**STAP SCREENING TEMPLATE**

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| **GEF ID** | **11682** |
| **Project title** | **Financing Agrochemical Reduction and Management Plus (FARM+)** |
| **Date of screen** | **November 26, 2024** |
| **STAP Panel Member** | **Miriam Diamond & Ermias Betemariam** |
| **STAP Secretariat** | **Guadalupe Duron** |

## 1. Summary of STAP's views of the project

This ambitious proposal aims to maximize the benefits of food production while strengthening the regeneration of biodiversity, soil health, production landscapes, and the protection of water resources, and mitigate climate change while minimizing harm from the use of agrochemicals. Aspects of the proposal support numerous initiatives such as UNFCCC, Global Framework on Chemicals and the Kunming-Montreal Global Biodiversity Framework. The proposal necessarily takes a systems approach to connect all these elements. It importantly includes achieving policy coherence since it is the lack of policy coherence that is a root cause of dysfunctions in the food production system. It also highlights the importance of de-risking sustainable practices and promoting investment, which is crucial for scaling climate-resilient agriculture.

The proposal also tackles financing, including the mobilization of private finance and the provision of insurance products. The proposal necessarily relies on producing and disseminating analyses to promote the adoption of evidence-based optimal practices, e.g., cost-benefit analyses to promote the best policy instruments. The proposal intends to explore mechanisms to de-risk the adoption of sustainable practices which will provide the environment to attract private sector investment. The proposal seeks to involve numerous implementing agencies and a development bank (AfDB) and proposes to further connections with private sector groups cultivated during FARM. While the proposal builds on FARM, it could be strengthened by explaining how lessons learned from FARM have been incorporated into FARM+. Climate-resilient agricultural practices are essential, but one question that should be addressed is how public and especially private financing will be promoted given the increasing potential of agricultural losses due to a changing climate.

The proposal targets governments (e.g., for improving policy coherence) and the private sector (e.g., for financing). The proposal could be improved by further engaging the private sector (e.g., the agro-food industry, pesticide producers) to reduce their promotion of perverse incentives and harmful farming practices. Specifically, the proposal aims to implement interventions to reduce the use of harmful agrochemicals, plastics and the generation of wastes, but does not include sufficient details to explain how these goals will be achieved. For example, the proposal needs to explain how POPs will be safely handled and destroyed (e.g., chlorpyrifos, DDT and lindane). An on-going, systemic problem is the shifting of the use of, in this case, HHPs, from countries that have implemented controls to countries that have not. This occurs because the HHP producers continue to produce HHPs (supply) and then need to seek alternative markets as demand decreases. The proposal should consider engaging with pesticide producers to address the issue of reducing supply to avoid this very real burden shifting, and not just address reducing demand in the countries involved through child projects. Further, the proposal needs to involve pesticide producers since they are often the source of information targeting farmers.

The proposal could be improved by providing more details on how harmful agrochemicals will be safely handled and eliminated. Additionally, it should engage agro-food industries and pesticide producers to address the root causes of harmful farming practices, ensuring that both demand-side and supply-side issues are tackled to prevent burden-shifting.

*Note to STAP screeners: a summary of STAP's view of the project (not of the project itself), covering both strengths and weaknesses.*

**STAP's assessment***

□ Concur - STAP acknowledges that the concept has scientific and technical merit
Minor - STAP has identified some scientific and technical points to be addressed in project design
□ Major - STAP has identified significant concerns to be addressed in project design

Please contact the STAP Secretariat if you would like to discuss.

**2. Project rationale, and project description – are they sound?**

See annex on STAP's screening guidelines.

1. *Systems thinking*. This proposal is based on a systems analytical approach. For example, the proposal identifies perverse subsidies and the lack of policy coherence as barriers to implementing sustainable farming practices.

2. *Baseline, barriers.* The baseline conditions of, for example, increasing insecurity of food production due to climate change, which, in turn, is impinging on consistent water supplies and soil health, is well described. The barriers discussed include policy incoherence and lack of government coordination, illegal practices (e.g., counterfit pesticides) coupled with insufficient resources to enforce existing regulations. Not discussed was the issue of land tenure rights which reduces the incentive of small farmers to protect the land they farm.

3. *Uncertain futures* were not discussed but could be useful when considering measures to mitigate possible outcomes should assumptions not be upheld and if barriers prove more stubborn than anticipated.

4. The *Theory of Change* was comprehensive by laying out logical pathways that extend from components to outputs and outcomes. Assumptions and barriers are noted for each pathway. Institutional changes are discussed in terms of strengthening the regulatory environment.

5. *Project Components*

1. Policy, regulations and enforcement. This component is aimed at promoting policy coherence by the dissemination of cost-benefit analyses to relevant government institutions. A key and pervasive issue is the lack of capacity to enforce existing, let alone new regulations. It is not clear how the project will strengthen national enforcement capacity, e.g., tackle the illegal production and trading of pesticides.

2. Finance, investment, and insurance. The proposal includes using numerous tools to analyze funds directed towards national food systems to, presumably, guide the informed redirection of funding to optimize food output and climate resilience while minimizing harm to the environment and health. Also positive is the intention to analyze the political economy and power asymmetries that affect decision-making, which is likely an important barrier to the project's goal. Another positive is in the use of de-risking instruments such as insurance products. Is it reasonable to expect the insurance industry to increase its appetite for lending to farmers and agricultural organizations by adopting risks related to climatic events? (page 25). Also, how will financial products be developed to meet the needs of women, youth and IPLCs farmers? (page 25).

3. Technical assistance and introduction of alternatives. Improving support for farmers, including crowdsourcing best practices, will be important. The proposal might better articulate measures to engage farmers, including gathering and sharing information from farmers on local best practices. Does evidence show that information can be effectively shared through social media, videos, etc.?
Very good to include field/stress testing crops and, presumably, "best" (e.g., locally realistic) farming practices.

Some areas that would benefit from better explanations:

- The proposal could be clearer on how these evidence-based best practices will be scaled up with an understanding of what scale is suitable (because of the importance of understanding local conditions).
- Plans to ensure the longevity of "high-tech" practices such as the use of drones to deliver pesticides, e.g., what happens when a drone stops functioning?

4. Improving food supply chains. Many positive initiatives are listed, and improving access to supply chain options would appear to be key to improving the sustainability of farming practices.

- The proposal should explain why 3 out of 8 child projects are not included in this output.
- How will the implementing agencies identify and/or choose among, for example, sustainable packaging options, less harmful agro-chemicals, etc.? (p30)
- How will this project promote the use of product labels as one means of making informed choices? (p30)

5. Global coordination & KM

- Very useful to develop a baseline to judge changes. Baseline(s) of what? (p 30)
- Output 5.2 sounds comprehensive but could be strengthened by describing how knowledge regarding locally-suitable and effective practices will be assembled and disseminated (p31)
- Useful to assemble private sector entities under a Programme Advisory Group (PAG), although this only pertains to the child project in Benin. Does the PAG include civil society organizations, and if not, why would they be excluded from this advisory group? (p32) Why is this Output only planned for Benin?

6. *Sectors and stakeholders,* especially agencies, have been consulted. The proposal notes consultations with civil society, women, and IPLCs. It is unclear how much engagement has occurred with agro-food industries.

7. *Contribution to GEBs.* The proposal lists a variety of GEBs such as avoided GHG emissions, safe disposal of 100,400 Mt hazardous waste containing POPs & HHPs, avoid 53 g TEQ U-POPs, restoration of 25,600 ha marine habitats and management 120,000 ha of land for climate resilience. However, the basis for some of these contributions is unclear, e.g., no mention about how U-POPs will be avoided (by not burning agro-plastics?).

8. *Policy coherence.* The proposal devotes considerable space to describing both the problem of, and proposed activities to achieve policy coherence, including mention in the risk analysis. It is positive that the proposal is set to align with countries' NBSAPs, NAPs, national climate plans, NDCs, National food system pathways, and plans under UNCCD, including land degradation neutrality and basin management plans.

9. *Alignment with current GEF investments*. This project builds on the GEF-funded FARM project, with explicit connections between the two. It also aligns with GEF programming strategies in several focal areas, multilateral environmental agreements such as the Stockholm Convention, and country and regional priorities.

*10. Knowledge management (KM).* The proposal logically builds on the FARM KM strategy. One part of KM is building the knowledge base that can be shared. FARM+ intends to use FARM program-level indicators for its monitoring and evaluation strategy (M&E) and may add additional indicators to assess the integrative aspects of FARM+. The proposal could be strengthened by discussing what has been learned from the FARM M&E results that feed into improving FARM+. The FARM indicators listed in Table 4, which will continue into FARM+, appear to be very general and subject to individual interpretation, which raises questions about their usefulness for assessing activities. The proposal

should justify the broad scope of these indicators and explain why more specific and less subjective indicators have not been proposed.

On innovation, the proposal has scope for innovation, e.g., novel farming practices to avoid the use of harmful pesticides and to promote climate adaptation. The proposal discussed knowledge gathering to promote innovation, but this aspect appears weak.

On risk, the proposal rightly identifies climate as a substantial risk and that the program aims to improve climate adaptation. However, the risk analysis should address how climate could affect the financial instruments, e.g., insurance. Financial instruments are valuable mechanisms for addressing climate challenges; however, it is equally important to consider the potential impacts of climate risks on these instruments, particularly insurance products. The proposal would benefit from a clearer analysis of how extreme weather events or shifting climate patterns could affect the proposed financial mechanisms, such as increasing premiums or reducing coverage availability. Understanding these risks will help ensure the sustainability and effectiveness of the financial instruments in the face of a changing climate.

*Note: provide a general appraisal, asking whether relevant screening guideline questions have been addressed adequately – not all the questions will be relevant to all proposals; no need to comment on every question, only those needing more attention, noting any done very well, but ensure that all are considered. Comments should be helpful, evaluative, and qualitative, rather than yes/no.*

**3. Specific points to be addressed, and suggestions**

Below, STAP provides suggestions on how to improve the project, in addition to addressing the points raised in Section 2 above:

- Indicator 9.1 Solid and liquid POPs removed or disposed of. In this case, it's legacy organochlorine pesticides. The proposal needs to describe how these POPs will be removed or disposed of.
- Explanations are needed to support statements, such as how this project will
    - support “reverse logistics and supply chains to enable recovery of materials and products for reuse”, “regenerative design of products and materials, which are green and safe” (p56)
    - “enable the transition to decarbonized power systems” (p57)
- The proposal could be improved by providing more details on how harmful agrochemicals will be safely handled and eliminated. Additionally, it should engage agro-food industries and pesticide producers to address the root causes of harmful farming practices, ensuring that both demand and supply side issues are tackled to prevent burden-shifting.
- The proposal lacks a clear explanation of the lessons learned from the previous FARM project and how these insights will be incorporated into FARM+. This is a critical omission, as understanding past successes and failures will help refine strategies and improve the likelihood of success in FARM+.
- The proposal does not adequately address land governance, including land tenure, a fundamental barrier to ensuring that smallholder farmers have the necessary incentives to adopt long-term sustainable practices. It is important that the proposal explicitly outlines how it plans to secure land tenure for small farmers and ensure their active participation in climate-resilient practices and environmental sustainability efforts. Addressing these issues will be essential to the long-term success and impact of the project.
- The target of restoring 25,523 ha of cropland seems potentially too modest, given the scope and funding available. The proposal should justify this target and explain whether it reflects a comprehensive understanding of the land's restoration potential and whether a more ambitious target is feasible and desirable.

*Note: number key points clearly and provide useful information or suggestions, including key literature where relevant. Completed screens should be no more than two or three pages in length.*

**ANNEX: STAP'S SCREENING GUIDELINES**

1. How well does the proposal explain the problem and issues to be addressed in the context of the **system** within which the problem sits and its drivers (e.g. population growth, economic development, climate change, sociocultural and political factors, and technological changes), including how the various components of the system interact?

2. Does the project indicate how **uncertain futures** could unfold (e.g. using simple **narratives)**, based on an understanding of the trends and interactions between the key elements of the system and its drivers?

3. Does the project describe the **baseline** problem and how it may evolve in the future in the absence of the project; and then identify the outcomes that the project seeks to achieve, how these outcomes will change the baseline, and what the key **barriers** and **enablers** are to achieving those outcomes?

4. Are the project's **objectives** well formulated and justified in relation to this system context? Is there a convincing explanation as to **why this particular project** has been selected in preference to other options, in the light of how the future may unfold?

5. How well does the **theory of change** provide an "explicit account of how and why the proposed interventions would achieve their intended outcomes and goal, based on outlining a set of key causal pathways arising from the activities and outputs of the interventions and the assumptions underlying these causal connections".

    - Does the project logic show how the project would ensure that expected outcomes are **enduring** and resilient to possible future changes identified in question 2 above, and to the effects of any conflicting policies (see question 9 below).
    - Is the theory of change grounded on a solid scientific foundation, and is it aligned with current scientific knowledge?
    - Does it explicitly consider how any necessary **institutional and behavioral** changes are to be achieved?
    - Does the theory of change diagram convincingly show the overall project logic, including causal pathways and outcomes?

6. Are the project **components** (interventions and activities) identified in the theory of change each described in sufficient detail to discern the main thrust and basis (including scientific) of the proposed solutions, how they address the problem, their justification as a robust solution, and the critical assumptions and risks to achieving them?

7. How likely is the project to generate global environmental benefits which would not have accrued without the GEF project (**additionality**)?

8. Does the project convincingly identify the relevant **stakeholders**, and their anticipated roles and responsibilities? is there an adequate explanation of how stakeholders will contribute to the development and implementation of the project, and how they will benefit from the project to ensure enduring global environmental benefits, e.g. through co-benefits?

9. Does the description adequately explain:

   - how the project will build on prior investments and complement current investments, both GEF and non-GEF,
   - how the project incorporates **lessons learned** from previous projects in the country and region, and more widely from projects addressing similar issues elsewhere; and
   - how country policies that are contradictory to the intended outcomes of the project (identified in section C) will be addressed (**policy coherence**)?

10. How adequate is the project's approach to generating, managing and exchanging **knowledge**, and how will lessons learned be captured for adaptive management and for the benefit of future projects?

**11. Innovation and transformation:**

   - If the project is intended to be **innovative:** to what degree is it innovative, how will this ambition be achieved, how will barriers and enablers be addressed, and how might scaling be achieved?
   - If the project is intended to be **transformative:** how well do the project's objectives contribute to transformative change, and are they sufficient to contribute to enduring, transformational change at a sufficient scale to deliver a step improvement in one or more GEBs? Is the proposed logic to achieve the goal credible, addressing necessary changes in institutions, social or cultural norms? Are barriers and enablers to scaling be addressed? And how will enduring scaling be achieved?

12. Have **risks** to the project design and implementation been identified appropriately in the risk table in section B, and have suitable mitigation measures been incorporated? (NB: risks to the durability of project outcomes from future changes in drivers should have been reflected in the theory of change and in project design, not in this table.)