour change and purchasing (eg labelling in Indonesia)
- The box "Sustainability commitments developed and implemented ". Implementation assumes that the companies have the capacity to implement their commitments, which may. **Capacity building is needed** (this was confirmed with the soy tool kit) as a Driver. This element needs to be added explicitly as a driver, in both the Results Chain as well as in the Conceptual model since it is the basis of one project component . .
- Sustainable products should be tight to credible **sustainable production standards with a credible chain of custody standard** to ensure consumers trust in the sustainability of the products. This requires good traceability system for the products. For example, in Indonesia, palm oil would need to be certified through standards with higher sustainability criteria such as RSPO, and that has a Chain of custody standard, which is not the case for the Indonesian Sustainable Palm Oil- ISPO-, a national mandatory requirement which focus only at the farm level.
- **Standards are not sufficient to drive demand.** This is evidenced by with the almost double sustainable production volume compared to the demand for sustainable palm oil and soy which are **the "invisible " products.** Other levers need to be explored to enhance the demand for sustainable products while protecting biodiversity and forest. Such levers may for example be that companies in the supply chain share the cost of the incentives given to producers for sustainable production, as the case of the Cerrado agreement. The producer incentive lever for example or search for alternative solutions is not included in the result chain.
- Policy incentivizes producers to reduced deforestation. This is not sufficient as for example soy in Cerrado or Beef in Paraguay can deforest legally up to 25 %, and it is unlikely that they will increase the rate of conserved forest. The market standard does not provide sufficient incentives. **What may motivate producers to conserve above the legal requirement ? Financial mechanisms** need to be found (eg Cerrado, and should be also for beef Paraguay) and companies may have to share the cost through the supply chain and/or other mechanisms linked for example to REDD+ finance may be designed. A driver needs to be inserted for cases where the supply chain actors may need to support the financing.
- Improving transparency such as done with Trase is a strong driver. The physical **traceability** in the value chain is extremely low for all the 3 products (due to complex supply chain for palm oil and soy, and weak beef sector in Paraguay). In the graph entitled project component 1,3,4, the driver entitled business case for traceability highlights the transparency up to the origin but does not deal with the physical traceability needed for putting sustainable products on the shelves. Traceability pilots have not been done so far.

- Another factor to consider as key in the strategy design, is when is pressure applied by NGO's or Companies beneficial and when is it harmful? (e.g. Indonesian Palm Oil Pledge (IPOP) ²⁰ being disbanded, or Paraguay government²¹ refusal to work with WWF).
- For the component 2 figure, promoting **government buy-in** should be included. For example, in Indonesia, despite the importance of Palm Oil, the slow administrative process for the legalization of the National Action Plan for sustainable Palm Oil is delaying the implementation of sustainable production, which does not promote sustainable demand.

3.1.3. Assumptions and risks

Major assumptions have been analyzed in section 3.1.2.1 above, and therefore challenge some of the assumptions included in the Monitoring & Evaluation plan (GEF Results framework). A table with the main comments is inserted in **Annex 6** together with the review of the indicators.

The analysis of the risk mitigation measures shows that :

- Focus is put on commitments and targets those buyers/traders who are most engaged. Implementation being the weak point, capacity building needs to be built in as a main mitigation strategy. While GEF rules may not allow to work individually with companies, a capacity building approach should be designed for each key commodity to address the specific needs of the sector and then rolled it out in a collective way. For example, the development of tools like the soy tool kit could be scaled to other commodities. Capacity building could be through training of sectors initiatives. The outcome 1 of the project is specifically to have increased the key buyers and traders capacity to make and implement commitments.
- Create the demand in emerging economies, while the engagement of companies at all levels of the supply is important, understanding the policy environment is essential to comprehend how it acts as driver or inhibitor, and promotes the design of more conducive environment.
- Consumer awareness needs also to ensure that awareness drive the targeted audience to purchase the sustainable product. Women are key target but then it should be differentiated by ages (e.g. Millennials, Generation Z).

3.1.4. Analysis of the M&E Design

The Monitoring and Evaluation system has been designed with different components.

The **Results Framework** is the main tool to demonstrate whether the project has achieved its objective. It is populated by the M&E team with the cumulative data from the project (e.g. number of companies, number of countries, etc). Some of the core indicators on consumers are still not reported given the delay in the activities. A detailed analysis of the indicators is provided in **Annex 6**

Strength: Core objective indicators have been defined in a quantitative way which help to demonstrate the impact to the current GEF core conservation indicators. They are Specific, Measurable, Achievable, Relevant, and Time Bound (SMART).

Weaknesses: The companies commitments may not be implemented or its implementation or partial one may not be reported publicly. Given the lack of tracing system to measure their impact on ground, and the fact that Trase data does not yet cover the local level for all commodities, this indicator is still an interesting proxy as it enables to focus on these companies. At design, it was anticipated that data to be used are readily available (

²⁰ The Indonesian Palm Oil Pledge (IPOP) was a sustainability commitment signed by Indonesia's biggest palm oil exporters in 2014, which was disbanded in 2016.

<https://www.thejakartapost.com/academia/2016/07/26/post-ipop-how-indonesia-can-lead-in-palm-oil-sustainability.html>

<https://news.mongabay.com/2016/07/failure-of-indonesias-ipop-not-bad-news-commentary/>

²¹ Due to the deforestation free advocacy of WWF Paraguay, the previous government did not want to work with them.

eg commitments reporting from Supply Change, Forest 500) making it more difficult to attribute impact to outputs as outcome indicators are measured in a broad manner. This makes it less useful for adaptive management. Reporting at Midterm could still identify some direct impact of the project like the signature of the Cerrado Manifesto.

Systemic change brought would be better measured by a mix of process indicators and quantitative structure indicators., especially for the "increased capacity". Relying on external surveying company like Globescan is interesting to assess the impact of the project with companies directly engaged in the project, but may not have been the most cost efficient given the low number of respondents. This low number may be due to the poor survey timing, but also to some "survey fatigue". Other alternatives are to directly request companies to self assess with a potential higher risk of survey fatigue. Expanding the approach of Policy Tracking Steps to companies and investors, could be explored to better evaluate the "increased capacity", but this could also take the form of a scorecard. Such approaches would require more direct interaction with the companies, which would not be aligned with the project approach to "influence" rather than to "directly engage". Whatever the chosen option, the scale for the increased capacity needs to be clear to measure the impact,

The **workplan** indicators is the Monitoring tool used for subgrantees to report their achievements on a quarterly basis through the **Quarterly field reports**

Strength: The Indicators are detailed and have promoted accountability for sub grantees.

Weakness: The indicators are very detailed for each activity and make the the overall progress towards outputs and outcomes less visible

The M&E system design includes other components such the Quarterly financial reports, semi-annual project Progress reports (PPRs), the Annual WWF-GEF Project Implementation Report (PIR), the Annual WWF-GEF Monitoring Review, the Supervision Agency mission, the GEF Tracking Tool, the Annual Senior Management Adaptive Management review. In addition, a gender strategy with specific indicators is being developed as part of the project. The M&E activities are performed by the PMU with a dedicated M&E specialist. A dedicated budget is allocated to the M&E activities. All these tools and the dedicated resources provide a sound basis for the monitoring and evaluation.

3.1.5. Lessons from other relevant projects incorporated into project design

The project benefited from the expertise and prior projects done by WWF through its Market Transformation Initiative (MTI) that has since evolved into the global Markets Practice. The focus of the MTI work was to shift markets through corporate engagement, supporting the improvement of standards and certification, leveraging sustainable finance, working on public policy and increasing transparency. Now in the Markets Practice there is a greater emphasis on influencing consumer behavior change than there was in the MTI phase of the program. This was seen to be a missing component of the MTI strategy and this is why it was added to the Demand Project design.

3.1.6. Replication approach

The Asia Learning and Exchange Program goal is to increase the commitment of South East Asian companies to source reduced deforestation oil palm. Since China and India could not be included in the project, using its lessons could help understand how to replicate project in these countries. The approach taken in Indonesia to shift consumer awareness and launch sustainable cooking oil could be especially explored for the major demand markets of India and China. Furthermore, capacity building and partnerships building of key stakeholders such as buyers, traders, banks, investors and governments will facilitate the broader impact beyond the specific target landscapes and countries.

3.1.7. WWF comparative advantage

The comparative advantage of WWF rests on its 50 years of experience working in 100 countries, with support from over 5 million members globally. WWF's mission is fully aligned with the goals of the Demand Child Project and the Commodities program. WWF-US has a well recognised expertise for having built public-private partnerships, convened stakeholders, bridged policy gaps, and transformed markets at a local to global scale. At the same time, the WWF network has built credibility and trust by working with global market actors along the supply chain, with much of this work centred on increased demand for sustainable commodities. WWF is also widely recognized as a civil society thought leader for advisory and engagement with the financial sector on environmental risks and opportunities in soft commodities.

3.1.8. Linkages between project and other interventions within the sector

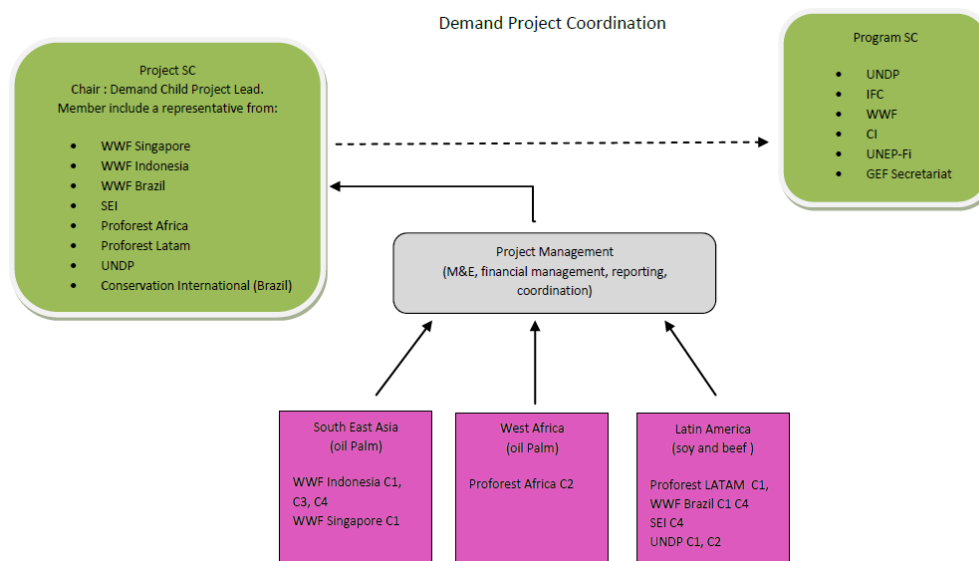
The Demand Project results, as one of the GGP child projects, should directly contribute to support the other child projects' efforts towards the overall goal of GGP. In Indonesia, the increased transparency of the palm oil supply chain should contribute to better linking demand to production efforts at landscape level during the next part of the project. The opening of the Indonesian consumers to sustainable cooking oil should create the potential for the future sales of sustainable palm oil in Indonesia. In Brazil, linkages are expected especially with the Conservation International (CI)-led Brazil project. Both projects have worked more in parallel rather than in integrated manner since the Matopiba project could not engage with producers if speaking of deforestation free, while the Cerrado aims to achieve this goal. There was a risk to jeopardize the results achieved with more integration. In Paraguay, demand and production are already de facto linked as they are managed together, so the additional opportunities for linkages are with the transaction project. At this stage, some of the transaction project findings (economic business case, traceability) could directly support the project results. A systems approach in Paraguay (see 5.13) would help reinforce and leverage on the potential linkages.

The project is linked to the key sustainability interventions happening in each sector. For Palm oil, there is a direct link to RSPO. For Soya, the project is linked with other project interventions such as the Collaboration for Forests and Agriculture (CFA), a joint effort of the National Wildlife Federation, The Nature Conservancy, World Wildlife Fund, and the Gordon and Betty Moore Foundation. The objectives of the CFA and the Demand project were similar, so this required a period of alignment between partners to ensure complementary instead of duplicative efforts and prompted the change in the design of the project from a Soy Traders Platform to a Soy Road show for the benefit of the project. For Beef, Paraguay's "Roundtable for Sustainable Meat " aims to develop a national chapter of the Global Roundtable of Sustainable Beef in order to create a positive incentive for the sustainable beef sector. They hope to work more closely with the project, and would even be open to explore a public private partnership.

3.1.9. Governance and management arrangements

The Responsible Demand Child Project is implemented by WWF-US and executed by WWF US in partnership with a number of organizations, namely, Stockholm Environment Institute (SEI), Proforest Initiative (Africa Office and Latin America Office), WWF Singapore, WWF Indonesia, and WWF Brazil, as well as several consultants and Asia Learning & Exchange grantees. The work in Paraguay is implemented by UNDP and executed by UNDP-Paraguay. The organization structure is provided below. The full organigram is provided in **Annex 7**.

Figure 2: Demand Project structure



The project structure involves many partners, thus the coordination performed by the **Project Management Unit** (PMU) at WWF US is therefore crucial for the smooth implementation of the project. The PMU role includes also monitoring and evaluation and financial management. It is a separate entity within WWF, with separate reporting lines and responsibilities from the WWF-GEF Agency. Each project partner has a representative in the **Project Steering Committee (PSC)** to ensure they provide inputs to the project work planning, approving annual work plans, budgets, review outputs and make any necessary decision for the successful execution of the project, including adaptive management.

The structure is working well, but the diversity of the outputs and the number of sub grantees provided complexity to the project and did not facilitate the integration of the work of all sub grantees. Having less outputs and less sub grantees may have provided a better sense of a "whole", and decreased the necessary coordination time. Given the diversity of activities performed by the various partners, it is more difficult for project partners to contribute outside their own activities in the Steering Committee. Furthermore, the Demand project as a GGP child project required a lot of coordination and reporting. Cross-partner and cross-workstream coordination has improved over the course of the project.

3.1.10. Country ownership

The project is a full size project that was endorsed as part of the GGP IAP program, and did not require the endorsement by the governments in the targeted countries of implementation. The Government of Paraguay asked to have its own Project document, hence, the Paraguay Demand project has been endorsed by the Ministry of Environment (MADES) in Paraguay, like the Production project. There is no country ownership in Indonesia and Brazil, but government is involved whenever needed. There is more country involvement for Paraguay The Ministry of Industry and Commerce would be more relevant than the Ministry of Environment for the demand project. Since both production and demand project are closely linked, there is more focus on the sustainability aspects due to the link with MADES. In Western Africa, the project is specifically engaging with governments in order to create some ownership.

3.2. Project Implementation

3.2.1. Assessment of project results

3.2.1.1. **Relevance**

The project is highly relevant to GEF Environmental Benefits. While the Demand project does not directly contribute to the core indicator, demand is critical and cannot be dissociated to the long lasting production impact. If there is no demand, production in the long run may shift away from that production system. As seen, there are complex factors which interact including production, finance, demand, and the enabling policy environment that drive systemic change in the palm oil, soya and beef sector towards deforestation free supply chains.

The demand project is highly relevant as one of the child project of GGP. The project is highly relevant to the 3 focal commodities sectors, and to the national priorities of the targeted countries. Despite some political changes at government level, sustainability in these sectors and the protection of forests is ever more needed in a context of climate change, as shown with the increased fires that have prevailed recently in Brazil, Bolivia, Paraguay, and Indonesia.

The project is highly relevant to WWF priorities, as one of its core activity is market transformation. The project was also relevant to the mission of all sub grantees .

The project structure was complex with 4 components and 17 outputs to be executed 9 sub grantees and could have been simplified to decrease the coordination needed. The project design has been nevertheless appropriate for delivering the expected outcomes.

3.2.1.2. **Effectiveness**

A detailed analysis of the outputs and effectiveness towards achieving the outcome is provided in **Annex 9** . The key highlights are provided by Outcome below.

Outcome 1: mainstreaming demand for reduced deforestation commodities with major buyers and traders.

Outputs for achieving this outcome have focused on how to increase the capacity on one hand of key buyers and traders to make and implement commitments to source reduced deforestation commodities and on the other hand, of investors to incentivized fast moving consumer goods (FMCG) companies towards reduced deforestation sourcing.

Palm Oil: China, India and Indonesia are the main consumers of palm oil, so targeting China and India for the **Asia Learning & Exchange** activities in addition to the regular project activities on domestic Indonesian palm oil was strategic. Exploring entry points to engage with Cofco was an effective strategy for China as Cofco is the main state owned company and a major world trader of commodities. It enabled to strengthen the relationship for soy, their main import commodity.

Challenge: For India, the goal of the Asia Learning Exchange grant was to contribute towards building the domestic demand for sustainable products in India through convening three stakeholders meetings. While the learning's from the workshops are interesting to understand the local Indian context, it is not clear how the project will further leverage this information as part of this project. The learning's would be more valuable for replicating the approach taken in Indonesia to build consumer demand for India by designing a new project or as part of other projects.

Overall, only two Asia Learning & Exchange grants have been allocated, and it is not clear how the results can be fully leveraged to support the project. A new call for grants was done during the second quarter 2019 with a revised approval mechanism and 8 proposals were received. The value of the Asia L&E money should be re-assessed to analyze what is most critical to ensure the achievement of the key outcomes for Palm oil, Soy and Beef rather than spreading efforts and funds.

In terms of the **corporate engagement with buyers and traders**, excellent progress was made for soy in the first two years of the project, but the extent of progress on palm oil is not as clear. Several strategic palm oil companies are being engaged by the project, but progress has been slow. It should be tested if the development of a "Palm Oil Tool Kit" may facilitate the same kind of positive engagement for Palm oil as done for Soy.

The **corporate engagement strategy** developed by WWF Indonesia with Globescan provides a basis for further corporate engagement. It is a standalone document which does not link well with potential sourcing from the 3 landscapes of the Production project. The supply chain mapping (outcome 3) should help bridge the gap. Furthermore, the output 1.1.4 aims to engage companies to 1) generate increased corporate demand for reduced deforestation palm oil domestically and 2) put sustainable oil into retail establishment in Indonesia. So far 6 companies with 4 retailers emerged as the key targets. While the strategy document speaks of building capacity, it is not sufficient, the project should develop a systematic approach to support companies to sell domestically as there are different channels (via the manufacturers brands, retailers cooking oil, food caterers). With respect to retailers, interviews showed that many steps are needed for a retailer before launching a sustainable cooking oil on the market, and some work at policy level is needed. The dual approach to develop a retail guidelines as well as organizing a sustainable retail dialogue would provide a good base for such systematic approach.

Challenge: One of the retailing company is likely to be the first mover and needs such technical support to meet their target. Launching the sustainable cooking oil would be a huge milestone. As of end of July, it seemed that there were many of the issues ahead that they did not seem to grasp well. The feasibility of a successful launch by the first quarter 2020 needs to be clearly assessed, to avoid a failure due to the lack of sufficient consumer awareness and preparation of the launch.

Finding the best platform for collective engagement of the palm oil sector in Indonesia would also be effective. At producers level, the National Action Plan facilitate collective engagement, but the suppliers upstream are not engaged. The team should carefully rethink if the creation of a retailers platform will bring more value compared to building on an existing initiative (IBCSD, SASPO).

Soy : The change from a Soy traders Platform to designing a Soy tool kit has been an excellent and extremely effective adaptive management move. It enables to engage in a neutral way to support companies capacity building for responsible sourcing. It created trust with companies, and this was strengthened by many of the same companies engaging with the Transparent Supply Chains for sustainable economies (Trase) platform on supply chain transparency

WWF's involvement in the Cerrado Working Group or GTC (through co-financing) has been also effective for helping companies to meet their deforestation-free commitments, as an agreement has been reached between the GTC and the Cerrado Manifesto signatories of support (SoS) group of companies, but the formalization and success of this agreement depends finding donors to fund the financial mechanism for compensating producers to conserve biodiversity above the legal requirements. The fund raising is being led by CFA in coordination with WWF. Though tentative, this agreement between producers and buyers--that would eliminate conversion of native Cerrado vegetation for soy production--shows the effectiveness of the collective approach of corporate engagement through platforms.

Some reflection: The strategy and business model to potential funders and companies from all the supply chain to engage is crucial for its funding. In order to have a coordinated approach to them, CFA is leading this effort. Having a clear monitoring on their side, would enable to take advantage of opportunities to market the mechanism that may arise and were not envisaged. Success is also based on the assumption that producers incentive level is sufficient for producers to accept to trigger change which will need to be verified.

Beef: In Paraguay, the Demand project is implemented together with the Production project by UNDP Paraguay; as part of what is called the Green Chaco project, and may suffer from a lack of its own identity for external stakeholders. The development of the Chaco Platform enabled a closer engagement with the 3 producer cooperatives (one of which is also an exporter). The demand for sustainable Paraguayan beef is very limited, with only one or two companies known to have a sustainable beef commitment and be sourcing from

Paraguay. A UN REDD+ regional workshop on sustainable and deforestation free beef provided opportunities to communicate about the project's activities. The participation of some government officials was financed to attend the Global Roundtable on Sustainable Beef (GRSB) conference in Ireland.

Challenge: These activities have limited effectiveness on demand for Paraguayan beef, as a profound strengthening of the beef sector is also needed to set the country as a credible exporter of sustainable beef and market it.

The **corporate engagement strategy** is a key element to increase the capacity of key buyers and traders. While a one to one approach is important to engage key decision makers within companies, promoting a collective approach is the most effective to reach the desired outcome (eg GTC agreement). This also has the advantage of bringing a level playing field for companies with very low margin such as traders, and therefore not losing market share. The support of WWF US seems to have been especially on the one to one basis.

Challenge: A clear corporate engagement at the start of the project may have fostered more alignment among partners in the corporate approach but also highlighted points of leverage through the various corporate initiatives (eg Consumers Good Forum, Tropical Forest Alliance, etc) and with organizations. The context in which companies operate is constantly evolving, hence, any corporate strategy needs to be extremely adaptive. While companies relationships is a sensitive information, reflecting on the corporate engagement at project level and also among key NGO's and other organizations is nevertheless of utmost importance. Companies sustainability or external relations officers usually do not have large teams. They may have to be reactive due to external pressure from NGO's while they need to work on implementing the company sustainability strategy, especially often having to convince their company's procurement teams about sustainability issues. It would still be interesting to reflect on what could be done to ensure the most effective and adaptive corporate engagement. Is the project offering a sufficiently "packaged solution" to companies for their sourcing (i.e is the Soy tool kit taking into account the CFA framework and supporting the best of transparency potential on the company supply chain together with Trase)? How is the tracking of companies contact done to ensure the coherence of messages with companies at least within the project (e.g. existence a type of monitoring system like a Client Relationship Management Program)? Is there a proactive system that the Market Intelligence team could set up to broadcast through the project key changes in companies published through the news that can impact the project in addition to the reports done?

WWF Singapore's performed a variety of highly effective activities to mobilize Asian investors to consider risk linked to deforestation in their investment. These activities included building investor capacity on ESG issues through workshops and trainings, followed up with more in depth meetings with investors, publishing an investor guide to sustainable palm oil, as well as an investor scorecard to understand baseline capabilities and drive progress among asset managers.

Outcome 2: Strengthening the enabling environment for reduced deforestation commodities in demand markets

Asia Learning Exchange activities were limited to a small grant to a researcher comparing sustainable palm oil framework in Indonesia, Malaysia and India, to highlight the needed trade off for India to scale up sustainable palm oil production.

Proforest Africa has been coordinating the African Palm Oil Initiative (APOI), a collaboration between 10 African governments, international and non-governmental organisations (NGOs) and the private sector on behalf of the Tropical Forest Alliance. It has been effective in working with all 10 countries, and over the past two years, 6 countries(Cameroon, Central African Republic, Democratic Republic of Congo, Edo State of Nigeria, Sierra Leone) have improved their policy frameworks to support reduced deforestation commodity markets. 3 additional countries (Ivory Coast, Ghana and Liberia) also made progress but had already reached implementation stage²² by the start of the Demand Project, so this additional progress in policy and action plan implementation is not captured by the quantitative Demand Project indicator (however it is discussed in

²² APOI works under three stages: Engagement, Development and Implementation.

narrative reports). Activities enabled Sierra Leone to establish a national platform²³ and hire a coordinator. APOI implementation in Liberia, a target country for the GGP, has been conducted in coordination with UNDP under the Production Project.

The Demand Project aims to promote national principles to incentivize the demand for **sustainable beef from Paraguay**. Even though an action plan has been agreed by the UNDP led Chaco Platform, There is still no consensus between producers, buyers, and government on how to define sustainable beef in Paraguay. Beef intensification, which is a sustainability strategy for some, may in some cases be seen as promoting deforestation. A Roundtable for sustainable beef has been created with the support of WWF Paraguay, and has been recognized as a national chapter of the Global Roundtable on Sustainable Beef, however is about to agree on a standard which is more like a legal compliance standard.

Challenge: Given the weakness of the beef sector, lack of robust traceability system, absence of a rigorous grading system, lack of awareness on sustainability, and weak enforcement of regulations, the beef sector needs to be strengthened before the standard can become an effective tool for increasing the demand of sustainable beef.

Outcome 3: Promoting reduced deforestation commodities in major markets

WWF Indonesia seeks to increase consumer awareness and drive consumer demand for reduced deforestation products in key demand markets. To do so, a first element is the implementation of a communication strategy designed by Edelman. The design of the strategy was a lengthy process, and it defined many different smaller targets, including media familiarization trips, media briefings, press events, as well as the use of social media. One media familiarization trip has taken place to inform journalists about the impacts of unsustainable palm oil and the benefits of sustainable palm oil, so that they can better communicate to their (consumer) audiences. Several social media posts have been made, and engagements with the posts are tracked and disaggregated by gender. The consumer campaign in three major cities had not been started yet by the project midterm.

Challenge: Despite much good will, there has been frustration by both WWF-Indonesia and Edelman on the delivery of consumer campaign activities, as there is a difficulty to generate communication activities that would create sufficiently awareness. With the likely launch of sustainable cooking oil by one retailer, it is key to create more consumer awareness without further delay. It may be good to bring on a punctual basis a senior communication expert with fresh eyes to assist with improving the effectiveness of the strategy.

Outcome 4: Advancing supply chain transparency, traceability & decision support tools.

The **Trase** (Transparent supply chains for sustainable economies) model has been set-up by Stockholm Environment Institute (SEI) and Global Canopy. The project funding together with other co-financers has largely contributed to the development of the platform. The Demand Project supported Trase to develop sub-national Brazilian soy and Paraguayan models, and through some adaptive management funding the project is also supporting Trase's nascent work on Indonesian palm oil. The visualization of the trade flows brought a unique transparency that did not exist before. The companies found it disruptive since their main markets and market share are now public knowledge compared to being a private information. Trase has been extremely well received by various actors of the supply chain. This has been an extremely effective contribution to the outcome.

WWF Indonesia, after some delay, has just started mapping the supply chain from the 3 Production Project district landscapes (Sintang, West Kalimantan; South Tapanuli, North Sumatra, and Pelalawan, Riau) which should complement the work in the Production Project to ensure production in those geographies is sustainable. It should also complement the Indonesian palm oil export mapping that Trase is doing in Indonesia starting from the export ports, to traders, and ultimately to countries of import.

²³ The Implementation stage includes the development of national principles and action plans to be agreed as well as the set-up of national platforms. These platforms are the driving force behind the APOI: they have the remit to oversee the implementation of the national action plans and principles, and bring key stakeholders together for dialogue and action.

Challenge: 3 different consultancy groups have been hired because of their expertise in three different districts, so a strong coordination effort will be needed to avoid any overlapping research, especially with the request of data to companies higher up in the chain which purchase from more than one of the districts. The results of the mapping is uncertain as it depends partly on some company information which may be difficult to get. The mapping goes up to the mill. Some of the critical data which was highlighted in the production project is the smallholders mapping as they pose the greatest risk to deforestation, but this is out of the scope of the supply chain mapping as it was originally (mis)understood by the Demand Project to be within the scope of the Production Project. With adaptive management funds, Trase is now developing a methodology to map the extent of smallholder palm oil production in Indonesia.

WWF USA has created some market intelligence products that are effective in providing insights on the current issue topics that influence sustainable demand of commodities and shared to all the project partners.

3.2.1.3. Efficiency

The project has been cost efficient as it has relied extensively on the expertise of different partners and of the WWF network as well as on strategic use of co-financing (e.g. CFA, IKI in Indonesia) for implementing the project. This also included the use of third party consultants. The monitoring system has been developed to use available public resources (such as Supply Change and Forest 500) to ensure reliable and affordable data at outcome level. The tracking system developed (Knack) has eased the reporting on activities and made the input more efficient. Costs have also been closely monitored (economic travel, procurement of equipments). Human resources were used efficiently. The funding of WWF Singapore enabled the team to hire an analyst. The investment in the Globescan study by WWF US may have been the least efficient, given the cost of the study and limited strength of results due to the small number of respondents linked to a poor timing of the survey. It nevertheless provided interesting insights on actionable steps with companies.

1. Assessment of Project Outcomes	Remarks
Were project outcomes Relevant when compared to focal area/operational program strategies, WWF strategies, country priorities, and mandates of the Agencies? Was the design appropriate for delivering the expected outcomes?	The project was highly relevant to GEF, WWF,GGP, the palm oil, soy and beef sector , and the country priorities. The project had a complex design with 17 outputs and 9 sub grantees, which required a lot of coordination, but has still been appropriate for delivering the expected outcomes.. The relevance is rated as " Satisfactory "
How do you assess the Effectiveness of project outcomes? Were the actual outcomes commensurate with the expected outcomes? <i>If assessment of outcome achievements is not feasible, output achievement can be used as a proxy.</i>	The project has been effective overall: The spread of activities and the need to coordinate with partners in the Latin American region has been an initial factor of delay but has increased the effectiveness of the work. Two grants only were provided under the Asia Learning Exchange. Corporate engagement was good for soy traders in Brazil and less clear for Palm oil in Indonesia, except with retailers, the support was provided for international companies by WWF US on a one to one basis. The capacity of Asian Investors has been strengthened towards analyzing their risk with Fast Moving Consumer Goods companies . The soy outcomes have been very good (soy tool kit, Cerrado agreement) this may be a transformative shift. For Palm Oil, results will be visible in the second part of the project (the launch of the first sustainable cooking oil in Indonesia would be a major milestone but it is not secured yet.. For the Beef, a strong approach is needed to align the different views on sustainability and to tackle all the weakness of the beef sector to ensure results will be achieved. The Africa Palm Oil Initiative made good progress with 6 countries. In

	Indonesia, despite delays, some consumer awareness has been built, but it needs to be strengthened to transform it in purchase. Transparency in the chain especially with TRASE is an effective tool and knowledge management products were useful. The rating for the effectiveness is Moderately Satisfactory	
How do you assess project Efficiency ? Was the project cost-effective? How does the project cost/time versus output/outcomes equation compare to that of a similar project?	The project has been cost efficient as it has relied extensively on the expertise of different partners and of the WWF network as well as on strategic use of co-financing (e.g. IKI in Indonesia) for implementing the project. This also included the use of third party consultants. Efficiency is rated as Satisfactory	
Overall Rating of Project Objectives & Outcomes	<i>Rating</i>	<i>Justification</i> ²⁴
Using above criteria, please provide an overall rating for the achievement of the Project Objective and outcomes. This assessment should analyze both the achievement and shortcomings of these results as stated in the project document. ²⁵	Moderately Satisfactory	The project relevancy was rated satisfactory. By averaging from the relevance, effectiveness and efficiency, and looking at the mixed results for Outcome 1 and Outcome 3 , the rating is Moderately Satisfactory .

3.2.1.4. **Results - Progress to Impact**

The overall goal of the Demand project is to **drive demand of reduced deforestation commodities, in addition to promoting transparency of the supply chain, ultimately reducing deforestation and its associated negative environmental and social impacts**. The project has targeted soy, palm oil, and beef respectively in Indonesia and West Africa, Soybean in Brazil, Beef in Paraguay.

The overall evaluation of the impact as defined through the outcome indicators has been self assessed in the Progress Report dated May 2019. The indicators for Outcome 1 and 3 have been achieved and even exceeded, and rated 100%. Outcome 2, only one step change could be counted for APOI. The methodology for the indicator has not been defined for Paraguay. Given the delay with the consumer media campaign there is no reference for the indicator. The evaluator agrees with the self reported evaluation.

The analysis below provides a narrative on the evaluation of the project impact on each of the commodity sector as well as some additional contribution to the GGP overall.

Soya Bean : the Demand Project has already made a great contribution by providing the Soy tool kit as it prompted some large companies to revise their sourcing policies.

Proforest became a trusted partners for the Soft Commodities Forum which is also a big step forward by having the 6 major traders looking at their supply chain sourcing in Brazil. The Trase tool has been highly disruptive given the transparency shown in the Soy exports from Brazil. The Cerrado agreement is another major achievement that needs to be secured by adequate funding. Of course, producers would need to adopt the

The Soy Tool kit and the Cerrado Agreement are likely to have a major impact on the Soya Market. Launching sustainable cooking oil on the shelves in Indonesia would be a major milestone, but support is still needed to secure the results.

²⁴ The evaluator should be objective and provide sufficient justification with empirical evidence to support the rating given.

²⁵ If any changes were made to these results, please indicate when they were made and whether those changes were approved.

approach ultimately, but this would directly contribute to the core GEF indicators for GGP. The Project is therefore having a major contribution to the soy sector.

Palm Oil: there is the potential to have a major milestone with the introduction of sustainable palm oil on the shelves in Indonesia. While the potential is there, many factors still need to be addressed for the launch to be a success and cooking palm oil to be purchased. Transparency of the Indonesian market will be increased with both the supply chain mapping and Trase. The pressure from Asian investors to FMCG should increase in the future as a consequence of the actions conducted by WWF Singapore. The magnitude of the potential behaviour shift created by the capacity building of supply chain actors as well as the pressure from Investors is difficult to assess, but it should contribute to some increased demand of sustainable palm oil.

Beef: There has been already some shift in behaviour in the beef sector demonstrated by the high commitment to the Chaco Platform. While the Roundtable on Sustainable Meat is close to agreeing to a standard, the fact that Paraguay will next year organize the GRSB conference may be a key driver for the Paraguayan beef sector to demonstrate how sustainable it is. A more inclusive approach like a systems approach could help the alignment and the co-creation of the needed system for a sustainable beef sector to speed up the process of transformation within the next 2 years. Systems approach facilitates wider consensus among actors in the sector (production, demand, finance) to enable better leveraging on all individuals actions and foster a mindset change for a sustainable sector. Facilitated workshops which can use techniques like system modelling, gaming, can help creating this necessary common vision.

The Demand project contributes to the overall GGP project goal through the impacts as described above. In addition, the project has contributed as a participant and as co organizer to several workshops organized by the A&L project on cross collaboration among the child projects. While these activities performed through A&L bring some additional knowledge, it is taking away human, and financial resources from the direct Demand Project management as this had not been accounted for at design.

3.2.1.5. Sustainability

Most of the partners have secured some co-financing which provides some **financial sustainability** to the project in a short term. In **Paraguay**, the financing of the platform both at regional and national is not secured yet, a strategy has to be found in the next 2 years. A public private partnership with the Roundtable of sustainable meat should be explored as one alternative. Furthermore, the current set up of the Paraguay team depends on the Landscape Project for the financing of the Platform coordinator and its beef and soya technical advisors. The cost is currently shared but this project ends mid 2020, a year and a half before the Demand project. The platform team, especially the coordinator is a crucial person who has gained the trust of the various actors in the beef industry. **Trase** is still in the initial phase of the development, and the tool has secured funding until April 2021. The most tricky aspect of a platform providing public information is to find the right business model to finance the maintenance and the continued update of its database. Once the novelty disappears, it won't likely be so attractive to funders. Trase has started to reflect on its financial business case but needs to have its next phase financial model ready and working by the end of this second phase.

No **Social-political risks** have been included at design in the project document. The soy tool kit specifically includes a guidance factsheet on the drivers of child labour, forced labour, inadequate health and safety, and land rights abuses and disputes in agriculture and forestry. While these are more indirect risks, these are factors which may occur in all the key commodities and as such have to be taken due care in the responsible sourcing commitments. Land rights issues have also to be well enforced, especially if there are local and indigenous communities. There could be cases in all the targeted countries and regions. On the political side, the Brazilian situation is creating a risk to the project. So far companies are still promoting sustainability despite a negative environment. Trase data sourcing could be impacted in the future. Political changes due to election had delayed or influenced the work (e.g. Paraguay, Sierra Leone, Brazil), this has to be considered especially for the outcome 2, but also overall since the political context influences the business context and the availability of

government-run data sources. For example, the Indonesia work on demand would get more buy-in from companies, if the Government had already legalized the National Action Plan.

The project enabled each partner team to strengthen its capacities. The procedural process of procurement in WWF Indonesia and time to obtain approval on Terms of Reference from the Demand PMU has further delayed the project, and should be streamlined for the future. Other institutional risks except for activities are linked to Platforms. In Paraguay, given the lack of funding of the Platform coordination team, it may provide a risk to the sustainability of the Platforms, thus creating some **Institutional Framework risk**. Furthermore, the Demand project relies on the Platform work in Paraguay to foster the necessary changes in the policy and institutional environment. The decision on where the National Platform will be located within the government, is also key as it supports the buy-in and financial sustainability. In a similar way, it is not clear how in the Platforms set through APOI have an institutional sustainability. No specific **Governance risk** is identified for the Demand project activities. Nevertheless, the Demand project is one of the child project of GGP. This requires a lot of coordination from the project management to also ensure there is alignment with the other child projects and to contribute to the A&L activities (eg seminars, conference, etc) which had not been included as part of the project neither in terms of financing nor of human resources required. This should be addressed for future integrated projects.

No **Environmental** risk have been defined at project design as the project objective is to help conserve biodiversity and forests. Environmental sustainability is rated as "**likely**".

2. Assessment of Risks ²⁶ to Sustainability ²⁷ of Project Outcomes	
<i>Please describe these risks below, taking into account likelihood and magnitude:</i>	
Financial Risks	Most of the partners have secured some co-financing which provides some financial sustainability to the project in a short term. In Paraguay , the financing of the platform both at regional and national, as well as of the cost of the shared platform team is not secured yet, a strategy has to be found in the next 2 years. Trase is still in the initial phase of the development, and the novelty of the tool has enabled to secure funding until April 2021. Trase has to find the right business model to finance the maintenance and the continued update of its database but it needs to have it ready and working by the end of the next two years. Financial sustainability of the project is rated as moderately likely .
Sociopolitical Risks	No Social-political risks have been included at design in the project document. The soy tool kit specifically includes a guidance factsheet on the drivers of child labour, forced labour, inadequate health and safety, and land rights abuses and disputes in agriculture and forestry. These are factors which may occur in all the three commodities and as such have to be taken due care in the responsible sourcing commitments. On the political side, the Brazilian situation is creating a risk to the project. Political changes due to election had delayed or influenced the work (eg Paraguay, Sierra Leone), this has to be considered especially for the outcome 2, but also overall. This should be rated at least as moderately likely .
Institutional Framework and Governance Risks	The project enabled each partner team to strengthen its capacities. The procedural process of procurement in WWF Indonesia has further delayed the project, and should be streamlined for the future. Other institutional risks are linked to Platforms. In Paraguay, given the lack of funding of the Platform coordination team, it may provide a risk to the sustainability of the Platforms, thus creating some Institutional Framework risk . Furthermore, the demand project relies on the Platform work in Paraguay and for the APOI countries. It is not clear yet how the Platforms' action plan/ national principles have been embedded into the priorities of the

²⁶ Risks are internal or external factors that are likely to affect the achievement of project outcomes. In this context, please consider how these risks could affect the sustainability or *persistence* of project outcomes. Please feel free to list individual risks for each category (financial, sociopolitical, etc) and provide a corresponding assessment on likelihood and magnitude for each of these. This will help you in forming your overall rating of sustainability of project outcomes.

²⁷ Sustainability is defined by 2010 GEF M&E Policy as: the likely ability of an intervention to continue to deliver benefits for an extended period of time after completion; projects need to be environmentally as well as financially and socially sustainable.

country. No specific Governance risk is identified for the Demand project activities. Nevertheless, as a GGP child project, a lot of coordination is required from the Demand Project Management to align with the other child project and to contribute to the A&L activities (eg seminars, conference, etc) which had not been included as part of the project design neither in terms of financing nor of human resources required. Overall institutional framework and governance risk is rated as moderately likely .		
Environmental Risks		
No Environmental risk have been defined at project design as the project objective is to help conserve biodiversity and forests. This risk is rated as likely		
Overall Rating of Sustainability of Project Outcomes	<i>Rating</i>	<i>Justification</i>
Using above criteria, please provide an overall rating for the risks to sustainability of project outcomes.	Moderately likely	3 of the 4 risks have been rated Moderately likely

3.2.1.6. Adaptive Capacity

The project has been adaptive in several occasions during the first two years. The key ones that had major impact on the project are the following:

- With the initial delay of the GGP project award, the CFA project had started in Brazil with similar objectives. The initial anticipated Soy Traders Platform envisaged in the project had to be reviewed as the WBCSD was already convening a similar group (the Soft Commodities Forum). The adaptive management proposal by Proforest of the design of a Soy Toolkit was therefore agreed and turned out to be an excellent decision given its effectiveness.
- The other major change is the reallocation of USD 200,000 from the under spent budget in Indonesia. This was allocated to support 1) the palm oil mapping for the development of Trase in Indonesia, 2) a regional palm oil trade and demand specialist based in WWF Singapore to lead engagement with target companies for the 2019 scorecard and coordinate SASPO and 3) support CI to engage with partners to validate data for Trase. This was also an excellent decision in term of budget reallocation.

Other decisions included for example the extension of Trase for a 4 years period (heavy spending in first two years and less in the last two years), the implementation of the "Knack" system for M& E, and the revision to a quarterly frequency the delivery of the market intelligence products. These decisions have been also effective.

What is still a challenge: The Asia Learning & Exchange objective is to fund projects for new innovative areas. It provides an imbedded adaptive management tool within the project. Its objectives had been clarified at the beginning of the project. Only 2 grants had been allocated. A new call for proposals was launched after the second year. Its overall activity should still be carefully reassessed in terms of impact for supporting the project objective and efficiency of the use of funds.

3.2.2. *Partnership arrangements*

The project has set up agreements with all its subgrantees to perform the project activities. This includes Proforest with its two offices Proforest Latin America and Proforest Africa, WWF Brazil, WWF Singapore, WWF Indonesia, SEI for Trase, UNDP Paraguay. In addition specific contracts were issued for local partners/consultancy firms implementing some specific work (e.g. Edelman for Indonesia, consultants for supply chain mapping, consultants in Paraguay for the analysis of the international beef standards available).

3.2.3. Implementation of M&E and use for adaptive management

Project level Monitoring and Evaluation has been performed through various means as indicated in the Project design section. A review of their implementation is provided below

- The project **Results Framework** has been populated by the M&E team and subgrantees with the cumulative data from the project (e.g. number of companies, number of countries, etc). Some of the core indicators on consumers are still not reported given the delay in the outcome.
- The **Quarterly field reports** tracks the project activities. This has been eased by the set up of the online "Knack" monitoring system but was received with mixed reactions.
- The **Quarterly financial reports** have contributed to a sound financial management.
- The **Annual WWF-GEF Monitoring Review** is important for WWF-GEF unit.
- The **Supervision Agency mission** enable the WWF -GEF unit to have a better grasp of the progress outside of reports. The GGP conference was taken as an opportunity to perform one.
- **GEF Tracking Tool** is a GEF requirement, but the project has no direct core indicators.
- The **Annual Adaptive Management Workshop** was performed in Geneva in 2019, and was useful to identify areas of improvement within the project and especially improving trust for collaboration with other child projects.
- The Annual **Senior Management Adaptive Management Review** is held at WWF-US after the Annual Adaptive Management Workshop to discuss progress and decisions with senior management at WWF and ensure alignment and integration with other strategic considerations.
- The monthly **calls of the Project Manager** with the subgrantees enable to track the progress and discuss any issues that may arise.

Strengths: The overall M& E has operated as anticipated. The definition of some activity reporting has stirred a strong accountability of each subgrantee. Resources to perform the M&E have been adequate.

What works less: Being a GGP child project has required extra reporting to UNDP RH LAC, coordinating the GGP Project, since the calendars are not aligned, and the A&L project has placed many unanticipated demands on the Demand Project PMU and partners. Furthermore there is the perception that A&L is much more production focused, this was clear at the start of the community of practice.

3. Assessment of M&E Systems	Remarks
<p>M&E Design – Was the M&E plan at the CEO endorsement practical and sufficient? Did the M&E plan include baseline data?²⁸ Did it: specify clear targets and appropriate SMART indicators to track environmental, gender, and socioeconomic results; a proper methodological approach; specify practical organization and logistics of M&E activities including schedule and responsibilities for data collection; and budget adequate funds for M&E activities?</p>	<p>M&E design at CEO endorsement was practical and sufficient. The M& E plan include baseline data for most of the indicators or an estimation. Targets were set for the indicators. They were SMART but some could be strengthened to better reflect the systemic change due to the project. A gender strategy with indicators has been designed as part of the project, so no gender indicators were included at design. M& E human and financial resources are adequate. The M&E at design is rated as Satisfactory</p>

²⁸ If there is not a project baseline, the evaluator should seek to estimate the baseline conditions so achievements and results can be properly determined.

<p>M&E implementation – Did the M&E system operate as per the M&E plan? Where necessary, was the M&E plan revised in a timely manner? Was information on specified indicators and relevant GEF focal area indicators gathered in a systematic manner? Were appropriate methodological approaches used to analyze data? Were resources for M&E sufficient? How was the information from the M&E system used during project implementation? Did it facilitate transparency, sharing and adaptive management?</p>	<p>The overall M& E has operated as anticipated. The definition of detailed activity reporting has stirred a strong accountability of each sub grantee, but may be less effective for adaptive management. Resources both human and financial to perform the M&E have been adequate. Being a GGP child project has required extra reporting to UNDP RH LAC (GGP Project Management), coordinating the GGP Project, since the calendars are not aligned. The implementation of the M&E is therefore rated as Satisfactory</p>	
<p>Overall Rating of M&E</p>	<p><i>Rating</i></p>	<p><i>Justification</i></p>
<p>Using above information as guidance, please provide an overall rating for M&E during project design /implementation.</p>	<p>Satisfactory</p>	<p>Both design and Implementation are rated as Satisfactory.</p>

3.2.4. WWF and Implementing Partner implementation / execution

Implementation has been good for most of the partners despite potential initial delays at the start of the project and mixed for others. **Proforest Latin America** decision to reorient its mandate to design the soy tool kit was good and its implementation successful. **WWF Singapore** has been very efficient also in building capacity to Asian investors despite initial delay at start. **Proforest Africa** has delivered the planned activities in West Africa for the African Palm Oil Initiative. **WWF US** has been able to fund two grants so far with the Asia learning exchange as GEF was hesitant for grants to be provided for work on China and India, while the GGP is not working nor endorsed by these countries. 8 proposals were received for the new call. WWF US corporate engagement activities have been on a one to one basis to support WWF Indonesia, and WWF Brazil with the US headquartered companies. **WWF Brazil** has successfully contributed to the Cerrado agreement. Nevertheless, lots of time and energy has been spent initially to align with its partners. A good agreement was found with CFA for Proforest and complementarities with CFA work well in Brazil. The collaboration expected between CI and WWF Brazil under the GGP Program has improved. CI and WWF have agreed on their common objectives activities to still be implemented more in parallel as work could not be engaged in Matopiba with a "deforestation free" approach. They also agreed on a corporate engagement strategy with key traders. **WWF Indonesia** experienced delays. This is partly due to the difficulty of finding quality consultants in the country, time for approval by PMU of the terms of references as well as a lengthy internal procurement procedure in WWF Indonesia. The supply chain work should now be on track. There are still issues around the communication activities, and the overall strategy needs to be strengthened. The media campaign in the three cities should start now. The **UNDP Paraguay** team is understaffed due to some budget mistakes in the project document. The Demand project is fully linked to the Production project. The initial delay of the GGP procurement has also created issue of alignment with the CFA Project, who started earlier in Brazil and in Paraguay. Alignment happened in Brazil but was not so successful in Paraguay. With the parallel mode of operation of WWF Paraguay despite efforts of the UNDP team, the team is making the best of the situation.

WWF US as the Executing Agency has done an excellent work of coordination and support to all the Subgrantees.

4. Implementation and Execution Rating	<i>Rating</i>	<i>Justification</i>
<p>Please rate the WWF GEF Agency on the project implementation.</p>	<p>Highly Satisfactory</p>	<p>There has been good support and interaction between the WWF GEF Agency and the PMU</p>
<p>Please rate the Executing Agency on project execution.</p>	<p>Highly Satisfactory</p>	<p>The Executing Agency has managed very effectively the project which required a lot of coordination at many different levels.</p>

3.2.5. Alignment with WWF and Country priorities

The project was fully aligned with WWF mission which is to "conserve nature and reduce the most pressing threats to the diversity of life on Earth". For that, working in partnership, one of its priorities is to "Transform markets and policies to reduce the impact of the production and consumption of commodities" which is fully aligned with the objectives of the project.

The project is also fully aligned with the targeted countries priorities. **Indonesia** has set a national medium term national plan (RPJMN 2015-2019) to greening the Indonesian economy. It has also committed to reducing emissions under the UN Framework Convention on Climate Change (UNFCCC). The Strategic plan of the Ministry of Agriculture (2014-2019) focuses especially on food security. So it is promoting crops like rice, corn, soybeans as staple food. Nevertheless, the priority of the general Directorate of estate crops of the Ministry of agriculture,²⁹ is still including palm oil as a strategic crop. At consumer level, cooking oil is considered as a staple food and has a regulated price. The project is aligned with **Paraguay** country priorities under the UNFCCC as well as with its national strategy for beef.³⁰ Seven **APOI countries**³¹ have signed the Marrakesh declaration at the COP 22 demonstrating their alignment to the UNFCCC. The Project is aligned with Singapore's goal to become a financial hub³². Soyabean is the largest export product³³ for Brazil.

3.3. Gender Equality and Mainstreaming

A gender strategy has been designed³⁴ with suggestions for each partner of entry points of how to promote for gender in their activities. It was very good with practical ways to integrate gender issues. There was first the need to build capacity for the team on why gender equality applies to their work stream. This was achieved through an interactive webinar so that members of the Demand Project across the globe could all participate at the same time and learn from each other's perspectives. In addition, one to one calls with the gender expert consultant enabled partners to agree on the list of actions that would be included in the work plan, and endorsed at the Steering Committee meeting in October 2018. Here below are the main areas for the project to become gender sensitive:

- Component 1: focus is on influencing companies sourcing policies as well as investors policies.
- Component 2: work is on a regional basis to facilitate conditions for equitable and sustainable palm oil markets. gender mainstreaming can benefit from the lessons learned across the region.
- Component 3: since this is the work stream that engages directly with consumers, there is a possibility to integrate gender sensitive messaging.
- Component 4: work will ensure gender concern is included, by ensuring that some data are disaggregated, and by presenting the issue clearly
- Component 5: Gender equality must be included in the monitoring and evaluation system.

Progress has been made by each stream of activity to implement it. Participation in workshops, training offer opportunities to target women (e.g. APOI, Paraguay. To ensure a lasting impact in the long term, key is the design of gender sensitive policies (at government level, or at company or investor level) . Including gender

²⁹ The strategic plan for 2014-2019 under Direktorat General of estate crops of Ministry of Agriculture named " Rencana Strategis Direktorat Jenderal Perkebunan Tahun 2015-2019 Revisi 3 regulates anything related with estate crops has the development of plantation commodities and is focusing on 16 leading commodities namely Sugar Cane, Palm Oil, Rubber, Coconut, Cocoa, Coffee, Pepper, Tea, Nutmeg, Cloves, Cashew, Sago, Pecan Sunan, Cotton, Tobacco and Patchouli. The determination of these commodities is in accordance with Minister of Agriculture Decree number 511 / Kpts / PD.310 / 9/2006 and Minister of Agriculture Decree number 3599 / Kpts / PD.310 / 10/2009

³⁰ Plan nacional para el desarrollo de la cadena de valor de la carne bovina en Paraguay, 2016-2021, Ministerio de Agricultura y ganaderia.

³¹ The Governments of the Central African Republic, Côte d'Ivoire, Democratic Republic of Congo, Ghana, Liberia, the Republic of Congo and Sierra Leone publicly signed the Marrakesh Declaration

³² <https://www.mas.gov.sg/Singapore-Financial-Centre.aspx> and <https://www.straitstimes.com/business/companies-markets/singapore-third-best-financial-centre>

³³ <https://oec.world/en/profile/country/bra/>

³⁴ Elanor Jackson and Knwal Ahluwalia, from Genderflection.

sensitive policies is an area of focus for Asian Finance investors. Communication especially for the cooking oil can focus on women buyers. Proforest has developed a specific guidance in the soy supply chain to promote gender inclusiveness at all level within sourcing process and support women empowerment at local level (e.g. access to training, support to entrepreneurship). For tools like Trase, gender is more easily introduced at workshop level than incorporated into the online tool. Overall there has been excellent progress by the project to integrate gender consideration. As it started in 2019, it is too early to assess the impact.

3.4. Stakeholder Engagement

Companies, investors, policy makers, and consumers were identified as the key stakeholders.

Companies are the main stakeholders for the Demand project. The corporate engagement strategy should therefore be core to the implementation of the project. From the documentation received, and the interviews performed, there has been uneven ways to address it. **WWF Indonesia** has defined a strategy identifying key companies to target as well as reflecting on how best to have a collective impact by either creating a new platform or linking it to an existing one such as Indonesian Business Council for Sustainable Development (IBCSO) or SASPO (Support Asia for Sustainable Palm Oil). In **Brazil**, given the various initiatives and partners, alignment had to be done to have a coherent approach with the companies, which came forced from WWF US as a strategic move. In **Paraguay**, the link is through the platform engagement, especially in the Chaco region with the cooperatives. The team has had contacts with companies such as slaughterhouse or exporters, but at this stage, this has not been done more on opportunistic way, since efforts are focussing especially on the production side as a first step. WWF US has engaged with US-headquartered companies one to one as needed, and for platform engagement has relied on WWF-Paraguay to engage with the MPCS (Paraguayan Roundtable for Sustainable Meat) through CFA (co-financing).

What needs to be strengthened: Given the importance of companies, the project should have designed a corporate engagement strategy at the start with both individual companies and collective business organisations such as Consumers Good Forum and others. This would enable to be more efficient and impactful and to better clarify and guide the Demand project. This would provide input to the GGP project as a whole, whenever some of the companies or initiatives are strategic to have a common front.

Asian Investors have been strategically engaged by WWF Singapore. The Transaction Project is focusing on the design of financial mechanism to support production, taking another approach so this is complementary.

Policy makers have been set as key stakeholders especially for Outcome 2, and APOI has made the due engagement for the project. Engaging policy makers for the development of consumer markets is important too. It is highlighted for Paraguay, but this engagement will be started especially once the National Platform that was launched will be discussing the National Action Plan.

What needs to be strengthened : In Indonesia, WWF invited representatives of the Ministry of Trade to some workshop, but this was a preliminary awareness raising. A full strategy needs to understand which government institution is important for enabling the promotion of sustainable Palm oil (.e.g. staple food, labelling, etc), and engage them.

Consumers are the final target for purchasing sustainable product. The main objective of the Outcome 3 in the project is to create the awareness in for them.

Other partners have been engaged at country level as necessary during the implementation such as for example CFA (e.g. TNC, NWF) .

Suggestion: The stakeholder strategy described in the project document has not been further elaborated . As described above, the project needs to adapt to the changing context, especially with companies. Nevertheless, implementing a corporate engagement strategy at design may support a stronger and aligned message to companies. Evaluating what could be implemented to support corporate engagement would be extremely valuable (See

suggestions in section 3.1 effectiveness outcome 1) The publication of some business cases to demonstrate value of sustainability could also be explored especially in Indonesia for retailers, and in Paraguay.

3.5.Safeguards Review

The Demand project was classified as C or low risk for the Environmental and Social safeguards.

3.6.Finance and Co-finance review

3.6.1. Co-financing

The total co financing at Mid Term was USD 80 505 596,45 while the amount confirmed at in the ProDoc was USD 42 334 902 . The project has already largely exceeded its co financing target (197%). The details are provided in **Annex 9**. Such increase is largely due to the doubling of the Gordon and Betty Moore Foundation, but also to increased co-financing secured by WWF-US, Proforest, and the Stockholm Environment Institute, as well as the new/additional sources of co-financing that were discovered during project implementation. As a result of pursuing these other sources of co-financing, much of the work funded on demand for deforestation-free palm oil, beef, and soy is aware of and somewhat aligned with the GGP Demand Project. Most of the cofinancing has been in the form of grants. The co-financing has been extremely strategic to the overall project.

3.6.2. Financial Management of the project

The total expenditures of the project at the midway point are summarized below and amounted to USD 3 574 296 or 41 % of the total budget.

USD	Prodoc Budget Total	Actual	% Spent
Expenditures			
Subtotal	8 033 059	3 451 456	43%
Paraguay	650 000	122 840	19%
Total Expenditures	8 683 059	3 574 296	41%

Details of the actual expenditures are provided in **Annex 10 (total without Paraguay) and Annex 11 (Paraguay)**. The analysis of each sub grantee spending shows that Proforest Africa has spent all the grant as anticipated given its two years contract, but the work will continue with co-financing grant. With the development of the platform, SEI had to face more expenses for the first two years to develop the platform (69 % spent) but less will be needed for the upgrading of the platform and data collection in the next two years. All the other subgrantees have under spent. WWF US has spent 38 % as only two grants were provided under the Asia Learning Exchange, which is managed by WWF US and is part of its budget. WWF Indonesia, given the initial delays in contracting all the consultants (eg Supply chain mapping, corporate engagement strategy development and implementation, communication, and media campaigns), had spent only 20 % of its budget. USD 200 000 have been reallocated, so a total of USD 701 109 remains for the next two years. WWF Singapore had initial delays in hiring staff which translated in a 30 % spent. Activities and staffing is now on track, so spending should proceed normally for the next two years. Adaptive management funding from Indonesia allowed WWF Singapore to hire staff dedicated to corporate engagement for palm oil at the regional Asia level. WWF Brazil faced initial delays in the first year to realign the activities, which now is on track with a 40 % spent. Paraguay has been under spending due to a delayed start. A budget revision is proposed to enable to ensure the entire team is financed until the end of the project.

The financial management per se done by the Programme Management Unit is very good. Funds are transferred as per the quarterly financial report request.

What is more challenging: There was no budget allocated to communication. As a child project, there was no budget for coordination/travels to participate in GGP activities.

The main under spent which may be questioned is the one for the Asia Learning Exchange. The results are interesting, but this may not be the best value for the money spent for the project. Some funding could be reallocated to strengthen some core activities.

4. Conclusions, Recommendations & Lessons

4.1. Conclusions

The Demand Project has been designed as a child project of the Commodities Integrated Approach Pilot from GEF under GEF6 funding, which was a new approach for GEF to test how systemic change could be done through an integrated approach. The Demand project focused on Palm oil in Indonesia and West Africa, Soy in Brazil, and Beef in Paraguay. It worked to mainstream demand with major buyers and traders, strengthening the enabling policy environment, increasing consumer the demand in major markets like Palm oil in Indonesia, and to advancing the supply chain transparency, market intelligence, and decision making.

The project has made some good progress, though it has been uneven among commodities. It has already provided major transformative impact on the ground, which will need to be consolidated during the second part of the project.

- In soya, the agreement signed by 64 global buyers as Signatories of Support for the Cerrado Manifesto in February 2019 is a major milestones to protect the Cerrado biome but requires finding major funding for the financial mechanism.
- The intention of one major retailer to launch sustainable cooking oil during the first quarter 2020 would be a major milestone for the Indonesian market, which is the world's second biggest market for palm oil. Strong support is needed to ensure the legal framework is conducive (e.g. labelling for sustainable oil) as well as general consumer awareness is built on sustainable palm oil for consumers to purchase it.
- The Trase Platform has been extremely innovative in tracing flows of exports from the district of production up to the country of import, showing transparency on the main companies being involved along the supply chain. Such transparency has been disruptive for the companies since their markets' information is now public information but it also allows them to make more informed sustainable sourcing decisions.
- The good relationship built with Cofco on soya by multiple partners is a promising step to better understand the Chinese market for Brazilian soy.

Other key outcomes that have been achieved: Proforest has designed the Soy toolkit which is useful to build capacity for companies implementing responsible sourcing policies. This has enabled Proforest to engage and to partner with the Soft Commodities Forum, with the 6 major soy traders. WWF Singapore is training and supporting the Asian investors on integrating environmental and social issues, including deforestation, into their investment processes; this also involves enabling them to engage FMCG companies / other investee companies over deforestation in supply chains. The African Palm Oil initiative has provided support to 10 West and Central African countries to advance sustainable palm oil development, specifically through convening regional meetings where lessons learned and strategic dialogues can be shared about implementing sustainable palm oil in the African context; 6 of these countries have moved into implementation of national principles and action plans over

the past two years (3 were already in implementation at project start). With more targeted support from the Demand Project in Sierra Leone, the country has increased its domestic stakeholder capacity to implement its sustainable palm oil action plan.

The project has been less successful so far in Indonesia due to delays to build the necessary in-country awareness on sustainable palm oil. In Paraguay the Demand project being combined with the Production project as the "green Chaco" project is lacking a demand-focused identity, with production being the primary focus. The Chaco Platform has agreed on an Action plan and has been set-up, and a national platform has been launched with the UNDP support. There is still no agreement on sustainable beef production among different stakeholders. Capacity needs to be built within the government as well as within the beef sector, including for the design of a traceability system and a robust grading system.

Some of the project results may be threatened, especially in the case of conversion-free Cerrado soy if the Cerrado agreement does not find funding for its compensation mechanism. The launch of the sustainable cooking oil has to be successful, in order to create the case for sustainable cooking oil on the market and to build the founding basis for developing a market in Indonesia for sustainable palm oil.

The project has set a good foundation to sustain in the future. Nevertheless, financial sustainability in Paraguay needs to be addressed carefully. Trase will need to think to his financial business case for 2021 to maintain the platform and to regularly update data.

Despite a complex set-up with many sub-grantees, the overall the project has been well managed.

4.2. Recommendations

Some recommendations are proposed for the second half of the Demand project. The initial ones are considered as priority to better secure the achievements of the project. Others are to explore.

Nbr	Recommendation	Entity responsible
Priority		
1	Indonesia communication: With the foreseen launch of sustainable cooking oil by one retailer in the first quarter 2020 in Indonesia, building a strong consumer palm awareness is a key lever for creating the demand. Implementing an effective communication strategy is crucial. The current communication should be strengthened. We recommend to have a high level communication expert acting as adviser to support the team, especially to stir the discussion to strengthen the strategy with Edelman and ensure the work on media campaign is on track.	WWF Indonesia
2	Indonesiasupport to create the conditions for a market of sustainable cooking palm oil: With the foreseen launch of sustainable cooking by one retailer in the first quarter 2020, the project should support to the retailer with the necessary steps to be performed (e.g. understanding the legal environment, communication message for sustainable palm oil). This support could be used as a learning towards the design of a guidance tool for the launch of sustainable cooking oil in Indonesia.	WWF Indonesia
3	Brazil, support with corporate engagement for funding the Cerrado agreement: While CFA has the main responsibility for presenting the financial mechanism to major companies, and donors, WWF Brazil should verify progress on funding for Cerrado Agreement and explore any additional support from WWF US that could be provided to engage with companies and donors	WWF Brazil
4	Create a sustainable beef sector in Paraguay which will preserve the forest. The Demand project aims to promote national principles to incentivize the demand for sustainable beef from Paraguay . Even though an action plan has	UNDP Paraguay UNDP RHLAC support

	<p>been agreed by the UNDP led Chaco Platform, there is still no consensus between producers, buyers, and government on how to define sustainable beef in Paraguay. The specificity of Paraguay, Pasture Beef, may also conflict with the concept of sustainable beef intensification. Agreeing on a common vision for sustainable beef is a therefore crucial to meet the project target but this is a first step towards creating the demand for sustainable beef, but it is not sufficient.</p> <p><u>1) The recommendation is therefore to build on the platform dialogue to agree on the common vision.</u> While a common definition at the regional Chaco level would be positive, this common vision should be done at the National level. There are several elements which can contribute to the common vision: 1) the Paraguayan Roundtable for sustainable beef has been created with the support of WWF Paraguay as a national chapter of the Global Roundtable on Sustainable Beef, it has drafted a standard which is more like a legal compliance standard. 2) IFC under the Transaction project is piloting sustainable intensification to understand the business model for proposing financial mechanism to support this production, as well traceability systems with a cooperative, 3) UNDP has launched the National sustainable beef platform which includes the 3 main Ministries (Ministries of Agriculture and Livestock, Ministry of Environment and Trade and Commerce).</p> <p><u>2) Explore a systems approach for co-creating a sustainable beef sector in Paraguay that preserves forest.</u></p> <p>Given the weakness of the beef sector, the lack of robust traceability system, absence of a rigorous grading system, lack of awareness on sustainability, and weak enforcement of regulations, the beef sector needs to be strengthened before the standard can become an effective tool for increasing the demand of sustainable beef. The integration of the GGP Production, Demand and Transactions Project sand having all the actors together would help better leverage on all the individual actions and fully include the need to conserve forests beyond the legal requirement and the financial sector which is key to support the sector transformation. See in Annex more detailed presentation.</p>	
5	<p>Paraguay - Financial Management :</p> <p>1 - Budget revision: the budget needs to be revised following some mistakes in the initial project document which did not allow full funding of the project team.</p> <p>2 - Contribute to securing the financial sustainability of Platform team: explore how the platform team can continue to support the project after June 2020.</p>	UNDP Paraguay
Others		
6	<p>Paraguay: international beef expert</p> <p>This was planned in the project budget . A national consultant has supported the project. It would still be extremely important to bring the expertise of an international beef expert who has knowledge on sustainable beef production as well as of the international standards or criteria required by those markets who already purchase sustainable beef from other origins. The expert should build on his/her own network to suggest how to open new markets.</p>	UNDP Paraguay
7	<p>Corporate engagement strategy review and monitoring</p> <p>The context in which companies operate is constantly evolving, hence, any corporate strategy needs to be extremely adaptive. While companies relationships is a sensitive information, reflecting on the corporate engagement at project level and also among key NGO's and other organizations is nevertheless of utmost importance. It would still be interesting to reflect on what could be done to ensure the most effective and adaptive corporate engagement. Is the project offering a sufficiently "packaged solution" to companies for their sourcing (i.e is the Soy tool kit taking into account the CFA framework and supporting the best of transparency potential on the company supply chain together with Trase?)? How is the tracking of companies contact done to ensure the coherence of messages with companies</p>	WWF US All Partners

	at least within the project (eg existence a type of monitoring system like a Client Relationship Management Program)? Is there a proactive system that the Market Intelligence team could set up to broadcast through the project key changes in companies published through the news that can impact the project in addition to the reports done?	
8	Re-evaluate the Asia Learning Exchange value for money and explore the potential to fund a Palm oil Toolkit, as well as to finance elements of a system approach in Paraguay	WWF US

4.3. Knowledge activities and products

The project has produced a number of knowledge products which have supported its activities, especially with the Soy Toolkit, the guide to Asian investors on palm oil, information on progress from the African Palm Oil as well as the various market intelligence products. The complete list is available in Annex 5.14.

4.4. Lessons learned

There are several lessons learned from the design and the implementation of the project for future projects.

Project Design:

- Collective impact of companies is the most effective (eg Cerrado agreement, Soft Commodities Forum) as it enables a level playing field among partners.
- Corporate engagement strategy should be defined at design stage. The strategy implementation should be discussed at the start of the project to best leverage actions with companies and business organizations, and a monitoring system should be put in place to enable the project partners to adapt rapidly to the changing context.
- Future integrated projects need to already agree on how the integration will happen during the design phase. This means agreeing on the Theory of change of the overall program, and on its common objectives and indicators for each project, as well as having a clear stakeholder strategy to provide a strong common message for the projects. Budget and human resources time dedicated to the coordination has to be included .
- The alignment of projects with similar objectives funded with different donors should be discussed during the design phase to ensure the most efficient use of funding, a leveraging effect on each project to also ensure there is a common approach to the targeted beneficiaries.
- To demonstrate a systemic impact, process indicators should be included to measure the progress and quality of the transformation.
- Donors should consider to include systematically a certain "budget" for Adaptive management in projects to enable project to adapt more easily to the changing context or to initial procurement delays.

Project Implementation

- Alignment of partners takes time and resources, but is essential for success of project. Time spend initially in Brazil resulted in proposing the Soy Toolkit which was an excellent decision. This was also a very good example of adaptive management. The Soy Toolkit demonstrated how capacity building support to companies is needed, even for large traders such as Cargill and Cofco. They value the support to sourcing policies implementation up to the capacity building of farmers.

Best Practice

- Adaptive management is a key feature to integrate in project management for its success. The project has been adaptive all along (especially with the decision for the Soy tool kit and the reallocation of the Indonesia fund), and this has contributed to the success of the project.

Worst Practice

- Not aligning vision and action at the beginning of the project among partners or with similar projects may create implementation problems. The parallel implementation of two similar projects between UNDP Paraguay and in WWF Paraguay has created confusion for some of the beneficiaries.

5. Annexes

5.1. Evaluation Matrix

Evaluation Criteria	Questions	Indicator	Document Source	Methodology
Project Strategy: To what extent is the project strategy relevant to country priorities, country ownership, and the best route towards expected results?				
Project design	<ul style="list-style-type: none"> Is the problem addressed by project correct? Are there any incorrect assumptions? If yes, how does it impact the delivery of the project? 	<p>Level of coherence between the problem and intended outcome of the project</p> <p>Validation of each key assumptions as laid down in Prodoc</p>	<p><u>Project documents:</u></p> <ul style="list-style-type: none"> GGP IAP Program document WWF Project Document WWF GEF Operational Annex PIF Finalized GEF Focal area Tracking Tool/Core Indicators at CEO Endorsement Responsible Demand Safeguards Compliance GEF Commodities Gender Integration opportunities WWF- Summary of Discussion on Gender (April 26 2016) <u>External Sources</u> Project Countries development plans or priorities as stated in Government plans 	<p>Document analysis,</p> <p>Interviews with project staff, interviews with key stakeholders,</p>
Relevance	<ul style="list-style-type: none"> How relevant is the project strategy ? Is the project strategy the most effective route to support its achievement? Were lessons from other relevant projects properly incorporated into the project design? 	<p>level of coherence between project design and implementation approach</p> <p>Integration of lessons from other projects</p>		<p>Document analysis</p> <p>Interviews with project staff, interviews with key stakeholders</p>
	<ul style="list-style-type: none"> How relevant is the project strategy to each country priority and national sector development priorities? How is the country ownership of the project? How aligned is the project with the WWF priorities ? 	<p>Alignment with each Country and national sector development strategy and project design</p>	<ul style="list-style-type: none"> Demand ProDoc Project Countries development plans or priorities as stated in Government plans and in national sector developments plans 	<p>Document analysis</p> <p>Interviews with Ministries in each of the pilot countries</p>
	<ul style="list-style-type: none"> How were the perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes? 	<p>Stakeholder engagement approach during the project design</p>	<ul style="list-style-type: none"> Demand ProDoc PIF Finalized GEF Focal area Tracking Tools/Core Indicators at CEO Endorsement WWF Environmental and Responsible Demand Safeguards Compliance Social Screening Results 	<p>Document analysis</p> <p>Interviews with project staff, interviews with key stakeholders</p>

	<ul style="list-style-type: none"> How were the gender issues taken into account during the project design 	Gender strategy	<ul style="list-style-type: none"> WWF Demand Prodoc GEF Commodities Gender Integration opportunities WWF- Summary of Discussion on Gender (April 26 2016) 	Document Analysis Interview with project staff
	<ul style="list-style-type: none"> Complementarity with existing initiatives 	Analysis documented in Project document	<ul style="list-style-type: none"> WWF Demand Prodoc 	Document analysis
Results Framework /Logframe	<ul style="list-style-type: none"> Are the outcomes, outputs, indicators aligned with the theory of change of the project? Are the indicators and the midterm and end-of-project targets "SMART" (Specific, Measurable, Attainable, Relevant, Time-bound)? 	<p>Alignment between the Theory of change and the outcomes, outputs and indicators in te logframe</p> <p>"SMARTNES S" of indicators and targets</p>	<ul style="list-style-type: none"> WWF Demand ProDoc GGP Theory of Change WWF Demand Results Chain Demand Project Logframe 	Document analysis Interviews to validate the Theory of Change
	<ul style="list-style-type: none"> Are the project's objectives, outcomes or components clear, practical, and feasible within its time frame? 	Clarity, practicality and Feasibility within project time frame of the project objectives, outcomes	<ul style="list-style-type: none"> WWF Demand ProDoc GGP Theory of Change WWF Demand Results Chain Inception Workshops reports 	Document analysis Interviews
	<ul style="list-style-type: none"> Does progress so far or potentially in the future, catalyze additional beneficial impacts of the project (i.e. income generation, gender equality and women's empowerment, improved governance etc...)? Should it be included in the project results framework and monitored on an annual basis? 	Additional Project impact not listed in the Logframe	<ul style="list-style-type: none"> WWF Demand Prodoc WWF Demand Project Progress reports 	Document analysis Interviews with key beneficiaries
	<ul style="list-style-type: none"> How are gender issues monitored through sex-disaggregated indicators? Are SMART gender disaggregated indicators included that capture development benefits? 	Gender disaggregated SMART indicators	<ul style="list-style-type: none"> WWF Demand Prodoc/lograme GEF Commodities Gender Integration opportunities WWF- Summary of Discussion on Gender (April 26 2016) 	
Nature of External Context	<ul style="list-style-type: none"> Has the external context influenced the results of the project? 	N/A	<ul style="list-style-type: none"> Project Document 	Analysis Interview
Progress Towards Results: To what extent have the expected outcomes and objectives of the project been achieved thus far?				

Effectiveness	Achievements of Outputs	<p>Project implementation as measured in Project milestones:</p> <ul style="list-style-type: none"> • # companies engaged in project activities that are making new commitments to source reduced deforestation palm oil, soy, and/or beef • # countries with improved policy frameworks in place to support reduced deforestation commodity markets, due to project activities • % consumers who state they are willing to change their purchasing habits to sustainable palm oil • # key markets where supply chain transparency is increased and made available to global supply chain actors through project activities 	<ul style="list-style-type: none"> • Project Implementation Reports (PIR) • Quarterly progress reports and work plans of the various implementation tasks teams and Annuals reports • Project progress reports (semi annual) with workplan tracking document attached) • Expanded RF with Activities 2017 	
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	Achievements of Direct Outcomes	To Strengthen the enabling environment and public and private sector demand, for reduced-deforestation commodities in priority markets	<ul style="list-style-type: none"> • Project Implementation Reports (PIR) • Quarterly progress reports ,and work plans of the various implementation tasks teams and Annuals reports • Project progress reports (semi annual) with workplan tracking document attached) • Expanded RF with Activities 2017 	Document Analysis Interview
	Likelihood of impact	What is the expected impact in terms of impact indicators?	<ul style="list-style-type: none"> • Project document • Expanded RF with Activities 2017 	Document Analysis Interviews
Efficiency	Financial cost effectiveness	What has been the capacity of the project to maximize the co-financing /leverage of GEF Funds ratio? Has there been additional cofinancing?	<ul style="list-style-type: none"> • Project document • PIR • Financial & Cofinancing reports 	Document Analysis
	Timeliness of project execution	<ul style="list-style-type: none"> • Did The project exceed the planned time frames? • What have been the reason for delays? 	<ul style="list-style-type: none"> • PIR • Semi-Annual progress reports 	Document Analysis Interviews

Project Implementation and Adaptive Management : Has the project been implemented efficiently, cost effectively, and been able to adapt to any changing conditions thus far? To what extent are project-level monitoring and evaluation systems, reporting, and project communications supporting the project's implementation?				
Management Arrangements	<ul style="list-style-type: none"> How effective is the project management as set in the Prodoc? Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? 	<p>Project management structure effective to support project</p> <p>Changes made in Structure</p> <p>Decisions are clear and taken in timely manner</p>	<ul style="list-style-type: none"> Semi-annual progress reports. Quarterly progress reports and work plans of the various implementation tasks teams Project operational guidelines, manuals and systems Minutes of the Board meetings and other meetings (.e Project Appraisal Committee meetings) 	<p>Document analysis</p> <p>Interviews with staff</p>
	<ul style="list-style-type: none"> How is the quality of execution of the Executing Agency and Implementing Partner(s) 	<p>Quality of Deliverables</p>	<ul style="list-style-type: none"> Quarterly progress reports and work plans of the various implementation tasks teams Project operational guidelines, manuals and systems Minutes of the Board meetings and other meetings 	<p>Document analysis</p> <p>Interviews with staff</p>
	<ul style="list-style-type: none"> How is the quality of support provided by the GEF Partner Agency (UNDP) 	<p>Quality of support provided by UNDP</p>	<ul style="list-style-type: none"> Quarterly progress reports and work plans of the various implementation tasks teams Project operational guidelines, manuals and systems meetings and other meetings 	<p>Document analysis</p> <p>Interviews with staff</p>
Work Planning	<ul style="list-style-type: none"> Were there any delays in project start-up and implementation? What were the causes ? Is it resolved. Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results? Was the the project's results framework used as a management tool? Were there changes since project start? 	<ul style="list-style-type: none"> Change in timeline for the workplan Result based workplan Use of Results Framework as management tool Comparison of the original logframe to latest PIR 	<ul style="list-style-type: none"> Annual workplan and budget documents (AWP & B) Minutes of the Board meetings and other meetings (.e Project Appraisal Committee meetings) 	<p>Document analysis</p> <p>Interviews with WWF, and project partners</p>
Finance & Co-finance	<ul style="list-style-type: none"> Was the project financial management cost effective ? Were there any changes to fund allocations as a result of budget revisions ? Was it appropriate and relevant? Is the Project financial 	<ul style="list-style-type: none"> Effective Spent Budget deviations Cash disbursements timing 	<ul style="list-style-type: none"> WWF Demand Project Document Audit reports Financial and administration guidelines used by project team Other: Financial disbursements reports 	<ul style="list-style-type: none"> Financial documents analysis Interview with WWF finance Staff, and key co-

	<p>reporting, and planning allowing management to make informed decisions regarding the budget and allow for timely flow of funds?</p> <ul style="list-style-type: none"> • How is the project co-financing monitored and on track? Is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans? 	<ul style="list-style-type: none"> • Level of Cofinancing to date versus target • Alignment between project and donors priorities 	<ul style="list-style-type: none"> • Co-financing reports 	financers
Project-Level Monitoring & Evaluations systems	<ul style="list-style-type: none"> • Do the monitoring tools provide the needed information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive? • Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively? • How is quality of activities, strategy and management assessed? 	<ul style="list-style-type: none"> • Cost Effectiveness of the monitoring tools • Participatory and inclusiveness of monitoring tools <p>Adequacy of budget for monitoring & Evaluation</p>	<ul style="list-style-type: none"> • All monitoring reports prepared by the project 	<p>Document analysis</p> <p>Interview with WWF & Project Partners</p>

5.2. Interview guidelines

Nbr	Stakeholder	Question
1	All	How relevant is the project to the commodities ³⁵ sector ? (palm oil, soy, beef)?
2	All	How relevant is the project to your organization?
3	All	Are the key components (Activities, outputs, outcomes defined) good to support the achievement of the desired outcome ? ?
4	WWF PMU & WWF GEF team	How relevant is the project for the GEF Priorities? How aligned are the project objectives with WWF priorities?
5	WWF PMU & WWF GEF team	Are the key components (Activities, outputs, outcomes defined) relevant to support the achievement of the desired outcome ?
6	WWF PMU & WWF GEF team	Are the chosen indicators at design SMART? Are there challenges for tracking them?
7	WWF GEF Team	GEF typically looks at biodiversity and number of beneficiaries as its core indicators, Given the specificities of the Demand project which is further down in the Supply chain GEF requirements in terms of core indicators ?
8	WWF GEF Team	How is it organized to ensure WWF GEF Team and WWF PMU are independent?
9	WWF GEF Team	What has been so far your views on how the project has been implemented? Any comment on the reporting done ?
10	WWF PMU	How is the quality support of the WWF GEF Team?
11	WWF PMU & WWF GEF team	How effective is the overall governance of the project? Does the Demand Project Board provides the necessary guidance and vision to the WWF PMU?
12	WWF PMU & WWF GEF team	How effective is the co-implementation of the various partners in the Demand Project?
13	WWF PMU & WWF GEF team	Have stakeholders been sufficiently engaged during project design? How is the stakeholders engagement during the project implementation? How are their input incorporated in the project management?
14	WWF PMU & WWF GEF team	How effective is the co-implementation of the various partners between the child projects of the IAP Program? How is the quality of the support provided by UNDP as the lead agency for the IAP Program?
15	WWF PMU & Gender Specialist	Have gender issues been well incorporated in the project design? The project has issued a gender strategy. is the project on target? What are the main issues implementing the strategy?
16	WWF PMU	Has the external context influenced the results of the project? (negative or positive)
17	WWF PMU	How effective is the project management as set in the Prodoc? Were any changes necessary?
18	WWF PMU	Is the work planning on track? How do you see resolving eventual delays for some of the work?
19	WWF PMU	How are current the project results versus those expected? Which challenges? What are your suggestions to ensure the project meets all its target.
20	WWF PMU	What are indicators for you of the likelihood of impact. of the project?
21	WWF PMU	What is the financial sustainability of the project?
22	WWF PMU	What capacity has been built by the project ? Will this ensure the institutional capacity.
23	WWF PMU	What about the socio-economic sustainability of the project?

³⁵ The Term "Commodities" is used in a generic way in the questionnaire, but will be adapted to the commodity covered (Palm oil, soy, beef)

24	WWF PMU	Are there any risk in terms of environmental sustainability of the project?
25	WWF PMU/ M&E	<ul style="list-style-type: none"> Do the monitoring tools provide the needed information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive? Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively? How is quality of activities, strategy and management assessed?
26	WWF PMU/ Finance	<ul style="list-style-type: none"> Is the project financial management cost effective ? Were there any changes to fund allocations as a result of budget revisions ? Was it appropriate and relevant? Is the Project financial reporting, and planning allowing management to make informed decisions regarding the budget and allow for timely flow of funds?
27	WWF PMU/ Finance	<ul style="list-style-type: none"> How is the project co-financing monitored and on track? Is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans? Is there additional cofinancing which was not anticipated at tesign?
28	WWF PMU/ M&E	<ul style="list-style-type: none"> The Reflexion workshop is a major tool for adaptive management and learning. What is your views on its effectiveness ? . How lessons derived from the adaptive management process have been documented, shared with key partners and inside the teams. Could you provide some examples. Beside the Reflexion workshop, what are other e
29	WWF US	How effective have the Learning exchange been so far? What have been the challenges? What are recommendations for the future?
30	WWF US, WWF Indonesia, UNDP Paraguay, WWF Brazil, Proforest Latam, WWF-SG	What is the corporate engagement strategy ? How does the work under the Demand Project fit into this? What progress has been achieved overall toward your strategy? Which challenges?
31	Companies	What is your organization strategy and activities to promote sustainability in supply chains and especially to reduce deforestation?
32	Companies	What may prevent your organization to make public commitment about your sustainability strategy?
33	Companies	What challenges is your organization facing to source sustainable commodities?
34	Companies	Has the project been able to support your organization for sourcing sustainable commodities? How ? What else would be needed?
35	Soy Companies	Has your company been able to use the Soy Tool kit or Trase? Could you share your experience using it, and any recommendation you may have?
36	Companies	Do your client demand sustainable commodities ? Are these clients international or /and domestic?
37	Companies	What are the challenges to increase the domestic demand for sustainable commodities ?
38	Companies	How has the project supported the increased sustainable consumption domestically ? What else would be needed?
39	Indonesian companies	What are your expected benefits for your company on a potential retailer platform on sustainable palm oil?
40	Companies/NGOs/Government	How is the dialogue through the Platform supporting the promotion

	Paraguay: Beef West & Central Africa: Palm Oil	of sustainable production and consumption of beef/ Palm oil? What are your expectations ? What are the challenges?
41	Investors	In which training/ workshop did your organization partipate? How has the training /workshop organized through the project contributed to change your organization assessment of the risk in climate and deforestation in your portfolio.
42	Investors	What are the challenges your organization faces in terms of assessing risk in commodities supply chain? Any recommendation for the project Do you see differences in risk behaviour depending on the region?
43	Investors	Did you have the opportunity to assess the "Green Palm" publication and to include it in your organization ESG?
44	Investors	How is your organization promoting transparency and companies commitment to the palm oil sector ?
45	Investors	How effective is the dialogue through the Asia Sustainable Finance Initiative (ASFI)? What are your company expectations? What might be the key challenges?
46	Indonesia communication company	What are the key points of action in the communication strategy? How has the gender issues been incorporated?
47	Indonesia communication company	How effective so far has been the communication strategy to create awareness among consumer on palm oil demand? has been the media response to the various project activities? WHAT are the main challenges? Any particular recommendation ?
48	Indonesia (WWF communication)	What is the status of the hiring of a company to run the media campaign in 3 major cities (Jarkata, Medan, Pekanbaru? Any challenges?
49	Trase :	What are the key challenges faced with the development of Trase ? (especially for Brazilian soya, Paraguayan Beef) Why do you think are such challenges faced ? What can be done by the project to alleviate these challenges?
50	Trase	What is the status of companies engagement, including Amaggi, Cofco? How could these companies use Trase to make strategic sourcing decisions?
51	Trase	What is the progress made on the case studies (Brazil soy and Paraguay beef)? What needs to be done?,
52	Trase	What is the status of the Trase Yearbook?
53	Indonesia WWF Supply chain mapping consultants	What is the status of the engagement of local consultants? is the methodology clearly defined ? How does the team anticipate securing information which may be sensitive? (clients, companies)? What are the anticipated risks ? is planned to coordinate between the 3 teams dealing with the 3 landscapes, SIntang, South Tapanuli, Pelalawan?
54	Proforest Africa	What is the latest status of the African Palm Oil Initiative in the various countries? How do you measure the participating governments progress? What are the challenges faced to progress, especially for Liberia? What has been the UNDP contribution to the Platform?
55	Proforest Africa	What is the status of the National Platform implemented in SIerra Leone ? Which outputs and outcome so far?
56	Proforest Africa	How would you describe the level of awareness and buy-in in national commitments? What are the challenges faced, and which actions do you envisage to overcome them?
57	UNDP Paraguay	What is the latest status of the National Platform? How do you measure the participating government progress? What are the challenges faced to progress, and what are your views to overcome them?
58	UNDP Paraguay	What are priorities of the Paraguay government and how are they aligned with the Project priorities objective? What is the government view on the Forest legislation which conflict

		with the objective of the project?
59	UNDP Paraguay	How would you describe the level of awareness and buy-in in national commitments from companies? What are the challenges faced to create a domestic sustainable demand, and which actions would you recommend for the project to overcome them?
60	UNDP Paraguay	What is the status of the development of the sustainable finance platform? How can it better support the development of a sustainable demand for cattle?
61	UNDP Paraguay	What is the latest status of the regional Platform of EL Chaco? How do you measure the participating regional government progress? What are the challenges faced to progress, and what are your views to overcome them?
62	UNDP Paraguay	What is the status of the development of an national/local interpretation of the Global Sustainable Beef Roundtable? What are the challenges faced ? What is the commitment of companies in the process? Which recommendation for the next step of the project?
63	UNDP Paraguay	The Good Growth Partnership Program is a program funded directly by GEF to UNDP, WWF and CI as the Executing Agencies to pilot the Commodities Integrated approach. It has been designed as a direct implementation program (DIM) and not as a country program. Yet, a separate prodoc has been created for Paraguay. What are the challenges created by this situation in terms of implementation of the project? What would you recommend for the project to overcome them ?
64	WWF US and its partners	Are there complementary initiatives done by your organization that you can build on for the project ?
65	All Project Partners	<ol style="list-style-type: none"> 1. What has been done to integrate the gender strategy in your activities? 2. Have you received all the necessary support from the Project management unit? How has been the reporting as one GEF project? 3. Did you use adaptive management in the project? If yes, could you provide examples. 4. How much coordination, lessons sharing have you had with the other partners of the project? 5. What are the knowledge products from your activities? 6. As one of the Partner of the Demand project which is part of the GGP Program, did it provide you the opportunity to connect and learn from other projects? 7. On the financial side: how has been the financial management from the WWF US? Did you receive funds as expected? 8. Which activities were financed through the cofinancing from your organization (if relevant) 9. How do you evaluate the sustainability of the project at the end of the funding (capacity of people, funding, institutional)
66	WWF Singapore	<ol style="list-style-type: none"> 1. What has been the strategy to select the organization/people to invite for the workshops? 2. How do you evaluate the effectiveness of the workshops/training that have been organized? (How has the training /workshop contributed to change the participants assessment of the risk in climate and deforestation in their portfolio) 3. What has been the lessons so far for WWF Singapore from these workshops? What may have been challenges to organize them? 4. What is the follow-up of the workshop/training?

		<ol style="list-style-type: none"> 5. Are there any change to be made for the organization of future workshops? 6. How are investors assessing the "Green Palm" publication ? How does it contribute to increase their disclosure? 7. What is your assessment of the effectiveness of the strategy to have first the training and then follow up meetings? How do you measure the investors progress promoting transparency and companies commitment to the palm oil sector? 8. What has been the strategy to introduce the scorecard for investors? How have the results been communicated ? What impact? 9. From your experience, what do see as the benefit of scorecard approach for FMCG companies? 10. Are the drivers for adoption of sustainable finance similar for the various actors along the supply chain? What are the main differences? What are the different challenges faced along the chain? 11. How effective is the dialogue through the Asia Sustainable Finance Initiative (ASFI)? What are your company expectations? What might be the key challenges? 12. How do you rate the likelihood of achieving the expected project end target for 1.2? 13. What is the scorecard methodology in 4.1.1? Which companies in Indonesia would be part of the scorecard? Mills, Refineries, FMCG?? 14. What is their experience of impact of scorecard? In Indonesia, could see it as premature for the FMCG as they have not yet put any product n the supermarket shelves, and could deter them from doing so? What is your view on that?
	Proforest LATAM	<p>What is the latest status of the Soy Tool Kit deployment? How has it been received by companies? What are the indices showing that it is creating a change in companies behavior to make an impact on the ground? How is the engagement with Soy traders in collaboration with CFA ? What is the revised objective? What is the current mapping of the various initiatives in which companies may participate and how are you collaborating with theses initiatives to align the messages to companies?</p>
	WWF Brazil	<p>How is the coordination with CI Brazil ? How effective is the coordination with Proforest LATAM and CI. What is the status of work of the Cerrado working group? What are the challenges and prospects? How are the discussions with specific buyers progressing eg (COFCO; LDC , Bungee)? How is teh coordination with Trase. How are you adapting the activities due to the political context?</p>

5.3. List of persons Interviewed

WWF-US	<ul style="list-style-type: none"> - Elizabeth Schueler, Project Director, PSC Chair - Margaret Arbuthnot: Project Manager - Jordan Swift: M&E & Reporting Officer - Adnan Hanif: Financial Admin - Owen Hauck: Market Intelligence - Renae Stenhouse - Director of WWF GEF Agency - Rachel Kaplan - GEF Project Manager for this project - Tracey Smith – Director of Operations for WWF GEF
WWF Singapore	<ul style="list-style-type: none"> - Keith Lee: Project Manager - Lauren Lynch: Sustainable Finance Engagement Manager - Yun Lin Yeo : Financial Administrator
Financial sector actors	<ul style="list-style-type: none"> - Danielle Carrera, - Rizal Mohamed Ali, KWAP
WWF Brazil	<ul style="list-style-type: none"> - Carolina Siqueira: Project Manager - Edegar Oliveira: PSC - Etienne Lima de Oliveira: Project Finance
Proforest Latin America (Brazil)	<ul style="list-style-type: none"> - Isabella Vitali: PSC
Trase	<ul style="list-style-type: none"> - Toby Gardner: PSC - Daniel Meyer: Brazil & Paraguay stakeholder engagement - Simone Bausch (Former Latin America Manager until 1st July 2019)
Brazil Others	<ul style="list-style-type: none"> - Rodrigo Spuri TNC Brazil - Bernardo Pires, Abiove
Proforest Africa	<ul style="list-style-type: none"> - Nadia Goodman: Project Manager (UK) - James Parker : Project Manager (Ghana)
WWF Indonesia	<ul style="list-style-type: none"> - Niki Nofari: Project Manager & Corporate Engagement Coordinator - Maggie Meutia: Communications Campaign - Joko Sarjito / Angga Prathama Putra: Supply Chain Mapping - Indria Wahyuni: Project Finance
UNDP GGP	<ul style="list-style-type: none"> - Andrew Bovarnick - Pascale Bonzom, - Charles O'Malley
GEF	<ul style="list-style-type: none"> - Paul Hartman
Conservation International	<ul style="list-style-type: none"> - NB : Information gathered through Interview of the A&L Project MTE: - Jessica Furmanski - Karine Barcelos: Project Manager
UNDP Indonesia	<ul style="list-style-type: none"> - Pisca Tias, - Tri Widjayanti
UNDP Paraguay	<ul style="list-style-type: none"> - Alfonso Fernandez, UNDP Paraguay Resident Representative - Veronique Gerard; Programme manager - Jorge Martinez: Green Chaco Coordinator - Viviana Villalba: Green Chaco Project Technical Assistant - Ariana Leguizamon: Green Chaco project, Technical Assistant local - Oscar Ferreiro Platform coordinator - Rafael Gadea, Green BAAPA coordinator
WWF Paraguay	<ul style="list-style-type: none"> - Fernando Diaz: Corporate Engagement - Cristina Morales: Policy - Lucy Aquino, WWF Paraguay Manager
Paraguay National Level	<ul style="list-style-type: none"> - Graciela Miret, Ministerio de medio ambiente y desarrollo sostenible (MADES) - Esteban Vasconcellos, Asociacion Rural del Paraguay - ARP - Marcos Medina, Asociacion Rural del Paraguay - ARP - Jazmin Tufari, Asociacion Rural del Paraguay - ARP - Deisy Gill , Istituto Forestal Nacional- INFONA - Dalma Dominguez, Vice-Ministerio de ganadería

	<ul style="list-style-type: none"> - Lorena Ramirez, IFC - Alfred Fas, President of "Mesa paraguayana de la carne" Productor en el Chaco - Omar Fernandez, Mesa de Finanzas Sostenibles - Melissa Brites, Mesa de Finanzas Sostenibles
Paraguay - El Chaco	<ul style="list-style-type: none"> - Rosalia Goerzen, Coop Fernheim - Dario Medina , Jefes de departamentos [por ej. gobernacion Boqueron] - Rossana Ortiz, Gobernacion de Boqueron - Holger Bergen , Intendente de Filadelfia Chaco o representante de la municipalidad - Carlos Passeriu, Productor - Rudolf Hildebrand, Asociacion de Municipios - Antero Cabrera, Facultad de Ciencias Agrarias - Stephan Issac , Coop. Neuland - Egon Neufeld, Productor - Demetrio Rojas, Lider Indigena - Francisco Camino, Lider Indigena
Traders/retailers	<ul style="list-style-type: none"> - Dr Yuvlinda Susanta, Head of corporate Affairs & Sustainability - Dr Sustainability, Hero - Yuri Feres, Corporate Responsibility, Cargill LATAM - Wei Peng, Head of Sustainability Cofco
Others	<ul style="list-style-type: none"> - Christiane Rossbach, Edelman - Vidya Rangan, ISEAL - David Cleary, TNC USA - Josefina Eisele, Global Roundtable for Sustainable Beef, Latin American Regional Director

5.4. Field Mission program

▪ Jakarta Visit (July 22nd – 24th, 2019)

No	Time	Activity
Monday, 22 July 2019		
1	08.00 – 10.00	Interview progress of Supply Chain Mapping Work
2	10.00 – 12.00	Interview progress of Corporate Engagement Work
3	12.00 – 13.00	Lunch meeting with WWF Policy & Advocacy Director
4	13.00 – 15.00	Interview progress of Campaign & Communication Work
5	15.00 – 17.00	Interview on Current Financial Aspect
6	17.00 – 18.00	Car trip from WWF office to Hero office
7	18.00 – 20.00	Interview with Hero
8	20.00 – 21.00	Car trip from Hero office to WWF office
Tuesday, 23 July 2019		
1	09.30 – 11.00	Car trip from WWF office to Hotel (where WWF Policy & Advocacy had meeting)
2	11.00 – 12.00	Interview with WWF Policy & Advocacy Director
3	12.00 – 13.00	Lunch break
4	13.00 – 14.00	Car trip to meet Communication Consultant (Edelman)
5	14.00 – 16.00	Interview with Edelman
6	16.00 – 17.00	Car trip from Edelman meeting to WWF office
Wednesday, 24 July 2019		
1	10.00 – 12.00	Interview with Superindo,
2	12.00 – 14.00	Lunch break
3	14.00 – 15.00	Car trip from WWF office to meet Supply Chain Mapping Consultant
4	15.00 – 17.00	Interview with Supply Chain Mapping Consultant
5	17.00 – 18.00	Car trip from SCM meeting to WWF office

▪ Paraguay Visit (August 26 – 30, 2019)

Lunes, 26 de agosto del 2019				
HORARIO		ACTIVIDAD	PARTICIPANTES	LUGAR
08:30	09:00	Reunión de Bienvenida con representantes del PNUD	Alfonzo Fernandez Veronique Gerard	PNUD, Piso 8
09:00	10:30	Reunión de inicio con el equipo de trabajo Green Chaco <ul style="list-style-type: none"> • Revisión de la agenda • Definición de la metodología de las reuniones • Avances del proyecto 	Equipo del Proyecto Green Chaco	PNUD, Piso 8
11:00	12:00	Reunión en el Ministerio del Ambiente y Desarrollo Sostenible <ul style="list-style-type: none"> • Reunión con la Punto Focal del Proyecto 	Graciela Miret	MADES
12:00	13:00	Almuerzo		
14:00	15:00	Reunión con representantes de la Asociación Rural del Paraguay	Esteban Vasconcellos Delia Nunez Jazmín Tufari Marcos Medina	ARP

16:00	17:00	Reunión con representantes del INFONA	Deisy Gill Antonella Mascheroni	INFONA
17:30		Cierre del primer día		PNUD, Piso 8
Martes, 27 de agosto del 2019				
HORARIO		ACTIVIDAD	PARTICIPANTES	LUGAR
07:00	14:30	Traslado de Asunción a Filadelfia Hotel Florida	Equipo de Proyecto Evaluadores	Encuentro en el Lobby de PNUD
10:00	11:00	Reunión con representantes de la Cooperativa Fernheim	Rosalía Goerzen	Cooperativa Fernheim
15:00	15:45	Reunión con representantes de la Gobernación de Boqueron <ul style="list-style-type: none"> • Reunión con el Gobernador de Boquerón y con la Directora de Medio Ambiente y Desarrollo 	Darío Medina Rossana Ortiz	Gobernación de Boqueron
16:00	17:00	Reunión con el representantes de la Municipalidad de Filadelfia	Intendente Punto focal	Municipalidad de Filadelfia
21:00	22:00	Reunión con productor del Chaco. Integración Agricultura – Ganadería	Carlos Passeriu	Hotel Florida
17:00		Cierre del día y pernocte en el Hotel Florida		

Miércoles, 28 de agosto del 2019				
HORARIO		ACTIVIDAD	PARTICIPANTES	LUGAR
08:30	09:30	Reunión con representante de la Asociación de Municipios de Chaco Central	Rudolf Hildebrandt	Filadelfia
10:30	11:30	Reunión con representantes de la Facultad de Ciencias Agrarias Sección Chaco	Antero Cabrera	Neuland
11:30	12:00	Retorno a Filadelfia		
12:30	13:30	Almuerzo		
14:00	15:00	Reunión con representantes de la cooperativa Neuland	Stephan Isaack	Neuland
16:00	17:30	Reunión con representantes de las comunidades indígenas	Demetrio Rojas Francisco Mora	Hotel Florida
17:30	18:30	Reunión con productor del Chaco	Egon Neufeld	Hotel Florida

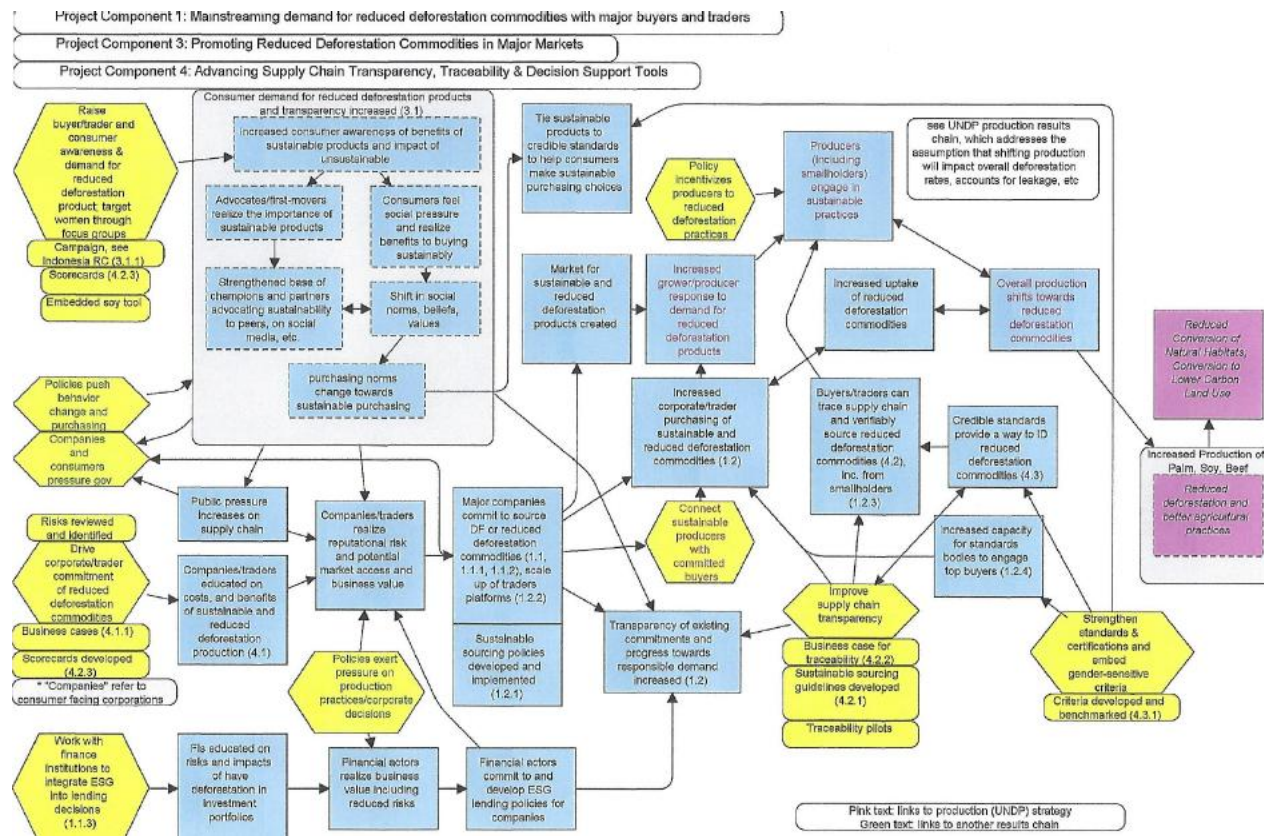
Jueves, 29 de agosto del 2019				
HORARIO		ACTIVIDAD	PARTICIPANTES	LUGAR
08:00	14:00	Traslado de Filadelfia a Asunción	Todos	Encuentro en el Lobby del hotel
14:00	14:45	Reunión con Coordinador del Proyecto Green BAAPA	Rafael Gadea	UNDP
15:00	15:45	Reunión con representantes IFC	Lorena Ramírez	Banco Mundial
16:00	17:00	Reunión con representantes de la Mesa de Finanzas Sostenibles	Evaluadores Mirta Martínez Omar Fernández Melissa Brites	Banco Sudameris
17:00		Cierre de actividades del día		

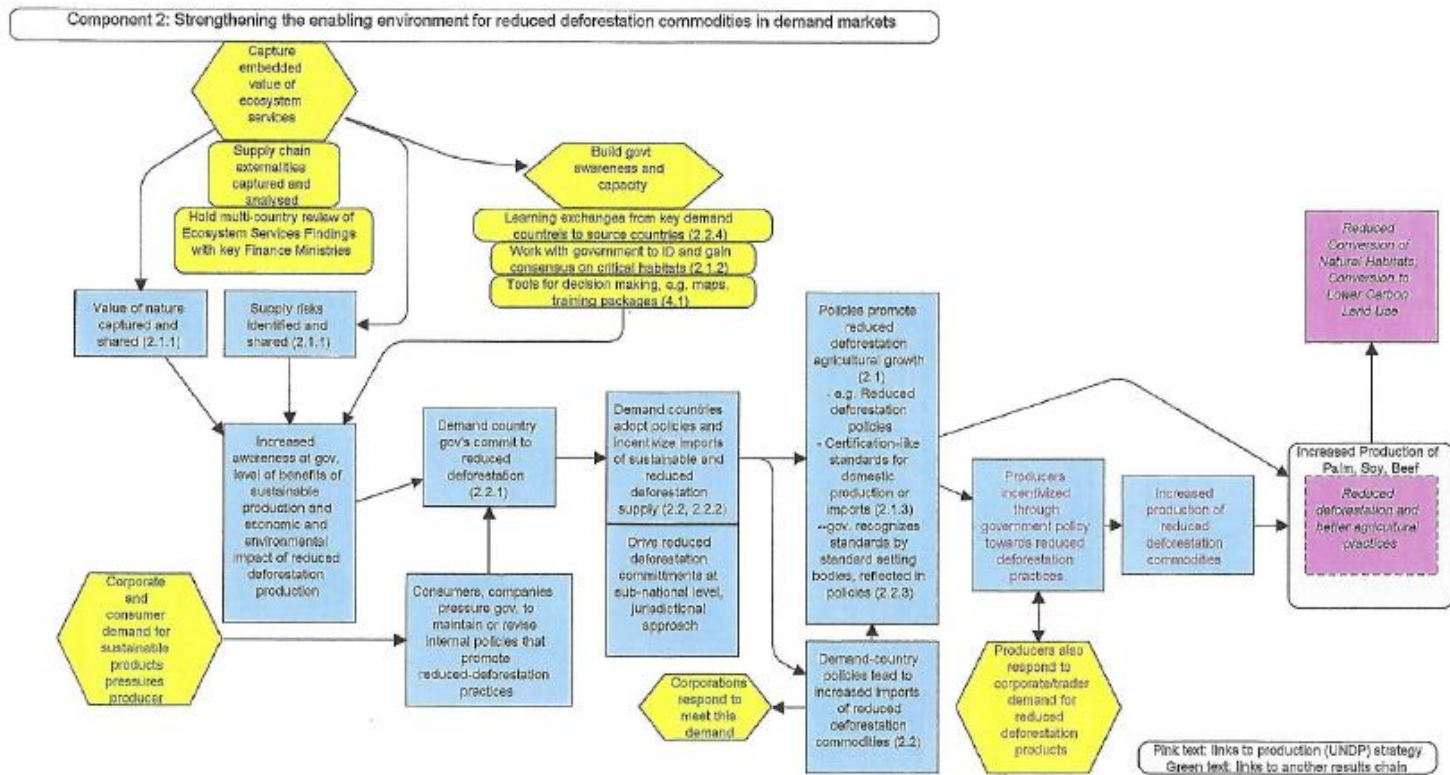
Viernes, 30 de agosto del 2019				
HORARIO		ACTIVIDAD	PARTICIPANTES	LUGAR
08:00	09:00	Reunión de con representantes de la Mesa Paraguaya de Carne Sostenible	Alfred Fast	FECOPROD
10:00	11:00	Reunión con representantes de la WWF	Lucy Aquino	WWF
12:00	13:00	Reunión con representantes del VMG	Dalma Domínguez	VMG
13:00	14:30	Cierre de misión	Equipo Green Chaco	PNUD, Piso 8

▪ **Brazil Visit (September 2nd-3rd)**

No	Time	Activity
Monday September 2, 2019 - Brasilia		
1	08.30 – 12.00	Proforest Latin America
2	13.30 - 17.00	WWF Brazil
Tuesday September 3, 2019		
1	09.30 – 11.00	TNC Brazil
2	11.00 – 12.00	Abiove
3	13.30 – 14.30	Cargill

5.5. Results Chain





5.6. Analysis of the Result Framework indicators -

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
Objective level indicators									
To strengthen the enabling environment and public and private sector commitment to and demand for reduced deforestation commodities in priority markets	Number of companies engaged in project activities that are making new commitments to source reduced deforestation palm oil, soy, and/or beef	<p><i>Companies:</i> companies involved in project activities, engaged directly and reached through platforms</p> <p><i>New:</i> announced publicly during project period</p> <p><i>Commitment:</i> public, time-bound and specific description of sourcing decision to be implemented, e.g. only sourcing reduced deforestation or RSPO palm oil</p>	By commodity (palm, soy, beef) when possible	Corporate data tracking tools, e.g. Forest 500, Supply Change, NCD; corporate websites, press releases, and sustainability reports	Midterm and close	M&E Officer (PMU)	<p>The data should come as much as possible from the project to have a stronger attribution to outputs. Data sources quoted provide a good proxy</p> <p>Commitments may not be implemented. Tracking the impact on the ground would be much better, but it is difficult.</p> <p>Implementation takes time which may impact beyond the project, a commitment step tracking tool similar to the policy one to better</p>	- Commitments that are made after company's engagement in project activities are influenced by and at least partly attributable to project activities	The attribution may not be obvious depending on the commodity and the company, as there are many sustainability initiatives.

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
							understand the progress.		
	Number of countries with improved policy frameworks in place to support reduced deforestation commodity markets, due to project activities		N/A	Track country progress against project-determined step changes through project-hosted workshops/ engagement; public information (e.g. NGO ratings of government capacity/ policy/ implementation, information gleaned from public policy documents)	Midterm and close	Proforest, UNDP	<p>The policy steps tracking tool is good to evidence the process in which countries are in. What is not clear, the level where it has to be.</p> <p>Laws may be agreed, but the enforcement is usually a key problem. This should be tracked also to see if the policy change is really effective. .</p>	- Engagement and capacity building activities with government ultimately lead to policy change beyond the project term, and create the enabling environment to catalyze further change including increased demand due to reduced barriers	The assumption is correct, this is why it would be useful to further detail the Policy step tracking tool. This would then clearly evidence the impact of the project in how many steps it enabled, and what still needs to be done. This would help foster the view on the "after project", hence its sustainability.

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
	Percentage of consumers who state they are willing to change their purchasing habits to sustainable palm oil	<i>Consumers:</i> Members of the general public in the three Indonesian cities targeted by project activities	By city (3 target cities in project: Jakarta, Pontianak and Pekanbaru); by gender; by consumer typology	Public/focus group survey	Midterm and close	Hired communications firm	The indicator provide an understanding of consumer awareness, and is a good proxy while no sustainable product is on the shelf.	- Consumers act in accordance with their stated willingness to do so	This assumption is a weak one, as other factors, especially price may interfere and also availability of product at the time of purchase.. Since product is not available yet, this is a good initial proxy
	Number of countries where supply chain transparency is increased using version three of the SEI-PCS method and made available to global supply chain actors through project activities	<i>Supply chain transparency:</i> when information about the companies, suppliers and sourcing locations for Brazilian soy and Paraguayan beef supply chains is readily available to end-users (traders, consumers, governments, investors) in the supply chain, based on version 3 of the SEI-PCS method <i>Version three of the SEI-PCS method:</i> Version three improves previous accuracy by triangulating the information used in previous versions with additional datasets on	By commodity and country	SEI-PCS method commodity platform results put online by SEI & GCP Measured as number of countries that access the information	Annual	SEI	Fine.	- Platform data needs are met enabling supply chain mapping - Users find value in the information presented and are able to use it for decision-making	Fine

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
		supply chain logistics and taxation, linking international trade flows to specific production locations. <i>Made available:</i> publicly accessible through online portal							
Outcome level indicators									
1.1 Key buyers and traders make commitments and have increased capacity to implement commitments to source reduced deforestation commodities.	Number of companies that have increased capacity to make and implement commitments to source reduced deforestation commodities	<i>Companies:</i> companies (including traders/cooperatives) involved in project activities, engaged directly and reached through platforms <i>Capacity:</i> (self-reported) understanding and ability to implement activities on a given topic <i>Commitment:</i> public, time-bound and specific description of sourcing decision to be implemented, e.g. only sourcing reduced deforestation or RSPO palm oil	By commodity	CDP analysis of corporate responses to CDP Forests Information Request; UNDP survey of cooperatives/traders engaged in Paraguay	Midterm and close	CDP	The indicator is quantitative but it refers to some systemic change that should occur (capacity). It is not clear how the capacity is self reported and how commitments are reported,	- Corporate participants in project activities accurately respond to surveys - Surveys are designed to ask questions that appropriately determine if capacity has been built	There might be some survey fatigue which might undermine the accurate answer.

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
1.2 Increased investor capacity to incentivize fast-moving consumer goods (FMCG) companies towards reduced deforestation sourcing	Number of investors that have increased capacity to engage companies on reduced deforestation sourcing and disclosure	<p><i>Investors:</i> financial institutions (including investment arms of regional banks) that invest money in regional FMCG groups, corporations or directly into production, and that are involved in project activities (workshops, trainings, 1:1 meetings)</p> <p><i>Capacity:</i>(self-reported) understanding and ability to implement activities on a given topic</p> <p><i>Sourcing:</i> Processes of supply chain management and company purchasing/procurement practices, e.g. ensuring palm oil is sourced from reduced deforestation origins.</p> <p><i>Disclosure:</i> Releasing information on company sourcing practices and business</p>	By type of investor, if applicable	Survey (what # of FI respondents feel they have increased capacity to engage companies on reduced deforestation sourcing and disclosure, e.g. feel or can demonstrate that they are more informed than before engaged through the project?)	Collect info after each workshop, training, 1:1 meeting, platform; report annually	WWF-Singapore	The indicator is quantitative but it refers to some systemic change that should occur (capacity). It is not clear how these are combined, and how is the capacity self reported,	<ul style="list-style-type: none"> - Investor participants in project activities accurately respond to surveys - Surveys are designed to ask questions that appropriately determine if capacity has been built 	There might be some survey fatigue which might undermine the accurate answer.

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
		activity to investors							
	Number of investors who disclose in their annual/sustainability reports/corporate webpage the consideration of ESG factors in their client or credit approval processes	<i>Investors:</i> financial institutions (including investment arms of regional banks) that invest money in regional FMCG groups, corporations or directly into production, and that are involved in project activities (engaged directly or through platforms) <i>ESG:</i> Environmental Social Governance	By type of investor, if applicable	Tracked through scorecards (see Output 1.2.3)	Collect and report at project midterm and close	WWF-Singapore	Fine as an early signal indicator for the beginning of the project. This would be better attributed if as said above there is some scoring.	- Progress with corporate disclosure and transparency that occurs after investor's engagement in project activities is influenced by and at least partly attributable to project activities	
2.1 Capacity strengthened to inform policy dialogue around reduced deforestation in project demand markets	Number of step changes in policy frameworks to incentivize demand or remove barriers for reduced deforestation commodities	<i>Step changes:</i> Sequentially increasing stages of government awareness, capacity, and implementation on relevant issues (steps to be adapted from PPA Commitment and Action Tool (see Appendix 5.b to	By country	Track country progress against project-determined step changes through project-hosted workshops/engagement; public information	Midterm and close	Proforest, UNDP	The policy steps tracking tool is good to evidence the process in which countries are in. What is not clear, the level where it has to be. Laws may be agreed, but the enforcement is usually a key problem. This should be tracked	- Engagement and capacity building activities with government ultimately lead to policy change beyond the project term, and create the enabling	

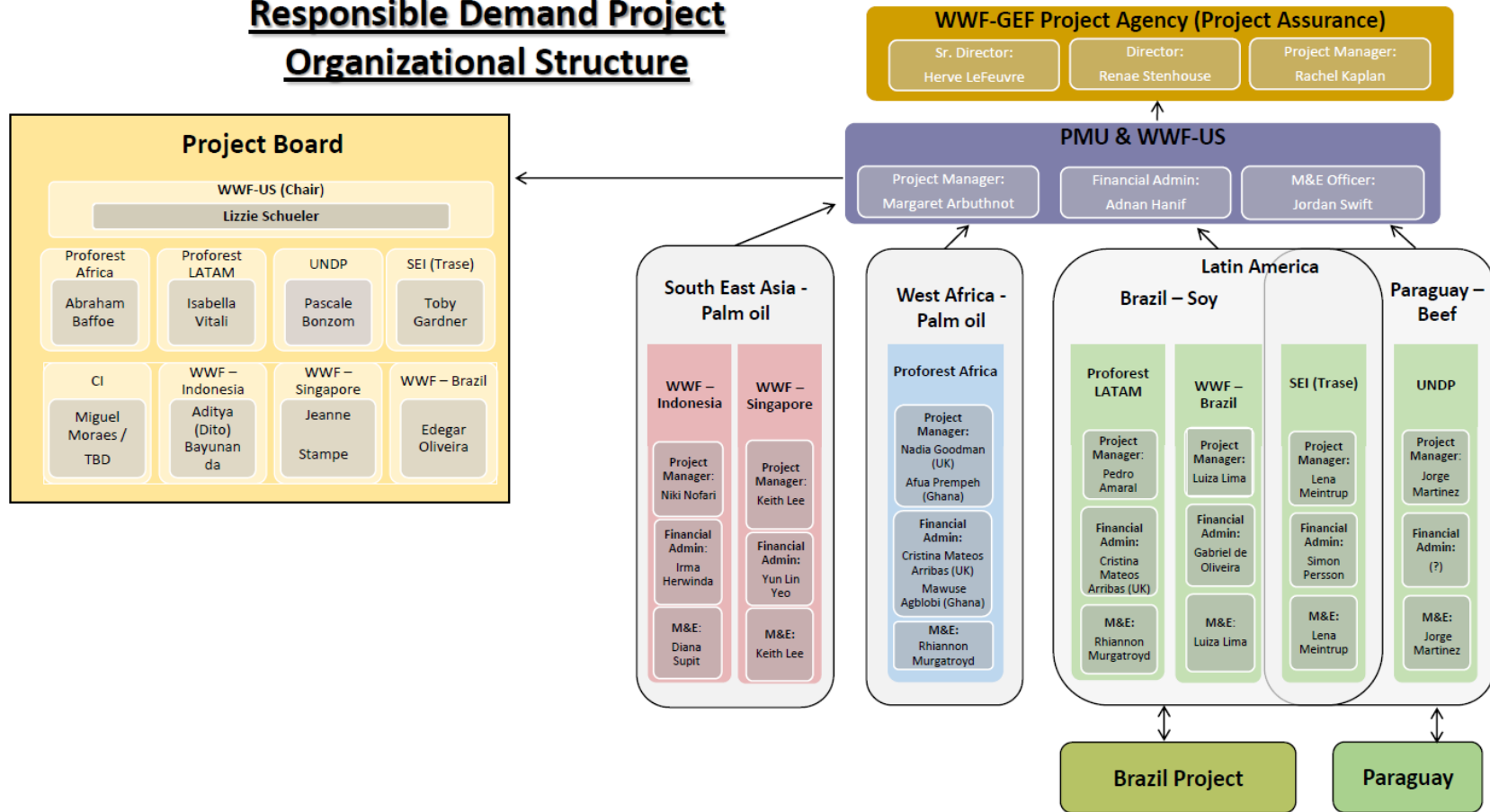
OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
	in project countries	follow) and agreed by PMU and executing partners)		(e.g. NGO ratings of government capacity/policy/implementation, information gleaned from public policy documents)			also to see if the policy change is really effective. At least it provides an early signal.	environment to catalyze further change including increased demand due to reduced barriers	
3.1 Increased consumer awareness to drive demand for reduced deforestation products in key demand markets.	Percentage of consumers who associate palm oil with negative environmental impacts related to deforestation	<i>Consumers:</i> Members of the general public in the three Indonesian cities targeted by project activities	By city (Jakarta, Pontianak and Pekanbaru); by gender; by consumer typology	Public/focus group survey	Midterm and close	Hired communications firm (TBD)	The indicator is framed on the negative impact of deforestation. Awareness about deforestation is good, but consumption of sustainable palm oil needs to be brought positively for consumers to associate better practices to decrease deforestation as well as to contribute to better livelihood. Bringing the "livelihood" aspect may also promote the desire to maintain the palm oil consumption rather than avoid it.	- Consumers consider deforestation to be a negative impact - Consumers understand the presence of palm oil in their products	The second assumption may be tricky as currently there is a "healthy movement" saying that palm oil is bad.

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
4.1. Increased supply chain transparency to facilitate verification of sustainably produced commodities.	Number of companies with increased capacity to use decision-relevant information developed by the Transparency portal to inform their strategies	<i>Transparency portal:</i> Transformative Transparency Portal, an online database and mapping platform developed and made public through the project	Disaggregate by commodity (beef, soy) and country	Track number of companies engaged and with increased capacity (capacity assessed through survey post engagement); track any additional companies siting the data in their sustainability strategies and reporting	Annual	SEI	As Trase can provide direct training to companies, this is correct	- Platform users understand the information presented - Users find value in the information presented and are able to use it for decision-making	
	Number of jurisdictions of origin where exported beef and soy are mapped from origin to destination using version three of the SEI-PCS method	<i>Jurisdiction:</i> Municipality in Brazil and province in Paraguay <i>Origin:</i> Geography of raw commodity production at the jurisdiction of production level <i>Destination:</i> Importing country (based on port of entry) and consumer country (accounting for re-exports) <i>Version three of the SEI-PCS method:</i>	Disaggregate by commodity (beef, soy) and country; disaggregate production project sites if relevant	SEI & GCP to quantify jurisdictions mapped using the SEI-PCS method	Midterm and close	SEI	The indicator is odd, as to be meaningful it should relate on how the number of the percentage of jurisdiction covered from total area of the crop (hence a % coverage would already provide an indication of the transparency overall).	- Platform data needs are met enabling supply chain mapping - Users find value in the information presented and are able to use it for decision-making	

OBJECTIVE/ OUTCOME	INDICATOR/ UNIT	DEFINITION	DISAGGREGATION	METHOD	FREQUENCY	RESPONSIBLE	Analysis of Indicator	Assumptions	Comments on Assumption
		Version three improves the accuracy of the model by adding new information on the tax domicile of the exporter that links trade flows to specific production sheds and verifies municipalities of origin listed in the bills of landing.							
4.2. Global demand and finance projections for palm, soy, and beef support project and program knowledge management.	Number of biannual market intelligence memos and annual watch briefs produced and shared publicly	<i>Market intelligence:</i> Information on commodity market demand trends, trade flows, "hot spots" of deforestation, track market structure	Disaggregate by memo and watch brief	Review project work plan and evaluate progress	Annually	WWF-US/M&E officer	Fine	- Demand projections and other market intelligence products are useful to buyers and decision-makers and can influence the direction of future work, policies, and purchases	

5.7. Organigram

Responsible Demand Project Organizational Structure



5.8. Analysis of outputs effectiveness

Output	Narrative	Strengths	Challenge
Outcome 1.1.: Key buyers and traders have increased capacity to make and implement commitments to source reduced deforestation commodities			
1.1.1 Learning Exchanges and workshops with key palm oil traders and buyers to drive reduced deforestation	Two grants were provided. Greenpoint looked into how to approach the Chinese market. It identified the "ecosystem" under which Cofco, a Chinese state-run company and a major world trader of soy and palm oil operates.	The relation has been strengthened with Cofco, especially with respect to soy (eg use of soy tool kit),	It remains more difficult to address palm oil, although COFCO ³⁶ stated that they will be reviewing their palm oil supply chain in 2019
	ISEAL has conducted 3 workshops and meetings to create awareness on deforestation issues. The first one "Deforestation and Sustainable Supply chain in India" took place in November 15 2018 alongside the India Sustainability Standards Conference and was attended by 35 participants. A business roundtable was done on May 16 2019 in Mumbai, in Hindustan Unilever offices and attended by 34 participants. A third one was organized jointly with WWF India, RSPO, and the Centre for Responsible Business in Mumbai on August 27 and focused more specifically to youth and media. In addition, strategic dialogue has been performed with the Indian sector.	These dialogues have started to build some awareness among business and to better understand the motivation of youth towards issues such as deforestation. It highlighted the positive motivation and importance of social media to reach young people in India . The analysis of finance sector provides a good background of the sector.	ISEAL did not have much time to organize the initial roundtable so the participation was not as high and diverse as expected. They choose to work together with partners for a better reach which delayed process. With the election period and the fact that Government official are difficult to reach, government has not been involved so far,
1.1.2 Workshops, guidances notes, and learning trips to mobilize and engage buyers in the sector to generate demand for reduced deforestation beef produced in the Chaco	The engagement has been a slow process. One reason is the change of government due to the election. Another reason is the fact that the Demand project is managed together with the Production project. The project benefited from the UN-REDD regional workshop on sustainable and deforestation free beef to organize events with Chaco.	With the Chaco Platform, there is a good engagement with the cooperatives who are exporting beef. The project could participate and contribute to the funding of several government officials to join the Global Roundtable on Sustainable Beef conference in Brazil early July 2019.	The demand project does not have its own identity in Paraguay. Furthermore, activities are done in parallel of WWF Paraguay who is promoting the Roundtable on sustainable beef despite effort of the UNDP team to coordinate activities.
1.1.3 Responsible Sourcing: Soy Roadshow delivered	Proforest and the Soy Toolkit: Despite an initial delay in the start of the project due to the necessary review of the project scope and alignment between the Collaboration for Forests and Agriculture (CFA) project and the Demand Project which had similar objectives, the decision to have Proforest design a Soy	The Soy Toolkit is very well received by the soy industry and is considered useful. For example, Amaggi and Cargill have publicly acknowledged it in their revised policy/implementation plan. COFCO International also acknowledges using the Soy Toolkit in reviewing their	Companies may not have all the internal capacity to implement their sourcing commitments and capacity building or advisory services may be needed. This would have to be outside of the project

³⁶ Feeding the future, COFCO Sustainability report, 2018.

	<p>tool kit rather than coordinate a Soy Traders Platform as envisaged at Project design, proved extremely effective. Activities are proceeding well to translate the tool and promote it. Proforest had launched together with Trase and the Consumers Goods Forum a Soy Buyers Coalition in June 2018 to promote sustainable soy. Work is continuing as now Trase is helping link the European buyers to the key sourcing regions and deforestation areas.</p>	<p>policy commitment. s. This has also enabled Proforest to support the coordination of the Soft Commodities Forum, which gathers the 6 major traders of soy (Archer Daniels Midland (ADM), Bunge, Cargill, COFCO International, Glencore Agriculture and Louis Dreyfus Company (LDC)).</p>	<p>given the GEF rules</p>
	<p>WWF Brazil and the Cerrado Working Group (GTC): WWF coordinates the NGO actors for the Cerrado Working Group (GTC), platform for soy producers and stakeholders from Brazil's Cerrado biome to discuss how to collectively work toward deforestation-free soy in the region. An agreement has been reached between the members (minutes are already approved but not yet signed) and to fundraise money for the Financial Mechanism of direct payment to farmers who protect beyond the Forest Code legislation (an initial 5 years plan is envisaged until proper long term financing mechanism is set).</p>	<p>This is a great achievement, but it is pending funding is secured before the end of 2019.</p>	<p>All efforts need to be done from all partners, including from WWF US to convince potential funders. The strategy of engagement is not known.</p>
1.1.2/1.1.3/1.1.4	<p>WWF US has initially coordinated the alignment among partners for soy (especially between CFA and WWF Brazil) to ensure their alignment which was key.</p> <p>WWF USA has supported the team at global level with major brands and retailers that are direct or indirect buyers of Brazilian soy, Paraguayan palm oil, including. Mc Donald's, Yum! Brands, Tesco, Carrefour, Walmart and others.</p> <p>WWF developed a database of partners' corporate contacts and commissioned GlobeScan to develop and implement a survey assessing the corporate contacts' current levels of awareness, commitment, implementation, and engagement with NGOs such as WWF, Proforest, Trase, and other partners, and the extent to which companies find those engagements to be helpful. Responses (n=24), came from a wide profile of companies in terms of headquarters location (38% Latin America, 29% Asia Pacific, 17% Europe, 4% USA/Canada, 4% Middle East/Africa), scope of business (67% global, 21% national), sector (producers, traders, processors, consumer goods, retail, foodservice), and commodity focus (58% palm oil, 54% beef, 50% soy). The survey found that 80% of</p>	<p>The engagement of WWF US with major brands and key traders for soya as well as for palm oil and beef is known.</p> <p>The study done by Globescan, despite its low number of responses (24) was interesting. It showed that industry collaboration is the most effective way to support companies, which favor the need for collective approach. Another result to reflect upon is that NGOs and multilaterals are not as influential as they could be in helping companies to make or implement commitments to reduce/eliminate deforestation from their sourcing of commodities. NGOs overall were rated 6 out of 10 in terms of their helpfulness, multilaterals were rated 5.6, and Demand Project partners were rated 7.0, while industry collaborations were rated 7.8.</p>	<p>The Globescan had some interesting results, but the size of the respondents sample was limited due to a poor timing. The study was nevertheless quite expensive, since it included the initial cost of the design. It can now be reused for little cost to monitor the progress</p> <p>The specific corporate engagement of WWF USA towards the 3 sectors and support provided was not clear since there was no opportunity to speak with the WWF corporate engagement team. Interviews with companies were limited to Cargill and Cofco, but none of large brand companies such as Mc Donald's, Yum Brands, Tesco, Carrefour, Walmart this cannot be assessed specifically. Support was valued.</p> <p>While the one to one meeting/call is effective to reach directly key decision</p>

	<p>responding companies have made commitments while only 58% had a high understanding of the importance of sustainable sourcing to their business and 48% felt they had high capacity to implement commitments. 83% of respondents said they were engaged by Demand Project partners (WWF, Trase, Proforest, UNDP, GGP), and they primarily categorized their engagement as one-on-one meetings or phone calls (57%) and attending workshops/events (57%).</p>		<p>makers in companies, companies expect a level playing field and may not wish to be the first mover (especially for trading companies where margins are low, but this may also be true at food manufacturers and retailers level) as they could lose some market share. Collective action is more effective (eg Soft Commodity forum and Cerrado). A lot of WWF collective engagement was on Multi-stakeholder certification, but this is not sufficient. Some thinking is needed on how to best leverage on WWF corporate network and bring a collective approach to deforestation (landscape, finance, etc) which would enable some breakthrough.</p>
<p>1.1.4 Meetings to engage Indonesian companies including brands, retailers and traders to facilitate sustainable palm oil sourcing and sales within domestic markets</p>	<p>WWF Indonesia defined a corporate engagement strategy for sustainable palm oil with the support of Globescan. It defined two target lists with ten to engage in one to one and ten to engage through interactive platform such as sustainable retailers or brands roundtables. Several are domestic retailers (eg Super Indo, Hero supermarket, Alfamart) and two are manufacturers (one food giant, Indo food), and one sustainability minded company (Sinar Meadow). The development of the strategy has been enhanced by the IKI cofinancing to run a series of workshops identifying challenges and opportunities in bringing sustainable palm oil to Indonesian retail. Furthermore, the creation of a platform to share knowledge, experience on building sustainable sourcing is being explored. Building on existing initiatives such as the Indonesia Business Council for Sustainable Development (ICBSD, the national branch of WBCSD) was proposed but does not seem to really fit. Engaging in SASPO (Support Asia for Sustainable Palm oil) a membership platform launched by WWF Singapore for companies manufacturing, trading , wholesaling or retailing palm oil in Asia. The idea of a scorecard for retailers has been also put forward,</p>	<p>The corporate strategy offers a solid basis for WWF to engage with these companies. As a subsidiary of Delhaize, Super Indo is pressured to launch sustainable palm oil by the end of 2019, which is a great opportunity. Hero Supermarkets have shown also great interest.</p>	<p>1) Enhancing the capacity of the targeted companies is a main constant. WWF Indonesia together with the Palm Oil lead could explore doing design a tool for supporting them in putting sustainable palm oil to the consumers. The expertise from Proforest in designing a soy Tool kit could be explored for the sourcing part. 2) The creation of new platform needs to really create added value, and see how the work would be financed . Furthermore, companies are often asked to participate in membership platform may spread their sustainability resources. It would be better to link it to other initiatives. Interest of being with IBCSD is that it may help to connect to large companies WBCSD (who is hosting the soft commodities forum). SASPO may be an interesting alternative as it is PO focused. Finding ways to better link the value of the initiative to the changes in sector that</p>

			should be triggered by the legalization of the NAP could also reinforce government buy-in, and provide a better priority to Sustainable Palm Oil 3) Given the early stage of the retailers move, a scorecard may be counter effective.
Outcome 1.2 Increased investor capacity to incentivize fast-moving consumer goods (FMCG) companies towards reduced deforestation sourcing.			
1.2.1 Workshops and trainings to educate investors on best practice for sustainable investing criteria for their portfolio companies and internal practices	Four workshops were organized (3 in Singapore and 1 in Japan). Some were held in partnership with associations and the Monetary Authority of Singapore. One was held in partnership with the Life Insurance Association (LIA) and the other with the Investment Management Association of Singapore (IMAS). The focus was on climate change to take advantage of strong investor interest in addressing it, as well as the massive support the finance sector continues to show for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The link was highlighted between climate and deforestation. The November 2018 workshop in Singapore was held with the Institute of Banking and Finance (IBF) and focused on helping investors understand the various options available to them for engaging with companies and the benefits of doing so. There has been 2 call for actions for investors with direct implications for addressing sustainability performance and transparency in Asian Palm oil supply chains. The first targeted their investment in Malaysian, Singapore and Indonesian Bank, and the second one to engage with palm oil producers and traders to push for more transparency in the supply chain. The Asia Finance initiative was also set-up	Survey results from workshop participants clearly demonstrate the positive impact of the workshop and how the team efforts lay a good foundation for more Asia - based investor engagement over environmental issues. The publication " Keep Palm" published together with CLSA is an excellent guide to help investors understand the key environmental issues within the palm oil sector. This has been an excellent tool to engage in additional workshops. All the actions put forward (e.g. workshops, set up of the Asia Finance Initiative) enable the investors to be involved and have different ways to approach the deforestation. The call of actions as well as the scorecard (see below) are good reminders for investors for them to progress on their journey to identify their deforestation risks and act upon.	An ongoing effort is needed to continue engaging Asian-based investors in the region.
1.2.2 meetings with investors to mobilize collective engagement by investors towards Asian Fast Moving Consumer Goods company investees on issues of performance and transparency in Asian palm oil supply	The workshops were complemented with eight bilateral trainings for a range of investor audiences. These included boards of directors, C-suite executives, and wider portfolio managers and investment teams at major insurance and investment firms.	Follow up meeting allows in depth dialogue to engage the critical decision maker in investors companies, for them to incorporate the right policy and tool to assess their deforestation risk in Asian FMCG. The value of the advice of WWF Sg is highly appreciated, as demonstrated by their new role as knowledge partner of KWAP (Malaysian second largest pension fund)	

chains			
1.2.3 Annual scorecard of investors exposed to palm oil supply chains, to assess how well investors address deforestation risks through their ESG integration and policies	WWF-SG conducted a survey and follow-up interview process to assess asset managers in Singapore on the extent of their ESG integration, using the responsible investment framework (scorecard) developed and piloted in Year 1. Of the 22 firms contacted to participate, 17 responded to the survey and 10 were interviewed to obtain deeper insights. The scope of the assessment covered the entire investment decision-making and portfolio management process and builds on international best practices, looking at their policies on deforestation and activities with respect to proxy voting and engagement over environmental issues like deforestation. Summary level results were presented.	The Scorecard results presented as summary levels provides transparency on the fast mover and laggards in the industry, and as such can be really effective to trigger change.	Such tool needs nevertheless to be used with care depending on the maturity of the industry where it is used. At the start of the journey, as it is still the case for Asian investors, results can be shared at some workshop, but cannot be published in order to not be counter effective.
Outcome 2.1 Capacity strengthened to inform policy dialogue around reduced deforestation in project demand markets.			
2.1.1	See Learning exchange 1.1.1		
2.1.2 Recommendations and technical support to increase government capacity within the policy process to remove barriers to demand for sustainable, reduced deforestation palm oil	The African Palm Oil Initiative (coordinated by Proforest Africa on behalf of the Tropical Forest Alliance 2020) has made progress with 6 countries (Cameroon, Central African Republic, Democratic Republic of Congo, Nigeria (Edo State), Republic of Congo, and Sierra Leone) who have improved their policy framework to support reduced deforestation commodity markets. At the beginning of the Demand Project, three countries (Cote d'Ivoire, Ghana, and Liberia) were already in implementation phase (the highest stage we measured) and therefore could not improve according to our metric. The APOI has a 3 stages phases to work: engagement, development and implementation.	9 countries and 1 State (Edo State, Nigeria) have developed their National Principles and Action Plans. Seven countries established platforms using a multistakeholder approach, with members nominated by their constituents. Rather than duplicate efforts or confuse responsibilities, the APOI sought to build on existing national processes. The national platforms also perform a facilitation role, sharing information and updates on what is happening on the ground. Collaborating with diverse groups through the national platforms ensures that all interested groups have their say, which builds consensus. Sierra Leone is the most advanced of the 6 APOI countries who are at implementation stage. The National Platform has been set up with a national facilitator (supported by the Demand project). Even though Liberia is considered at implementation stage, APOI has contributed to the strengthening of the National Platform which is currently performed under the Production child project.	The project financing is finalized under the Demand project and now relies on co financing to continue its work.
2.1.3 National principles to incentivize demand	UNDP Paraguay has supported the establishment of the Chaco regional beef platform, which is formally coordinated by the government. An action plan has been established, and a steering	The sustainable beef principles from the Paraguaya Mesa della Carne, a national branch of GRSB are closed to be agreed, they correspond to legal compliance. The Mesa	There is still no consensus on what sustainable beef production is. The Specificity of Paraguay (Pasture beef in a

	<p>committee has been elected in July 2019. But there is no common definition of sustainable agriculture yet. Since the forests laws are not well enforced and monitored, it is also not clear if the current practices are already sufficiently protecting the forests as being claimed by producers. Meanwhile, the WWF Paraguay with support of the Collaboration for Forest Agriculture project had launched the Paraguayan Roundtable for Sustainable Beef or Mesa della carne (in April 2018) as chapter of the Global Roundtable on Sustainable Beef. The delayed start of the GGP project and the fact that the Government did not want to engage directly with WWF Paraguay due to its deforestation free advocacy position when the GGP project was designed has created a complex situation. The Roundtable has now progressed and is close to agree on some principles, which basically corresponds to complying to the legislation.</p>	<p>della Carne would like to engage more with UNDP and have the possibility of a public-private partnership. UNDP is a facilitator of the Chaco and National Beef Platforms which are coordinated by the Government.</p> <p>Besides the agreement of an Action Plan with the Chaco Platform, a National Platform has been launched. This is currently engaging the Ministries of Agriculture and Livestock, Ministry of Environment, and Ministry of Industry and Commerce together with the association of producers and UNDP. Having all these 3 ministries together is a milestone for Paraguay. This is the best vehicle to ensure that the sustainable beef principles to be agreed can be implemented all the way through in the supply chain and the enabling policy environment worked on.</p> <p>Some of the activities performed by IFC under the Transaction project are extremely positive to support the set up of a sustainable beef sector in Paraguay (but the 3 projects Production/Demand/ Transaction are still not well integrated as IFC has specific requirements)</p>	<p>way may conflict with the idea of sustainable intensification). The activities between WWF Paraguay and UNDP Paraguay are running in parallel despite the great effort of the UNDP team.</p> <p>Even if there is an agreement of sustainable beef production, this is by far not sufficient as the Paraguayan beef sector is weak.</p> <ol style="list-style-type: none"> 1) A traceability system needs to be implemented at national level (IFC is starting some pilot with Neuland cooperative) 2) The quality grading system is weak and subjective and does not meet the international standards 3) Supporting the 2 main exporters Minerva and JBS to value sustainable beef and provide them necessary capacity building 4) A strategy on which markets would best value sustainable beef is needed, this needs to be broken down on market segments (retailers, food manufacturers, food caterers) within countries and identify potential companies.
<p>Outcome 3.1. Increased consumer awareness to drive demand for reduced deforestation products in key demand markets</p>			
<p>3.1.1.Press events, media briefings, workshops and field visits to inform Indonesian media on impacts of oil palm</p>	<p>WWF-Indonesia has began implementing a consumer campaign and other communications and media engagements using the strategy developed with Edelman in summer 2018 following a prolonged negotiation and contracting process. Various activities were implemented.</p>	<p>Several activities were performed such as the Media trip to West Kalimantan with 4 journalists and 2 social medias that resulted in 64 articles, 1 video and 125,000 instagram views. A coffee chat with journalist was well timed to build awareness as an article had been published by Greenpeace on "dirty palm oil". Social media posts were done linked to the 10 year challenge, Earth Day, Our Planet. 2 Indonesian journalists participated in the Good Growth conference.</p> <p>Despite some frustration on both sides, the Edelman</p>	<p>The communication strategy needs to be further reviewed as it does not enable to push and adapt communication to the context enough.</p> <p>Printed articles is part of the strategy, digitalization is competing with the printed media, so it is challenging to get pro bono articles.</p>

		manager has a strong will to support effectively the project which is unusual as it has to create awareness on a product which is not on the shelves. She is also motivated to be acting for the good through such contract.	
3.1.2. Media campaigns in three major cities in Indonesia to expose consumers to links between unsustainable palm oil production and the products they purchase	The media campaigns have been delayed and they have not started yet.	The terms of references have been drafted and now approved.	It is key to start the campaign as soon as possible to build the awareness and create some momentum before the launch of Super Indo sustainable cooking oil.
Outcome 4.1. Increased supply chain transparency to facilitate verification of sustainably produced commodities.			
4.1.1 Supply chain actors identified for pilot regions to link commodity purchases from geographical origin to destination	The Trase Platform has been set up. Data includes soy and beef supply chain in Brazil and beef in Paraguay.	Data could be improved for Brazilian soy exports : the eriod 2003 to 2017 was covered, with exports traced back to the municipalities where they were produced Test run being performed in Paraguay and good engagement with some key actors. Cofinancing is enabling Trase to expand coverage to additional commodities and geographies. Of great value to Demand project is the progress on Indonesia Palm oil. Rudimentary national-level export-import models are available online for Bolivia, Colombia, Ecuador, Indonesia, and Peru in addition to Brazil and Paraguay, for commodities including crude palm oil, palm kernel, sugarcane, coffee, cocoa, shrimp, cotton, chicken, corn, and wood pulp in addition to beef and soy.	Access to data in Paraguay continues to be a challenge, especially for sub-national production, which is needed to reflect the information at the district level (rather than departments) The change in the Political context in Brazil makes the government engagement challenging, and as a consequence, it may weaken the quality of data in the future
	The WWF Indonesia team has experienced delays but work on the supply chain mapping is about to start	The supply chain mapping will focus on the 3 landscapes, from the mill to higher up in the supply chain. It should be a good complement to the Trase information which is so far able to trase back Indonesia palm oil up to the prot of exports.	Three teams have been engaged. There is the need to coordinate them very well in order to have a coherent approach and also efficiency to avoid overlapping of information. For example, there should be a concerted approach when they try to discuss with large groups.
4.1.2 Publicly available commodity portal developed to increase transparency along the	Significant back-end improvements were made to the platform to improve the integrity and efficiency of data-uploading, and a mobile-friendly version was released. These augmentations were informed by the lead Trase developer Vizzuality	Steady increase of users (over 2,000 a month) and of the quality of their sessions (average stay of 4 mins 30s). For targeted users like specific companies (where data is available through Google analytics), the top 10 financial	.

supply chain and raise awareness of supply chain actors' risk exposure in different production geographies		institution users include Santander and Banco do Brasil, and the top 10 company users include Amaggi, Bunge, Cargill, JBS and Noble (owned by COFCO).	
4.1.3 Four case studies on Brazilian soy and Paraguayan beef completed to validate and test the usefulness of the data offered in the commodity portal	<p>Case studies are progressing with Amaggi, COFCO, and members of the Soy Buyers Coalition to better understand how these companies could use Trase to make strategic sourcing decisions.</p> <p>Work also continues with the CGF's Soy Buyer's Coalition, where Trase plays a leading role in mapping links between buying companies in Europe and key sourcing regions and deforestation hotspots associated with soy production in Brazil</p>	<p>Signature of a MoU with Amaggi to obtain access to their privately held data including detailed information on their sourcing from RTRS certified plantations</p> <p>Work with COFCO is focused on mapping known deforestation free flows and/or mapping the proportion of commodity volume flows that are deforestation-free, of known origin, or of unknown origin</p>	In Paraguay, while Neuland finds interest in Trase work, it declined at this stage to participate in case study.
4.1.4 Transformative Transparency Yearbook to present aggregate measures of risk and performance to both key territories and commodity traders.	A first yearbook was published in 2018. Another one is under preparation	The initial yearbook was very well received and created	
Outcome 4.2. Global demand projections for palm, soy, and beef support project and program knowledge management.			
4.2.1 R&D products developed through market intelligence to provide strategic insights on market demand, trade flows, consumption trends, and finance trends	5 commodity intelligence updates and 7 knowledge products were published	<p>These knowledge products were on topics of importance and supported the project strategy.</p> <p>This in-house economic research expertise is an asset for strategic engagement with companies, and the Demand Project has offered ad hoc analytical services to partners on project-relevant topics as needed.</p>	

5.9. Cofinancing Table

From Prodoc		
Source	Amount (US\$)	Type of co-financing
SIDA	1 491 109	Grant
USAID	369 106	Grant
Private Sector	1 400 000	Grant
MacArthur	2 000 000	Grant
Crown Foundation	100 000	Grant
WWFUS Indirects	1 024 398	In-kind
WWF Brazil (via Netherlands)	1 358 748	Grant
Gordon and Betty Moore Foundation	34 000 000	Grant and in-kind
Proforest	226 383	Grant
Stockholm Environment Institute	225 000	Grant
Global Canopy Programme	140 158	Grant
TOTAL	42 334 902	

Year 1 Demand Project co-financing. Year 2 data available after April 2019.	
Reporting Office/ Organization	Amount Contributed To Date
Proforest	\$ 264 087,68
Stockholm Environmental Institute	\$ 90 000,00
Global Canopy Programme	\$ 148 128,00
Gordon & Betty Moore Foundation	\$ 29 800 007,00
WWF-Germany (IKI)	\$ 115 000,00
WWF-Brazil	\$ 393 876,14
WWF-Sweden (Sida)	\$ 376 171,00
WWF-US (Private Sector)	\$ 1 271 459,00
WWF-US (USAID)	\$ 794 967,14
WWF-US (indirect)	\$ 870 677,00
TOTAL Co-financing	\$34 124 373

Co-financing at MTR						
Source of co-financing*	Name of co-financer	Type of co-financing**	Amount confirmed at CEO Endorsement (US\$)	Actual amount contributed at stage of Midterm Review (US\$)	Actual % of Expected Amount	Investment mobilized*** (US\$)
Other	Proforest	Grant	\$ 226 383,00	\$ 539 844,13	238%	
Other	Stockholm Environment Institute	Grant	\$ 225 000,00	\$ 4 190 000,00	1862%	
Other	Global Canopy	Grant	\$ 140 158,00	\$ 148 128,00	106%	
Other	Gordon and Betty Moore Foundation	Grant	\$ 34 000 000,00	\$ 70 680 821,00	208%	
Other	WWF-Germany	Grant	\$ -	\$ 178 177,40	N/A	
Other	WWF-Brazil	Grant	\$ 1 358 748,00	\$ 654 654,98	48%	
Other	WWF-Sweden	Grant	\$ -	\$ 376 171,00	N/A	
Private Sector	WWF-US (private sector grants)	Grant	\$ 1 400 000,00	\$ 713 254,80	51%	
Other	WWF-US (other grants)	Grant	\$ 2 469 106,00	\$ 2 098 868,14	85%	
Other	WWF-US	In-kind	\$ 1 024 398,00	\$ 870 677,00	85%	
Other	WWF-China	Grant	\$ -	\$ 55 000,00	N/A	
TOTAL Co-financing			\$ 40 843 793,00	\$ 80 505 596,45	197%	

*Source of co-financing may include: GEF Agency (GEF Agency that implements the project/program), Multi-lateral Agency, Bilateral Aid Agency, National Government, Local Government, Private Sector (commercial/for-profit entity), Beneficiaries (Individual or community that directly benefits from the project/program), Other (Other source of co-financing that does not match those defined above)

** Type of co-financing may include: Grant, Soft Loan, Hard Loan, Guarantee, Equity Investment, Public Investment, In-Kind, Other

*** Investment mobilized means Co-Financing that excludes recurrent expenditures. Recurrent expenditures can generally be understood as routine budgetary expenditures that fund the year-to-year core operations of the entity (they are often referred to as 'running costs' - they do not result in the creation or acquisition of fixed assets). They would include wages, salaries and supplements for core staff, purchases of goods and services required for core operations; and/or depreciation expenses. Some of the typical government co-financing we have previously included (such as routine budgetary expenses for Ministry of Environment operations) will no longer meet this new definition of investment mobilized. In other words, GEF is seeking co-finance from partners that is above and beyond 'recurrent expenditures.'

5.10. Actual Expenditures against Budget (without Paraguay)

Generating Responsible Demand for Reduced-deforestation Commodities COMPONENT-WISE ACTUALS VS PRODOC BUDGET

	USD				
	Prodoc Budget	Year 1 (Actual)	Year 2 (Actual)	Total (Actual)	Spend. %
OVERALL:					
WWF US	2,833,393	417,602	657,630	1,075,232	38%
WWF Indonesia	1,123,557	45,370	177,078	222,448	20%
WWF Singapore	1,049,109	111,193	205,665	316,858	30%
WWF Brazil	326,000	31,014	98,451	129,465	40%
SEI	1,350,000	389,020	544,479	933,499	69%
Proforest LATAM	1,000,000	158,700	264,253	422,953	42%
Proforest Africa	351,000	178,513	172,487	351,000	100%
Total	8,033,059	1,331,413	2,120,043	3,451,456	43%
COMPONENT 1:					
WWF US	636,209	90,018	191,306	281,324	44%
WWF Indonesia	226,840	24,482	61,003	85,485	38%
WWF Singapore	1,049,109	111,193	205,665	316,858	30%
WWF Brazil	300,000	31,014	58,248	89,262	30%
Proforest LATAM	1,000,000	158,700	264,253	422,953	42%
Total	3,212,159	415,408	780,475	1,195,883	37%
COMPONENT 2:					
WWF US	331,392	17,202	22,142	39,344	12%
Proforest Africa	351,000	178,513	172,487	351,000	100%
Total	682,392	195,714	194,629	390,343	57%
COMPONENT 3:					
WWF US	73,352	22,694	23,173	45,867	63%
WWF Indonesia	533,129	11,278	91,449	102,727	19%
Total	606,481	33,971	114,622	148,594	25%
COMPONENT 4:					
WWF US	700,744	105,317	138,851	244,168	35%
WWF Indonesia	363,588	9,611	24,625	34,236	9%
WWF Brazil	26,000	-	40,203	40,203	155%
SEI	1,350,000	389,020	544,479	933,499	69%
Total	2,440,332	503,947	748,158	1,252,106	51%
COMPONENT 5:					
WWF US	675,121	112,311	187,894	300,205	44%
Total	675,121	112,311	187,894	300,205	44%
COMPONENT 6:					
WWF US	416,575	70,060	94,264	164,324	39%
Total	416,575	70,060	94,264	164,324	39%

5.11. Financial situation for Paraguay

Table 1 : Paraguay Expenses against Budget

USD	Prodoc Budget Total	Actual	% Spent
Component 1	474 714	89 229	19%
Component 2	145 864	31 773	22%
Component 3	29 422	2 438	8%
Total Expenditures	650 000	123 440	19%

1) Data up to September 2019

There was a misallocation in the initial Paraguay which meant cost of the staff was not covered. For the proposed budget for the first 2 years, there was some reallocation of funds. In order to ensure the staff costs are fully covered until the project, the proposed revision is done on the budget.

N° de Award en Atlas		97180
N° de Proyecto en Atlas		101020
Título del Award y Título del Proyecto		Demanda Responsable por la Carne Paraguaya
Unidad de Negocios Atlas		PRY
N° PIM PNUD - FMAM		5909

Implementing Agent	1981
Donor ID	10003
Fund ID	62000
Donor Name	GEF
Fecha Inicio de	01/07/2017
Fecha Fin del	30/06/2021

Budget Demanda									
Account	Budget Notes	Budget Description	PRODOC Total	2017	2018	2019	2020	2021	Total (USD)
71200	1	International Consultants	320 000	0	0	20 000	140 000	127 500	287 500
71300	3	Local Consultants	18 000	166	3 974	16 500	0	0	20 640
71400	2	Contractual Services - Individ	52 364	415	15 433	33 600	19 529	13 246	82 223
71600	5	Travel	44 000	0	13 809	7 000	12 191	11 000	44 000
72400	9	Communic & Audio Equip	2 000	0	833	517	350	300	2 000
72500	8	Supplies	4 000	119	0	1 881	1 000	1 000	4 000
72800	7	Technological Information Eq.	2 050	0	244		1 806	0	2 050
74200	6	Printed and audiovisual material	2 500	67	0	1 433	1 000	0	2 500
74500	10	Miscellaneous Expenses	800	0	140	260	200	200	800
75700	4	Workshops	29 000	0	11 729	7 271	6 000	4 000	29 000
76100		Diferencia de Cambio			2				2
TOTAL COMPONENT 1			474 714	767	46 164	88 462	182 076	157 246	474 714
71300	12	Local Consultants	20000	0	8 735	0	1 265	0	10 000
71400	11	Contractual Services - Individ	52364	415	6 727	12 500	40 000	25 222	84 864
71600	13	Travel	56000	0	7 765	5 500	12 235	8 000	33 500
74200	15	Printed and audiovisual material	2500	0	0	625	1 250	625	2 500
75700	14	Workshops	15000	0	2 867	12 133			15 000
TOTAL COMPONENT 2			145864	415	26 094	30 758	54 750	33 847	145 864
71400	16	Contractual Services - Individ	11160	0			0	0	0
73100		Rental & Maintenance-Premises	8510	0			3 000	8 160	11 160
74100	17	Professional Services	9752	0			0	8 510	8 510
74598	18	Direct Project Cost		0		2 438	3 438	3 876	9 752
TOTAL COMPONENT 3			29422	0	0	2 438	6 438	20 546	29 422
			650 000	1 182	72 258	121 658,00	243 264	211 638	650 000

5.12. Case for a systems approach in Paraguay

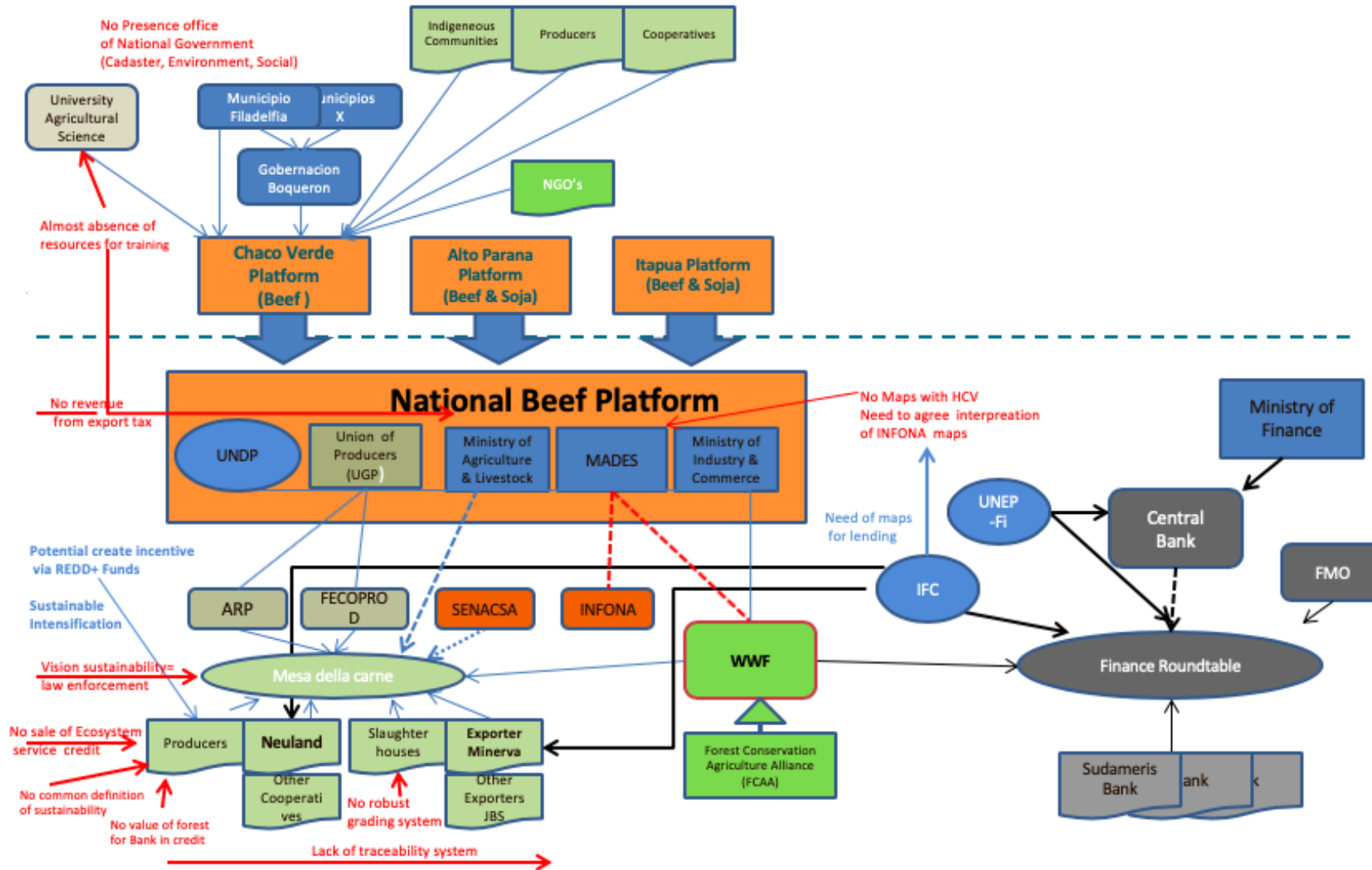
The Paraguayan context to develop a sustainable beef sector is complex. The GGP Production as well as to a lesser extent the Demand project have already achieved a great milestone by setting the "Green Chaco" Platform, the regional platform facilitated by UNDP under the project. This is viewed as a great success given the high number of participants, including indigenous communities as well as the finalization of an Action Plan for the Chaco region. The setup of two other regional Platforms facilitated by UNDP (the Alto Parana and Itapua platform for soy and beef) by the Landscape project was a first in Paraguay and demonstrated already how this could bring some change in the producers thinking, while there was initial resistance. The UNDP National Platform for sustainable beef has been launched in June 2019 by the Ministry of Environment, the Ministry of Agriculture and Livestock, the Ministry of Industry and Commerce, the Producer's association and UNDP, another milestone to have the three Ministries together. The three regional Platforms should inform the work of the National Platform, which should set the national plan to be implemented for a sustainable beef sector in Paraguay. Among all the GGP pilot countries, Paraguay is the country where the Transactions project is the most advanced with both IFC and UNEP Finance being active. The regulatory context is favourable as the Resolution 8 that requires banks to include ESG requirements has just been passed. There is some increased coordination among the 3 projects following the integrated workshop, but the capacities of each others are not fully leveraged and objectives not well aligned as pointed before with the weakness of the design.

Despite all this great achievement so far, many issues remain to be solved. First, there is still no consensus on the definition of sustainable beef in the UNDP Platforms. Given the current legal system allowing to deforest up to 25 %, there is no incentive for producers to conserve beyond the legal requirement. Any production system, including sustainable beef intensification could therefore expand "legally" by deforesting unless a system of producer incentives is designed to voluntarily conserve forest beyond the legal requirement . The Chaco Action Plan needs to be implemented and some of the actions would require coordination beyond the 3 ministries involved in the National Platform. There are also some inconsistencies within the plan (e.g. dates) that need to be corrected. The "Roundtable of sustainable meat" (MPCS), whose members are the private beef industry, is close to agreeing on a national interpretation of the Global Roundtable of Sustainable Beef (GRSB) standard, however the MPCS standard is seen as more of a " legal compliance" standard rather than a "sustainable" production standard. The standard is developed with the input of WWF Paraguay through CFA co-financing, in parallel to the Demand project. The Demand project is lacking identity in Paraguay, as it is combined for implementation with the Production project and is presented collectively as the "Green Chaco" project.

Furthermore, there are many dis-functionalities among the governmental institutions as well as partners. For example, there has been historic tensions between the Ministry of Environment (MADES) and the National Forest Institute, INFONA. Another major issue is the end of the GEF-UNDP Landscape project mid-2020, whose Platform team is also coordinating the Platform work of the Green Chaco Project, which partly share the cost, and they do not have the necessary budget at this stage to include them. The beef value chain up to the export lacks a strong traceability system, and has an limited grading system.

The main issues that need to be resolved have been mapped on the Figure "Paraguay: Some barriers/drivers for change" (see next page). Given the lack of integration of many of these activities, a systems approach would help secure that the next 2 years of the project set the foundation for transformational change needed for a sustainable beef sector in Paraguay. It would first enable to look at the wider picture (the entire system). A facilitated workshop with the participants would be performed to help gather and built a common vision. In addition some specific tools like systems modelling, gaming, could be introduced that help foster a common vision.

Figure 2 Paraguay: Some barriers/drivers for change



5.13. Knowledge Products

Soy Tool Kit (www.soytoolkit.net)

- Soy Toolkit Briefing Note – Element 01: Assessing and planning the implementation of soy sourcing commitments
- Soy Toolkit Briefing Note – Element 02A: Soy traceability and supply chain transparency
- Soy Toolkit Briefing Note – Element 02B: Soy risk analysis: prioritisation for positive engagement
- Soy Toolkit Briefing Note – Element 03: Engaging suppliers: working with suppliers to implement responsible sourcing commitments for soy
- Soy Toolkit Briefing Note – Element 04: Incorporating responsible sourcing policies in purchase control systems
- Soy Toolkit Discussion Paper – Element 05: Soy sourcing commitments: monitoring and reporting progress
- Soy Toolkit Discussion Paper – Cross-cutting Issues: Addressing gender considerations in the soy supply chain: tackling gender inequality through responsible sourcing

Market Intelligence Products

- Commodity Market Intelligence Update I: Beef
- Commodity Market Intelligence II - Palm Oil
- Commodity Market Intelligence Update III:- Soy and the Cerrado
- Commodity Market Intelligence IV: Palm Oil and Finance
- Commodity Market Intelligence Update V- Trends in Food Commodities and Bioenergy
- US-China Trade Uncertainties Shift Market Signals for Soy

Knowledge Products

- Agribusiness strategy
- China AGri Supply Chains
- Global Feed Landscape
- Indonesia Palm Oil Update
- Malaysia Retail Market Analysis
- Russia Target Companies
- SCF Cerrado Sourcing 6.26
- Sustainable Soy in China Meat

- Thai Palm Oil Market Analysis

WWF Singapore Finance

- Joanna Koe, Keith Lee, Jeanne Stampe, Keep Palm Edible Palm Oil Sustainability in Asia, CLSA U, Blue Book

African Palm Oil Initiative

- Moving towards Sustainable Production the Africa Palm Oil Initiative impact report Tropical Forest Alliance Africa Palm Oil Initiative - 2019 Proforest
- Shifting towards sustainability: How the APOI is changing palm oil production in West and Central Africa, 2019 Proforest
- Gender and Social Inclusion Analysis of Customary Practices in Oil Palm Producing Areas and the Africa Palm Oil Initiative process in Ghana, Afua Appiah | 2018 | Proforest
- Africa Palm Oil Initiative briefing 7 2018 Proforest
- Africa Palm Oil Initiative briefing 6 2018 Proforest
- Africa Palm Oil Initiative briefing 5 2017 Proforest
- Africa Palm Oil Initiative briefing 4 2018 Proforest

Trase

- Trase Yearbook 2018, **Sustainability in forest-risk supply chains: Spotlight on Brazilian soy**