



## GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: FULL-SIZED PROJECT

TYPE OF TRUST FUND: GEF TRUST FUND

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### PART I: PROJECT INFORMATION

Project Title: Adaptive Management and Learning for the Commodities IAP				
Country(ies):	Global	GEF Project ID:	9179	
GEF Agency(ies):	UNDP and WWF	GEF Agency Project ID:	5665	
Other Executing Partner(s):	ISEAL Alliance, Forest Trends	Submission Date:	July 30, 2016 Resubmission date: October 12, 2016 December 15, 2016	
GEF Focal Area (s):	IAP Set Aside	Project Duration (Months)	48	
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input checked="" type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP	<input type="checkbox"/>	
Name of Parent Program	Taking Deforestation out of Commodity Supply Chains (PIMS 5623)	Agency Fee (\$)	\$358,060 (UNDP: \$247,421 WWF: \$110,639)	

#### A. [FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES](#)

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Expected Outcomes	Trust Fund	Amount (in \$)	
			GEF Program Financing	Cofinancing
IAP-Commodity Supply Chain	The Commodities Integrated Approach seeks to turn the sustainable production of key commodities from niche and specialized operations to the norm in each commodity sector. The Program overall objective is to reduce the global impacts of agriculture commodities on GHG emissions and biodiversity by meeting the growing demand of palm oil, soy and beef through supply that does not lead to deforestation and related GHG emissions.	GEFTF	3,978,441	5,266,887

<p>BD-4: Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors:</p>	<p><b>Program 9:</b> Managing the Human-Biodiversity Interface. Contributing to <b>Outcome 9.1</b> by increasing the area of productive landscapes that integrate sustainability criteria into their management; and <b>Outcome 9.2</b> by incorporating biodiversity and forest cover considerations in national and subnational agriculture commodity policies.</p>			
<p>CCM-2: Demonstrate Systemic Impacts of Mitigation Options:</p>	<p><b>Program 4:</b> Promote conservation and enhancement of carbon stocks in forests, and other land use, and support climate smart agriculture. Contributing to both <b>Outcome A and B</b> by accelerating the adoption of management practices that reduce GHG emission from land use change and deforestation, and supporting the development and implementation of model policy, planning and regulatory frameworks that foster low GHG development from agriculture commodities.</p>			
<p>SFM-1: Maintained Forest Resources: Reduce the pressures on high conservation value forests by addressing the drivers of deforestation.</p>	<p><b>Program 1:</b> Integrated land use planning.</p> <p><b>Program 2:</b> Identification and maintenance of high conservation value forests.</p> <p><b>Program 3:</b> Identifying and monitoring forest loss.</p> <p>Contributing to both <b>Outcomes 1 and 2</b> on cross-sector policy and planning approaches at appropriate governance scales and innovative mechanisms to avoid the loss of high conservation value forest.</p>			
<b>Total Program Costs</b>			3,978,441	5,266,887

**B. PROJECT DESCRIPTION SUMMARY**

**Project objective:** Effectively leverage demand, transactions and support to production to ensure successful

implementation of the Commodities IAP program

Project Components	Financing Type	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
1. Program Coordination, Monitoring and Evaluation and Adaptive Management	TA	<p>Outcome 1: Coordinated management of the Commodities Integrated Approach Pilot leading to logical technical sequencing of activities, Program-level monitoring and evaluation and overall resilience, as measured by:</p> <ul style="list-style-type: none"> <li>- Level of logical technical sequencing of activities across individual child projects as measured by annual national level inter-agency workplans to achieve expected Program goals and their effective implementation (target: 16 national level workplans)</li> <li>- Effectiveness of adaptive management within the IAP as measured by the number of successful adaptive management practices that address bottlenecks in implementation or in attainment of Program goals</li> </ul>	<p>Output 1.1: Logical technical sequencing of activities is achieved across individual child projects</p> <p>Output 1.2: Program-level monitoring and evaluation takes place</p> <p>Output 1.3: Program- level feedback loops enable tracking of progress on key deliverables and among agencies and implementing partners, leading to adaptive management and supporting Program resilience</p>	GEFTF	851,600	0
2. Global Impacts Platform	TA	<p>Outcome 2: Increased understanding of the impacts of voluntary sustainability standards (VSS) and VSS-like mechanisms to increase the effectiveness of these mechanisms for taking deforestation out of commodity supply chains, as measured by:</p> <ul style="list-style-type: none"> <li>-establishment and effective functioning of the Global Impacts Platform</li> <li>- number of new syntheses and summaries of evidence uploaded onto the Platform and associated</li> </ul>	<p>2.1 Global online database and knowledge platform on the deforestation reduction and related impacts of VSS and VSS-like mechanisms</p> <p>2.2 Documents synthesizing evidence base disseminated to key decision makers</p> <p>2.3 Engagement with stakeholders and decision-makers at knowledge-sharing events, fostering learning and adaptive management toward</p>	GEFTF	1,229,317	4,120,000

Project Components	Financing Type	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
		audience-specific communications created and disseminated	increasing the effectiveness of VSS and VSS-like mechanisms			
3. Knowledge management, partnerships and communications	TA	<p>Outcome 3: Knowledge management, partnerships and communications activities implemented to maximize learning, foster synergies and promote upscaling of actions to take deforestation out of commodity supply chains, as measured by:</p> <p># of knowledge products to share IAP insights and learnings (target: at least 1 publication, articles on the Guardian Sustainable Business hub for a four-month period, and 2 info briefs)</p> <p># of active partners with which the IAP is engaged at a programmatic level (through two-way sharing of information, expertise or tools; collaboration to increase impacts; implementation of delivery services, or provision of co-financing) (target: 6 active partnerships by Program end)</p>	<p>Output 3.1: Knowledge generated by the Program is shared at the national and global levels and relevant learnings from other parties and other IAP Programs are shared, captured and leveraged;</p> <p>Output 3.2: Broad Global Community of Practice convenes to share best practices and lessons learned across countries and to promote replication;</p> <p>Output 3.3: Strong partnerships are established to support knowledge management and increase synergies in order to maximize progress toward reducing deforestation from global commodity production;</p> <p>Output 3.4: Implementation of a Program-level Communications strategy raises awareness of the impacts of the IAP and facilitates dissemination of knowledge.</p>	GEFTF	1,708,074	1,146,887
Subtotal				GEF TF	3,788,991	5,266,887
Project Management Cost (PMC)				GEF TF	189,450	0
<b>Total project costs</b>					<b>3,978,441</b>	<b>5,266,887</b>

**C. CONFIRMED SOURCES OF [CO-FINANCING](#) FOR THE PROJECT BY NAME AND BY TYPE**

Please include evidence for [co-financing](#) for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
Donor agency	UK Department for International Development	Grants	1,500,000
Donor agency	Swiss State Secretariat for Economic Affairs (SECO)	Grants	800,000
Donor agency	UNDP	Grants	1,146,887
Foundation	Ford Foundation	Grants	700,000
CSO	ISEAL Alliance	In-kind	120,000
CSO	Rainforest Alliance	Grants	1,000,000
<b>Total Co-financing</b>			<b>5,266,887</b>

#### D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee <sup>a)</sup> (b) <sup>2</sup>	Total (c)=a+b
UNDP	GEF TF	Global: Adaptive and Learning Management	Multi-focal	IAP Commodities	2,749,124	247,421	2,996,545
WWF	GEF TF	Global: Adaptive and Learning Management	Multi-focal	IAP Commodities	1,229,317	110,639	1,339,956
<b>Total Grant Resources</b>					<b>3,978,441</b>	<b>358,060</b>	<b>4,336,501</b>

#### E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS<sup>1</sup>

Corporate Results	Replenishment Targets	Indicative Project Targets (Note that these are the IAP Program-level targets)
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascares covering 300 million hectares	23 million hectares

<sup>1</sup> Update the applicable indicators provided at PIF stage. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period.

2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	1,000,000 ha
3. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO <sub>2e</sub> mitigated (include both direct and indirect)	117.5 million tons

## **PART II: PROJECT JUSTIFICATION**

### **A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF**

#### **A.1. Project Description.**

##### **Summary of IAP Program:**

1. This project, Adaptive Management and Learning for the Commodities IAP, is a child project under the UNDP-GEF 6 Integrated Approach Pilot (IAP) program, *Taking Deforestation out of Commodity Supply Chains*. The IAP program is advancing an integrated “supply chain” approach to tackling the underlying root causes of deforestation from agriculture commodities, specifically beef, oil palm, and soy that together account for nearly 70% of deforestation globally. To vastly reduce or take deforestation out of these commodity supply chains, production has to come from areas that do not contribute to further clearance of natural forests.

2. The Theory of Change for the program builds on the premise that the increased adoption of agricultural commodity production practices that are less destructive of forests is contingent on several factors. Firstly, enabling conditions including policies and land use/spatial plans must be in place to make the right lands available for production and to make high biodiversity value and high carbon stock forests less accessible. Secondly, producers need enhanced capacity to adopt good agricultural practices and improve yields. Thirdly, increased financial flows and economic incentives are necessary to support these good production practices in the right locations and less incentives must be provided in inappropriate locations. Fourthly, market awareness and demand for reduced deforestation supply are critical to promote more sustainable production. If these factors are addressed, agricultural production can be increased and growth achieved with sharp reductions in deforestation compared to business-as-usual scenarios.

3. The IAP program has been developed through a multi-agency consortium that builds on the strong baseline of work by UNDP, WWF, IFC, UNEP, and CI. The overall IAP program is designed through the supply chain lens for each of the three commodities, and in close consultation with four countries associated with their production: Brazil and Paraguay for soil palm and beef; and Indonesia and Liberia for oil palm. By applying the supply chain lens to the overall design, the IAP program engages all major actors to harness best practices and sustainability principles for production, generating responsible demand and enabling financial transactions. The Program will be carried out in an integrated, coordinated and synergistic fashion in order to foster sustainability and achieve transformational impact. The ultimate goal of the program is to make the drive for sustainable products associated with significantly reduced deforestation become standard industry practice.

4. The entire Program is organized into four major components that will be delivered through separate child projects as follows (see figure below):

- a. Support to Production (led by UNDP): The focus is on promoting good practices and sustainability principles at the production end of the commodity supply chain. This component will enable supply and production in the right areas and location while conserving the forest and reducing deforestation in the targeted landscapes. Key geographies have been targeted for demonstration of best practices for sustainable production of oil palm (largest driver of deforestation in Indonesia and in Southeast Asia in general), and soy and beef (largest drivers in Latin America).
- b. Generating responsible demand (led by WWF): This component seeks to strengthen the enabling environment for increased demand of reduced-deforestation commodities in priority markets. The focus is on targeted engagement with key buyers and key markets that have represented the majority of recent demand, domestic demand for these commodities within the production countries, and emerging economies where demand is increasing.
- c. Enabling Transactions (led by World Bank/IFC): This component seeks to improve the resilience and competitiveness of financial institutions, enabling them to develop in a sustainable manner with improved risk management practices and innovative products to accelerate the production and supply of forest friendly commodities. The aim is to support the development of investment transactions either via banks, investors or companies that reduce deforestation in key commodity supply chains on a commercial or blended finance basis.
- d. Adaptive Management and Learning (led by UNDP): In addition to overall coordination of the Program to ensure coherence and consistency, as well as communications and partnership building, this component will foster substantial knowledge management at the global level to advance the supply chain approach for beef, soy, and oil palm. This will include a Global Community of Practice to share best practices and promote learning, and a Global Research Impacts platform to develop robust and policy-relevant evidence base on the effectiveness of different voluntary sustainability standards for deforestation-free commodities.

5. Following Council approval of the PFD, the government of Brazil requested an explicit focus on the soy supply chain, bringing together substantive aspects on Enabling Transactions, Responsible Demand and Support to Production into a single child project for Brazil, with UNDP as the implementing agency and Conservation International as executing partner. The government of Brazil proposed that the child project be formulated on a baseline targeted on the MATOPIBA region (abbreviation for the States of Maranhão, Tocantins, Piauí and Bahia), for which a proposal had been developed with the Brazilian government and approved by the Grupo Técnico de Avaliação de Projetos (GTAP).

6. The IAP Program is expected to generate multiple substantial global environmental benefits to the GEF replenishment targets, including reduced deforestation from agricultural commodity production, biodiversity conservation and sustainable forest management. This is shown in the table below.

<b>GEF Replenishment Targets</b>	<b>IAP Targets</b>
Improved management of landscapes and seascapes covering 300 million hectares	23 million ha
120 million hectares under sustainable land management	1,000,000 ha
750 million tons of CO <sub>2e</sub> mitigated (include both direct and indirect)	117.5 million tons

## 1) The global environmental and/or adaptation problems, root causes and barriers that need to be addressed

### Global environmental problems and root causes

7. Agricultural expansion and the production of key commodities have been identified as the primary driver of an estimated 65-73% of tropical deforestation worldwide<sup>2</sup>. A variety of negative impacts are being experienced as a result of this deforestation such as substantial greenhouse gas emissions, loss of habitat for biodiversity, loss of ecosystem services and negative impacts on livelihoods. The four target countries in this IAP are witnessing many of these significant environmental consequences. For example, in Indonesia, oil palm expansion was the single largest driver of deforestation from 2009-2011<sup>3</sup>. Record numbers of forest fires in 2015 were in part linked to clearing forested peatlands for palm oil production, leading to high carbon and methane emissions and the production of toxic smog. Palm oil production also leads to habitat loss, dramatic reductions in biodiversity, land degradation, soil erosion, and water contamination. In Brazil, beef production is the leading driver of deforestation, accounting for 75% of deforestation<sup>4</sup>, including in the Amazon, which is causing substantial greenhouse gas emissions. Soy production in Brazil is also associated with significant detrimental environmental impacts and deforestation and has grown significantly over the past years, such as in Matto Grosso state. Similarly, in Paraguay the beef and soy sectors have contributed to the country having one of the highest deforestation rates in the world, which is primarily affecting the Atlantic forest in the east and the Chaco tropical dry forest, savannas and wetlands in the west. In Liberia, the expanding oil palm sector threatens critically important forest areas.

8. However, demand for food is expected to continue to rise with the world population set to increase to nine billion by 2050, and rising incomes expected. The global middle class – important for their increasing disposable income and consumption – is set to almost triple by 2030.<sup>5</sup> Projected increases are consequently on the rise for food and fiber commodities to meet the needs of a world population that is more urban, more prosperous and more consumptive in nature. Within this context, global demand for soybeans for animal-feed and food consumption, oil palm as a key ingredient for food, soaps and biofuels, and beef for domestic and international markets, are at historical highs and will continue to grow as incomes and consumption increase globally. Agricultural commodities are also a key element of economic development and prosperity in developing countries and emerging economies, and often accounts for upwards of 10% of developing countries' gross domestic product (GDP).<sup>6</sup> Such growth in production has implications for the environment that need to be managed in order to maintain the natural capital upon which this desired growth would depend.

9. Although agricultural commodities are grown in many places across the world, soy, beef and palm oil are of particular importance for the GEF partnership due to the magnitude and significance of their impact resulting from the location and rate of expansion of the areas dedicated to their production. Most of the expansion of these commodities is concentrated in the tropical rain forests of Latin America, West Africa, and South East Asia. These forests are prime areas targeted for production expansion and hence are under pressure to be opened, fragmented and converted into agricultural lands. As this expansion of commodities coincides with high levels of biodiversity and carbon stocks and diverse, rich

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<sup>2</sup> Hosonuma, Noriko, Martin Herold, Veronique De Sy, Ruth S. DeFries, Maria Brockhaus, Louis Verchot, Arild Angelsen, and Erika Romijn. 2012. "An Assessment of Deforestation and Forest Degradation Drivers in Developing Countries." *Environmental Research Letters* 7 (4).

<sup>3</sup> Greenpeace 2013.

<sup>4</sup> Bustamante MMC, et al. (2012) Estimating greenhouse gas emissions from cattle raising in Brazil. *Climate Change* 115, 559-577.

<sup>5</sup> Forest Trends 2014; World Bank online databank <http://data.worldbank.org>

<sup>6</sup> World Bank online databank <http://data.worldbank.org>



ecosystems, production methods must be reconciled with other societal objectives such as forest conservation, maintenance of ecosystem services, and climate regulation.

10. The expansion of commodity production and the associated deforestation is a result of complex national and international supply chains spanning from farmer to final consumer. These chains often involve many actors with a diverse range of motivations and incentives including both large and small-scale growers, traders, manufacturers, retailers, and financiers, as well as governments at national and local levels. These complex chains help to explain the phenomenon of commodity-driven deforestation, its pace and extent and its future potential, if left unbridled, to have significant and lasting global impacts. However, these same chains also offer the opportunity to harness the power of the market to move commodity production away from its current unsustainable pathway and remove deforestation from commodity supply chains.

**Barriers related to integrated approaches, knowledge management, learning, partnerships and research on impacts of voluntary sustainability standards:**

11. There are a number of barriers undermining the ability to reduce deforestation from agricultural commodity production. As it relates to the Adaptive Management and Learning child project (A&L project), initiatives to promote sustainable commodity production are rarely coordinated or integrated to tackle all links of the supply chain. As such, some projects or programs focus on the demand side, others on transactions, and still others on the demand side of the equation. Furthermore, interventions have often focused on single commodities, individual supply chains, or individual countries. There has been insufficient piloting of integrated approaches to link work on the key elements of agricultural commodity production supply chains and to achieve technical synergies. This is needed to ensure that sustainable production in the right places is matched with financing support and increased demand. A coordinated whole supply chain approach is therefore critical to be able to bring about transformational change. Without such an approach, interventions are not likely to be effective. As an example of the problems associated with failing to tackle the entire supply chain, at the moment, demand for sustainable palm oil has not caught up with production and as a result 50% of RSPO palm oil is not purchased, leading to insufficient incentives for farmers to take on the burden of sustainable production. Insufficient supply chain transparency further complicates efforts to incorporate sustainability considerations in complex supply chains.

12. Many different organizations and platforms are gaining experience in reducing deforestation from commodity supply chains or more generally on sustainability issues associated with agricultural production. However, in many cases, lessons and best practices to remove deforestation from commodity supply chains are not effectively captured and/or are not effectively shared and disseminated. The fact that this knowledge is not always accessible translates into opportunities lost for learning and undermines replication and upscaling, thus reducing impact. There is a need for greater understanding on which interventions or suites of interventions work and which are less effective at reducing deforestation from agricultural supply chains, so that models can be developed and shared among practitioners and countries. There is a significant opportunity to strengthen the learning agenda across the different initiatives and platforms that have been emerging, such as with TFA 2020, IDH and large bilateral donors. In addition, strategies and tools that could play a role in addressing tropical deforestation associated with the commodity supply chains, such as different transparency tools, are not always sufficiently disseminated and known.

13. With the multitude of stakeholders working in the commodity deforestation arena, a prevailing issue is that interventions at national, regional or global levels are not always coordinated. Partnerships

among key players require further consolidation to maximize synergies, reduce overlap, and to ensure sustainable, transformational impact in this field.

14. Private companies, governments and civil society have been implementing different initiatives to reduce the deforestation footprint associated with commodity production. This includes through the application of voluntary sustainability standards and certification (VSS) as well as other VSS-like mechanisms (e.g., company policies with associated indicators, monitoring, and verification processes) to promote sustainable practices on the ground and in supply chains. However, evidence-based research on the impacts of VSS are limited and practically non-existent for other mechanisms. The research that has been carried out is not sufficiently shared, resulting in a situation where research agendas are not necessarily aligned. Furthermore, it is difficult to accurately assess the contributions of these tools to forest conservation, greenhouse gas emissions reduction, and sustainability targets or to inform corporate sourcing, government policy, and procurement decisions. The lack of robust and policy-relevant evidence therefore undermines the ability to improve VSS and similar mechanisms. The specific barriers related to the research component include:

- Key gaps in the evidence base: Information on the impacts of VSS and similar mechanisms is unevenly distributed by commodity and region. While more evidence is needed in all areas, impacts for some sectors (e.g., coffee and forestry) are comparatively well studied while those in other sectors (e.g., palm oil and cattle) are poorly documented. Additionally, greater coordination between researchers and users of evidence is needed to support more strategic targeting and design of evaluation and impacts research to optimize relevance for decision-making by businesses, policy makers, and VSS schemes.
- Existing evidence not sufficiently accessible to key user groups: While the body of evidence is growing each year, practitioners, policy-makers, and companies have had no easy way to access this information or search it by themes, regions, or commodities of interest.
- Evidence has not been synthesized and communicated in decision-relevant terms: To inform decision making about policies, strategies, and mechanisms for achieving sustainable, low-deforestation supply chains, detailed data and results from individual impact studies must be synthesized into more generalized messages about what works, under what conditions, and why. This requires conducting meta-analyses, developing credible messages or claims from impacts research, and communicating these messages effectively into the global discourse on deforestation, commodity value chains, and private sector sustainability actions.

15. The barriers related to increasing the level of sustainable commodity production, facilitating access to finance and economic incentives for such production and redirecting it away from unsustainable production, and stimulating demand are discussed separately in the other four IAP Program child project documents.

## **2) Baseline scenario or any associated baseline projects**

16. There are a number of stakeholders making important investments and implementing large projects related to taking deforestation out of commodity supply chains for beef, oil palm, and soy, as well as measuring the impacts of corporate commitments and voluntary sustainability standards. The A&L project will play a crucial role throughout the four years of IAP implementation to align and strengthen links with all major players and initiatives to share lessons and maximize potential for synergies and impact at scale.

### *Supply chain initiatives*

17. The IAP Program is making efforts to link closely to the initiatives being led by the UK, Norway, USAID, Sweden, Netherlands, and other countries on deforestation in commodity production. From 2015-2018 DFID will fund implementation of the Indonesia Forestry Land-use and Governance (FLAG) programme which aims to reduce the deforestation rate and reduce peat land degradation. This programme will enhance information systems, accountability and transparency in land licensing decisions while safeguarding the rights of forest-dependent people; strengthen the process of land-use planning and licensing of forested areas in a minimum of three of Indonesia's largest forested provinces; and facilitate the development of sustainable and responsible business, especially in palm oil, in order to provide alternatives to large-scale deforestation and provide stronger benefits to communities that depends on forests. DFID also has a forestry programme entitled Investments in Forests and Sustainable Land-Use (IFSLU), which will work to translate corporate commitments related to supply chain sustainability into action in West Africa and Southeast Asia., in Indonesia, Liberia, Ghana and the Ivory Coast.

18. Norway has provided one year of support for a programme with IDH<sup>7</sup>, with continued funding likely for the next 4-5 years. The programme is entitled "Green Growth: Achieving forest conservation in commercially productive landscapes in Indonesia, Liberia and Brazil". The goals are to secure production-protection agreements in these countries for high conservation value and high carbon stock forests, intensify smallholder production in specific landscapes, and improve the livelihoods of smallholders and communities. This will involve establishing multi-stakeholder coalitions for collaborative action, drafting green growth plans with business cases, exploring innovative finance to increase the availability of cheap finance to support the production-protection agenda, and monitoring, among other actions. A landscape approach will be adopted as a means of supporting the strengthening of policy with governments and working on multiple crops. The programme will work in Liberia and Indonesia on palm oil, and in Brazil and Paraguay on soy and beef so there are strong opportunities for coordination with this IAP Program. The IAP Program will identify opportunities for collaboration, given the fact that both programs are geographically aligned and focus on the same crops. Coordination on Norwegian country support for REDD+ and forest related work will also be sought. Moreover, IAP knowledge management components will strive to reach out to countries with which Norway is engaging in order to increase impact.

19. In terms of engagement with Sweden, the WWF MTI-Sida partnership (Phase 1 2011-2013, Phase 2 2014-2018), "Making Markets Work for People and Nature" includes a focus on sustainable palm oil, timber, pulp and paper (and other commodities). It connects supply and demand work (work streams include production, standards, corporate engagement, policy, finance).

20. USAID is implementing the "Sustainable Commodity Initiative's Committee on Sustainability Assessment (COSA)" project in order to gather evidence on the impacts of sustainable products and supply chains through a scientific methodology that involves multi-criteria analysis in order to collect and interpret tangible, fact-based data on the outcomes of sustainability programs. USAID is also supporting TFA by catalyzing change on the ground and will begin this engagement in Paraguay in the Chaco region,

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<sup>7</sup> IDH is a public-private partnership facility that has worked on multiple supply chains and done extensive work on supply chain certification. It has also been engaged in building up the TFA 2020 and on various knowledge management activities.

where they will support sustainable production to reduce deforestation and carbon emissions, with the support of WWF and IFC. There will be continued dialogue between the IAP and the program and country levels of USAID and the field offices will be encouraged to share information and capitalize on each other's strengths to maximize learning and synergies in Chaco.

### *Forests and REDD+*

21. Norway's International Climate and Forest Initiative (NICFI) provides support for the development of the REDD+ international agenda and architecture. The NICFI's main objective is to support the establishment of a regime that will reduce greenhouse gas emissions sufficiently to limit global temperature increases to no higher than 2°C. Norway is supporting the World Bank and the UN REDD work, including the Carbon Fund and the Biocarbon Fund, as well as providing funding for the Tropical Forest Alliance Secretariat. The government of Norway has bilateral partnerships with various countries, such as Guyana, Colombia, Peru, Brazil, Ecuador, Liberia, Congo Basin, Ethiopia, DRC, Indonesia, and others.

### *Global Platforms and Roundtables*

22. The Tropical Forest Alliance 2020 (TFA 2020) is a global public-private partnership in which partners take voluntary actions, individually and together, to reduce the tropical deforestation linked to the production of commodities such as palm oil, soy, beef, and paper and pulp. The IAP Program will maintain an ongoing partnership with this important global player.

### *Analytical Work on Voluntary Sustainability Standards*

23. Companies are applying a range of different tools and mechanisms to implement their commitments related to halting deforestation and addressing other key supply chain risks. One widely-used tool – which is being applied to help fulfill more than 85% of the 300+ private sector commitments<sup>8</sup> – is voluntary sustainability standards and certification (VSS). VSS such as the Roundtable on Sustainable Palm Oil (RSPO), Forest Stewardship Council (FSC), Round Table for Responsible Soy (RTRS), SAN/Rainforest Alliance and others now account for a substantial portion of some commodities (e.g., nearly 40% of the global coffee supply, 21% of palm oil, and 15% of the world's working forests including 21 million hectares in the tropics and sub-tropics are VSS-compliant). A range of other VSS-like mechanisms is also emerging to help operationalize more sustainable practices on the ground and in supply chains. These mechanisms often include some, if not all, of the same types of elements of VSS including a normative framework (e.g., a company sustainability policy), specific compliance indicators (e.g., key performance indicators associated with the policy), and a verification procedure.

24. To understand the impacts of deforestation-free and sustainable production and sourcing initiatives requires understanding the impacts of VSS and VSS-like mechanisms as they are being applied within different commodity sectors, landscapes, and value chains. Currently, there are several efforts to track the scope and scale of corporate sustainability commitments as well as limited information on actions being taken toward implementing these commitments. Such data are collated and synthesized by tracking initiatives such as the Forest Trends' project [supply-change.org](http://supply-change.org) and the Global Canopy Programme's Forest 500 website, as well as by corporate reporting platforms such as the Carbon Disclosure Project (CDP). However, evidence of environmental, social, and economic outcomes and impacts remains limited for VSS and practically non-existent for other VSS-like mechanisms.

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<sup>8</sup> Data presented in the March 2015 report *Supply Change: Corporations, Commodities and Commitments that Count*, Forest Trends, Washington DC.

### **3) Proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project**

25. The Adaptive Management and Learning (A&L) child project will be responsible for overall Program coordination to ensure coherence and promote integration of the different child projects. The A&L project will shift the baseline from the fragmented initiatives described above toward a more effectively coordinated partnership for the IAP Program. The Program will tackle multiple levers to take deforestation out of commodity supply chains at all stages of the supply chain, and across multiple countries and landscapes through a multi-agency consortium. The achievement of these impacts through the GEF alternative will be facilitated by a strong focus on regular coordination within the Program as well as extensive partnership building with external partners outside of the Program (see Incremental reasoning section for more details).

26. The A&L project will be instrumental in ensuring that the IAP is viewed as a cohesive whole and that it has a clear identity. This will entail a number of different vital elements, which are further detailed in the description of the project's Outcomes, including the following:

- Development of an IAP brand identity to increase visibility and awareness of the integrated supply chain approach;
- Program-level monitoring and evaluation. This will be anchored on the Program-level results framework and preparation of a final report on lessons learned from adopting this integrated pilot approach, among others.
- Knowledge management within the Program and with external initiatives. This will include the establishment of a Global Community of Practice to facilitate learning on effective interventions to address deforestation in supply chains and to provide a learning framework to explore cross-cutting themes such as gender and resilience. Knowledge management will include extensive learning from within the IAP, as well as learning from external partners through participation in relevant events and fora. IAP publications will be produced, information disseminated through speaking events, and articles produced and disseminated on the Guardian Sustainable Business website. Coordinated study tours between the production and demand child projects will also feed into global-level knowledge management.
- Development of a robust and policy-relevant evidence base on the effectiveness of Voluntary Sustainability Standards and similar mechanisms being used to implement deforestation-free and sustainable production and sourcing initiatives. This will include support to filling key gaps in the evidence base, making existing evidence more accessible to key user groups and synthesizing and communicating evidence in decision-relevant terms.
- Implementation of a partnership strategy with global-level cross cutting partners.

#### **Component 1**

##### **Outcome 1: Coordinated management of the Commodities IAP program leading to logical technical sequencing of activities, Program-level monitoring and evaluation and overall resilience**

*Output 1.1: Logical technical sequencing of key deliverables is achieved across individual child projects to facilitate an effective supply chain approach*

27. A virtual project Secretariat will be established and will be responsible for the coordination of this CIAP. This will consist of a Global Coordination Structure including staff for global coordination and the global child project agency leads for the production, demand, transactions and Brazil child projects.

The Secretariat will report to a Steering Committee and may consult with External Advisors (*please see Institutional Arrangements and Annexes sections for details on the composition, functions and ToRs of these different bodies*).

28. The IAP Coordinator will work closely with the global child project leads (child project managers) and national focal points to support logical technical sequencing of key deliverables<sup>9</sup> across the individual child projects and four IAP target countries through preparation of inter-agency national workplans, regular global coordination meetings and implementation of adaptive management measures as necessary (*see ToRs for more details*).

*Output 1.2: Program-level monitoring and evaluation takes place*

29. The Program-level Results Framework, which includes Program-level cross cutting indicators, will serve as a tool to monitor Program impact. The IAP KM and M&E Lead will be responsible for Program -level reporting (see Annex G). The higher-level monitoring of Program-level indicators that will be carried out through the A&L project will enable the effectiveness of the integrated approach to be assessed and will add significant value to the M&E work that will be carried out at the level of each child project. The Program-level Results Framework will be presented by the A&L child project annually through the Project Implementation Reports (PIRs).

30. The assessment of Program-level Global Environmental Benefits will take into account both the direct impacts of the IAP Program and the indirect benefits arising from the strong focus on coordination, alignment and achievement of synergies with key partners working to reduce deforestation from agricultural commodity production.

31. It should also be noted that a survey will be carried out after each off the two face-to-face Community of Practice events in order to identify the impacts of the IAP Program's work to share knowledge and promote replication with key practitioners on the sustainability of supply chains. This will yield valuable qualitative information about the indirect benefits of the IAP Program and the extent to which IAP learning is influencing partners' programs, actions and policies. In addition, the A&L project will provide the platform for discussions among key partners, such as DFID, IDH, and UN REDD+ to identify collective environmental impact targets.

32. In addition to providing child project data to support the completion of the Program-Level Results Framework, the different IAs leading each child project will be responsible for fulfilling the standard M&E requirements of their respective projects. This includes elements such as monitoring indicators in their results frameworks, preparing annual Project Implementation Reviews (PIRs) as per GEF requirements, monitoring environmental and social risks and addressing environmental and social grievances if applicable, commissioning mid-term and final project evaluations, and conducting supervision missions and audits, among others. As per GEF corporate requirements for reporting on focal areas, all five child projects will also complete the agreed upon IAP Program tracking tool for their projects for the indicators that are relevant to their work, and submit the tracking tool three times during project implementation: at the outset, at the mid-term and at project end. For the detailed and budgeted M&E activities that will be carried out for this A&L child project, please see section C.

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<sup>9</sup> Examples of technical deliverables requiring logical sequencing including but are not limited to the following: the Indonesia consumer campaign would not be carried out until there are advances in the work with oil palm producers; the study tours in Indonesia would be carried out once there are demonstrable results; the Asia Exchange would take place once there are successes to share with Asian buyers; and in Paraguay, presentation at the Global Roundtable on Sustainable Beef would be dependent on advances in production.

*Output 1.3: Program-level feedback loops enable tracking of progress on key deliverables and among agencies and implementing partners, leading to adaptive management and supporting Program resilience*

33. The regular discussions and planning to ensure logical technical sequencing of key interventions, coupled with the aggregation of the M&E results to determine overall Program-level impacts, will enable the IAP Coordinator to regularly track progress across components and to monitor project results. In addition, the IAP Coordinator will review the results of the mid-term evaluations for each of the child projects to glean Program-level lessons and provide recommendations for proposed changes. These will then be shared and discussed with the Steering Committee.

34. This review of Program-level monitoring and evaluation results will include reflecting on successes and failures, and proposing adaptive measures when necessary to ensure Program resilience (please also see section A5 with more information on the resilience approach to be applied, presented after the Risk table). This will involve an assessment of changes in the external/ macro environment that might warrant adaptive action. The A&L project will also monitor the actions being taken at the level of each child project to promote resilience. The IAP Coordinator will prepare reports on resilience to the Steering Committee at least once a year with key recommendations in the event that adaptive management measures or substantive adjustments are required either in terms of technical issues or issues related to the coordination among agencies (or in the event that any major project design changes are required). In advance of these Steering Committee meetings, Global Coordination meetings of the child project leads will take place to agree on key recommendations. In this way, the IAP Program will have enough structure to ensure that information is shared and reviewed periodically with regard to resilience based on the agreed Program objectives, combined with sufficient flexibility to facilitate decision-making processes to implement any necessary changes.

## **Component 2**

**Outcome 2:** Increased understanding of the impacts of voluntary sustainability standards (VSS) and VSS-like mechanisms to increase the effectiveness of these mechanisms for taking deforestation out of commodity supply chains

35. While new corporate and government commitments related to halting deforestation in commodity supply chains hold great promise to transform business-as-usual into a new paradigm of sustainable land-use, their effects remain to be seen. With so much at stake, there is keen interest in understanding the positive and negative, intended and unintended effects of the implementation of these commitments, both in specific contexts and more broadly across landscapes, regions, and supply chains.

36. Information on outcomes and impacts of VSS and VSS-like mechanisms is essential for assessing contributions of these tools (and, by extension, the contribution of low-deforestation production and sourcing initiatives) to forest conservation, greenhouse gas emissions reduction, and sustainability targets; for informing corporate sourcing, government policy, and procurement decisions; and for continuously improving the effectiveness of VSS and similar mechanisms. Evidence is also critical for enumerating the business case for sustainable, low-deforestation production and sourcing—without which this new paradigm is unlikely to reach broad scale uptake. For instance, in a recent survey of 160 business leaders across 40 countries, GlobeScan and ISEAL Alliance found that the business community seeks more information about the impacts of and business case for VSS and VSS-like mechanisms. Business leaders particularly seek credible syntheses of the evidence base, and note that this information is relevant not only in the context of corporate social responsibility and sustainability reporting but also for their companies' procurement and marketing functions. A similar finding emerged from the final report issued

in 2012 from a Steering Committee composed of international business, NGO leaders and academic experts in their project on the State-of-Knowledge Assessment of Standards and Certification that aimed to show what was known and what was most needed to learn about VSS mechanisms at that time. That report, called *Toward Sustainability: The Roles and Limitations of Certification*, concluded with the statement that, “Business decisions rely on best-available knowledge. The movement that coalesced behind voluntary standards and certification has much to gain by working together to fill gaps in that knowledge, especially about how to improve the effectiveness of standards and certification as one tool to achieve desired sustainability outcomes.” Another key report on the Role of VSS in Scaling up Sustainability in Smallholder-Dominated Agriculture Sectors came out in 2015, funded by SECO, IFC, DGIS and IDH. The report points out the number of key roles VSS mechanisms can play in sector transformation, but also highlights the major continued challenge to provide proof of impact and credibility.

37. This Global Impacts Platform Component seeks to fill the gaps in the evidence base and promote its use for decision-making by developing and operating an online Global Impacts Platform<sup>10</sup> for Sustainable and Low-Deforestation Commodity Production and Sourcing Initiatives. In doing so, it will support a robust adaptive management approach not only for the GEF IAP on Taking Deforestation out of Commodity Supply Chains but also for the wider universe of company- and donor-supported actions to accelerate a transition to low-deforestation and sustainable commodity production. The proposed interventions are aligned with the agenda for advancing this work that has been framed by the VSS community and other interested stakeholders and researchers<sup>11</sup>.

38. Specifically, the Global Impacts Platform will provide a definitive global compilation of the evidence base on VSS and related mechanisms oriented to meet the needs of business leaders, policy makers, and researchers. This resource will serve as a trusted “one stop shop” to help these and other stakeholders to understand and communicate the effectiveness of VSS and VSS-like mechanisms in different contexts, and to use this information to improve the design and implementation of such mechanisms over time.

39. The Global Impacts Platform Component will contribute toward three high-level objectives, which largely mirror the critical gaps that have been identified.

- (1) First, it will help improve the quantity, quality, and relevance of research evaluating outcomes and impacts of VSS and similar mechanisms. It will do so by clearly identifying research gaps and priorities for researchers and science funders, minimizing duplication and misalignment of research efforts, and encouraging researchers to follow best practices and standard methodologies to increase the comparability and interpretive value of data.
- (2) Second, existing evidence will be made readily accessible and useable to decision-makers and others, for instance through a range of searching, filtering, and mapping tools.
- (3) Third, the work will support credible synthesis and communication of the evidence base into decision-relevant messages – and will actively disseminate findings to ensure broad understanding of the effectiveness of different approaches to achieving reduced deforestation supply chains. Taken together, fulfillment of these three objectives will help companies and others identify and implement effective mechanisms for sustainable production and sourcing, and will help improve the effectiveness of all such mechanisms over time.

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<sup>10</sup> This will be built into an existing website, either ISEAL’s or ITC’s. It’s a new initiative/tool, with an advisor group, but is not a new entity per se.

<sup>11</sup> These convenings included a 2013 focus group at the International Congress for Conservation Biology, which led to a 2015 multi-author paper defining “An agenda for assessing and improving conservation impacts of sustainability standards in tropical agriculture” (*Conservation Biology* 29:309-320); a session at the Global Sustainability Standards Conference in May 2014 on facilitating and synthesizing priority evaluation research to provide robust evidence on impacts of VSS; and a CBD initiative launched at the CBD conference of the parties in October 2014 to define national-level indicators and a monitoring framework for sustainable agriculture initiatives such as those implemented through VSS.



40. The centerpiece of the Global Impacts Platform component is to develop, curate, and promote the use of a global online database and knowledge platform on the impacts of VSS and VSS-like mechanisms to implement commitments to low-deforestation, sustainable commodity production and sourcing. The platform will hold information on all planned, ongoing, or completed evaluation and impact studies, whether conducted at the scale of individual production units (farms / mills / forest management units), landscapes/jurisdictions, supply chains, or other units of analysis – including regional to global scale studies that consider issues such as leakage and interaction with other kinds of policy instruments. This information will be accessible through both a searchable database and an interactive map format to visualize the availability of evidence (and critical evidence gaps) for different regions and commodities. Database filters will allow users to scan for studies on a given topic or outcome area.

41. The database will be thematically broad to capture evaluation and impacts research on social, economic/productivity, and environmental outcomes, all of which are necessary to understand the factors that can drive or mitigate commodity-linked deforestation. This breadth will also maximize the utility and use of this resource for and by private businesses, governments, and civil society. Key stakeholders including researchers, companies, VSS schemes, and major initiatives on low-deforestation commodities (e.g., TFA2020) will be engaged pro-actively in decisions about the platform’s scope and design to ensure that it meets user needs.<sup>12</sup>

42. The Global Impacts Platform and its associated research products and engagements will provide the user or decision-maker with information on the effectiveness of VSS and VSS-like mechanisms on reducing deforestation (and achieving other key sustainability impacts) in commodity supply chains. This easily-accessible evidence base will enable improved decision-making related to commodity production (for growers and land managers), sourcing and trading (for intermediaries), procurement (for retail and consumer goods companies), policy-making (for governments), and investment (for financiers and donors). At the same time, it will support those who are developing implementation mechanisms for responsible supply chains, including voluntary standards systems and other VSS-like programs, to better understand and continuously improve the effectiveness of these mechanisms. The platform will enable users to access the information they need by utilizing filters and keyword search functions based on important topics and regions of global environmental importance to the GEF, including biodiversity conservation, GHG emissions, and sustainable forest management, which are key topics addressed in the Principles and Criteria of many VSS and related mechanisms. Using the map filters or database search feature, users will be able to quickly locate studies and summaries on key countries, commodities, or environmental impacts. Thus, users seeking information on the contribution of VSS and VSS-like mechanisms to a specific environmental topic, in order to influence decisions that will affect that environmental issue, will have a definitive, global resource to access credible evidence – whether in the form of original research reports or key findings and messages that have been synthesized and distilled for practitioners.

43. The Global Impacts Platform will include the following outputs and major activities:

*Output 2.1: Global online database and knowledge platform on the impacts of VSS and VSS-like mechanisms on low deforestation commodity production;*

44. This output links directly to the second Global Impacts Platform component objective. First and foremost, it makes information accessible and usable to decision-makers through searching, filtering, and mapping tools.

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<sup>12</sup> The proposed executing agency and partners for this project are ideally suited to fulfill this function, as they collectively hold broad credibility and interact with wide networks of organizations involved in sustainable production and sourcing. For instance, the ISEAL Alliance supports an active community of practice of more than 200 researchers, more than 80 VSS schemes, and more than 500 medium to large companies that are actively engaged with an ISEAL member or with the ISEAL Alliance.

45. In a longer term sense, it will also contribute to the first objective—helping to improve the quantity, quality, and relevance of research evaluating outcomes and impacts of VSS and similar mechanisms—by clearly identifying research gaps and priorities for researchers and science funders, minimizing duplication and misalignment of research efforts, and encouraging researchers to follow best practices and standard methodologies to increase the comparability and interpretive value of data.

46. This output will be achieved through the following activities:

(1) Scoping the Global Impacts Platform: Stakeholders will be engaged to determine the greatest needs (both in terms of information synthesis and platform functionality) of the research and practitioner communities, and to identify key platform features and offerings for optimal usability and usefulness. Scoping will also involve identifying additional project partners and clarifying the complementarity with existing initiatives (see below).

(2) Developing the Global Impacts Platform: A partner with strong technical capacity will construct and host the platform and provide technical support for ongoing use. Discussions are underway with the International Trade Centre (ITC) to confirm that they would play this role, including by leveraging their existing sustainability platforms to provide the needed functionality at an affordable cost. In the event that ITC does not play this role, an alternative approach is to invest in strengthening the existing pilot version of the Sustainability Impacts Learning Platform developed by the ISEAL Alliance, Sustainable Food Lab, and WWF.

(3) Operating the Global Impacts Platform: During the initial build, existing evaluation and impacts research will be uploaded to the database and characterized (e.g., with tags and spatial location coordinates) to permit the various searching and visualization capabilities. Once the platform is operational, new inputs will be collected from researchers and others through an online user interface. A light degree of content curation will be provided to vet new entries based on clear sets of criteria, deciding which will appear on customized maps and resource lists, and developing standardized summary information about the entries.

*Output 2.2: Documents synthesizing research results disseminated to key decision makers;*

47. This output links directly to the third objective on credible synthesis and communication of the evidence base into decision-relevant messages. It will be achieved through the following activity:

(4) Leveraging results synthesis and communication: The project will collaborate with researchers and other experts to develop syntheses of the evidence in different thematic areas (e.g., different commodities, geographies, or outcome areas) and to contribute brief synopses of individual studies and groups of studies that help translate published science into decision-ready insights. This work will follow best practices for synthesizing scientific evidence. The resulting information will be communicated on the Impacts Platform and through the channels described under activity 5.

*Output 2.3: In-person engagement with stakeholders and decision-makers at knowledge-sharing events, fostering learning and adaptive management toward increasing the effectiveness of VSS and VSS-like mechanisms.*

48. This output also links directly to the third objective on credible synthesis and communication of the evidence base into decision-relevant messages. It will be achieved through the following activity:

(5) Engaging stakeholders and fostering learning and adaptive management toward increasing the effectiveness of VSS and VSS-like mechanisms: The project will include an outreach and learning

function to ensure that evidence on impacts is effectively communicated to key user groups and stakeholders, particularly decision-makers in private companies and governments. This will be achieved in two ways: first, by preparing concise syntheses and communications (activity 4) of impacts results and their implications and disseminating these through targeted channels, and, second, by sharing the information through participation in selected in-person events that attract decision-makers and researchers working on sustainable commodity supply chains. In addition to increasing the uptake of research findings by decision-makers, participating in relevant events will also help us to connect to researchers and let them know how to use the platform to more collaboratively identify and investigate priority topics, and to better leverage external resources to support this work.<sup>13</sup>

### **Component 3:**

#### **Outcome 3: Knowledge management, partnerships and communications activities implemented to maximize learning, foster synergies and promote upscaling of actions to take deforestation out of commodity supply chains**

49. In order to achieve impacts at the scale necessary for transformational change as envisioned by the Implementing Agencies and by GEF, knowledge management will be a key component of this IAP, both at the Program-level and within individual child projects. This will lead to enhanced understanding of effective strategies and tools to significantly reduce deforestation associated with commodity production, and will facilitate replication and upscaling within and beyond the IAP Program network.

*Output 3.1: Knowledge generated by the Program is shared at the national and global levels and relevant learnings from other parties and from other IAP programs are shared, captured and leveraged;*

50. The first element of the Program's overall knowledge management strategy involves generating and sharing knowledge within the IAP Program at the global and national levels. A dedicated Global Knowledge Lead will foster a culture of knowledge creation and management and uptake of learnings among the team and to regularly exchange information with, and brief the child project KM leads as well as the Program Steering Committee. Global-level KM can be distinguished from the KM at the level of the child projects in several ways. At the global level, KM will: 1) be focused on the creation and sharing of knowledge on the effectiveness of the integrated supply chain approach itself; 2) foster extensive knowledge sharing and dissemination within the Program among the different child agencies and implementing partners, including on cross-cutting issues and emerging “hot topics”; 3) promote sharing of lessons learned and best practices with key external partners working on a supply chain approach and on sustainability issues, including by fostering the creation of a Global Community of Practice and producing Program-level publications, among others. KM at the level of individual child projects will center around creating and sharing knowledge on the learnings associated with the particular interventions of each child project with implementing agencies and child project partners.

51. Periodic publications will be produced to support knowledge management on global cross-cutting themes such as resilience and gender. We are planning to commission a specific study to examine the effects of increased demand and financing on sustainable production and vice versa. In addition, individuals working on the IAP Program and senior leadership from the multi-agency consortium and

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<sup>13</sup> For instance, it is envisioned that scientific funders will be invited to participate in the community of practice and its events for the purpose of communicating research priorities. Additionally, the online platform will serve as a valuable data resource to help pursue research synthesis grants from entities such as the US National Science Foundation and the National Center for Ecological Analysis and Synthesis.

from GEF will participate in speaking events and interviews. As such, the IAP Program will be represented at major policy events during the year to share knowledge on the integrated supply chain approach being piloted with this Program. These include the United Nations Convention on Biological Diversity (UNCBD) Conferences of the Parties (COPs), and United Nations Framework Convention on Climate Change (UNFCCC) COPs. Other possible events include **sustainable supply chain events** such as Sustainable Brands, ISEAL Global Sustainability Standards Conference, Ethical Corporation Supply Chain Summit, industry roundtable events (e.g., RSPO, RTRS or GRSB), TEDx Change, and Business for Social Responsibility Conference, among others.

52. Beyond the IAP Program itself, knowledge management will involve the capture and exchange of learning with other relevant stakeholders and other IAP programs. The **IAP Manager**, IAP Coordinator, KM Lead, as well as other members of the Secretariat and active Program partners, will engage with relevant platforms and fora, such as TFA 2020, IDH, and CGF, which are also tackling the drivers of deforestation within commodity supply chains in order to share knowledge. For example, TFA hosts periodic 'Innovation Labs' on key themes and topics, which will be attended by the IAP Manager and/or KM Lead and reported upon to the Steering Committee.. There will also be regular exchange of information and learning with other partners, such as key donors making significant investments related to reducing deforestation from commodity supply change (see paragraph 33 for more details on the partnership strategy). A strong understanding of what different stakeholders are doing and the level of effectiveness of different actions, coupled with effective coordination of these different interventions, are critical to achieving transformational impact. The focus of this knowledge management with partners that are external to the IAP will be on fostering learning about the specifics of implementation in terms of which interventions are working and which are not as successful in a particular country or setting. This will support the identification of models and packages of interventions that can be shared with different countries. This careful attention to knowledge creation and management will enable the IAP to have an impact far beyond the four target countries in which national and landscape-level actions will take place. For example, lessons learned from this IAP can be shared with other countries in which GEF is supporting work on commodities and with the many countries with which key donors such as the government of Norway have bilateral partnerships or regional initiatives tackling similar issues.

53. Knowledge management will also include learning and information sharing about the experience of implementing an integrated approach pilot itself. As such, effective knowledge sharing and synthesis will be carried out on the Commodities IAP Program experiences with the other two GEF 6 IAPs, Sustainable Cities and Food Security in Sub-Saharan Africa. This will include engagement with key personnel of the other two IAPs, including the knowledge management leads. The effectiveness of the integrated approach will be assessed as part of the Mid-Term Review and Terminal Evaluation for the A&L child project, and will be a topic of discussion at least once a year at Steering Committee meetings. In addition, this child project will fund the production of a report by project end to specifically comment on successes and lessons learned in the process of adopting this integrated pilot approach.

*Output 3.2: Broad Global Community of Practice convenes to share best practices and lessons learned across countries and to promote replication;*

54. A Global Community of Practice (CoP) will be created and will convene practitioners actively working on these issues to share successes and failures and support identification of the most appropriate set of interventions to reduce deforestation from agricultural commodity production (see Annex 7 for more details). The COP will be a flagship activity to position the IAP globally for promoting sustainability in the beef, oil palm and soy supply chains. It will also fill a unique niche in terms of assembling actual practitioners and producers from the South who are working in this field, focusing on the four target countries of the IAP. The COP will provide an opportunity to test models and ideas with

practitioners and producers, facilitate networking and to cement partnerships, advance learning on key IAP themes, and maximize synergies and impacts of different interventions

55. The IAP CoP will bring together practitioners from the oil palm (Indonesia and Liberia), and soy and beef (Brazil and Paraguay) supply chains, which could include governments, local NGOs and producer groups. Program partners, such as bilateral agencies, would also be invited to bring in their practitioners. In addition, we will invite stakeholders from other commodity sectors to share practice and learnings through the Global Community of Practice, such as from the cocoa sector, which is also grappling with the issue of deforestation. Other possible participants could include stakeholders who are working on cross-cutting issues related to reduced deforestation commodity production and who could serve as resource people and contribute to the capacity building of participants. As such, the CoP will enable the sharing of knowledge and experience not only among direct Program partners, but with the wider commodity community. This will support the integration of the Program's aims into national and corporate policies and the increased adoption of this approach as a commercial norm in the agricultural commodities sector.

56. A total of two Communities of Practice events will be organized during implementation of the IAP program. These may be separate events or timed alongside other global events (to be determined as part of the CoP preparations). The specific objectives of these meetings will be to:

- Share lessons learned and promote replication of the IAP best practices across countries and practitioners;
- Provide a platform where other organizations and fora can share their experiences and lessons learned from initiatives that complement the IAP's work;
- Explore learnings on key themes of this IAP (see examples below);
- Facilitate south-south cooperation and technology transfer among the participating IAP countries, allowing lessons learned to be replicated efficiently and fostering ownership;
- Cement partnerships and collaboration both within the IAP itself as well as within the wider community that is tackling deforestation.

57. Various themes or learning areas related to the integrated supply chain approach being piloted with this Program could be discussed at the CoPs, such as:

- How increased demand for reduced deforestation production can influence production on the ground and vice versa (i.e., how increased sustainable production can affect demand by making it 'safer' to make commitments to source sustainably);
- To what extent changes in farmer finance and public private partnerships for farmer support affect reduced deforestation production, the relationship of changes in finance to changes in demand and vice versa;
- Findings from the Global Impacts Platform Component of this project (Component 2) on the evidence base/ impacts of Voluntary Sustainability Standards and other similar mechanisms;
- Assessment of information management and transparency and the most effective way of scaling up existing tools;
- Constructively engage different levels of government to promote sustainable production, bring about appropriate policy reform and carry out land use planning to balance sustainability and conservation with economic growth aspirations;
- Linking smallholders with markets;
- Engaging with the private sector to help them make and meet commitments, including large buyers and traders;
- Integrating gender mainstreaming in interventions;
- Ensuring resilience in Program implementation;

- Making a multi-agency consortium work so that it is coordinated effectively and brings on board relevant partners;
- New thinking on issues such as landscape approaches or the role of technology in reducing deforestation.

58. In addition to the two Community of Practice events, the A&L project would also fund regular discussions through social media, the Program website, webinars, etc. to support ongoing dialogue among practitioners to advance learning and cooperation on these issues. This will allow learning on a variety of issues, as the two face-to-face events would not provide sufficient time to cover the different proposed themes. The Global Community of Practice will collaborate with the broad existing global platform, namely, the Tropical Forest Alliance 2020, and has already engaged with TFA to discuss synchronization of efforts. TFA has agreed to invite their members to the IAP Program Community of Practice and other IAP meetings. Furthermore, TFA will be included when planning thematic priorities for the Community of Practice. As a result of the unique niche of the proposed CoP, no overlap is expected with the TFA.

59. Given some of the key objectives of the GEF in pursuing an integrated programming approach, the A&L project will ensure that there are ongoing learning opportunities on cross-cutting themes such as gender and resilience, including through the above-mentioned CoP, and more generally through knowledge management activities with IAP partners and external stakeholders.

60. Learning exchanges/ study tours will be carried out both by the production child project and the demand project (through the Learning and Exchange Program in Southeast Asia). The A&L project will help ensure coordination between the two child projects for these study tours wherever possible and will also glean learnings from the study tours to contribute to the overall KM agenda of this IAP. The main themes for the production study tours will likely focus on topics such as farmer support systems, spatial planning, and policy and enforcement strategies, among others and will target policy makers, extension agents, and others. The demand project will organize learning tours for companies to production areas to demonstrate the impacts of deforestation, best practices and challenges in verification. These study tours will enable Program partners to learn from the experiences and lessons learned in the four IAP target countries. A minimum of two study tours will be organized, one every two years of Program implementation.

*Output 3.3: Strong partnerships are established to support knowledge management and increase synergies in order to maximize progress toward reducing deforestation from global commodity production;*

61. To support knowledge management and contribute to the overall goals of the IAP, the Program will place significant emphasis on the implementation of a strong Partnership Strategy. There are a number of reasons why engaging a diverse set of partners will be beneficial for the IAP, including: strengthening the platform on which a broad set of stakeholders can come together; supporting innovative ways of doing business, driving sector wide transformation; testing emerging models or concepts, as part of breakthrough thinking with the aim of creating a “beacon effect” that can spur broader adoption; incorporating scientific findings, appropriate technology and traditional knowledge into project design; scaling up existing good work; creating synergies leading to greater, sustained impacts; driving progress on commitments; gathering strategic or technical critique and feedback to improve quality of the work; raising the profile of the GEF, unlocking match funding or other donations; and delivering substantive impacts, cost effectively. The reasons why potential partners may wish to get involved with this GEF Program are similar. The project preparation (PPG) stage was characterized by extensive outreach to partners engaged in the field of reducing deforestation from commodity supply chains, and it is foreseen

that these relationships will continue to be built upon and expanded during program implementation. Partners are expected to play one of five key roles:

- Provide expert guidance or critique by globally recognized experts, through participation on the CIAP Advisory Committee and other possible means;
- Provide innovative tools (such as transparency tools), thinking or expertise, or ensure certain perspectives are integrated (such as gender and resilience);
- Help influence the enabling environment for responsible sourcing of commodities, and increasing synergies, maximizing synergies to benefit from the work of others in the field and vice versa;
- Deliver implementation services, through delivery partners who could implement specific components, such as establishment of a program website;
- Provide co-financing to co-fund components of the IAP that are line with donors' strategic goals, and thereby increase the IAP's impact.

62. The A&L child project will engage with partners who play a role at the global Program level or across multiple child projects. The IAP Partnership Framework presented in Annex 2 (Figure 2) provides a preliminary list of some of these Global-level partners as well as their proposed role in the IAP, such as TFA, CGF, CLUA, IDH, ISEAL, Global Canopy Programme, Climate Advisors, Mondelez, Santander Bank, Marks and Spencer, KLD, USAID, DFID, and others (see also section A1. on Baseline Scenario and Baseline projects for more detail on KLD and DFID). Global-level partners could also include organizations that are working on agricultural or sustainability issues through a gender lens, such as WOCAN, WEDO and GGCA.

63. The majority of Program-level partners will provide 1) expert guidance or critique; 2) innovative tools; 3) support to influence or enhance the enabling environment. The project will seek to involve such Program-level partners from the outset to learn from them, connect on areas of overlap or joint interest to maximize synergies and impact. The IAP Manager will take on the role of coordinating the relationship with these global-level partners to ensure programmatic consistency and optimum coordination. The IAP Manager can also act as a conduit for activities to facilitate learning by new partners about the IAP and point them to the child projects of relevance. In addition, engagement with partners at an IAP level will maintain IAP brand awareness. Note that some of these same partners may also play a role in the individual child projects. Where there are global partners with multiple points of engagement, the IAP Manager will coordinate this so that everyone is kept informed. Each child project will manage multiple partnerships that are relevant to advancing the aims of their work. These partners may operate at the national, regional or even global level depending on the specific role and remit within those child projects and the added value they bring. The partnerships at the child project level will primarily provide innovative tools or thinking, and implementation services to support project delivery across each of the child project components.

The A&L project will also carry out awareness raising workshops with China (a country that is not formally part of the IAP) about the IAP Program, in order to strengthen political capital and the potential for China to become involved in a subsequent phase of this supply chain work.

*Output 3.4: Implementation of a Program-level Communications strategy raises awareness of the impacts of the IAP and facilitates dissemination of knowledge.*

64. A Communications Strategy will be implemented to support knowledge management by disseminating content and learnings to internal and external stakeholders and providing information about advances linked to the different child projects. This Strategy will also raise awareness of the role of the IAP and of the GEF in driving sector progress toward reduced deforestation from commodity production

(see Annex 3 for Communications Strategy). A dedicated Global IAP Communications Lead will develop the IAP brand identity and guidelines for use create Program-level assets such as an IAP flyer, IAP newsletters, briefing notes and multimedia materials, manage the IAP's digital presence, and organize the IAP's presence at key global events and conferences, among other responsibilities.

65. The Global Communications Lead will create a brand identity for the IAP Program to underscore the distinctive integrated approach of the IAP. In addition to an IAP logo and website, coverage on the CIAP will be sought through other media channels. The Communications lead will publicize events at which the IAP is being presented (see Output 3.1) through social media.

66. The Program's impact is also expected to garner attention through the referencing of the IAP by the media and in publications, and through information sharing networks and fora. Finally, a content partnership will be established with the Guardian Sustainable Business, which is a recognized leader in sustainability discourse. As such, an independent hub will be set up on their website for a period of four months to host Program articles and think pieces, among others. This will facilitate the dissemination of knowledge from the CIAP and foster debate and dialogue about relevant issues among key stakeholders in this field.

67. Each child project will carry out communications activities as needed to disseminate the results of their specific work, be it on sustainable production, demand or transactions, through briefings, publications, speaking engagements, or other means. The Global Communications lead will liaise with the child projects to ensure consistency among child projects in publications and communications documents in terms of the main messaging and use of the IAP logo and art files, in order to maintain IAP cohesion. Please note that the child projects will also provide content for Program-level communications assets, including for the IAP website and the Guardian Sustainable Business content hub.

#### **4) Incremental/additional cost reasoning and expected contributions from the baseline, GEFTF, LDCF, SCCF, and co-financing**

68. Under the baseline, efforts to address sustainability concerns and to reduce deforestation from agricultural commodity supply chains will continue to focus largely on individual links of the supply chain. With GEF funding, an integrated approach to simultaneously address production, demand and transactions will be adopted through the Commodities IAP program. National and landscape level activities will be carried out in four key commodity producing countries and global level coordination and knowledge management will be carried out to ensure coordination and logical technical sequencing. At the level of each child project, multiple levers to promote sustainability will be tackled to maximize impacts. For example, the production project will work on production policy and enforcement, fostering dialogue and public private partnerships; strengthening farmer support systems and agri-inputs; and strengthening land use planning mapping. The incremental value of this GEF-funded IAP is therefore that actions will be taken at all stages of the supply chain, across multiple countries and landscapes through a multi-agency consortium. This consortium will build on the competitive advantages of the different GEF Agencies who will collaborate on this IAP (UNDP, CI, IFC, WWF, and UNEP FI). More details are provided in the Program-level Theory of Change in Annex 2.

69. As described in detail in the project strategy section, the incremental value of this A&L child project is to ensure the coordination and technical sequencing of efforts by the implementing agencies and additional partners in order to deliver on the inter-related outcomes and results. The coordination of multiple child projects and of several implementing agencies will occur at both an operational and technical level. This sequencing is required to ensure consistency and coherence in the overall IAP program delivery for transformational impact. Knowledge management will be pursued at a global level to promote learning and replication and there will be IAP-level communications for program branding



and dissemination of results. In addition, the project will produce a global compilation of the evidence base on Voluntary Sustainability Standards and related mechanisms targeting the needs of business leaders, policy makers and researchers, including through the development of a Global Impacts Platform. The proposed Impacts Research component goes well beyond any existing or proposed effort in its focus on low-deforestation commodity supply chains, its global scope, its proposed set of tools for navigating a large and diverse evidence base, and its focus on translating science into decision-relevant insight and conducting direct outreach to support this process.

## 5) Global environmental benefits and/or adaptation benefits

70. The IAP Program is expected to generate substantial global environmental benefits through reduced deforestation from agricultural commodity production, protection of high conservation value (HCV) and high carbon stock (HCS) forests and sustainable forest management. These benefits are summarized in **Table 1** below and described in further detail in technical Annex Q (see ProDoc).

71. As shown in the table, a set of **direct benefits** will be delivered within the IAP's target landscapes. These will include:

- **Improved landscape management:** The IAP will deliver improved management of 13.95 million ha (7.95 million ha in the three production project countries and 6 million in the Brazil project landscapes), which represents the total combined area of the target landscapes.
- **Sustainable land management:** The IAP will help to deliver good agricultural practices and SLM to 700,000 ha (200,000 ha in the production project and 500,000 in the Brazil project, which represents the total area of farms whose owners are expected to adopt such practices following IAP training and advisory support.
- **Carbon mitigation:** The IAP will directly mitigate an estimated 80.2 million tons of CO<sub>2</sub>e (65.6 million tons in the production project and 14.6 million tons in the Brazil project), which represents the total lifetime (10-year lifespan) CO<sub>2</sub>e mitigated through avoided deforestation in the target landscapes. These benefits are associated with reduced deforestation due to: (i) impacts of enhanced set aside practices and enforcement measures, and (ii) impacts of other district-or landscape-level improvements in policy, planning, farmer practices and enforcement systems. In the case of the Production project, this is based on the assumption that, out of the 7.95 million total landscape area covered by the project, one million ha will be subject to new or improved set-aside rules and that such rules will contribute to a 35% reduction in the baseline rate of deforestation (currently 1.65% p.a.) over a 10-year period. We further assume that, across the remaining 6.95 million ha, reductions in commodity-driven deforestation due to policy changes, enforcement and spatial planning will lead to a 15% reduction in deforestation in those areas. Additional details of target landscape-level calculations, emissions factors and deforestation reduction targets are provided in the respective projects' CEO Endorsement documents, and notably in their tracking tools.

72. The above direct impacts will be complemented by a set of **indirect benefits** (see **Table 1** for amounts) resulting from a national and international learning and replication effects as well as, importantly, from the synergistic benefits of the IAP's innovative supply chain approach. With respect to the latter in particular, the IAP program will play an important role in supporting partners implementing other large initiatives to reduce deforestation from commodity production in order to facilitate achievement of their goals. This includes:

- The Consumer Goods Forum, which is to support the target made by 57 companies for zero net deforestation from soy, beef, palm oil and paper by 2020. The New York Declaration of Forests saw world leaders, some of the largest companies, and various influential civil society and indigenous organizations endorse a global timeline to cut natural forest loss in half by 2020.
- UN REDD+ and the FCPF are funding REDD+ readiness activities and will pilot projects providing financial incentives for emissions reductions. Norway will provide substantial funds for a 5-year project entitled "Green Growth: Achieving forest conservation in commercially productive landscapes in Indonesia, Liberia and Brazil", which will secure production-protection agreements in these countries for high conservation value and high carbon stock forests, intensify smallholder production in specific landscapes, and improve the livelihoods of smallholders and communities.
- DFID funding for implementation of the Indonesia Forestry Land-use and Governance (FLAG) programme, which aims to reduce the deforestation rate and reduce peat land degradation, as well as a forestry programme entitled "Investments in Forests and Sustainable Land-Use (IFSLU)", which will work to translate corporate commitments related to supply chain sustainability into action in West Africa and Southeast Asia.
- USAID engagement in Paraguay in the Chaco region, where they will support sustainable production to reduce deforestation and carbon emissions and Sida is funding a project on "Making Markets Work for People and Nature" which is focused on sustainable palm oil, timber, pulp and paper (and other commodities), to name a few donors working in this space.
- Tropical Forest Alliance, a global public-private partnership to reduce tropical deforestation associated with the sourcing of commodities.

73. The IAP program will support and strengthen the work of key partners through engagement in these initiatives, by sharing best practices, tools, and methodologies through global partnership management, the Community of Practice, the Asia Exchange, and other means. The IAP program will provide the necessary platform for collective engagement in this larger universe of players in order to further refine and work toward collective targets, share lessons learned, maximize synergies and collaboration and ultimately, ensure impact. This coordinated approach will promote achievement of significant shifts toward a more sustainable agenda in the commodity sector and will ensure that individual efforts are not pursued in isolation. In addition, the A&L project will ensure coordination within the IAP among the different child projects for greater coherence, alignment and impact. For example, A&L will connect Asia demand workshops with INPOP and the LAC soy trader platform with Paraguay and Brazil in order to help channel global markets to the sustainable production being promoted in the IAP target countries. The A&L project will work to promote linkages between the actions being carried out on production, demand and finance and will commission a study to study how effective this integrated approach has been at increasing the sustainability of supply chains.

**Table 1: Global environmental benefits of IAP (direct and indirect)**

<b>GEF Replenishment Targets</b>	<b>IAP Indicative Targets</b>	<b>IAP Program Indicators for Monitoring</b>	<b>Source of Data/Methodology</b>
Improved management of landscapes and seascapes covering 300 million hectares	23 million ha	Indicator 1: Area of commodity producing landscapes under integrated management to maintain globally significant biodiversity and forest ecosystem	Estimated total area that the IAP Program will influence to promote BD conservation through: Direct landscape level work, measured based on total area of target landscapes. Target: 13.95 million ha; and Indirect work, including government-

<b>GEF Replenishment Targets</b>	<b>IAP Indicative Targets</b>	<b>IAP Program Indicators for Monitoring</b>	<b>Source of Data/Methodology</b>
		goods and services	driven replication / learning, as well as learning by partners to strengthen the management of the landscapes through spatial planning, improved enforcement, and design of HCV and HCS areas, among others. These impacts will be measured through a survey to assess the extent of replication at multiple geographic levels. Survey will be carried out with major CoP partners and national commodity platforms. Target: 9.05 million ha
120 million hectares under sustainable land management	1,000,000 ha	<b>Indicator 1:</b> Area under Good Agricultural Practices and SLM for sustainable production of oil palm, soy, and beef.	Estimate of farms implementing good agricultural practices through: Direct IAP support to production, responsible demand, and enabling financial transaction. Target: 700,000 ha, as measured by survey of farmers; and IAP influence through the supply chain approach, through implementation of partnership strategy and through replication, as measured by a survey of key partners. Target: 300,000 ha.
750 million tons of CO <sub>2</sub> e mitigated (include both direct and indirect)	117.5 million tons	<b>Indicator 1:</b> Total lifetime <b>direct</b> CO <sub>2</sub> e mitigated through avoided deforestation and uptake of sustainable agriculture practices	Carbon mitigation will arise from avoided deforestation due to enhanced set-asides as well as from district-level policy changes. Target: 80.2 million tons CO <sub>2</sub> e. <sup>14</sup>
		<b>Indicator 2:</b> Total lifetime <b>indirect</b> CO <sub>2</sub> e mitigated through avoided deforestation and uptake of sustainable agriculture practices	Estimates from achievements in promoting sustainability through the supply chain approach, through implementation of partnership strategy and through replication, based on survey of IAP Partners. Target: 37.3 million tonnes CO <sub>2</sub> e.

74. The Program-level IAP tracking tool includes these targets, which the IAP Program will work to achieve in cooperation with key partners. These will be measured at the start, mid-term and end of the Program, using the methodologies described in the table above and detailed in Annex Q of the ProDoc.

75. Finally, the following table summarizes the current practices being employed, the alternative practices to be promoted by the IAP program and describes the expected global environmental benefits.

<sup>14</sup> Details of the calculations used are provided in the Production and Brazil project documents (global environmental benefits sections) and in the respective project tracking tools.

<b>Current practices</b>	<b>Alternative practices to be promoted by the IAP program</b>	<b>Expected global benefits</b>
Limited land use planning and misaligned government agendas in terms of agricultural expansion and conservation objectives, coupled with insufficient enforcement of existing land use plans	Improved land use planning and policies to direct agricultural expansion away from HCV and HCS forests and toward degraded areas or other less ecologically important areas suitable for agriculture	
Insufficient support to producers, including smallholders, women and indigenous groups, to intensify production in a sustainable manner and increase yield	Identification, dissemination and training in best practices and standards for sustainable intensification of commodity production. Pilot implementation of best practices support within selected target landscapes, including good agricultural practices and low carbon agriculture	
Financial instruments do not specifically support sustainable production of commodities	Development of environmental and social risk management and assessment tools for banks to direct investments away from high deforestation projects, and economic incentives for sustainable production, among others.	Increased protection of high conservation value and high carbon stock forests;
Insufficient demand from major buyers and traders and major developing country markets for sustainably sourced commodities	Engagement to secure commitments from major buyers and traders and follow up to ensure that they are acted upon. Consumer media campaign on palm oil in Indonesia	Reduced greenhouse gas emissions, contributing to climate change mitigation,
Insufficient coordination of initiatives to tackle different stages of the supply chain	Integrated approach to work on production, transactions and demand sides to ensure that more carefully planned and sustainable production is met with increased access to financing and increased demand for these products.	
Difficult to access evidence base on the effectiveness of VSS and VSS-like mechanisms	Establishment of Global Impacts Platform with associated research products and engagements to support improved decision-making related to commodity production (for growers and land managers), sourcing and trading (for intermediaries), procurement (for retail and consumer goods companies), policy-making (for governments), and investment (for financiers and donors). At the same time, it will support those who are developing implementation mechanisms for responsible supply chains.	Increased extent of land under low GHG management practices;  Increased area in which management practices that integrate biodiversity considerations are employed.
Inadequate capture and dissemination of lessons learned through initiatives to address deforestation in commodity supply	Strong knowledge management component, at the Program level and at the level of individual child projects. Includes establishment of Global Community of Practice, strong internal learning within the Program,	

chains	two-way learning and information exchange with other platforms and fora, publications, and others to facilitate replication and upscaling	
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## 6) Innovativeness, sustainability and potential for scaling up

### Innovativeness

76. The overall IAP Program is highly innovative both in terms of the supply chain approach process and content. The Program is very ambitious, and marks the first time that GEF is funding such a large-scale integrated program to address all stages along the agricultural commodity supply chain with the goal of reducing deforestation. In terms of the implementation modality, it is a multi-agency effort involving UNDP, WWF, CI, IFC, UNEP and multiple executing agencies at the global and national levels in the four target countries. Coordination will be achieved across agencies, multiple commodities and four different countries through the establishment of a Coordination Structure within a Program Secretariat with staffing that includes an IAP Manager and an IAP Coordinator, among others. The A&L child project will be specifically charged with this coordination work, but also responsible for rolling out extensive knowledge management and learning activities. This will ensure even further impact and increase the likelihood of upscaling. The Program includes a partnership strategy that defines how it will build on existing initiatives and build synergies with key partners involved in this space.

77. The actual content of the IAP also features various innovative elements, including the establishment of a Global Community of Practice, a partnership strategy, and a Global Impacts Platform, among others. Large global Communities of Practice meetings every two years will enable practitioners from around the world to exchange lessons and best practices and to build synergies for greater impact. The A&L project will also fund the inclusion of content on the IAP on the Guardian Sustainable Business hub, in order to promote awareness of the IAP lessons learned and achievements and encourage greater dialogue on relevant issues among a wide audience. A partnership strategy has been developed for the Program in order to define the roles of different partners and the nature of engagement during IAP implementation. The research component also includes many innovative aspects, including the establishment of a Global Impacts Platform, with a proposed set of tools for navigating a large and diverse evidence base, a focus on translating science into decision-relevant insight and the conducting of direct outreach to support this process.

### Sustainability

78. This A&L project includes various elements that are critical to overall IAP Program-level sustainability and longer-term impact. An ongoing focus on partnership consolidation and creation of synergies will ensure that the foundations for continued action on these topics are established. The experience that will be gained by different international agencies, NGOs, and governments in working in an integrated and coordinated fashion on issues related to the entire supply chain will also enhance sustainability by increasing the likelihood of further joint action and synergies. In addition, elements such as the Global Community of Practice and the provision of content for the Guardian Sustainable Business hub will lead to dissemination of knowledge and greater dialogue about these issues among all key stakeholders, which will help to build the momentum to ensure sustainability beyond 2020.

79. ISEAL, Rainforest Alliance, WWF, and other entities have had VSS impacts research agendas and programs for several years now. The Global Impacts Platform will leverage these efforts to make

information more centrally available to users, while also ensuring that these project partners continue to generate, synthesize, and communicate research findings and participate in impacts communities of practice long after the conclusion of these activities. Other collaborative research programs on these same topics led by university researchers have also emerged in several countries, and this project will help broaden awareness of these initiatives. The partnership with ITC will allow the online platform to be built into existing and ongoing ITC programs relating to VSS, sustainability, and transparency, and will live on past the project period, embedded in these existing programs.

## **Upscaling**

80. The A&L project will play a crucial role in supporting the upscaling of the different elements of the IAP Program, by supporting regular communication and coordination, promoting extensive knowledge management, establishing a Global Community of Practice and carrying out IAP communications activities. As such, knowledge on best practices and lessons learned from the adoption of this agricultural commodity supply chain approach to support upscaling and replication will be made available to IAP agencies and all key Program partners.

81. Upscaling will be promoted at the level of the individual child projects through various means. For example, legislation and regulations will be developed/revised, relating to land use plans and zoning, forest set-asides in concessions, and access to degraded land, which can have broad application across national contexts or across commodities. In addition, financial instruments and incentive mechanisms will be developed, for example, to facilitate access to financing, to develop environmental and social risk assessment tools for banks, and to improve access and use of degraded land, that can also be applied at scale. Capacity building of key stakeholders such as extension service providers, ministries of agriculture, buyers, traders, banks and investor coupled with partnership building will facilitate broader impact beyond the specific target landscapes and countries. At the landscape level, the IAP will fund demonstrations of innovative tools and technical support to test these and to create opportunities and momentum for upscaling and replication. Commodity platforms will also play a key role in capturing and facilitating the dissemination of lessons learned from the district to provincial and up to the national level with a view to upscaling. Finally, knowledge management activities at the level of each child project will serve to promote learning on the suite of interventions that are most effective at reducing deforestation from commodity production, thereby supporting replication and upscaling of these interventions.

82. Companies that engage in responsible and sustainable sourcing initiatives increasingly expect evidence on the actual on-the-ground outcomes or impacts of these programs or investments – and are increasingly using such data to inform business decisions and report to their stakeholders. Accordingly, improved evidence on the effectiveness of various sustainability tools is instrumental to the ongoing use, upscaling, and improved effectiveness of such mechanisms. The work to consolidate and synthesize evidence on impacts of VSS and VSS-like mechanisms is therefore entirely about upscaling. The more effectively this information is brought together, synthesized, understood, and used for adaptive management and decision-making, the greater the likelihood that responsible production and sourcing initiatives will achieve lasting positive impacts, and the greater the likelihood that companies will continue or expand such initiatives. Conversely, the lack of credible evidence on impacts can undermine the business case for responsible business decisions and create widespread opportunities for greenwashing.

83. In addition, the ISEAL work on an innovation agenda for VSS (funded by SECO) will bring to bear an additional impacts-innovation loop that is also about upscaling. In the ISEAL innovations programme, VSS will receive funding and participate in working groups and events where they can test and pilot new innovations. Funding will be awarded based on the potential for the innovation to lead to

increased scaling up of impacts and benefits, and reduction of costs and complexities of certification. The SECO grant will essentially work across the VSS movement to scale up the impacts of standards systems compared to business as usual through increased effectiveness and innovation, which will complement the Research Impacts Platform to be developed with this project.

**A.2. Child Project. If this is a child project under a program, describe how the components contribute to the overall program impact.**

84. This A&L child project will serve the vital role of coordinating the overall IAP Program to promote the sustainability of the entire supply chain for three commodities. The whole concept underlying the IAP is that this integrated approach is necessary for impact, as disparate and uncoordinated actions in any one part of the supply chain will not be effective at transforming the supply chains (see Annex 2 for a detailed Program-level Theory of Change). Thus this coordination work will play a vital role in ensuring that a coherent and integrated approach is employed at national and global levels. As described in detail in the project strategy section, a Global Coordination Structure will be established and regular communication will be maintained through coordination and Steering Committee meetings. Logical technical sequencing of the different Program-level activities will be facilitated by the development and periodic review of national workplans and alignment of national-level actions in order to maximize the overall impact of the IAP. This A&L project will also serve the important role of aggregating the M&E child project results to periodically assess the overall Program impact.

85. In addition, this child project explicitly puts into place a strategy to ensure that resilience is taken into consideration and that adaptive management is employed throughout Program implementation as necessary (see section A5). In this way, changing conditions in the external environment will be addressed and the Program will be able to course correct in an efficient manner to achieve its overall objectives. The IAP Coordinator will aggregate monitoring and evaluation results from the child projects and liaise regularly with the respective leads to recommend to the Steering Committee any necessary changes in implementation strategy that would help ensure that the Program meets its goals.

86. As detailed in the project strategy section, this child project will implement a strong knowledge management component, both within the program and with external partners, which will foster learning and promote replication of the Program interventions. The development and nurturing of global-level partnerships through this A&L child project will increase synergies among key stakeholders working in this field to maximize impact and minimize duplication. Finally, the A&L child project will implement an IAP Communications Strategy to develop a Program-level identity, to ensure IAP Program cohesion, and to support the dissemination of Program results.

87. Many of the strategies and activities in the IAP's Production, Transactions, Demand, and Brazil child projects relate to or rely on VSS (standards & certification) and VSS-like mechanisms, with the assumption that these tools are an effective approach for achieving producers', buyers', and financial institutions' sustainability goals such as reduced deforestation in commodity production and supply chains. VSS are also an important link among the child projects, providing a verifiable system for connecting reduced deforestation production with companies demanding reduced deforestation products.

A.3. *Stakeholders*. Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes  /no )? and indigenous peoples (yes  /no )? <sup>15</sup>

### **Stakeholder engagement in preparation of Program:**

88. There has been extensive stakeholder engagement throughout the PPG phase for this IAP both at the level of the Adaptive Management and Learning project and the other child projects. At the Program-level, a variety of relevant organizations were consulted in order to better identify their role during implementation, as well as to introduce the IAP; identify areas of synergy so that the Program builds on rather than duplicating existing initiatives; and ensure effective coordination with other interventions in this production-protection space. Examples of entities consulted at the global level during the preparation of this A&L child project include: Tropical Forest Alliance 2020; KLD (Norway's International Climate and Forest Initiative); U.K. Department for International Development (DFID); IDH; UN REDD; Forest Trends (executing the UNDP/GEF Supply Change project); Proforest; Rainforest Alliance; Oxfam; Fauna and Flora International; EcoAgriculture Partners; Global Canopy Program; Mondelez; Marks and Spencer; Climate Advisers; and the Carbon Disclosure Project. These entities are further described in the Stakeholder Table, including their role and importance in commodity supply chains.

89. In addition, Program External Advisors provided advice during the project preparation phase, including representatives of the private sector (Mondelez International), the banking sector (Grupo Santander), bilateral donors (DFID), as well as foundations/alliances (Climate and Land Use Alliance and World Economic Forum), in order to provide technical and strategic feedback on the design of the project. Various virtual meetings were held with these Advisors in 2016 with the participation of the Steering Committee to ensure that feedback would be addressed in the project design. Regular communication was maintained with all the Implementing Agencies involved in this project and with GEF through Steering Committee meetings and additional ad hoc thematic meetings, including on the topics of M&E, resilience, gender, and IAP cohesion.

90. For the development of the Global Impacts Platform work (Component 2), initial scoping for the platform has already taken place and will continue with a broader set of stakeholders during year 1. A simplified pilot version of a research platform has been developed by Sustainable Food Lab, ISEAL, and WWF, which has identified major challenges of functionality and scope that will need to be addressed in the GEF Impacts Research Platform. In addition, researcher workshops have been co-hosted by ISEAL and WWF to determine the most critical research questions that should be addressed on the topic of standards and certifications' impact.

91. Extensive consultations were carried out for the production, demand, transactions and Brazil child projects to ensure that the proposed interventions build on existing work and to obtain inputs on the interventions that are considered most feasible and effective. Stakeholders consulted were from the following sectors: platforms and collaboration fora, NGOs, institutes and thought leaders, the banking financial sector, private sector, donors, academia and others. Child project working group meetings also took place regularly to design the most appropriate interventions.

92. National-level and sub-national project design workshops and focus group discussions were held in order to come to agreement on proposed interventions, solicit the input of all relevant stakeholders, and

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<sup>15</sup> *As per the GEF-6 Corporate Results Framework in the GEF Programming Directions and GEF-6 Gender Core Indicators in the Gender Equality Action Plan, provide information on these specific indicators on stakeholders (including civil society organization and indigenous peoples) and gender.*



ensure appropriate linkages the between production, demand and transactions elements of the Program design. These included workshops in Paraguay (January 2016), Brazil (January 2016), Indonesia (April 2016), and Liberia (May 2016), among others. Details of these consultations are included in the respective child project proposals.

### Stakeholder engagement in implementation of Program:

93. The main stakeholders and their role in this IAP include:

Stakeholder	Stakeholder involvement in IAP
Developing country governments at the national, state, province and district levels	Governments influence the enabling conditions for sustainable practices, including, for example, through policies that favour a production-protection agenda. The IAP will work closely particularly with the IAP target countries of Brazil, Paraguay, Indonesia and Liberia on issues related to policies, incentive mechanisms, and platforms, among others.
Donor governments and foundations	The IAP will work with donor governments and foundations that are actively funding efforts to promote the production/protection agenda and to take deforestation out of commodity supply chains, such as the governments of UK, Norway, Switzerland, Netherlands, Germany, and others. By supporting other initiatives that are aligned with the objectives of this IAP, these donors strengthen the enabling environment for positive change. Possible co-financing will also be explored.
Multilateral development agencies and programs	The IAP will maintain communication with key multilateral development agencies working in this space as well as with programs, such as UN REDD+. The latter is a key partner that it is making substantial investments to provide financial incentives for the conservation of forests.
Financial institutions	These provide financial transactions and services to commodity supply chain actors at national, regional and global levels. The IAP transactions work will focus on derisking and increasing available financing for sustainable commodity practices.
Companies, i.e., buyers, traders, processors, consumer goods manufacturers and retailers, such as Mondelez and Marks and Spencer	The IAP will work with the private sector to foster increased demand for sustainably sourced commodities and to strengthen transparency in line with increased commitments from various companies to remove deforestation from their supply chains.
Producers, at a range of scales from smallholders (including women and indigenous groups), local communities, SMEs and multinational companies	The IAP production child project will strengthen the extension services available to producers to implement good agricultural practices and low carbon agriculture, and will support intensification where coupled with the setting aside of HCV and HCS lands for protection. The IAP will also stimulate greater demand for sustainably produced commodities. More details on how women and indigenous groups will be integrated into the project can be found in section A4 on gender, in the Gender Mainstreaming Strategy and Action Plan and in the individual child project proposals.
CSOs/ NGOs, such as CI, WWF, Carbon Disclosure Project, Climate Advisors, Proforest, Forest Trends, Rainforest Alliance and ISEAL Alliance.	WWF is an Implementing Agency for the Program as a whole and for this project in particular. The IAP will also collaborate with other NGOs to make use of their expertise and contacts and in some cases, for implementation services (e.g., Proforest) and in other cases for co-financing.
Platforms and collaboration forums, such as Tropical Forest Alliance 2020, Consumer Goods Forum, Climate & Land Use Alliance, IDH	Partnerships with such platforms and fora will enable the IAP to leverage and add momentum to its work, in order to catalyze widespread change, and also to gain insights to feed into the learning agenda of the IAP.
Academia, such as University of Michigan and University of	Academic institutions may provide specific tools or may develop papers to assess or validate approaches or to support knowledge management.

Wisconsin	
Organizations that take a gender lens to work on development or environmental issues, such as the Global Gender and Climate Alliance, WOCAN (Women Organizing for Change in Agriculture and Natural Resource Management) and WEDO (Women's Environment and Development Organization)	Through its gender mainstreaming strategy, the IAP will ensure that women and men's issues are addressed in Program implementation (see section A.4 for more details as well as the Gender Mainstreaming Strategy and Action Plan). Liaising with these organizations will strengthen the integration of gender aspects in the program and in the policy work to be undertaken.

94. A Partnership Strategy for the IAP as a whole was developed during the PPG phase (see Annex J of ProDoc), which identifies the role and relationship expected with stakeholders. Stakeholders were categorized as either engaged stakeholders, who may be consulted or kept informed of the progress or who will benefit from IAP implementation, and partners (active stakeholders), which comprise a subset of the above and who will actively participate in Program implementation. The potential role(s) that partners can play during implementation were: providing expert guidance or critique, providing innovative tool(s), thinking or experience, increasing the scale of impact of the IAP/ influencing the enabling environment, providing implementation services, and/or providing co-financing. Child project partners will play a role within a specific child project or across two child projects while Program level partners are considered to play a role at the Global Program level or across multiple child projects. A partnership database was developed and populated with information supplied at the global level and by each of the child project agencies in terms of the stakeholders they propose to engage during implementation and the expected nature of this engagement. The extensive work to build and consolidate relationships and to develop a Partnership Strategy that was carried out during the PPG phase will be built upon during Program implementation and will increase the level of ownership and impact of the IAP. Further details on the Program-level Partnership Strategy can be found under Outcome 3 of the project strategy.

95. The main processes for engagement of these key stakeholders will include national platforms at the national level, bilateral consultations with key stakeholders, and the Community of Practice to be established through the A&L project for a broader group of stakeholders. Each child will manage its own partnerships based on its needs and existing networks, and the A&L project will ensure coordination between these partnerships.

96. With regard to the Global Impacts Platform Component of this project, in the platform scoping phase, a variety of potential user groups (researchers, standards organizations, companies, governments, NGOs) will be engaged to help determine the most useful functionalities to include in the platform. As a starting point, the platform will build off a pilot Sustainability Impacts Learning Platform co-developed by ISEAL, Sustainable Food Lab, and WWF, and a related concept developed by CAREY Research & Consulting for the Donor's Network on Sustainability Standards, and these stakeholders will all be engaged in the scoping of the GEF Global Impacts Platform. During implementation, a Global Impacts Platform Advisory Committee will guide high-level decision-making related to the Platform. Outreach to researchers will continue throughout implementation to ensure that the latest studies are included on the platform, to encourage researchers to focus new studies on evidence gaps identified through the synthesis of evidence on the Impacts Platform, and to identify opportunities for the research community to conduct credible, independent syntheses on specific topics, commodities, or regions. These engagements with the research community should help the Platform leverage considerable additional resources from science and research funders directed toward new, high priority impact studies or syntheses on effects of VSS and VSS-like mechanisms. Engagement with companies, governments, standards, NGOs, and other decision-makers will take place in person at annual forums such as the ISEAL Global Sustainability Standards Conference to ensure that findings are disseminated and taken up by relevant stakeholders. Additional

ongoing stakeholder engagement will include regular marketing of the platform to the aforementioned user groups, discussions of findings with thematically focused groups, and feedback mechanisms to ensure the platform can be adapted to maintain its relevance.

A.4. *Gender Equality and Women's Empowerment.* Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes  /no )?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes  /no )?; and 3) what is the share of women and men direct beneficiaries (women 50%, men 50%)?<sup>16</sup>

97. A gender analysis for this IAP was carried out, which included background research, discussions with key stakeholders in the field and thematic working group discussions with child project agency leads on how gender mainstreaming will be achieved throughout this IAP. A Gender Mainstreaming Strategy and Action Plan for the IAP as a whole was developed (see Annex 5), based on the actions that will be taken at the level of each child project to incorporate gender considerations and tailored IAP interventions to ensure that both women and men benefit from them.

98. All work to promote gender mainstreaming in the A&L project will adhere to the GEF Policy on Gender and to the UNDP Gender Equality Strategy 2014-2017. The A&L project will incorporate gender considerations in all the proposed Outputs and Outcomes, as described in the following paragraphs.

99. With regard to the Program coordination and Program governance structure, efforts will be made to ensure representation of both men and women on governing bodies such as the Steering Committee and the External Advisors, as well as in terms of Program staff within the Secretariat (including its global coordination structure and child project agency-level work). Regular feedback loops for adaptive management that will be managed by the IAP Coordinator will provide the opportunity for the effectiveness of gender mainstreaming to be assessed and reported upon to the Steering Committee, and for corrective actions to be taken if and when necessary. Monitoring and Evaluation will include gender disaggregated indicators in the Program Results Framework, as well as within the Results Framework of the A&L child project, which includes an indicator related to knowledge management, with a target of at least one information briefing that addresses the topic of gender. These indicators will enable regular tracking of the IAP impact as it relates to gender.

100. Knowledge management activities will explicitly include the capture of learnings from organizations analyzing or focused on gender issues as they relate to agricultural commodity production, climate change and forest issues. For example, the IAP will learn from organizations such as WOCAN (Women Organizing for Change in Agriculture and Natural Resource Management) as to how to better integrate consideration of women's issues in agricultural interventions and to measure the benefits being experienced by women. Organizations such as WEDO (Women Environment and Development Organization) and GGCA (Global Gender and Climate Alliance) could impart learnings to the CIAP as to how to address climate change through gender-responsive strategies and programs, and could also share some of their practical tools, information, and methodologies to help integrate gender into programs and policy. Knowledge management activities with the other two GEF-funded IAPs will include sharing of experiences and lesson learning concerning the implementation of gender mainstreaming strategies and the integration of gender in program M&E.

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<sup>16</sup> Same as footnote 8 above.

101. The Community of Practice to be established for this project will seek the participation of organizations that have incorporated a gender lens in their work on deforestation and commodity production or more generally agricultural production, climate change and forests. The COP may also specifically include thematic discussions on gender. Furthermore, it should be noted that the implementation of the IAP Partnership Strategy at a global level will reach out to organizations incorporating a gender perspective in order to benefit from expert guidance on this issue and innovative thinking. The Program-level Communications work will ensure that the information that is disseminated through the Program website, articles, publications, and speaking events includes specific pieces that address the issue of gender mainstreaming in this IAP. The Global Impacts platform will include gender as one of the social impact research topics.

102. A number of VSS address gender equality and women’s empowerment in a variety of ways within their VSS systems, including as explicit requirements in the Principles & Criteria, as indirect benefits of other Principles & Criteria, in monitoring and reporting requirements (through gender-disaggregated indicators), and through inclusion of women in leadership roles in the standard organization. WWF and ISEAL have conducted baseline assessments of the various ways VSS address gender-related issues, and both encourage additional research on the social and gender impacts of VSS, which will be disseminated through the Impacts Platform. ISEAL has developed and published a gender research agenda that documents key questions in commodity agriculture and forestry that should be further investigated with regards to gender empowerment and equality. This research agenda will be used by ISEAL to drive research that will support learning and improvement of VSS and VSS-like tools on the topic of gender. Gender will be one of the keywords or filters by which studies on the platform can be easily searched, and a meta-analysis on the topic of gender will reveal cross-cutting findings from various VSS and implementation contexts, which can be used to improve VSS and related mechanisms based on lessons learned.

103. The Knowledge Management Lead will promote the integration of gender mainstreaming in the IAP Program as a whole and in the child projects. In addition, the issue of gender mainstreaming will be discussed in the Program Steering Committee to assess the extent to which this is occurring.

*A.5 Risk.*

<b>Risk</b>	<b>Level of risk</b>	<b>Mitigation measure</b>
Procurement processes, bureaucratic procedures and multitude of agencies working under the IAP lead to delays in national and global-level activities that undermine the technical sequencing of activities across the program	Medium	Adaptive management will be employed throughout IAP implementation to deal with issues that may arise, such as delays related to national elections. The IAP Coordinator will regularly assess changes in the context that could affect project execution and discuss these with child project leads. The Coordinator will report back to the Steering Committee with proposals on how to address such issues. Furthermore, the Program governance structure explicitly takes into account the need for a single national-level entry or focal point in each country who would be aware of all activities taking place in that country under the IAP. Thus there will be designated national focal points in Brazil, Paraguay, Liberia, and Indonesia. These will serve as points of contact and will gather information from the different agencies working in the country to compile annual national workplans that would outline the major milestones or deliverables. In this way the different proposed national-

		<p>level activities will be planned and carried out in a sequenced and coordinated fashion. In the event of shifts in the timing of these deliverables, these workplans will be reviewed and adjusted as necessary. This will be facilitated by close communication among the agencies working in each country.</p> <p>An IAP coordinator will be hired to promote logical technical sequencing at the global level through ongoing communication and coordination among agencies. This will be ensured by carrying out regular Steering Committee meetings, monthly Secretariat calls, as well as national-level meetings. In the event of delays, agencies may decide to prioritize elements that are moving in tandem and hold back on actions where this is not the case.</p>
<p>Overlap of this IAP knowledge management component with existing knowledge management platforms, leading to insufficient interest, participation and uptake of IAP learnings from key stakeholders</p>	<p>Low</p>	<p>The A&amp;L child project includes extensive knowledge management activities such as organization of biannual Global Community of Practice events, participation in relevant fora, establishment of an IAP website, and publication of articles on Program learnings on the widely read Guardian Sustainable Business site. These will provide the opportunity to distinguish the IAP knowledge management activities from those of other stakeholders. A Knowledge Management Lead will be specifically tasked with managing these activities and ensuring that the IAP carves out a unique niche for itself.</p> <p>In addition, this child project will be involved in knowledge management around the topic of the impacts of voluntary standards (VSS) and similar mechanisms on deforestation rates and other sustainability outcomes. Given the many such platforms that exist, this research component will establish a global online platform as a “one-stop shop” for stakeholders to find information on impacts. Curation and synthesis will be carried out to ensure that the platform includes relevant succinct information, and communication activities will be carried out to raise stakeholders' awareness of the platform.</p>
<p>With so many stakeholders working in the target countries and on the issue of taking deforestation out of the commodity supply chains, the IAP may not be able to effectively coordinate with existing initiatives and partners while demonstrating added value</p>	<p>Low</p>	<p>The design of this IAP has involved an exercise of reaching out to other stakeholders working in this same space to map out what different partners are doing in country and globally and to raise awareness of the IAP and its particular focus. A Partnership Strategy was developed to identify the role and expected level of engagement of different stakeholders in the IAP. During implementation, the Adaptive Management and Learning child project will work to ensure that the IAP communicates with and coordinates with global-level partners. Similarly, the child projects will ensure coordination with stakeholders working in their particular area, be it production, demand or transactions, or working in particular countries. The IAP will also implement a Communications Strategy to raise awareness of the added value and the achievements of the IAP.</p>

Climate change and associated extreme events significantly affect agricultural production, leading to pressure to expand production and reducing support for setting aside high conservation value forests and for sustainably sourced commodities, undermining the ability of the IAP to achieve expected impacts	Low	<p>The IAP Program as a whole and the individual child projects under it have built in consideration of resilience into all aspects of their design and also ensured that proposed interventions are climate-proofed. The IAP is built on the premise that agricultural production is expected to significantly increase and the Program will work to ensure that the areas for expansion are carefully selected so that high carbon forests and biological corridors are not used. In Brazil, for example, the child project will develop a zoning proposal for soy expansion but also propose priority corridors for biodiversity and restoration of native vegetation through the establishment of private reserves, which would also enhance resilience in the face of climate change. Spatial planning to be carried out through the production project both in terms of proposed areas for expansion and for set-asides will take into consideration climate scenarios.</p> <p>It should also be noted that the Program will promote low-carbon agriculture, thus also contributing to climate change mitigation.</p>
The Global Impacts platform could be seen as duplicating existing efforts or tools or may not be used by target groups.	Low	<p>The scoping phase will ensure that the platform is developed to fill gaps based on where users feel a need for new or different access to information. Ongoing feedback mechanisms will ensure that it remains fit for purpose. Ongoing marketing and stakeholder engagement efforts will demonstrate the platform’s value to users. Feedback mechanisms will ensure that the platform is adapted to meet user needs as appropriate.</p>
Research funding for standards may dry up.	Low	<p>The platform will be flexible enough to include innovations and evolutions of current VSS and VSS-like mechanisms. Executing agencies will continue their current efforts to drive research on standards, promoting the importance of this research to funding institutions and exploring new funding models if current funding opportunities begin to shift.</p>

### *Resilience*

104. As highlighted in the recent guidance from GEF on RAPTA (Resilience, Adaptation Pathways, Transformation Assessment Framework), resilience assessment involves the identification of risks and points-of-no-return, opportunities for adaptation and/or transformation, and the costs and benefits of these options. The design of the IAP program involved an analysis of risks at the level of each child project and for the Program as a whole. For the A&L child project, *anticipated* project risks and adaption measures are presented in the table above, and risk management and implementation of adaptation measures will be carried out continuously throughout project implementation. However, achieving resilience also requires ongoing analysis of unexpected and hard to predict shocks and stresses, and making decisions accordingly through adaptive management during Program implementation. The extent to which the project and the IAP Program as a whole have been able to achieve resilience and maintain the original objectives will be assessed annually through project and Program M&E. In addition, resilience will be discussed annually at Program Steering Committee meetings (see Output 1.3 for more details on these feedback loops). As such, these meetings will provide a forum for the key IAP agencies to proactively discuss how they have

been applying a resilience lens to ensure robustness in project implementation and to review lessons learned emerging from implementation. If the need for additional adaptation measures or even transformation of project or Program activities or objectives is needed, the costs and benefits of options will be discussed on an annual basis at these Program Steering Committee meetings and as a result of M&E activities. In this way, an iterative and participatory approach will be followed to refine project and Program planning as needed. It should also be noted that the issue of resilience will be discussed in the two Global Community of Practice events to be organized by the A&L project.

105. The Program as a whole has developed a Theory of Change on how transformational impact can be achieved to take deforestation out of global commodity supply chains through this IAP based on the interlinkages of supply chain actors among sustainable production, responsible demand and enabling transactions. If the hypotheses that underpin this TOC are correct, the adoption of this integrated approach pilot will strengthen the resilience of sustainable commodity production systems to external shocks while contributing to reduced deforestation. The Program will test this Theory of Change through a key study that will be commissioned at the mid-point and at the end of the IAP Program to assess how demand has been affecting production and vice versa and how financing has been affecting production and vice versa. A briefing on resilience in the IAP Program will also be produced through the A&L project, which will enable Program learning on resilience to be captured for future project/program design, including learning on how monitorable, measurable actions that can be taken in the short (3-5) year term can give us an indication of long-term resilience benefits.

*A.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.

106. IFC, UNDP, UNEP, and WWF US are the Implementing Agencies for this IAP, with UNDP as the overall lead responsible for the coordination of the Program. Executing agencies (implementing partners) will include CI and UNEP-FI, among others. The CIAP consists of five Child Projects, which will be implemented as follows:

- Adaptive Management and Learning - Implemented by UNDP and WWF;
- Support to Production – Implemented by UNDP with support of CI and WWF;
- Increase of Demand – Implemented by WWF and in Paraguay by UNDP, with support of CI and other partners, such as Proforest;
- Enabling Transactions – Implemented by IFC and UNEP, with support of UNEP-FI and WWF;
- Brazil-level work- Implemented by UNDP, and executed by CI.

107. The Adaptive Management and Learning Child project will ensure coordination among the child projects as described in Outcome 1 of the project strategy section.

108. A Program Steering Committee will be established, which will be accountable for Program delivery and achievement of expected Outcomes. Please see Annex 1 for draft Terms of Reference. This Committee will include the lead representatives of the following institutions:

- Steering Committee Chair: UNDP;
- Steering Committee Members: Program representatives from the following agencies: CI, IFC, UNEP, WWF;
- GEF Secretariat;
- STAP (Scientific and Technical Advisory Panel).

109. Program Steering Committee meetings will take place two times per year (or more frequently if needed and agreed upon), with at least one of these meetings being in person and the other one being virtual. The locations of the face-to-face meetings will be determined by consensus among the members but where possible the meetings will be scheduled to coincide with events such as the IAP Global Community of Practice and other key country or global activities to facilitate participation. Child projects will fund their participation in these Program Steering Committee meetings.

110. In addition to the Program Steering Committee, there will be an A&L Project Joint Review Mechanism, which will ensure coordination between UNDP and WWF. This mechanism will provide strategic guidance to the project and will serve as a joint review mechanism to share progress on all components and to agree on areas of common interest between UNDP and WWF, such as the PIRs to be submitted to GEF and the project's KM activities (including the Global Impacts Platform). This Joint Review Mechanism will play an important role in ensuring coherence and synergies among all aspects of the three Components of the A&L project. This will not serve as a mechanism to provide oversight of each Implementing Agency's Components. There will also be a Steering Committee for Components 1 and 3 comprised of UNDP to carry out Component-related decision-making, including on the budget. Finally, there will also be a Global Impacts Platform Advisory Committee for Component 2 of this child project. This Committee will attend scoping calls and workshops and will guide the decision-making around the functionality and reach of the Platform.

111. The project will strive to identify external advisors to advise the Program Steering Committee on a periodic basis. These would consist of selective experts from the private sector, NGOs, and platforms, who are recognized in their respective fields. The External Advisors would provide technical and strategic advice to strengthen Program implementation and impact; support the building of partnerships to increase Program impact and visibility, and provide feedback on changes in the Program context to support adaptive management and resilience. Please see Annex 1 for their draft Terms of Reference.

112. A virtual Secretariat will be established for the CIAP, which will consist of the Global child project managers, the IAP Manager, to be based in Panama since this is where the UNDP Green Commodities Program Core Team is based, which will service the IAP, as well as an IAP Coordinator (please see Annex 1 for their draft Terms of Reference). The Secretariat will meet virtually once a month to ensure coordination and integration of the work across the different elements of the supply chain at global and national levels and ensure that a knowledge management and learning agenda is pursued throughout. There will also be a Communications Lead, a Knowledge Management Lead, a Community of Practice Lead, a Finance Officer and an Administrative Assistant to support the A&L project.

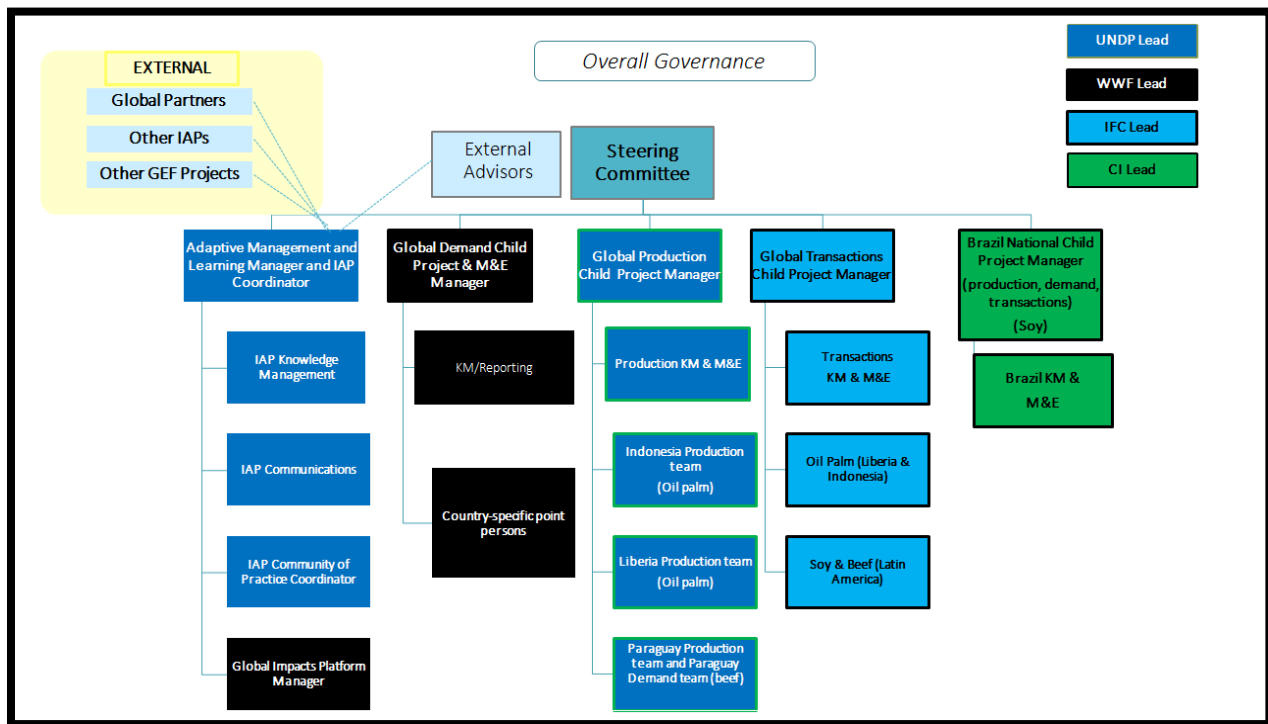
113. National focal points will be designated for each of the four target countries, who will consolidate information from the lead agencies within each country to map out key annual deliverables/ milestones (note that this exercise would not go down to the level of specific activities). These deliverables will then form the basis of national workplans, which would be discussed and agreed upon by the child project leads working in each country to ensure proper sequencing and coordination. The national focal points will be UNDP in Paraguay (since UNDP is working there) and Indonesia (UNDP has developed the palm oil platform there, which will serve as a coordination mechanism), and CI in Brazil and in Liberia (since CI is working on the ground in these two countries). The national focal points will share the national workplans highlighting annual milestones with the IAP Coordinator who will review these and provide feedback. The preparation of the national workplans will facilitate proper technical sequencing of the main deliverables and milestones at a country level and facilitate general oversight of what is going on in each country. The national focal points will therefore support regular communication about planned national initiatives among the different agencies and executing partners so that activities are carried out in a coordinated fashion. This will facilitate communication with partners for coordination and consistency in the delivery of the partnership strategy and will facilitate reporting to the IAP Coordinator. The



national focal points will also prepare biannual briefing notes to the IAP Coordinator on their views of inter-agency coordination at the country level. Should there be any issues, the IAP Coordinator will discuss these with the respective child project managers. If this fails to resolve the issue, the IAP Coordinator will report to the IAP Steering Committee (with its agency leads), which will then be the ultimate instance for conflict resolution.

114. The Global Impacts Platform component will be implemented by WWF. There will be regular liaison with the executing agency and executing partners through the Global Impacts Platform Advisory Committee). The Steering Committee will attend scoping calls and workshops and will guide the decision-making around the functionality and reach of the Platform. The executing agency will be ISEAL Alliance, which will receive funding directly from WWF. The other organizations, including Rainforest Alliance and the International Trade Centre, are executing partners and will receive funding through sub-agreements with ISEAL Alliance. WWF will be responsible for the M&E and reporting associated with this project, which will be conducted by ISEAL Alliance and reviewed by the Global Impacts Platform Advisory Committee.

115. The following diagram illustrates the IAP Program governance structure.



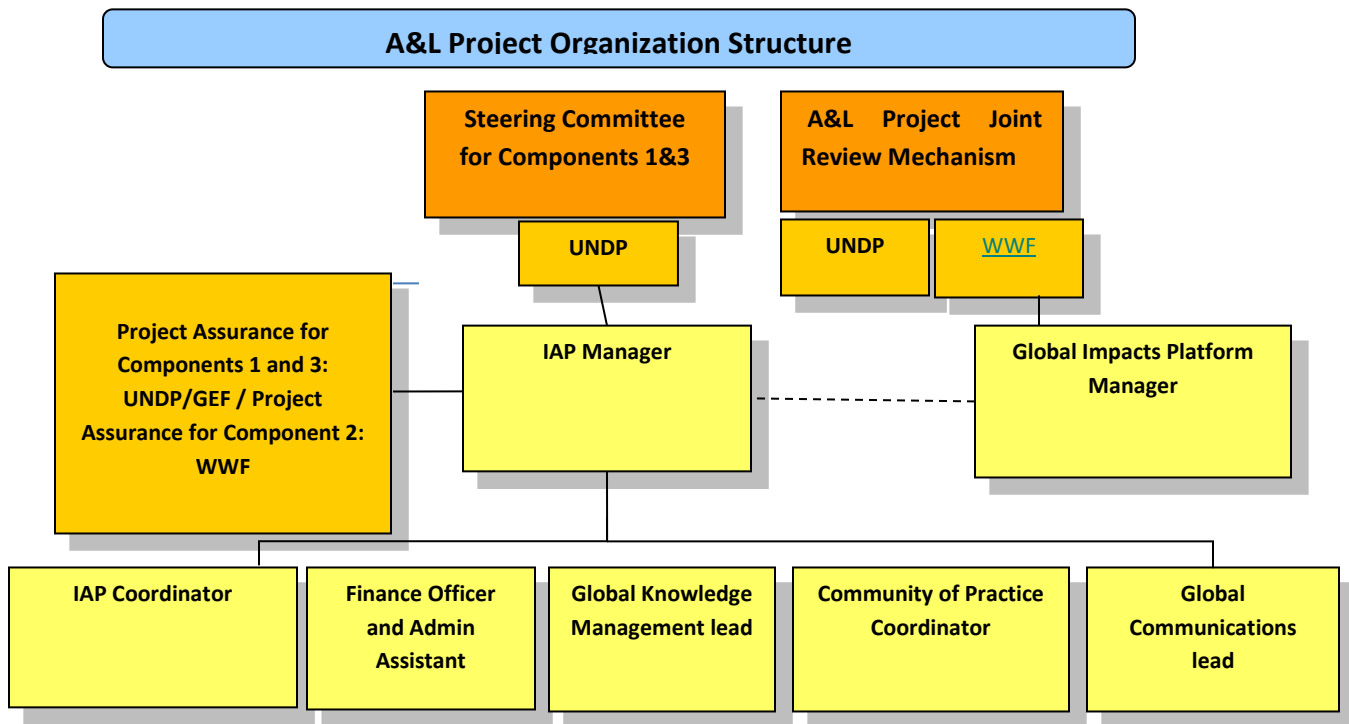
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116. The following table lays out the Institutional Coordination Mechanisms

<sup>17</sup> The Secretariat of the IAP includes the Coordination Structure (positions to be hired through the A&L project, including the IAP Manager, IAP Coordinator, Global Communications Lead, Global Knowledge Management Lead, Community of Practice Coordinator and Global Impacts Platform coordinator), as well as the child project managers. Also note that national focal points will be designated for each of the 4 IAP target countries.

<b>Mechanism</b>	<b>Coordination role</b>	<b>Institutions involved</b>	<b>Positions of those participating</b>	<b>Frequency</b>	<b>Modality of meeting</b>
IAP steering committee	Coordinate IAP programme level	UNDP, IFC, WWF, CI, UNEP FI	IA leads	6 months	1 face to face meeting per year 1 telecon per year
Virtual secretariat	Coordinate management of the child projects	UNDP, IFC, WWF, CI, UNEP FI	Child project managers (production, demand, finance, A&L)	1 month formally plus daily interactions as needed	Telecons plus face to face meetings as needed
A&L joint review mechanism	Coordinate the difference components within A&L child project	WWF, UNDP	WWF child project manager, UNDP IAP manager	6 months	Telecon

The A&L project organization structure is as follows:



### Coordination with other GEF-financed projects and other initiatives.

117. The IAP and its Implementing Agencies will coordinate with a number of relevant GEF-financed and other initiatives. This coordination will be achieved through various means such as sharing of knowledge electronically and through phone calls, exchange of information, participation in events, the Community of Practice, and exchange visits, among others.

118. Supply Change is a GEF funded project being executed by Forest Trends which provides real-time news, data and analysis on companies' commitments and actions to reducing the impact of commodity production on forests. The IAP Program will liaise closely with this project to benefit from the wealth of data that has been generated and that continues to be updated. This will be particularly relevant for the IAP demand project in order to gauge shifts in company demand for sustainably produced commodities. In addition, the A&L project will contract Forest Trends to develop a key IAP Program knowledge product, namely the study to examine the effects of increased sustainable production on demand and financing and vice versa and thus examine the Program's Theory of Change and its impact.

119. The World Bank-led Sustainable Landscapes Program will promote sustainable land management in the Amazon, including in Brazil, Colombia and Peru. In Brazil, this Program will involve integrating "management and restoration of forests in agricultural landscapes by providing innovative financing mechanisms, addressing bottlenecks that prevent farmers from participating in low carbon agriculture, and increasing amount of loans to mid-sized farmers to encourage recovery of degraded lands". Given that Brazil is also an IAP focus country, lessons learned from the Sustainable Landscapes Program will be shared to build on what has been achieved. The Peru child project will be led by UNDP and will include the "development and application of financial instruments that promote environmentally-

sustainable forms of production; increased participation in practices that increase yield and quality while reducing environmental impact; planning for sustainable production at local levels; and connecting local ‘green’ producer groups with private sector commodity traders”. UNDP will ensure lessons learned are shared with this CIAP.

120. The UNDP/GEF "Mainstreaming Biodiversity Conservation and Sustainable Land Management into Production Practices in all Bioregions and Biomes in Paraguay" project is under implementation and will include work on soy production, including strengthening governance, promoting market-based incentives and capacity building for landscape management. This project incorporates various elements of relevance to the IAP Program, such as increasing funding to integrate BD and SLM considerations by providing incentives for sustainable resource use through product certification and modifying the purchasing policies of companies. The IAP's work on the ground in Paraguay, which will focus on the Chaco region, will be informed by lessons learned in this project that is focused on the Atlantic Forest. In Honduras, the UNDP/GEF project "Delivering multiple global environmental benefits through sustainable management of production landscapes" is under implementation, which, among other elements, is addressing sustainability issues surrounding beef production through work at multiple levels, including policies, markets and certification, financing, and governance. As the overall lead for the IAP, UNDP will be in a good position to ensure lessons learned from these national projects are shared and built upon.

121. UNDP is in the preparatory phase of developing several other commodity-related projects, such as one in Indonesia, entitled "Strengthening Forest Area Planning and Management in Kalimantan" which will promote systemic long-term changes beyond the oil palm supply chain that are a necessary ingredient for IAP success. While both the IAP and the Kalimantan project provide policy support, the former focuses on the production side of the policy and regulatory environment while the latter will strengthen forest area management and planning. Coordination will be ensured through the SPO (Sustainable Palm Oil) Initiative supported by the UNDP Country Office in Indonesia. UNDP is also developing a project on coffee, cacao and palm in Peru, one on cacao and palm in Ecuador, and one on coffee and cacao in the Dominican Republic, among others. UNDP will ensure continued sharing of experiences among these different projects, a task that will be facilitated by UNDP's Green Commodity Program, based in Panama.

122. This Commodity IAP will also promote effective sharing of knowledge and experiences with the other two Integrated Approach Pilots being financed under the GEF-6 programming strategy, which include "Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa", and "Sustainable Cities". This may include leads from the different IAPs participating in joint calls and if feasible in each other's Global Community of Practice or other information sharing events. This communication at the level of the three IAPs will ensure that the effectiveness of the integrated approach is assessed on an ongoing manner and that recommendations for further integrated GEF programming are developed as an input into GEF-7.

123. The IAP will also ensure learning from IFC's Biodiversity and Agricultural Commodities Program (BACP), which aimed "to reduce, in an innovative and large-scale manner, the threats posed by agriculture to biodiversity of global significance." BACP was focused on palm oil, soy (and cacao) and its target countries included Indonesia, Liberia and Brazil, among others. It worked to improve BD-related industry decisions on environmental performance targets and increase uptake of new practices and technologies. The Program is highly relevant for this IAP as it focused on establishing incentives for increased supply, demand and financing of BD-friendly agricultural commodities. The IAP will also draw on relevant lessons learned from the UNEP-GEF Greening the Cacao Industry project, which worked from 2011-2016 to increase the market for Rainforest Alliance certification, facilitate access for cocoa farmers and estimate the value of sustainable cocoa production, among other objectives.

124. The Global Impacts Platform component will complement and mutually benefit other efforts that are currently under development or in pilot implementation. One recently-launched pilot initiative that this project will leverage is the Sustainability Impacts Learning Platform co-developed by WWF, the ISEAL Alliance, and the Sustainable Food Lab. This existing platform provides a crowd-sourced database and map of research on the effectiveness of implementing VSS and corporate sustainability efforts. Unlike other efforts to compile impacts research on sustainability initiatives, this platform includes in-progress efforts and is updated in near real-time, enabling improved conservation and research decision-making using the latest available information. Experience from the first year of this pilot effort (i.e., 2016) will be valuable for understanding users' receptivity to the concept and its functionalities, and for clarifying further improvements that may be needed.

125. Finally, this project complements a variety of other efforts to conduct regular monitoring of the outputs and outcomes of specific deforestation-free and sustainability commitments. For instance, the Global Forest Watch platform provides near-real time monitoring of tree cover globally, and supports a range of analytics to track tree cover change in production units, jurisdiction, and other physical areas. And many companies, watchdog NGOs, and reporting platforms are providing, collating, or analyzing data on progress toward fulfilling commitments. However, this array of activities is focused on providing first-order estimates of progress; for instance, Global Forest Watch cautions that ground truthing is necessary to understand deforestation dynamics more definitively in specific locales. Evaluation and impacts research is an essential complement to routine monitoring – providing a deeper level of understanding and rigor into the effects of sustainability interventions and the causes and contributing factors of these effects. The Global Impacts Platform will help support and utilize this critical part of the evidence base, alongside the work of others to conduct regular monitoring.

Additional Information not well elaborated at PIF Stage:

A.7 *Benefits*. Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

126. A substantial share of commercial agricultural production of soil, palm oil and beef in the tropics is being carried out by smallholders under conditions of low productivity and limited incomes. As production continues to grow to meet increasing populations and demand, there are significant opportunities for smallholder farmers to benefit through improved livelihoods if strategies to increase productivity, and ensure equity, respect of producer rights, and sustainability can be put in place. This program will deliver socio-economic benefits, perhaps most directly through the production and Brazil child projects, which will support the identification and dissemination of best practices to farmers (primarily smallholders) and will pilot their implementation in Indonesia, Liberia, Paraguay and Brazil in specific landscapes. This support will include support for extension services, training in good agricultural practices, and the promotion of increased but sustainable intensification of agriculture in appropriate areas, among others. Smallholders will also receive benefits through reduced loss of natural capital and associated ecosystem services.

127. By connecting sustainable producers with new buyers and markets for reduced deforestation products, the demand project will contribute significant benefits to producers. The demand project will also implement a consumer campaign to increase understanding of the impacts of current oil palm production on deforestation and to stimulate greater domestic demand for sustainable palm oil. While changing consumer opinions is a longer-term process, any positive impacts in terms of reducing deforestation from palm oil production will bring important health benefits to a country where forest fires often linked to palm oil expansion lead to substantial morbidity and mortality in dry seasons. Finally, the transactions project will provide socioeconomic benefits by increasing access to financing for sustainable production. A large number of producers will benefit indirectly or directly from this support through increased capacity, greater yields and hence profits, increased market access and increased access to credit (specific number to be determined at Program outset). The IAP program as a whole will strengthen the capacity of the different supply chain actors to reduce the environmental impacts associated with agricultural commodity production, while at the same time increasing producer productivity.

128. By coordinating the work on the production, demand and transactions sides and ensuring that an integrated approach is achieved, by facilitating technical the adequate technical sequencing of activities and by ensuring adaptive management and knowledge management for increased learning and upscaling, this child project will be critical to the realization of the expected socio-economic benefits at the desired scale. To illustrate this with an example, without the integrated and coordinated approach that the A&L project will foster, training on good agricultural practices would not necessarily lead to increased incomes if there is insufficient demand or if credit is not available to local producers. This child project therefore plays a critical role in the realization of the Program-level Theory of Change which underscores the interlinkages among the different components that are necessary to achieving transformational change.

129. The A&L project will also provide benefits in terms of building capacity through increased sharing of experiences, best practices and lessons learned among IAP partners and key external stakeholders. Furthermore, the consolidation of partnerships among stakeholders working in this deforestation commodities space will lead to greater coordination and synergies.

130. These socio-economic benefits resulting from the IAP Program (i.e., increased capacity, greater yields and hence profits, increased market access and increased access to credit) are intrinsically linked with the realization of global environmental benefits (GEB). Producers must receive the necessary support in terms of capacity, inputs, supportive national policies, links to markets and access to credit in order to implement more sustainable practices and to farm in the appropriate areas. These changing practices will ensure that the expected GEB in terms of reduced deforestation, reduced greenhouse gas emissions, preservation of ecosystem services, and maintenance of key habitat for biodiversity are achieved.

### ***A.8 Knowledge Management.***

131. This IAP will pursue knowledge management at the level of each of the child projects, such that knowledge will be created and disseminated to relevant stakeholders based on learnings specific to the production, demand, transactions and Brazil projects. This information will feed into the global-level knowledge management.

132. The A&L project will ensure that knowledge management takes place at the Program-level. Please see Outcome 3 for a detailed description of the extensive knowledge management activities that will be carried out under the responsibility of a Global Knowledge Management Lead, in coordination with the partners involved in the IAP. To summarize, this includes the gathering of inputs from the national and child project levels on lessons learned and their dissemination to the partners involved in the IAP; the capture of learning and sharing of knowledge with relevant external stakeholders such as platforms or fora working within this space; the establishment of a Global Community of Practice with meetings every two years to convene practitioners in order to jointly capture and share learnings on effective interventions to reduce deforestation from commodity production; the implementation of a Partnership Strategy to support knowledge management and promote synergies; and the sharing of experiences with the other two GEF-funded IAPs. The dissemination of knowledge and learning will be facilitated by the development of an IAP website, sponsorship of content on the Guardian Sustainable Business site, development of Program articles, publications and information briefs, participation in speaking events, and the production of a report on lessons learned from the adoption of this programmatic integrated approach.

### **B. Description of the consistency of the project with:**

#### **B.1 Consistency with National Priorities. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, etc.:**

133. The IAP Program as a whole is consistent with GEF's strategic goals, as well as with global commitments made under different environmental Conventions and key agreements. The 2020 Strategy for the GEF emphasizes the importance of delivering integration solutions by tackling underlying drivers of environmental degradation to establish synergies as well as greater and more sustained impacts. This Commodities IAP is one of three IAPs supported by the GEF-6 programming strategy. As the finance mechanism to the UNFCCC, UNCBD, and UNCCD, GEF plays an important role in supporting global forest management and conservation. The three Rio Conventions have made clear the importance of forests to achieving their individual objectives. This program will be able to address the common goal of reducing and avoiding the loss of forest resources, and will support the following specific objectives:

#### Aichi Biodiversity Targets (CBD decision X/2)

i. Target 5: By 2020, the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced.

ii. Target 7: By 2020, areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.

REDD+ activities (UNFCCC decision 1/CP.16)

- i. Reducing emissions from deforestation.
- ii. Conservation of forest carbon stocks.

DLDD (desertification, land degradation and the effects of drought) and sustainable forest management (SFM) (UNCCD decision 4/CO P.8)

- i. Reinforce SFM as a means of preventing soil erosion and flooding, thus increasing the size of atmospheric carbon sinks and conserving ecosystems and biodiversity.

134. The program contributes to the UNFF Global Objective on Forests (E/2006/42 E/CN.18/2006/18): Reverse the loss of forest cover worldwide through SFM, including protection, restoration, afforestation, and reforestation, and increase efforts to prevent forest degradation. This IAP is also consistent with the objectives set forth in the 2015 New York Declaration on Forests, a non-legally binding high-level political declaration/pledge in which world leaders endorsed a global timeline to reduce the loss of natural forests by 50% by 2020, and work to end it by 2030. The Declaration is accompanied by an Associated Voluntary Action Agenda. The Declaration was endorsed by a large number of governments (including Indonesia, Liberia, and various states of Brazil), major corporations (including major commodity buyers and consumer goods manufacturers), NGOs/CSOs, and indigenous groups. Numerous private companies and governments have also issued ambitious new commitments to halt deforestation and address other key social and environmental risks in the commodity supply chains in response to the historically negative social and environmental impacts of tropical commodity production. These include the Consumer Goods Forum Deforestation Resolution and the policies of more than 300 individual companies and brands, ranging from agricultural producers and traders to consumer goods companies and retailers.

135. The IAP will support the achievement of the several of the Sustainable Development Goals (SDGs). Indirectly, it will support the following:

- *SDG2*: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture. A key IAP focus is to increase agricultural productivity of small-scale commodity producers through the intensification of their farming practices (coupled with protection of other areas) by facilitating access to inputs, knowledge, financial services and markets for sustainable sourced commodities. The Program will also strengthen capacity in, and promote uptake of, good agricultural practices and low carbon farming and practices that help maintain ecosystems.
- *SDG4*: Ensure inclusive and quality education for all and promote lifelong learning. In particular, through the production child project, farmer support systems will be strengthened and some capacity building will be provided to extension services to strengthen the training opportunities available for farmers and increase their skills in order to be able to contribute to sustainable development.
- *SDG 5*: Achieve gender equality and empower all women and girls. The IAP has developed a Gender Mainstreaming and Action Plan (*please see Annex X*), which was compiled based on the gender mainstreaming approaches of each child project, and which will ensure the full participation and realization of benefits by women and men in the IAP.
- *SDG8*: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all. The IAP will promote increased efficiency in production to decouple economic growth and increased productivity from environmental degradation and deforestation.

136. Priority SDGs for this Program include the following:

- *SDG12*: Ensure sustainable consumption and production patterns. The project will promote the more sustainable production of soy, beef and palm oil through capacity building on low-carbon agriculture and good agricultural practices in targeted areas, while promoting forest conservation in others, as well as strengthening of the enabling environment. The demand child project aims to support sustainable consumption of these three commodities by increasing demand from major buyers and traders as well as from the Indonesian public for sustainably sourced commodities.
- *SDG13*: Take urgent action to combat climate change and its impacts. The program will promote low- carbon farming practices to reduce greenhouse gas emissions. In addition, the intensification of agriculture in appropriate

areas will be coupled with a protection agenda through support for land use planning and the setting aside of high carbon forests, thus reducing emissions from deforestation.

- *SDG15*: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss. The entire program is designed around how to promote sustained agricultural production of key commodities without a concomitant increase in deforestation. Land use planning, identification of biodiversity corridors and other actions will support the sustainable management of forests and biodiversity conservation.

137. The IAP will also support the commitments made at the 21st UNFCCC Conference of the Parties in Paris in 2015. The final text of the agreement commits all signatories to working to keep warming to within 2° degrees. It also specifically advises parties to take action to preserve sinks and reservoirs of greenhouse gases, including forests, and encourages parties to implement and support policy approaches and positive incentives for activities relating to reducing emissions from deforestation and forest degradation. The child projects will work toward supportive policy and incentives to reduce deforestation associated with agricultural commodity production.

### **C. DESCRIBE THE BUDGETED M & E PLAN:**

138. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP and UNDP Evaluation Policy. While these UNDP requirements are not outlined in this project document, the UNDP will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the GEF M&E policy and other relevant GEF policies<sup>18</sup>. WWF will carry out its own M&E activities in accordance with its internal systems. WWF will report results from Component 2 to the IAP Manager using WWF M&E mechanisms for GEF reporting.

139. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. Adaptive management will continue to be carried out on on-going basis through project-level steering committee meetings and regular project progress reports.

### **M&E Oversight and monitoring responsibilities:**

140. The IAP Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The IAP Coordinator will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The IAP Manager will inform the Program Steering Committee, the UNDP Regional Service Centre and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

141. The IAP Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The IAP Coordinator will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. gender strategy, KM strategy etc..) occur on a regular basis.

142. Program Steering Committee: The Program Steering Committee will take corrective action as needed to ensure the project achieves the desired results. The Program Steering Committee will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Program Steering Committee will hold an end-of-project review to capture lessons learned and discuss opportunities for

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<sup>18</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)



scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

143. Project Implementing Partner(s): The Implementing Partner (s) are responsible for providing any and all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary and appropriate. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and is aligned with national systems so that the data used by and generated by the project supports national systems.

144. UNDP Regional Service Centre: The UNDP Regional Centre will support the IAP Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Program Steering Committee within one month of the mission. The UNDP Regional Service Centre will initiate and organize key GEF M&E activities including the annual GEF PIR, the independent mid-term review and the independent terminal evaluation. The UNDP Regional Service Centre will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.

145. The UNDP Regional Service Centre is responsible for complying with all UNDP project-level M&E requirements as outlined in the UNDP POPP. This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

146. The UNDP Regional Service Centre will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).

147. UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.

148. **Audit**: The project Components 1 and 3 will be audited according to UNDP Financial Regulations and Rules and applicable audit policies for projects.<sup>19</sup> WWF managed GEF funding for Component 2 will be audited independently on an annual basis.

#### **Additional GEF monitoring and reporting requirements:**

149. Inception Workshop and Report: A Program-level inception workshop will be held once the Program team is in place and ideally within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
- c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;

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<sup>19</sup> See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule Program Steering Committee meetings and finalize the first year annual work plan.

150. The IAP Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board.

151. GEF Project Implementation Report (PIR): The IAP Coordinator, the UNDP Regional Service Centre, and the UNDP-GEF Regional Technical Advisor (the Biodiversity Economics Adviser) as well as WWF will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The IAP Coordinator and WWF Global Impacts Platform Manager will ensure that the indicators included in the project results framework are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

152. The PIR submitted to the GEF will be shared with the Program Steering Committee. The UNDP Regional Service Centre will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

153. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyze and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

154. GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefit results: IAP Program-level tracking tool. The baseline/CEO Endorsement GEF Focal Area Tracking Tool(s) – submitted as Annex D to this project document – will be updated by the IAP Coordinator /Team (not the evaluation consultants hired to undertake the MTR or the TE) and shared with the mid-term review consultants and terminal evaluation consultants before the required review/evaluation missions take place. The updated GEF Tracking Tool(s) will be submitted to the GEF along with the completed Mid-term Review report and Terminal Evaluation report.

155. Independent Mid-term Review (MTR): An independent mid-term review process will begin after the second PIR has been submitted to the GEF, and the MTR report will be submitted to the GEF in the same year as the 3rd PIR. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the UNDP Evaluation Resource Center (ERC). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Regional Service Centre and the UNDP-GEF Regional Technical Adviser, and approved by the A&L Project Steering Committee. WWF will review and provide objection/no-objection.

156. Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure

of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The IAP Manager will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the UNDP Evaluation Resource Center. As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Regional Service Centre and the UNDP-GEF Regional Technical Adviser, and will be approved by the A&L Project Steering Committee. The TE report will be publically available in English on the UNDP ERC. WWF will review and provide objection/ no objection.

157. The UNDP Regional Service Centre will include the planned project terminal evaluation in the UNDP evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

158. **Final Report:** The project’s terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

**Mandatory GEF M&E Requirements and M&E Budget:**

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>20</sup> (US\$)	Time frame
		GEF grant	
<b>Inception Workshop</b>	UNDP RSC	USD 50,000	Once Program team is in place
<b>Inception Report</b>	IAP Coordinator	None	Within two weeks of inception workshop
<b>Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP</b>	UNDP RSC	None	Quarterly, annually
<b>Monitoring of indicators in project results framework and Program Results Framework</b>	IAP Coordinator and KM and M&E lead  WWF	25,000	Annually
<b>GEF Project Implementation Report</b>	IAP Coordinator and UNDP Regional Service Centre and	None	Annually

<sup>20</sup> Excluding project team staff time and UNDP staff time and travel expenses.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>20</sup> (US\$)	Time frame
		GEF grant	
(PIR)	UNDP-GEF team WWF		
Audit as per UNDP audit policies	UNDP Regional Service Centre	Per year: USD 3,000 for a total of 12,000	Annually, as per UNDP Audit policies
Audit of Component 2	WWF	41,836 total	Annually, as per WWF Audit policies
Lessons learned and knowledge generation	Global Knowledge Management Lead	150,000 for Program-level publications and 200,000 for two Global Community of Practice events	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	IAP Coordinator UNDP RSC WWF	None	On-going
Addressing environmental and social grievances	IAP Manager UNDP RSC BPPS as needed WWF as needed	<i>None for time of IAP Manager and UNDP RSC</i>	<i>Costs associated with missions, workshops, BPPS (Bureau for Policy and Program Support) expertise etc. can be charged to the project budget.</i>
Program Steering Committee meetings	UNDP RSC IAP Coordinator and IAP Manager	40,000 (excluding travel costs of participants)	At minimum one face-to-face meeting per year
A&L Project Joint Review Mechanism	IAP Coordinator and IAP Manager WWF	None (will be virtual or combined with Program Steering Committee meetings)	At minimum one meeting per year
Component 1 and 3 Project Steering Committee meetings	IAP Coordinator and IAP Manager	None (will be virtual or combined with Program Steering Committee meetings)	At minimum one meeting per year
Supervision missions	UNDP RSC	None <sup>21</sup>	Annually

<sup>21</sup> The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>20</sup> (US\$)	Time frame
		GEF grant	
	WWF		
<b>Oversight missions</b>	UNDP-GEF team WWF	None	Troubleshooting as needed
<b>GEF Secretariat learning missions/ site visits</b>	UNDP RSC and IAP Coordinator/ IAP Manager and UNDP-GEF team WWF	None	To be determined.
<b>A&amp;L project Mid-term GEF Tracking Tool to be updated</b>	IAP Coordinator	USD 5,000	Before mid-term review mission takes place.
<b>Independent Mid-term Review (MTR) and management response<sup>22</sup></b>	UNDP RSC and Project team and UNDP-GEF team	USD 35,000	Between 2 <sup>nd</sup> and 3 <sup>rd</sup> PIR.
<b>A&amp;L project Terminal GEF Tracking Tool</b>	IAP Coordinator	USD 5,000	Before terminal evaluation mission takes place
<b>Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response</b>	UNDP RSSC and Project team and UNDP-GEF team <sup>23</sup>	USD 55,000	At least three months before operational closure
<b>TOTAL indicative COST</b>  Excluding project team staff time, and UNDP staff and travel expenses		618,836	


**PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)**

<sup>22</sup> WWF will provide objection/ no-objection.

<sup>23</sup> WWF will provide objection/ no-objection.

**A. GEF Agency(ies) certification**

This request has been prepared in accordance with GEF policies<sup>24</sup> and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

<b>Agency Coordinator, Agency Name</b>	<b>Signature</b>	<b>Date</b>	<b>Project Contact Person</b>	<b>Telephone</b>	<b>Email Address</b>
Adriana Dinu Executive Coordinator UNDP-GEF		12/15/16	Andrew Bovarnick	+507 302 4589	andrew.bovarnick@undp.org

<sup>24</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF

## Annex A: Project Results Framework

<b>This project will contribute to the following Sustainable Development Goal (s):</b> <i>SDG2, SDG4, SDG5, SDG8, SDG12, SDG13, SDG15</i>					
<b>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:</b> <i>n/a because global Program</i>					
<b>This project will be linked to the following output of the UNDP Strategic Plan:</b> Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.					
	<b>Objective and Outcome Indicators</b>	<b>Baseline<sup>25</sup></b>	<b>Mid-term Target<sup>26</sup></b>	<b>End of Project Target</b>	<b>Assumptions<sup>27</sup></b>
<b>Project Objective:</b> Effectively leverage demand, transactions and support to production to ensure successful implementation of the Commodities IAP program	UNDP IRRF Indicator 1.3.1: Number of new partnership mechanisms with funding for sustainable management solutions of natural resources, ecosystem services, chemical and waste at national and/or subnational level.	While there are two national commodity platforms (in Indonesia and Paraguay), there are no subnational platforms. In Liberia, there is a palm oil taskforce.	Will have established a Chaco beef platform that is integrated into a national soy and beef platform and provincial platforms in Indonesia. In Liberia will evolve the taskforce into a national palm oil platform. In Brazil will set up the Matopiba multistakeholder forum.	National Action Plans catalyzing finance for sustainable management  At least 60 private sector, civil society, and donor organizations newly connected and engaged in broad-based dialogue under national and sub-national platforms	Platforms and action plans fully incorporate the objective of, and provide effective support for, reduced deforestation commodity production

<sup>25</sup> Baseline, mid-term and end of project target levels must be expressed in the same neutral unit of analysis as the corresponding indicator. Baseline is the current/original status or condition and need to be quantified. The baseline must be established before the project document is submitted to the GEF for final approval. The baseline values will be used to measure the success of the project through implementation monitoring and evaluation.

<sup>26</sup> Target is the change in the baseline value that will be achieved by the mid-term review and then again by the terminal evaluation.

<sup>27</sup> Risks must be outlined in the Feasibility section of this project document.

	Indicator 1.3.2: Number of additional people benefitting from strengthened livelihoods through solutions for management of natural resources, ecosystem services, chemicals and waste (among groups including smallholder farmers and forest-dependent communities (disaggregated by gender).	Baseline to be confirmed at inception phase	Targets to be confirmed at inception phase	Targets to be confirmed at inception phase, based on the # of producers in the target landscapes of the 4 countries	
	Level of dialogue catalyzed by IAP Platforms between buyers and producer country oil palm, soy and beef commodity sectors (in particular governments) in the 4 IAP target countries (Indonesia, Liberia, Paraguay and Brazil) related to sustainable production	Limited dialogue between buyers and producer country oil palm, soy and beef commodity sectors (in particular the governments) in the 4 IAP target countries	Increased connectivity among key supply chain actors (i.e, Asia workshops will feed Asian companies into INPOP, soy trader platform brings traders into the Matopiba forum in Brazil, links between the Chaco beef platform and Global Sustainable Beef Roundtable are strengthened in Paraguay, and key stakeholders are brought into the Liberia platform).	Increased connectivity among key supply chain actors (i.e, Asia workshops will feed Asian companies into INPOP, soy trader platform brings traders into the Matopiba forum in Brazil, links between the Chaco beef platform and Global Sustainable Beef Roundtable are strengthened in Paraguay, and key stakeholders are brought into the Liberia platform).	
<b>Component/Outcome<sup>28</sup> 1</b>			8 national level inter-	16 national level	

<sup>28</sup>Outcomes are short to medium term results that the project makes a contribution towards, and that are designed to help achieve the longer term objective. Achievement of outcomes will be influenced both by project outputs and additional factors that may be outside the direct control of the project.



Coordinated management of the Commodities Integrated Approach Pilot leading to logical technical sequencing of activities, Program-level monitoring and evaluation and overall resilience	Level of logical technical sequencing of key deliverables across individual child projects as measured by annual national level inter-agency workplans to achieve expected Program goals and their effective implementation	Without the Adaptive Management & Learning project, the workplans would not have connectivity between each other.	agency workplans (one per country per year for 4 countries, i.e., Paraguay, Brazil, Indonesia and Liberia), approved by the child project agency leads, showing support provided by global projects and evidence of cross fertilization among child projects	inter-agency workplans (one per country per year for 4 countries, i.e., Paraguay, Brazil, Indonesia and Liberia), approved by the child project agency leads showing support provided by global projects and evidence of cross fertilization among child projects	External factors such as changes in government or extreme weather events occurring within the participating countries do not significantly affect the execution and logical technical sequencing of activities
	Effectiveness of adaptive management within the IAP as measured by the number of successful adaptive management practices that address bottlenecks in implementation or in	N/A because IAP not yet under implementation	At least 2 adaptive management practices implemented per year	At least 2 adaptive management practices implemented per year	Steering Committee can come to agreement if required on how best to deal with issues requiring adaptive management

	attainment of Program goals.				with many adaptive management practices being managed within each child project
<b>Component/ Outcome 2</b> Increased understanding of the impacts of voluntary sustainability standards (VSS) and VSS-like mechanisms on deforestation, biodiversity habitat, and other social and environmental outcomes across different geographies and contexts, to promote adaptive management and to increase the effectiveness of these mechanisms	Establishment and effective functioning of the Global Impact Platform	A Global Impacts platform does not exist	Technological infrastructure is in place and research documents are uploaded	Platform is a leading repository of research documents, which is widely used	
	Number of new syntheses and summaries of evidence uploaded to the Platform and associated audience-specific communications created and disseminated	0	4	12	Multiple studies are conducted on a given thematic or geographical area during the project period, allowing for aggregation, synthesis, and meta-analysis of results.
<b>Component/ Outcome 3</b> Knowledge management, partnership development and communications	Number of knowledge products on IAP to share IAP insights and learnings	0	At least one information brief on a topic such as gender and resilience.	At least 1 detailed publication to assess the impacts of demand and transactions on	

<p>implemented to maximize learning, foster synergies and promote replication and upscaling of actions to address deforestation in commodity supply chains</p>			<p>Articles on IAP on Guardian Sustainable Business website for a period of 4 months in 2018, including 12 pieces of independent editorial and 4 pieces of co-created content</p>	<p>sustainable production (and vice versa), as well as 2 information briefs on issues including gender and resilience.</p>	
	<p>Number of active partners with which the IAP is engaged at a programmatic level (through two-way sharing of information, expertise or tools; collaboration to increase impacts; implementation of delivery services, or provision of co-financing)</p>	<p>0</p>	<p>Maintenance of active engagement with at least 3 key partners, such as bilateral donors, NGOs, platforms, fora, and other organizations</p>	<p>Maintenance of active engagement with at least 6 key partners, such as bilateral donors, NGOs, platforms, fora and other organizations</p>	<p>There is a rationale to having partnerships at a program level in addition to the child project level</p>
	<p>Percentage of participants of Community of Practice events that have changed their programs, practices and/or policies based on IAP learning (as measured by a survey of participants of each of the two face-to-face COP global events).</p>	<p>0</p>	<p>50%</p>	<p>75%</p>	

## Annex B: Responses to Project Reviews

Comments from Council	Response
<b>Comments from Germany</b>	
<ul style="list-style-type: none"> <li>Germany recommends that the focus be not limited on the three commodities mentioned in the PFD (palm oil, soy and beef), as there are other important agricultural drivers, such as Cacao (important in West-Africa), Sugar, Rubber, Paper/Pulp.</li> </ul>	<p>While we agree that the other commodities mentioned also play an important role in agriculturally-driven deforestation, the IAP team concluded that the Program would be spread too thinly if it were to cover additional commodities and/or countries. However, we will invite stakeholders from other commodity sectors to share practice and learnings through the Global Community of Practice that we will establish. In particular, the plan is to invite stakeholders from the cocoa sector, which is also grappling with the issue of deforestation. If further funds for integrated programming are available in GEF-7, the commodity scope could be expanded.</p>
<ul style="list-style-type: none"> <li>Regulatory measures can be implemented on supply and demand side (e.g. FLEGT-EUTR). Providing further details on the demand-side markets that are focus of its approach and whether and how regulatory measures can be addressed would be useful.</li> </ul>	<p>FLEGT has been included under section 2.11 on knowledge management of the demand child project, describing lessons learned. The Demand project has established the Asian Learning and Exchange program to engage with important demand countries in Asia for soy and oil palm. The Project is not focusing on EU markets as they are not GEF recipient countries.</p>
<ul style="list-style-type: none"> <li>Initiatives on deforestation-free supply chains contain many aspects and approaches that are already covered in previous or existing efforts on environmental governance (in particular FLEGT and REDD). The PFD should describe how planned activities can be built on such efforts and specifically for the pilot countries that are foreseen.</li> </ul>	<p>As mentioned above, FLEGT has been included in the demand child project within knowledge management activities.</p> <p>The national and sub-national platforms to be supported under Component 1 of the production child project will serve as a fulcrum for connecting up and exchanging lessons with co-ordination fora, such as REDD+ initiatives. National commodity training needs assessments will be designed to complement REDD+ strategies. The production project will also facilitate a knowledge-sharing platform and as such will engage with the REDD+ country programmes (in Cote d'Ivoire, PNG, Vietnam, Colombia, Ecuador, Peru, Ethiopia). Lesson learning will assess, among others, how best to link up with REDD+ work.</p>
<b>Comments from US</b>	
<p>1. <u>Co-financing:</u></p> <ul style="list-style-type: none"> <li>As child projects are developed, UNDP and other agencies should incorporate lessons learned from the World Bank BioCarbon Fund's Initiative for Sustainable Forest Landscapes (ISFL) and the Tropical Forest Alliance 2020 to increase private sector interest and support.</li> <li>The level of co-financing from recipient</li> </ul>	<p>Lessons learned from the ISFL Initiative and TFA 2020 have been incorporated in the project development process. For example, the Adaptive Management &amp; Learning child project makes reference to TFA Forest Alliance 2020 as a key global-level partner and also explains how coordination will be achieved with the World Bank Sustainable Landscapes Program, including as it relates to interventions in Brazil, which is also an IAP pilot country. TFA has also been incorporated into the Demand Project, especially regarding</p>

<p>governments is only \$3.5 M. Therefore as the child projects are developed, we expect agencies will engage recipient countries to preserve country-driven programming – a hallmark of GEF success.</p>	<p>Component 2 work.</p> <p>A strong effort has been made to integrate the IAP within Governmental priorities and programmes. This is reflected in the substantial amount of co-financing committed to by Governments. Furthermore, the National Platforms and subnational platforms to be developed/ consolidated are key tools for government leadership and drivenness of the processes and interventions.</p>
<p>2. <u>Project Scope:</u></p> <ul style="list-style-type: none"> <li>• The United States welcomes the components of the proposal that focus on creating enabling environments (including land use planning, available land, financing), and producer capacity and practices (restoration, monitoring and enforcement, dialogue). <u>These components should be further developed as countries formalize their participation in this IAP and determine which of the proposed elements included in this PFD will be consistent with their priorities.</u></li> </ul>	<p>The production child project now provides much greater detail on the actions that will be carried out to strengthen the enabling environment for the sustainable production of commodities. This includes various Components, including dialogue, action planning and public private partnerships; production policies and enforcement; farmer support systems, and land use planning. The transactions child project will promote financing options for sustainable production. As noted above, support has been defined based on a careful analysis of government priorities. For example, specific priority policies and regulatory measures have been identified in consultation with Governmental partners (see Table 6 of production CEO Endorsement)</p>
<p>3. The most promising aspects of the demand-focused child project should target major buyers and traders, particularly in the private sector, as compared to demand-side elements such as public procurement standards in consumer markets. Therefore, we request that WWF, UNDP and CI focus during the development of child projects on awareness campaigns targeting private sector partners for each commodity in primary demand markets. Further, the support tools and educational campaigns should target major buyers. To date, private sector actions to eliminate deforestation from supply chains have focused on making and implementing pledges. While consumer pressure has been important, it has not been the primary driver of business decisions. Therefore, we caution strongly against projects addressing global trading and markets and developing certification schemes, areas within the purview of organizations like the World Trade Organization.</p>	<p>The Project is targeting major buyers and traders to promote commitments to source reduced deforestation commodities. This will include awareness raising, support of tools, and trainings for buyers.</p> <p>The Project cannot conduct awareness campaigns in markets where governments do not support; nor can the Project spend GEF funds in the EU.</p> <p>The Project is conducting the Asia Learning and Exchange to promote inclusion of important demand markets like China and India; the Project is also conducting awareness campaigns in Indonesia. Cofinancing will be working on awareness in Paraguay and Brazil.</p> <p>The Project is not working on certification- only national interpretations enabling countries to adapt best practices to their local contexts.</p>
<p>4. We encourage the UNDP to strengthen</p>	<p>The Adaptive Management and Learning child project has</p>

<p>the adaptive management and learning child project. Since there is already a great deal of understanding about the root causes of deforestation, the proposed strategy may merely duplicate current efforts. The more interesting elements of this PFD are those related to innovation, sustainability, and potential for scaling-up (discussed on page 19) including for determining new markets, products, frontiers and rehabilitation of lands. In the future revisions of this PFD and in the child project, we request that these elements become the primary focus and that all agencies involved actively participate in this effort.</p>	<p>been developed significantly since the PFD stage. It will be responsible for coordination of the overall IAP Program, program-level M&amp;E, knowledge management, communications and partnership building.</p> <p>The heavy emphasis on knowledge creation and dissemination will promote sustainability and upscaling. The A&amp;L project will produce publications on innovative issues that relate to the integrated approach being piloted with this Program, such as how demand and financing influence sustainable production and vice versa. The IAP Program will also support innovative tools such as the landscape tool to be developed under the production child project and the Stockholm Environment Institute (SEI) tool to be funded under the demand child project. It will also foster learning and promote information dissemination within the IAP and with external partners on various issues of relevance. For example, the IAP work in Indonesia will look at degraded lands and assist with the production of palm on degraded lands. The research that will be carried out through a partnership with ISEAL will contribute to increased understanding of the impacts of Voluntary Standards and VSS-like mechanisms on deforestation, biodiversity habitat, and other social and environmental outcomes.</p>
<p>5. As the child projects are developed, the priority for GEF funding should be: (1) developing country governments, (2) producers, (3) financial institutions and (4) large buyers. We believe this order reflects the greatest potential to improve supply chain sustainability. Also, the PFD should provide more detail regarding support for development country governments.</p>	<p>The child projects have been developed with a view to prioritizing actions and funding for developing country governments in the 4 IAP target countries, strengthening producer support systems, working with financial institutions to incentivize sustainable production and engaging large buyers to promote commitments to source reduced deforestation commodities.</p> <p>The production child project now provides much more detail on the support that will be provided for developing country governments in Indonesia, Liberia and Paraguay, and the Brazil child project details this for Brazil. Governments are partners in the majority of these projects' activities, with producers, particularly smallholders also important beneficiaries. The Program will strengthen national and subnational platforms as a key tool for government leadership and drivenness and also contribute significantly to strengthening of national policy and legislation and enforcement.</p>
<p><b>Comments from STAP</b></p>	<p><b>Response</b></p>

<p>With regard to the engagement of financial institutions, STAP would recommend that the Program actively seek to contribute to emerging global efforts to benchmark the success of financial firms with regard to deforestation risk exposure in their portfolios.</p>	<p>The project will identify and actively promote best practice in how financial firms account for deforestation related risks in their lending and investment portfolios. This will allow performance to be benchmarked. Currently, however, no tool exists for quantifying the deforestation value at risk in investment portfolios nor for accounting for how deforestation exposure can affect the valuation of a company. For lending, good practices have been identified in terms of lending policies for commodity production, but there is limited information about how those lending policies are being applied and on their impact on the ground. The project aims to benchmark financial firms both in terms of the adoption of policies and the impact of those policies.</p>
<p>Finally, an additional useful contribution of this initiative would be to support the ongoing development of natural capital accounting tools at national level. In turn, this would also contribute to assessing credit risk and asset exposure in the agri-sector and commodities markets (which could potentially result in "stranded" assets). The WAVES program is cutting edge in this domain, and the GEF IAP could build on this experience. The use of natural capital accounting tools is underscored in the GEF 2020 Strategy, and STAP I has seen growing indications that these approaches are being progressively mainstreamed in GEF project planning and strategies in natural resource management.</p>	<p>The insights generated through the project will contribute to the development of accounting tools at the national level. More specifically the project, however, will contribute to efforts to develop tools to account for natural capital in the private sector in general, the Natural Capital Protocol (the IFC has a seat at the steering group) and in the finance sector specifically by partnering with the Natural Capital Declaration (a co-financier of the project), which are leading the work on natural capital accounting in the financial sector as part of the Task Force on Natural Capital Accounting in Government, Business, and Finance.</p>
<b>Comments from GEF Secretariat</b>	
<p>More detailed country and intervention specific risk analysis expected at CEO Endorsement.</p>	<p>Each child project CEO Endorsement has now included a much more detailed assessment of potential project risks and risk mitigation measures.</p>
<p>More detailed analysis of initiatives at country and intervention specific levels are expected at CEO Endorsement</p>	<p>A much more detailed description of other interventions and plans is now provided in each of the child project documents including how the IAP Program will coordinate with these.</p>

<b>Review Criteria and Questions</b>	<b>GEF Secretariat Comment</b>	<b>Response to GEF Secretariat Comments</b>
Project Design and Financing:		
1. If there are any changes from that	August 15, 2016 This is a child project under the Commodities IAP program, for which no PIF stage was	i) The proposed approach to coordination and partnerships will achieve the desired shifts toward sustainability through the Community

<p>presented in the PIF, have justifications been provided?</p>	<p>required. The project is in line with the original PFD, which is to ensure effective coordination and overall delivery of the program. This critical role will ensure that the program is bigger than just the sum of its parts (ie child projects). In this regard, the proposal needs to clarify the following overarching issues: i) how the proposed approach to coordination and partnerships will promote shifts toward sustainability beyond the IAP program, and in line with the program-level results framework; ii) how indirect benefits (both environmental and developmental) resulting from such shifts relative to the baseline can be monitored and quantified; given the focus on engaging with coalitions already committed to sustainability, including with explicit targets, it would seem prudent to have this as a core principle; iii) why the institutional arrangement (outcome 1 and Annex D) includes a project secretariat that is "virtual" as opposed to anchored in a specific location where coordination can be better supported? iv) why a separate SC for two components as opposed to the whole project; implies lack of coherence even if components are being led by separate EAs; v) what would be the actual process for engagement with all stakeholders given the roles outlined in para 70 of Prodoc and 87 of endorsement doc? vi) include in Table A of endorsement document the specific IAP outcomes attributed to this project.</p> <p>2</p>	<p>of Practice (CoP) that will be established, global partnership management, regular information exchange, and extensive work to promote replication. The A&amp;L project will provide the platform to ensure that the IAP is aligned with the activities of key partners, such as Norway, DFID, sustainability roundtables, UN REDD+ and TFA, and to maximize synergies and coordination. It will support discussions surrounding the definition of collective environmental impact targets. The CoP will connect practitioners working to reduce deforestation from commodity production, and will establish crucial links with non-IAP countries and projects, such as in Peru, Ghana and Costa Rica. We will also establish a CoP coordination committee in which donors will sit to jointly guide priorities. The project will share results (both successes and failures), lessons learned, tools, and methodologies with key partners in order to encourage replication by partners and governments in target countries and to promote greater environmental impact in terms of shifts towards sustainability in supply chains (see paragraphs 72-73 of the CEO Endorsement). We have assigned project posts for partnership management (i.e., the IAP Manager and through the production project, a Senior Partnerships Advisor), knowledge management, and the Community of Practice, so that there will be individual experts tasked with ensuring that this sharing of lessons learned will take place.</p> <p>ii) Since the Commodities IAP is a partnership program, it aims to support and enhance the activities of key partners and maximize alignment and synergies with the IAP Program. The IAP Program will measure the progress toward achieving global environmental benefits as follows: the Program-level tracking tool includes various Program-level environmental impacts indicators and targets that capture both the direct impacts of the IAP Program and the indirect benefits through this partnership work. In addition, the A&amp;L project will assess the level of influence of IAP learnings on the practices, actions and policies of Community of Practice participants through a survey of participants after the two face-to-face events.</p>
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	<p>PH October 31, 2016 The CEO endorsement includes</p>	<p>(see Paragraphs 30-31 in CEO Endorsement).</p> <p>iii) There will be a physical PMU, comprised of the IAP Manager, a Finance Officer and an Administrative Assistant. This PMU will be based in Panama where the Green Commodities Program is located, as the latter will service the IAP. The IAP Coordinator will be responsible for ensuring cohesion and facilitating regular coordination within the Secretariat through monthly (and if necessary more frequent) calls, as well as through Steering Committee meetings and regular exchange of information. The Project virtual Secretariat includes the IAP Manager, the IAP Coordinator and the managers of each child project (see paragraph 112 of CEO Endorsement). Given the locations of their headquarters, the WWF demand project manager will work out of the PMU of the demand project in Washington, the IFC project manager will work out of Washington and the Brazil child project manager from CI will work out of Brazil.</p> <p>iv) There will be a Joint Review Mechanism to support A&amp;L project coordination with both WWF and UNDP to ensure coherence among the three A&amp;L project components (as described in paragraph 110 of the CEO Endorsement). The UNDP Steering Committee for Components 1 and 3 will be established for Component-related decision-making, such as budget approval. See paragraph 130 of the ProDoc and paragraph 110 in the CEO Endorsement where additional details have been added.</p> <p>v) The main processes for engagement of the key stakeholders will include national platforms at the national level, bilateral consultations with key stakeholders and partners, and the Community of Practice to be established through the A&amp;L project for a broader group of stakeholders. Please see revised text in paragraph 77 of the ProDoc and paragraph 95 of the CEO Endorsement.</p> <p>vi) Table A has been adjusted to include the specific Commodities IAP outcome (page 1 of CEO Endorsement).</p> <p>Response December 08, 2016 Table showing the institutional coordination</p>
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	<p>additional details on how the Adaptive Management and Learning (A&amp;L) child project will coordinate and align partnerships to promote shifts toward sustainability both across the CIAP child projects and with external groups and actors. Additional clarity is also provided on the generating of indirect benefits across the CIAP that ensures the totality of the program's impact is greater than the discreet contribution of each of the individual child project.</p> <p>The rationale provided for the Virtual Secretariat for the CIAP is reasonable given the geographic spread of the child project Implementing Agencies leads. It is, however, unclear if the same members from the implementing agencies will sit on both the Virtual Secretariat and the Program Steering Committee -- as the Program Steering Committee will meet face to face at least once per year this would bolster overall coordination and management of the CIAP. Given that in addition to a Virtual Secretariat and Program Steering Committee, there will also a be a Panama-based PMU, and an A&amp;L Project Joint Review Mechanism focused on coordination between UNDP and WWF, the various institutional arrangements for coordination across the CIAP child projects and within A&amp;L are challenging to easily differentiate from each other. We request that you develop a simple table that lays out each of the mechanisms, their coordination role, the institutions/positions that comprise them, the frequency and modality for meeting, etc.</p> <p>The process for engagement with all the stakeholders has been further detailed in the CEO endorsement document</p>	<p>mechanism has been developed. Please see the paragraphs no. 133 in the project document and 116 in the CEO ER.</p>
2. Is the project	August 15, 2016	i) As described in paragraphs 70-74 of the

<p>structure/ design appropriate to achieve the expected outcomes and outputs?</p>	<p>The overall structure and design is appropriate, but the narrative alternates between project specific focus and overall support for the IAP program. The document is unclear about how this project will specifically support overall delivery of outcomes for the IAP program. This is reflected in the fact that even global environmental benefits associated with the entire program are limited to only what will be delivered through the production child project. Yet the IAP program ToC clearly implies the need for a shift toward sustainability in supply chains of the three commodities. Against this backdrop of concern, please address the following: i) clarify how this project will ensure that benefits of the overall IAP program go beyond just what will be delivered through pilots and demonstrations; how will achievements through knowledge, learning and partnerships influence the desired shift toward reduced deforestation? How will the indirect benefits of this shift be quantified to demonstrate value-added of the IAP program? ii) component 1, output 1.2 is very much welcome, but falls short of including focus on global environmental benefits; this would be a good place to describe how program-level monitoring will take into account indirect benefits from influencing shifts toward sustainable supply chains; iii) Output 3.1 (para. 49): what about sharing knowledge and lessons learned at international trade related events that are connected with the commodities? Please note that the Prodoc references only two components instead of the three as in the endorsement; iv) some of the annexes still have pending issues that need to be cleaned up, especially the program results framework.</p>	<p>CEO Endorsement in the section on Global Environmental Benefits, the IAP Program will ensure substantial benefits beyond what will be delivered through pilots and demonstrations. The A&amp;L project will promote broader impact and benefits in terms of reduced deforestation primarily by ensuring coordination among the different child projects for greater coherence and alignment, by establishing a Community of Practice with practitioners, by carrying out extensive knowledge management with key partners working in this space to disseminate lessons learned from this integrated approach and from pilots and demonstrations, and generally, by managing global partnerships for the IAP. The A&amp;L project will promote links within the IAP on an ongoing basis and will work to connect production, demand and finance. The impacts of the A&amp;L project will also be measured through monitoring of the indicators in the project results framework, and through a survey of participants of the Community of Practice. Targets for the IAP Program as a whole have been included in the Program-level tracking tool and the Global Environmental Benefits table and include both the Program’s direct and indirect benefits. The production project, in turn, will achieve benefits beyond pilots and demonstrations by a) promoting policy changes at the national level, which will influence the entire commodity sectors, b) fostering the establishment of national action plans, whose implementation and financing can be monitored; and c) supporting national institutional extension strengthening. The other child projects will also achieve impacts beyond demonstrations and pilots. Specifically, the demand project will increase pressure from companies for sustainability within supply chains, and the transactions project will promote greater consideration of environmental risks by the banking sector and promote increased financing and bank commitments for sustainable commodity production.</p> <p>ii) In output 1.2, additional text has now been added to indicate that the A&amp;L project will measure the IAP Program’s Global Environmental benefits both in terms of the direct impacts of the Program and the indirect</p>
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		<p>benefits of the work with key partners. Additional text has also been added on the survey that will be carried out with participants of the Community of Practice to assess the extent to which IAP learning is influencing partners' programs, actions and policies (see paragraphs 30-31 of CEO Endorsement).</p> <p><i>iii)</i> The A&amp;L ProDoc indicates that we will share knowledge and lessons learned at events such as Sustainable Brands, ISEAL Global Sustainability Standards Conference, Ethical Corporation Supply Chain Summit, industry roundtable events (e.g., RSPO, RTRS or GRISB), TEDx Change, and Business for Social Responsibility Conference, among others (see paragraph 51 of CEO Endorsement).</p> <p>With regard to the second comment from GEF Sec, the ProDoc includes detail on the Outputs of three Project Components. The sub-headings for all three Project Components have now been added to make this clear.</p> <p><i>iv)</i> The Program Results Framework has been revised, with an adjustment made to the Program Objective (to include specific targets) (see Annex H, page 127 of ProDoc).</p>
<p>3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?</p>	<p>August 15, 2016</p> <p>Given the focus on coordination, supply chain coalition building, and KM, the financing is adequate and very much in line with co-financing provided. While cost effectiveness of the overall program is described (para 82-84), it is not clear how this project specifically demonstrates cost-effectiveness. In line with the incremental reasoning, please clarify and elaborate on the costeffectiveness of this AM&amp;L project relative to alternatives. In addition please address the following inconsistencies in the Prodoc: - present a single budget for the project rather than two separate ones for UNDP and WWF (Annex F), even if the separation is warranted for accountability purposes; - in the budget notes, reference is made to "IAP Manager" as opposed to "A&amp;M manager", and there is no corresponding ToR for</p>	<p>The A&amp;L project has been designed with a strong focus on cost-effectiveness. The project will promote inter-agency coordination and cooperation in order to avoid duplication and maximize impact with the least possible resources. The alternative scenario without the A&amp;L project would mean that actions taken by different agencies would not be synchronized, which could lead to failure to capitalize on opportunities for synergies and coordination. In addition, cost-sharing of various positions with the production child project will contribute to cost-effectiveness, as will the fact that the Secretariat will be virtual. The project's coordinated partnership development strategy to reach out to key global-level partners at the A&amp;L level will also generate significant savings in terms of time and trips needed, as compared to a situation in which each agency separately manages its global-level partner relationships. Additional details on the cost-effectiveness of the A&amp;L project have been added to paragraph 89 of the ProDoc.</p> <p>Given that UNDP will not be receiving the funds that WWF will manage for Component 2, we are</p>

	<p>this position; what is the justification for cofunding this position with the production child project?</p> <p>PH November 2, 2016  Cost effectiveness of the A&amp;L project has been demonstrated through revisions to the Prodoc. An explanation for the inclusion of separate budgets for components 1&amp;3 and component 2 based on institutional requirements has been provided and is accepted. We note that the overall budget for component 2 (Annex F) contains broad line items but is lacking in sufficient detail. Furthermore, the accompanying budget notes detail anticipated costs associated with ISEAL's support for the development of the Global Impacts</p>	<p>not permitted to present a single budget in the ProDoc. However, we did include the WWF amount in paragraph 138, which lists all parallel financing. In addition, on page 66 right after the UNDP budget, we have added a Summary of Funds, including the WWF portion and all co-financing. This Table includes the budget breakdown per year for both UNDP and WWF. The detailed WWF budget can be found in Annex F.</p> <p>Throughout the document, the A&amp;L Manager is now referred to as the IAP Manager (including in the ToRs and budget notes), since this a position jointly funded with the production project and which will be responsible for the management of both the A&amp;L and production child projects.</p> <p>There is a strong justification for the co-funding of the IAP Manager with the production project (see paragraph 89 of the ProDoc). With UNDP managing both of these projects, a very senior person can be hired to cover the management of both projects. Without such co-funding, the relatively limited funds of the A&amp;L project would not allow for such a senior position. We have structured the teams for both projects so that the IAP Manager will not be overloaded. For the A&amp;L project, this senior manager will be supported by a full-time A&amp;L Coordinator, as well as a Knowledge Management Lead, a Community of Practice lead, a Communications Lead, a Finance Officer and an Administrative Assistant.</p> <p>Response December 08, 2016  Please see revised and more detailed Component 2 budget in Annex F.</p> <p>WWF will not receive administration costs for this Component. WWF will be part of the component's 'partner coordination group,' and may be part of the 'Global Impacts Platform advisory committee,' and as such, funding for travel for meetings is covered under "meetings and workshops."</p> <p>WWF and Rainforest Alliance (RA) are considered as partners in this component, and are eligible for a sub-grant to do specific research analysis. This cost is covered under "sub-grant agreements" in the budget.</p>
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	<p>Platform, however no information is provided on WWF's costs for under the child project for such things as personnel, travel, administration, etc. Please revise Annex F to reflect WWF costs, if any.</p> <p>Please ensure that reference is made to the IAP Manager as opposed to the A&amp;M manager throughout the CEO Endorsement Doc. For example, the two useful diagrams in paragraph 115 of the CEO Endorsement document still refer to the A&amp;L manager.</p>	<p>Throughout the document, the A&amp;L Manager is now referred to as the IAP Manager (including the paragraph 115 and budget notes)</p>
<p>4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)</p>	<p>August 15, 2016 Yes, relevant risks have been considered and mitigation measures provided. The analytical approach to resilience is also welcome, and will enrich the learning process on this important priority. Cleared</p>	<p>No changes required.</p>
<p>5. Is co-financing confirmed and evidence provided?</p>	<p>August 15, 2016 Yes, the co-financing amounts are all accompanied by letters. Cleared</p>	<p>No changes required.</p>
<p>6. Are relevant tracking tools completed?</p>	<p>August 15, 2016 The TT is included, but it is not consistent with expectations for how the AM&amp;L should add value to the overall IAP program as noted in comment 1 above. Beyond looking "inwardly" to achievements from individual child projects, the AM&amp;L project should also account for indirect benefits in line with the IAP program ToC. Please revisit the text in para 69 of endorsement doc to provide estimates of expected GEBs, based on commitments made and targets set by relevant actors considered for engagement in the program. This should be reflected in</p>	<p>The text on Global Environmental Benefits and Table 1 have now been adjusted both in the CEO Endorsement (see paragraphs 70-74) and in the ProDoc (paragraphs 24-28) to account not only for the for the direct impacts of the IAP Program's child projects but also for the indirect benefits associated with the partnership work and the supply chain approach that will be pursued. The targets in Table E of the CEO Endorsement on page 5 have also been adjusted accordingly as has the Program-level tracking tool presented by the A&amp;L project (see separate file with revised tracking tool). Additional details on the methodology used to derive the direct CO2e benefits and assumptions underlying the indirect benefits have been included in the new Annex Q of the ProDoc.</p>

	<p>the TT, which will then complement those from the individual child projects, and as a result strengthen component 2 of this project. While it is clear that the AM&amp;L project will not per invest in any actions, it should create a space for monitoring how the shift toward overall supply chain sustainability can be measured and quantified globally. Please address and provide a more appropriately completed TT for the additional benefits to be indirectly influenced by the program.</p>	
<p>8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?</p>	<p>August 15, 2016 Coordination with other initiatives has been included, but key GEF projects related to supply chains (eg UNEP/Forest Trends "Supply Change") are missing. Please provide details of all relevant GEF projects and how coordination will be pursued.</p>	<p>Additional detail on the Supply Change project has now been added in paragraph 117 of the CEO Endorsement. The A&amp;L project will encourage the demand project, in particular, to coordinate with this project in order to make use of the wealth of data being generated. Various other GEF projects are described in the CEO Endorsement, paragraphs 116-124. Additional information has also now been added on the IFC Biodiversity and Agricultural Commodities Program and on the UNEP/GEF Greening the Cocoa Industry Project (see paragraph 122). Coordination with the other relevant GEF projects described in the text will be achieved through various means such as sharing of knowledge electronically and through phone calls, exchange of information and events through the Community of Practice, and exchange visits (see paragraph 116 of the CEO Endorsement.)</p>
<p>9. Does the project include a budgeted M&amp;E Plan that monitors and measures results with indicators and targets?</p>	<p>August 15, 2016 The M&amp;E plan is included, but does not make clarify how this will be linked to the proposed approach for the overall IAP program as elaborated under component 1. Given that the program level results framework requires coherence and consistency in monitoring, this could have major implications for roles and responsibilities of the IAP Coordinator and IAP Manager, Please clarify how this would work.</p>	<p>The ToRs of the A&amp;L Coordinator include responsibility for oversight of M&amp;E (see Annex D- 6<sup>th</sup> ToRs) and for the KM and M&amp;E Lead, the ToRs have been revised and now include responsibility for carrying out the M&amp;E activities (see Annex D, p.97 of ProDoc). The Knowledge Management and M&amp;E Lead will gather the information on program-level indicators and will also cross check with other child projects to gather the required information for the high-level child project indicators that are included in the Program Results Framework. In terms of the impact of the Community of Practice to be established through the A&amp;L project, the Community of Practice Coordinator will share the relevant results with the KM and M&amp;E Lead from the two surveys to be carried out after each face-to-face meeting. These</p>

		<p>surveys will measure the percentage of participants of Community of Practice events that have changed their programs, practices and/or policies to reduce deforestation from commodity supply chains based on IAP learning. This will also provide information on the indirect benefits of this key KM element of the project. Finally, the KM and M&amp;E Lead will also work with stakeholders to measure the level of achievement of the environmental impact targets included in the Program-level tracking tool.</p>
<p>10. Does the project have descriptions of a knowledge management plan?</p>	<p>August 15, 2016 Knowledge management is a key component of the project, and is designed to be aligned fully with those or other child projects to ensure coherence at the program level. A key issue for clarification is how the KM approach will embody the Global Impact Platform (component 2), which is dedicated primarily toward generating knowledge products to support evidence-based activities across commodity supply chains. Please clarify and elaborate, including this will be reflected in the proposed institutional arrangement.</p>	<p>As indicated under Component 3 (paragraph 57 of CEO Endorsement, third bullet), the Community of Practice will include discussions on the findings of the Global Impacts Platform. In addition, the Global Impacts Platform will be promoted and disseminated to relevant users through results synthesis and dissemination to key decision makers (Component 2, paragraph 47 of CEO Endorsement) and through in-person engagement with stakeholders and decision-makers at knowledge-sharing events (paragraph 48). Finally, the Joint Review Mechanism to be established through the A&amp;L project, which will include UNDP and WWF, as described in paragraph 110 of the CEO Endorsement, will serve as the institutional structure for coordination and discussion of areas of common interest and as such will enable sharing of information and coordination between UNDP and WWF, including with respect to the project’s KM activities (such as the Global Impacts Platform) (see paragraph 110 of CEO Endorsement).</p>



**Annex C: Status of Implementation of Project Preparation Activities and the Use of Funds**

PPG Grant Approved at PIF: \$ 70,000			
<i>Project Preparation Activities Implemented</i>	<i>GEF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
PPG Activities: Project Document for Project: Adaptive Management and Learning for Commodities IAP finalized	<b>150,000</b>	<b>70,400</b>	<b>79,600</b>
<b>Total</b>	<b>150,000</b>	<b>70,400</b>	<b>79,600</b>