



Reviving high quality coffee to stimulate climate adaptation in smallholder farming communities

Part I: Project Information

GEF ID

10432

Project Type

MSP

Type of Trust Fund

LDCF

CBIT/NGI

CBIT **No**

NGI **No**

Project Title

Reviving high quality coffee to stimulate climate adaptation in smallholder farming communities

Countries

Regional, Congo DR, Uganda

Agency(ies)

IUCN

Other Executing Partner(s)

Nespresso

Executing Partner Type

Private Sector

GEF Focal Area

Climate Change

Taxonomy

Focal Areas, Sustainable Development Goals, Climate Change, Climate Change Mitigation, Agriculture, Forestry, and Other Land Use, Climate Change Adaptation, Innovation, Private sector, Least Developed Countries, Influencing models, Demonstrate innovative approaches, Stakeholders, Private Sector, Large corporations, Local Communities, Beneficiaries, Gender Equality, Gender Mainstreaming, Sex-disaggregated indicators, Gender results areas, Access and control over natural resources, Capacity Development, Capacity, Knowledge and Research

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 1

Climate Change Adaptation

Climate Change Adaptation 2

Submission Date

2/26/2021

Expected Implementation Start

7/15/2021

Expected Completion Date

7/15/2024

Duration

60In Months

Agency Fee(\$)

103,210.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
CCA-1	Reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation	LDC F	1,146,790.00	1,900,393.00
Total Project Cost(\$)			1,146,790.00	1,900,393.00

B. Project description summary

Project Objective

To enable climate adaptation and resilience among smallholder coffee farming communities, and in particular for rural women, in the Democratic Republic of Congo (DRC) and Uganda through business-led approaches

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
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Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1: Resilient agricultural livelihoods	Investment	1.1: Increased climate resilience of coffee farming households in the DRC and Uganda	<p>1.1: Coffee farming households are trained so that they have the skills and knowledge to apply regenerative, climate resilient, agriculture practices</p> <p>1.2: Demonstration (demo) plots and model farms exist throughout the landscapes to promote climate resilient coffee production</p> <p>1.3: Farming households are trained and provided with appropriate inputs such as access to seedlings and equipment, to improve land cover and promote reforestation on smallholder coffee farms and surrounding landscapes</p> <p>1.4: Coffee farming households are trained on nutrition to enable the uptake of essential</p>	LDC F	796,570.00	1,320,030.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
2: Equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach	Investment	<p>2.1: Enhanced capacity of women in the coffee supply chain to translate their participation into economic empowerment</p> <p>2.2: Direct access to the coffee supply chain through the AAA Sustainable Quality program supporting coffee farmers with the commitment for long term sourcing intention</p>	<p>2.1.1: Women and men are trained on gender equality</p> <p>2.2.1: Women and men have increased their knowledge, skills and resources to enhance their economic resilience in coffee farming landscapes</p>	LDC F	210,460.00	348,762.00
3: Knowledge sharing	Technical Assistance	3.1: Information and learnings from the projects are shared to inform other programs and initiatives by relevant stakeholders	3.1.1: Knowledge products are developed and shared	LDC F	35,507.00	58,840.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
				Sub Total (\$)	1,042,537.00	1,727,632.00
Project Management Cost (PMC)						
	LDCF		104,253.00			172,761.00
			Sub Total(\$)	104,253.00	172,761.00	
Total Project Cost(\$)			1,146,790.00		1,900,393.00	

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Private Sector	Nespresso SA	Other	Recurrent expenditures	160,393.00
Private Sector	Nespresso SA	In-kind	Recurrent expenditures	1,590,000.00
Private Sector	Kyagalanyi Coffee Limited (KCL)	Other	Recurrent expenditures	150,000.00
Total Co-Financing(\$)				1,900,393.00

Describe how any "Investment Mobilized" was identified

x

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
IUCN	LDC F	Congo DR	Climate Change	NA	595,449	53,590
IUCN	LDC F	Uganda	Climate Change	NA	551,341	49,620
Total Grant Resources(\$)					1,146,790.00	103,210.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount (\$)

45,870

PPG Agency Fee (\$)

4,128

Agency	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
IUCN	LDC F	Regional	Climate Change	NA	45,870	4,128
Total Project Costs(\$)					45,870.00	4,128.00

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	60.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	60.00		

Indicator 3.2 Area of Forest and Forest Land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.3 Area of natural grass and shrublands restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	1260.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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1,260.00

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Documents (Please upload document(s) that justifies the HCVF)

Title

Submitted

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female		1,680		
Male		2,520		
Total	0	4200	0	0

Part II. Project Justification

1a. Project Description

This project has several changes from the original PIF. These changes have been made to reflect the project preparation (PPG phase) and baseline work carried out between the original PIF and the revised Project Document. The revised Project Document includes an added section on gender (3.4 - Importance of gender considerations), to reflect the link between climate change adaptation, resilience and gender that this project seeks to address. The introduction (3.1) also includes a description of the local implementing partners. Overall, the project has a stronger emphasis on gender, more tailored programs suited to the local contexts, and is focused on the overall Nespresso sustainable sourcing overall program (i.e. AAA) rather than the Reviving Origins program.

(1) changes to the systems description

The systems description remains relatively unchanged. The global environmental and adaptation problems and root problems remain the same as previously described in the PIF, i.e. climate change, poverty, and environmental degradation as links to lack of market access in a manner that rewards good stewardship and promotes sustainable economic development.

The barriers initially described in the PIF were: (1) a chronic lack of resources, including financial and technical resources to support the transition to, and maintenance of, climate resilient agricultural production systems, (2) high levels of vulnerability to political and economic risks - in particular for women and youth, exacerbated by climate change and related environmental changes, (3) poor access to information, technology, infrastructure and markets, (4) challenging business and investment environments, connected with a high cost of doing business that result in reduced private sector engagement. Barriers (1) and (2) in the Pro Doc are unchanged from the PIF. Barrier (3) has been changed to "continuing landscape level natural resource degradation" and barrier (4) has been changed to "realised business cases for investing in regenerative agriculture to change global value chains." These have been altered to better fit the project activities, and to the barriers that Nespresso and its partners can feasibly address in the context of this project.

The text below provides the revised global environmental problem and the threats, roots causes and barriers analysis:

Global environmental problem:

According to the Intergovernmental Panel on Climate Change (IPCC)[1] special report 2019 report on climate change and land[2] the current geographic spread of land use, appropriation of multiple ecosystem services and loss of biodiversity are unprecedented in human history. Many of the climate mitigation approaches in the land use sector have important adaptation co-benefits. Business approaches that properly integrate social and environmental issues, including gender, offer opportunities to sustainable land management. Anthropogenic warming has already resulted in shifts of climate zones, impacting ecosystems and the people that rely on them. Regional climate change impacts can be dampened or enhanced by changes in local land cover. Climate change exacerbates the rate and magnitude of land degradation processes and patterns, which has significant implications for natural resource-based livelihood systems and societal groups (e.g., smallholder farmers in the DRC and Uganda). Land management options such as improved soil management, perennial crops, erosion control, and agroforestry are important land management options that can help to address these challenges.

[1] <https://www.ipcc.ch/working-group/wg1/>

[2] https://www.ipcc.ch/site/assets/uploads/sites/4/2020/07/03_Technical-Summary-TS_V2.pdf

According to the aforementioned report[1] human use directly affects more than 70% of the global, ice-free land surface, and plays an important role in the climate system. Risks to humans and ecosystems from changes in land-based processes as a result of climate change are location-specific and will differ by region but broadly include soil erosion, vegetation loss, tropical crop yield decline and food supply instabilities. The tropics are most vulnerable to crop yield decline, and within populations women, the young, elderly and poor are most at risk. Climate change and the availability of adaptation measures will influence migration trends, displacement, conflict and economic development. The site-specific nature of climate change impacts, wide variations in agroecosystems, adaptation and mitigation options and their barriers must be contextualised to be effective. Land degradation in agricultural systems that have climate change adaptation co-benefits include land management options that reduce soil erosion and promote agroforestry and agricultural diversification. Response options mentioned in this report include sustainable sourcing and livelihood diversification. This report notes in particular that women's empowerment can bring synergies and co-benefits to household food security and sustainable land management, e.g., spending on health education, technical training and access to credit.

[1] <https://www.ipcc.ch/srccl/>

The 2018 Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) assessment report on land degradation and restoration[1] reported that land degradation negatively affects the wellbeing of at least 3.2 billion people, is pushing the planet towards a sixth extinction and costing more than 10% of the annual global gross product in loss of biodiversity and ecosystem services. Addressing land degradation is critical to meeting the Sustainable Development Goals (SDGs) in the Agenda 2030. Land degradation takes many forms, including land abandonment (e.g., due to political unrest), biodiversity degradation, soil degradation, forest degradation, deforestation, rangeland degradation and freshwater degradation. This report makes an urgent case for better linking consumption choices, in particular in developed economies, with their impact on land degradation in producer countries.

[1] https://www.ipbes.net/sites/default/files/2018_ldr_full_report_book_v4_pages.pdf

According to the 2017 Global Land Outlook (UNCCD) echoes many of the trends summarised in the aforementioned reports. However, it also considers that the current pattern of agricultural production, distribution and consumption fails to properly tackle the challenges – notably due to the prioritisation of short-term returns. It states that ‘the current agribusiness model benefits the few at the expense of the many: small-scale farmers, the essence of rural livelihoods and backbone of food production for millennia, are under immense stress from land degradation, insecure tenure, and a globalised food system that favours concentrated, large-scale and highly mechanised farms.’[1] This report also makes reference to the opportunities related to organic agriculture, including in Uganda.[2] This report also makes reference to the food-fuel nexus, i.e. that ‘peasant agriculture and tree cutting for fuelwood and charcoal production remain the dominant agents of change, such as in the Congo Basin where an estimated 90% of wood harvested is for fuel.’[3]

[1] https://knowledge.unccd.int/sites/default/files/2018-06/GLO%20English_Full_Report_rev1.pdf

[2] *Ibid*

[3] *Ibid*

The 2020 Adaptation Gap Report[1], published by UN Environment Programme in January 2021 highlights that ‘additional adaptation finance is critical to enhance adaptation planning and implementation and limit climate damages, particularly in developing countries’, and estimates that USD 1.8 trillion is required as additional investments. According to this report, annual adaptation costs in developing countries are estimated to be in the range of USD 70 billion, with the expectation of reaching USD 140-300 billion in 2030 and USD 280-500 billion in 2050. It notes that the trend towards decreasing bilateral finance and Overseas Development Assistance, and that scaling up and incentivizing public and private adaptation finance is required. This will include better integration of climate risks into business activities. This status report also notes that there has been relatively little engagement of the private sector in climate adaptation. Another concern raised in the report is that of lasting outcomes, and the long-term tracking of development indicators. The report also mentions the importance of Nature based Solutions (NbS) as contributing to climate change adaptation but notes that there are few tangible plans and projects, and that funding levels remain low and dominated by traditional government and philanthropic sources. NbS is defined as ‘actions to protect, sustainably manage and restore natural or modified ecosystems that address societal challenges effectively and adaptively, simultaneously providing human well-being and biodiversity benefits.’

[1] <https://www.unenvironment.org/resources/adaptation-gap-report-2020>

The 2014 IPCC report on climate change impacts, adaptation and vulnerability[1], the chapter on Africa indicates that warming of land regions due to climate change is already taking place, and that ecosystems are already being affected. Increasing temperatures will affect agriculture, and that climate

change will contribute to increased pest and disease burdens. Livelihood based approaches to addressing climate change are noted as being central to improving the resiliency of agricultural systems in Africa. Conservation agriculture practices, e.g., agroforestry, farmer managed natural tree regeneration, conservation tillage, contouring and terracing, mulching are important approaches in strengthening resilience. Furthermore this report summarises five common principles for adaptation and building adaptive capacity based on existing implementation experience, including ?increasing attention to the cultural, ethical, and rights considerations of adaptation by increasing participation of women, youth and poor and vulnerable people in the adaptation policy and implementation?, ?combining ?soft path? options and flexible and iterative learning approaches with technological and infrastructural approaches and blending scientific, local and indigenous knowledge when developing adaptation strategies?, ?focusing on building resilience and implementing low-regrets adaptation with development strategies, in the face of climate and socioeconomic uncertainties?, and ?building adaptive management and social and institutional learning into adaptation processes at all levels?. The report also recommends ecosystem-based approaches and pro-poor integrated adaptation-mitigation initiatives and emphasising inter alia gender aspects. This report also indicates that building sufficient adaptive capacity will require significant funding and technical support.

[1] https://www.ipcc.ch/site/assets/uploads/2018/02/WGIIAR5-Chap22_FINAL.pdf

Threats, roots causes and barriers analysis

Threats

Coffee is one of the most important globally traded commodities and substantially contributes to the livelihoods of millions of smallholders worldwide. As a climate-sensitive perennial crop, coffee is itself highly susceptible to changes in climate, both directly and indirectly. The main climate risks related to coffee production are increased water stress, poor and unpredictable flowering and coffee development due to irregular rainfall, increased outbreak of pests and diseases, particularly leaf rust, due to increasing temperatures increased vulnerability of smallholder and women farmers and (longer-term) loss of suitable area for coffee production.[1] Note that coffee is typically grown in mixed agroforestry systems, and farmers rely on a mix of food and cash crops. When climatic, or other environmental changes, impact other crops in the system, they also impact the farmers' ability to deliver high quality coffee. Optimizing agroforestry systems that include coffee, through practices, inputs (e.g. good quality planting material) and access to markets, can enable ecosystem-based adaptation on farms and in the wider landscape.[2] Women in particular are at risk as they typically have limited access to production assets and less decision making authority over their use, and may have less control over their income and time allocation ? though they make up at least 70% of labour in coffee and own 19-35% of farms (worldwide).[3]

[1] <https://www.globalcoffeeplatform.org/assets/files/02-CANS/Climate-Coffee-Catalogue.pdf>

[2] The term ecosystem based adaptation is used as per the following reference:
https://www.iucn.org/sites/dev/files/feba_eba_qualification_and_quality_criteria_final_en.pdf

[3] <https://www.idhsustainabletrade.com/uploaded/2019/06/Brewing-up-climate-resilience-in-the-coffee-sector-1.pdf>

According to communications by the DRC government, sustainable agriculture production, rural development, natural resource protection, conservation and development are the main priorities related to climate change.[1] The DRC's NAPA, published in 2006, identifies 5 key priority areas: water resources, coastal area, health, agriculture, land and ecosystem degradation. The Second National Communication, published in 2009 includes specific focus on vulnerable regions in the west of the country as well as a nation-wide focus on agriculture and food security, with a focus on capacity building and improved technologies and infrastructure. It is also important to note that the DRC has the largest forest carbon stock in Africa.

[1] <https://reliefweb.int/sites/reliefweb.int/files/resources/DRC%2B%28east%29.pdf>

Climate change is expected to increase current vulnerabilities of the DRC: increasing temperatures and changing rainfall patterns will exacerbate the extreme poverty situation. DRC ranks 177 out of 181 countries in the ND-GAIN index (2016) for climate vulnerability, it is considered the 12th most vulnerable and the 5th least ready country.[1] Climate change is likely to increase average temperatures, decrease rainfall; increase dry spells and lead to more extreme weather events. Food security will be affected by land and infrastructure degradation due to erosion / landslides, increase in diseases, direct crop failures, nutrient leaching and fungal growth.[2] The DRC is at risk due primarily to household and community vulnerability.[3] Women in particular are at risk of being impacted by climate change, UNDP predicts that 73% of women will be affected by climate-related crop changes.[4]

[1] <https://reliefweb.int/sites/reliefweb.int/files/resources/DRC%2B%28east%29.pdf>

[2] <https://reliefweb.int/sites/reliefweb.int/files/resources/DRC%2B%28east%29.pdf>

[3] <https://reliefweb.int/sites/reliefweb.int/files/resources/DRC%2B%28east%29.pdf>

[4] [https://www.undp.org/content/dam/aplaws/publication/en/publications/environment-energy/www-ee-library/climate-change/gender-climate-change-and-community-based-adaptation-guidebook-/Gender%20Climate%20Change%20and%20Community%20Based%20Adaptation%20\(2\).pdf](https://www.undp.org/content/dam/aplaws/publication/en/publications/environment-energy/www-ee-library/climate-change/gender-climate-change-and-community-based-adaptation-guidebook-/Gender%20Climate%20Change%20and%20Community%20Based%20Adaptation%20(2).pdf)

No site-specific climate information exists for the project areas in the DRC (South Kivu). However, based on the DRC's NAPA and its second National Communication as well as information from

UNDP and from the Climate Service Center report "Climate Change Scenario"s for the Congo Basin? the following climate scenarios are expected.[1]

- ? Average temperatures are likely to increase, including the frequency of hot days/nights
- ? Drastic changes in the overall amounts of rainfall are not expected across the Congo Basin, though the frequency and intensity of wet and dry spells are likely to increase giving rise to higher potential flood risks
- ? Increased CO₂ in the atmosphere may slightly increase biomass growth in the region, however there are high levels of uncertainty on this impact
- ? Changes in rainfall may impact production, e.g., through increased fungal infections and waterlogging

The project addresses the aforementioned adaptation needs in the DRC by promoting the up-take of agroforestry practices, linking this to increased and more stable revenue sources, through the promotion of food security as well as rural economic development initiatives. Specifically, this project supports reforestation and agroforestry through the distribution of seedlings (including indigenous species to help meet household needs for wood fuel) and through farmer training (including on agroforestry). The project also has a component on nutrition, whereby households are trained on appropriate local coping practices, including kitchen gardens ? which further promotes diverse on-farm production systems. The project is also in that it creates a stable revenue source for farmers and rural communities linked to a premium coffee value chain.

[1] https://www.climate-service-center.de/imperia/md/content/csc/csc-report11_optimized.pdf

The project addresses the aforementioned adaptation needs in the DRC by promoting the up-take of agroforestry practices, linking this to increased and more stable revenue sources, through the promotion of food security as well as rural economic development initiatives. Specifically, this project supports reforestation and agroforestry through the distribution of seedlings (including indigenous species to help meet household needs for wood fuel) and through farmer training (including on agroforestry). The project also has a component on nutrition, whereby households are trained on appropriate local coping practices, including kitchen gardens ? which further promotes diverse on-farm production systems. The project is also in that it creates a stable revenue source for farmers and rural communities linked to a premium coffee value chain.

According to IUCN, communities in the Mt. Elgon area are already experiencing higher temperatures and more erratic, variable and intense rainfall, which is affecting hydrological systems and resulting in more frequent occurrence of disastrous events such as landslides.[1] The effects of climate change are largely expected to be negative, as communities' reliance on threatened ecosystem goods and services render them highly vulnerable. The following climate impacts are expected, which will impact water availability, biodiversity (including wildfires and diebacks), soils (including landslides and soil erosion), and human and ecosystem health (including new pests and diseases)[2]:

- ? Increase in solar radiation
- ? Increase in temperature and evaporation
- ? Increasing trend in daily maximum temperatures

- ? Increasing or decreasing trend in daily minimum temperatures depending on location
- ? Changes in cloudiness regimes
- ? More intense windstorms
- ? Increased frequency and intensity of rainfall extremes
- ? Changes in onset and cessation of rainy seasons
- ? Changes in rainfall distribution during rainy seasons
- ? Increase in short and intense rainfall events
- ? Increase in hailstones and frost
- ? Stronger and more frequent El Niño

Recommended adaptation[3] measures such as reforestation / regeneration, farmer training, introduction of improved cook stoves, enhanced market access and farmer livelihood diversification will be introduced by this project. The project builds on lessons learned from existing work on climate adaptation needs in the region, including from IUCN's EbA project[4], which highlighted the importance of high participatory approaches, flexibility and quickly generating economic and social benefits for local communities to secure their support. Specifically, the project contributes to climate adaptation needs by contributing to reforestation and restoration including in riparian areas and on-farm agroforestry, agronomic training, farmer household income diversification, market access and introduction of fuel-efficient stoves. Specifically, the project leverages Nespresso and KCL's local presence to upskill and support local communities, including through training that involves local community members (i.e., is participatory), to create short and long-term benefits from coffee and livelihood diversification initiatives (e.g., on wood fuel, VSLAs, local production of improved cook stoves and seedlings).

[1] https://www.iucn.org/sites/dev/files/import/downloads/policy_makers_booklet.pdf

[2] https://www.iucn.org/sites/dev/files/import/downloads/policy_makers_booklet.pdf

[3] https://www.iucn.org/sites/dev/files/import/downloads/policy_makers_booklet.pdf

[4] <https://www.iied.org/eba-evidence-policy-uganda>

Women are particularly marginalized in these small-scale farming communities, as they tend to be responsible for household wellbeing (including fuelwood collection) and food security[1] and have less

access to resources and are thus more vulnerable. The spread of new human diseases will also impair the ability of households to work on their farms and earn other income. As summarized in Figure 3 above, climate change and environmental degradation affects the farming landscape (including the farm), i.e., ecosystem services such as water flows, microclimate and fuelwood availability. Women are primarily responsible for household food and fuel sufficiency and are thus particularly affected when there are changes in resource availability or quality. Such changes also particularly affect women as they tend to have a lower resource base. It is important to help the communities restore ecosystem services in the landscape and implement farm-level interventions that can diversify farmer livelihoods to better meet cash, food and energy needs. This project considers gender aspects and women's economic empowerment as critical to improving adaptation.

[1] https://www.cifor.org/publications/pdf_files/WPapers/WP89CIFOR.pdf

Root causes

Across both countries, the following shared and inter-related problems exist:

? Climate change (variability) is causing more extreme weather events, notably flooding and landslides, and increased vulnerability to human, plant and animal diseases. Rising temperatures is also causing a shift in areas suitable for coffee, increased water stress in some areas, and poor flowering and cherry development. Note also that climate change impacts not only coffee plants directly, but also companion plants in coffee-agroforestry systems, which may undermine the smallholder farming households as a whole, including their economic and nutritional status.

? Loss of biodiversity and land degradation on and off-farm (including through unsustainable agriculture practices) is leading to increased vulnerability of land-based production systems, increased pest and disease risk, and decreased agricultural productivity. Unsustainable land management practices occur in part due to a lack of technical assistance, appropriate technology (e.g., planting material), infrastructure and inputs (seeds, improved varieties).

? Widespread poverty in both countries means that there is a high level of vulnerability. This stems from a lack of sustainable economic opportunities for small scale farmers and their communities, including poor connectivity to markets (including poor infrastructure) and reliable buyers. Political unrest, unsecure tenure and gender discrimination exacerbate these problems. The inexistence of economic safety nets for communities including household diversification strategies is an additional challenge. Smallholder and women farmers are highly vulnerable to climate change.[1] In some cases, population growth and a lack of rural economic opportunities is causing social changes and exacerbating unsustainable land management. Creating meaningful rural economic opportunities for women and youth in particular is important given the migration trends in the region.

[1] <https://www.globalcoffeeplatform.org/assets/files/02-CANS/Climate-Coffee-Catalogue.pdf>

Given the large contribution of agriculture to GDP in both the DRC and Uganda, in particularly for poorer rural communities, addressing climate change impacts that affect agricultural production are of critical importance. The precarious situation of many rural farming families is exacerbated by climate change, which substantially increases vulnerability. Vulnerability of farmers is amplified through various dimensions, including socio-economic (farmer household incomes including appropriate income diversification, gender inequality, access to credit, access to technical advice), technical (little access to appropriate technical information), resources (seedlings, inputs, improved cookstoves ? in the case of Uganda), infrastructure (roads, wet mills), and markets. The DRC and Uganda were selected by Nespresso for its sourcing programs because of their potential to produce exceptional coffees, and the substantial value add that the program could bring locally. The selected Uganda cluster is part of the AAA program, and DRC cluster is part of the AAA and Reviving Origins program.

The DRC Government is working with a range of partners to overcome some of the aforementioned challenges. For example, the Government recently launched a new Green Climate Fund (GCF) project on climate adaptation planning.[1] Furthermore, it is taking several steps to improve the business and security environment, and to mobilize investment in climate smart agriculture and infrastructure. This includes investment by the government and development partners in developing and bringing to market improved crop varieties and supporting this through technical extension.[2] The country is also a focus country with respect to avoided deforestation activities, e.g., in the context of the World Bank Forest Carbon Partnership Facility (FCPF).[3] Note though that the DRC is a large country, with relatively poor infrastructure and connectivity. The country has a substantial funding gap in meeting its key policy objectives, i.e., the funding gap for the National Agricultural Investment Plan for the period 2012 to 2020 was estimated at circa USD 3.68 billion.[4] Many programs are focused only on a subset of provinces and regions. Access to resources remains a key barrier for the Government to meet its development objectives.

[1] <https://www.adaptation-undp.org/drc-launches-national-adaptation-plan-project-boost-resilience-supported-gcf-undp>

[2] <https://unfccc.int/climate-action/momentum-for-change/activity-database/momentum-for-change-building-climate-resilience-in-agriculture-in-dr-congo>

[3] <https://www.forestcarbonpartnership.org/country/congo-democratic-republic>

[4] <https://www.abghq.com/downloads/DRC.pdf>

While the DRC was once an important coffee producer, output has dropped significantly, leading to a loss of income for farmers and the government alike. Specific barriers that have been noted in the Kivu region with respect to coffee are: That coffee farmers need mentoring and training to increase yields and quality; the value chain needs access to resources, linked to an international supply chain. This

includes access to improved coffee varieties, technical services and inputs. It also means access to strategies that de-risk agriculture as a business for farmers (pricing and diversification); lack of value addition, including washing stations; market access; and political insecurity. A recent study on coffee value chains in South Kivu found that farmers have low agronomic skills and little confidence to invest ? resulting in poor productivity. In addition, access to finance is a constraint, as is lack of marketing and access to market. Productivity is also constrained by old trees, lack of appropriate agronomic advice, and a lack of infrastructure (wet mills).

The Ugandan government has been relatively active in responding to the challenges of climate change. For example, in 2018 it published a National Adaptation Plan for the Agricultural Sector. In addition to presenting a summary of the likely impact of climate change on agriculture, it also describes how climate-related challenges are incorporated into important sectors such as the National Coffee Policy (2013). This document notes that the following 8 objectives will be pursued by the Government with respect to climate adaptation in agriculture: (1) promote resilient cropping systems and value chains, (2) promote climate resilient livestock production systems and value chains, (3) promote climate resilient fisheries and integrated fisheries resource management, (4) strengthen climate information, early warning and disaster preparedness mechanism for a better informed agricultural planning and decision making, (5) promote sustainable natural resources management that enhances the resilience of agriculture and agrarian communities to a changing climate (6) promote climate smart agricultural research and innovations (7) enhance knowledge of good practices and partnerships to reduce vulnerability of the agricultural sector to the impacts of climate change, and (8) promote a gendered climate smart agriculture programme to reduce the vulnerability of women, youth and other groups. It also notes the following barriers to successful implementation of existing climate-related policies: overlapping mandates, limited technical capacity, [lack of] institutional coordination, skewed budget allocations (and lack of financial resources), limited policy literacy at local levels, and little attention to local contexts.

Barrier analysis

Shared barriers: note that both countries are LDCs and face severe resource (budget) constraints and rely heavily on external support, both from public and private sources, to overcome some of these challenges. The following barriers are somewhat inter-related and are consistent across the project landscapes in both the DRC and Uganda.

Barrier 1: A chronic lack of resources, including financial and technical resources, to support the transition to, and maintenance of, climate resilient agricultural production systems. The scarcity of resources to adequately develop and deliver localised technical assistance to farmers so that they implement regenerative, climate smart agricultural production techniques means that these agricultural systems and landscapes have been chronically under-invested and managed sub-optimally. While both landscapes in the DRC and in Uganda have high levels of fertility, a dedicated and hard-working farmer

base, and the ability to produce a world-class product (high quality Arabica coffee) that could generate solid returns locally and to the country, the resources to ensure that these agricultural system transition to more climate adaptation and ecosystem based are missing. This is due in part to a lack of market interest, notably consumers that recognize this as a quality product and are willing to pay a premium, and due to the complexity of sourcing from these regions. A meaningful, committed and technically sound investment in building and marketing these high value supply chains is required so that benefits can flow back to these areas and incentivize the continued use of sustainable, climate smart practices. These benefits should manifest for farmers and the government in the form of improved revenues, better land management practices (leading to resilience through ecosystem-based adaptation) and access to quality goods and services in the long-term. It is important that this barrier is approached in a business-oriented manner so that the results can be economically sustainable. This is a particular issue given the challenging business and investment environment. The DRC is ranked number 184 out of 190 economies by the World Bank in its 'ease of doing business' rating. Uganda is ranked number 127. A characteristic of 'difficult' business environments is a high cost of capital, which means that private investors take a very short-term view on potential projects and capital is expensive. This also contributes to a lack of private sector engagement and long-term investment.

Barrier 2: High levels of vulnerability to political and economic risks – in particular for women, exacerbated by climate change and related environmental changes. The prevailing agricultural systems, where there is heavy reliance on informal markets for products, lack of sustainable land management techniques, coupled with political instability and high levels of poverty means that farmers and their households generally are at risk. The lack of livelihood certainty that farmers experience may push them to practice short-term unsustainable land management strategies, including deforestation. Poor farm management is also a challenge, thus household income diversification and transitioning to more resilient, regenerative agro-forestry based systems where there is a mix of cash, food and fuel crops is important. Women are particularly vulnerable. Therefore, developing and implementing tailored strategies to increase their confidence and economic empowerment is critical.

Barrier 3: Continuing landscape level natural resource degradation. Both areas in the DRC and Uganda have experienced loss of biodiversity, tree cover, soil erosion and deteriorating soil health. If this barrier is not addressed, an agriculture based rural development strategy will not succeed. Farmers lack the adequate incentives, support (training) and access to inputs to restore biodiversity, tree cover and soil health and to counteract soil erosion and loss of valuable topsoil.

Barrier 4: Realised business cases for investing in regenerative agriculture to change global value chains. As a globally traded commodity, there is often little incentive for coffee companies to make long-term commitments to their sourcing areas in a manner that can stimulate long-term transformative change. Few large consumer facing companies have direct linkages to their suppliers and leverage their position in the value chain to promote resilience within these farming communities. There is a lack of businesses cases for how such value chains can be used to stimulate positive change in the long-term.

(2) Changes to the baseline scenario

The baseline scenario remains relatively unchanged, with the exception of a description of the Strengthening Coffee Value Chains (SVC) program currently being implemented in South Kivu, also by TechnoServe.

The baseline analysis and gaps is provided below:

Relevant baseline projects in the DRC: various relevant initiatives exist in DRC, led by the Government and by development partners. Note that the DRC has ratified the UN CBD, the UN CCD, the UNFCCC and the Kyoto Protocol. DRC signed the Paris Agreement in April 2016 and ratified the agreement in December 2017; it entered into force in January 2018. The most notable baseline programs are the US government supported Strengthening the Coffee Value Chain (SVC) and Kahawa Bora Ya Kivu projects, and of these two, the SVC project in particular. This project builds on experiences in these two programs by integrating climate resilience and ecosystem-based adaptation.

A component of the SVC project focusing on the coffee value chain is implemented by TechnoServe. It aims to provide training to 15,000 coffee farming households, provide technical assistance to cooperatives and other market actors to bolster the speciality coffee value chain in South Kivu. It seeks to increase farmer yields by 30% while supporting local processing businesses to export speciality coffee and offer farmers higher more stable prices. The trainings encompass climate smart agriculture, linked to inclusive value chains and supportive market services.[1] Nespresso is participating as a buyer to this project, providing market access for the coffee from South Kivu. This GEF project would leverage existing work done under the SVC project.

This project has the potential to build on the previous projects carried out by the Government, as well as partners such as UNDP. For example, this project is able to identify adaptation priorities in part due to previous investments in this knowledge base. The Stakeholder Engagement Plan lists both government and non-government partners that will be consulted during implementation. The local partner is already in touch with these entities through their role in other projects in the region, and will add to this based on the current COVID situation. This project can help to strengthen existing initiatives by supporting business and investment cases linked to climate adaptation priorities.

[1] <https://www.technoserve.org/our-work/projects/strengthening-the-coffee-value-chain-in-the-congo/>

Year	Baseline project title	Proponent(s)
2001	Initial National Communication on climate change	DRC Government
2002	National Environment Action Plan	DRC Government

2002	National Biodiversity Strategy	DRC Government
2006	National Adaptation Programme of Action (NAPA)	DRC Government
2009	National Communication on climate change)	DRC Government
2010 - 2015	Implementation of certain projects under the NAPA with support from UNDP, funded by the LDCF, e.g., improved meteorological monitoring and forecasting, local level resilience-building to climate change (focus on western, central and southern DRC)	DRC Government, UNDP, LDCF
2009	Second National Communication on climate change	DRC Government
2013	Improving Women and Children's Resilience and Capacity to Adapt to Climate Change in the DRC	LDCF
2013	Strengthening Hydro-Meteorological and Climate Services	LDCF
2014	Improved Forest Landscape Management Project	World Bank
2015	Third National Communication on climate change	DRC Government
2015	Intended Nationally Determined Contribution (INDC)	DRC Government
2017	First Nationally Determined Contribution (NDC)	DRC Government
2013	DRCs National Agricultural Investment Plan	DRC Government, with UNDP, CAADP, NEPAD
2011	Forest Investment Program (FIP)	Climate Investment Funds (World Bank)
2015-2020	DRC REDD+ Investment Plan	CAFI, UNDP
2017	Strengthening Hydro-Meteorological and Climate Services	World Bank
2015 - 2016	Green Climate Fund (GCF) Readiness project	GCF, UNDP
2014	Emission Reduction Programme Idea Note (ER-PIN) submission to the FCPF	World Bank

2012- 2017	Addressing Climate Change in the DRC: support for training and reforestation	Global Climate Change Alliance (east DRC)
2017	Climate Resilient Altitude Gradient (GRAG)	BirdLife International
2013	Improving women and children's resilience and capacity to adapt to climate change in the Democratic Republic of the Congo	GEF (LDCF), UNDP
2016	The Restoration Initiative, DRC child project: improved management and restoration of agro-sylvo-pastoral resources in the pilot province of South Kivu	GEF, FAO
2016	Strengthening Value Chains (SVC): Program to strengthen coffee value chains in South Kivu, including specialty coffee, and boost food security[1] [1] https://worldcoffeeresearch.org/work/strengthening-value-chains-democratic-republic-congo/ 1	USAID (via Tetra Tech), World Coffee Research, Banyan Global, Search for Common Good, J.E. Austin Associates, TNS
2016	Kahawa Bora Ya Kivu project	USAID, Howard G. Buffett Foundation, Catholic Relief Services, Eastern Congo Initiative, World Coffee Research
2018	ELAN: development of coffee and cocoa value chains	DFID (UK)

Associated baseline projects in Uganda: Various relevant initiatives exist in Uganda, led by the Government and by development partners. The most relevant baseline projects were developed by the World Bank (with GEF), CGIAR (CCAFS) and UNDP. However, these programs have arguably not had adequate engagement by the private sector, thus bringing into question the continuation of land management practices and farmer services. Note that there are no relevant baseline projects in the Bumbo area of Mount Elgon.

This project builds on existing work carried out by government and non-governmental partners in the area. For example, adaptation and coffee sector investment priorities were identified in part due to previous GEF-supported initiatives. Nespresso and the local partner will continue to consult local

stakeholders as per the Stakeholder Engagement Plan, and will also seek input from other locally active groups as relevant and COVID-permitting. Nespresso and its partners see further scope for developing the business and investment case with other private sector groups and climate-oriented funders such as GCF.

Year	Baseline project title	Proponent(s)
2018	Nationally Determined Contribution Partnership Plan (INDC-PP) & Nationally Determined Contributions to the UNFCCC	Government
2015	National Climate Change Policy (NCCP)	Government
2016	Uganda Clean Cooking Supply Chain Expansion Project	World Bank
	Agricultural Technology and Agribusiness Advisory Services (ATAAS) Project	IDA, GEF
2015 - 2020	National Development Plan (NDP) ? note that the most recent is runs until 2020, under Uganda Vision 2040	Government
2015	National Adaptation Plan (NAP)	Government with support from UNDP
2002	First Communication to the UNFCCC	Government
2014	Second Communication to the UNFCCC	Government
2007	National Adaptation Programme of Action (NAPA)	Government
	Integrating Agriculture in National Adaptation Plans Program	UNDP, FAO
2015	Strategic Program for Climate Resilience (SPCR) under the Pilot Programme for Climate Resilience	World Bank CIF, AfDB
2013- 2022	National Strategy and Action Plan to Strengthen Human Resources and Skills to Advance Green, Low-Emission and Climate Resilient Development in Uganda	Government, UN
2015	(Re) submitted INDC to the UNFCCC	Government
2015 - 2025	Uganda climate-smart agriculture country program	Government
2014	Enhancing Adaptation to Climate-Smart Agriculture Practices in the farming systems of Uganda	UNDP

2018	Climate Smart Agriculture East Africa (note also includes Tanzania, Kenya)	SNV, Netherlands, Wageningen, CCAFS, Agri Terra
2018	National Adaptation Plan for the Agriculture Sector (NAP-Ag)	Government, FAO, UNDP, IKI & BMU (Germany)
2012- 2016	Global Climate Change Alliance: agricultural adaptation to climate change in Uganda	EU
2015 - 2017	Strengthening agricultural water efficiency and productivity on the African and Global level	Switzerland
2014 - 2016	CountrySTAT for Sub Saharan Africa (17 countries)	BMG
2019	Strengthening the adaptive capacity and resilience of communities in Uganda's watersheds	AfDB (GEF)
2015	Reducing the climate change vulnerability of local communities in Uganda through EbA in forest and wetland ecosystems	UNEP, LDCF (GEF)
2012	Strengthening climate information and early warning systems in Africa to support climate resilient development and adaptation to climate change	UNDP, LDCF (GEF)
2016	Building resilient communities, wetlands ecosystems and associated catchments in Uganda	UNDP, GCF
2017	Reducing the climate change vulnerability of local communities in Uganda through EbA in forest and wetland ecosystems	UNEP, GEF (LDCF)
2017	Integrating climate resilience into agricultural and pastoral production in Uganda, through a farmer/agro-pastoralist field school approach	FAO, GEF (LDCF)
2014	Integrated landscape management for improved livelihoods and ecosystem resilience in Mount Elgon	UNDP, GEF
2012	Strengthening climate information and early warning systems in Africa to support climate resilient development and adaptation to climate change	UNDP, GEF (LDCF)
1999	Kibale Wild Forest Coffee Project	World Bank, GEF

Gaps to be filled

While some donor-funded activities on adaptation have taken place in both countries, there are no projects that leverage long-term business interests in sustainable agriculture in the regions. Without the project, there will continue to be a lack of long-term private sector investment that can support increased climate adaptation and resilience through regenerative agriculture in the countries. Farmers will continue to rely on unsustainable land management practices, have little access to markets, and the necessary support to facilitate the uptake of resilient agriculture. Poverty and increased vulnerability due to the loss of environment resilience and ecosystem functioning may exacerbate an already fragile situation, with the potential for adverse political and social outcomes. In particular, women may continue to be marginalised. Further land degradation and loss of biodiversity may occur, i.e., as coffee productivity declines due to climate change and farmers move into new areas in order to make a living. This may further erode the potential for the country to transition to sustainable socio-economic trajectory.

While the Government of DRC may facilitate access to some donor and development partner funding in the region, notably for forest protection (REDD+), it will not be adequate unless there is large-scale business-led support to improve the production methods and profitability of food and cash crops, including coffee.

While there may be more activities on-going in Uganda given its relative political stability compared to the DRC, similar challenges exist. In the absence of a long-term commitment by private sector, donor and government funding will be inadequate. Unsustainable land use practices such as clearing of shade trees, improper water management and improper pest and disease management may continue, and the impacts of these practices will be exacerbated by more extreme weather events as a result of climate change ? farmers on steep slopes and women are particularly vulnerable. Without the uptake of improved varieties, and improved farming techniques, key crops including Arabica coffee are at risk.

While there is relevant development funded programs in both countries, and existing coffee production, this is likely to be insufficient without addressing demand creation, quality and technical expertise. Critical investments are required to strengthen attractiveness in the coffee supply chains and to build consumer awareness about the unique, premium coffees that can be produced in Uganda and the DRC. And, this needs to be done in a manner that ensures ecosystem-based adaptation, i.e. reduces social and environmental vulnerabilities to climate change, generates societal benefits in the context of climate adaptation, restores and maintains ecosystem health, supports national policies (e.g. on climate adaptation and agriculture priorities), and supports equitable governance and enhances capacities.[1] This can most feasibly be done by an existing brand that has the marketing capabilities and brand reach, such as Nespresso. If consumer demand for these specific coffees is not created, there will be no on-going revenues to support the farmers in the long-term ? and hence no resources to continue with ecosystem-based adaptation activities. The demand and supply side of climate resilient coffees from these landscapes need to be built in a joined-up manner, with an initial focus on a sustainable supply of quality coffees. There are and have been some attempts to create effective market linkages (notably in

DRC through USAID's programming), but these seem to have not lasted in the long term and have not necessarily put a strong focus on climate resilience, ecosystem-based adaptation and gender empowerment issues.

[1] https://www.iucn.org/sites/dev/files/feba_eba_qualification_and_quality_criteria_final_en.pdf

(3) changes to the proposed alternative scenario including outcomes and components and (4) changes to the alignment with GEF focal areas

While the content regarding alignment with the GEF focal areas remains unchanged, the order of the paragraphs were changed so that the paragraph on climate change is first. The revised content is provided below in response to point (4).

During the PPG phase, additional information was collected from local implementing partners as well as the local stakeholders. As a result, the project components, outcomes, outputs and targets were altered to better fit the needs of local stakeholders. The revised text in response to (3) is provided below.

The original PIF had two components: (1) strengthen smallholder climate resilience through technical advisory and resource mobilization, and; (2) develop and promote awareness of new business solutions that can be implemented by the local and international private sector to promote climate resilience and adaptation (cross-learning, knowledge sharing & management). The targets here were that 3,000 farming households (min. 30% female participation) in the DRC and 4,000 (min. 25% female participation) in Uganda were trained on climate smart coffee production. And, that 1,500 farming households in the DRC and 2,000 in Uganda (both with the same female participation as previously) were involved in training on companion crops. There was a further target on demonstration plots and nurseries, which was to be defined during the PPG phase. Additionally, 500 farmers in the DRC and 2,000 farmers in Uganda were to receive agroforestry services (gender split to be confirmed). Finally under the first component in the submitted PIF, 2 gender needs assessments were to be developed and subsequently 2 business models developed that could create local economic opportunities for women. In the submitted PIF, the second component had two targets: first to do at least two feasibility assessments for potential business solutions in each origin, and to develop at least four public facing knowledge products, to be developed and shared.

The revised Project Document (Pro Doc) has three components: (1) resilient agricultural livelihoods, (2) equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach, and; (3) knowledge sharing. The total number of farming households engaged reduced from 7,000 to 4,200. The target for women in each of the outcomes was increased from 25-30% to 40% in both countries. Specific targets were set for model and demonstration farms to be developed in the landscape. In addition, training on nutrition was added for households in the DRC as this was identified as an important issue. In Uganda, the distribution of energy efficient cookstoves, restoration of riverine buffer areas and the establishment of Village Savings and Loans Associations (VSLAs) were added, based on inputs from the local implementing partner. A summary of the changes between the original PIF and the Pro Doc are provided below.

See attached table (Attachment 9 to this CEO Endorsement) for the summary of changes and rationale.

The revised alternative intervention strategy is provided below.

Project rationale and expected global environmental benefits

In addition to supporting adaptation, and complementing national priorities, this project has alignment with several GEF focal areas. These are described below.

Climate change: the project may contribute to several objectives under this topic area, including the GEF 7 fundamental to "demonstrate mitigation options with systemic impacts", in particular linked to the FOLUR impact program[1]. The project seeks to increase the uptake of regenerative, climate smart agricultural practices that can help to restore agricultural productivity and promote carbon storage in soils, e.g., through increased tree cover in coffee farming landscapes. In Uganda, the project also seeks to reduce demand for unsustainable fuel wood consumption by introducing improved (more energy efficient) cookstoves in the project area. The project can support GEF in continuing to foster innovative projects that enable (appropriate) technology transfer, i.e., farming practices, and can attract significant and sustained private sector co-financing. While innovation and technology transfer have primarily been focused on mitigation, consideration can also be given to appropriate land management approaches and business models that suit the needs of rural Least Developed Country (LDC) communities and that can contribute to both mitigation as well as adaptation. As this project takes a sustainable supply chain approach to create social and environmental benefits in selected landscapes.

Biodiversity: while not a main focus of this project, it does have relevance to various of the GEF 7 programming areas under this topic[2], namely through promoting biodiversity on smallholder coffee farms and in coffee landscapes. Specifically, this will be done by encouraging agroforestry practices on coffee farms as part of the AAA farmer training program, introducing indigenous trees and plants on-

farm to help meet household energy and nutrition needs, and carrying out some restoration activities in the landscape using local species e.g., in riverine buffer areas. The AAA farmer training program also trains farmers on agronomy, including using more nature-based practices, including organic practices that contribute to increased soil health. The project contributes to mainstreaming biodiversity across sectors and landscapes, in support of Nespresso's increased focus on promoting biodiversity in its supply chain, strongly embedded in the focus on Nespresso's Regenerative Agriculture strategic approach that is a central pillar of the next phase of the Nespresso Sustainability strategy (2020 -2030). Through this project, as previously mentioned, farmers are encouraged to introduce indigenous perennials and annuals on their farms (e.g., indigenous trees in shade grown coffee agroforestry systems, kitchen gardens for household nutrition), and in the landscape (i.e., reforestation along riverine buffer zones in Uganda). This project is connected with the joint work of IUCN and Nespresso on biodiversity indicators, which will feed into Nespresso's regenerative strategic pillar. The ambition is to evolve AAA Sustainable Quality program towards a fully regenerative coffee growing model, generating net positive impacts on farming communities and their environment. The project will contribute to the GEF 7 program priorities on biodiversity, notably the objectives "Manage biodiversity in production landscapes", and "Harnessing biodiversity for sustainable agriculture?". The project may also contribute to the management of biodiversity in forestry landscapes, in particular where these are adjacent to, near, or interspersed with agricultural (coffee) landscapes. As described below, this project also contributes to the GEF 7 Impact Program on Food Systems, Land Use, and Restoration (FOLUR).

Land Degradation: the project supports this GEF Programming Area in that it can help create an enabling environment for Land Degradation Neutrality (LDN) through strategic engagement of the private sector in a manner that creates the foundations for restoration and sustainable management. There are particular links to the intersection between this focal area and the FOLUR IP, i.e., as the project promotes a sustainable supply chain (production, processing, and demand) that can help achieve LDN, in particular through engaging smallholder farmers and local communities. The project also has a particular focus on gender issues, formed through local stakeholder engagement and analysis. Through this project, women in Uganda and the DRC are supported in gaining access to technical and financial resources, services and opportunities and empowered to take decisions.^[3]

FOLUR IP: As noted in the GEF 7 programming documents, this IP has three objectives, which are well aligned with this project: "(1) Promoting sustainable food systems to meet growing local demand, (2) Promoting deforestation-free agricultural commodity supply chains to slow loss of tropical forests, and (3) Promoting restoration of degraded landscapes for sustainable production and to maintain ecosystem services."^[4] Nespresso and its partners are dedicated to working with smallholder farmers to help them improve their socio-economic conditions as well as safeguard the environment, for example through access to improved technologies, business opportunities and training. Furthermore, the Nespresso sustainable sourcing model is one that has high potential to be replicated and scaled, including in highly challenging and fragmented landscapes. Notably, this project provides an innovative approach to coalescing local action (e.g., by local suppliers to Nespresso), and leveraging investment.

Innovation: the Nespresso AAA Sustainable Quality program (incl. Reviving Origins) and the associated AAA Academy, are innovative in that they encompass a business-led approach to enabling

climate smart agriculture, notably regenerative agriculture practices and women's empowerment. Due to its consumer outreach, Nespresso is able to stimulate consumers to ascribe a premium to coffees that are sustainably produced. Careful research on potential coffee quality and consumer interests, paired with Nespresso's experience in working with experienced local technical providers and partners, and investment in professional marketing campaigns through its existing sourcing program means that it can create long-standing demand for its coffees. Fundamentally, it means that there is a new or resurgent source of revenue coming into the landscape, which is tied to regenerative practices and fosters socio-economic and environmental resilience. Nespresso's position as a long-term coffee buyer focused on quality, premium coffees that are sustainably grown can create a virtuous cycle for a neglected area that can be used to kick start sustainable development more generally. Nespresso AAA approach has been externally assessed: In 2013, the research institute CRECE's study showed the AAA Program delivering positive impacts versus conventional coffee farming on social (+22.6%), environmental (+52.1%) and economic (+41.0%) indices. In 2018, an independent review of AAA Program operations in Colombia, by the London and Toulouse Schools of Economics, concluded that the program achieved a greater value transmission to farmers and the adoption of quality production practices – both contributing to improved farmer welfare.[5]

[1] https://www.thegef.org/sites/default/files/documents/Focal_area_GEF-7_Programming_Directions_Climate_Change.pdf

[2] https://www.thegef.org/sites/default/files/documents/Focal_area_GEF-7_Programming_Directions_Biodiversity_0.pdf

[3] https://www.thegef.org/sites/default/files/documents/Focal_area_GEF-7_Programming_Directions_Land_Degradation.pdf

[4] https://www.thegef.org/sites/default/files/documents/Focal_area_GEF-7_Programming_Directions_Impact_Programs.pdf

[5] <https://sustainability.nespresso.com/sites/site.prod.sustainability.nespresso.com/files/The-Sustainable-Quality-Program-in-Colombia.pdf>

Specifically, this program is innovative in that:

? Local climate adaptation strategies are integrated in the sourcing and supplier engagement strategy of a global consumer goods company (AAA program), in order to make the long-term investments needed in the landscape.

? The production and sale of a high value cash crop is used to incentive the protection of the environment (eco-systems), farmer diversification and improved local nutrition.

? Women's economic empowerment is considered a central element in the sustainable sourcing strategy of a large consumer facing goods company, in response to locally identified climate adaptation and resilience challenges.

? Adoption of local climate adaptation strategies is promoted through the same community saving groups and using similar types of household tools used to promote gender equality.

In summary, this project has significance for multiple GEF 7 focal areas, i.e., on biodiversity, climate change mitigation, and land degradation. It also has a significant private sector engagement element and complements the FOLUR impact program. The primary focus of this project is however on climate adaptation, aligned with national priorities, directly benefitting 4,200 farming families, of which at least 40% are women.

Project goal and expected impact

This project will leverage Nespresso's supply chains to implement localized climate adaptation and resilience interventions in smallholder coffee landscapes in the DRC and Uganda, with a particular emphasis on women's empowerment. In the context of this project, climate adaptation refers to the actions that communities, households and local organizations employ against current or anticipated climate changes, and resilience refers to the ability of local communities to recover from the effects of climate change. Ultimately, the goal of the project is to enable farming communities in the coffee farming landscapes of Mt. Elgon (Uganda) and Minova (South Kivu ? DRC) to adapt to a changing environment, and to support long-term resilience among these communities.

Overall, the project expects to positively impact the lives of 4,200 farming households in DRC and Uganda. At least 1,680 women in these coffee farming communities will directly benefit, through increased access to technical and financial resources. In the short term, farming households will be trained in improved agricultural practices ? notably in practices that are regenerative and climate smart, i.e., enhance and conserve biodiversity and soil fertility. These families will also be provided with the resources to actually implement such practices, most notably based on Nespresso integrating coffees from these areas into their blends (and thus buying coffees at premium prices), but also through access to on-going training and seedlings (coffee and non-coffee, e.g., indigenous tree seedlings). The lessons garnered from this project have the potential to positively impact a wide range of farmers participating in Nespresso's AAA Sustainable Quality program in the respective origins as well as more broadly overall in the overall scope of the AAA Sustainable Quality program, with a focus on other LDC coffee producing origins.

At the local level and in the medium to long-term, the project is expected to create impact through creating alternative livelihood opportunities for farming families. For example, through the training on nurseries for indigenous shade trees, in DRC, families will have new income opportunities. And, through the nutrition program in DRC, households will have access to nutritious foods locally ? with long term consequences for resilience. In Uganda, the implementation of new Village Savings and Loans Associations (VSLAs) focused on women's empowerment will support investments in coffee farms and other local micro and small enterprises, notably those led by women, including so that they can make their families more resilient (e.g., through income diversification at the household level).

Note that strengthened value chains, i.e., through regular purchases from Nespresso, will enable more farmers to save ? and thus participate in VSLA programs. VSLA?s will be monitored to help ensure that their governance appropriately includes diverse marginalized groups.

At a more macro level, this project will have important ramifications, both for Nespresso?s supply chains, for its partners and for other consumer facing companies sourcing from LDCs. In terms of Nespresso?s supply chain, this program will inform how climate adaptation and resilience can be further integrated into Nespresso?s training programs, notably the Nespresso AAA Sustainable QualityTM program. This means that lessons learnt from this project will influence Nespresso?s sourcing in 14 countries. Nespresso?s procurement guidelines and trainings are also integrated into that of its suppliers (the traders that buy the coffee from the farmers locally, and sell the coffee to Nespresso), so these approaches may have wider implications for coffee supply chains.

Additionally, Nespresso is at the forefront of a sustainable sourcing approach, notably in its long-term commitment to farming communities in origins through the AAA Sustainable Quality program. When Nespresso integrates a coffee into its supply chain, this can provide long-term visibility on premium demand from an area, which creates a long-term incentive to produce high quality, sustainably grown coffees with the appropriate accompaniment of technical support. Consumer facing companies are starting to realize the power of investing in such long-term, committed sourcing relationships, in particular in the face of supply chain disruptions from social and environmental upheavals. The knowledge management component of this work will help to disseminate these real life cases to other businesses.

Project components, their expected outcomes and outputs and planned activities

This project has three components: (1) resilient agricultural livelihoods, (2) equitably support smallholder coffee farming households through Nespresso?s responsible sourcing approach, and (3) knowledge sharing. The local project partners, KCL and TechnoServe will carry out a range of activities in Uganda and DRC respectively, which are described per each component below, which will benefit 4,200 farming households (1,680 rural women), lead to the improved management of 1,260 Hectares of agricultural land and the reforestation of 60 Hectares of land. Note that the coffees sourced in the DRC will be certified organic. In Uganda, Nespresso requires the local implementing partner (KCL) to follow the TASQ tool which requires gradual reduction in crop inputs, aligned with Nespresso?s long-term strategy for regenerative agriculture. The AAA program, which is applied across both countries, promotes and provides for training on low-input agronomy including Integrated Pest Management (IPM).

The intended outcome of the first component (?resilient agricultural livelihoods?) is ?increased resilience of coffee farming households in DRC and Uganda?. The first intended output (1.1) under this component is that "Coffee farming households are trained so that they have the skills and knowledge to apply regenerative, climate resilient, agriculture practices". The second intended output (1.2) is that ?Demonstration (demo) plots and model farms exist throughout the landscapes to promote climate resilient coffee production.? The third output (1.3) is ?Farming households are trained and provided with appropriate inputs such as access to seedlings and equipment, to improve land cover and promote reforestation on smallholder coffee farms and surrounding landscapes." A fourth output is

provided for DRC only (1.4), namely that ?Coffee farming households are trained on nutrition to enable the uptake of essential nutritional behaviors in the Kalehe region of DRC.?

In general, this component will be based on the AAA program, where farmers are trained and supported to improve on the three points below (quality, productivity, social and environmental sustainability). More specifically the training curriculums will cover key sustainable coffee growing practices, including and not limited to coffee nutrition, composting, rejuvenation, pruning, integrated pest and disease management, weeding, erosion control, shade management and climate resilience, mulching, record keeping, and farming as a business.

? Quality: help farmers produce higher quality coffees which benefit from increased revenues and also provide access to new and differentiated markets.

? Productivity: Enable productivity improvements and assist in farm economic management, providing greater income stability to farmers.

? Social and environmental sustainability: Improve the social and environmental sustainability of farming practices to increase the wellbeing and financial security of farmers and protect natural capital.

Gender Action Plans have been developed for both the DRC and Uganda, to help ensure that project components meaningfully contribute to women?s economic empowerment. These are available in Annex 6 to this document.

In Uganda, the first component will generally target a total of 2,200 coffee farming households. Under output 1.1, this means that 2,200 coffee farming households will be trained on regenerative, climate resilient, agriculture practices by KCL in the project period. At least 40% of those trained will be women. Under output 1.2 88 demo plots and 9 model farms will be established in Uganda. In both countries, these will be established on lead farmer plots and provide a real-life demonstration and farm level commercial viability of applying regenerative climate smart approaches to coffee production in a mixed agroforestry production system. Under output 1.3 of this component, in Uganda there will be reforestation of 150 acres in critical areas of the landscape (e.g., riverine buffer zones), 1,650 coffee farming households will improve erosion control on their farms, 1,760 coffee farming households will use farm environment improvement tools, and 2,200 energy saving stoves will be constructed and distributed. In Uganda, Focal Farmer Group (FFG) trainings will be completed complemented with individual household visits where AAA agronomists will provide individual and targeted trainings on good social, environmental and farming practices. Each household will help to develop and implement an annual improvement plan with the AAA agronomist.

More specifically, under output 1.3 in Uganda, tree cover and environmental management will be improved at both community and household level. Six ?coffee youth? teams will be trained to set-up and manage indigenous shade tree and coffee nurseries. These nurseries will produce 90,000 shade trees for the reforestation of 150 acres of community land in critical areas, notably as buffer strips along rivers to reduce soil erosion, improve biodiversity and protect water quality. In addition, 66,000

shade trees will be produced to improve the shade tree density in 2,200 AAA farms. The species selected for reforestation, model farms, demonstration plots and seedling supplies to farmers will be based on a pre-agreed species lists with KCL. All 2,200 households will also be trained to improve erosion control on their farms. Aligned to the gender household tools used in component 2, Kyagalanyi Coffee Ltd. will develop a set of tools that will allow households to jointly plan improved environmental management of their farms. At least 1,760 households will use these tools, resulting in 1,650 farms with improve erosion control. Given the importance of fuel wood as a driver of unsustainable land use, and its ramifications for women's empowerment, the project will also result in the construction of 2,200 energy saving cookstoves (one per AAA household). Besides running the shade tree & coffee nurseries, the six coffee youth teams will be actively involved in shade tree planting, reforestation, erosion control activities and construction of energy saving stoves. The same coffee youth teams can be hired by farmers to help them adopt the farm management practices, taught under component 1, that are labor and/or skill intensive, such as rejuvenation, soil fertility management and IPM. The interventions under this component will lead to improved soil management, which contributes to environmental and livelihood resilience.

In DRC, the first component will generally target a total of 2,000 coffee farming households. Under output 1.1, 2,000 coffee farming households will be trained on regenerative, climate resilient, agriculture practices. At least 40% of these will be women. Under output 1.2, 80 demo plots will be established. Under output 1.3, 2,000 coffee farming households will receive training on nurseries for indigenous shade trees, including access to shade tree seedlings (including for on-farm woodlots to complement farm incomes, i.e., provide income diversification). A subset of coffee farmers (1,500) will receive a refresher course on shade tree management and appropriate seedlings to complement and existing training. The species selected for seedling promotion and distribution will be pre-agreed with the local implementing partner (TNS). Furthermore, in DRC, a fourth output (1.4) will focus on nutrition: 1,500 coffee farming households (targeting at least 40% women) who have already participated in the AAA Academy, will participate in a 12-month training program that includes modules focused on improving household nutrition ? this will specifically include training on intercropping, kitchen gardens, and consumption of nutritious foods.

In the DRC, the AAA coffee college is comprised of tried-and-tested modules that have been developed by coffee agronomy experts together with TechnoServe in East Africa through extensive needs assessments and have been refined and localized over the past two and a half years. Interventions will support farmers improve farm soil conditions and coffee nutrition, increase shade levels in coffee fields, contribute to conservation of protected forest areas, and enhance biodiversity and habitat regeneration. Key modules will be reviewed in the second year based on actual adoption levels and farmer needs. The training will be delivered every month over a 22-month period that covers two complete coffee cycles. It leverages small, self-selected Focal Farmer Groups (FFGs) of roughly 25 farming households who learn through hands-on field-based training, practicing each technique and over time creating a demonstration plot where farmers can see first-hand the results of the regenerative agricultural practices. Farmers are given appropriate resources and planning tools that can help them get from the current situation to their objectives following inter alia a farm vision journey.

The issue around nutrition was raised in the DRC through the baseline study: in DRC, household nutrition is a major issue to resilience, i.e., that local families have knowledge about and access to enough nutritious food to eat throughout the year. TechnoServe will support improved household nutrition through the establishment of tailored kitchen gardens that support diversification of diets and access to essential micro-nutrients. This is an opportunity to improve household nutrition through an approach that leverages TechnoServe's experience in Ethiopia. Through a hands-on training approach, TechnoServe will support households to grow those crops in kitchen gardens and layer on training to build awareness on nutrition. This third outcome is that there is uptake of essential nutritious behaviors among coffee farming households in the Kalehe region. Output 1.4 is thus that coffee farming households are trained on nutrition to enable the uptake of essential nutritional behaviors in the Kalehe region of DRC. Under this fourth output of component 1 of the project, 1,500 households' members (notably women) will be trained on improving household nutrition, including on intercropping and kitchen gardens. This further contributes to biodiversity and is a household level adaptation approach that can result in improved resilience.

The second component has two intended outcomes: (2.1) 'enhanced capacity of women in the coffee supply chain to translate their participation into economic empowerment, and (2.2) direct access to the coffee supply chain through the AAA Sustainable Quality program supporting coffee farmers with the commitment for long-term sourcing intention. This component has two intended outputs: (2.1.1) that 'Women and men are trained on gender equality', and (2.2.1) 'Women and men have increased their knowledge, skills and resources to enhance their economic resilience in coffee farming landscapes.' Trainings on gender equality knowledge, skills, and attitudes will cover topics such as: understanding how cultural beliefs and perceptions shape gender differences; understanding the benefits of addressing gender differences to households, farms, and communities; understanding, valuing, and analyzing women's and men's different contributions to the household and farm; understanding the relationship between women's and men's contributions and the returns on their efforts; equitable decision-making about the division of on-farm and household work; understanding the value of cooperation for planning and decision-making; and listening, communication, and team-building skills. Recruitment practices for farmers and staff will encourage female participation. Agronomy advisors will recruit agronomists from the local community after intensive training, setting a target of at least 40% women participating in the training courses to become AAA Agronomists, and hiring targets of 40% women. AAA Agronomists will support farmer groups to elect a Focal Farmer and Assistant Focal Farmer (at least one of whom will be a woman) and identify suitable demonstration plots on which the practical field trainings will be delivered. In addition to monthly hands-on field-based training, AAA Agronomists will visit farmers on a regular basis to encourage adoption of best practices and provide farmers with tailored advice. Farmers will be provided with a three-year pictorial record book and trained on maintenance of financial records and profit calculation.

In Uganda, for output 2.1.1 'Women and men are trained on gender equality', 1,760 coffee farming household are expected to participate in a gender program and use gender tools. Furthermore, 88 Village Savings and Loans Associations (VSLAs) will be established, with a focus on women's economic empowerment, including an incentivization mechanism for best-performing VSLAs. These VSLAs will be monitored to help ensure that their governance and membership includes diverse marginalized groups, in particular members of smallholder farming households and rural women.

Under output 2.2.1, 'Women and men have increased their knowledge, skills and resources to enhance their economic resilience in coffee farming landscapes?', 2,200 farmers are expected to be included in the Nespresso supply chain ' giving them access to a stable and long-term source of revenue for their coffee, and one that rewards excellent quality and responsible production.

In Uganda, Kyagalanyi (KCL) will train 88 Gender Change Agents to manage the gender programme that will reach out to 1,760 AAA households. Core to the gender programme is the establishment of 88 Village Savings and Loans Associations (VSLAs) and a series of gender tools to be used at group and household level. Kyagalanyi is already using this approach with good results in other regions of Uganda, and other parts of the Mt. Elgon area. Each Gender Change Agent will work with a minimum of 20 AAA households that will form a VSLA group. The Change Agents will use specific group gender tools to help farmers analyse gender roles and root causes for gender challenges. In addition, each family will use a range of household tools to develop, amongst others, a vision for their family and their farm that promotes joined decision making, sets the family on a path to improve their livelihoods and strengthens the position of women within the household (see Figure 4). The VSLAs improves the access of finance and thus helps AAA households to implement their joined visions. To encourage participation in the gender programme, an incentive programme is envisaged that will provide the 30-best managed VSLAs with extra capital to expand their saving & loan portfolio. In addition, the 750 households that are most serious with the implementation of their joined vision will receive a farm improvement reward (i.e., rejuvenation) to help them achieve their goals. It is also envisaged that the VSLAs will be used to further sensitize the local community on important topics, including climate change and environmental management (linking component 2 and 3) and the importance of children's education and introducing the potential for setting up a special VSLA fund for children's education.



Figure 4: illustration of a farm vision journey from Uganda, note that this tool may also include local household objectives for example on children's education

In DRC, for output 2.1.1, 3,500 coffee farming households will participate in training programs that include gender modules on gender equity in coffee value chains. Of these, at least 40% will be women. Under output 2.2.1, in the DRC 3,500 households in the DRC project area will be integrated into the Nespresso supply chain (2,000 under the AAA Academy and 1,500 under the ?AAA Plus?).

In the DRC, at the household level, training methodologies will be used to promote women and men's joint decision-making around household finances, responsibilities, and nutrition. Practical content on farming and household business topics will support farming families to more effectively manage cash

flow and grow their coffee business. In terms of the delivery approach a "Safe Spaces" methodology will be used to facilitate dialogue in which men and women explore gender-related themes (e.g., household finance) and promote sharing and learning in a safe environment. Safe Spaces involves running concurrent women-only and men-only discussion sessions on specific topics in an open and non-judgmental environment. At the end of these separate dialogues, the group comes together to foster dialogue and mutual understanding between men and women. TechnoServe has for example adopted this approach in various youth entrepreneurship programs in Africa resulting in positive changes in men's and women's perceptions, behaviors and attitudes. In the second year (June 2023 - August 2023), the DRC program will roll out a financial literacy training to 270 women and men from 200 households (at least 40% will be women). Eight (8) focal farmer groups will participate in this training that will be adapted from curriculum being developed in the Nespresso Ethiopia program. The modules, which will be offered to households that completed previous AAA training, are being designed to work effectively in low literacy environments, to engage both women and men in the household, and to provide actionable strategies for households to improve their financial planning. Up to four modules are likely to be adapted from the Ethiopia curriculum and include financial planning and goal setting, household financial decision-making, savings and borrowing, and investing in businesses. TechnoServe's Gender Practice will lead the adaptation of the Ethiopia pilot tools in the DRC and support as needed throughout its roll out.

The third component, "knowledge sharing", will be implemented by Nespresso in collaboration with its partners. The outcome of this component is that "information and learnings from the projects are shared to inform other programs and initiatives by relevant stakeholders." The output is that knowledge products are developed and shared - i.e., a case study on the DRC project, and one on the Uganda project. In addition, Nespresso will participate in one relevant international event, to be identified and determined in order to gauge possible impact, i.e., likelihood of the projects being replicated or scaled. These knowledge products and outreach on learnings will be targeted to relevant local and international groups that can benefit from the learnings and, where relevant, contribute to scaling approaches. Key groups to engage through this component include local government agencies, private sector and international groups including other groups active in coffee value chains (e.g. coffee-focused platforms) and value chains that may share some of the same structures, policy makers, researchers and donors.

This project fits with the national priorities of the DRC and Uganda, and the LDCF. The fit with priority themes is summarized in the table below.

Entrepreneurship development in the adaptation and climate resilience space.

DRC: coffee farmers are supported in planting and utilising a wider range of plants to meet livelihood (economic and consumption) needs

Uganda: new VSLAs are established, which can fund local micro and small enterprises, notably providing additional income and funding sources for women.

Promoting local private sector actors, especially MSMEs and providing services and access to hard-to-reach populations.

In both areas, the project will create demand for nursery products (trees and other plants), which creates long-term business opportunities for micro and small enterprises in hard-to-reach populations. Due to the long-term commitment by Nespresso to source from the area, farmers have more cash to inject into the local economy. The VSLAs established in Uganda are particularly important in supporting the local private sector. The Coffee Youth Teams set-up in Uganda are trained to provide a range of services to the farming community and create employment for their own members.

Strategic multi-sector partnerships, alliances and incubators as catalysers of larger-scale financing and market developers.

Leverage the Nespresso brand as an entry point for additional concessionary and commercial funding to MSMEs and entrepreneurs. Additional funding comes both from local partners, but also makes these areas more attractive to other coffee brands. The training and organisation of farmers also increases the potential for other businesses to source from the area and creates entry points for larger-scale funders and market developers.

Initiatives that address climate security.

The agricultural practices promoted by the program consider climate adaptation strategies as well promotion of regenerative farming practices that includes indigenous species.

Resilience technology transfer including for weather analytics and monitoring, catastrophe and climate risk modelling, climate insurance, efficient irrigation and drinking water supply systems.

The primary focus of technology transfer in this project is on farm management practices, as well as access to improved seedlings and to other useful plants (food and non-food indigenous crops, indigenous trees for household woodlots). Farmer professionalisation, strengthened supply chains and the establishment of new groups (e.g., VSLAs) create an opportunity for other forms of technology transfer, e.g., on climate risk insurance.

Resilient food storage, distribution, and supply chains for agricultural and commodity supply chains, and enhancing resilience of small landholders.

Support climate adaptation in farming communities through the provision of high-quality inputs (e.g., planting material), training and improved supply chain linkages.

Innovative business models and investment approaches, seed funding and venture capital approaches to improve access to finance for private sector solutions to climate change.	Test innovative business models that leverage a major brand's reputation and network to promote investment in climate smart agriculture in LDCs.
Enhancing gender-responsiveness in private sector climate change adaptation by supporting ownership and active participation of female stakeholders and gender-specific adaptation strategies.	Create opportunities for rural women in LDCs to participate - e.g., through access to new business opportunities, technical assistance and financial inclusion initiatives.

Risk analysis and risk management measures

The table below summarizes key external risks and accompanying risk management measures that may affect this project. The project has been developed with local partners who have experience in the project areas, and existing relations with the farming communities. This was essential in further refining the project during the project preparation phase. Nespresso has experience of working in similarly volatile sourcing areas (e.g., South Sudan, Zimbabwe), and is well equipped to assess and deal with the potential risks mentioned below. Certain risks are proactively addressed through the project, notably climate change impacts, coffee production, and gender based violence.

Risk	Potential Manifestation	Potential Impact	Mitigants
Increased climate change impact	Effects of climate change are immediate and effects the livelihoods of farmers significantly	Medium	Allow for flexibility for adaptation of tools during the implementation and making sure that the intervention is well contextualized from the beginning.
Coffee production issues, e.g., on pest or disease	Coffee production is reduced or impacted in the short to medium term (quality and quantity)	Medium	Promote good agricultural practices on the farm to ensure production resilience, source from a range of farmers in the landscape, on-going support to address challenge in the short term.
Social and political instability including the security situation	Outbreak of political/ social movement, for example after elections that could hinder the project implementation	Medium for DRC. Low for Uganda	Close monitoring of in-country changes and regular exchange with local partners, who have a long-standing experience in operating in the countries

Coffee price volatility	Coffee prices significantly increase or decrease in prices, leading to increased side selling or reduced demand	Low	Nespresso pays a premium compared to other coffee buyers. Nespresso has a strong brand and market.
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Risks and opportunities related to COVID-19: The current pandemic is still on-going in both sites for this project and is closely monitored. Both local partners have field operations and teams. Early on in the COVID pandemic both partners reacted promptly and took proactive steps to follow governmental and international rules and regulations. They have integrated these into their operational working modalities and project structures. Potential issues that might arise, will be assessed and evaluated. Note that while coffee exports depend on international logistics, the relatively non-perishable nature of the product means that it was not so affected by international logistics issues. Furthermore, Nespresso's unique market position and customer reach provide a buffer against international market prices and demand. The contribution of this project to creating sustainable, climate smart livelihoods in rural areas remains unchanged or slightly enhanced due to COVID.

DRC context: TechnoServe's approach to engage community-based farmer trainers and placement of Business Advisory and Agronomy staff in rural locations have allowed them to provide continuous support to rural producers and washing stations since the onset of the COVID-19 pandemic. South Kivu specialty coffee has grown in terms of the number of actors in the sector, volume of coffee produced, value of coffee produced, and percentage of export price paid to producers since the onset of the pandemic. TechnoServe plans to introduce a small satellite office in Minova that can support logistics such as printing lesson plans and purchasing hygiene materials for training sessions that can sometimes be delayed when the Bukavu office is shut down for COVID-19 related confinements. TechnoServe has introduced simple COVID-19 messages at the beginning of their monthly Coffee Farm College Trainings and has introduced information on COVID-19 awareness to Coffee washing station clients. During premium payment events in the community producers are organized into reasonable groups, payment times are staggered across multiple days and producers are required by cooperatives to wear masks. TechnoServe's future programs also envision work with partners involved in Health and Water Sanitation, allowing producers better access to water and health services. While certain activities have been adapted, the potential ?sustainable economy? contributions this project creates remains enhanced or unchanged.

In the South Kivu area, poverty levels are high and immediate socio-economic needs must be addressed at the same time as long-term adaptation measures introduced. While the environmental changes expected by climate change are not expected to be as severe as in other parts of sub-Saharan Africa, worsening political, social and economic issues are a challenge and are likely to have additional outsize negative impacts on women. This GEF-funded project supports additional training and expertise

development for farmers on topics that do not take place in Nespresso's current activities. This GEF-supported project can thus leverage Nespresso and its partners work in the region to help farmers in South Kivu acquire the skills and resources they need to benefit from the premium coffee market, i.e., leverage Nespresso's commitment and this GEF project to enact a green recovery, and address critical household needs notably on food security.

This project will contribute directly to efforts to 'build back better' through environmental and socio-economic interventions. This will occur through Nespresso's long-term commitment to purchase high-quality coffees from the area, provide initial farmer agronomic training complemented by regular update trainings, and accompanying support on key inputs such as seedlings. Nespresso also pays a premium to farmers, providing them with a source of income that values regenerative agricultural practices and high quality internationally recognized coffees. Investment in a local premium coffee value chain will also create other long-term economic opportunities, e.g., in operating washing stations and nursery management. Furthermore, the training provided by this project helps local communities to learn about, and practice, improved household nutrition strategies, which have long-term health and resilience impacts. This project is an opportunity to transition from business-as-usual degrading farming practices and limited economic opportunities. In the business-as-usual case, it is expected that landscape degradation and livelihood precariousness will continue or be exacerbated. This project creates a realisable pathway to enact transformational change, by leveraging a premium coffee value chain.

Uganda context: The Government of Uganda has taken the Covid pandemic very seriously from the start and implemented strong measures, including a full lock-down for 3.5 months; border and airport closures for 6 months; self-quarantine and PCR test requirements for travelers once borders opened, a curfew (still in place); full closure of schools for 8 months (gradually re-opened in 2021), public transport still operating at 50% capacity; mandatory temperature checks and face masks in all public building etc. As a result, the pandemic hit Uganda a lot less hard than other countries. There was a small peak in Dec 2020, but current rates of infections are very low (< 30 positive tests per day; < 1% of tests positive) and life is more or less back to normal. So COVID risk levels in Uganda have been and still are very low. Even though infection rates are low, the Government is already discussing possible strategies to prevent the spread of new variants. Vaccination has started, albeit at a very low rate. The project will only be at risk if the Government would impose a very long lock-down that would stop all field work. The project has followed local and international rules and best practice and as such no opportunities have been identified to 'build back better' as there was no 'break downs' in the operational structure. In the project there is already an unprecedented environmental and social impact focus, which we believe contributes to long term resilience.

Environmental change is already occurring in the Mount Elgon area. While many of the interventions are known, the pace at which these projects can enact change is arguably not fast enough. Community

members need to see more immediate economic benefits to speed the pace of implementation of adaptation interventions. Through this participatory program, which creates opportunities for women, youth and men, this GEF-supported project can speed up the rate of implementation of adaptation interventions, thus contributing to a green recovery.

Specifically, this project will contribute to efforts to 'build back better' by leveraging Nespresso and KCL's presence to introduce new income opportunities to local farmers, notably ones that promote restoration and conservation, gender equality and household income diversification. This GEF-funded project supports additional training, expertise development and introduction of new activities to rural households, which is currently not present in Nespresso's supplier program. As with the DRC project, Nespresso's long-term sourcing commitment will ensure that farmers see short and long-term benefits from engaging in the project, including through selling coffee at a premium into the Nespresso supply chain, and from the associated activities that this project introduces notably through the creation of VSLAs, landscape restoration in riparian areas, nursery development, farmer training (including coffee youth teams) and fuel-efficient cook stoves. This project is an opportunity to transition from business-as-usual degrading farming practices that prioritise short-term benefits and exacerbate climate vulnerability. In the business-as-usual case, it is expected that landscape degradation, including climate-related risks from landslides and erosion, will continue or be exacerbated. This project creates practical opportunities to build back better by addressing the needs of farmers, rural households and the environment in the local area, in partnership with private sector groups who have a long-term commitment to the landscape.

Consistency with national priorities and plans

This project will be implemented in the DRC and Uganda. The consistency with each relevant national strategy and priority is described below. Note that through the knowledge sharing work, the project will seek to ensure effective communication with relevant national agencies, including dedicated agencies working on coffee.

UN CBD National Bio Strategy Action Plan (NBSAP) and National Report: According to the UN CBD website, the most recent NBSAP and National Report for the DRC were published in 2016 and 2014 respectively. Uganda published its NBSAP in 2015 and its Fifth National Report in 2014. While the project aligns generally with these documents in that it promotes sustainable land management, including more agro-biodiversity on farms, it does not have a specific link to species conservation. In both sourcing locations, the project intends to promote the use of indigenous varieties, for shade trees, woodlots and income diversification (including to meet own household consumption). The project has less relevance for the Nagoya and Cartagena protocols.

UNFCCC National Communications (NC), National Determined Contribution (NDC) and Technology Needs Assessment and National Adaptation Programme of Action (NAPA): The DRC published its Third National Communication in 2015. It published its NDC in 2000 and its first technology needs

assessment in 2004. Uganda published its Second National Communication in 2014 and its NDC in 2015. Its Technology Needs Assessment was published in 2006. Agriculture is listed as a significant contributor to national GHG emissions in both countries. Thus, promoting agricultural systems that retain forests and help to sustainably intensify agriculture is critical. Agriculture is also noted as a sector where climate adaptation and resilience investments must urgently be made in both countries, as adverse effects are already beginning to manifest, in particular in vulnerable rural communities. Agriculture in both countries is a relatively low-tech sector, where access to appropriate varieties and agronomic support were highlighted, including supporting conversion to organic and regenerative farming approaches.

Both the DRC and Uganda have prepared NAPAs under the UNFCCC. For the DRC, agriculture is highlighted as a priority sector, in particular supporting the adaptation to climate change and promoting resilience among farmers ? given that it is the main source of livelihoods for the majority of the population. In Uganda, most of the focus areas of the NAPA are relevant for this project, and include land and land use, farm forestry, water resources, and to a lesser extent, infrastructure (e.g., coffee washing stations). Community tree growing in areas that are prone to landslides (and erosion) and adaptation to drought are recommended for prioritization by the Government of Uganda. Technical barriers, which this project may help to address include inadequate technical capacity and inadequate financial resources. In summary, this project is relevant for the NAPAs in both countries.

UNCCD Reporting: The DRC has a voluntary LDN target to restore 100% degraded lands by 2030. A specific target related to this is the restoration of 8 million hectares of degraded forest landscapes and to improve productivity of agricultural lands. Agroforestry systems that promote restoration, e.g., regenerative agricultural practices such as for coffee production, can help the DRC to meet these targets. Uganda has also made voluntary commitments to the UNCCD, these include priority focus on Water Management Zones (WMZs), i.e., highlands and water bodies that are important natural assets of the country. Note that coffee is an important crop in these regions. The Government of Uganda has set a voluntary target of land degradation neutrality to be achieved by 2030, 21% tree cover increase by that year, a reduction of 50% in areas of declining or stressed land productivity and improvements in Soil Organic Carbon (SOC). This project is there well aligned with Uganda's UNCCD targets.

The project is also consistent with the climate change related priorities and plans of Uganda and the DRC:

Uganda published its NAPA in 2007^[1], and it identified nine adaptation priority areas including community tree growing; land degradation management; strengthening meteorological services; community water and sanitation; water for production; drought adaptation; vectors, pests and disease control; indigenous knowledge and natural resource management and climate change and development planning.^[2] Uganda was the first country in Africa to develop and endorse its Nationally Determined Contribution Partnership Plan (NDC-PP) in June 2018. It made key commitments, including to reduce national greenhouse gas emissions by 22% by 2030, reduce the climate vulnerability of sensitive sectors, building resilience of key sectors, and managing disaster risks. The country launched its National Climate Change Policy 2015, submitted Nationally Determined Contributions to the United Nations Framework Convention on Climate Change in 2018, has a Green Growth Strategy in place and has signed up to meet the Bonn Challenge.^[3] In 2018, the Government launched a National Adaptation

Plan for the Agriculture Sector (NAP-Ag) to guide the mainstreaming of climate change in agriculture sector policies, plans and budgets. This document presents 21 priority adaptation options including in crop production; climate information, early warning and disaster preparedness, forestry, land and natural resources management.[4]

The DRC is already experiencing the effects of climate change. Supporting adaptation and building resilience within the agricultural sector is imperative to ensuring sustainable economic growth. Agriculture in the DRC is vulnerable to climate change, as it is basic, rain-fed, and arguably the most important sector when it comes to local livelihoods.[5] The DRC published a National Adaptation Programme of Action (NAPA) in 2006, and in 2015, they submitted their NDC to the Paris Agreement. This contained the DRCs adaptation commitments, such as the protection of rural and urban communities? livelihoods and improved forest resource management. The DRC also adopted a comprehensive policy and action plan, the 2016-2020 National Climate Change Policy, Strategy and Action Plan (PSPA-CC)?. This was developed to align with the DRC?s vision of cutting emissions by 17% by the year 2030 and included both mitigation and adaptation priorities. The National Strategic Plan for Development (PNSD) has been enacted as the country?s overarching development strategy, covering the period 2017-2050. It offers an opportunity to integrate the adaptation priorities identified in the NDC as well as climate-relevant **SDGs**, into the plans and budgets of each economic sector.[6] The country has also developed a National Agricultural Investment Plan, under the CAADP. Under this Plan, five priority areas are noted, e.g., the development of agribusiness value chains that improve farmer incomes, improved local professional competence, development and dissemination of appropriate research, strengthening of gender equality and reduced climate change vulnerability.[7] Note that the DRC is being supported by the Green Climate Fund on national readiness activities.[8]

[1] <https://unfccc.int/resource/docs/napa/uga01.pdf>

[2] <https://ccafs.cgiar.org/publications/uganda?s-national-adaptation-programme-action-implementation-challenges-and-emerging#.XbIGSy2B3YI>

[3] <https://www.worldbank.org/en/news/feature/2019/05/31/ugandan-government-steps-up-efforts-to-mitigate-and-adapt-to-climate-change>

[4] <http://www.fao.org/in-action/naps/news-events/detail/en/c/1173652/>

[5] https://www.adaptation-undp.org/sites/default/files/resources/naps_in_focus_lessons_from_drc_2.pdf

[6] <https://www.adaptation-undp.org/projects/democratic-republic-congo-drc-nap-process>

[7] <https://www.abghq.com/downloads/DRC.pdf>

[8] <https://www.adaptation-undp.org/GCF-NAP-DRC>

Project alignment with [IUCN Programme](#)

IUCN's mission is 'To influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.' In doing so, IUCN envisions 'A just world that values and conserves nature'. It has been operating this through quadrennial programming. The IUCN's program for 2017-2020 is focusing on:

- ? expanding efforts to halt the loss of biodiversity and link-up with efforts for poverty reduction and sustainable development.
- ? developing and promoting nature-based solutions to global, regional and local development challenges, providing tangible livelihood benefits and conserving biodiversity and
- ? supporting and influencing the implementation of the Strategic Action Plan of the Convention of Biological Diversity and the Sustainable Development Goals.

IUCN's work is organized around three programme areas:

- ? The 'Valuing and conserving nature' programme area addresses the direct and indirect drivers of biodiversity loss and works to improve the status of biodiversity. It also works to increase the value of nature by society and works on the development and implementation of effective gender-sensitive policies and legal frameworks for conserving nature.
- ? The 'Promoting and supporting effective and equitable governance of natural resources' programme area is considered as the foundation of sound natural resource management. It addresses the need for appropriate governance and insecure rights, including awareness on rights and entitlements and the omission of gender perspectives.
- ? The 'Deploying nature-based solutions to address societal challenges' programme area demonstrates how nature-based solutions can contribute to restoring landscapes, including agricultural landscapes, replenishing river flows and re-connecting fragmented ecosystems. Nature-based solutions help make agriculture more sustainable, protect cities from flooding, absorb carbon emissions, conserve habitats and promote social justice and gender equality.

To achieve the programme areas above, IUCN relies on its science-based knowledge to develop and tools, methods and approaches to influence policy and action on the ground.

Furthermore, IUCN is currently developing its 2021-2024 program, which will focus, among others on Lands and on Climate change. Similarly, IUCN will also be launching in 2020 its framework on agriculture, which will address climate change resilience, enhanced food security and communities' livelihoods, Integrating biodiversity and climate change considerations into agricultural policies,

among others. An important aspect of IUCN's Operational Framework on sustainable agriculture is to work with responsible value chain actors to influence production practices on farms and in farming landscapes, recognizing that over 30% of all farmers worldwide are currently under some form of contract with such companies.

The proposed project is well aligned with all three Programme areas. The project will address the issue of climate change, which is a driver of biodiversity loss. Biodiversity loss and land degradation on farms are the challenges identified in the target countries. These challenges are leading to increased vulnerability of agricultural production systems and of farmers and decreased agricultural productivity. The project will not address biodiversity directly, but the nature-based interventions that will be implemented to address the climate vulnerability of farmers will promote biodiversity, including agro-biodiversity. The project will also focus on approaches to "healthy and restored ecosystems make cost-effective contributions to meeting global challenges of climate change, food security and economic and social development?". These approaches will include: Capacity development on climate smart coffee production approaches that will focus on environmental and social resilience, quality, and productivity, i.e. ecosystem-based approaches; Knowledge generation on best practices of climate smart agriculture, such as agroforestry approaches that introduce reforestation and conservation on farms, soil management techniques to help store more carbon in soils and maintain soil fertility and integrated pest management approaches; The creation of innovative standards and tools, such as business solutions to promote climate resilience; And convening and empowering stakeholders to design solutions that influence policy, governance and action. The project will pay particular attention to the fragile situation of women and girls in both countries, and foster gender equality and women's empowerment. Thus, the project will lead to environmental and social benefits: improved biodiversity and ecosystem services through ecosystem based approaches, and increased resilience and business opportunities for farmers.

(5) changes to the additional adaptation reasoning and expected contributions from the baseline including co-financing

This was changed to reflect the changes in the adaptation project components and outcomes. Namely in the context that the project will focus on a smaller group of beneficiaries, providing them with more tailored support services and with a higher percentage target for women's participation and empowerment. The new text in the Project Document notes that certain climate adaptation and resilience-related projects would not take place without the GEF contribution (e.g. training on nutrition in DRC, cookstoves in Uganda), and for certain components the scope would be more limited as Nespresso would carry out these activities on their own (e.g. number of farmers trained within the time period, number of farming households and farmer groups (including Coffee Youth Teams) benefitting by improved access to goods and services including links to Nespresso's supply chain.

The revised text on the additional adaptation reasoning and expected contributions from the baseline including co-financing from the ProDoc is provided below.

This project has several changes from the original PIF. These changes have been made to reflect the project preparation (PPG phase) and baseline work carried out between the original PIF and the revised Project Document. The revised Project Document includes an added section on gender (3.4 - Importance of gender considerations), to reflect the link between climate change adaptation, resilience and gender that this project seeks to address. The introduction (3.1) also includes a description of the local implementing partners. Overall, the project has a stronger emphasis on gender, more tailored programs suited to the local contexts, and is focused on the overall Nespresso sustainable sourcing overall program (i.e. AAA) rather than the Reviving Origins program.

(1) changes to the systems description

The systems description remains relatively unchanged. The global environmental and adaptation problems and root problems remain the same as previously described in the PIF, i.e. climate change, poverty, and environmental degradation as links to lack of market access in a manner that rewards good stewardship and promotes sustainable economic development.

The barriers initially described in the PIF were: (1) a chronic lack of resources, including financial and technical resources to support the transition to, and maintenance of, climate resilient agricultural production systems, (2) high levels of vulnerability to political and economic risks - in particular for women and youth, exacerbated by climate change and related environmental changes, (3) poor access to information, technology, infrastructure and markets, (4) challenging business and investment environments, connected with a high cost of doing business that result in reduced private sector engagement. Barriers (1) and (2) in the Pro Doc are unchanged from the PIF. Barrier (3) has been

changed to "continuing landscape level natural resource degradation" and barrier (4) has been changed to "realised business cases for investing in regenerative agriculture to change global value chains."

These have been altered to better fit the project activities, and to the barriers that Nespresso and its partners can feasibly address in the context of this project.

(5) changes to the additional adaptation reasoning and expected contributions from the baseline including co-financing

This was changed to reflect the changes in the adaptation project components and outcomes. Namely in the context that the project will focus on a smaller group of beneficiaries, providing them with more tailored support services and with a higher percentage target for women's participation and empowerment. The new text in the Project Document notes that certain climate adaptation and resilience-related projects would not take place without the GEF contribution (e.g. training on nutrition in DRC, cookstoves in Uganda), and for certain components the scope would be more limited as Nespresso would carry out these activities on their own (e.g. number of farmers trained within the time period, number of farming households and farmer groups (including Coffee Youth Teams) benefitting by improved access to goods and services including links to Nespresso's supply chain.

The revised text on the additional adaptation reasoning and expected contributions from the baseline including co-financing from the ProDoc is provided below.

Additional cost reasoning (for GEF projects)

While there are relevant government and development-funded programs being developed in both the DRC and Uganda, both countries have a substantial funding gap with respect to investments in agriculture. The funding gap for DRC to achieve their National Agriculture Investment Plan in the period 2013 to 2020 is over USD 3.6 billion.[1] This may be larger when considered in the light of investments to improve climate resilience, and to protect and generate global environmental benefits. For Uganda, the funding gap is also substantial.[2] It is clear that while government and development funds remain critically important, the private sector must also be stimulated in order to meet social and environmental funding needs. The baseline projects described above rely in part on such private sector investment being forthcoming. This project helps to connect the baseline projects to a longer-term mobilization of investment in the landscapes in support of climate smart coffee farming, and ecosystem-based adaptation, through the engagement of Nespresso and its partners.

Nespresso is an autonomously managed global business that is part of the Nestlé Group. The company is committed to achieving ambitious targets on positive impact for farmers, society and the environment - as described in the "The Positive Cup" program, backed by a commitment to invest CHF 500 million from 2014 to 2020. Before prior to the launch of "The Positive Cup" (holistic sustainability strategy on company level) to secure a sustainable, high-quality supply of unique coffees, Nespresso had developed its AAA Sustainable Quality Program, in collaboration with NGOs (Rainforest Alliance, TechnoServe), suppliers and other expert organizations in 2003. While these programs have been evolving and integrating new elements, there is a clear space to further anchor climate resilience and ecosystem-based adaptation into the AAA Sustainability Quality program. There has not yet been a systemic attempt to include this element in the AAA Sustainable Quality™ (e.g., through the "standard" training modules and KPIs). For the next phase of the "Positive Cup (2020 - 2025)" and the new strategic framework Regenerative Agriculture, Inclusive Supply Chains and Net Zero are at the core and will be key topics that Nespresso and partners will be working on. These are holistic topics and cannot be addressed by a single player but needs efforts from a wider range of technical experts and innovative project interventions. Through this process there will be learnings allowing partners and Nespresso, as well as the wider coffee sector to take on these insights to work to ensure a profitable future for coffee producers by having appropriate copying strategies in place.

[1] <https://www.abghq.com/downloads/DRC.pdf>

[2] <https://www.nepad.org/caadp/countries/uganda>

Nespresso is providing significant resources to cover establishment costs for new clusters and sourcing areas under the AAA Sustainable Quality and Reviving Origins program, including the projects in the DRC and Uganda. Nespresso contributes through paying farmer premiums and providing upfront and on-going technical assistance, thus enabling long-term sustainability for local communities and businesses. Nespresso may also mobilize other funders and partners to provide resources to an origin. The company also makes significant investments in creating consumer awareness and interest in a premium product, using its international brand to draw attention to the origin (this is not counted as part of the budget for this program). Part of the Nespresso strategy is to market the identified coffees as a premium special single origin. However, such premiums cover only part of the additional cost incurred by Nespresso and potentially third-party funders, leaving a funding gap. Nespresso and its partners thus seek support to help address this gap in developing and scaling climate resilience and ecosystem-based adaptation interventions within vulnerable coffee landscapes. This results in a strengthened business case, which allows the AAA Sustainable Quality Program, including the Reviving Origins program to more rapidly scale and become holistic projects. For example, this may enable the spin out of selected projects into an independent mechanism (e.g., through a blended finance approach) that can be replicated to other consumer facing sectors ? and that can potentially be funded primarily by corporates and impact investors. Support is thus requested to support and scale climate adaptation interventions in LDCs, in particular in Uganda and the DRC, using an established premium coffee value chain and brand as an entry point, specifically Nespresso's AAA Sustainable Quality program.

The AAA Sustainable Quality program is a well-tested initiative, and external evaluations as well farmers testimony have shown lasting changes and improvement on the farm levels. Nespresso now seeks to scale the climate adaptation impact of these approaches in Uganda and the DRC in collaboration with relevant local and international partners. This proposal seeks support from the GEF for localized climate adaptation programs in Uganda and the DRC. The requested funding would be complemented by USD ~2.27million for programs in Uganda and DRC over the next 3 years by Nespresso. Note that the leverage on GEF's funding is expected to be even higher, given active interest from development partners to invest alongside Nespresso, including other bilateral and multilateral donors.

Without GEF's support, the programs in the DRC and Uganda will still go ahead, however they would be limited in scope. For example, they would include fewer farmers, and there would be more limited training provided as well as limited support on inputs (seedlings, cook stoves). Without the GEF's support, the nutrition element (in DRC), VSLA element (in Uganda), cookstove and restoration / erosion control (in Uganda) would not take place. Without these incremental elements provided by GEF, farmers would be less resilient to climate change, and would have fewer technical and financial resources to build capacity for ecosystem-based adaptation. Furthermore, the Nespresso approach would not be shared with other businesses in the form of knowledge products. Support from the GEF is important in addressing local smallholder climate adaptation needs in these landscapes in the DRC and Uganda, and in relatively rapidly developing and sharing knowledge for how global corporates can support adaptation in the landscapes they source from.

Nespresso already has some activities in the DRC and in Uganda, with the local implementing partners TechnoServe and KCL. These are, however, limited in scope and number of participating farming households as well as limited on their ability to address the resilience against climate change. The GEF contribution will enable new climate adaptation-focussed activities to take place, in particular addressing the needs of local women. Thus, not only will the GEF contributions enable more farmers to be trained and provided with appropriate inputs, but new targeted support will be provided to rural households to address a range of local climate adaptation needs. These include household nutrition (in the DRC), financial inclusion (VSLAs in Uganda) and on and off-farm conservation (seedlings for wood fuel, and in Uganda also fuel-efficient cook stoves, riparian restoration). In short, the main differences to the baseline are that the project (1) provides more farmers training on regenerative, climate resilient agricultural practices and accompanying inputs for farmers to implement these practices (seedlings, stoves); (2) provides opportunities for addressing the needs of particularly vulnerable groups in the landscapes (VSLAs in Uganda, training in both countries, household nutrition / food security training in DRC, coffee youth teams in Uganda) to strengthen their resilience; (3) linking farmers into value chains focusing on the long-term; (4) developing and promulgating lessons learned from these experiences into the other origins facing risks from climate change: with the support of GEF, new tools and modules will be developed and tested that will be key to support farming communities, ensuring that the ways of working evolve to address appropriately the increasing risk face through climate change impacts. The learning will also allow actors to understand possible intervention, how to implement these in supply chains and what impact these have for the smallholder communities.

This project will increase the resilience of local communities in the South Kivu area to anticipated climate change impacts in the following ways:

- ? - By supporting increased livelihood diversification in the South Kivu area: farmers will have an opportunity to sell their coffee into the Nespresso value chain, and other associated economic opportunities will be created locally such as those involving nursery management, farmer training and value chain management (e.g., of coffee washing stations). Together, these developments will help in creating jobs, boosting incomes, and combatting rural poverty.
- ? - By training farmers on regenerative agricultural practices and providing farmers access to appropriate accompanying physical inputs to adapt. Farmers are supported through training ? including regenerative agriculture and agroforestry, and by access to inputs to make use of the training and new economic opportunities ? including seedlings.
- ? - By introducing and promoting household nutrition strategies, including kitchen gardens (utilizing local species) and training.

This project will increase the resilience of local communities in the Mount Elgon area to anticipated climate change impacts in the following ways:

- ? - By promotes restoration and reforestation, including agroforestry with local species to combat soil erosion and loss of riparian areas, which may also help to reduce the vulnerability to landslides
- ? - By supporting increased livelihood diversification and other income generating opportunities, both through coffee (including improved access to market for high quality coffee), associated coffee businesses (e.g., nurseries) and through the VSLAs
- ? - By KCL providing fuel efficient cook stoves to farmers that will help in reducing the pressure on existing forest resources that are themselves important in providing resiliency to climate change impacts (by for example, supporting healthy ecosystems and delivery of ecosystem services)
- ? - Farmers' skills are enhanced, and opportunities for youth and women created, linked to long-term business opportunities.

In the DRC component of this project, the financing is split over different categories and Nespresso is the only entity providing co-financing. As stated in the co-funding letter by Nespresso for DRC component, about 15k USD will be cash to the project and 1,6 Mio USD will be in-kind. Nespresso will be investing over 660k USD into the larger Reviving Origin program that is operating in South Kivu, reaching beyond the intervention area of this project. Nespresso is providing additional investments into the South Kivu region, incl. the project area to provide access to potable water and health services through a partnership and is investing 800k USD in the next 2 years. For the in-kind contributions, other research studies undertaken in the same zone such as conflict dynamics assessment and limited time of Nespresso staff has been included with 114k USD in the budget. Please note that the additional premiums that are paid to farmers for the coffee produced have not been included. For more details, please refer to Annex 5 ? budgets.

Nespresso and its partner KCL have existing sourcing activities in the Mount Elgon region but do not have established community engagement and training programs in these areas. Sourcing activities to date have not included important adaptation considerations such as restoration and erosion control, efficient cook stoves and VSLAs. The GEF-funded components are additive to the investments that Nespresso and KCL are already making in the region and will enable these programs to better address adaptation needs over the long-term, including those identified by IUCN in its Mount Elgon EbA program.^[1] This IUCN-supported program also noted the importance of creating 'quick' social and economic benefits for farmers, which this GEF-funded program does through enabling access to the Nespresso value chain for a greater number of farmers, as well as associated business opportunities such as VSLAs and nurseries.

[1] <https://www.iied.org/eba-evidence-policy-uganda>

For the Uganda component, the Nespresso and KCL co-financing letters have been revised to clarify that co-financing will contribute to the project with 325'935 USD over 3 years in cash directly to the project implementation. Support is distributed evenly over the project implementation period, with

some 100k USD provided per year. Please see the updated co-funding letter from Nespresso stating the cash contribution for the Uganda component of 160,393 USD. The co-funding amount from the co-funding letter from KCL for Uganda is 150,000 USD cash.

Please note that the additional premiums that are paid to farmers additionally to the coffee pricing have not been included. For more details, please refer to Annex 5 ? budgets.

Sustainability

Financial and economic sustainability

Coffee farming households in the DRC and Uganda are provided financial and non-financial benefits from this project. They receive financial benefits by selling the coffees. The farmers typically sell a part of the coffee they produce to Nespresso for a premium and may sell to other buyers. The interventions by Nespresso and its local partners help the farmers to also receive premiums from other buyers as they are likely to have a more consistent quality product with sustainability credentials. Farmers that are part of the AAA Sustainable Quality™ program will receive training on a regular basis. This is a support that will continue overtime as farmers are part of the AAA Sustainable Quality program.

Through this project, farmers and households will also be encouraged to diversify their incomes e.g., through woodlots. This will help them build financial sustainability in the long-term. Additionally, supporting women and local communities on nutrition and financial inclusion (e.g., VSLAs) may create other revenue streams.

The Nespresso sourcing model is innovative and cutting edge for its focus on sustainability and farmer empowerment. Nespresso promotes high quality coffees, including unique blends and single origins.

These coffees are marketed with a premium in part due to the contributions these coffees can make to

sustainable development. For example, Nespresso has developed and sold unique coffees from South Sudan and Zimbabwe, that can provide critical incomes to vulnerable communities. An important part of this is the AAA Sustainable Quality? Program, which helps Nespresso, and its customers ensure quality, as well as social and environmental benefits. This program is regularly updated to properly address challenges and opportunities, embedding sustainability at its core and has been and is used in complex contexts. Being part of the AAA Sustainable QualityTM program means that Nespresso continues to partner with the farmers and continues to provide both technical support and purchasing intentions that are connected to additional premia. Through its brand status as a premium product, Nespresso can help to ensure the financial and economic sustainability of the program, i.e., covering the costs of on-going agronomic support to its supplier base and making payments for the coffees.

Lifecycle assessments of Nespresso coffee has been conducted and it is recognized that this supply chain has a GHG impact. Nespresso intends to address this both through ambitious GHG targets and in-setting, but also through its farmer training programs focusing on regenerative coffee farming, e.g., encouraging mulching, shade tree planting and composting on farms. Nespresso has also implemented a large-scale restoration program through in-setting (tree planting on farms). Since 2014, Nespresso has invested approximately CHF 10 million and planted more than 4.5 million trees across Colombia, Guatemala, Ethiopia, Kenya, Indonesia, and Brazil ? an increase of 1 million versus 2017. Agroforestry is a key part of the AAA Sustainable Quality program and will be included in the DRC and Uganda programs as well, though with a more explicit focus on climate adaptation and farmer resilience rather than ?just? mitigation.

Institutional sustainability

Through its AAA program, Nespresso enables and strengthens farmer organizations. Nespresso and its partners support capacity building of these, and access to resources, so that there is institutional sustainability in the area. Furthermore, Nespresso sources through partners that have a long-term commitment to working with farmers in the area.

Replication

Potential for scaling-up: Within Nespresso, learnings from this project on climate change adaptation, resilience and women's empowerment can be scaled up into the other origins of the AAA Sustainable Quality™ Program. Also, the respective implementing partners locally have the capacity to integrate lessons learned into their other programs. Nespresso is committed to sourcing from these areas for the long-term and has committed through the companywide sustainability strategy "Positive Cup (2020-2025) on regenerative agriculture and carbon neutrality as core strategic pillars.

In more general terms, Nespresso's model can be scaled up, in other coffee areas, and in other supply chains. As other coffee brands become interested in a landscape based on Nespresso's awareness-creation, this will stimulate scaling-up through increased investment by these other brands. Finally, Nespresso's approach could be replicated by other consumer facing brands with strong potential consumer engagement. Nespresso engages in various international and sectoral forums where this project could be described, as a source of inspiration for other leading brands and their suppliers.

Nespresso will work with its project partners to identify at least one relevant international event where this work will be shared, in addition to publishing two reports on this project (one for Uganda, and one for the DRC).

Furthermore, it is important to note that Nespresso does not want to foster over-reliance by farmers on one buyer. Nespresso does not intend to buy all the coffee produced in a specific origin. Nespresso does and will work with other groups to stabilize an origin by showcasing the coffees and generating improved demand and market access for farmers. Nespresso seeks to strengthen local partners, including so that they might build their businesses with other coffee partners. Furthermore, Nespresso is exploring how to bring other funding and collaboration partners into a specific origin, and the AAA Sustainable Quality program, incl. Reviving Origins program by exploring blended finance approaches for additional resource mobilization.

Communication and knowledge management

Lessons generated by the overall AAA Sustainable Quality program and the respective projects are collected and assessed regularly. The learnings collected from these two projects ? notably on climate adaptation, resilience and gender - will be communicated internally to ensure cross learning among the different interventions in the different origins. Results from the projects in origin will also help to further strengthen the business case and allow Nespresso to expand its partnerships and impact. One of main goals under this project is to design and implement the climate resilience and adaptation more strongly in its global sourcing program. This will allow Nespresso to integrate the practices in the global approach so that these can be used in other projects within the broader AAA Sustainable Quality? Program through which Nespresso sources its coffee.

Furthermore, as specified in Component 3 of this project, the learnings will be shared with relevant members of the local and global community via a range of channels such as:

? In pre-competitive sector meetings and events (e.g., local workshops)

? Development of learning material on the approach and best practices (e.g., short reports)

? Partner successes via online articles and other written documentation

? Impact stories from the origins and changes made will be shared with costumers via marketing by

Nespresso

(6) changes to global environmental benefits

The number of farming households (direct beneficiaries) engaging in the program has been reduced to 4,200, however the project has set a higher number for the percentage of women included. The program has also estimated a contribution to area of land under sustainable agricultural practices, and area of land restored.

(7) changes to the innovativeness sustainability and potential for scaling up

This section has been changed to better reflect the modified project activities, and the results of local consultations with implementing partners and community members and other important stakeholders. However the central premise remains unchanged, i.e. that Nespresso's purchase, and intent to purchase coffee and provide support, to the farmers in DRC and Uganda for the long-term creates a base for sustainable development. Nespresso purchases and markets the coffees from these areas at a premium and creates consumer awareness about these origins. Being in the Nespresso value chain also ensures continuing training on good agronomic practices, which are being reviewed and modified (in part as a result of this program with GEF) to better address local climate resilience and gender considerations.

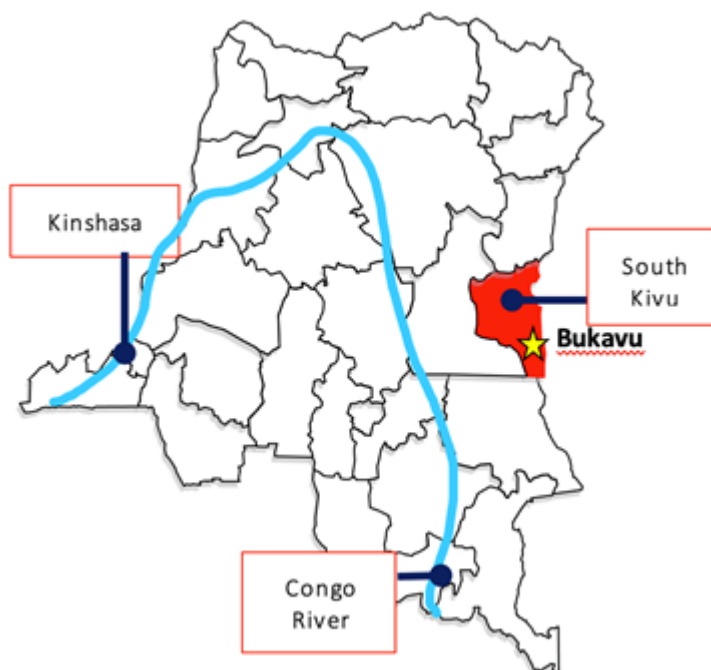
Note that Nespresso encourages farm level diversification, i.e. agroforestry production systems, where farmers grow a mix of cash, food and fuel crops using primarily indigenous species and low-input or organic production methods. Linking these farmers into this supply chain, and providing additional support e.g. on local savings programs, household nutrition and access to suitable goods and services (e.g. seedlings, fuel efficient stoves) can contribute to improved resilience. This program could be scaled up both within Nespresso (and Nestlé's) supply chains, as well as in the supply chains of other consumer facing goods companies that have a long-term commitment to their sourcing areas.

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

Project map: Democratic Republic of Congo

The project area is marked in red, in the region of South Kivu.



Project map: Uganda

The project area is marked by a yellow circle, in the region of Mt. Elgon.



1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

N/A

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH <i>(positive or negative)</i>	How to engage during design process	How to engage in project (early ideas)
Government agencies (national, provincial, local)					
ONAPAC (Office National de Produits Agricole du Congo)	Principal Government of DRC Coffee Stakeholder -Coffee Washing Stations (CWS) have improved capacity to access markets for sustainably produced coffee and other high value natural products	-Has a mandate to promote investment and sectorial planning in the coffee sector -Potential to prioritize GoC investment of resources into sector	-Increase in Revenue from taxes on increased exports of specialty coffee -Increased training for technical staff and extension agents - Improved capacity of entrepreneurs and farmer groups to strengthen, rehabilitate, and establish CWSs. - Benefit from the innovative exporter service provider model that build strong relationships and systems that enhance working capital flow to CWSs and their access to marketing and export services in the long-term	-Discuss how the project can address sectorial priorities -Discus how sectorial planning can best support project initiative	-Review of strategy on what the project will and will not address -Develop MOU with annexed work plan that formalizes key points of collaboration in training, extension and work on the Coffee Service provider model. -Ensure staff are involved in agronomy, washing stations, cupping and governance trainings -Bi-annual stakeholders? meetings

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Ministry of Agriculture (regional level)	<ul style="list-style-type: none"> -Interest in the advancement of the Coffee Sector as a key crop within the agricultural system -Registration Oversight of Implementing Partner (IP) - Households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviours - Coffee Washing Stations (CWS) have improved capacity to access markets for sustainably produced coffee and other high value natural products 	<ul style="list-style-type: none"> -Can support investment of GoC resources into the sector 	<ul style="list-style-type: none"> -Increased training for technical staff and extension agents - Coffee-focused training will build skills on organic and regenerative agricultural practices, -Participants will also be trained on on-farm production and consumption of nourishing foods, both through intercropping of coffee with nutritious crops and establishment of kitchen gardens. 	<ul style="list-style-type: none"> -Discuss how the project can address sectorial priorities -Discus how sectorial planning can best support project initiative 	<ul style="list-style-type: none"> - Provide required reporting (annually) -Bi-annual site visits

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
INERA (Institut National d'Etude et Recherche Agronomique)	<ul style="list-style-type: none"> -Potential to apply research findings with project clients using a commercial approach -Farmers have increased access to seedlings to support a regenerative agro-forestry system 	<ul style="list-style-type: none"> -Has a mandate to improve access for improved coffee varieties. -Support farmer groups to establish nurseries for indigenous shade trees to plant alongside coffee and timber for woodlots. 	<ul style="list-style-type: none"> - Facilitate linkages between CWSs and the Institut National pour l'Etude et la Recherche Agronomique (INERA) to access improved coffee varieties. -A commercial model for the sale of improved seed that can cover maintenance of existing varietal plots. 	<ul style="list-style-type: none"> -Discuss with WCR and INERA on where they are at and which research and varieties are ready for commercial dissemination -Discuss the commercial approach to creating INERA approved nurseries 	<ul style="list-style-type: none"> - MOU for commercial dissemination of improved coffee varieties -Play a facilitative role between INERA and local private sector actors (washing station, cooperative) to share results and progress of INERA in coffee.

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
<p>ICCN (Institute Congolais pour le Conservation de la Nature)</p>	<ul style="list-style-type: none"> -Key Government of Congo Stakeholder for the Kahuzi Beiga Park -Improve capacity to implement sustainable, conflict-sensitive conservation covenants -Improve Conflict analysis for community management, conflict mitigation, and human rights -Build the capacity of communities in environmental law, wildlife crime, and environmental protection measures 	<ul style="list-style-type: none"> -Support Identification of priority threats and conservation measures producing highly localized ?conservation covenants? -Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation -Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements. 	<ul style="list-style-type: none"> -Reduced pressure from local communities on the park through alternative income generating activities (coffee production and processing) - Improved capacity building for ICCN staff and park rangers on community management, conflict mitigation, and human rights - Explore development of an agreement that allows Batwa communities to legally harvest non-timber forest products from the buffer zone around the park - Convene landscape dialogues between forest-dependent communities (farmers and indigenous people), ICCN, EcoGuard (park rangers), coffee plantation owners, and local leaders, -Deepen collaboration between communities, coffee producers, and park management by promoting joint ecological 	<ul style="list-style-type: none"> - Review existing land and resource user agreements -Partner to conduct all conservation covenants, identification of priority threats landscape dialogues -Prioritize improved capacity building trainings for ICCN staff 	<ul style="list-style-type: none"> -Review of sectorial strategy and what the project will and will not address -Develop MOU with annexed work plan that formalizes key points of collaboration (conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures) -Ensure staff are involved in agronomy, washing stations, cupping and governance trainings -Bi-annual stakeholders meetings

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Local communities					

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
<p>Traditional Leader (Territory, Groupement, and village)</p>	<p>-A healthy, biodiverse habitat for wildlife, a reduction in extreme poverty and malnutrition, improved income and employment, and improved resilience in conflict affected communities in S. Kivu</p>	<p>- Building trust and engaging communities to support identification of uptake and perception of the community to support Behavior changes, such as agreement to not poach resources from protected areas or selection of optimal locations to plant coffee trees</p> <p>-Support to prioritize threats and conservation measures producing highly localized ?conservation covenants?</p> <p>-Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation</p> <p>-Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements.</p>	<p>-Increase in Revenue from taxes payed at the territorial level</p> <p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviours</p> <p>- Increase access to markets, improved incomes, and well-being reducing extreme poverty and malnutrition in S Kivu.</p>	<p>-Introduce program objectives and targets</p> <p>-Partner to conduct all conservation covenants, identification of priority threats landscape dialogues</p> <p>-Involve in improved capacity building trainings when applicable</p>	<p>- Stakeholder mobilization for conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures</p> <p>-Share Reporting</p> <p>-Bi-Annual meetings</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Batwa Associations	-A healthy, biodiverse habitat for wildlife, a reduction in extreme poverty and malnutrition, improved income and employment, and improved resilience in conflict affected communities in S. Kivu	<p>-Building trust and engaging communities to support identification of uptake and perception of the community to support Behavior changes, such as agreement to not poach resources from protected areas or selection of optimal locations to plant coffee trees</p> <p>-Support to prioritize threats and conservation measures producing highly localized ?conservation covenants?</p> <p>-Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation</p> <p>-Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements.</p>	<p>-Reduced pressure on the park through alternative income generating activities (coffee production and processing)</p> <p>- Explore development of an agreement that allows Batwa communities to legally harvest non-timber forest products from the buffer zone around the park</p> <p>- Convene landscape dialogues between forest-dependent communities (farmers and indigenous people), ICCN, EcoGuard (park rangers), coffee plantation owners, and local leaders,</p> <p>-Deepen collaboration between communities, coffee producers, and park management by promoting joint ecological monitoring, building on existing systems such as the Spatial Monitoring and Reporting Tool (SMART) which is already in use by ICCN.</p> <p>-Technical</p>	<p>- Review existing land and resource user agreements</p> <p>-Partner to conduct all conservation covenants, identification of priority threats landscape dialogues</p> <p>-Include in technical training programs (agronomy training, nursery installation and commercialization, and establishment of CWS) from the onset</p>	<p>-Review of strategy, what the project will and will not address</p> <p>-Develop MOU with annexed work plan that formalizes key points of collaboration (conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures)</p> <p>-Ensure staff are involved in agronomy, washing stations, cupping and governance trainings</p> <p>-Bi-annual stakeholders meetings</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Development committees at the Territorial and Groupement levels	-A healthy, biodiverse habitat for wildlife, a reduction in extreme poverty and malnutrition, improved income and employment, and improved resilience in conflict affected communities in S. Kivu	<p>- Building trust and engaging communities to support identification of uptake and perception of the community to support Behavior changes, such as agreement to not poach resources from protected areas or selection of optimal locations to plant coffee trees</p> <p>-Support to prioritize threats and conservation measures producing highly localized ?conservation covenants?</p> <p>-Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation</p> <p>-Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements.</p>	<p>-Increase in Revenue from taxes payed at the territorial level</p> <p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviours</p> <p>- Increase access to markets, improved incomes, and well-being reducing extreme poverty and malnutrition in S Kivu.</p>	<p>-Introduce program objectives and targets</p> <p>-Partner to conduct all conservation covenants, identification of priority threats landscape dialogues</p> <p>-Involve in improved capacity building trainings when applicable</p>	<p>- Stakeholder mobilization for conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures</p> <p>-Share Reporting</p> <p>-Bi-Annual meetings</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Youth Associations	<p>-A healthy, biodiverse habitat for wildlife, a reduction in extreme poverty and malnutrition, improved income and employment, and improved resilience in conflict affected communities in S. Kivu</p>	<p>- Building trust and engaging communities to support identification of uptake and perception of the community to support Behavior changes, such as agreement to not poach resources from protected areas or selection of optimal locations to plant coffee trees</p> <p>-Support to prioritize threats and conservation measures producing highly localized ?conservation covenants?</p> <p>-Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation</p> <p>-Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements.</p>	<p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviours</p> <p>- Increase access to markets, improved incomes, and well-being reducing extreme poverty and malnutrition in S Kivu.</p>	<p>-Introduce program objectives and targets</p> <p>-Partner to conduct all conservation covenants, identification of priority threats landscape dialogues</p> <p>-Include in technical training programs (agronomy training, nursery installation and commercialization, and establishment of CWS) from the onset</p>	<p>- Stakeholder mobilization for conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures</p> <p>-Share Reporting</p> <p>-Bi-Annual meetings</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Civil Society Organizations					
Rural Radio Stations	<p>-Potential for community members to improve livelihoods</p> <p>-Potential ad revenue</p>	-Ability to create massive awareness of the project within local communities	<p>-Increase access to markets, improved incomes, and well-being reducing extreme poverty and malnutrition in S Kivu.</p> <p>-Increase in ad revenue from thriving commercial climate</p>		<p>-MOU or service agreement to create awareness on activities with stakeholder and publicize message concerning major outcomes</p> <p>-Create SBCC message to create awareness of stakeholder decision and changes in</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Territorial Representatives of Civil Society	-A healthy, biodiverse habitat for wildlife, a reduction in extreme poverty and malnutrition, improved income and employment, and improved resilience in conflict affected communities in S. Kivu	<p>- Building trust and engaging communities to support identification of uptake and perception of the community to support Behavior changes, such as agreement to not poach resources from protected areas or selection of optimal locations to plant coffee trees</p> <p>-Support to prioritize threats and conservation measures producing highly localized ?conservation covenants?</p> <p>-Support Landscape dialogues informed by analysis of conflict drivers and mitigation strategies, with Peace Nexus Foundation</p> <p>-Stakeholder mobilization to agree on priority threats and conservation measures to address them, producing highly localized ?conservation covenants? that build on existing land and resource use agreements.</p>	<p>-Increase in Revenue from taxes payed at the territorial level</p> <p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviours</p> <p>- Increase access to markets, improved incomes, and well-being reducing extreme poverty and malnutrition in S Kivu.</p>	<p>-Introduce program objectives and targets</p> <p>-Partner to conduct all conservation covenants, identification of priority threats landscape dialogues</p> <p>-Involve in improved capacity building trainings when applicable</p>	<p>- Stakeholder mobilization for conservation covenants, conflict analysis, community capacity building, landscape dialogues, threat identification and prioritized conservation measures</p> <p>-Share Reporting</p> <p>-Bi-Annual meetings</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Private Sector					

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Existing Coffee Washing stations and Cooperatives (CCK, Kivu Coffee, COOPAPP, CAPACADE, CHANGWE, etc.)	<p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviors</p> <p>- Farmers have increased access to seedlings to support a regenerative agro-forestry system</p> <p>-CWS have improved capacity to access markets for sustainably produced coffee and other high value natural products</p>	<p>-Building trust and engaging communities in design</p> <p>-Facilitate mobilization and setup of training membership and supplier/producers</p>	<p>-Coffee-focused training will build skills on organic and regenerative agricultural practices, renovation and rehabilitation to support productivity and climate resilience, and reforestation using indigenous shade trees. Training will include a focus on biodiversity, engaging farmers in habitat management and restoration, human-wildlife conflict mitigation, and sensitization on the importance of biodiversity for sustainable livelihoods</p> <p>-Training on on-farm production and consumption of nourishing foods, both through intercropping of coffee with nutritious crops and establishment of kitchen gardens.</p> <p>-Training will encourage use of Asili clean water access points and primary healthcare services, reinforcing adoption of improved nutrition and reducing the</p>	<p>-Introduce program objectives and targets</p> <p>-Involve in process to setup improved capacity building trainings for producers when applicable</p>	<p>- Explain trainings</p> <p>-MOUs to support washing stations</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
R.C.P.C.A (Reseau des Coop?ratives des Producteurs de Caf? Cacao de la RDC)	<p>-Forest-dependent households have the skills and knowledge to apply regenerative agro-forestry practices and nutritious household behaviors</p> <p>- Farmers have increased access to seedlings to support a regenerative agro-forestry system</p> <p>-CWS have improved capacity to access markets for sustainably produced coffee and other high value natural products</p>	<p>-Building trust and engaging communities in design</p> <p>-Facilitate mobilization and setup of training membership and supplier/producers</p>	<p>-Improved training for coffee producers</p> <p>-Increased access of improved inputs / coffee varieties</p> <p>-Expanded access to international market for specialty coffee</p>	-Introduce program objectives and targets	<p>- Explain trainings</p> <p>-MOUs to support washing stations</p> <p>-</p>
International organizations					
SVC	-Coffee enterprises and producers supported under SVC will transition to HEARTH	- Can communicate the transition of SVC activities in coffee to activities with HEARTH	- Can continue and expand upon the work of SVC to support improved productivity, profitability, quality and expanded market for Sud Kivu specialty coffee	<p>-Introduce start up timelines</p> <p>-Introduce program objectives, targets and approach.</p>	-Invite to an initial presentation of the project with international stakeholders

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
Mercy Corps	-Support producers through the USAID DFSA (food security and resilience) in the Kabere territory. Some of these producers are also coffee producers	-Supporting activities related to Villages and savings and loans, forestry species nurseries, etc that can be leveraged to quickly address objectives under HEARTH	-Addresses improvement to the agriculture production system, improved income, improved nutrition and health and water sanitation.	Introduce start up timelines -Introduce program objectives, targets and approach.	-Invite to an initial presentation of the project with international stakeholders
World Vision	-Support producers through the USAID DFSA (food security and resilience) in the Kalehe territory. Some of these producers are also coffee producers	-Supporting activities related to Villages and savings and loans, forestry species nurseries, etc that can be leveraged to quickly address objectives under HEARTH	Addresses improvement to the agriculture production system, improved income, improved nutrition and health and water sanitation.	- Introduce start up timelines -Introduce program objectives, targets and approach.	-Invite to an initial presentation of the project with international stakeholders
COOPERA	-Works with producers and a washing station in Kabere	-Building trust and engaging communities in design -Understanding of conflict mitigation that can be shared with Peace Nexus -Facilitate mobilization and setup of training membership and supplier/producers	-Improved training for coffee producers -Increased access of improved inputs / coffee varieties -Expanded access to international market for specialty coffee	-Introduce program objectives and targets	- Explain trainings -MOUs to support washing stations
Search for Common Ground	-Conducts work on conflict mitigation across Sud-Kivu	-Can share information and experience with Peace Nexus	-Peace Nexus can share recommendations and findings with SFCG	- Introduce start up timelines -Introduce program objectives, targets and approach.	-Invite to an initial presentation of the project with international stakeholders

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (<i>positive or negative</i>)	How to engage during design process	How to engage in project (early ideas)
<p>CARPE (Central African Regional Program for the Environment)</p>	<p>-Largest Environmental Program Funded by USAID</p> <p>-Maintain Ecological Integrity of the second largest tropical humid forest ecosystem in the world</p> <p>-Interest in conservation initiatives and land use management systems developed under HEARTH</p>	<p>-Introduce start up timelines</p> <p>-Introduce program objectives, targets and approach.</p>	<p>- Capacity to implement sustainable, conflict-sensitive conservation covenants</p> <p>Identification of priority threats and conservation measures to address them, producing highly localized ?conservation covenants?</p> <p>Landscape dialogues will be informed by analysis of conflict drivers and mitigation strategies, to be carried out by the Peace Nexus Foundation</p> <p>Conflict analysis will help shape design and delivery of capacity building for ICCN staff and park rangers on community management, conflict mitigation, and human rights</p> <p>Build the capacity of communities in environmental law, wildlife crime, and environmental protection measures right</p>	<p>-Review key CARPE project documents and reports</p> <p>-Seek out ideas and approaches that can be integrated into HEARTHS work with conservation and land use management initiatives</p> <p>-Contact project staff with questions</p>	<p>One time meeting</p> <p>-Follow up as needed depending on level of collaboration</p>

Stakeholder	Interest of the SH in the project	Potential influence of the SH on the project	Impact of the project on the SH (positive or negative)	How to engage during design process	How to engage in project (early ideas)
Research institutions & universities					
Universit? Catholique du Bukavu (UCB)	-Potential to apply research findings with project clients using a commercial approach	-Has supported UCB on research trials	-A commercial model for the sale of improved seed that can cover maintenance of existing varietal plots.	-Discuss with WCR and INERA the role of UCB in research and commercialization of UCB in commercial dissemination of improved varieties	-Will depend on discussions with WCR and INERA

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

Kyagalanyi Coffee Ltd. will be the main implementer of the project and responsible for all components of the project. Kyagalanyi has a dedicated sustainability team in Mt. Elgon and at its HQ in Kampala that will roll-out the project and engage the other stakeholders. This team includes coffee agronomists, managers and an M&E specialist.

Component 1 ? Strengthening smallholder climate resilience through technical assistance

Stakeholders: Kyagalanyi sustainability team + KCL-AAA farmers + Coffee Youth Teams

Engagement: Coffee farmers on Mt. Elgon are generally not organized in cooperatives. Kyagalanyi has therefore organized farmers in farmer groups of 25-30 producers (KCL-AAA farmers). Selection of farmers is based on coffee acreage, interest to join the AAA cluster to improve coffee production & quality; and existing trade relations with Kyagalanyi. The farmer groups form the entry point of Kyagalanyi's service delivery. Each farmer group will select one member that will host a demo plot that will be used to demonstrate GAPs that will improve climate resilience of coffee farming. One out of 10 groups will also host a centrally located model farm that will be used to demonstrate the integration of climate resilience and commercial coffee farming. Selection criteria for host farmers include central location of coffee field along a (main) road; willingness to adopt new practices; willingness to host trainings and visitors; trustworthiness and ability to keep records. Kyagalanyi will engage the Coffee Youth Teams (set-up as part of the project) to manage key GAPs in the demo plots (water harvesting; shade management, rejuvenation; soil fertility management, IPM). Youth members are selected based on their interest to set-up their own business providing farm management services, work attitude and trustworthiness. They will be trained by Kyagalanyi's agronomists. Demonstrating their skills in the demo plots & model farms will allow them to build trust among the AAA farmers and

sell their farm management services.

Kyagalanyi AAA agronomists will use the demo plots & model farms to run group agronomy trainings, focusing on how to improve the climate resilience & productivity of coffee farms.

In addition, the Kyagalanyi AAA agronomists will run individual farm trainings for all its members on at least an annual basis. Individual farm trainings allow to target advise to the needs of individual households. The agronomists discuss recommendations with the households and write down agreed improvements for the farm & household in an Improvement Plan that is left with the household. The individual farm visits are also used to assess the household & farm against the AAA score card using the AAA app. Additional project KPIs at household level will be captured with Kyagalanyi's inspection app.

Component 2 ? Smallholder coffee production contributes to an improved local natural environment

Stakeholders: Kyagalanyi sustainability team + Environmental NGO + KCL-AAA farmers + Coffee Youth Teams + UWA + NFA + local government + Gender Change Agents

Engagement: Kyagalanyi will run a bid process to identify the most suitable environmental NGO partner in Mt. Elgon. This NGO and Kyagalanyi will be jointly responsible for the implementation of component 2 of the project. The NGO and Kyagalanyi's sustainability team will therefore work hand-in-hand to ensure full alignment to the AAA cluster farmers and engagement of all relevant stakeholders. Improved land management and tree cover will take place at two levels: i) community and ii) AAA farms. Activities at community level will be led by the NGO. They will engage all relevant government stakeholders (including Uganda Wildlife Authority, National Forest Authority, district, sub-county and parish (LC1) government) and the community through a range of meetings that aim to build a common understanding of the need to improve land management for the well-being of all on both community land as well as on individual farms and agree on the best strategies to do so, including tree species selection. All stakeholders will be involved in the selection of the 150 acres of community land to be reforested. Kyagalanyi will engage a human based design company to develop community environment improvement tools that will be used to guide the decision-making processes. Actual reforestation activities will be coordinated by the NGO, in collaboration with the relevant government stakeholders. The Coffee Youth teams will be engaged to set-up shade tree (and coffee) nurseries that provide the right mix of trees for the reforestation activities, and likely bamboo for riverbank stabilization, whereas the Coffee Youth Teams and local communities will jointly carry out the community reforestation activities under the supervision of the environmental NGO and government stakeholders.

Individual farm environmental improvements will focus on increasing shade tree cover and erosion control. Kyagalanyi will engage a human based design company to develop a series of farm environment improvement tools, together with the environmental NGO. These tools will complement the existing gender tools that Kyagalanyi uses (see component 3). The environmental NGO will organize trainings for the gender agents on the use of the environmental tools and support the roll-out of the tools to individual household level. AAA households that develop the best plans to improve the environment on their farm will be supported to implement these plans with the Coffee Youth teams.

The Coffee Youth Teams will also be trained by an expert on how to construct energy saving stoves and be hired to construct stoves for each AAA household to reduce firewood use. We expect that the Coffee Youth Teams will expand their business beyond the AAA farms and will be hired by other community members for skilled farm management services, environmental services and construction of energy saving stoves.

Component 3 ? Enhanced economic empowerment and resilience of women and men farmers and members of smallholder coffee farming households

Stakeholders: Kyagalanyi sustainability team, led by its Gender Officer + KCL-AAA farmers + Gender Change Agents

Engagement: Kyagalanyi has developed a strong gender programme in its sustainable coffee schemes in Uganda. We will roll this gender programme in the Mt. Elgon AAA cluster in 2 cycles of 44 groups, so all farmer groups are covered in year 2 of the project. Kyagalanyi's Gender Office will recruit 2 x 22 Gender Change Agents. Selection criteria include being a KCL-AAA farmer, married, respected by the community, literate, interested in improving gender relations and having a good work attitude. Each Gender Change Agent will work with 2 farmer groups and be responsible to set-up a Village Saving and Loans Association (VSLA) for each group, work with min 20 KCL-AAA households per group to use the gender tools to improve gender relations within the household and encourage transparency, a joined vision for the family & farm and joined planning & budgeting. The Gender Change Agents will work with the same households to implement the new farm environment improvement tools. To encourage participation in the gender programme, each year 250 households that participated most will receive a farm improvement reward (rejuvenation & soil fertility management) to improve climate resilience of their farm. Each year, the 10 VSLAs that performed best (total capital saved; # loans taken out to improve farms; repayment %) will receive 1,000 \$ to expand their capital and ability to provide loans to their members. The Gender Officer is responsible for the M&E of the gender activities.

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

See attachments to this submission for the two countries and below the summary of findings of both studies

Summary of Gender Analysis for DRC

The Nespresso Reviving Origins program for the coffee-growing regions of South Kivu Province in the Democratic Republic of Congo aims to incorporate interventions that improve women's economic empowerment. TechnoServe (TNS) through a gender analysis has identified **four key areas** where effective action will ensure that the project reaches women as participants, equally benefits men and women, and advances women's empowerment, in line with Nespresso's gender strategy. This report draws on learnings from the Feed the Future Democratic Republic of the Congo Strengthening Value Chains (SVC) project in South Kivu. Recommendations under each of the four areas below specify prioritized activities and approaches to promote gender equality in the Nespresso DRC coffee supply chain.

1. Bridging the Gender Gap in Coffee Farming

1.1. Sustain high female participation in agronomy training by employing TNS gender practices in registration and retention that draw on experience of working with coffee farmers across various countries in Africa

1.2. Strengthen gender transformative methods in the agronomy training by increasing emphasis on women's decision-making power and role in joint planning in the farm business and incorporating new methods for facilitating dialogue between and among women and men. Additions to the agronomy training will include:

1.2.1. Applying 'TNS Safe Spaces methodology' that facilitates dialogue and learning between and among women and men through discussions in single- and mix-sex groups; and

1.2.2. Fostering continuous reflection through embedding short dynamic activities and exercises across the curriculum

1.3. Build self-reliance and confidence among women in the coffee communities by

1.3.1. Boosting women's leadership by providing leadership-building workshops and advancing the role of female focal /assistant focal farmer so they have greater voice in shaping the gender-integration activities; and

1.3.2. Piloting basic literacy and numeracy skills support by collaborating with development organizations that specialize in delivering adult literacy and numeracy training to men and women farmers and testing the training in select areas to inform a potential scale-up

2. Strengthening gender equality in Coffee Washing Stations (CWS) and Cooperatives

2.1. Enhance CWS? capacity to become gender-equitable organizations by implementing a robust gender-sensitization program for CWS leadership that equips them with relevant knowledge, skills and attitudes to represent and serve both women and men farmers? interests and needs. This will include supporting them to develop and implement the expectations of a gender and a labor policy and assess women?s accessibility to cherry collection points. The existing SVC/TNS approaches of working with CWS include some of these activities and will be reviewed and updated as needed.

2.2. Create a safer environment for women in CWS by

2.2.1. Supporting CWS establish a robust redressal mechanism for gender-based violence and harassment that enables incidents to be reported and addressed in a safe and confidential manner;

2.2.2. Ensuring infrastructure of the CWS creates safe and secure working environments for all, and specifically for women including, for example, the provision of adequate lighting and safe and accessible sanitation facilities; and

2.2.3. Bolstering the use of CWS safety assessments to identify gender-sensitive safety and security issues at the CWS and possible responses to reduce the levels of risk

3. Using AAA gender analysis tool to drive deeper insights on gender-integrated design and roll out

3.1. Generate a deeper understanding of intra-household gender dynamics particularly around control of income to identify mechanisms to strengthen women?s control over and input into decision-making on income

3.2. Generate a deeper understanding of women?s casual/seasonal labor at CWS to identify barriers to and strategies for enabling women?s full participation in CWS

4. Developing program staff capacity to ensure effective and sustainable implementation

4.1. Build knowledge, skills and attitudes of staff through a capacity development process that will enable them to perform their daily work in ways that supports gender equality and women?s economic empowerment

4.2. Prepare a gender action plan to identify individual and team responsibilities for gender-responsive implementation

4.3. Monitor progress through the use of sex-disaggregated data and regular ?pause and reflect? sessions. TNS will collect sex-disaggregated data in monitoring and evaluation. The ?pause and reflect? sessions will be designed to use gender analysis and sex-disaggregated data to review successes, challenges, and lessons learned around how the program is reaching and benefitting women and men farmers.

Closing the gender gaps in South Kivu coffee would boost smallholder farmer?s capacity to sustainably deliver quality coffee, strengthen resilience of their livelihoods and promote active participation of women in the supply chain. The above recommendations provide actionable ways to ensure mainstreaming of gender issues within the overall project through deeply embedding gender-integrated

approaches in the training and technical advisory, systematically engaging men and women to positively transform gender relations, and strengthening staff capacities to match the project's gender commitments.

Summary of Gender analysis for Uganda

Introduction

Kyagalanyi Coffee Limited (KCL) is working with Nespresso in Uganda to implement the AAA gender program in East and Western Uganda. The program aims at integrating gender into the coffee value chain in order to benefit both men and women equally, to ensure that targeted interventions reduce gender disparities and increase women's empowerment, to make the partner staff better informed and gender-sensitive, and contribute to a sector-wide change. This is a report of the baseline study conducted in Bumbo AAA cluster in Namisindwa District in Eastern Uganda. The baseline study focused at acquiring baseline data and insights on the position and role of women, on the incidence of child labour, as well as the current influence by climate change. Based on the insights recommendations were drafted for the new gender program, and its integration with child labour and climate change issues.

The survey methodology was based on the AAA gender tool developed by Nespresso and applied in several countries. The survey methodology was designed to maximize the number and accuracy of farmers' responses regarding their preferences, opinions, behaviors, and factual information as it pertains to gender dynamics centered around the household's decision-making and control of coffee production, marketing, income, assets, and labour. The baseline study was based on a purposeful sample of male and female Nespresso AAA coffee farmers using a specially designed and field-tested questionnaire, open-ended follow-up questions, gender-aware field procedures, and a tailored interview technique for Key Informant Interview (KII) and Focus Group Discussions (FGD). In total men and women were surveyed and interviewed of 78 households, evenly spread over 4 parishes, being Bukhokho, Bunamulingi, Kaboole and Soono parish. The participants were interviewed in a small-group setting of 4-5 participants per interview, with male and female groups interviewed in separate locations so that they could not hear each other's answers. The comparison of men and women's responses from the same households in order to identify intrahousehold and gender-based disparities in the responses is the crux of this survey technique.

Gender specialists from both Nespresso AAA and KCL worked together closely and with the research team throughout the study. They were responsible for drafting the tool before it was field-tested, were present during the field-testing, participated in the sampling of participants, conducted FGDs, and discussed the general recommendations based on survey findings.

Main insights on gender aspects emerging from the baseline study

1. The AAA farmers surveyed in the Bumbo cluster represent mostly middle-aged, married households. There is a high level of polygamy (22% at average). Male participants were older than the female. About half of the men interviewed were above 47 years old. There are some apparent differences between the 4 parishes, with higher aged farmers and higher levels of polygamy in Soono and Kaboole parishes.
2. The majority of AAA farmers surveyed has not completed primary education. In terms of incomes most farmers nowadays rely on onions and less on coffee as an important source of income. Apart from farming, a good number of men are also traders (both domestic and cross border trade with Kenya) and the women mostly add household management and small businesses to farming.
3. Women and men have different perceptions about size of land owned. Most women did not know the exact number of fields owned by the family (inherited land from the clan) or even by husbands alone

(mostly bought land), so they tended to overestimate this. It should be kept in mind that in Uganda as well as the Bumbo cluster land is predominantly owned by the clan/family and passed from fathers to sons upon marriage.

4. Women are not allowed to use the land for any other purposes e.g. if she wishes to sell some of the produce from the farm for household expenses, she is allowed to do so but is obliged to handover the proceeds from the sales to the husband who can then give her an 'appropriate' amount for household expenses. Some women started to buy or rent land on their own for production, majority of the women doing this are women headed households but a few married women are beginning to follow suit.

5. The average number of coffee fields per parish varies, between Soono parish having the highest (at average 3.2 coffee fields) and Bukoho the lowest (at average 1.9 coffee fields). There are also inequalities within parishes. In Soono parish, some families owned as many as 5-8 fields while the majority of all farmers in the Subcounty owned an average of 2 fields.

6. Most married households divide coffee-production tasks between husband and wife according to the traditional division of labour. Men do most of the tasks like planting coffee, pruning, spraying, pulping as well as sales of the produce and receiving the money. Women have few tasks specifically allocated to them in coffee production process, but together with the children are expected to help the men in carrying out the tasks on the coffee field. Examples of such tasks are ploughing the field, planting, weeding, harvesting, making compost, pulping, washing and drying the coffee. Men and women agree that men make most decisions about coffee production but the women's definition of being involved in decision making is also limited. To the majority, there was no difference between being consulted and jointly deciding with the husband.

7. Men appear to be the main financial managers, although some households divide the responsibility between husband and wife. About 65% of the participants (both male and female) agree that the husband is the manager of the household's income. Decision-making regarding household expenses is divided between men and women. Women decide upon minor expenses while major expenses are decided jointly. Most households report not to be involved in saving money. The FGDs pointed out that money saving culture is almost non-existent in the cluster. It is more common for farmers to buy cattle or land to expand production of onions after a good sale.

8. Both men and women have traditional coffee agronomy knowledge acquired from parents and family with no outside training or extension services in coffee although both men and women still believe that men know more about coffee than women. Coffee management practices are poor resulting in low yields. Men compared to women are more familiar with KCL and not Nespresso. In the farm visits, participation by women was less than participation by men, and there is not much sharing of the training information within the households.

9. Men are more likely than women to decide about attending training. Most men decide for themselves whether to attend training or not, but, for women, this decision is influenced by their husband. The gender of the trainer does not matter to most men and women, but both men and women said they preferred mixed gender training groups.

10. Most women said they would be keen to get more involved in coffee, and most men were supportive of this but a number saw it as a waste of time that could be used for other activities around the home. Women said they would like to attend more coffee-related training and farm visits and expressed an interest in building their technical coffee knowledge on the coffee produced by the household. However, they also mentioned that coffee is not attractive to them due to the seasonal nature of the crop, limited size of land and pest, limited agronomy knowledge and diseases affecting the crop.

11. Women in Bumbo cluster often had an overload of activities around household management, growing food crops, supporting their husbands in the growing of cash crops and raising children in addition to social roles.

12. Although life appears to be more satisfactory to the majority of both men and women than it was five years ago, they still have major barriers to a good life. These range from large family sizes and polygamous relations with its complexity of relationships, control or influence on household income, access to proper inputs, access to agronomy skills and information, workload and societal perception of women.

13. As it was already established that the majority of the participants do not highly depend on coffee for their livelihood, it is understandable that their life satisfaction does not depend on coffee. A minority of men mainly (8%) did state to depend on coffee.

Main insights on child labour emerging from the baseline study

1. The baseline study took place slightly after the COVID 19 lockdown and all children were out of school. It was difficult to observe or get information from schools on retention and dropout rates. It is also likely that the COVID 19 lockdown period increased the number of children taking on paid work compared to the period before.

2. There was plausible evidence for a high incidence of child labour in the cluster, estimated at involving 28% of the households having children working but not going to school, and 47% of households hiring other children to work. Boys are more likely to be involved in child labour activities than girls. This is likely due to the combination of poor education facilities, business opportunities for engaging children, no law enforcement, cultural norms, and poor women empowerment.

3. There was evidence of high level of school drop out in the Subcounty. Whereas it was difficult to get data from the education office to confirm this, both interviews with the CDO and District education officer as well as the parents pointed in this direction.

4. There were several children taking on paid work and most of this is during school time and days. The use of children as source of family labour on the farms was also high. In the survey both women and men stated that for certain farm activities it is common to include children, mainly boys as compared to girls (especially digging, planting, weeding and harvesting, as well as washing, pulping and fermenting the berries).

5. Generally, the community was comfortable with the idea of employing children, there seems to be a total lack of awareness that this is a crime or an illegal practice, and that education would be more beneficial for the children.

Main insights on climate change emerging from the baseline study

1. Climate change has affected coffee production in the cluster. It affected levels of production by affecting the flowering stage and fruit filling stage of coffee. The unpredictable rains also increased the prevalence of certain diseases like coffee berry disease and leaf rust, as well as causing floods, erosion and landslides.

2. Some of the adaptation strategies in the area is the planting of shade trees as well as intercropping with banana and various crops. Having erosion control bunds on individual plots is a common practice in the area. However, community-level measures do not seem to be taken.

Recommendations emerging from the baseline study

The study provides recommendations in section 3.2 of the report. The following are the main recommendations:

1. Find ways to integrate reproductive health, climate change adaptations and value of education/child labour in the gender tools. Adaptations to climate and measures to improve children's education should address both individual households and the community as a whole.

2. Encourage diversification of household incomes and activities. This should help boost households' abilities to meet their daily expenditure needs so as to increase their resilience capacities since coffee sales are seasonal. This could be through the promotion of crops that promote food security like matooke and Irish potatoes or livestock farming.

3. Promote joint decision-making on proceeds from the sales of cash crops such as coffee. In addition, support women who started to buy or rent land on their own for production purposes.

4. Promote technologies and systems that save time for women, especially regarding access to clean water, fuel, and food security. Specific activities could be promotion of cleaner and more efficient cook stoves to reduce time spent collecting firewood, technologies that add value or process agricultural products, solar water pumps and rainwater harvesting tanks to increase water access, promotion of solar lamps which save money spent on paraffin and are safer for children and family members.

5. Ensure group trainings target and reach out to both husbands and wives. This can be enhanced by actively recruiting more women as farmer trainers, ensuring that the executives of the group have women in leadership, including women in all demo/model farm activities, sensitizing men on the benefits of women from their household attending trainings, soliciting input from women and selecting training times that take into account women's time and work burdens, and training and mentoring women in entrepreneurial skills that interest them and benefit their livelihood, within and outside the coffee market system.

6. Partner with a local NGO in the area to work on community level awareness raising against child labour, women empowerment, education, gender-based violence and reproductive health issues. We found Mariestopes and another NGO called TASPS working in the Subcounty. There is need to check if they could be potential partners for the project.

7. From the onset, partner with local public schools and collaborate with the Subcounty local government, to raise awareness on child labour.

8. Integrate climate change resilience in the trainings and farm support services and ensure these trainings are gender responsive as well as targeting both female and male farmers as they are affected differently by climate change. Most urgent are floods and landslides due to erosion, as well as new diseases. Measures to reduce these effects should be further studied and be based on measures that are already being taken.

9. Ensure that climate change awareness is raised at both household and community level, because apart from individual households, a watershed or landscape approach will be needed. This could imply that vulnerable and steep slopes need to be protected and can serve as a community forest. To do so, it is recommended to establish linkages with the Participatory Integrated Planning (PIP) approach implemented in Bududa, as this is a structured approach to integrate environmental and climate issues into household and community-based planning, and is also gender sensitive in its approach.

10. Set gender specific targets for all staff working with farmers to reduce gender gaps. In KCL, this category of staff may include cluster managers to gender officers and TCAs. This means their performance will be evaluated on how well these targets are met. These responsibilities can be then transferred to change agents, VSLAs as well as farmer group leaders. This will enhance the vigilance of implementers in identifying the gender gaps and addressing them.

11. Include indicators and targets to assess women empowerment, women access to productive resources, child labour mitigation and climate change resilience. These issues need to be addressed at both individual household and community level. Data collection for monitoring must also be sex-disaggregated.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

This project is centered on private sector engagement: Nespresso SA sources coffee from the project areas in Uganda and the DRC, and as part of its sustainable sourcing program, provides technical advisory services (including agronomic support) to the farmers and farmer groups through experienced local partners. Nespresso SA also pays a premium for the coffee it sources and also creates consumer awareness about the origins of its coffees. By continuously partnering with the same farmers overtime, these benefit by having a stable market access and allows household incomes to stabilize over the longer term. At the same time the farmer receives tailored agronomic and economic development support to further increase their volumes of high quality coffees that they then are able to sell at a higher price. In its sourcing programs, including regular monitoring, Nespresso promotes regenerative agriculture, biodiversity, climate smart agriculture and seeks to support women's economic empowerment.

Furthermore, the project also creates meaningful opportunities for local private sector groups that play an intermediation and support role in the value chain. For example, coffee washing station operators, plant nursery operators, local cooperatives and farmers groups and local aggregators. Through this program, Nespresso will also support the development of new Village Savings and Loans Associations (VSLAs) in Uganda.

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

The table below summarizes key external risks and accompanying risk management measures that may affect this project. The project has been developed with local partners who have experience in the project areas, and existing relations with the farming communities. This was essential in further refining the project during the project preparation phase. Nespresso has experience of working in similarly volatile sourcing areas (e.g., South Sudan, Zimbabwe), and is well equipped to assess and deal with the potential risks mentioned below. Certain risks are proactively addressed through the project, notably climate change impacts, coffee production, and gender based violence.

Risk	Potential Manifestation	Potential Impact	Mitigants
Increased climate change impact	Effects of climate change are immediate and effects the livelihoods of farmers significantly	Medium	Allow for flexibility for adaptation of tools during the implementation and making sure that the intervention is well contextualized from the beginning.
Coffee production issues, e.g., on pest or disease	Coffee production is reduced or impacted in the short to medium term (quality and quantity)	Medium	Promote good agricultural practices on the farm to ensure production resilience, source from a range of farmers in the landscape, on-going support to address challenge in the short term.
Social and political instability including the security situation	Outbreak of political/ social movement, for example after elections that could hinder the project implementation	Medium for DRC. Low for Uganda	Close monitoring of in-country changes and regular exchange with local partners, who have a long-standing experience in operating in the countries

Coffee price volatility	Coffee prices significantly increase or decrease in prices, leading to increased side selling or reduced demand	Low	Nespresso pays a premium compared to other coffee buyers. Nespresso has a strong brand and market.
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Risks and opportunities related to COVID-19: The current pandemic is still on-going in both sites for this project and is closely monitored. Both local partners have field operations and teams. Early on in the COVID pandemic both partners reacted promptly and took proactive steps to follow governmental and international rules and regulations. They have integrated these into their operational working modalities and project structures. Potential issues that might arise, will be assessed and evaluated. Note that while coffee exports depend on international logistics, the relatively non-perishable nature of the product means that it was not so affected by international logistics issues. Furthermore, Nespresso's unique market position and customer reach provide a buffer against international market prices and demand. The contribution of this project to creating sustainable, climate smart livelihoods in rural areas remains unchanged or slightly enhanced due to COVID.

DRC context: TechnoServe's approach to engage community-based farmer trainers and placement of Business Advisory and Agronomy staff in rural locations have allowed them to provide continuous support to rural producers and washing stations since the onset of the COVID-19 pandemic. South Kivu specialty coffee has grown in terms of the number of actors in the sector, volume of coffee produced, value of coffee produced, and percentage of export price paid to producers since the onset of the pandemic. TechnoServe plans to introduce a small satellite office in Minova that can support logistics such as printing lesson plans and purchasing hygiene materials for training sessions that can sometimes be delayed when the Bukavu office is shut down for COVID-19 related confinements. TechnoServe has introduced simple COVID-19 messages at the beginning of their monthly Coffee Farm College Trainings and has introduced information on COVID-19 awareness to Coffee washing station clients. During premium payment events in the community producers are organized into reasonable groups, payment times are staggered across multiple days and producers are required by cooperatives to wear masks. TechnoServe's future programs also envision work with partners involved in Health and Water Sanitation, allowing producers better access to water and health services. While certain activities have been adapted, the potential 'sustainable economy' contributions this project creates remains enhanced or unchanged.

In the South Kivu area, poverty levels are high and immediate socio-economic needs must be addressed at the same time as long-term adaptation measures introduced. While the environmental changes expected by climate change are not expected to be as severe as in other parts of sub-Saharan Africa, worsening political, social and economic issues are a challenge and are likely to have additional outsize negative impacts on women. This GEF-funded project supports additional training and expertise development for farmers on topics that do not take place in Nespresso's current activities. This GEF-supported project can

thus leverage Nespresso and its partners work in the region to help farmers in South Kivu acquire the skills and resources they need to benefit from the premium coffee market, i.e., leverage Nespresso's commitment and this GEF project to enact a green recovery, and address critical household needs notably on food security.

This project will contribute directly to efforts to 'build back better' through environmental and socio-economic interventions. This will occur through Nespresso's long-term commitment to purchase high-quality coffees from the area, provide initial farmer agronomic training complemented by regular up-date trainings, and accompanying support on key inputs such as seedlings. Nespresso also pays a premium to farmers, providing them with a source of income that values regenerative agricultural practices and high quality internationally recognized coffees. Investment in a local premium coffee value chain will also create other long-term economic opportunities, e.g., in operating washing stations and nursery management. Furthermore, the training provided by this project helps local communities to learn about, and practice, improved household nutrition strategies, which have long-term health and resilience impacts. This project is an opportunity to transition from business-as-usual degrading farming practices and limited economic opportunities. In the business-as-usual case, it is expected that landscape degradation and livelihood precariousness will continue or be exacerbated. This project creates a realisable pathway to enact transformational change, by leveraging a premium coffee value chain.

Uganda context: The Government of Uganda has taken the Covid pandemic very seriously from the start and implemented strong measures, including a full lock-down for 3.5 months; border and airport closures for 6 months; self-quarantine and PCR test requirements for travelers once borders opened, a curfew (still in place); full closure of schools for 8 months (gradually re-opened in 2021), public transport still operating at 50% capacity; mandatory temperature checks and face masks in all public building etc. As a result, the pandemic hit Uganda a lot less hard than other countries. There was a small peak in Dec 2020, but current rates of infections are very low (< 30 positive tests per day; < 1% of tests positive) and life is more or less back to normal. So COVID risk levels in Uganda have been and still are very low. Even though infection rates are low, the Government is already discussing possible strategies to prevent the spread of new variants. Vaccination has started, albeit at a very low rate. The project will only be at risk if the Government would impose a very long lock-down that would stop all field work. The project has followed local and international rules and best practice and as such no opportunities have been identified to 'build back better' as there was no 'break downs' in the operational structure. In the project there is already an unprecedented environmental and social impact focus, which we believe contributes to long term resilience.

Environmental change is already occurring in the Mount Elgon area. While many of the interventions are known, the pace at which these projects can enact change is arguably not fast enough. Community members need to see more immediate economic benefits to speed the pace of implementation of adaptation interventions. Through this participatory program, which creates opportunities for women, youth and men,

this GEF-supported project can speed up the rate of implementation of adaptation interventions, thus contributing to a green recovery.

Specifically, this project will contribute to efforts to 'build back better' by leveraging Nespresso and KCL's presence to introduce new income opportunities to local farmers, notably ones that promote restoration and conservation, gender equality and household income diversification. This GEF-funded project supports additional training, expertise development and introduction of new activities to rural households, which is currently not present in Nespresso's supplier program. As with the DRC project, Nespresso's long-term sourcing commitment will ensure that farmers see short and long-term benefits from engaging in the project, including through selling coffee at a premium into the Nespresso supply chain, and from the associated activities that this project introduces notably through the creation of VSLAs, landscape restoration in riparian areas, nursery development, farmer training (including coffee youth teams) and fuel-efficient cook stoves. This project is an opportunity to transition from business-as-usual degrading farming practices that prioritise short-term benefits and exacerbate climate vulnerability. In the business-as-usual case, it is expected that landscape degradation, including climate-related risks from landslides and erosion, will continue or be exacerbated. This project creates practical opportunities to build back better by addressing the needs of farmers, rural households and the environment in the local area, in partnership with private sector groups who have a long-term commitment to the landscape.

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

The revised text from the Project Document (Pro Doc) is provided below:

The Nespresso AAA team based in Switzerland and the origin teams coordinate and manages sourcing, including associated quality and sustainability programs, including these two projects. All AAA clusters and partners are assessed on an annual basis by Nespresso's procurement, quality and sustainability departments. There is a continuous monitoring by the AAA country managers to ensure that AAA is implemented correctly in the origins. For this, Nespresso establishes with the respective partners partnership frameworks or similar formal agreements to ensure that there is clarity on roles and responsibilities (this is referred to as the AAA Nespresso Shared Commitment). Local partners are responsible for reporting on the implementation of the AAA Sustainable Quality program and related programs (including this one), these will be monitored and verified by Nespresso. Certain AAA activities and outcomes may also be further independently checked. Nespresso wants to ensure to be able to generate the highest possible impact for farmers and create measurable change within its sourcing landscapes.

In its work with local implementing and sourcing partners, Nespresso requires adherence to the Nestlé sustainable sourcing policies and procedures. These need to be accepted by any partner working together with Nespresso and are closely monitored. Additionally, Nespresso requires the partners' commitment through the AAA Shared Commitment. Nespresso assigns staff from its sustainability department (AAA team) to monitor local sourcing and sustainability projects on a regular basis. This is done through regular check-ins with the partners and using key tools in the origin. The key assessment tool of the AAA program is the Nespresso's 'Tool for the Assessment of Sustainable Quality'™ (TASQ™), which sets the guidelines to evaluate farms and coffee wet mills participating in the Nespresso AAA Sustainable Quality™ program and identify the cluster needs towards continuous improvement. The tool is composed of a large set of criteria gathering information on farms and wet mills and serves to inform compliance (or non-compliance). There are 3 categories that are considered in this tool: Quality, Social and environmental and

Farm economics, and below this several categories of criteria (pre-requisites ? i.e., zero tolerance towards specific criteria, ?core? criteria ? i.e., pushing towards strategic compliance in 3 years timeframe and ?advanced? ? additional practices and performance indicators. Pre-requisite criteria include bans on forced labour, child labour, as well as harassment and abuse. In addition to TASQ, Nespresso requires registration of key information in its data system, ?FARMS? as well as full physical and financial traceability of the coffee sourced

The Uganda project is managed by Kyagalanyi coffee Ltd. This company has a long track record of operating in the Ugandan coffee sector and has a highly experienced local team. Kyagalanyi [KCL] is Volcafe?s origin operation in Uganda and the oldest exporter in the country. KCL is the largest exporter of Ugandan washed and unwashed Arabicas. The company is heavily investing in Uganda?s coffee infrastructure and people. KCL?s quality-oriented business strategy seeks to lift up the entire coffee sector and improve the quality perception of Ugandan Arabica coffee around the globe. Across the country, KCL employs over 100 agronomists that assist over 26,000 coffee farming households. The Kyagalanyi sustainability team will be responsible for the implementation of all project activities in the new Bumbo AAA cluster in Mt. Elgon, whereas its production & trade teams are responsible for buying the coffee from the farmers and selling it Nespresso. KCL will also be responsible for reporting on this project. Nespresso has a long-standing relationship with Volcafe and Kyagalanyi.

In the context of the DRC, Nespresso has a partnership with TechnoServe on this program. The coffee produced by the farmers in DRC is bought by Olam, the international trading company, which sells it to Nespresso. Both parties are responsible for reporting to Nespresso on the project?s activities and outcomes. TechnoServe is an international non-profit that promotes business solutions to poverty in the developing world by linking people to information, capital and markets. TechnoServe works with public and private sector partners to facilitate systemic change in markets to benefit smallholder farmers and small and medium-sized businesses. TechnoServe was founded in 1968 to harness the promise of emerging technologies to develop business solutions to poverty, which is the driving force behind our mission. In 2017 alone, TechnoServe assisted more than 461,000 farmers (of whom 37% are women) to increase their incomes, supported businesses that created 11,000 new jobs and generating incremental revenues and wages of \$189 million. Overall, these income sources benefited 2.3 million men, women, and children.

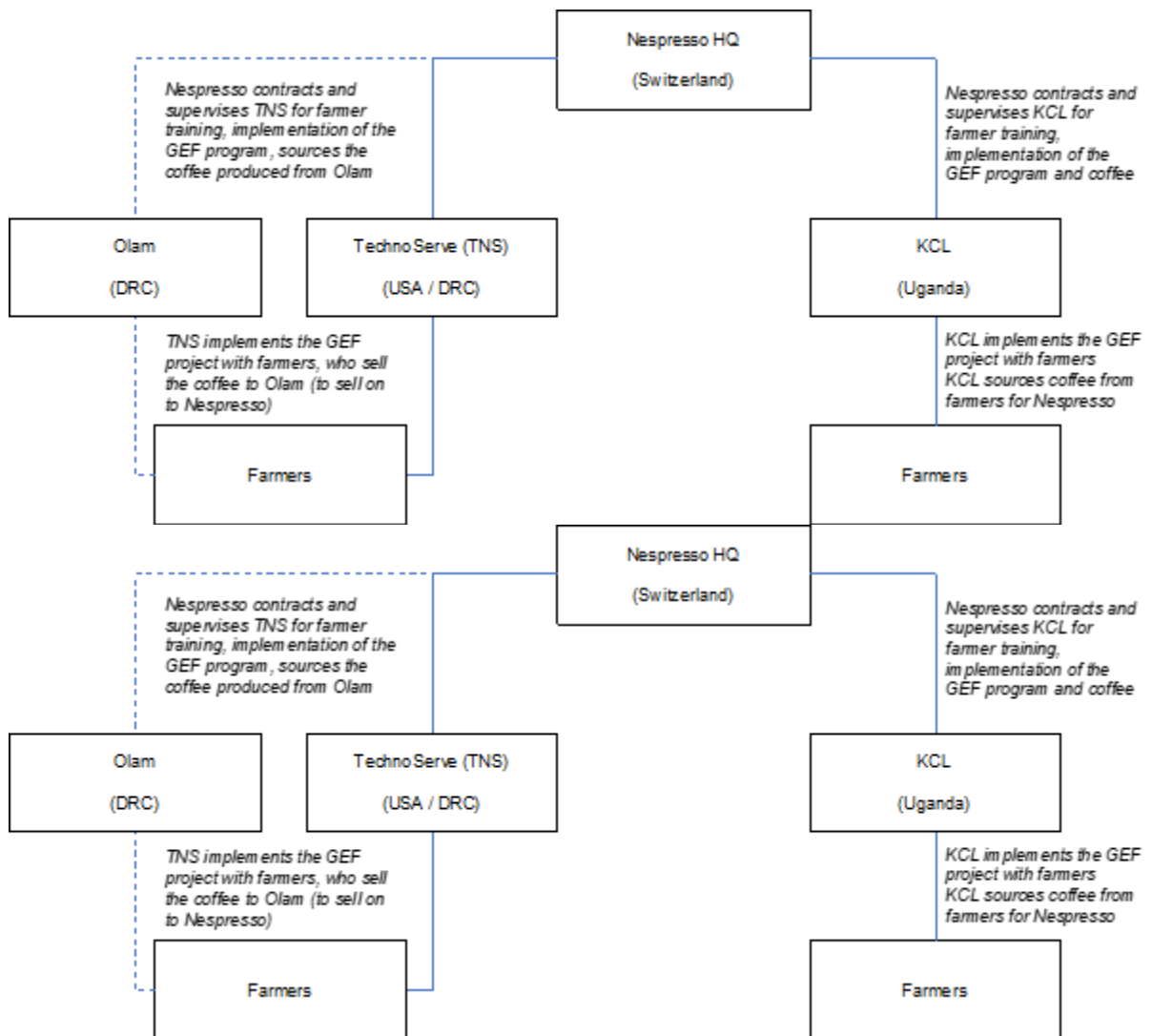
Each project partner, i.e. TNS and KCL have appropriate grievance processes in place. In addition, Nespresso requires all partners to adhere to its sourcing requirements and standards. Through the ongoing monitoring Nespresso ensures to the project that any issue that could arise is dealt with in a timely and correct manner.

? DRC: TNS is currently reviewing its local grievance mechanism to ensure compliance with best practice. TNS and Nespresso expects that a formal grievance process will be implemented prior to the start of the project. Note that TNS has an existing (global) grievance mechanism, implemented through EthicsPoint.

? Uganda: Being Rainforest Alliance certified, KCL has a fully developed grievance mechanism and complaint procedure; an Assess and Address system; a Non-compliance procedure for farmers; and a Conflict of Interest procedure. These are documented in section 6.4 to 6.7 of the Internal Management System of the Mt. Elgon Washed Arabica Scheme. The grievance mechanism is described in Annex 1.1.

Terms of Reference for the Project Management Units (PMU) and the Steering Committee have been provided (Attachment 15: 15-GEF Institutional arrangements). The PMU will consist of the Nespresso coordinator and deputy coordinator, based out of the Nespresso Headquarters in Switzerland. The PMU will also contain the Uganda and DRC project lead. The PMU will have day-to-day responsibility for managing the project. The Steering Committee will provide strategic input and ensure accountability. The Steering Committee will consist of senior staff members from Nespresso, KCL and TNS. While some of the PMUs may participate in the Steering Committee, other colleagues from those organisations will also participate. The PMU will report to the Steering Committee two times per year.

Figure 5 below illustrates the project coordination and management.



Regional Decision making and planning (if relevant)

These projects do not explicitly contribute to regional decision making and planning. Nespresso and its partners intend to circulate knowledge materials on these projects to regional stakeholders. If relevant forums occur, Nespresso or its partners may present this project to contribute to regional decision making and planning.

National decision making and planning

These projects do not explicitly contribute to national decision making and planning. However, the activities of this project may be relevant given the background description provided in Section 3. Thus, Nespresso and its partners intend to circulate knowledge materials on these projects to national stakeholders and may present this project to contribute to national decision making and planning as and when opportunities occur, and where relevant.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

- National Action Plan for Adaptation (NAPA) under LDCF/UNFCCC
- National Action Program (NAP) under UNCCD
- ASGM NAP (Artisanal and Small-scale Gold Mining) under Mercury
- Minamata Initial Assessment (MIA) under Minamata Convention
- National Biodiversity Strategies and Action Plan (NBSAP) under UNCBD
- National Communications (NC) under UNFCCC
- Technology Needs Assessment (TNA) under UNFCCC
- National Capacity Self-Assessment (NCSA) under UNCBD, UNFCCC, UNCCD
- National Implementation Plan (NIP) under POPs
- Poverty Reduction Strategy Paper (PRSP)
- National Portfolio Formulation Exercise (NPFE) under GEFSEC
- Biennial Update Report (BUR) under UNFCCC
- Others

This project will be implemented in the DRC and Uganda. The consistency with each relevant national strategy and priority is described below. Note that through the knowledge sharing work, the project will seek to ensure effective communication with relevant national agencies, included dedicated agencies working on coffee.

UN CBD National Bio Strategy Action Plan (NBSAP) and National Report: According to the UN CBD website, the most recent NBSAP and National Report for the DRC were published in 2016 and 2014 respectively. Uganda published its NBSAP in 2015 and its Fifth National Report in 2014. While the project aligns generally with these documents in that it promotes sustainable land management, including more agro-biodiversity on farms, it does not have a specific link to species conservation. In both sourcing locations, the project intends to promote the use of indigenous varieties, for shade trees, woodlots and income diversification (including to meet own household consumption). The project has less relevance for the Nagoya and Cartagena protocols.

UNFCCC National Communications (NC), National Determined Contribution (NDC) and Technology Needs Assessment and National Adaptation Programme of Action (NAPA): The DRC published its Third National Communication in 2015. It published its NDC in 2000 and its first technology needs assessment

in 2004. Uganda published its Second National Communication in 2014 and its NDC in 2015. Its Technology Needs Assessment was published in 2006. Agriculture is listed as a significant contributor to national GHG emissions in both countries. Thus, promoting agricultural systems that retain forests and help to sustainably intensify agriculture is critical. Agriculture is also noted as a sector where climate adaptation and resilience investments must urgently be made in both countries, as adverse effects are already beginning to manifest, in particular in vulnerable rural communities. Agriculture in both countries is a relatively low-tech sector, where access to appropriate varieties and agronomic support were highlighted, including supporting conversion to organic and regenerative farming approaches.

Both the DRC and Uganda have prepared NAPAs under the UNFCCC. For the DRC, agriculture is highlighted as a priority sector, in particular supporting the adaptation to climate change and promoting resilience among farmers ? given that it is the main source of livelihoods for the majority of the population. In Uganda, most of the focus areas of the NAPA are relevant for this project, and include land and land use, farm forestry, water resources, and to a lesser extent, infrastructure (e.g., coffee washing stations). Community tree growing in areas that are prone to landslides (and erosion) and adaptation to drought are recommended for prioritization by the Government of Uganda. Technical barriers, which this project may help to address include inadequate technical capacity and inadequate financial resources. In summary, this project is relevant for the NAPAs in both countries.

UNCCD Reporting: The DRC has a voluntary LDN target to restore 100% degraded lands by 2030. A specific target related to this is the restoration of 8 million hectares of degraded forest landscapes and to improve productivity of agricultural lands. Agroforestry systems that promote restoration, e.g., regenerative agricultural practices such as for coffee production, can help the DRC to meet these targets. Uganda has also made voluntary commitments to the UNCCD, these include priority focus on Water Management Zones (WMZs), i.e., highlands and water bodies that are important natural assets of the country. Note that coffee is an important crop in these regions. The Government of Uganda has set a voluntary target of land degradation neutrality to be achieved by 2030, 21% tree cover increase by that year, a reduction of 50% in areas of declining or stressed land productivity and improvements in Soil Organic Carbon (SOC). This project is there well aligned with Uganda's UNCCD targets.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

Lessons generated by the overall AAA Sustainable Quality program and the respective projects are collected and assessed regularly. The learnings collected from these two projects ? notably on climate adaptation, resilience and gender - will be communicated internally to ensure cross learning among the different interventions in the different origins. Results from the projects in origin will also help to further strengthen the business case and allow Nespresso to expand its partnerships and impact. One of main goals under this project is to design and implement the climate resilience and adaptation more strongly in its global sourcing program. This will allow Nespresso to integrate the practices in the global approach so that

these can be used in other projects within the broader AAA Sustainable Quality? Program through which Nespresso sources its coffee.

Furthermore, the learnings will be shared with the global community via a range of channels such as:

- In pre-competitive sector meetings and events (e.g., local workshops)
- Development of learning material on the approach and best practices (e.g., short reports)
- Partner successes via online articles and other written documentation
- Impact stories from the origins and changes made will be shared with costumers via marketing by Nespresso

The key deliverables are 2 reports (one from each origin), which will be disseminated and made public. These reports will be developed in the last 6 months of the project, and published when the project has been completed. These reports are intended to demonstrate to Nestl?-Nespresso and other companies how consumer facing goods companies can integrate climate resilience in their sourcing activities, and contribute to sustainable economic empowerment of supplier communities, notably for rural women in LDCs.

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- Partner successes via online articles and other written documentation
- Impact stories from the origins and changes made will be shared with costumers via marketing by Nespresso

The key deliverables are 2 reports (one from each origin), which will be disseminated and made public. These reports will be developed in the last 6 months of the project, and published when the project has been completed. These reports are intended to demonstrate to Nestl?-Nespresso and other companies how

consumer facing goods companies can integrate climate resilience in their sourcing activities, and contribute to sustainable economic empowerment of supplier communities, notably for rural women in LDCs.

Specifically, the project plans the delivery of the following knowledge management and communication products:

- A case study on the DRC project, describing the project and in particular focus on learnings and insights that can be scaled and replicated. This will be delivered in the first half of 2023 and be accompanied by a webinar.
- A case study on the Uganda project, describing the project and in particular focus on the learnings and insights that can be scaled and replicated. This will be delivered in the second half of 2023 and be accompanied by a webinar.

The budget for the knowledge management and sharing component (component 3) is USD 21,813 for the DRC and USD 40,000 for Uganda.

9. Monitoring and Evaluation

Describe the budgeted M and E plan

The M&E plan stems from the workplans and budgets (Annex 4 and 5 to the Project Document respectively). The workplans (Annex 4 to the Project Document) summarise the different activities that will take place, and their expected timing. The budgets (Annex 5 to the Project Documents) summarise the costs of different activities.

M&E activity	Frequency	Responsible	Budget (GEF funded)
Uganda Farmers trained Demo plots & model farms Community meetings Nurseries Trees & area planted VSLAs Studies	Annual, end of project	KCL	USD 600,000

DRC	Annual, end of project	TechnoServe	USD 582,353
Farmers trained (AAA Academy)			
Demo plots			
Nursery training, farmers given seedlings			
Farmers trained (AAA Plus program)			
Farmers trained on gender & financial literacy			
Knowledge product			

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCAF/SCCF)?

This project is aligned with both Uganda and the DRC's national development and climate change-related strategies and priorities. Both the DRC and Uganda have submitted National Adaptation Programmes of Action (NAPA) under the UNFCCC, where agriculture is listed as key sectors. In particular, creating sustainable rural economic development opportunities is prioritized in both countries, as is access to appropriate varieties (including indigenous varieties), agronomic services (training) and promotion of farm-level agroforestry is noted as important. In Uganda, erosion control and farm forestry is noted in the NAPA as an issue that this project helps to address. Both countries also have plans under the UN CBD and UNCCD that are relevant to this project.

While there are relevant government and development-funded programs being developed in both the DRC and Uganda, both countries have a substantial funding gap with respect to investments in agriculture. The funding gap for DRC to achieve their National Agriculture Investment Plan in the period 2013 to 2020 is over USD 3.6 billion.^[1]² This may be larger when considered in the light of investments to improve climate resilience, and to protect and generate global environmental benefits. For Uganda, the funding gap is also substantial.^[2]³ It is clear that while government and development funds remain critically important, the private sector must also be stimulated in order to meet social and environmental funding needs. The baseline projects described above rely in part on such private sector investment being forthcoming. This project helps to connect the baseline projects to a longer-term mobilization of investment in the landscapes in support of climate smart coffee farming, and ecosystem-based adaptation, through the engagement of Nespresso and its partners. Furthermore, this project addresses climate adaptation priorities identified by both Governments.

[1] <https://www.abghq.com/downloads/DRC.pdf>

[2] <https://www.nepad.org/caadp/countries/uganda>

The components in the DRC and Uganda have been developed to meet local needs, and are based on local stakeholder engagements. The project will create new economic opportunities for farmers in vulnerable rural areas, i.e. for them to sell part of their production into a premium value chain that supports, assesses and rewards environmental stewardship for the long-term. The project also creates opportunities for participating households to meet their household energy and food needs, e.g. through supporting farm forestry with indigenous tree species (wood lots, nurseries) by providing tailored technical advice and access to seedlings. Furthermore, the project acknowledges that women are particularly vulnerable to the impacts of climate change, and environmental degradation more generally. The project has targets for women's participation, includes modules to promote gender sensitization, and opportunities that can enable women's economic empowerment (e.g. Village Savings and Loans in Uganda, household nutrition programs in the DRC). This project will directly benefit 4,200 farming households across the two countries.

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification *

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate			

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

The social and in particular the environmental impacts are expected to be largely positive, mainly due to the existence of the Nespresso AAA Sustainable Quality program. Notwithstanding some social risks have been identified; it is noted that some of these risks are more related to the context than to the actual project activities. However, they might still need to be monitored as explained in the above ESMS Reviewer column. For some risks mitigation measures are required and need to be included in the ESMP.

It is acknowledged that the travel restrictions imposed as response to COVID 19 affected the ability of the project design team to carry out extensive consultations with local communities to ascertain the presence (or not) of indigenous peoples in all project sites. Based on limited extent of consultation the working assumption is that there are no indigenous communities in the project site in Uganda (Bumbo, Namisindwa district). In the DRC the project site (Minova, Kalehe Territory of South Kivu) there is some presence of indigenous Batwa people. However, the project sites are not their traditional territory as they migrated from the highlands to the area for economic reasons. As such, they don't have historical claims to land in the project site. In light of the project's narrow scope on coffee production system and the voluntary nature of the services offered (e.g. training, agronomic services and market access), it is considered unlikely that project activities poses risks to these groups. Notwithstanding, further consultation is required to ascertain the judgment. This should be done as part of a rapid social analysis to be scheduled for the project's inception phase, for Uganda and DRC. This will provide an accurate picture of the presence of IP in each of the villages; in sites/villages where IP are present, consultations should be held with indigenous people's representatives. In case risks from project activities are identified mitigation measures need to be developed with the affected groups and in consideration of the project's scope. These could focus around training and agronomic support, including where IP cultivate coffee in a sharecropping relationship; other options are linking them to cooperatives and washing stations where they could supply/sell coffee cherries. In DRC opportunities linked to the kitchen gardens could be sought, where considered culturally appropriate and as agreed by the indigenous communities.

Impacts on biodiversity conservation and sustainable use of natural resources are expected to be overall very positive; the following risk issues have been identified: (i) risk of invasive species being introduced as part of the reforestation which is expected to be readily addressed through the development of a species guidance protocol (included in the ESMP); (ii) risks related to the use of biocides/pesticides in Uganda are considered well controlled through the requirements of the AAA Quality Programme; (iii) risk of market opportunities leading to expansion of coffee cultivation areas into areas of high biodiversity value or high conservation value forests ? considered adequately addressed by the AAA quality program through regular monitoring and its focuses increasing productivity to avoid area expansion.

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
esms_esmp_PO3474_nespresso GEF 7	CEO Endorsement ESS	
esms screening and clearance_PO3474_Nespresso GEF 7_APPROVED	CEO Endorsement ESS	
8-Annex 8_Climate Risk Assessment tool	CEO Endorsement ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Project Components	Project Outcomes	Project Outputs
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Component 1:

Resilient agricultural livelihoods

Outcome 1:

Increased climate resilience of coffee farming households in DRC and Uganda

Output 1.1.:

Coffee farming households are equipped with the skills and knowledge to apply regenerative, climate resilient, agriculture practices

Target 1.1.:

- ? In DRC : 2,000 coffee farming households are trained (at least 40% women)
- ? In Uganda : 2,200 coffee farming households are trained (at least 40% women)

Output 1.2:

Demonstration (demo) plots and model farms are implemented throughout the landscapes to promote climate resilient coffee production

Target 1.2:

- ? In DRC, 80 demo plots will be established
- ? In Uganda, 88 demo plots and 9 model farms will be established

Output 1.3:

Farming households have the skills, knowledge and access to seedlings and equipment to improve land cover and promote reforestation on smallholder coffee farms and surrounding landscapes

Target 1.3:

- ? In DRC: 2,000 coffee farming households receive training on nurseries for indigenous shade trees, including access to shade tree seedlings (including for on-farm woodlots to complement incomes)
- ? In DRC: 1,500 coffee farming households are provided a refresher course on shade tree management to complement an existing training
- ? In Uganda: reforestation of 150 acres in critical areas in the landscape, e.g. as buffer zones along rivers

<p>Component 2:</p> <p>Equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach</p>	<p>Outcome 2.1:</p> <p>Enhanced capacity of women in the coffee supply chain to translate their participation into economic empowerment</p> <p>Target 2.1:</p> <p>Coffee farming households are trained (3,500 in DRC, 1,760 in Uganda) on gender issues and have increased access to technical and financial resources to achieve gender empowerment (including that 88 Village Savings and Loans Associations are established in Uganda)</p> <p>Outcome 2.2:</p> <p>Direct access to the coffee supply chain through the AAA Sustainable Quality program supporting coffee farmers with the commitment for long term sourcing intention</p> <p>Target 2.2:</p> <p>4,200 farmers are part of the AAA program (2,000 in DRC and 2,200 farmers in Uganda)</p>	<p>Output 2.1.1 :</p> <p>Women and men are trained so that they have the knowledge, skills and resources to enhance their economic resilience in coffee farming landscapes</p> <p>Target 2.1.1.:</p> <ul style="list-style-type: none"> ? Women and men from 3,500 coffee farming households (target 40% women) participate in training programs that includes modules focused on gender equality in the coffee chain in DRC ? In Uganda: 88 Village Savings and Loans Associations (VSLAs) are established with a focus on women's economic empowerment including an incentivisation mechanism for the best performing VSLAs ? In Uganda: 1,760 households participate in a gender program and use gender tools <p>Output 2.2.1:</p> <p>Women and men have increased their knowledge, skills and resources to enhance their economic resilience in coffee farming landscapes</p> <p>Target 2.2.1:</p> <ul style="list-style-type: none"> ? 2,000 farmers in DRC project area are part of the Nespresso supply chain ? 2,200 farmers in Uganda project area are part of the Nespresso supply chain
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<p>Component 3 :</p> <p>Knowledge sharing</p>	<p>Outcome 3.1 :</p> <p>Information and learnings from the projects are shared to inform other programs and initiatives by relevant stakeholders</p> <p>Target 3.1 :</p> <p>Two knowledge products (case studies) and one public event to share information about the project and its experiences</p>	<p>Output 3.1.1 :</p> <p>Knowledge products are developed and shared</p> <p>Target 3.1.1:</p> <p>1 case study on the DRC project 1 case study on the Uganda project Participation in 1 relevant international event</p>
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ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

ANNEX C: Status of Utilization of Project Preparation Grant (PPG). (Provide detailed funding amount of the PPG activities financing status in the table below:

Budget line	Budget	Actual- December 2020	Jan to March 2021	Balance
Staff time	4,128.00	2,049.55	2,125.46	- 47.01
Consultancy	45,870.00	25,848.24		20,021.76
	49,998.00	27,897.79	2,125.46	19,974.75
Income received	50,000.00			
Expenditure	30,023.25			
Balance	19,976.75			

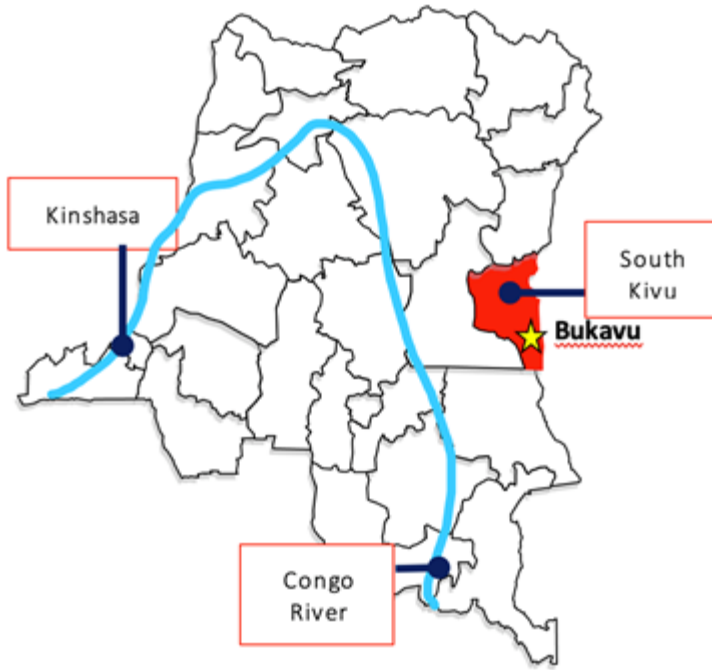
Budget line	Budget	Actual- December 2020	Jan to March 2021	Balance
Staff time	4,128.00	2,049.55	2,125.46	- 47.01
Consultancy	45,870.00	25,848.24		20,021.76
	49,998.00	27,897.79	2,125.46	19,974.75
Income received	50,000.00			
Expenditure	30,023.25			
Balance	19,976.75			

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.

Project map: Democratic Republic of Congo

The project area is marked in red, in the region of South Kivu.



Project map: Uganda

The project area is marked by a yellow circle, in the region of Mt. Elgon



ANNEX E: Project Budget Table

Please attach a project budget table.

Uganda budget Mount Elgon				
Implementing partner: Kyagalanyi				
	Year 1 Sept 2021 - August 2022	Year 2 Sept 2022 - August 2023	Year 3 Sept 2023 - August 2024	Total
Component 1: Resilient Agricultural Livelihoods				\$ 691,423
Staff				
AAA agronomists	\$ 16,746	\$ 17,424	\$ 17,864	\$ 52,034
Sustainability management	\$ 25,000	\$ 25,000	\$ 25,000	\$ 75,000
Consultants				
Environmental consultants	\$ 25,000	\$ 25,000	\$ 25,000	\$ 75,000
Coffee youth teams	\$ 8,960	\$ 9,960	\$ 9,960	\$ 28,880
Travel				
National	\$ 12,147	\$ 8,024	\$ 8,175	\$ 28,346
Activities				
Dem o plots & model farms	\$ 8,071	\$ 6,443	\$ 6,766	\$ 21,279
Farmer training materials	\$ 20,533	\$ 20,533	\$ 7,333	\$ 48,400
AAA compliance & traceability	\$ 20,560	\$ 9,245	\$ 9,696	\$ 39,501
KCL office & operational support	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
Community meetings	\$ 3,000	\$ 2,000	\$ 2,000	\$ 7,000
Environmental tools (community & HH)	\$ 30,000	\$ 5,000	\$ -	\$ 35,000
Nurseries	\$ 13,200	\$ 7,200	\$ 7,200	\$ 27,600
shade tree planting	\$ -	\$ 27,733	\$ 13,867	\$ 41,600
Energy saving stoves	\$ 8,213	\$ 8,213	\$ 4,107	\$ 20,533
Erosion control @ HH level	\$ 13,750	\$ 13,750	\$ 13,750	\$ 41,250
Component 2: Equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach				\$ 170,525
Staff				
Gender officer	\$ 8,667	\$ 8,927	\$ 8,927	\$ 26,520
Change agents	\$ 9,200	\$ 18,400	\$ 18,400	\$ 46,000
Activities				
Gender trainings	\$ 2,480	\$ 3,200	\$ 1,440	\$ 7,120
VSLAs and gender tools	\$ 12,555	\$ 4,107	\$ 4,224	\$ 20,885
VSLA & household rewards	\$ 23,333	\$ 23,333	\$ 23,333	\$ 70,000
Component 3: Knowledge Sharing				\$ 48,445
Activities				
Studies	\$ 8,445	\$ -	\$ 40,000	\$ 48,445
TOTAL budget	\$ 319,860	\$ 293,493	\$ 297,041	\$ 910,393
GEF project financing (\$)				\$ 600,000
Agency fees (\$)				\$ 54,000
TOTAL				\$ 654,000
Contributions				
GEF contribution	210,000	200,000	190,000	600,000
KCL contribution	50,000	50,000	50,000	150,000
Nespresso contribution direct	59,860	43,493	57,041	160,393

Uganda budget Mount Elgon				
Implementing partner: Kyagalanyi				
	Year 1 Sept 2021 - August 2022	Year 2 Sept 2022 - August 2023	Year 3 Sept 2023 - August 2024	Total
Component 1: Resilient Agricultural Livelihoods				\$ 691,423

DRC budget South Kivu (Minova & Kalehe)				
Implementing partner: Technoserve				
	Year 1 Sept 2021 - August 2022		Year 2 Sept 2022 - August 2023	Total
Component 1: Resilient Agricultural Livelihoods				\$ 384,785
Staff				
<i>Agronomy Advisor, AAA Academy</i>	\$ 11,028	\$	11,580	\$ 22,608
<i>Associate Agronomy Advisor, AAA Academy</i>	\$ 10,083	\$	10,587	\$ 20,670
<i>Agronomy Advisor, AAA Academy Plus/Financial Literacy Training</i>	\$ 1,887	\$	5,790	\$ 7,677
<i>HQ/Regional/Global Support Staff</i>	\$ 86,644.55	\$	58,981.05	\$ 125,626
Consultants				
<i>Farmer Trainers - AAA Academy</i>	\$ 16,940	\$	16,170	\$ 33,110
<i>Farmer Trainers - AAA Academy Plus</i>	\$ 2,640	\$	6,237	\$ 8,877
<i>Attendance Monitoring</i>	\$ 2,990	\$	-	\$ 2,990
<i>Translation - AAA Academy & Academy Plus Materials</i>	\$ 1,650	\$	1,575	\$ 3,225
Travel				
<i>National</i>	\$ 5,650	\$	8,033	\$ 13,683
<i>International</i>	\$ 4,914	\$	2,503	\$ 7,417
Activities				
<i>Output 1.1 & 1.2: 2-year AAA Academy, 2021C & 80 Demo plots established</i>	\$ 64,163	\$	23,965	\$ 88,128
<i>Output 1.3: 3,500 coffee farming households trained on nurseries for indigenous shade trees, provided access to seedlings (incl. for on-farm woodlots to complement incomes)</i>	\$ 13,360	\$	-	\$ 13,360
<i>Output 1.4 1-year AAA Academy Plus Program, 2019C</i>	\$ 18,804	\$	18,610	\$ 37,415
Component 2: Equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach				\$ 74,685
Staff				
<i>Agronomy Advisor, AAA Academy Plus/Financial Literacy</i>	\$ -	\$	5,790	\$ 5,790
<i>TNS Gender Team Staff</i>	\$ 2,835	\$	12,532	\$ 15,367
<i>HQ/Regional/Global Support Staff</i>	\$ 12,495.85	\$	11,058.95	\$ 23,555
Consultants				
<i>Farmer Trainers - AAA Academy Plus (Gender-Related Modules)</i>	\$ -	\$	6,237	\$ 6,237
<i>Farmer Trainers - Financial Literacy</i>	\$ -	\$	693	\$ 693
<i>Translation</i>	\$ -	\$	1,575	\$ 1,575
Travel				
<i>National</i>	\$ -	\$	2,963	\$ 2,963
<i>International</i>				\$ -
Activities				
<i>Output 2.1.1 Women and men have the knowledge, skills, attitudes and resources to enhance their economic resilience in coffee farming landscapes</i>	\$ -	\$	18,515	\$ 18,515
Component 3: Knowledge Sharing				\$ 21,813
Staff				
<i>TNS Gender Team Staff</i>		\$	4,177	\$ 4,177
<i>HQ/Regional/Global Support Staff</i>	\$ 4,165	\$	3,668	\$ 7,832
Travel				
<i>International</i>	\$ -	\$	3,612	\$ 3,612
Activities				
<i>Output 3.1.1 Knowledge products are developed and shared - costs are staff time & travel</i>	\$ 3,911	\$	2,261	\$ 6,172
Total Indirects	\$ 53,738	\$	47,332	\$ 101,069
Total financing	\$ 297,900	\$	284,453.01	\$ 582,353

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ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agency is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies' capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).