REPORT

MID-TERM REVIEW (MTR)

Taking Deforestation Out of the Soy Supply Chain (PIMS 5896)

Full-sized project BRA/16/G32

MATOPIBA Region, Brazil

Reviewer: Alida Spadafora

May 26, 2020

**BASIC REPORT INFORMATION**

**TITLE OF UNDP-SUPPORTED GEF-FINANCED PROJECT**

Taking Deforestation Out of the Soy Supply Chain

**PROJECT ID#s**

UNDP PIMS ID NUMBER 5896

GEF Project ID# 9617

ATLAS AWARD ID: 00097304

ATLAS PROJECT ID: 00101093

**EVALUATION TIME FRAME AND DATE OF EVALUATION REPORT**

Time frame: 24/02/2020 - 05/05/2020

Date of Evaluation Report: May 5th, 2020

**REGION AND COUNTRIES INCLUDED IN THE PROJECT**

MATOPIBA region (acronym for the states of Maranhão, Tocantins, Piauí and Bahía).

Country: Brazil

**GEF OPERATIONAL FOCAL AREAS**

BD-4, Programme 9: Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors;

CCM-2, Programme 4: Promote conservation and enhancement of carbon stocks in forests, and other land use, and support climate smart agriculture; and

SFM-1, Programme 1: Integrated land-use planning; Programme 2: Identification and maintenance of high conservation value forests; Programme 3: Identifying and monitoring forest loss.

**EXECUTING ENTITY/IMPLEMENTING PARTNER/OTHER EXECUTING PARTNERS[[1]](#footnote-1)**

Executing Agency: Conservation International

Other executing partners: Ministerio do Meio Ambiente (MMA), Fundacão Brasileira de Desenvolvimento Sustentavel (FBDS), Sociedad Rural Brasileira (SRB)

**MTR EVALUATOR**

Alida Spadafora, MSc

**ACKNOWLEDGEMENTS**

This Mid-term Review has been possible through the kind collaboration of institutional stakeholders, partner organizations, implementing agencies, and particularly the project team and the UNDP.

**DISCLAIMER:** the analysis and recommendations contained in this document only represent the opinions of the authors and do not necessarily reflect the analysis, views and opinions of the United Nations Development Programme, GEF, any other UN Agency, nor any of the donors or parties involved in the Project.

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## ACRONYMS AND ABBREVIATIONS

|  |  |
| --- | --- |
| ABC | *Agência Brasileira de Cooperação* (Brazilian Cooperation Agency) |
| AIBA | *Associação de Agricultores e Irrigantes da Bahia* (National Association of Cereal Exporters) |
| A&L | Adaptive Management & Learning |
| APP | Areas of Permanent Preservation |
| BNDES | *Banco Nacional para o Desenvolvimento* (National Development Bank) |
| CAR | *Cadastro Ambiental Rural* (Rural Environmental Registry) |
| CI | Conservation International |
| CSO | Civil Society Organization |
| ECODATA | *Agência Brasileira de Meio Ambiente e Tecnologia da Informação* (Brazilian Agency for the Environment and Information Technology) |
| EMBRAPA | *Empresa Brasileira de Pesquisa Agropecuária* (Brazilian Agricultural Research Corporation) |
| FAET | *Federação da Agricultura e Pecuária do Estado do Tocantins* (Agriculture and Livestock Federation of the State of Tocantins) |
| FAPCEN | *Fundação de Apoio à Pesquisa do Corredor de Exportação Norte* (North Export Corridor Research Support Foundation) |
| FBDS | *Fundação Brasileira para o Desenvolvimento Sustentável* (Brazilian Foundation for Sustainable Development) |
| FETRAF | *Federação dos Trabalhadores e Trabalhadoras na Agricultura Familiar* (National Federation of Men and Women Family Farming Workers) |
| FUNATURA | *Fundação Pro-Natura* (Pro-Nature Foundation) |
| GEF | Global Environment Facility |
| GGP | Good Growth Partnership |
| GHG | Greenhouse Gases |
| ICMBio | *Instituto Chico Mendes de Conservação da Biodiversidade* (Chico Mendes Institute for Biodiversity Conservation) |
| IFC | International Finance Corporation |
| IEB | Instituto Internacional de Educação do Brasil |
| INEMA | *Instituto do Meio Ambiente e Recursos Hídricos* (Institute for the Environment and Water Resources) |
| MAPA | *Ministério da Agricultura, Pecuária e Abastecimento* (Ministry of Agriculture, Livestock and Food Supply) |
| MATOPIBA | *Region of Maranhão - Tocantins - Piauí - Bahia* |
| MMA | *Ministério do Meio Ambiente* (Ministry of Environment) |
| MPA | *Movimento de Pequenos Agricultores* (Small Farmers' Movement) |
| MST | *Movimento dos Trabalhadores Rurais Sem Terra* (Landless Workers' Movement) |
| MTR | Mid-Term Review |
| M&E | Monitoring and evaluation |
| OEMAs | *Órgãos Estaduais de Meio Ambiente* (State Environment Agencies) |
| PAC | Project Appraisal Committee |
| PIR | Project Implementation Report |
| POPP | Programme and Operations Policies and Procedures |
| PIF | Project Identification Form |
| PRA | *Programa de Regularização Ambiental* (Environmental Regularization Program) |
| SEAGRO | *Secretaria da Agricultura, Pecuária e Aquicultura* (Agriculture, Livestock and Aquaculture Secretariat) |
| SEMA | *Secretaria do Meio Ambiente* (Secretariat of Environment) |
| SEMARH | *Secretaria de Estado do Meio Ambiente e dos Recursos Hídricos-Tocantins* (State Environment and Water Resources Secretariat – Tocantins) |
| SFB | *Serviço Florestal Brasileiro* (Brazilian Forest Service) |
| SGP | Small Grant Programme |
| SFM | Sustainable Forest Management |
| SICAR | *Sistema Nacional de Cadastro Ambiental Rural* (National Environmental Rural Registry System) |
| SRB | *Sociedade Rural Brasileira* (Brazilian Rural Society) |
| STAP | GEF Scientific and Technical Advisory Panel |
| REDD | Reduction of Emissions from Deforestation and Forest Degradation |
| UNDP | United Nations Development Programme |
| UNDP CO | United Nations Development Programme Country Office |
| WWF | World Wildlife Fund |

### EXECUTIVE SUMMARY

#### **1.1 Project Information Table**

Table 1. Project Information

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project Title:** | **Taking Deforestation out of the Soy Supply Chain** | | | |
| **Name of Parent Program:** | **Good Growth Partnership** | | | |
| UNDP Project ID (PIMS#): | 5896 UNDP 00110093 | PIF Approval date | | June 4, 2015 |
| GEF Project ID (PMIS#): | 9617 | CEO Endorsement Date | | March 8, 2017 |
| ATLAS Business Unit, Award # Proj. ID: | 00097304 | Project Document (ProDoc) Signature Date (date project began): | | June 30, 2017 |
| Country | Brazil | Date project manager hired: | | August, 2nd, 2017 |
| Region | Latin America and the Caribbean | Inception Workshop date: | | August 7-8, 2017 |
| Focal Area | IAP Commodity Supply Chain (Multi-focal areas) | Midterm Review completion date: | | June 22, 2020 |
| Trust Fund [indicate GEF TF]: | USD $ 6,600,000 | Planned closing date: | | June 30, 2021 |
| Executing Agency/ Implementing Partner: | Conservation International | If revised, proposed op. closing date: | |  |
| Other execution partners: | 1.Fundação Brasileira de 2.Desenvolvimento Sustentável (FBDS)  3.Sociedad Rural Brasileira (SRB) |  | |  |
| **Project Financing** | ***at CEO endorsement (US$)*** | | ***at Midterm Review (US$)*** | |
| [2] GEF financing: | USD $ 6,600,000 | | USD $ 3,921,912 | |
| [2] UNDP contribution (in kind): | USD $ 100,000 | | USD $ 100,000\*\* | |
| [3] Conservation International (in kind): | USD $ 413,202 | | USD $ 413,201 | |
| [4] Government: Ministerio do Meio Ambiente (MMA) (in kind) | USD $ 16,900,000 | | USD $ 7,040, 844 | |
| [5] Other partners:  FBDS (in Kind)  SRB (in Kind)  EMBRAPA (in Kind)  SEAGRO (in Kind)  NATURATINS TO (in Kind)  IEB (in Kind) | USD $ 556,476  USD $ 413,202 | | USD $ 556,476  USD $ 413,202  USD $ 86,876  USD $44,697.08  USD $2,402,989.96  USD $ 4,148.49 | |
| [6] Total co-financing [2 + 3 + 4 + 5] | USD $ 28,204,678 (in kind) | | USD $ 10,468,926.83 | |
| PROJECT TOTAL COSTS [1 + 6] | USD $ 34,804,678 | | USD $ 14,390,838.83 | |

\*\*Drawn from Project provided information up to January 2020

#### **1.2 Project Description**

1. The project’s objective is to reduce the threat to biodiversity that the advancing agricultural frontier is posing in the MATOPIBA region, through a soy supply chain approach that solves the root causes of deforestation from soy. It aims at reducing deforestation in the agricultural frontier by promoting sustainable soy production in 6,000,000 ha of the MATOPIBA region. This is a GEF funded project of USD 6.6 million implemented by the United Nations Development Program (UNDP), and executed by Conservation International (CI) with multiple stakeholders. This is a child project (also known as the Brazil child project), part of a global multi-agency GEF initiative, the Good Growth Partnership or GGP (formerly Commodities Integrated Approach Pilot), which includes five child projects and four target countries. The Good Growth Partnership, launched in 2017, takes a “supply chain” approach to globally take deforestation out of agricultural commodity supply chains by focusing on the key drivers of sustainable production, demand and finance.
2. This Brazil child project is designed to reduce the threat to biodiversity in high conservation value forests and GHG emissions in the advancement of the agricultural frontier of the MATOPIBA region. The region has experienced a rapid expansion of soy production in part explained by the fact that the Cerrado has relatively little legal protection compared to the Amazon and according to the Forest Code[[2]](#footnote-2). The project in its design focuses on promoting a dialogue oriented to building a shared vision on sustainable landscapes among key stakeholders: government, companies, civil society and the productive sector. It aims at fostering the development of solutions to implement this vision, such as restoration practices, strengthening of local government capacities and a system to support soy producers in adopting best agricultural practices. The project will concentrate on western Bahia and the central Tocantins.
3. When completed, the Project should achieve several outcomes according to the Project document:

• A shared vision on expansion of the production of agricultural commodities in the region in combination with the conservation of biodiversity and ecosystem services through sustainable land management and the creation of sustainable productive landscapes.

* Improved environmental management.

• A system of support in the four focal areas prepared and implemented that will help farmers to adopt sustainable management of their properties and sustainable agricultural practices.

• Improved planning for expansion of production and conservation.

• Increased market demand for responsibly sourced soy.

• Financial sector engaged in the promotion of sustainable soy.

• Project coordinated and lessons learned and disseminated.

1. There are five components of the Brazil child project: (i) Dialogue, policies and enforcement; (ii) Farmer support systems; (iii) Land use planning; (iv) Supply chain integration; and (v) Knowledge management and M&E.
2. The project contributes to the following three (3) GEF focal area objectives:

BD-4, Programme 9: Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors;

CCM-2, Programme 4: Promote conservation and enhancement of carbon stocks in forests, and other land use, and support climate smart agriculture; and

SFM-1, Programme 1: Integrated land-use planning; Programme 2: Identification and maintenance of high conservation value forests; Programme 3: Identifying and monitoring forest loss.

#### **Project Progress Summary**

1. This child project is highly challenging due to several factors. The first is the focus on a highly complex new agricultural frontier of Brazil. The second is that it is implemented by four GEF agencies and involves multiple and diverse stakeholders. Furthermore, most targets and indicators are ambitious by design, and the Brazil political context has complicated their achievements.
2. The project has strengthened the Tocantins and Bahia’s Regional Environment Registry (CAR) validation processes. CI and representatives of SEMA, INEMA, and Naturatins agreed on an action plan in April 2019 to accelerate the analysis and validation of the registries. The number of properties in the system has increased significantly, but their analysis and validation have been more complicated. Consequently, proposals for the restoration or offsetting of identified deficits in Permanent Protection Areas or Legal Reserves, are still pending.
3. The project has strengthened the Tocantins and Bahia’s Regional Environment Registry (CAR) validation processes. CI and representatives of SEMA, INEMA, and Naturatins agreed on an action plan in April 2019 to accelerate the analysis and validation of the registries. The number of properties in the system has increased significantly, but their analysis and validation have been more complicated. Consequently, proposals for the restoration or offsetting of identified deficits in Permanent Protection Areas or Legal Reserves, are still pending.
4. The project has fostered the creation of the ABC Soy Program, which is being institutionalized in 2020 by EMBRAPA. This output is significant for the sustained impact in the focus area and potential for replicability.
5. Regarding policies, the project has advanced a draft state-level regulation in Tocantins, needed to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code. Other recommendations are being analyzed and discussed, including the establishment of municipal protected areas in the states of Tocantins and Bahia.
6. The ongoing mapping of land use of the municipalities located identifies priority regions for the creation of ecological corridors or protected areas. The project is also finalizing the analysis of Legal Reserves and Areas of Permanent Preservation (regularized under the forest code) of the MATOPIBA region.
7. Project coordination and communication with stakeholders, partners, and implementing agencies represent a challenge in terms of the overall coordination of the project by CI.
8. The project has been able to disburse 57.46% of the total budget up to January 2020, showing a moderate delay in budget execution.
9. A high number of assessments, maps, and analyses have been generated, as well as a robust monitoring system. The gender assessment and the social and environmental safeguards were finalized in the early stages of the project. The project has shared two lessons learned based on the complex challenges faced and the constant adaptation measures needed to pursue project objectives.
10. Despite all the efforts, there are both challenges ahead and opportunities to accomplish significant results. The reviewer foresees numerous lessons and experiences that would contribute to future GEF project designs regarding the soy supply market integrated approach.

#### **1.4 MTR Ratings and Achievement Summary Table**

1. Table 2. MTR Ratings and Achievement Summary

|  |  |  |
| --- | --- | --- |
| **Measure** | **MTR Rating** | **Achievement description** |
| Project Strategy | N.A. | The strategy and approach of this child project follows a systemic rationale derived from the GEF global initiative, to demonstrate that a supply chain approach can solve the root causes of deforestation from soy. Most of the assumptions implied that farmers would comply with forest code in the MATOPIBA region, connecting this compliance with market decision-making tools to achieve the Project objective. The project is aligned with national policies, programs and plans. However, the level of country ownership of the project is not clear. Risks are not sufficiently identified or addressed in project design. |
| Progress towards results | Objective: MU | Attainment of the objective is not on track. Emerging political issues have affected compliance with the Forest Code by farmers, with critical impacts on the project objective. Although there have been significant efforts to cope with obstacles, and some objective targets could be met, there are serious concerns as to the achievement of the targeted decrease of the deforestation rate by 1,000 km2, as it was designed, in particular because of the intended contribution of this Project to the GEF focal area objective BD-4, Programme 9: *Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors*, as well as the other two focal areas CCM-2, *Programme 4: Promote conservation and enhancement of carbon stocks in forests, and other land use, and support climate smart agriculture; and* SFM-1, Programme 1: *Integrated land-use planning*; Programme 2: *Identification and maintenance of high conservation value forests*; Programme 3: *Identifying and monitoring forest loss*. |
|  | Outcome 1.1 S | The project has advanced a draft state level regulation needed to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code. Other recommendations are being analyzed and discussed. |
| Outcome 1.2 MS | There is a joint action plan with State Environmental Secretaries (SEMA, INEMA, and Naturatins), agreed on in April 2019 to accelerate environmental regularization of targeted farms on which restoration plans depend; however, there is an important delay due to external factors. The Project is, to some extent, on track to contribute to the safeguarding of traditional communities in the MATOPIBA region. |
| Outcome 2.1 S | Bearing in mind that ABC loans are within the scope of EMBRAPA, the Project is addressing this outcome by improving the quality of the ABC loans and promoting a better understanding of the ABC Program by financial institutions aiming at stimulating the number and quality of loans. This could exert a significant and sustained impact in focus area, with potential for scaling up. |
| Outcome 3.1 MS | The project has advanced the mapping of land use of the municipalities located in the MATOPIBA region, which will contribute to the identification of priority regions for the creation of ecological corridors. The project is also finalizing the analysis of Legal Reserves and Areas of Permanent preservation (regularized under the forest code) of the MATOPIBA region. Project goal is to have 40% of the total MATOPIBA covered with native vegetation by either conservation area under the forest code, or indigenous and former slaves’ areas. However, it is not expected that the project itself will achieve that goal, but rather indirectly contribute to it. |
| Outcome 4.1 N.A | N.A. This outcome is funded, implemented and monitored under the WWF Demand child project and the IFC-UNEP-FI Transactional Project, in coordination with this Brazil child project. |
| Outcome 5.1 S | Despite the unfavorable political context and the inherent complexity of the project, management has been robust and consistent with a results-based and adaptive management approach. Different levels of governance, i.e., Project Board, Steering and Executive committees as well as the MATOPIBA Coalition and Technical meetings have been efficiently managed and duly reported, and Quarterly Reports prepared. Enhancing knowledge exchange on applying the integrated supply approach through meetings of the GGP Global Secretariat would be an asset. |
| Project Implementation and Adaptive Management | S | Given the unfavorable environmental political context and the inherent complexity of the project, management has been robust and consistent with a results-based and adaptive management approach. The Project technical capacity and monitoring schemes are of high standards. Improving synergies and communication among implementing partners and stakeholders would be highly recommended. Additionally, knowledge exchange on applying the integrated supply approach through meetings of the GGP Global Secretariat and providing more information to the Adaptive Management and Learning child project would be highly recommended. |
| Sustainability | ML | Advances in outputs with the potential to be sustained are the strengthening of OEMAS and the ABC loans through EMBRAPA. Also, the environmental and social information being generated will contribute to tools and database for banks and traders in decision making regarding the source of soy. |

#### **1.5 Concise summary of conclusions**

1. Project execution has faced multiple difficulties from the early stage of the project. Critical factors that significantly impacting the project's execution include the various attempts to make the Forest Code more flexible, budget cuts in the environmental agenda, and the positioning of the productive sector resisting compliance with the CAR system. Furthermore, the Bolsonaro government made critical institutional changes, impacting the Ministry of Environment and project counterparts.
2. The Theory of Change and assumptions have proven to have missed important political, social and institutional drivers of change. The political dynamics of shifting government approaches toward the environment, producers´ alignment to the project objective, and institutional weaknesses to undertake responsibilities under the Forest Code were not considered. Additionally, the relevance of market drivers should have been better observed.
3. The project as designed is aligned with national policies, programs and plans. However, some facts indicate that there could have been insufficient time or resources for the preparation phase, particularly to consulting indicators and targets.
4. A challenging Results Framework, with a number of unrealistic and unfeasible indicators and targets, was identified by the reviewer. Eleven (11) targets and their indicators do not sufficiently comply with SMART criteria. Moreover, there is question as to whether their achievements would be attributable to the Project.
5. Given the complexity of the MATOPIBA region, and heterogeneity of implementing partners and stakeholders, the project strategy has been valuable in considering an open dialogue, aiming at constructing a shared vision on the sustainability of MATOPIBA. However, communicational and organizational aspects require improvement.
6. Component 4, Supply Chain Integration, includes specific activities to be implemented by WWF (Demand child project) and IFC-UNEP-FI (Transactions and Finance child projects). Close coordination, including planning and reporting activities integrating outputs of component 4, needs to be undertaken out by the CI project team.
7. A leading role in coordinating multiple partners, agencies, and stakeholders is lacking and should be resolved together with adequate funding for this task, for a more integrated project. The project document assigns the CI project team with the following role:

**Paragraph 182 of ProDoc:**

*CI will be responsible and accountable for managing this project, including for the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources, including coordination of the implementation by both WWF and the International Finance Corporation (IFC), both responsible parties for particular activities within this project and within their own respective projects*.

**And Paragraph 186 of ProDoc:**

*CI will have full management responsibility for the entire project.*

**Furthermore, the terms of reference of the Project Manager** points out that he/she will:

*Engage with project implementation partners of the Demand and Transaction components with respect to project execution and ensure the integration of activities within the logic of the project.*

1. UNDP-Brazil's roles as the implementing agency and government counterpart need to include a closer oversight of the project and strengthen communication with CI.
2. The withdrawal from the Project of the SRB in April 2019 as an important project partner, and the distancing of the Ministry of Environment, have negatively affected project results. However, a more aligned group of stakeholders and partners is now integrated by the Ministry of Agriculture, Livestock and Supply (MAPA), EMBRAPA, state environmental and agricultural agencies, and new CSO organizations.
3. Cooperation Agreements between CI Brazil and the state environmental agencies SEMARH/Naturatins (Tocantins state) and SEMA/INEMA (Bahia state) during 2018 are directed at accelerating the analysis and validation of properties registered in SICAR, which is a critical step to fostering the CAR and restoration plans. However, there are delays with respect to CAR-related project targets, with consequent delays in other outputs and objectives.
4. The Ministry of Agriculture, Livestock, and Supply (MAPA) has been a key government counterpart of the project in the last year. Their positive response has been constructive, given their nation-wide role in the agricultural sector. As part of MAPA, EMBRAPA is serving as an intermediary with producers, an essential role for project execution after SRB’s withdrawal. The collaboration with EMBRAPA to support the ABC loans to farmers, directed at low-carbon, high productivity, and better water management practices, has been of great significance. EMBRAPA’s integrated approach through the ABC Beef, ABC Milk, and the crop-livestock-forest integration (ILPF) needs to be highlighted as they all contribute to reducing deforestation in MATOPIBA. A newly created Program, ABC Soy, is the result of the project´s collaboration with EMBRAPA, which was an asset.
5. The support given to the State of Tocantins’s Agricultural Secretary to develop an Alliance with the other state agricultural and environmental secretaries of Bahía, Maranhão, and Piaui represents an important opportunity to contribute to the sustainability of project results.
6. Management has been generally efficient in terms of work planning, monitoring, and financial and substantive execution in the context of the multiple obstacles faced during project execution.
7. The financial execution of the project as of January 2020 is 57.46% up to January 2020 showing a moderate delay. The main lag in execution is in Outcome 2, Farmer Support Systems. The audits reveal that the project has proven to be efficient in its management, has maintained satisfactory internal controls and has made appropriate use of the funds.
8. The monitoring of gender issues is a pending task. UNDP categorizes the project as Gender Marker 2, which implies the inclusion of activities that have gender equality as a significant objective. Although the Gender Assessment finalized in 2018 included monitoring, the recommended actions and the corresponding monitoring have not yet been followed up. The UNDP CO is already collaborating with CI in establishing a gender work plan. Other challenges related to gender balance were raised during the MTR regarding women’s voices to be appreciated during meetings and workshops.
9. The project is not on track to achieve the project's objective within the project timeline and based on reducing deforestation by 1,000 km2 by the end of the project considering the national environmental political context. Also, project indicators and targets have proven to be unsuitable, unrealistic, or unfeasible within the project timeline.
10. Project results can be improved in the coming months as there are ongoing efforts to attain them. Nevertheless, there are time constraints that need to be addressed to effectively deliver results that can be sustained.
11. The reviewer encountered a significant number of lessons learned, assessments, and studies produced by the Project. However, they need to be disseminated through publications or other means of communication. They also need to contribute to the various knowledge products and the platform *Evidensia*, managed by the GGP global A&L child project. [[3]](#footnote-3)

#### 

#### **1.6 Recommendation Summary**

1. • Recommendations at the design level
2. To adjust outcome indicators and targets to comply with the SMART criteria, if feasible in the timeframe available.
3. To revise project budget to correspond with the adaptive management measures undertaken by the project, and the recommendations of this MTR.
4. To Integrate EMBRAPA in the Project Board together with MAPA for successful project execution and sustainability.
5. *•* Recommendation for project execution for the remaining period
6. To consolidate tools and mechanisms directed at traders, financial institutions and companies involved in the soy market chain aiming at accelerating market drivers of change toward responsible sourcing of soy.
7. To reinforce the support given to state environmental secretaries to accelerate the process of SICAR and plans for restoration.
8. To continue the support given to the State of Tocantins’s Agricultural Secretary to develop an Alliance with the other state agricultural and environmental secretaries of Bahía, Maranhão, and Piaui.
9. To continue and increase support to EMBRAPA’s ABC Soy program together with the other ABC programs aiming at stimulating the number and quality of loans and to reducing deforestation through an integrated approach of not only soy production (also beef, milk, production and forests in farms).
10. To elaborate a plan of communication directed to the public to disseminate the good practices and results of EMBRAPA’s ABC Soya, ABC Beef, ABC Milk, and the crop-livestock-forest integration (ILPF), together with banks, EMBRAPA and MAPA. Consider approaching the media.
11. To accelerate the mapping of land use cover in the municipalities located in the Matopiba region.
12. To continue and concentrate efforts on the drafting, discussion and presentation of policies with potential long-term impacts including the enabling of the CAR processes by OEMAS, and for creation of proposed protected areas.
13. Define the target for the number and size of traditional lands protected trough safeguards.
14. *•* Recommendations for the project management
15. To clarify roles concerning the Project Management Unit in overall project coordination and with regard to the project implementing partners IFC, WWF, and UNEP-FI and outputs within the scope of the project in view of the established roles in the Project Document.
16. UNDP's role in Project implementation during the next phase may require more effective communication with CI and closer oversight. Also, the UNDP may play an important role in building synergies and knowledge sharing among other GEF projects, including the Small Grants Programme, the REDD+ Strategy and government projects when suitable and feasible.
17. To integrate EMBRAPA together with MAPA in the Project Board given their fundamental role they play in the ABC Soy Program, the ABC Beef, the ABC Milk, as well as in the Livestock, Agriculture, and Forests (LAF), and due that farmers highly trust this public enterprise.
18. To elaborate a workplan for the remaining months of project execution jointly prepared by WWF, IFC, UNEP-FI lead by CI with the help of UNDP, particularly focusing on activities with high impact and sustainability in the short, medium and long term.
19. To formulate and execute a general communication plan directed to stakeholders, partners, and implementing agencies; to align efforts towards the successful finalization of the project.
20. To elaborate a communication plan for the public to disseminate good practices and results and to contribute to the project's sustainability. Consider improving information provided in the project’s webpage.
21. To monitor and foster gender mainstreaming, following recommendations of assessment and monitoring Plan: *Methodology for assessing and monitoring gender issues and their long-term impacts on the soy production chain in the project region*, conducted in 2018
22. To include the gender balance approach in future project contracts and agreements. Also, space and attention should be given to women’s contributions in meetings and workshops of the project, to ensure equal and effective participation by females.
23. To publish on gender issues, for instance on the participation of women in the agricultural sector, whether in the field, conservation, research, technical, management, administrative areas, or others.
24. To promote the project and disseminate project results through specialized magazines, newspapers, webpages, local radio stations, or other means of communication.
25. To provide more information, knowledge products, and lessons learned through spaces provided by the A&L child project on applying the integrated supply approach. It is vital to ensure the transfer and sharing of results, lessons learned, and knowledge products, being this a pilot project.
26. To extend the project by 6 months to complete ongoing efforts at no additional cost. The remaining activities to be undertaken under the project may be severely impacted by COVID-19 which is an additional challenge for project execution.

### INTRODUCTION

#### **2.1 Purpose of the MTR and objectives of the MTR**

1. This project evaluation was conducted at the UNDP’s request to provide information about the status of project implementation and to ensure accountability for the expenditures to date and the delivery of outputs so that managers can make midcourse corrections as appropriate. The objective of the MTR is to assess early signs of project success or failure to identify the necessary changes to be made to set the project on-track to achieve its intended results. The MTR seeks to identify potential project design problems, assess progress towards the achievement of objectives, identify and document lessons learned, and make recommendations regarding specific actions for enhanced implementation during the remainder of the project’s term.

#### **2.2 Scope and Methodology: Principles of Design and Execution of the MTR, MTR Approach and Data Collection Methods, limitations to the MTR**

1. Following the guidelines of the ToR (Annex 1), the MTR covered the implementation of the full-sized project Taking Deforestation Out of the Soy Supply Chain (PIMS 5896) executed by Conservation International. It reviewed the project’s execution and total project expenditures of $3,921,912 up to January 2020 The period to be reviewed runs from the project’s official starting date of June 30th, 2017, to February 24th, 2020 This MTR included the four categories of project progress: i) Project strategy, ii) Progress towards results, iii) Project implementation, and iv) Adaptive management and sustainability.
2. In addition to the guidelines provided in the ToR, the MTR process followed those contained in the Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects (2014), and the Handbook on Planning, Monitoring and Evaluating for Development Results UNDP-GEF (2009).
3. The review process is evidence-based, making it reliable and useful. In line with this, three types of sources, as well as tools, were consulted, revised or analyzed:

* Key project documents (or documents related to the project), including those prepared during the preparation phase; the PIF, UNDP Initiation Plan, UNDP Environmental & Social Safeguard Policy, the completed GEF Tracking Tools (TTs), PIRs, the Project Document, the Project inception report, quarterly progress reports, Minutes of the Project Board, the Executive Committee, the Steering Committee, the MATOPIBA Coalition, and of the Technical Alignment workshops. As well, financial data, including co-financing data, Project budget revisions, national strategies and legal documents. Other materials that the project team shared with the reviewer as being considered useful for this evidence-based review included technical reports, assessments, a CI virtual platform for monitoring their projects, and a project video showing interviews with stakeholders in Tocantins. In addition, the UNDP Country Programme document for Brazil (2017-2021) has been reviewed, as well as the United Nations Sustainable Development Partnership Framework (UNDAF 2017-2021).
* Consultations with stakeholders were conducted through face-to-face, telephone or Skype interviews, or by mailing questionnaires when necessary. The interviews were semi-structured, aimed at obtaining key evaluation information according to each stakeholder’s role. Interviews were conducted in a dialogue manner to ensure confidentiality, as indicated in the United Nations Evaluation Group (UNEG) Ethical Guidelines for Evaluation (2008) signed by the reviewer (see Annex 6). A list of stakeholders interviewed is found in [Annex 6](#_Annex_5._MTR) of this Report.
* Observations in the field and interactions with farmers and agricultural extensionists, as well as with Secretaries of Agriculture and Environment of the State of Tocantins, and representatives of the federal government in the case of *Empresa Brasileira de Pesquisa Agropecuária* (EMBRAPA) were conducted while visiting one of the project focus areas in Palmas, Tocantins. No visit to the state of Bahia was conducted.
* The information and data obtained were validated by comparing the information gathered through the aforementioned sources.

1. The final agreed timeframe for conducting this MTR can be seen in Table 3 below:

Table 3. MTR Timeframe

|  |  |
| --- | --- |
| **TIMEFRAME** | **ACTIVITY** |
| *02/18/2020* | Prep the MTR consultant (handover of Project Documents) |
| *02/24/2020* | Initiation of MTR |
| *02/28/2020* | Document review and preparation of MTR Inception Report\* |
| *03/03/2020* | Finalization and validation of MTR Inception Report- latest start of MTR mission |
| *04/03/2020 to 03/12/2020* | MTR mission: stakeholder meetings, interviews, field visits |
| *03/13/2020* | Mission wrap-up meeting & presentation of initial findings |
| *03/14/2020 to 04/27/2020* | Continuation of pending interviews and preparation of draft report |
| *05/26/2020* | Incorporation of audit trail from feedback on draft report/Finalization of MTR report |
| *06/08/2020* | Preparation & Issuing of Management Response |
| *06/22/2020* | Expected date of full MTR completion |

1. Some limitations of this MTR were related to the availability of key stakeholders for the interview. That is the case of the Ministry of Environment and private associations of producers, such as the *Sociedade Rural Brasileira*(SRB) and the *Associação de Agricultores e Irrigantes da Bahía* (AIBA), among others.
2. The lack of formal reports on the outputs of the other implementing agencies (WWF, IFC, and UNEP-FI) limited the integrality of the analysis towards the achievement of project objective at this MTR stage, and within the scope of this project.
3. Finally, a further challenge to this review was the delay in the availability and precision of the completed worksheet containing the GEF 7 Core indicators to conduct the required analysis considering also the new GEF format. Another delay was related to the time it took to obtain the data and to verify the accuracy of the project’s co-financing table submitted by the project team.

#### **2.3 Structure of the MTR Report**

1. The evaluation report is structured according to the ToRs (Annex B) and the Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects (2014). The first section of this review includes the project summary, and the MTR ratings of achievements. It also contains a summary table, conclusions, and recommendations. Overall project description, methodology, and scope are covered in a second section. The following section describes the project and background. A fourth core section of this report deals principally with evaluation findings relating to the actual implementation of the project. The fifth section of the present report entails overall conclusions.

### PROJECT DESCRIPTION AND BACKGROUND CONTEXT

#### **3.1 Development context: environmental, socio-economic, institutional and policy factors relevant to the project objective and scope**

1. Brazil is one of the few countries in the world with the capacity to increase its production and satisfy world food demand. However, uncontrolled expansion of agricultural activity is posing a serious threat to the remaining vegetation of the Cerrado biome - the second largest one in South America and the largest biodiversity hotspot in the Western Hemisphere. This hotspot includes the headwaters of three of South America’s major river basins and is home to an abundance of endemic species and habitat to a wealth of biodiversity.
2. The Project Document refers to the great social importance of the Cerrado. Over 20% of the region consists of public lands, including indigenous lands, conservation areas, land reform settlements and lands of former slave communities. Many people depend on the Cerrado´s natural resources for their subsistence. More than 220 species have known medicinal use, and a wide variety of native fruits are regularly consumed by local people and sold in urban centers. At the same time, the socioeconomic situation in the Cerrado is far from equitable, inclusive or respectful of nature. For instance, the Cerrado (including the MATOPIBA region) currently produces 30% of Brazil’s Gross Domestic Product (GDP), but its Human Development Index (HDI) is below the national average.
3. This project contributes to successful implementation of Brazil’s National Biodiversity Strategy and Action Plans, as well as to several CBD Aichi Targets. It also supports compliance with the Sustainable Development Goals and the national climate change policy and plan, as well as the REDD+ Strategy. Additionally, it is in line with the Sustainable Cerrado Initiative, supported by the GEF and implemented by the World Bank, whose objective is to promote the conservation of the biome’s biodiversity and improve the management of its environmental resources, through: (i) the creation of 2 million hectares in conservation areas; (ii) support for the sustainable use of its natural resources through training of farmers and the implementation of 12 initiatives based on traditional knowledge; (iii) institutional strengthening and the formulation of new policies.
4. As indicated in the Project Document, the project is aligned with the Action Plan for the Prevention and Control of Deforestation and Forest Fires in the Cerrado (PPCerrado) and with the proposed amendment to the national Constitution to include the Cerrado and Catinga biomes as a national heritage.
5. It is also consistent with the United Nations Development Framework (UNDAF) in Brazil, specifically with the outcome of strengthened institutional capacity to promote public policies for the sustainable management of natural resources and ecosystem services, to combat climate change and its adverse effects, and to ensure the consistency and implementation of these policies. The project also supports UNDP Strategic Plan Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste. This project contributes as well to Conservation International´s objectives of protecting the more fundamental services that nature provides: food, water, livelihoods and climatic stability.
6. In 2012, Brazil approved a new Forest Code, which created the Environmental Compliance Program (PRA). This program rescinds fines for illegal deforestation that occurred up to July 22, 2008, on the condition that the rural property is registered in the Rural Environmental Registry (*Cadastro Ambiental Rural* – CAR), and that the responsible farmer commits to restoration of illegally deforested areas[[4]](#footnote-4).
7. Relevant to this project is the Reduction of Greenhouse Gas Emissions in Agriculture Program, known as the ABC Program, the Portuguese acronym for the Brazilian Cooperation Agency. It is administered by the National Development Bank (BNDES) through EMBRAPA, and seeks, among other objectives, to reduce greenhouse gas emissions from agriculture, cattle ranching and deforestation.
8. This is a GEF-funded project of USD 6.6 million, implemented by the United Nations Development Program (UNDP) and executed by Conservation International (CI) with multiple stakeholders. This project focuses on promoting a dialogue oriented to building a shared vision on sustainable landscapes among key stakeholders: government, companies, civil society and the productive sector. It aims at fostering the development of solutions to implement this vision.
9. The Project is part of a global multi-agency GEF initiative, the Good Growth Partnership or GGP (formerly Commodities Integrated Approach Pilot), led by the UNDP with the collaboration of a number of implementing agencies and partners. Launched in 2017, the GGP takes a “supply chain” approach to globally take deforestation out of agricultural commodity supply chains by focusing on the key drivers of sustainable production, demand and finance. As indicated in its webpage[[5]](#footnote-5), the GGP promotes a holistic approach to sustainability that encompasses entire commodity supply chains.
10. The GGP includes four target countries, as well as five child projects: i) Cultivating Sustainable Production, implemented by UNDP, ii) Enabling Sustainable Transactions, co-implemented by IFC and UNEP-FI, iii) Reducing deforestation from commodity production implemented by UNDP, iv) Generating Responsible Demand, led by the WWF, and v) Adaptive Management and Learning, led by UNDP. This last one mentioned child project or A&L, as it is known, supports the overall coordination, coherence and consistency, as well as communications and partnership building, whilst fostering substantial knowledge management at the global level to advance the supply chain approach for beef, soy, and oil palm. Efforts on the ground of the GGP currently focus on four key landscapes of Brazil, Indonesia, Liberia and Paraguay. Only Brazil’s Production Project addresses the full spectrum of the soy supply chain, i.e., production, transaction and demand in one project.
11. By combining forces, the Good Growth Partnership aims to provide a model of wide-scale systemic reform which capitalizes on the strengths of each partner.

#### **3.2 Problems that the project sought to address: threats and barriers targeted**

1. The Project is intended to tackle rapid expansion of agriculture in the MATOPIBA region of Brazil, an acronym for the states of Maranhão, Tocantins, Piauí and Bahia, focusing on western Bahia and the central Tocantins. It aims at reducing deforestation in the agricultural frontier by promoting sustainable soy production in 6,000,000 ha of the MATOPIBA region. The root causes of the advancing frontier challenge were identified and divided into four main clusters: market, production, planning and environmental management.
2. Despite the implementation of legal instruments and policies by the Brazilian government to address illegal deforestation and unsustainable expansion of agriculture in MATOPIBA, the following critical barriers were identified, which need to be overcome:
3. Suboptimal capacity to implement the Forest Code.
4. Insufficient technical assistance and extension services
5. Lack of transparency around land titles and land grabbing of public or communal lands.
6. Insufficient information

#### **3.3 Project Description and Strategy: objective, outcomes and expected results, description of field sites**

1. The project’s objective is to reduce the threat to biodiversity that the advancing agricultural frontier is posing in the MATOPIBA region, through a supply chain approach that solves the root causes of deforestation from soy. It builds upon three important approaches: a) implementation of the Forest Code, which mandates the conservation of at least 20% of native vegetation on private properties in the States of Bahia and Piaui, and up to 35% in the States of Maranhão and Tocantins; b) a local private-public vision on better land-use planning, enabling local governments to direct production where expansion could occur in degraded areas without additional deforestation, and without significant socio-ecological impacts; and c) better management and production practices to reduce impact on existing biodiversity.
2. The present initiative focuses on four so-called priority areas with a total size of almost 17 million hectares or 23% of the total MATOPIBA area, consisting of 29 municipalities with a total population of almost 1 million or 15% of the total MATOPIBA population. At the time of project formulation, the four priority areas still had 12 million hectares of native vegetation cover or 70% of the total area (almost a quarter of the total remnants in the MATOPIBA region and 11% of all Cerrado biome remnants). It also concentrated over 70% of the area of soy production in the region.
3. Some activities cover all four focal areas or states in the MATOPIBA region (for example the identification of areas for expansion of soy production), while others, due to budget constraints, only involve 10 municipalities in two of the focal areas. Final selection of the two regions and the municipalities was to be done during the inception phase of the Project. The Inception Report implicitly indicates that the focal regions and municipalities proposed in the project document were confirmed.  Selection criteria included native vegetation cover, soy production, existing environmental management capacity, extent of degraded lands that could be converted into arable land for the production of commodities, threats to critical ecosystem services, and others.
4. The selection included five municipalities in the Tocantins region and five municipalities in the Bahia region, namely Palmas, Porto Nacional, Monte de Carmo, Silvanópolis, and Santa Rosa do Tocantins, in the state of Tocantins, and Formosa do Rio Preto, Richão das Neves, Barreiras, Luis Eduardo de Magalhães, and São Desidèrio, in the state of Bahia.
5. The project is organized into five components and six outcomes with a set of corresponding outputs, with a few of the outputs implemented by other agencies or partners, as follows:

**Component 1. Dialogue, Policies and Enforcement**

**Outcome 1.1. A shared vision on expansion of the production of agricultural commodities in the MATOPIBA region in combination with the conservation of biodiversity and ecosystem services**

Output 1.1.1. A forum (participation of women and men) created for dialogue and discussion

Output 1.1.2. Proposals for public policies and actions prepared to avoid potential negative impacts of expansion of agricultural production.

**Outcome 1.2. Improved environmental management.**

Output 1.2.1. The Rural Environmental Registry (CAR) in 10 focal municipalities implemented.

Output 1.2.2. The restoration-supply chain is strengthened and structured in two of the four focal areas in MATOPIBA.

Output 1.2.3. Safeguards for critical socio-cultural lands in the MATOPIBA region developed and implemented.

**Component 2. Farmer Support Systems and Agri-inputs**

**Outcome 2.1. A system of support in the four focal areas prepared and implemented that will help farmers to adopt sustainable management and sustainable agricultural practices.**

Output 2.1.1. Innovative techniques and practices for the restoration of degraded and deforested land developed and tested.

Output 2.1.2. Best agricultural and sustainable management practices disseminated.

Output 2.1.3. Farmers trained in low carbon agricultural practices.

**Component 3. Land Use Plans and Maps in Targeted Landscapes**

**Outcome 3.1. Improved planning for expansion of production and conservation.**

Output 3.1.1. Forums for landscape management created in two local areas.

Output 3.1.2. Priority corridors for biodiversity conservation and restoration of native vegetation identified.

Output 3.1.3. Zoning proposal for expansion of soy production developed and discussed (funded and implemented by IFC Transactional child project)

Output 3.1.4. Conservation areas proposed and implemented.

**Component 4. Supply Chain Integration**

**Outcome 4.1. Increased market demand for responsibly sourced soy.**

Output 4.1.1. Soy Traders Platform institutionalized (funded and implemented by the WWF Demand child project).

Output 4.1.2. Platforms developed and introduced for enabling public access to information on supply chain actors and key territories (funded and implemented by the WWF Demand child project).

**Outcome 4.2. The Financial Sector is Engaged in the Promotion of Sustainable Soy**

Output 4.2.1. Commercial/blended finance transaction mechanisms identified and promoted. (funded and implemented by the IFC Transactional child project together with this Brazil child project).

Output 4.2.2 Introduction of tools to enhance capacity of financial markets and institutions. (funded and implemented by the IFC Transactional child project and this Brazil child project).

**Component 5. Knowledge Management and Monitoring and Evaluation**

**Outcome 5.1. Project coordinated and lessons learned and disseminated.**

Output 5.1.1. Coordination and execution arrangements structured.

Output 5.1.2. Progress and impacts effectively monitored and lessons learned and disseminated.

Output 5.1.3. Progress in environmental regularization and impacts on selected ecosystem services monitored.

Output 5.1.4. Gender roles and impact on women monitored.

Output 5.1.5. Project/GEF monitoring conducted.

#### **3.4 Project Implementation Arrangements: short description of the Project Board, key implementing partner arrangements**

1. As stated in the Project Document, the project is being executed following UNDP’s Civil Society Organization (CSO) implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Brazil, and the Country Programme.
2. The Project Document was approved by the Brazilian Cooperation Agency as part of the Project Appraisal Committee (PAC), and a Letter of No Objection was directed to the UNDP (from the ABC on behalf of Brazilian government).
3. CI is responsible for the direct execution of components 1 through 3, and for specific activities within components 4 and 5. WWF is responsible for the execution of outcome 4.1, and IFC for outcome 4.2. The WWF and IFC interventions are funded and monitored under their respective child projects and M&E plans. Given the roles of WWF and IFC in the global initiative, their responsibility is to translate global issues related to demand and commercial transactions to the local Brazilian reality.
4. The project’s organizational structure, as designed in the Project Document, is as follows:
5. The Project Board is responsible for providing overall managerial guidance for project execution. As stated in the Project Document, the Project Board members are UNDP and CI, as the official signatories of the project. In practice, they have the power to veto decisions that require project revisions. The Project Board will meet once a year.
6. The Steering Committee is responsible for providing technical coordination for the project, including the recommendation that the UNDP/Implementing Partner approve project plans and revisions. They meet twice a year. The Steering Committee, as originally designed, is comprised of the following members: UNDP Brazil; CI, WWF, IFC, SRB, FBDS, AIBA and/or FAET and/or FAPCEN; the Ministry of Environment; State Environmental Agencies; ABC; representatives of the agribusiness sector in MATOPIBA; and representatives of community organizations in MATOPIBA.
7. Project Assurance is provided by the UNDP Brazil Country Office. Additional quality assurance will be provided by the UNDP Regional Technical Advisor, as needed.
8. A Project Management Unit (PMU) is responsible for overseeing the day-to-day execution of project activities. As stated in the Project Document, the PMU will consist of a core group of the main proponents of the Project (CI, SRB and SRB), as well as other key staff that are supporting other components of the project. The core group is composed of: a Project Manager, Administrative Assistant, Operations Coordinator, Procurement Coordinator, Communications Assistant, GIS Specialist (part-time), Monitoring Coordinator, and two local Coordinators (one for Tocantins and the other for Bahia).
9. The Project Management Unit’s role concerning overall project coordination with regard to the outputs implemented by project partners IFC, WWF, and UNDP-FI within the scope of the project, are specified in the Project Document as follows:

**Paragraph No. 182:**

*CI will be responsible and accountable for managing this project, including for the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources, including coordination of the implementation by both WWF and the International Finance Corporation (IFC), both responsible parties for particular activities within this project and within their own respective projects*.

**Paragraph No. 186:**

*CI will have full management responsibility for the entire project.*

**Furthermore, the terms of reference of the Project Manager** points out that he/she will:

*Engage with project implementation partners of the Demand and Transaction components with respect to project execution and ensure the integration of activities within the logic of the project.*

#### **3.5 Project timing and milestones**

1. The project officially started on June 30, 2017, and is due to finalize in June, 2021. This is a three-year project; however, due to its scale and complexity, year 4 was included as a mitigation measure against requiring an extension of the project, should activities not be fully completed by the end of Year 3. A small budget was allowed for this contingency.
2. **3.6 Main stakeholders: summary list.**

See Table 4 below

Table 4. Main project stakeholders

|  |  |  |  |
| --- | --- | --- | --- |
| **Government** | **Civil Society** | **Private Sector** | **Other implementing agencies** |
| Ministry of Environment (MMA) | *Associação de Agricultores e Irrigantes da Bahia* (AIBA) | Financial Institutions | International Finance Corporation (IFC) |
| Ministry of National Integration (MI) | *Federação da Agricultura e Pecuária do Estado do Tocantins* (FAET) | Traders | World Wildlife Fund (WWF) |
| Ministry of Agriculture (MAPA) | *Fundação de Apoio à Pesquisa do Corredor de Exportação Norte*. (FAPCEN) | Processing Industries | UN Environment-FI (UNEP-FI) |
| The Forestry Service (SFB) | Rede Cerrado and member organizations |
| *Empresa Brasileira de Pesquisas Agropecuarias* (EMBRAPA) | Community organizations[[6]](#footnote-6) |
| State Government Agencies | *Fundação Brasileira para o Desenvolvimento Sustentavel* (FBDS) and Sociedad Rural Brasileira (SRB) as main executing partners |

### FINDINGS

#### **4.1 Project Strategy**

**Project design**

1. The strategy and approach of this project follows a systemic rationale derived from the GEF global initiative, as mentioned in Section 3 of this Report, to demonstrate that a supply chain approach can attack the root causes of deforestation from soy. The Theory of Change strongly relies on compliance with the Brazilian Forest Code in a cause and effect manner, connecting it to the entire soy supply chain. However, these assumptions are not a sequence of conditioned events, but rather, conditions that could altogether bring about the expected effect. In addition, those conditions or assumptions in the Theory of Change may have overlooked sensitive dynamics of producers and governments, and the fact that other drivers and conditions could have exerted expected results if given more preponderance. For example, the cost-effectiveness of new agricultural technologies, along with transactional and demand forces, can contribute to the sustainability of the MATOPIBA region independent of compliance with the Code. The hypothesis, then, depended to a high degree on the compliance with the Forest Code, which is an innovative but fragile condition, whereas other drivers could exert similar or even better results.
2. The design of the project did not foresee the importance of other key drivers of human behavior. In this sense, for instance, the project strategy could emphasize the cost-effectiveness of new technologies that EMBRAPA[[7]](#footnote-7) has been implementing in the Cerrado since at least 2012. EMBRAPA’s innovative technologies have already resulted in increased productivity of farms (implying lower production costs), lower carbon emissions, and better water management, all of which contribute to resilience to climate change, and to a reduction in deforestation.
3. The project design did not adequately consider "leakages" and "spillover effects". The concentrated efforts in the ten municipalities to regularize properties could explain the displacement of deforestation near or in remote sites. Thus, deforestation rate in the Matopiba region would not decrease.
4. On the other hand, the demand and financial child projects could have been given more relevance in the project design through effective engagement of the market. Tools and information being negotiated through the WBCSD Natural Capital Protocol and the Soy Toolkit developed by Proforest, or Agroideal through TNC, could encourage responsible soy sourcing processes and greatly contribute to achieving project objectives.
5. Given the importance of the internal market and the size of Brazil as a supply country, it was wise to integrate aspects of the production, trade, finance and demand segments of the market chain in one country, as a differentiated child project.
6. Given the complexity of the MATOPIBA region, and heterogeneity of project implementing partners and stakeholders, the strategy has been relevant in considering an open dialogue, aiming at constructing a shared vision on the sustainability of MATOPIBA. Other components and outputs directed towards the project objective include the improvement of environmental management, regularization of properties, restoration, policies, land-use spatial plans that include biological corridors, and consideration of safeguards for traditional communities. The project as designed is aligned with national policies, programs and plans.
7. In terms of the participation of key partners in project preparation, the report of the Project Inception Workshop registered concerns by representatives of state governments about their insufficient participation in the preparation of the project proposal. The project team explained that a shortage of funding prevented further consultations. Moreover, representatives of the state governments, together with the private sector and farmers’ associations, expressed their concern about one of the aspirational goals of preserving 40% of native vegetation in the region. This was interpreted by these representatives as having to convince farmers to voluntarily forego their right to convert up to 80% of their properties for production purposes.[[8]](#footnote-8) Regarding farmers’ associations such as SRB, AIBA, FAPCEN, and FAET, although they participated in project design, their understanding of the project was perhaps not sufficiently addressed. In light of their strategic role in project implementation, in particular for the restoration of illegally degraded areas within farmers’ properties, and for transfer of technology to them, it might have been necessary to conduct more effective consultations with regards to indicators and targets.
8. MAPA and MMA should have had more preponderance in the project design. As sectorial counterparts, these Ministries ought to be officially on the Project Board as the highest level of governance of project decision making. Government engagement with project outcomes in complex projects such as this requires close coordination, as well as significant political engagement and project ownership. In the end, various outcomes depended on government decisions.
9. Other GEF-funded projects mentioned in the Project Document were to be considered for coordination purposes. Among those projects are: BRA/14/G334 Mainstreaming Biodiversity Conservation and Sustainable Use into NTFP; (BRA/14/G334) AFS Production Practices in Multiple-Use Forest Landscapes of High Conservation Value; and the Fifth Operational Phase of the GEF Small Grants Program in Brazil (4578). Additionally, a close collaboration with the other child projects that address commodities was foreseen (Responsible Demand, Enabling Transactions, Support of Traditional Communities and Adaptive Management and Learning), which in the last months seems to have improved, but it is still not satisfactory. The Project Document describes other initiatives (from other sources of funding) that were being implemented at the time the proposal was drafted but it does not provide proof of lessons learned and experiences being incorporated into project design. Likewise, it does not show how synergies among the different initiatives would be built into project execution.
10. According to the Project Document, sustainability would be assured through several approaches: i) linking compliance with the Forest Code to broader GGP interventions; ii) accelerating the registration and analysis of several thousand properties in the CAR, so that deforestation would be better controlled and avoided; iii) improving policies to enable implementation of the Environmental Regularization Program (PRA) and for the establishment of municipal protected areas, among others; iv) developing and establishing land use management plans and conservation areas; v) institutionalizing support systems and communication platforms among stakeholders; vii) technology transfer to farmers; vi) building greater awareness across the market; and viii) disseminating lessons learned through the Adaptive Management and Learning child project. At least four of these approaches rely on political will and the capacities of national and local governments and farmers to support key processes and results.
11. Project risk and mitigation measures were analyzed, per type:
12. Organizational risks:
13. *The Organizações estaduais Medio Ambientais (OEMAs) will not have full capacity to “validate” data*. In other words, there is a risk that the capacities of the state environmental agencies would be insufficient to analyze all properties registered. The project design implies that if random checks are done and there is a real chance of getting caught, the lack of capacity to check all registrations would not be an important risk. To mitigate this risk, a more appropriate approach would have been to first learn what formal procedures were in place to verify if properties comply with the forest code. Instead, real support to strengthen state agencies’ capacities to undertake these analyses would have been a significantly more effective measure. This risk should have been given a High status, as it was the basis for land restoration, land use planning and the market recognition of legal soy-produced properties.[[9]](#footnote-9)
14. The lack of market interest in sustainably produced soy. The project denotes that this is not a significant risk, as it would be seen as a corporate risk to source from areas with unsustainable soy production, and the overall soy supply approach should help in overcoming this risk. However, as the Project Document states, soy is not easily traceable in the supply chain, thus, if traceability is unfeasible and if due analyses of properties is undermined by insufficient state capacities, corporations would have a hard time determining if soy is produced in a sustainable way, or more accurately, under legal conditions according to the Forest Code.
15. Environmental risks:
16. Leakage of illegal deforestation through clearing that will take place in other regions. This was given a Medium risk status, stating that MATOPIBA was the last agricultural frontier of the entire country. The reviewer will not question this asseveration. However, illegal deforestation could take place in other areas of the MATOPIBA different from the soy-growing areas or different from the focus municipalities, particularly due to land speculation and reselling of land at higher prices. Leakages and spillovers were not taken into consideration.
17. Conflicts over access to water. This was given a medium risk status, proposing dialogues through existing bodies of governance such as the watershed committees. The mediating role of project management is not clearly stated, but it is considered a risk in itself to get involved in such conflicts. A more sound approach would be the involvement of a third party as mediator in this kind of social-environmental conflict. Water-related issues could be converted into opportunities to change behaviors based on more sustainable and equitable use of water resources, where adaptation to climate change can be seen as a pre-condition to the provision of water in quantity and quality.
18. The project will be used as a palliative for the possible negative impacts of the MATOPIBA development strategy on environment and livelihoods. This was given a Critical High risk status, which in the opinion of the reviewer is accurate. To mitigate this risk, it was recommended that stakeholders participate in the dialogue about sustainable development of the region. Nevertheless, the measure implied another risk, which is confrontation between antagonistic groups. In other words, it is an important challenge to bring powerful land owners together with groups denouncing violation of their human rights by those landowners, as registered in documentaries, news and articles.
19. Regulatory risks:
20. Information registered in CAR would be unreliable. This risk was well addressed in the reviewer’s opinion, as it relied on the mapping of natural vegetation by FBDS as a proxy for verifying data reliability as a double-checking strategy. This was in line with the indication of insufficient capacities of state environmental agencies.
21. Other risks:
22. Loss of local knowledge and traditions. This was valued as a Medium risk. As observed, the risk relates to longer-term effects of agricultural expansion versus the land security of communities for the continuation of their traditions. The recommended action is directed toward making demands from local communities transparent, and supporting dialogues. This is a very sensitive matter, and it is recommended that it be carefully addressed.

One of the risks not identified was economic in its type. Concerning the sustainably produced soy, the risk is that it does not fetch a reasonable price in the market, to compensate for the additional production cost. Thus, producing in legal and sustainable terms would not be compensated by the market.

1. The project is categorized as GEN2: gender responsive. It has a full gender mainstreaming strategy and action plan in line with the Global Supply approach. During project preparation, a review-based gender assessment was conducted specifically for this project, and gender aspects were raised in consultation meetings. Gender monitoring and specific actions are integrated in an important number of outputs, particularly in Outcome 5 (Project coordinated and lessons learned and disseminated). Six gender principles link gender mainstreaming to annual work plans, and a robust gender-focused Monitoring and Evaluation Plan is provided. The budget allocated funding to conduct a gender assessment and also for the annual monitoring of gender impact.
2. The UNDP Social and Environmental and Social Screening template (SESP) and the Social and Environmental Screening Checklist include specific points of analysis on gender matters, in the context of the integration of overarching principles to strengthen social and environmental sustainability in project execution. The report of the PAC meeting provides information on the project scope, but no discussion of gender issues arose. On the other hand, the report of the Project Inception workshop does provide disaggregated information on participants according to gender. Both meetings, as shown in the reports, did not include the participation of gender specialists or representatives of women groups nor discussions on gender subjects.
3. Project design, as shown, covers gender mainstreaming throughout all sections of the project document. However, the project design could have integrated a more open and proactive approach to enhance women’s participation and involvement in project execution.

* **Results Framework/Logframe**

1. This is demonstrative project whose objective is to reduce the threat to biodiversity that the advancing agricultural frontier is posing in the MATOPIBA region, through a soy supply chain approach that solves the underlying root causes of deforestation from soy. The objective implies that through a systemic approach to the soy supply chain, the threat to biodiversity would be reduced, disregarding other social or political dynamics at the local or national level that may or may not contribute to the conservation of biodiversity. Discussion on this concept of contribution rather than attribution may be found in Batliwala & Pittman (2010).[[10]](#footnote-10) In that line, a more realistic objective would state: “…that contributes to solving the underlying cause…” Likewise, this critical observation may be valid for certain outputs of the project.
2. Furthermore, as partner agencies (WWF and IFC) are responsible for the implementation, monitoring and measurement of four project outputs, it makes it more complex when the executing agency does not have control or information over those outputs to achieve project objectives. However, it is understandable, yet a significant challenge, that this formula was planned because of the systemic approach of the Brazil project.
3. Indicators and targets were analyzed and it was found that 11 targets and its indicators do not sufficiently comply with SMART criteria. Thus, a revision might be advisable, although because of time constraints it will have be to be analyzed.
4. Remarks and recommendations concerning indicators and targets of project objectives and those of most of the outputs can be found in Table 5. Analysis was carried out in terms of verifying if they were Specific, Measurable, Achievable, Relevant and Time-bound (SMART), and if targets could be attributable to the project intervention.
5. See Table 5 below.

**Table 5. Analysis of Project targets and indicators**

|  | **Indicator** | **Target analysis** | **Recommendations on targets and indicators** | **Observation** |
| --- | --- | --- | --- | --- |
| **Project Objective - Indicators and targets** | Number of properties registered | Underestimated and not attributable to project | -- | State Environmental  Agencies conduct this task. |
| Percentage of area analyzed/regularized | Complex to achieve in time-frame due to software and human capacities in state agencies. | -- | Capacities of State Environmental  Agencies were not assessed opportunely |
| Number of properties supported with the preparation of a proposal on how to restore or offset their deficit. | Time-frame issues could affect timely completion. | Analyze feasibility of attaining target by the end of project | Target depended on the analysis and regularization of properties. |
| Deforestation rates in MATOPIBA | Unfeasible to measure and attribute it to project, base line is unclear | A better objective indicator would have been the number of incentives or tools to contribute to the avoidance of deforestation (measured as Hectares, where properties will not expand soy production | The target was too ambitious, being MATOPIBA, the new agricultural frontier in Brazil. Also, it could not be attributed only to the project. Deforestation rates could increase at the end of the project. |
| Area under restoration | Unattainable due to time-constraints in analyzing/regularizing properties | -- | This refers to restoration due to regularization of farms |
| **Outcomes - indicators and targets** | Number of policy recommendations taken up by policy makers including gender sensitive issues | Targets for MTR and TE are not defined. | A more suitable indicator would have been: Number of policy recommendations proposed and agreed with government (being local, state or federal). | Regulatory or political decisions are not competencies of CSOs. |
| Number and size of traditional lands protected through safeguards | Targets are not defined yet. | A more suitable indicator would have been: : Identified and agreed number and size of traditional lands to be protected through safeguards | Regulatory or political decisions are not competencies of CSOs |
| Area under integrated management identified and agreed (proposals for conservation units submitted and management plans agreed) | Unclear basis for definition of targets. | -- | Mapping will cover 337 municipalities of the entire MATOPIBA region, and proposed area under integrated management is to be defined. |
| Area under legal protection as percentage of total area of the MATOPIBA region (including indigenous lands, conservation areas, lands of *quilombolas* and forest code preservation areas | Time-bound limitation for target attainment (it will depend on the analysis/regularization of properties) | Revise target in terms of a process indicator. | To have 40% of the total MATOPIBA area covered with native vegetation, and hence protected as either a conservation area, indigenous or former slave area, or subject to the forest code, is too ambitious even for the government, and seems more like an impact expected in the long term |
| # of companies that have increased capacity to make and implement commitments to source reduced deforestation commodities (WWF) | Not clear if information on properties complying with Forest Code or other safeguards will be available in a timely manner | -- | Implemented, monitored and measured under WWF child project |
| # of companies with increased capacity to use decision-relevant information developed by the Transparency portal to inform their strategies (WWF) | Not clear if information on properties complying with Forest Code or other safeguards will be available in a timely manner | -- | Implemented, monitored and measured under WWF child project |
| # of new long-term finance products developed based on findings from business base analysis (IFC) | - | - | It will be measured under Transactions child project |
| Identification of pilot landscapes or farmers to test the long-term finance product through workshops (IFC) | - | - | It will be measured under Transactions child project |
| Number of lessons learned and disseminated (GGP and CI) | - | - | This indicator is shared with the Adaptive Management & Learning child project |

1. The complexity of the project context, in addition to the heterogeneity of stakeholders and partners involved, and the fact that this project is connected to a global program and market, certainly presented an important challenge to the construction of sound outcomes and outputs, and their corresponding indicators and targets, attributable to the project. Insufficient information for project design, limited resources, and time to consult last version of the Project Document, could have affected the formulation of accurate and suitable outputs, indicators, or targets in the project logframe. The lack of assessments in the preparation phase to understand the State Secretaries of Environment's capacities for implementing the Forest Code and to better understand the institutional, social, and economic aspects of the focus area may have contributed to the setting of several unrealistic targets and indicators.

#### **4.2 Progress Towards Results**

1. Progress towards outcomes analysis

**Objective of the Project: To reduce the threat to biodiversity that the advancing agricultural frontier is posing in the Matopiba region, through a supply chain approach that solves the underlying root causes of deforestation from soy. Rating: MS**

1. The negotiations regarding the Forest Code during 2018 and 2019 (in PIR 2018 AND 2019), political factors, and delaying hiring experts to support the analysis and validation within the CAR system have prevented the achievement of the MTR targets set for this project objective. However, there have been significant efforts to strengthen Tocantins and Bahia’s Regional Environment Registry (CAR) validation processes by understanding and identifying gaps and opportunities concerning CAR implementation. Nevertheless, there are significant time constraints to overcome limitations and delays to achieve set targets.
2. A more precise number of project beneficiaries will be identified at the beginning of 2020 after the Project team analyzes the Agricultural Census, which the government delayed results. This information is needed to report on progress. The absence of a deadline for farmers to comply with the Forest Code after the Bolsonaro’s government postponed it in June 2019 (it had been postponed four times before, according to PIR 2019), and the current political context, could motivate higher deforestation of the Cerrado native vegetation.[[11]](#footnote-11)

**Outcome 1.1. A shared vision on expansion of the production of agricultural commodities in the Matopiba region in combination with the conservation of biodiversity and ecosystem services through sustainable land management and the creation of sustainable productive landscapes. Rating: S.**

1. A policy proposal is being discussed at the Tocantins state level to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code. Another policy proposal is being negotiated with municipalities to establish protected areas.
2. CI has made significant efforts within a complex process of bringing together a wide range of stakeholders with different interests and expectations through the MATOPIBA Coalition. This effort is, after two years, producing positive results, as per unifying criteria, and coordinating actions under a shared vision, including discussions of policy proposals.

**Outcome 1.2: Improved environmental management. Rating: MS**

1. Achievement of the midterm targets set on percentages of the registered properties in focal areas analyzed, validated, and regularized is mostly a competency of environmental state agencies. However, because of the project design, the CI Project team needs to respond to this outcome. The project is making efforts to support the work of state environmental agencies on the SICAR and be able to advance on plans for regularizing properties that show some deficit in permanent protection areas or legal reserves. However, it has proven to be a complex and lengthy process, not entirely within their capability to resolve. This situation has caused significant delays.
2. The political context has had an impact on the Regularization Programs (PRA), meant to address longstanding environmental liabilities. Nevertheless, CI has advanced engagement with local partners to develop activities such as strengthening a 10-hectare forest restoration demonstration unit in MATOPIBA.
3. Regarding the safeguards of traditional communities, the Mid-term target has not been defined yet. The project has produced the *Mapping of traditional communities in the Matopiba Region threatened by de expansion of the agricultural frontier, and Recommendations for Safeguards* (2018). Based on these recommendations, CI would have the opportunity to contribute to the outcome.

**Outcome 2.1: A system of support in the four focal areas prepared and implemented that will help farmers to adopt sustainable management of their properties and sustainable agricultural practices. Rating: S**

1. Efforts by the Project team to increase ABC loans are recognizable, bearing in mind that loans are within the scope of EMBRAPA and banks. The project is addressing this outcome by improving the quality of the ABC loans and promoting a better understanding of the ABC Program by financial institutions. It indirectly promotes the number of loans being effectively transacted, which could significantly improve sustainability of the focus area, with potential for replicability. EMBRAPA created a new ABC soya with the support of the project which was an asset.

**Outcome 3.1: Improved planning for expansion of production and conservation. Rating: MS**

1. The goal to protect 10,000 hectares of Cerrado Forest by TE will be difficult to attain. The project has advanced the mapping of land use cover in the municipalities located in the MATOPIBA region. This mapping contributes to the identification of priority regions for the creation of ecological corridors. However, there is a significant delay.
2. The area under legal protection as a percentage of the total area of the MATOPIBA region has not been established, pending the mapping of the land use and vegetation cover of the MATOPIBA region. However, the project indirectly contributes to the midterm target's achievement by generating information on the area under legal protection as a percentage of the total MATOPIBA region*.* It is not expected that the goal of having 40% of all the total MATOPIBA covered with native vegetation be achieved only by the project, but rather contributing to it.

**Outcome 4.1: Increased market demand for responsibly sourced soy (not to be rated in this MTR)**

**Outcome 4.2: Financial sector engaged in the promotion of sustainable soy (not to be rated in this MTR)**

**Outcome 5.1: Project coordinated and lessons learned and disseminated. Rating: S**

1. The management of the project has been successful in continually adapting and taking advantage of adverse circumstances. One successful measure of the project’s adaptive management was to build a stronger collaboration with the Ministry of Agriculture, Livestock, and Supply (MAPA) and with the state environmental secretaries. EMBRAPA, as part of MAPA, plays now an essential role in project execution after SRB’s withdrawal. There are a high number of lessons learned experienced by the project, and although the target is to have 2 at midterm, there is only one lesson learned as per the last PIR 2019, recorded by the Project: *Coordination among implementing partners (including sub-grantees) to uphold a consistent and unique narrative concerning the GGP in Brazil is crucial*.[[12]](#footnote-12)
2. Coordination of the Project demands strong coordination and communication approach and performance. The project is unique for Brazil involving two other agencies in its implementation for component 4 (WWF and IFC) and because it is a child project under a global initiative. This complex arrangement demands greater coordination and communication by CI with the other implementing partners and agencies, as well as with the UNDP country office, and with the UNDP Adaptive Management & Learning child project. Coordination with government at different levels, the private sector, and stakeholders also requires strong leadership.
3. The project is **not** on track to achieve the project objective within the project timeline and based on the target of reducing deforestation by 1,000 km2 by the end of the project. See [Annex 9](#_Annex_9._Table.) for a detailed analysis in Matrix of Assessment of Progress towards Results.

* **Remaining barriers to achieving the project objective.**

1. The following are conditions that still need to be addressed to overcome obstacles related to the objective.
2. Analysis and regularization of properties in the framework of the Forest Code. This is a basic condition for intended restoration of illegally degraded lands and for the accomplishment of several outputs, including those executed by the implementing partners, IFC and WWF. Thus, achieving the targets set forth in the objective of the project and Outcome 1 is crucial.
3. Proposed areas of conservation at municipal and regional levels, including biological corridors, need to be presented, discussed, agreed and approved at the corresponding levels of governments and legislatures. Bureaucratic processes are often lengthy and complex. If this target is to be achieved, proposals ought to be ready by early 2020.
4. Resistance of producers can be tackled by scaling up the ABC Soy program through EMBRAPA. More intense agricultural practices that are environmentally friendly and low in carbon emissions have proven to increase farm productivity (in some cases doubling or tripling productivity), according to EMBRAPA’s presentation during the field trip to Tocantins, without intervening in native vegetation (based on the visit to the farm *Fazenda Boa Esperanza*, interviews and EMBRAPA presentation). A number of farmers have experienced positive results, which need to be extensively disseminated for replication purposes.
5. Traceability of the soy sourcing areas can be made available to the market by providing information of the farms with irregular or unsustainable land use as soon as possible. Partner organizations such as FBDS are finishing the assessment *Priority Areas for Conservation and Restoration in Matopiba*, and together with other tools and information developed by TNC, Proforest, IMAFLORA, CSF, and IPAM, it will be possible to provide implementing partners, WWF, IFC and UNEP-FI with the needed information to feed into their tools and approaches toward the market chain.
6. The integration of implementing agencies (CI, WWF, IFC, UNEP-FI) in the scope of the project to ensure the interconnection of outputs towards the project objective is critical.

* **Comparison and analysis of the GEF Tracking Tool at the Baseline with the GEF-7 Core Indicators provided by the Project during the Midterm Review**

1. The GEF substituted the GEF tracking tools with a worksheet containing the GEF-7 Core Indicators. The new format and the indicators themselves did not always match with the previous one representing a challenge for the project team to fill the tables. Also, the reviewer had to revise various versions of the worksheet to verify the accuracy of the data, which required additional attention and time.
2. However, it can be said that progress based on current GEF-7 indicators (where there was a baseline at the endorsement) could not be shown at this stage of project execution. Only the indicator for the number of beneficiaries can be indicated, while other indicators could be reported upon in the Terminal Evaluation, pending undergoing project execution. The table showing the GEF 7 Core Indicators reported by the Project team has been provided as a separate file.

* **Assess how effective the project has been integrating its work with the other child projects, as this is part of a global program.**

1. Component 4, Supply Chain Integration, includes specific activities to be implemented by WWF (Demand child project) and IFC-UNEP-FI (Transactions and Finance child project). Thus, CI’s close coordination with the other implementing partners was expected. CI has questioned this assignment their responsibility for this task under the assumption that it is not clear in the Project Document. Nevertheless, the project document points out the following on the role of the Brazil’s child project:

**Paragraph No. 182:**

*CI will be responsible and accountable for managing this project, including for the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources, including coordination of the implementation by both WWF and the International Finance Corporation (IFC), both responsible parties for particular activities within this project and within their own respective projects*.

**Paragraph No. 186:**

*CI will have full management responsibility for the entire project.*

**Furthermore, the terms of reference of the Project Manager** points out that he/she will:

*Engage with project implementation partners of the Demand and Transaction components with respect to project execution and ensure the integration of activities within the logic of the project.*

1. According to PIR 2018, during the first year of project execution, CI led and facilitated meetings, calls and workshops among the implementing partners to maximize synergies. The project hosted a dependency workshop intended to identify dependencies among child projects in Brazil, which led to: i) clarification in the plans for the production, transactions and demand child work under the GGP-Brazil, ii) identification of a strategy of dependencies to leverage identification of a strategy of dependencies to harness, and iii) definition of key actions, with timeline, under an integrated work plan to increase impact (PIR 2018). Nevertheless, there is no evidence concerning results. Furthermore, work plans and reporting documents do not integrate the information of other implementing partners such as WWF, IFC and UNEP-FI, denoting that each party is concentrated only on its assigned outputs. For this Review it has been a challenge to see the integrity of actions.
2. CI identified in both PIR 2018 and 2019 that it was a challenge to manage the high transactional costs which involved coordinating efforts among the implementing partners toward a common approach based on the GGP’s integrated perspective. In 2019, the PIR reports that the project has increased its level of communication with the other implementing agencies for the demand and transactions child projects, including with IFC, UNEP-FI and WWF, though this still presents challenges and takes time. Evidently, communication with the other implementing partners has improved, but the overall project coordination remains unattended.
3. This leading role, as pointed out in the project document, has been questioned by CI under the premise that their role, as it pertains to the other implementing agencies, was not clearly stated, and therefore was left open to interpretation. They also remarked on the fact that the project team had to concentrate on its own challenges concerning the political, institutional and organizational aspects mentioned in previous sections. Another challenge in coordinating aspects is that activities under Outcome 4 are being executed at different times, as indicated by interviewees. Nevertheless, the role is key to conciliating in a synergistic manner the project outputs and approaches, toward the same objective.
4. One of the lessons the A&L child project team derived from the GGP Brazil systems approach workshop held in February 6th, 2020, was that many GGP partners and their institutions play a complementary role. Furthermore, it showed that the key to the Theory of Change of Integration is to find those synergistic areas to work on where the synergy will have ripple effects, and that sharing of information is critical. One of the interviewees expressed that the Brazil child project could enhance synergies by identifying spaces for complementarity and connecting the lines of work. Also, sharing all the assessments that partners have produced[[13]](#footnote-13) or will produce, to avoid overlap and enhance performance is, in the opinion of one interviewee and the reviewer, critical. The Project Team has indicated that because there is sensitive information in those assessments, they could not be widely disseminated. However, a platform restricted to project executing partners and agencies where documents can be uploaded and consulted would contribute to synergies.
5. All these remarks reinforce the necessity of an overall project coordinating role, in particular for the critical coming months. To that end, the issue must be discussed among executors and by the Project Board, and include discussions on the funding to undertake this task, if deemed necessary. One of the persons interviewed even suggested that this vacancy could be filled by one of the representatives of the implementing agencies, if required. Work plans and reporting documents should contain information on the other parties’ efforts. In the end, all parties contribute to a general common objective.

* **Through a review of the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.**

***A shared vision***

1. Notwithstanding the complexity and setbacks of the first two years of project execution in building a shared vision on the sustainability of the MATOPIBA region, advances have been achieved among a wide range of institutions and organizations through the MATOPIBA Coalition and other bodies of project governance. Strategic stakeholders have been identified and have come on board the project, such as TNC and IMAFLORA, while others from government and producer’s associations have stepped back. A more aligned group of stakeholders is now made up of the Ministry of Agriculture, Livestock and Supply (MAPA), EMBRAPA, state environmental and agricultural agencies, multiple CSO organizations, and a number of producers. Before the project ends, it would be wise for stakeholders and implementing agencies to build a joint strategy for a Sustainable MATOPIBA based on a common vision, to sustain the progress made and identify other funding sources. This outcome has proven to be a strategic pillar not only for harmonized project execution but also for project sustainability and scaling up.

***Close collaboration with MAPA***

1. After the Ministry of Environment lost interest in the project, one of the adaptive management strategies adopted was to build a stronger collaboration with MAPA. Although MAPA was not part of the Project Steering Committee according to the Project Document, they had been invited to all of their meetings. The results were outstanding, given their positive response and their national role and consolidated capacity in the sector. Also, their mediation with producers together with EMBRAPA has been crucial. This was expressed in the PIR 2019: *In spite of the absence of representatives from the Ministry of Environment and SRB in the last Executive and Steering Committee meetings just after this reporting period (July 2019), the Ministry of Agriculture indicated that the project has delivered significant results and that it is even interested in a potential spin off project to focus on sustainable beef using the same structure of the MATOPIBA project.* Moreover, NGO and state level stakeholders mentioned in the Steering Committee Meetings that information being produced under the project has been considerably valuable and commended the progress (PIR 2019). The latter expression endorses the potential impact and scaling up of the Project activities through MAPA. In light of its involvement on the Project Board, MAPA deserves to be officially recognized as the Board´s leading counterpart Ministry as long with EMBRAPA.

***Close collaboration with EMBRAPA***

1. EMBRAPA, linked to MAPA, is The Brazilian Agricultural Research Corporation responsible for planning, supervising, coordinating, and monitoring activities related to agricultural research and agricultural policy. This Corporation has been implementing programs associated with ABC loans to farmers[[14]](#footnote-14), such as the ABC Beef, ABC Milk, and Livestock, Agriculture and Forests (LAF), according to an interviewee. EMBRAPA was mentioned in the Project Document but without a relevant role, despite the fact that one of the project targets was the tripling of ABC loans. A technical cooperation agreement was signed between CI and EMBRAPA in December 30th, 2019 to accelerate a training program for farmers and contribute with the uptake of loans. The project team had developed an informal collaboration with this public corporation, developing the ABC Soy program during 2019, a new flow of work being institutionalized by EMBRAPA in 2020. Farmers are trained in low-carbon, environmentally friendly agricultural practices with improved productivity and a more intense land use, without clearing new native Cerrado vegetation.
2. EMBRAPA has applied an integrated approach in their programs, meaning that ranchers may combine cattle, soy, rice, milk, and other products in their properties for year-round production, with very positive economic yields. Focusing on only one commodity may limit the impact of an intervention in terms of improving farm productivity and environmental sustainability. This approach has proven to be effective and if scaled up and widely replicated, the project would have an important impact, driven by productivity and economic dynamics (information gathered at a visit to EMBRAPA’s Research Center and to Fazenda Boa Esperanza, in Tocantins). If the Project focuses on intensifying the technical training to farmers through EMBRAPA’s support and the ABC Soy program, this will have significant impact on project sustainability. Furthermore, if the project invests in widely disseminating the results of the ABC Program within an integrated approach, more producers will adhere to best and more intense agricultural practices, contributing to avoidance of deforestation, climate change mitigation and efficient water use. Because of the fundamental role that EMBRAPA plays in the ABC Soy Program, the ABC Beef, the ABC Milk, as well as in the Livestock, Agriculture, and Forests (LAF), and due that farmers have high trust in this public enterprise it is recommended to integrate this public corporation in the Project Board.

***Close collaboration with state environmental and agriculture secretaries of Tocantins and Bahia***

1. The state environmental agencies SEMARH/Naturatins (Tocantins state) and SEMA/INEMA (Bahia state) are responsible for Forest Code enforcement, land regularization, surveillance, and land-use planning, but they are not equipped with the capacity to undertake these responsibilities. They are also members of the Steering Committee and have developed good rapport with CI, with whom they are actively and enthusiastically participating in the project through the Forest Code-related activities. Cooperation Agreements between CI-Brazil and these agencies during 2018 were directed to accelerating the analysis and validation of properties registered in SICAR, which is a critical step to fostering the CAR. Experts in geo-processing, one for each agency, were hired and allocated to the agencies’ offices to directly assist in the analysis and validation registries. This was key to advancing project targets. Since these are fundamental steps in the regularization and restoration plans of properties within the focus area of the project, support could be enhanced by allocating more efforts and funding to this activity to ensure not only the end target of the project (5% of the total APP deficit under restoration, or 2,500 ha), but also project sustainability. Further support to the Alliance of State agencies of Agriculture and Environment, in the formation stage, is strategic for project sustainability and scaling up.

#### **4.3 Project Implementation and Adaptive Management**

1. Management has been generally efficient in terms of work planning and monitoring, financial and substantive execution. Adaptive management of project execution and strategy has been both a significant challenge and a strength of the project.

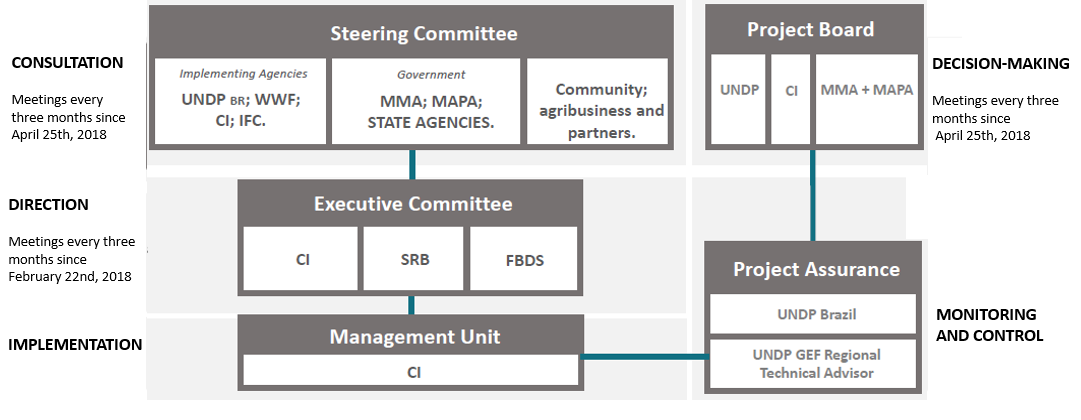
* **Adaptive Management**

1. CI has faced multiple obstacles during the execution of this project. Since 2018, all meeting reports, PIRs and QORs have remarked the difficulties already encountered because of the legislative negotiations to make more flexible the Forest Code, with the consequent resistance of farmers to comply with the norm as it was. Farmers’ associations were reluctant to sign agreements with CI, expecting favorable modifications of the Code. The Presidential elections that took place that year were already auguring the new government’s approach to the environment. The Bolsonaro government made important institutional changes that impacted the Ministry of Environment and project counterparts. Significant tensions with environmental CSOs were starting and have continued up to the present.
2. On top of the political atmosphere, a challenging Results Framework, with a number of unrealistic and unfeasible indicators and targets, was identified at Project startup. Adaptive management has been a constant in project execution, as described below in Box 1:

|  |  |  |
| --- | --- | --- |
| **Issues confronted** | **Adaptive Management Measures by Project team** | **Observations** |
| Reduced capacity of environmental state agencies to conduct analysis and validation of CAR (QOR Jul-Sep 2017) | Adaptive measurements have been undertaken by the Project team and by other engaged stakeholders during the first half of the Project and are still ongoing. Mapping, identification of barriers, and collaboration with state agencies are part of a conjunction of the actions taken. | It represents a crucial barrier for the Project. |
| The death of the Project coordinator on June 30th 2018 | CI appointed a female Project Manager who was already part of CI staff to replace the original Project coordinator. | The passing away of Project manager represented a morally difficult time for Project team |
| Debate on Forest Code and postponing of CAR deadline for compliance in 2018 within an electoral environment. | CI and partners outlined an activity to evaluate if the Transactions child project could help raise awareness of the negative effects related to mainstream investments on land markets in Brazil (QOR April-June 2018) | CI has reached out to Proforest, responsible for the development of the Soy Toolkit -- developed to encourage responsible soy sourcing processes and to identify synergies with traders. |
| A new President was elected in September 2018. An explicit rejection of environmental NGOs affected the relations of CI with farmers and farmers’ associations. The Ministry of Environment experienced significant changes in its functions and capacities. | CI strengthened collaboration with the Ministry of Agriculture, Livestock and Supply, EMBRAPA and state environmental agencies INEMA and NATURATINS | This approach has proven to be even more effective than previously considered in the project design. The Ministry of Environment’s counterparts were dismissed, leaving the project without effective participation of the MMA. |
| SRB withdrawal in April 2019. Another farm association, AIBA, backed off from signing a cooperation agreement with CI. | CI analyzed with SRB, as a former implementing partner, how to define the best strategy to ensure continuity of producers’ engagement in Tocantins and Bahia. SRB continued participating in the Steering Committee. | This was an important setback for the project that CI faced with a change of strategy. |
| Strong rejection of NGOs by farmers and farmers’ associations derived from the change of government. | CI approached institutions such as EMBRAPA to speak with producers to convey suitable agricultural practices and for a closer collaboration. | EMBRAPA embraced the CI project and jointly formulated the ABC to be institutionalized during 2020. |
| **Box 1. Adaptive Management Measures** | | |

* **Management Arrangements**

1. Arrangements for the management of the project have been adapted and reorganized since the project started (see Figure 1), according to project needs, however, it appears that a director of overall governance is needed. New entities have joined the Project Board and the Steering Committee, while other institutions have lost interest in being part of them. Another body of governance, an Executive Committee, was added to the original design, composed of UNDP, CI, SRB and FBDS, and later reinforced with the participation of IFC, UNEP-FI and WWF. The numerous meetings have served as a space for exchanging ideas and approaches, as well as to share progress made by a diverse group of implementers and stakeholders. Nevertheless, a leading role by CI is lacking, as evidenced from the reading of the minutes and in the interviews.

Figure 1. Current structure of project governance extracted from Board, Steering and Executive committees, Cl, April 25th and 26th, 2018 (adapted and partially translated by reviewer)

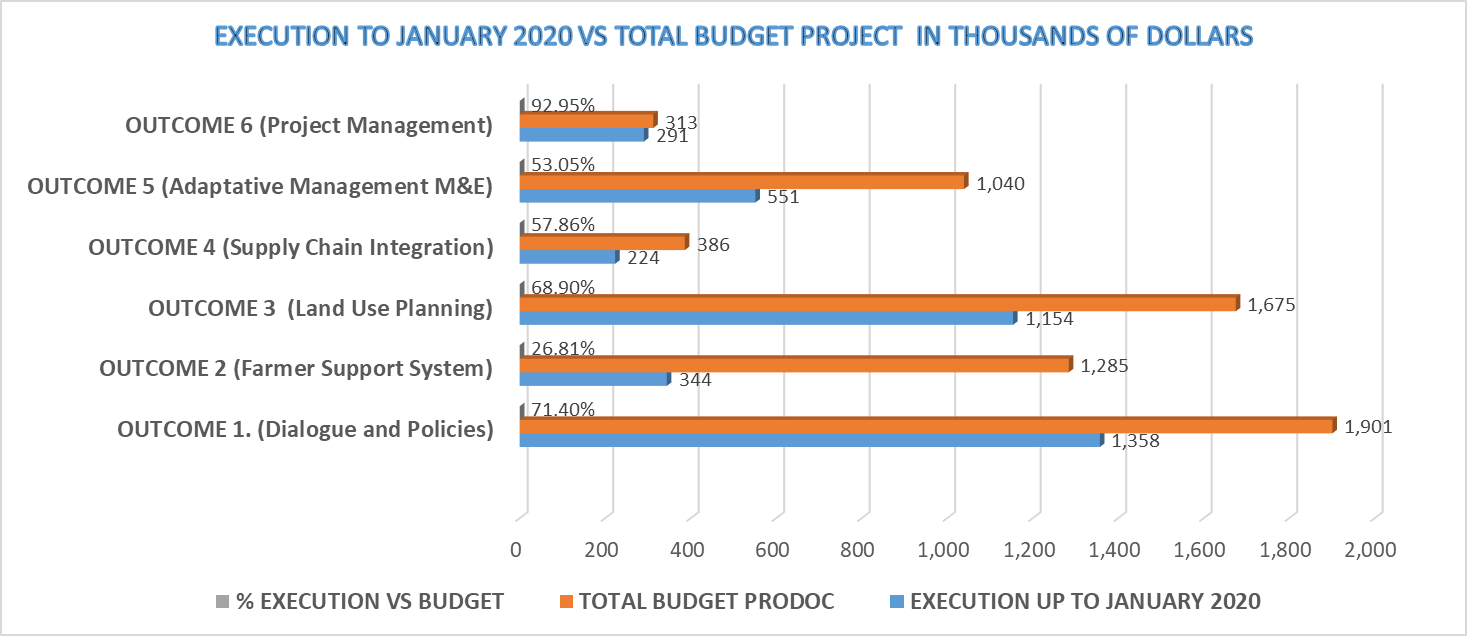
1. The Project Board was given an oversight role to ensure the project achieved the desired results, including reviews to assess the performance of the project according to the Project Document. From the time of the first meeting in April 2018, the Ministry of Environment (MMA), and the Ministry of Agriculture, Livestock and Supply (MAPA) were invited, which represented an important and logical decision made by the Project. In general, MAPA has had a more consistent participation and by the same representative, and has additionally taken a more preponderant role in 2019 in the context of the change of government. It was noticed that the Ministry of Environment did not really undertake the expected role in participating and supporting project performance. The MMA did not participate in the last board meeting reported in 2019. Neither MMA, MAPA, participated in the first 2020 board meeting held on February 18th. The Project Board has met more than once a year.
2. The Steering Committee (Consultative Committee, as it is named by the project) was envisioned to be responsible for providing technical coordination for the project. Numerous participants, as many as 29, from a variety of institutions and organizations have been present in meetings of the Steering Committee. It is important to highlight the participation of MAPA, the state agricultural and environmental agencies of Tocantins and Bahia, implementing partners, interested parties of the soy supply chain and producers as well. As a new member, EMBRAPA started participating actively in the last two meetings in August 2019 and February 2020, while the Ministry of the Environment and ISPN (SGP coordinating organization) discontinued their presence, perhaps due to a lack of interest in the matter. The Steering Committee has served as a forum for the exchange of information, discussion and contributions to solve obstacles and advance the project. Recognizing the challenge in managing a high number of participants, it is not clear who assumes the general direction of the Steering Committee. Meetings have been held in three different moments in 2018, twice in 2019, and once in 2020.
3. An Executive Committee created by CI was initially composed of UNDP-Brazil, CI, and implementing partners FBDS and SRB. After the second meeting, the other implementing partners, IFC, UNEP-FI and WWF, have participated in the discussions within this body of governance. They have met four times in 2018, twice in 2019, and the first meeting of 2020 has already taken place on February 18th. Likewise, the leading role in this Committee is unclear. All of the minutes of the aforementioned meetings have been duly reported.
4. The Project Management Unit is organized according to original project design. It had to adapt to new circumstances when their Project Manager passed away in June 2018, representing a moral and a project setback. An interim project manager was designated and thereafter officially appointed in 2019. Nevertheless, technical responsibilities are managed, according to interviews, by the CI-Brazil Senior Program Director, in charge of the Programmatic area of the organization. It is worth noting that the Terms of Reference state that the Project Manager is in charge of all aspects of project implementation. The composition of the Unit is gender-balanced, as it was observed.

* **Work planning**

1. The project benefited from the Multi Year Work Plan found in the Project Document. Workplans have been results-based oriented, however, there have been accumulated delays in strategic outputs that prevented accomplishing a number of annual planned activities. As described in Box 2, the project has confronted a series of adverse situations during execution, with the expected loss of precious time. On the other hand, it is observed that the activities of the other implementing partners, namely IFC/UNEP-FI or WWF, are not integrated in the work plans provided. It is advisable that the Project jointly prepare annual plans for effective project implementation and to accelerate project results.
2. During 2017, activities under the work plan confronted the usual delays for project start-up, and most of the activities were transferred to the 2018 work plan. It was indicated by an interviewee that the initial delay was due to administrative/bureaucratic issues at the time (like delayed wire transfers/disbursements). There was an agreement with UNDP to use the 2017 work plan as the main reference in 2018. The 2019 work plan provided to the reviewer is a general plan containing the yearly results, but associated activities are missing. It is recommended to organize the activities in at least quarterly segments and according to the format provided in the Project document. In the PIR 2019, UNDP encouraged the Project team to finalize an integrated work plan involving CI, WWF, IFC and UNEP-FI, and to move forward on priority actions related to the integrated supply chain approach.
3. Implementation of the work plans has focused on results, but there have been critical limitations. There are important delays in the activities of Outcome 1.2 related to the unfavorable political context and the aversion of an important number of producers to working with CSOs. Thus, the analysis, validation, and subsequent implementation of the Environmental Regularization Program (PRA) has been a complex challenge faced and being addressed by the Project. In addition, activities regarding Outcome 3.1, related to studies aimed at formulating and discussing proposals for conservation units, are also somewhat delayed. Certain activities under Outcome 5, related to sharing and disseminating information and lessons learned, have not been sufficiently fulfilled.
4. The integration of activities of the Brazil child project with the Transaction, Financial and Demand child projects in work plans, would be an asset and a basic step in confirming the integrated supply chain approach and promoting effective project implementation toward one shared objective. An 18-month work plan to be implemented up to project finalization is currently being drafted, according to the February minutes of the project’s various bodies of governance. However, it is not known if the Strategy is being formulated with the participation of the other parties involved in the project, i.e., the other GEF implementing agencies (IFC, UNEP-FI and WWF), which is a fundamental approach.

* **Finance and co-finance**

1. CI is responsible for day-to-day monitoring and financial management in accordance with its own policies and procedures, UNDP rules as applicable, as well as with GEF-required fiduciary standards for the partners.[[15]](#footnote-15) CI financial management is based on the policies, rules and procedures found in its Global Field Staff Manual. The project’s cost-effectiveness is measured as the budget execution against the original budget or its revisions.
2. The financial execution of the project as of January 2020 is 57.46% showing a moderate delay. The main lag in execution is in Outcome 2, Farmer Support Systems. The audits reveal that the project has proven to be efficient in its management, has maintained satisfactory internal controls and has made appropriate use of the funds. The delay presented by the project is duly justified by emerging barriers and circumstances confronted by the project. Likewise, the audits conclude that unusual activity related to changes in the allocation of funds for the activities has not been detected. In the early stages of the project, and as shown in the PIRs, the Project Team observed that there were high transactional costs related to coordination and meetings. In that sense, it was observed that as of January 2020, the Project has spent almost all the budget allocated for Project Management.
3. See Graph 1 below illustrating the use of Executed funds versus Project budget.



Graph 1. Executed funds versus Project budget

1. The original project co-financing funds confirmed at CEO endorsement amounted to $USD 28,204,678. Funds leveraged by the Project as of January 2020 total USD $ 10,468,926.83. It is worth noting that after the SRB retired from the Project in April 2019, their co-financing commitment could not be totally fulfilled. Regarding farmers’ direct contributions as co-financing funds, these could not be accounted for by the project. More details can be found in Annex 8, Co-financing Table for UNDP-Supported GEF-financed Projects.

* **Project-Level Monitoring and Evaluation Systems**

1. A detailed Monitoring and Evaluation (M&E) plan, as well as the associated budget, is being adequately executed. The Inception Workshop, where relevant parties participated, ensured that M&E roles and responsibilities were understood. The M&E plan and provisions have been implemented according to project directives and in a timely manner. The project has produced its own monitoring system, which shows a high standard for the database and analytical tools. There are still some challenges, including the monitoring of gender issues. No issues were observed regarding the insufficient allocation of funds to conduct the M&E tasks.
2. The M&E tools and actions being carried out by the project include reports and meetings of the different bodies of governance, i.e., the Project Board, Steering Committee and Executive Committee, including audits and project field trips. Corresponding Quarterly Reports and annual PIRs have been carried out for project monitoring and for follow-up and oversight by the Project, UNDP Brazil and UNDP GEF. Likewise, GEF tracking tools were submitted at the beginning of the Project. The UNDP Country Office has updated the Atlas Risk Log and the gender marker on an annual basis, as required in the Project Document.
3. A robust though complex monitoring system of social and environmental indicators (according to Outcome 5) was developed by the project. It includes indicators such as i) progress and impacts, ii) progress in environmental regularization and impacts on selected ecosystem services, iii) gender roles and impact on women, and iv) standard Project/GEF indicators. By using the Tableau software and a set of indicators named MATOPIBA Indicators, the project has been able to produce analytical tools based on the information obtained through a series of assessments produced by the project and by public institutions and other organizations. The project plans to migrate the system to a more user-friendly application, Bi-Power.
4. Monitoring of gender issues is a pending task. The project is categorized by UNDP as Gender marker 2, which implies the inclusion of activities that have gender equality as a significant objective. The Consultancy for the preparation of evaluation methodology and monitoring of gender issues in the MATOPIBA region, which included a Monitoring Plan named Methodology for evaluating and monitoring gender issues and their long-term impacts on the soy production chain in the project region, was finalized in June 2018. The recommended actions and corresponding monitoring have not yet been followed up by the project team.

* **Stakeholder involvement**

1. The project has concentrated efforts in engaging a diverse group of stakeholders since the beginning of the project, with gains and setbacks, and polarization of interests. A Stakeholder Assessment was conducted in 2018, producing key recommendations for stakeholder involvement. Government institutions, national, international and community-based CSO organizations, producers, traders, financial institutions, consumer groups, GEF implementing agencies: all have been approached in one way or another by the Project. As for the government institutions, the Ministry of Agriculture has taken a prominent role in the Project, replacing the Ministry of Environment in the face of changes in the political environment. Likewise, the state agricultural and environmental agencies in Tocantins and Bahia, and EMBRAPA have become strategic partners. The building of confidence and trust among an array of highly dissimilar groups of stakeholders has proven to be a challenging and lengthy process, but with a balance of favorable results despite the opposing views of some stakeholders and implementing partners.
2. Throughout the first two years, alignments and misalignments of organizations have taken place. One of the gains was the consolidation of the MATOPIBA Coalition, a CI-created forum under another initiative, composed of CSO organizations and entities of the soy supply chain who adhered to project objectives in 2018. The project also approached the Cerrado Working Group, comprised by large soybean trading companies, international consumer companies, civil society organizations and government representatives. Because of differentiated conceptual interests between the zero deforestation[[16]](#footnote-16) and reduced legal deforestation approaches, CI discontinued participating in this group. On the other hand, an instrumental organization and implementing partner representing producers, the Brazilian Rural Association (SRB for its acronym in Portuguese), retired from the Project in April 2019 as a consequence of the new political backdrop of the Bolsonaro government. Producers in general became reluctant to join the project, impacting relationships between CI and producers. Community-based organizations and supporters, such as ISPN (implementers of the Small Grants Program in Brazil), felt discouraged to continue their participation in the project due to significant social conflicts existing between communities and large producers of the region, particularly in the State of Bahia.[[17]](#footnote-17)
3. As for public institutions, the Ministry of Agriculture, following the unfavorable political environmental changes of the Bolsonaro government, became an important ally, and currently participates as the highest authority representing the Federal government on the Project Board. As part of this Ministry, EMBRAPA, a respected public enterprise in charge of agricultural research, embraced the project at the end of 2019. Its consolidated ABC Program, launched in 2010 with the aim of mitigating climate change through the agricultural sector, has become a strategic pillar, complementing project actions directly in Outcome 2. Likewise, and after long negotiations, alliances crystallized between the state environmental agencies in Tocantins and Bahia and CI during 2018, gave rise to the strengthening of the implementation process of the CAR system under the Forest Code. More recently, in October 2019, and under the leadership of Tocantins’s current Secretary of Agriculture, a Protocol of Intentions was signed among the four Secretaries of Agriculture of the MATOPIBA Region, aimed at the creation of a Consortium. The objectives of this consortium would include collaboration for research, rural and environmental extension, and support to agribusiness and family agriculture. Important results from the engagement of public institutions have been crucial for the Project.
4. Partnerships and alliances within a complex region and among varied interests have been a great challenge undertaken by the project; nonetheless, they can be a source of fruitful networking contributions to the project objectives in the mid to the long term.

* **Reporting**

1. Reporting of project meetings, lessons learned, and knowledge products can be improved in various aspects. Reporting requirements regarding minutes of all meetings, Quarterly Reports and PIRs have been generally fulfilled by the project team. A wealth of experiences, assessments and studies have been accumulated and have benefitted the project, however they need to be disseminated. The project is envisioned to contribute to the GGP global child project Adaptive Management & Learning (A&L). A challenge in this regard remains to be addressed.
2. Quarterly and Project Implementation Reports (PIR) as well as of meetings of the different bodies of governance, have been adequately reported. Nevertheless, they have been general in some aspects that would have required more detailing as per the richness of the analysis and discussions of intervening parties. Adaptive management measures, for example, have been discussed during Project Board meetings, but it would have been advisable to record more information derived from these meetings, given the high-level discussions carried out by the intervening parties from the government, UNDP and project team.
3. The reviewer has encountered a great number of lessons learned, assessments and studies that have been accumulated and have benefitted the project. However, these need to be disseminated and opportunities to do so exist, for example, through the various knowledge products and the platform *Evidensia*, for which the A&L child project has requested inputs. Also, the project has missed out on opportunities for contributing to publications and papers, such as the global publication on gender mainstreaming and the yearly GGP Highlights Report, and to an article on lessons learned related to integration of the Good Growth Partnership. Being a pilot project, one of the most important aspects derived from project execution is, in fact, the dissemination of information and sharing of lessons learned. These opportunities for reporting and disseminating the wealth of knowledge and lessons learned from the Project need to be maximized.

* **Communications**

1. The Project does not have a communication strategy or plan directed towards stakeholders and the public, in order to disseminate the good results, studies, and progress, and raise awareness. Project activities are mostly covered by public institutions and sometimes by partners in their webpages. Public awareness of the risks posed by the escalating deforestation in the Cerrado is not as explicit as for the Amazon region. In this line, the Project could be more active in raising awareness on the importance and the stakes at risk related to the Cerrado biome and farmers’ productivity (environmental services such as water provision and resilience to climate change are better understood). A robust and dynamic web page with updated information on project progress, providing technical publications and the rich analytical tools and data already produced by CI - but unknown to stakeholders or the public, can still be developed. Additionally, the Project Document or a good summary must be made available in the Portuguese language.
2. On the other hand, enhanced communication of UNDP with government counterparts (when feasible) and other implementing agencies is critical to align project execution.
3. At the level of stakeholders, it appears that an overall communicational leadership is missing, as expressed by interviewees in terms of project coordination in an integrated manner to avoid overlaps and build synergies. The Project team could have a leading role in proactively ensuring that parties have access to information such as assessments, studies, maps, analysis, activities, and actions. Stakeholders interviewed emphasized the need for the Project to publish, conduct more seminars, and be more transparent.
4. On the other hand, it has been recognized that communication among implementing partners has improved throughout the last two years. Communication at the global level within the community of practice could also be improved through active participation of the Project in the activities and knowledge products under the A&L child project. The Project should develop a strategy of communication that considers implementing partners, implementing agencies, and UNDP. A common message and the sharing of information with stakeholders and the public would enhance project sustainability.
5. The report with conclusions of the workshop held this year on March 6, 2020, on the integration of partners and implementing agencies, points out that implementing partners need to work together to strengthen their common narrative and connect with farmers through climate change and water issues.
6. Regarding gender aspects, reports and minutes describe gender-disaggregated information as required. However, a rather sensitive observation was made concerning the demand for women’s voices to be appreciated during meetings and workshops. Proactively asking for their participation and paying attention to their inputs will contribute to the approach of equal opportunities regarding women’s experience and expertise. Also, the project would benefit from publications on gender, for instance on outstanding women, whether in the field, conservation, research, technical, management, or administrative areas of the agricultural sector. The project could convey the gender mainstreaming approach to other parties with whom CI has signed agreements or sub-contracts. It was observed that agreements or contracts do not integrate gender approaches. It would be recommended to permeate and enhance the gender balance within the project and its executing activities, and in public outreach.

#### **4.4 Sustainability. Rating**: **ML**

* **Project risk and mitigation measures were analyzed, per type.**

**Financial risks**

1. State government budgets to continue the support provided to OEMAS to ensure compliance with the Forest Code, including the plans for restoration and for surveillance of the territory, is a concern. Likewise, the continuity of the funding for the meetings of the MATOPIBA Coalition is uncertain. CI has already expressed their willingness to identify funds through sources other than GEF in order to continue the efforts undertaken by the Project in MATOPIBA. UNDP has also expressed their willingness to support the leveraging of funds for the project continuity. Other organizations and implementing partners who are engaged in the protection of the Cerrado Biome would be key to consolidating and sustaining some of the Project outcomes, perhaps through different approaches.

**Socio-economic risks**

1. Polarization in the political context is the most important risk identified by the Project. Resistance by producers’ associations, derived from the new government’s political approach to environmental and CSO associations, is one of the most significant limitations for the Project. The Project approached the state environmental secretaries of Tocantins and Bahia, who, along with the Ministry of Agriculture, have shown a significant level of engagement and ownership. These institutions recognize the importance of sustaining the efforts made by the project. Other stakeholders, such as national and international CSOs that have been addressing MATOPIBA’s high rates of deforestation, show a substantial engagement with sustainable soy production, although with some conceptual differences in particular cases. Lessons learned are numerous, but little is registered or shared with interested parties, including the A&L child project, and this would be the basis for future tailor-designed initiatives in the MATOPIBA region.
2. Economic risks not identified in project design relates to market prices. Farms under sustainable soy production may not be able to internalize the costs of producing under legal and/or sustainable terms without being compensated by the market. The demand side, along with transactional and financial sectors may, on the other hand, respond to increased public awareness on deforestation impacts, aiding in the financing of environmentally and socially friendly farms.

**Institutional framework and governance risks**

1. Within the project framework, activities for the validation and regularization of properties under the Forest Code are at high risk, given that there are no deadlines for compliance. Thus, the reluctance of producers to comply with regularization plans when they are under no legal obligation poses an important limitation to continuing project efforts and objectives. Supporting the state environmental agencies in improving their operations, methodologies and technical equipment in order to implement the CAR and PRA under the Forest Code will be important to sustaining projects efforts. Policies that aid in achieving effective compliance at the state level and in monitoring the system will also contribute to mitigating this risk. Nevertheless, the sustainability of the technical human resources that the project has provided to the State Environmental Secretaries to assimilate CAR responsibilities will be uncertain. The MATOPIBA Coalition, together with stakeholders and other parties, could play an important role by developing a plan for the sustainability of MATOPIBA and of their Coalition, as well. Supporting and reinforcing the consortium being formalized by the state environmental and agricultural secretaries of the MATOPIBA Region could be a way of building a strong leadership toward sustainability in MATOPIBA. To effectively present, discuss and advocate for policies being prepared by CI will be a way of mitigating this risk.

**Environmental risks**

1. Critical risks were identified in project design and are reconfirmed in this MTR in reference to i) Leakage of illegal deforestation through clearing that will take place in other regions and ii) conflicts over access to water. Effective monitoring of vegetation coverage by the government and CSOs might alert to this fact so that it is incorporated into future projects. Conflicts over water access need to be identified, and the information incorporated into the indicators to be monitored and used by the demand and transactional child projects. Other environmental factors related to climate change pose a risk to project sustainability due to a rise in temperature, variation in rainfall, and extreme weather events. Farmers may clear native vegetation to compensate for the losses.

### CONCLUSIONS AND RECOMMENDATIONS

#### **5.1 Conclusions**

1. The Theory of Change is based to a significant extent on compliance with the Brazil Forest Code and on local government capacities to enforce it. Project assumptions may have overlooked sensitive dynamics of producers, governments, and CSOs, and the fact that other drivers and conditions could have exerted the expected results if given more preponderance. Among these other drivers and conditions are: the cost-effectiveness of new agricultural technologies advanced by EMBRAPA, the strengthening of institutional capacities of OEMAS, and greater emphasis on transactional and demand drivers.
2. The assumption that the rural environmental registry (CAR) would prove to be an effective monitoring tool and that deforestation rates would decrease cannot be confirmed until the system operates effectively and farms start implementing plans for regularization, a complex process that can take several years.
3. Evidence points to the fact that there was insufficient time or resources for the preparation phase. State environmental secretaries were not consulted and the *Sociedad Rural Brasileira* was not aware of some of the project targets.
4. A challenging Results Framework, with a number of unrealistic and unfeasible indicators and targets, was identified by the reviewer. Eleven (11) targets and their indicators do not sufficiently comply with SMART criteria. Moreover, there is question as to whether their achievement can be attributable to the Project.
5. Given the complexity of the MATOPIBA region, and the diversity of stakeholders involved in the project execution, it was assertive relevant to consider an open dialogue to construct a shared vision on the sustainability of MATOPIBA. However, communicational and organizational aspects remain to be improved. A lead role for coordinating multiple partners, agencies and stakeholders is lacking, and should be resolved for a more consolidated project and results.
6. Management has been generally efficient in terms of work planning, monitoring, and financial and substantive execution in the context of the multiple obstacles faced during project execution. Since 2018, there were difficulties already experienced by the project due to the negotiations of the Forest Code, with the consequent resistance by farmers to observing the Code, as it was. The Bolsonaro government made important institutional changes, impacting the Ministry of Environment and project counterparts. In addition, the President’s prejudice against environmental CSOs has been evident, also affecting producers’ positions and consequently encumbering project progress. Adaptive management has been a constant challenge in project execution, and a strength of the project at the same time.
7. Notwithstanding the complexity and setbacks of the first two years of project execution in building a shared vision on the sustainability of the MATOPIBA region among a wide range of institutions and organizations, advances have been made through the MATOPIBA Coalition and other bodies of project governance. The withdrawal from the Project of the SRB in April 2019 as an important project partner, and the distancing of the Ministry of Environment, have negatively affected Project results. However, a more aligned group of stakeholders and partners is now integrated by the Ministry of Agriculture, Livestock and Supply (MAPA), EMBRAPA, state environmental and agricultural agencies, and multiple CSO organizations.
8. One successful measure of the adaptive management of the Project was to build a stronger collaboration with the Ministry of Agriculture, Livestock and Supply (MAPA) and the state environmental secretaries. EMBRAPA, as part of MAPA, is serving as intermediary with producers, an essential role for project execution after SRB’s withdrawal. The collaboration with EMBRAPA to support the ABC loans to farmers, directed at low-carbon, high productivity and better water management practices, has been of great significance. A newly created Program, ABC Soy, is the result of Project collaboration with EMBRAPA which is a key government counterpart for the project execution and sustainability.
9. Cooperation Agreements between CI Brazil and the state environmental agencies SEMARH/Naturatins (Tocantins state) and SEMA/INEMA (Bahia state) during 2018 are directed at accelerating the analysis and validation of properties registered in SICAR, which is a critical step to fostering the CAR and restoration plans. However, there are delays with respect to CAR-related project targets, with consequent delays in other results and objectives.
10. The support given to the State of Tocantins’s Agricultural Secretary to develop an Alliance with the other state agricultural and environmental secretaries of Bahía, Maranhão, and Piaui represents an important opportunity to contribute to the sustainability of project results.
11. The Project Document indicates that this child project will be responsible for overall program coordination among the different child projects in order to, among other objectives, ensure a clear identity for the IAP. Component 4, Supply Chain Integration, includes specific activities to be implemented by WWF (Demand child project) and IFC-UNEP-FI (Transactions and Finance child projects). Close coordination, including planning and reporting activities integrating outputs under the responsibility of the other child projects, needs to be fulfilled according to project document:

**Paragraph No. 182:**

*CI will be responsible and accountable for managing this project, including for the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources, including coordination of the implementation by both WWF and the International Finance Corporation (IFC), both responsible parties for particular activities within this project and within their own respective projects*.

**Paragraph No. 186:**

*CI will have full management responsibility for the entire project.*

**Furthermore, the terms of reference of the Project Manager** points out that he/she will:

*Engage with project implementation partners of the Demand and Transaction components with respect to project execution and ensure the integration of activities within the logic of the project.*

1. The project is producing crucial data and information regarding areas or farms recommended for environmental and socially-friendly soy sourcing. These outputs need to be accelerated to provide traders, financial institutions with precise and timely information. The project may be able to contribute to safeguarding traditional communities in agreement with local governments, farmers, and traders, as suggested in the annotated and updated version of the Project Results Framework. Given the current socio-political context by the new government of Brazil, it is not probable that safeguards will be agreed at the federal level as indicated by the AMTROPICA assessment.
2. The financial execution of the project as of January 2020 is 57.46% showing a moderate delay. The main lag in execution is in Outcome 2, Farmer Support Systems. The audits reveal that the project has proven to be efficient in its management, has maintained satisfactory internal controls and has made appropriate use of the funds. The limited budget execution is duly justified by emerging barriers and circumstances confronted by the Project. In the early stages, and as shown in the PIRs, the Project Team observed high transactional costs of coordination and meetings. It was noted that as of January 2020, the Project had spent almost all of the budget allocated for Project Management.
3. The MATOPIBA Coalition will be key as to influence traders’ decision-making processes concerning responsible commodities production and sourcing.
4. The monitoring of gender issues is a pending task. The project is categorized by UNDP as Gender Marker 2, which implies the inclusion of activities that have gender equality as a significant objective. Although the Gender Assessment finalized in 2018 included recommended actions and the corresponding monitoring of gender indicators, these actions have not yet advanced.CI is building a strategy for implementing gender-focused actions for 2020 and 2021 with support from the UNDP CO Gender Officer and key project actors.
5. The reviewer encountered a great number of lessons learned, assessments and studies produced by the Project; however, they need to be disseminated. Opportunities to do so exist, for example, through contributions to the various knowledge products and the platform *Evidensia*, managed by the GGP global A&L child project. The project has missed opportunities for contributing to publications and papers such as the global publication on gender mainstreaming and the yearly GGP Highlights Report, as well as other knowledge products.
6. The project is not on track to achieve the project objective within the project timeline and based on the target of reducing deforestation by 1,000 km2 by the end of the project. It must be borne in mind that the outcome indicators as designed may need to be revised, not only because of the national environmental political context, but also because they have proven to be unsuitable, unrealistic or unfeasible to achieve within the project timeline.
7. Project results can be improved in the coming months as there are ongoing efforts to attain them. Nevertheless, there are time constraints that need to be addressed to effectively deliver results that can be further developed benefiting farms, government and stakeholders, even after the project ends. Project results might not be seen in the coming months, but rather in the mid and long term.

#### **5.2. Recommendations**

| **#** | **Recommendations** | **Justification** | **Responsible entity(ies)** |
| --- | --- | --- | --- |
| **Corrective actions for the design, implementation, monitoring and evaluation of the project** | | | |
| 1 | Revise outcome indicators and targets to correspond to the SMART criteria, adaptive management measures, time constraints, and political context. | Several outcome indicators and targets are ambitious and not suitable. Also, the political context has affected project execution. | CI, UNDP CO, Regional Technical Center. |
| 2 | Revise the Matrix of project risks. | Higher and new risks were identified by the reviewer | UNDP CO  Regional Technical Center. |
| 3 | Revise project budget | According to the adaptive management measures undertaken by the project, and the recommendations of this MTR, a budget revision may be needed. Also, because the currency exchange, US Dollars to Brazil *Reais*, has significantly increased during project execution. | UNDP CO, CI, and Project Board.  UNDP Regional Technical Center (for approval). |
| 4 | Oversee project implementation more closely, and enhance communication with CI. | Next phase may require more effective communication with CI and support to undertake some of the recommended actions | UNDP CO |
| 5 | Clarify and discuss with the other implementing agencies (IFC, WWF, and UNDP-FI) the role of the Project Management Unit concerning overall project coordination in terms of the integrated approach. | Outlined in the ProDoc (paragraphs # 182 and 186) and detailed in paragraph 22 of this MTR. | CI with support of UNDP CO. |
| 6 | Support CI in bringing together the other implementing agencies (IFC, WWF, UNEP-FI) for the construction of a joint plan for the remaining months of the project. | UNDP can contribute to convening and catalyzing interests and responsibilities under the project objectives as the GEF implementing agency of this project. | UNDP CO |
| 7 | Foster synergies and knowledge sharing with other GEF supported projects including the SGP, World Bank projects, as well as with the Brazil’s REDD+ Strategy, (when suitable and feasible) as mentioned in paragraphs #49 and # 84 of this MTR and as indicated in the Project Document. | The experience, studies and advances of other projects with similar objectives may benefit this Brazil child project. | UNDP CO, CI |
| 8 | Integrate EMBRAPA in the Project Board together with MAPA for successful project execution and sustainability. | EMBRAPA is fundamental due that farmers highly trust this public enterprise and because of the successful ABC Programs and broader partnerships that can leverage the results of this project. The Ministry of Agriculture, Livestock, and Supply is participating in the Project Board but is not a formal member according to project design. | UNDP CO, Project Board, CI |
| 9 | Define the target for the number and size of traditional lands protected trough safeguards. | This action is critical for project monitoring and evaluation | CI |
| 10 | Extend the project execution by 6 months at no additional costs. efforts. | The project is delayed, and will need additional time to finalize key outputs. Furthermore, the COVID-19 will significantly affect project execution. | UNDP CO, UNDP Regional Technical Center |
| **Actions to follow up or reinforce initial benefits from the project** | | | |
| 11 | Reinforce capacities of Tocantins and Bahia state environment secretaries towards the implementation of the SICAR and the PRA through the ongoing project support. Also continue efforts to support the Alliance among the secretaries of environment and agriculture, | Registration, analysis, validation, and proposed restoration plans are core results to accomplish the project objective. The Alliance may contribute to the sustainability of project impacts. | CI |
| 12 | Continue and focus on the ongoing actions carried on through the MATOPIBA Coalition for the discussion and presentation to decision-makers of policies with potential long-term impacts. | This action is key to ensure project mid and long term impacts | CI |
| 13 | Continue and increase collaboration to EMBRAPA’s ABC programs aimed at stimulating the number and quality of loans. | This action could exert a significant and sustained impact in the focus area, with potential for replicability. | CI |
| 14 | Accelerate the mapping of land use, which is crucial for promoting responsible soy sourcing and protected areas. | Through this mapping of land use, the project may propose the areas under integrated management. | CI |
| 15 | Continue and reinforce the tools and mechanisms directed at traders, financial institutions, and companies involved in the soy market chain, through for example, the WBCSD Natural Capital Protocol, the Soy Toolkit developed by Proforest, or the Agroideal through TNC. | Encouraging responsible soy sourcing processes contributes significantly to achieving project objectives. | CI |
| 16 | Monitor and foster gender mainstreaming, following recommendations of the Gender Assessment conducted in 2018.  Include the gender balance approaches in future project contracts and agreements.  Provide spaces and attention to women’s contributions in project meetings and workshops. | These actions on gender ensure equal and active participation by women in the agriculture sector and within the project management. | CI |
| **Proposals for future directions underlining main objectives** | | | |
| 17 | Draft a work plan for the remaining months of project execution jointly prepared with the WWF, IFC, UNEP-FI, particularly focusing on impacts and sustainability of project outcomes. | It is critical to carry out a detailed revision of the workplan (activities and realistic deadlines), and to discuss the issue of indicators. Before the project ends, it is critical to plan for the project’s exit strategy to ensure continuity of project results, incorporating lessons learned. | CI with support of UNDP CO |
| 18 | Prepare an strategy for the sustainability of the MATOPIBA region through the MATOPIBA Coalition or other fora. | The MATOPIBA Coalition is the forum through which a strategy or project exit strategy for the sustainability of the MATOPIBA region can be prepared. Assessments and studies carried out by the project may support this strategy. | CI and the MATOPIBA Coalition |
| 19 | Elaborate and execute a strategy of communication that considers implementing partners, implementing agencies, UNDP and the public. Consider adding more information on the project webpage. | A common message and the sharing of information would enhance project understanding and sustainability by stakeholders and the public. | CI |
| 20 | In the strategy of communication, include a joint plan with EMBRAPA and Banks to effectively disseminate the good practices under the EMBRAPA’s programs, some of which have been supported by the CI Brazil child project. | It is essential to highlight the ABC soya, ABC Beef, ABC Milk, and the crop-livestock-forest integration (ILPF) programs. The farming integrated approach or diversification of their production has proven to be highly beneficial. The ABC Programs contribute to reducing deforestation in MATOPIBA, to better water and soil management, and to increase the resilience of the MATOPIBA region, along with farm productivity. | CI |
| 22 | Engage in knowledge exchange on applying the integrated supply approach through meetings of the GGP Global Secretariat and through spaces provided by the Adaptive Management and Learning child project, including the sharing of lessons learned and knowledge products. | Since this is a GEF demonstrative project, part of a global initiative, it is key to share information with the community and through the Adaptive Management and Learning child project. | CI |

**Annex 1. Terms of Reference (excluding annexes)**



Untitled-3

**BRA/17/G31 –** **Taking Deforestation Out of the Soy Supply Chain**

**UNDP-GEF Midterm Review Terms of Reference**

1. **INTRODUCTION**

This is the Terms of Reference (ToR) for the UNDP-GEF Midterm Review (MTR) of the ***full-sized*** project titled ***Taking Deforestation Out of the Soy Supply Chain***(**PIMS 5896**) implemented through ***Conservation International***, which is to be undertaken from ***June 2017 to July 2021***. The project started on the ***June 30th, 2017*** and is in beginning of its ***third*** year of implementation. In line with the UNDP-GEF Guidance on MTRs, this MTR process was initiated before the submission of the second Project Implementation Report (PIR). This ToR sets out the expectations for this MTR. The MTR process must follow the guidance outlined in the document *Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance\_Midterm%20Review%20\_EN\_2014.pdf.*

**2. PROJECT BACKGROUND INFORMATION**

The project was designed to reduce the threat to biodiversity, pressures on high conservation value forests, and GHG emissions that the advancing agricultural frontier is posing in the MATOPIBA region, by promoting a dialogue to build a shared vision on sustainable landscapes among key stakeholders - government, companies, civil society and the productive sector- and fostering the development of solutions to implement this vision, such as restoration practices, strengthening of local government capacities and a system to support soy producers in adopting best agricultural practices. The project will focus on the west of Bahia and central Tocantins. This is in line with the overall IAP, whose program goal is to implement a supply chain approach to solve underlying root causes of deforestation from agriculture commodities. The total project funding is of USD 6.6 million planned to be implemented in activities to be carried out until June 2021. This is a GEF funded project, with the United Nations Development Program (UNDP) as the implementing agency and Conservation International (CI) as the Executing Agency in partnership with multiple stakeholders***.***

**3. OBJECTIVES OF THE MTR**

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on-track to achieve its intended results. The MTR will also review the project’s strategy and its risks to sustainability.

**4. MTR APPROACH & METHODOLOGY**

The MTR must provide evidence-based information that is credible, reliable and useful. The MTR consultant will review all relevant sources of information including documents prepared during the preparation phase (i.e. PIF, UNDP Initiation Plan, UNDP Environmental & Social Safeguard Policy, the Project Document, project reports including Annual Project Review/PIRs, project budget revisions, lesson learned reports, national strategic and legal documents, and any other materials that the team considers useful for this evidence-based review). The MTR consultant will review the baseline GEF focal area Tracking Tool submitted to the GEF at CEO endorsement, and the midterm GEF focal area Tracking Tool that must be completed before the MTR field mission begins.

The MTR consultant is expected to follow a collaborative and participatory approach[[18]](#footnote-18) ensuring close engagement with the Project Team, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), UNDP-GEF Regional Technical Advisers, and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR. Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to: representatives from the executing agency and from the project´s Steering Committee, senior officials and task team/ component leaders, key experts in the subject area, project stakeholders and academia. Additionally, the MTR consultant is expected to conduct, at a minimum, two field missions to Brasília and Rio de Janeiro, Brazil (additional localities may be chosen as necessary to ensure a high quality and comprehensive evaluation)

The final MTR report should describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review.

**5. DETAILED SCOPE OF THE MTR**

The MTR consultant will assess the following four categories of project progress. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for extended descriptions.

**i. Project Strategy**

Project design:

1. Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.
2. Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?
3. Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?
4. Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?
5. Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance for Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.
6. If there are major areas of concern, recommend areas for improvement.

Results Framework/Logframe:

1. Undertake a critical analysis of the project’s logframe indicators and targets, assess how “SMART” the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and Outcome-level indicators as necessary, while ensuring that there is no reduction in the level of ambition of the indicators.
2. Are the project’s objectives and outcomes or components clear, practical, and feasible within its time frame?
3. Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e. income generation, gender equality and women’s empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.
4. Ensure broader development and gender aspects of the project are being monitored effectively. Develop and recommend SMART ‘development’ indicators, including sex-disaggregated indicators and indicators that capture development benefits.

**ii. Progress Towards Results**

Progress Towards Outcomes Analysis:

1. Review the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and following the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*; colour code progress in a “traffic light system” based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as “Not on target to be achieved” (red).
2. Assess how effective the project has been integrating its work with the other child projects as this is part of a global program.
3. Assess the effectiveness of the integration between the production, demand and transactions work in Brazil and to make any necessary recommendations to improve this as needed, within this child project.

**Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project Strategy** | **Indicator[[19]](#footnote-19)** | **Baseline Level[[20]](#footnote-20)** | **Level in 1st PIR (self- reported)** | **Midterm Target[[21]](#footnote-21)** | **End-of-project Target** | **Midterm Level & Assessment[[22]](#footnote-22)** | **Achievement Rating[[23]](#footnote-23)** | **Justification for Rating** |
| **Objective:** | Indicator (if applicable): |  |  |  |  |  |  |  |
| **Outcome 1:** | Indicator 1: |  |  |  |  |  |  |  |
| Indicator 2: |  |  |  |  |  |
| **Outcome 2:** | Indicator 3: |  |  |  |  |  |  |  |
| Indicator 4: |  |  |  |  |  |
| Etc. |  |  |  |  |  |
| **Etc.** |  |  |  |  |  |  |  |  |

**Indicator Assessment Key**

|  |  |  |
| --- | --- | --- |
| Green= Achieved | Yellow= On target to be achieved | Red= Not on target to be achieved |

In addition to the progress towards outcomes analysis:

1. Compare and analyse the GEF Tracking Tool at the Baseline with the one completed right before the Midterm Review.
2. Identify remaining barriers to achieving the project objective in the remainder of the project.
3. By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

**iii. Project Implementation and Adaptive Management**

Management Arrangements:

* Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
* Review the quality of execution of the Executing Agency/Implementing Partner(s) and recommend areas for improvement.
* Review the quality of support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.

Work Planning:

* Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.
* Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results?
* Examine the use of the project’s results framework/ logframe as a management tool and review any changes made to it since project start.

Finance and co-finance:

* Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
* Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.
* Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
* Informed by the co-financing monitoring table to be filled out, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Project-level Monitoring and Evaluation Systems:

* Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?
* Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?

Stakeholder Engagement:

* Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
* Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
* Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?

Reporting:

* Assess how adaptive management changes have been reported by the project management and shared with the Project Board.
* Assess how well the Project Team and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
* Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

Communications:

* Review internal project communication with stakeholders: Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?
* Review external project communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)
* For reporting purposes, write one half-page paragraph that summarizes the project’s progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.

**iv. Sustainability**

* Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
* In addition, assess the following risks to sustainability:

Financial risks to sustainability:

* What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project’s outcomes)?

Socio-economic risks to sustainability:

* Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long term objectives of the project? Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

Institutional Framework and Governance risks to sustainability:

* Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

Environmental risks to sustainability:

* Are there any environmental risks that may jeopardize sustenance of project outcomes?

**Conclusions & Recommendations**

The MTR consultant will include a section of the report setting out the MTR’s evidence-based conclusions, in light of the findings.[[24]](#footnote-24)

Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report’s executive summary. See the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for guidance on a recommendation table.

The MTR consultant should make no more than 15 recommendations total.

**Ratings**

The MTR consultant will include its ratings of the project’s results and brief descriptions of the associated achievements in a *MTR Ratings & Achievement Summary Table* in the Executive Summary of the MTR report. See Annex E for ratings scales. No rating on Project Strategy and no overall project rating is required.

**Table. MTR Ratings & Achievement Summary Table for BRA/17/G31 – Taking Deforestation Out of the Soy Supply Chain**

|  |  |  |
| --- | --- | --- |
| **Measure** | **MTR Rating** | **Achievement Description** |
| **Project Strategy** | N/A |  |
| **Progress Towards Results** | Objective Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 1 Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 2 Achievement Rating: (rate 6 pt. scale) |  |
| Outcome 3 Achievement Rating: (rate 6 pt. scale) |  |
| Etc. |  |
| **Project Implementation & Adaptive Management** | (rate 6 pt. scale) |  |
| **Sustainability** | (rate 4 pt. scale) |  |

1. **TIMEFRAME**

The total duration of the MTR will be approximately 30 working daysover a time period of *12* weeks, and shall not exceed five months from when the consultant(s) are hired. The tentative MTR timeframe is as follows:

|  |  |
| --- | --- |
| **TIMEFRAME** | **ACTIVITY** |
| *18/12/2019* | Application closes |
| *27/12/2019* | Select MTR consultant |
| *06/01/2020* | Prep the MTR consultant (handover of Project Documents) |
| *10/01/2020* | Document review and preparing MTR Inception Report\* |
| *16/01/2020* | Finalization and Validation of MTR Inception Report- latest start of MTR mission |
| *14/01/2020 to 28/01/2020* | MTR mission: stakeholder meetings, interviews, field visits |
| *29/01/2020* | Mission wrap-up meeting & presentation of initial findings- earliest end of MTR mission |
| *11/02/2020* | Preparing draft report |
| *18/02/2020* | Incorporating audit trail from feedback on draft report/Finalization of MTR report |
| *27/02/2020* | Preparation & Issue of Management Response |
| *12/03/2020* | Expected date of full MTR completion |

\* Options for site visits should be provided in the Inception Report.

|  |  |  |
| --- | --- | --- |
| **ACTIVITY** | **NUMBER OF WORKING DAYS** | **COMPLETION DATE** |
| Document review and preparing MTR Inception Report (MTR Inception Report due no later than 2 weeks before the MTR mission) | *4 days* | *10/01/2020* |
| MTR mission: stakeholder meetings, interviews, field visits | *10 days* | *28/01/2020* |
| Presentation of initial findings- last day of the MTR mission | *1 day* | *29/01/2020* |
| Preparing draft report (due within 3 weeks of the MTR mission) | *10 days* | *11/02/2020* |
| Finalization of MTR report/ Incorporating audit trail from feedback on draft report (due within 1 week of receiving UNDP comments on the draft) | *5 days* | *12/03/2020* |

1. **MIDTERM REVIEW DELIVERABLES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **#** | **Deliverable** | **Description** | **Timing** | **Responsibilities** |
| **1** | **MTR Inception Report** | MTR consultant clarifies objectives and methods of Midterm Review | No later than 2 weeks before the MTR mission | MTR consultant submits to the Commissioning Unit and project management |
| **2** | **Presentation** | Initial Findings | End of MTR mission | MTR Consultant presents to project management and the Commissioning Unit |
| **3** | **Draft Final Report** | Full report (using guidelines on content outlined in Annex B) with annexes | Within 3 weeks of the MTR mission | Sent to the Commissioning Unit, reviewed by RTA, Project Coordinating Unit, GEF OFP |
| **4** | **Final Report\*** | Revised report with audit trail detailing how all received comments have (and have not) been addressed in the final MTR report | Within 1 week of receiving UNDP comments on draft | Sent to the Commissioning Unit |

\*The final MTR report must be in English. If applicable, the Commissioning Unit may choose to arrange for a translation of the report into a language more widely shared by national stakeholders.

1. **MTR ARRANGEMENTS**
2. The principal responsibility for managing this MTR resides with the Commissioning Unit. The Commissioning Unit for this project’s MTR is UNDP Brazil.
3. The UNDP Brazil will contract the consultants and ensure the timely provision of per diems and travel arrangements within the country for the MTR consultant, according to the options for site visits provided in the Inception Report.
4. The Project Team will be responsible for liaising with the MTR consultant to provide all relevant documents, set up stakeholder interviews, and arrange field visits.
5. **TEAM COMPOSITION**

A team of one independent consultant will conduct the MTR. The consultant cannot have participated in the project preparation, formulation, and/or implementation (including the writing of the Project Document) and should not have a conflict of interest with project-related activities.

The selection of consultant will be aimed at maximizing the overall “team” qualities in the following areas:

* Recent experience with result-based management evaluation methodologies;
* Experience applying SMART indicators and reconstructing or validating baseline scenarios;
* Competence in adaptive management, as applied to biodiversity;
* Experience working with the GEF or GEF-evaluations;
* Experience working in Latin America, specifically in Brazil;
* Work experience in relevant technical areas for at least 10 years;
* Demonstrated understanding of issues related to gender and biodiversity; experience in gender sensitive evaluation and analysis.
* Excellent communication skills;
* Demonstrable analytical skills;
* Project evaluation/review experiences within United Nations system will be considered an asset;
* A Master’s degree in environmental issues or natural resources management or other closely related field.

1. **PAYMENT MODALITIES AND SPECIFICATIONS**

|  |  |  |
| --- | --- | --- |
| **#** | **Deliverable** | **Payment Percentage** |
| **1** | **MTR Inception Report** | 10% of payment upon approval of the final MTR Inception Report. |
| **2** | **Draft Final Report** | 30% upon submission of the draft MTR report. |
| **3** | **Final Report\*** | 60% upon finalization of the MTR report. |

1. **APPLICATION PROCESS[[25]](#footnote-25)**
2. **Letter of Confirmation of Interest and Availability** using the [template](https://intranet.undp.org/unit/bom/pso/Support%20documents%20on%20IC%20Guidelines/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx)[[26]](#footnote-26) provided by UNDP;
3. **CV** and a **Personal History Form** ([P11 form](http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc)[[27]](#footnote-27));
4. **Brief description of approach to work/technical proposal** of why the individual considers him/herself as the most suitable for the assignment, and a proposed methodology on how they will approach and complete the assignment; (max 1 page)
5. **Financial Proposal** that indicates the all-inclusive fixed total contract price and all other travel related costs (including flights to and from his or her home country such as flight ticket, per diem, etc), supported by a breakdown of costs, as per template attached to the [Letter of Confirmation of Interest template](http://procurement-notices.undp.org/view_file.cfm?doc_id=29916). Please note that UNDP Brazil will cover in-country travel, be it by flight or vehicle, therefore it **must not be included in the financial proposal**. If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

All application materials should be sent to the following email ONLY: [***ic.procurement.br@undp.org***](mailto:ic.procurement.br@undp.org) This email address is being protected from spam bots, you need Javascript enabled to view it by December, 18th, ***2019,*** indicating the following reference “Consultant for BRA/17/G31 Midterm Review”.Incomplete applications will be excluded from further consideration.

**Criteria for Evaluation of Proposal:** Only those applications which are responsive and compliant will be evaluated. Offers will be evaluated according to the Combined Scoring method – where the educational background and experience on similar assignments will be weighted at 70%and the price proposal will weigh as 30% of the total scoring. The applicant receiving the Highest Combined Score that has also accepted UNDP’s General Terms and Conditions will be awarded the contract.

Individual consultants are invited to submit applications together with their CV for this process. The application should contain a current and complete CV in English with indication of the e‐mail and phone contact, as well as a price offer (in US Dollars) indicating the total cost of the assignment.

The CV and the proposed price must be submitted in separate files. Noncompliance with this provision will cause the application to be disregarded.

UNDP applies a fair and transparent selection process that will take into account the competencies/skills of the applicants as well as their financial proposals. Qualified women and members of social minorities are encouraged to apply.

The consultant shall have prior experience in evaluating similar projects. Experience with GEF financed projects is an advantage. The evaluator selected should not have participated in the project preparation and/or implementation and should not have conflict of interest with project related activities.

The consultant must present the following qualifications:

Mandatory criteria:

* Master’s degree in environmental issues or natural resources management or other closely related field.
* Minimum 10 years of relevant professional experience in relevant technical areas;
* Recent experience with results‐based monitoring evaluation methodologies;
* Experience applying SMART indicators and reconstructing or validating baseline scenarios
* Experience working in Latin America.
* Technical knowledge in the targeted focal area(s);
* Fluency in English with excellent writing skills.
* Proficiency in Spanish or Portuguese, with preference for Portuguese;

Qualifying criteria:

* Post-Graduate in related areas of the TOR;
* Project evaluation/review experiences within United Nations system
* Experience of working on GEF or GEF evaluations, especially with Biodiversity;
* Experience with biodiversity and gender sensitive evaluation and analysis;
* Experience working in Brazil.

**Evaluation Procedure**:

The final criteria for this selection process will be **technical capacity** and **price**.

Individual consultants will be evaluated based on a cumulative analysis taking into consideration the combination of the applicants’ qualifications and financial proposal. The award of the contract shall be made to the individual **consultant whose offer has been evaluated and determined as:**

**a. Classification of technical qualification (cv)**

The maximum score in TECHNICAL QUALIFICATION is 100 points.

Analysis of the CV regarding compliance with the mandatory requirements specified in these Terms of Reference. Candidates who do not meet the minimum mandatory criteria described herein will be disqualified at this stage.

|  |  |  |  |
| --- | --- | --- | --- |
| **CRITERIA** | **SCORE** | **WEIGHT** | **SUBTOTAL** |
| **CV Evaluation** | | | |
| **Post-Graduate in related areas of the TOR.**  (Doctorate: 05 points; Master: 03 points; Specialization: 02 points) | 0 to 5 | 2 | 10 |
| **Experience** | | | |
| **Project evaluation/review experiences within United Nations system.** | 0 to 5 | 6 | 30 |
| 05 years or more: 05 points; Less than 05 years: 03 points; Less than 02 years: 01 point |
| **Experience of working on GEF evaluations, especially with Biodiversity**. | 0 to 5 | 6 | 30 |
| 01 point per evaluation report |
| **Experience with biodiversity and gender sensitive evaluation and analysis.**  (04 years or more: 05 points; Less than 04 years: 03 points; Less than 2 years: 01 point). |  | 3 | 15 |
| **Experience working in Brazil.** |  |  |  |
| 04 years or more: 05 points; Less than 04 years: 03 points; Less than 2 years: 01 point | 0 to 5 | 3 | 15 |
| **Total** |  |  | **100** |

**b. Classification of Financial Proposals (Price) – Final**

Only the financial proposals (price) of candidates who attain **a final Score of 70 points or higher in the TECHNICAL CLASSIFICATION** will be taken into consideration.

The Final Score—FS—of the process will be reached by the sum of the **final Technical Score—TS multiplied by a factor of 0.70**, and the **Price Proposal score—PS—multiplied by a factor 0.30**, i.e.:

FS = TS x 0.70 + PS x 0.30

The **PS** score will be calculated according to the following formula:

**PS = 100 x LPP / Ppe**

Where:

PS = score of the price proposal

LPP = lowest price proposal

Ppe = price proposal under evaluation

The lowest price proposal will score one hundred (100).

**The proposal achieving the highest final score will be selected.**

----------------------------

### Annex 2. Midterm Review Evaluative Matrix Template

|  |  |  |  |
| --- | --- | --- | --- |
| **Evaluative Questions** | **Indicators** | **Sources** | **Methodology** |
| **Project Strategy: To what extent is the project strategy relevant to country priorities, country ownership, and the best route towards expected results?** | | | |
| How relevant is the Project from your point of view? | The level of alignment of the Project with country policies, programs, and plans. | Project documents, other documents, interviews, project staff, project partners. | Analysis of minutes, Prodoc and other documents related to Brazil’s international engagements in climate change, biodiversity, and other. Also, interviews with project staff and stakeholders. |
| How is the Project design in terms of the strategy and the Results Framework? | The degree of coherence between the outputs, targets and indicators and Project objective and Strategy | Project results framework  MATOPIBA’s historical background  Project budget | Prodoc analysis, interviews |
| To what extent are the indicators realistic? | Level of competency of project executing agency responsible for project execution timeframe needed to achieve particular targets. | ProDoc, interviews of project staff | ProDoc analysis, interviews, analysis of news and articles about MATOPIBA and the Amazon. |
| **Progress Towards Results: To what extent have the expected outcomes and objectives of the project been achieved thus far?** | | | |
| What are the Project achievements up to the present? | Percentages of output progress, number of outputs and outcomes achieved or on track | PIRs, QORs, interviews, project products | Analysis of data and reports, interviewing stakeholders and project staff |
| What have been the obstacles or problems faced by the Project? | Number and type of obstacles | PIRs, QORs, interviews |  |
| How has been the role of partners? | Number of partners and type of engagement with the project | PIRs, QORs, interviews | Analysis of reports, interviews of stakeholders and project staff. Agreements, products generated. List of attendees. |
| **Project Implementation and Adaptive Management: Has the project been implemented efficiently, cost-effectively, and been able to adapt to any changing conditions thus far? To what extent are project-level monitoring and evaluation systems, reporting, and project communications supporting the project’s implementation?** | | | |
| To what extent has the project being well managed? | Number of complaints  Number of audit findings  Number of outputs Delays without justification  Level of progress toward project indicators  Level of financial execution | PIR, audits, interviews | Interviews, revision of webpages and ProDoc as reference. |
| How were the communications and reporting conducted by the Project? | Number of communications, number of complaints by project partners. | PIRs, QORS, minutes | Revision of PIRs, QORs and minutes, interviews |
| How are external communications being undertaken? | Number of complaints  Percentage of stakeholders requesting publications or other means of exchanging information and knowledge. | Interviews, webpage, minutes | Analysis of webpages, interviews of staff and stakeholders |
| **Sustainability: To what extent are there financial, institutional, socio-economic, and/or environmental risks to sustaining long-term project results?** | | | |
| Will the Project results be sustained after the Project ends, why? Why not? | Number of findings of unsustainable outputs and results  Number of findings of sustainable results | PIRs, QORS, minutes, interviews of stakeholders | Analysis of PIRs and QORs  Interviews of stakeholders, and presentations. |
| Are there financial constraints for adequate project execution? | Quantities being allocated to each output and activities. | Project budget, PIRs, combined delivery reports | Analysis of project budget against budget execution,  Interviews of stakeholders and project staff |
| What are some of the adaptive management measures taken by Project team so far? | Number of adaptive measures identified | PIRs, QORS, minutes, interviews of stakeholders | Analysis of PIRs and QORs  Interviews with stakeholders, and presentations. |

### 

### Annex 3. Example Questionnaire or Interview Guide used for data collection

What is the interviewee´s current involvement in the Project?

How well is the Project document known by the interviewee?

How is the Project design in terms of the strategy and the Results Framework?

How relevant is the Project from your point of view?

To what extent are the indicators realistic?

What are the Project achievements up to the present?

What have been the obstacles or problems faced by the Project?

How has been the role of partners?

To what extent has the project been well managed?

How are the communications and reporting conducted by the Project?

How are synergies being managed by the Project?

How are external communications being undertaken?

Will the Project results be sustained after the Project ends, why? Why not?

Are there financial constraints for adequate project execution?

What are some of the adaptive management measures taken by Project team so far?

If it would have been possible to go back in time, what is it that could or should have been changed?

### Annex 4. Ratings Scales

|  |  |  |
| --- | --- | --- |
| **Ratings for Progress Towards Results:** (one rating for each outcome and for the objective) | | |
| 6 | Highly Satisfactory (HS) | The objective/outcome is expected to achieve or exceed all its end-of-project targets, without major shortcomings. The progress towards the objective/outcome can be presented as “good practice”. |
| 5 | Satisfactory (S) | The objective/outcome is expected to achieve most of its end-of-project targets, with only minor shortcomings. |
| 4 | Moderately Satisfactory (MS) | The objective/outcome is expected to achieve most of its end-of-project targets but with significant shortcomings. |
| 3 | Moderately Unsatisfactory (MU) | The objective/outcome is expected to achieve its end-of-project targets with major shortcomings. |
| 2 | Unsatisfactory (U) | The objective/outcome is expected not to achieve most of its end-of-project targets. |
| 1 | Highly Unsatisfactory (HU) | The objective/outcome has failed to achieve its midterm targets, and is not expected to achieve any of its end-of-project targets. |
| **Ratings for Project Implementation & Adaptive Management:** (one overall rating) | | |
| 6 | Highly Satisfactory (HS) | Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as “good practice”. |
| 5 | Satisfactory (S) | Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for a few that are subject to remedial action. |
| 4 | Moderately Satisfactory (MS) | Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action. |
| 3 | Moderately Unsatisfactory (MU) | Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action. |
| 2 | Unsatisfactory (U) | Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management. |
| 1 | Highly Unsatisfactory (HU) | Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management. |

|  |  |  |
| --- | --- | --- |
| **Ratings for Sustainability:** (one overall rating) | | |
| 4 | Likely (L) | Negligible risks to sustainability, with key outcomes on track to be achieved by the project’s closure and expected to continue into the foreseeable future |
| 3 | Moderately Likely (ML) | Moderate risks, but expectations that at least some outcomes will be sustained due to the progress towards results on outcomes at the Midterm Review |
| 2 | Moderately Unlikely (MU) | Significant risk that key outcomes will not carry on after project closure, although some outputs and activities should carry on |
| 1 | Unlikely (U) | Severe risks that project outcomes as well as key outputs will not be sustained |

### 

### Annex 5. MTR Mission itinerary

|  |  |  |
| --- | --- | --- |
| **Name** | **Institution** | **Dates** |
| Adaptive Management and Learning  Annual Workshop | UNDP-Brazil  Facilitator: Pascale Bomzon | March 5th, 2020  Casa das Nações Unidas |
| A learning workshop to learn about GGP’s Theory of Change for Brazil child project: the success factors, the barriers and the impacts | UNDP Brazil  Facilitator: Dr.Malika Virah-Sawmy | March 6th 2020  Casa das Nações Unidas |
| Visit to Palmas, Tocantins | EMBRAPA, Tocantins Agriculture Secretary (SEAGRO), NATURATINS, Fazenda Boa Esperanza | March 8-10, 2020  Tocantins |
| Visits in Brasilia | IEB and Ministry of Agriculture | March 11, 2020 |
| Interviews (phone calls) | Listed in Annex 6. | March 11-13, 2020  Casa das Nações Unidas |

Note: The MTR mission combined partial participation in two GGP A&L workshops held at the UNDP – Brazil office on the 5th and 6th March, and participation in a GEF Sec Learning Mission in Palmas and Brasilia.[[28]](#footnote-28) A field trip to Tocantins from March 8-10 included presentations by local government agencies and a visit to the *Boa Esperanza* Farm. Thereafter the reviewer was able to benefit from various presentations by local stakeholders and project partners related to project execution in Tocantins. Interviews were carried out combining interviews in a face-to-face manner and through conference calls. Additionally, informal conversations with the GGP workshop participants were also a means of gathering information, but were not counted as formal or complete interviews, given the time constraints.

### Annex 6. Names and positions of Stakeholders interviewed

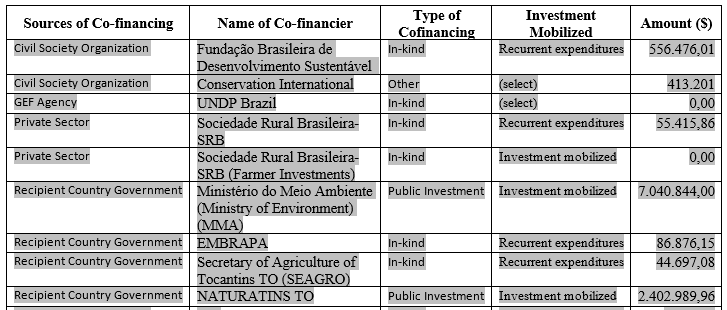
|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Institution or organization** | **Position** | **Date** |
| Haroldo Machado | UNDP | Senior Advisor | March 5th, 2020, 10:30 am |
| Karine Barcelos | CI | Project Manager | March 6th, 2020, 5 pm |
| Michael Becker | Leader of the Regional Implementation Team – CEPF Cerrado | International Institute of Brasil’s Education (IEB) | March 11th, 2020, 4:30 pm |
| Raquel Costa | UNEP-FI-GGP | The Good Growth Partnership Brazil Coordinator and Environmental, social and governance (ESG) Integration Expert | March 11th, 3:00 pm. |
| Cassio Moreira | Senior Agribusiness Latin America Advisor | IFC-GGP Transactions child project | March 11th, 5:30 pm |
| Flavia Pinto | Agroideal Coordinator | TNC | March 12th, 11:00 am |
| Aldo Carvalho | Technical Advisor | INEMA | March 12th, 3:30 pm |
| Isabel Drigo | Socioeconomics development, territorial governance and agriculture supply chain researcher | IMAFLORA | March 13th, 5:00 pm |
| Rafael Loyola | Science Director and Associate Professor at the Federal University of Goiás | FBDS | March 17th, 4:00 pm |
| Don Saywer | Associate Researcher and Founder. | ISPN | March 25th, 1:00 pm |
| Alexandra Fischer | Regional Technical Advisor | UNDP GEF | March 20th, 2:00 pm |
| Pascale Bonzom | Coordinator | Adaptive Management & Learning child project - UNDP | March 23th, 3:00 pm |
| Pedro Amaral | Deputy Director | PROFOREST | March 25th, 12:30 pm |
| Marcia Mascarenhas | Researcher | EMBRAPA | March 26th, 4 pm |
| Pedro Alves | Deputy Secretary | MAPA | March 24th, 8:30 am |
| Livia Carvalho | Technical Advisor | ISPN | March 26th, 5:00 pm |
| Miguel Morais | Senior Director | CI | March 26th 9 :00 am and  March 30th, 12 pm |

### Annex 7. List of documents reviewed

* Project Inception Workshop Report 2017
* Project Implementation Reviews 2018 and 2019
* Signed UNDP Project Document signed, and versions from 2016 and 2017
* Combined Delivery Reports of 2017, 2018 and 2019.
* UNDP Environmental and Social Screening results 2018, 2019
* Quarterly progress reports 2017, 2018, 2019 and 2020
* Audit reports 2017, 2018, and 2019
* GEF-7 core indicators at CEO endorsement and midterm
* PIF of the global project
* Financial and Administration guidelines used by Project Team
* Project operational guidelines, manuals and systems
* Country programme document for Brazil (2017 - 2021)
* United Nations Sustainable Development Partnership Framework 2017-2021 Brazil
* Minutes of the project´s Board Meetings 2018, 2019, and 2020
* Minutes of Steering Committee meetings 2018, 2019, and 2020
* Minutes of the Executive Committee 2018, 2019, and 2020
* Minutes of the MATOPIBA Coalition Meetings 2018 and 2019
* Minutes of technical meetings 2019
* Agreements and Protocols convened by the Project
* Assessments and Products commissioned by the Project
* CI Project Tableau and MATOPIBA database
* Scientific articles and documents
* Documentary video produced by the Project.

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### Annex 8. Co-financing table



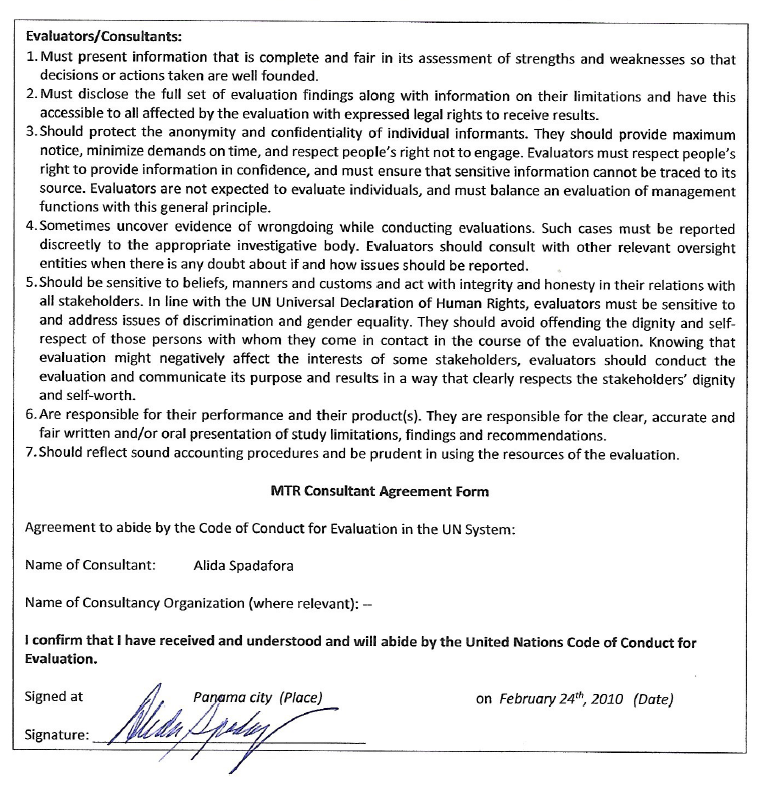


Amounts were converted from Brazilian *Reais* to USD dollars according to exchange rates of the dates when they were accredited.

The following link shows the conversion system utilized for converting the currency:

<https://fxtop.com/es/convertidor-divisas-pasado.php?A=100&C1=BRL&C2=USD&DD=01&MM=07&YYYY=2019&B=1&P=&I=1&btnOK=Ir>

### Annex 9. Signed UNEG Code of Conduct form



### Annex 10. Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)

Refer to next page

| **Project Strategy** | **Indicator[[29]](#footnote-29)** | **Baseline Level** | **Level in 1st PIR (self- reported)** | | **Midterm Target** | **End-of-project Target** | **Midterm Level & Assessment** | | **Achievement Rating** | **Justification for Rating** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Objective: To reduce the threat to biodiversity that the advancing agricultural frontier is posing in the Matopiba region, through a supply chain approach that solves the underlying root causes of deforestation from soy.** | 1:  Extent t~~o~~ wh~~i~~ch leg~~a~~l or policy or institutional frameworks are in place for conservation, sustainable use, and access and benefit sharing of natural resources, biodiversity and ecosystems   1. Number of properties registered 2. Percentage of area analyzed/regularized 3. Number of properties supported with the preparation of a proposal on how to restore or offset their deficit | Latest baseline:  In the ten municipalities the SICAR has 15,410 properties registered as of 1/12/2016 | 1) 20,602 properties have been registered (up to June 18th, 2018) in SICAR. This already exceeds the end-of-project target  2) 657,340.95 ha analyzed of the 4,599,610.31 ha registered = 14% as of March 2018.  3) The support for the analysis of the registered properties will start in the coming months, after signature of the Cooperation Agreements with both state environmental agencies in Tocantins and Bahia.[[30]](#footnote-30) | | 1) All 17,000 properties have been registered.  2) And 30% of the area of all registered properties have been analyzed. | 1) All 17,000 properties have been registered.  Through support to the environmental agencies, 50% of the total area of all registered properties have been analyzed and validated;  Through support for farmers, 25% of all properties (0,25%\*3,400 = 850 properties, see assumption) with a deficit in Permanent Protection Areas or Legal Reserves have been supported with the preparation of a proposal on how to restore or offset their deficit. | 1) 23,258 as of June 2019  2) 8.2% has been analyzed (as of April 2019)[[31]](#footnote-31)  3) None  Registration of properties is part of the responsibilities  of the Environmental State Agencies. The project team has contributed  to this target by helping farmers who do not have access to the platform to complete information, as required. (according to Project team).  In the framework of the Agreements signed with the Secretary of Environment of Tocantins in May 14th, 2018 and with the  Secretary of the Environment of Bahia on November 9th, 2018, granted direct support for CAR analysis  and validation started in July-Sept 2019 by hiring two technical experts (one for each agency) to assist in these tasks.  Proposals for the restoration or offsetting of identified deficits are still pending. | | MS | The negotiations about the Forest Code during 2018 and 2019 (in PIR 2018 AND 2019); political factors, and delaying hiring experts to support the analysis and validation within the CAR system have prevented to achieve the targets set for this project. However, there have been important efforts to strengthen Tocantins and Bahia’s Regional Environment Registry (CAR) validation processes by understanding better and identifying gaps and opportunities concerning CAR implementation. CI and representatives of SEMA, INEMA, and Naturatins agreed on an action plan in April 2019 to be undertaken by states, with CI-Brazil's support. One direct outcome from this coordination was that technical experts were to be hired in August 2019 (Project Budget foresaw this cost in Prodoc) and assigned within these governmental organizations to accelerate environmental regularization of targeted farms. Unfortunately, it took a year and more after the agreements were signed to hire experts due to bureaucratic issues and lengthy negotiations.  The attainment of targets is on track with significant time constraints. |
| 2:  Number of direct project beneficiaries (women and men) | 0 beneficiaries have formally regularized their properties | The Brazilian government is in the process of concluding the update of its agricultural census in the second semester of 2018. Once these official data become publicly available, CI will verify the number of beneficiaries per family (men and women) based on the number of properties analyzed and validated.[[32]](#footnote-32) | | 25% of farms analyzed and validated, benefitting 17,000 farmers/  family members  (8500 men and 8500 women). Project Indicator: It is estimated that 10% of soy farmers are women; however, it is assumed that per property there are four members, with 50% males, 50% females | 50% of farms analyzed and validated. 34,000 farmers and their family members (17,000 men and 17,000 women) are directly beneficiaries in having their properties regularized. | Unknown.  CI is analyzing the updated agricultural census concluded in the second semester of 2018, but made public during the second half of June 2019. Information was being analyzed by CI project team (as of PIR 2019). The preliminary results will be available in March/April 2020. | | MS | A more precise number of project beneficiaries will be identified in the beginning of 2020 after the Project team analyzes the Agricultural Census. This information is needed to report on progress according to this indicator. Nevertheless, delays in the analysis and regularization activities would have prevented target achievement anyways, as recognized in the justification for rating the 1st indicator. |
| 3:  Deforestation rates in Matopiba region | 7,249 km2/year (2011)  (waiting for 2013 figures to be established in Year 1.[[33]](#footnote-33)  Observation: Project team has updated the base line of the rate of deforestation at 18,661 km2/year as of 2016. Thus, midterm and TE targets are no longer reasonable | In the last 2 years (2016-2017), deforestation has actually increased. However, it is important to highlight that the increase is not directly related to project interventions[[34]](#footnote-34) | | Reduction to rates below 2013 figures  As no recent data on deforestation in the Cerrado or the Matopiba region are available it is estimated that a gradual reduction with 1,000 km2 by 2020 is feasible, which would change the deforestation rate to 6000km2. | Reduction to rates around 6,000 km2  Reduction by 1,000 km2 over three years. Better monitoring and control and the implementation of the Forest Code is expected to reduce the annual deforestation rate by 1000 km2 at the end of the project | The baseline needs more precise data. The project team is updating the spatial database and carrying out a detailed analysis to be able to report accurately. The Project indicated in PIR 2019 that external factors were influencing the increase of national deforestation rates in general, mainly*resulting from the domestic political context. with the election of Jair Bolsonaro* | | MU | The end of the project will not likely attain a reduction in deforestation of 1,000 km2. The project could contribute to reducing deforestation but this is perceived to be beyond the project timeline. Besides, it will be uncertain the extent by which results could be all attributable to the Project. The assumption that the rural environmental registry (CAR) would prove to be an effective monitoring tool and that deforestation rates cannot be confirmed until the system operates effectively and farms start implementing plans for regularization. |
|  |  |  | |  |  | *and the ongoing debate on the flexibilization of Forest Code that may accelerate both legal (and illegal) deforestation.*Another point, already discussed when analyzing the project log frame and indicators, is the matter of attribution versus contribution. The result cannot be attributed to the project team due to complex external factors. | | MU | The absence of a deadline for farmers to comply with the Code after it was postponed by the Bolsonaro’s government (it has been delayed four times before), and the current political context, could motivate higher deforestation of the Cerrado native vegetation. |
| Outcome 1.1  A shared vision on expansion of the production of agricultural commodities in the Matopiba region in combination with the conservation of biodiversity and ecosystem services through sustainable land management and the creation of sustainable productive landscapes. | 4:  Number of policy recommendations taken up by policy makers including gender sensitive proposal | 0 (zero) | Articulation with key stakeholders and governmental institutions at the municipal, state and federal levels has advanced.  CI is working to support development of the draft state level regulation needed to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code. Therefore, we are working on the first (1/4) recommendation | | Proposals/ recommendations prepared | 4 significant proposals taken up (turned into policy or operational instructions) by municipal, state or federal governments | The Project is in the process of developing a proposal at the state level (Tocantins), to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code.  Other recommendations are being discussed with key stakeholders and governmental institutions at the municipal, state, and federal levels, based on the knowledge products delivered under the Project. | | S | A policy proposal is being discussed at the Tocantins state level to enable implementation of the Environmental Regularization Program (PRA), under the Forest Code, and another to propose municipal protected areas.  CI has made significant efforts within a complex process of bringing together a wide range of stakeholders with different interests and expectations. This effort is, after two years, producing positive results, as per unifying criteria, and coordinating actions under a shared vision, through the MATOPIBA Coalition and other project instances such as the Steering committee, and technical meetings.  The members of the MATOPIBA Coalition have agreed on a work plan addressing, among other activities, (1) a platform for monitoring sustainability indicators to be incorporated in (2) a capacity-building program with farmers in the region to start in Q3 2019. The group perceives the MATOPIBA Coalition also as a hub to discuss financial tools to incentive production expansion to degraded areas. |
| **Outcome 1.2:**  Improved environmental management. | 5:  Percentage of productive area registered in the SICAR system, analyzed, validated and regularized | Analyzed: (16,5%)  Validated 0%  Regularized 0% | The implementation team is working closely with the environmental agencies both in Bahia and Tocantins, helping the government with law enforcement, and establishing CI as a trusted partner.[[35]](#footnote-35) | | Analyzed: 30%  Validated: 20%  Regularized 15% | With support from the GEF, the goal is:  Analyzed: 70% of area  Validated: 50%  Regularized33 50%  10% or 850 properties with some deficit in permanent protection areas or legal reserves have been supported to prepare and submit proposals for restoration or offset. | As of June 30, 2019:  Analyzed: 8.2%  Validated: 0%  Regularized: 0%  CI is in the process of hiring two experts to accelerate the environmental regularization of targeted farms, through the analysis and validation of CAR registries in the project region. | | MS | Achievement of this target is mostly a competency of environmental state agencies. However, because of the project design, the CI Project team needs to respond to this Outcome. Therefore, the project is making efforts to support the work of state environmental agencies on the SICAR and be able to advance on plans for regularizing properties that show some deficit in permanent protection areas or legal reserves. However, it has proven to be a complex process, not entirely within their capability to resolve, that the project is searching to disentangle. However, time constraints are a matter of concern to achieve the final target. |
| 6:  Area under restoration | The total deficit in Permanent Preservation Areas in Tocantins is 241,233 hectares. Extrapolating from this, results in an estimate of 648,612 hectares for the Matopiba region and 50,000 hectares in the 10 focal municipalities. | The deadline for registering CARs has been postponed once more, until December 31st 2018. States are working on a regulation for the environment Regularization Programs. Until this is fully defined, many producers will wait to avoid legal uncertainty. Therefore, restoration activities will probably start in 2019. | | 2.5% of the total APP deficit under restoration (1,250 hectares) | 5% of the total APP deficit under restoration (2,500 hectares) | 0 (zero)  The deadline for registering CARs was December 31st, 2018. However, a Provisional Measure (MP 884/19) issued by President Jair Bolsonaro in June 2019 has allowed the inclusion of rural properties in the CAR without a fixed deadline. Congress was analyzing this measure in July 2019. Until this is fully defined, many producers will wait to avoid legal uncertainty. | | The midterm target has not been achieved. The political context has had an impact on the regulation of the environment through Regularization Programs (PRA), meant to address longstanding environmental liabilities. Nevertheless, CI has advanced engagement with local partners to develop activities such as strengthening a 10-hectare forest restoration demonstration unit in MATOPIBA, with the application of different techniques, organizing a regional workshop with representatives of the restoration chain, and mentoring programs for the nurseries. These activities were to be carried out in early August 2019. |
|  |  |
| 7:  Number and size of traditional lands protected through safeguards | See annex M for baseline about recognized/ regulated and unrecognized lands. In the whole Matopiba area this amounts to 28 indigenous lands (4.16 million hectares) and 35 communities of former slaves (231,438 hectares)[[36]](#footnote-36) | A comprehensive assessment of the most critical and threatened traditional lands, including the proposal and discussion of safeguards, has begun in the project region. As soon as we have these results we will be able to report. | | Established in assessment about critical lands in Year 1 | Final targets will be established based on the assessment of critical lands. | No target has been set by Mid-term or by the end of the Project.  A comprehensive assessment of the most critical and threatened traditional lands, including the proposal and discussion of safeguards, was finalized in late June 2019.  CI’s team is analyzing these results, and a strategy to incorporate the main recommendations into the Project’s activities is under discussion both internally as will be examined together with the Project’s stakeholders, in the next Steering Committee meeting (late October) and within the framework of the Matopiba Coalition. These recommendations will also be included in the design of the socio-environmental pillar of the “Good Growth Partnership Program” to support soy producers in Matopiba. | | The Mid-term target has not been defined still, but the Project is, to some extent, on track to achieve the target to contribute to the safeguarding of traditional communities in the MATOPIBA region.  Given the current socio-political context by the new government of Brazil, it is not probable that safeguards will be agreed at the federal level as indicated by the AMTROPICA assessment. However, the project may be able to contribute to safeguarding traditional communities in agreement with local governments, farmers, and traders, as suggested in the annotated and updated version of the Project Results Framework. The MATOPIBA Coalition will be key as to influence traders’ decision-making processes concerning responsible commodities production and sourcing. These approaches may contribute to the avoidance of sourcing soy, where there exist social conflicts. |
| **Outcome 2.1:**  A system of support in the four focal areas prepared and implemented that will help farmers to adopt sustainable management of their properties and sustainable agricultural practices. | 8:  % of soy farmers (men and women) that have adopted sustainable management and practices  **Proxy indicator:**  Projects in the region financed by the ABC program (data from BNDES) | In 10 municipalities, the ABC program supported between January 2013 and December 2016 611 loans to farmers for agricultural crops  Baseline: 611 loans to farmers | 821 ABC loans to farmers. This increase in the number of loans to farmers occurred independently of the project through government actions to stimulate increased access to credit[[37]](#footnote-37) | | Mid-term: 1222 loans | 1833 loans to farmers | 821 loans to farmers as of June 30th. 2019.  The project plans to build the capacity of bank staff to understand the ABC program better so they can promote greater participation of farmers in this loan scheme. The project will also strive to promote the development of indicators by banks to monitor whether the loans are actually being used for the intended purpose of implementing low-carbon agriculture and/or encourage MAPA to implement a more thorough set of mechanisms to ensure the effective implementation of the Program. | | S | Although the midterm target was not totally achieved, efforts by the Project team to increase ABC loans are recognizable, bearing in mind that loans are within the scope of EMBRAPA and banks. The Project is addressing this outcome by improving the quality of the ABC loans and promoting a better understanding of the ABC Program by financial institutions. Hence, it is aiming at stimulating the number and quality of loans, which could exert a significant and sustained impact in the focus area, with potential for replicability.  EMBRAPA created a new ABC soya with the support of the project. |
| Outcome 3.1:  Improved planning for expansion of production and conservation | 9:  Area under integrated management identified and agreed (proposals for conservation units submitted and management plans agreed) Goal is to protect 10,000 hectares of Cerrado Forest. No carbon calculation was prepared, first because it is not expected to involve land use change and  second because part of the balance may already be included in the reduction of deforestation calculations | 0 (zero) | CI has made initial efforts to identify gaps and primary needs for proposals that will enable the creation and management of such integrated protected areas. Strategic meetings with the environmental agency of Barreiras (Bahia) were undertaken to discuss how to support its  initiative to create new conservation units of full protection in the high conservation value areas that harbor endemic Cerrado species[[38]](#footnote-38). | | 3,500 hectares | 10,000 hectares | 0 (zero)  FBDS, an implementing partner of the project, has concluded the mapping of land use covering the 337 municipalities located in the Matopiba region, which will contribute to the identification of priority regions for the creation of ecological corridors. | | MS | The project has advanced the mapping of land use covering the municipalities located in the MATOPIBA region, which will contribute to the identification of priority regions for the creation of ecological corridors. However, there is a significant delay. |
|  |  |  |  |  |  |
| 10:  Area under legal protection as percentage of total area of the Matopiba region (including indigenous lands, conservation areas, lands of *quilombolas* and forest code preservation areas) | Forest code preservation areas to be defined in the first year of the project. Currently the Conservation areas are: 3,725,752 hectares (full protection), 5,158,138 hectares (sustainable use), 20,364 hectares (on private lands), 231,438 hectares (quilombolas lands) and 4,158,962 hectares (indigenous lands. | FBDS is finalizing the analysis of the protected areas - namely Legal Reserves and Areas of Permanent preservation (APP) - to determine which are in deficit or in compliance with the Forest Code. | | Area in compliance with the forest code (regularized) in the whole Matopiba area (XXX) + conservation areas (13.294.654 hectares) / 73.173.972 hectares \* 100% | Goal is to have 40% of all the total Matopiba area covered with native vegetation and, hence protected as: either conservation area; indigenous or former slaves’ areas or under the forest code.[[39]](#footnote-39)  The project itself will not achieve this, but will rather contribute indirectly as indicated in the undated Project Results Framework. | No target was set for the mid-term.  Information is being generated.  The project itself will not achieve this, but will instead contribute indirectly (extracted from Project Results Framework). As of June 30, 2019, FBDS had already mapped land use and vegetation cover of 114 out of 337 municipalities located at the Matopiba region, which will contribute to the identification of priority regions for the creation of ecological corridors. | | The Project is indirectly contributing to the achievement of the midterm target by generating the information on the area under legal protection as a percentage of the total Matopiba region. Thus, the rating corresponds to current achievement, considering that the midterm target was to identify the forest code preservation area to calculate the total percentage of areas that are under protection. Besides, it is not expected that the goal is to be achieved only by the project. |
| **Outcome 4.1:**  Increased market demand for responsibly sourced soy | 11: From WWF[[40]](#footnote-40) ProDoc: *# of companies that have increased capacity to make and implement commitments to source reduced deforestation commodities* | 0 (zero)  To be measured during project implementation | CI has been working with WWF and IFC to promote an integrated supply chain approach among the different implementing partners through national meetings, phone calls and dependency workshops. | | Y2 30 | Y4 60 | Information was not made available | | Not to be evaluated in this MTR | On the Demand side, CI has reached out to Proforest, responsible for the development of the Soy Toolkit-- developed to encourage soy responsible sourcing processes-- to identify synergies and possibilities to apply the framework in the MATOPIBA Coalition activities with traders. Coordinating efforts and agendas on Demand, Production, and Transactions have proven to be more challenging than expected, but we have made substantial progress on this matter. CI has been working on updating project indicators and baseline quarterly to reflect more realistic monitoring of activities implementation, to further dissemination of results and impact on the soy supply chain in MATOPIBA. |
|  | 12:  From WWF[[41]](#footnote-41) ProDoc *# companies with increased capacity to use decision-relevant information developed by the Transparency portal to inform their strategies* | 2016: 0 jurisdictions where beef/soy is mapped from origin to destination | Will be measured under WWF child project. | | 5570 (soy), 17 (beef) | 5570 (soy), 17 (beef) | Information was not made available | | N.A |
| 13:  From WWF[[42]](#footnote-42) Prodoc: *# assessments conducted and successfully shared with relevant stakeholders* | 2016: 0 jurisdictions where beef/soy is mapped from origin to destination | Not included in PIR 2018 | | 5570 (soy), 17 (beef) | Y4 6 (3 for each commodity) | Information was not made available | | N.A |
| **Outcome 4.2:**  Financial sector engaged in the promotion of sustainable soy | 14: From IFC[[43]](#footnote-43)  # of new long-term finance products developed based on findings from the business base analysis IFC[[44]](#footnote-44) | 0 (zero) | Will be measured under the Transactions child project. | | (Not set or not applicable) | 1 new long-term finance product developed based on findings from the business case analysis | Information was not made available | | Not to be evaluated in this MTR | N.A |
| 15: From IFC[[45]](#footnote-45) Identification of pilot landscapes or farmers to test the long-term finance products through workshops | 0 (zero) | Will be measured under the Transactions child project. | | 4 | 6-8 workshops | Information was not made available | | N.A |
| **Outcome 5.1:** Project coordinated and lessons learned and disseminated | 16:  Number of lessons learned and disseminated | 0 (zero) | Lessons learned #1: Coordination among implementing partners (including sub-grantees) to uphold a consistent and unique narrative concerning the GGP in Brazil is crucial[[46]](#footnote-46) | | 2 | 4 | One lesson learned is on the challenges concerning coordination among implementing partners and project stakeholders. This is a demonstrative project with challenging targets and indicators, where heterogeneous institutions and organizations play distinctive roles within the project scope. CI is an international NGO that, from the start, had to build confidence with representatives of government at all levels, as well as with producers and other NGOs, requiring strong skills for public relations, as well as organizational and coordination abilities. Confronted with a series of deterrents, CI has been able to face them and adapt project plans to a changing political, institutional, and organizational settings. | | S | Coordination of the Project demands strong coordination and communication approach and performance. The project is unique for Brazil involving two other agencies in its implementation for component 4 (WWF and IFC) and because it is a child project under a global initiative. This complex arrangement demands greater coordination and communication with UNDP (UNDP country office, UNDP Regional Center and the Global Project Manager for GGP. Various challenges linked to the political context and to the reluctance of producers to adhere to project objectives, as well as the passing of the first project manager in June 2018, prevented CI to enhance communication with the global initiative and participation as part of the Brazilian project team in international meetings and exchanges of lessons learned and experiences organized by the global initiative. |
| **Indicator Assessment Key** | | | | | | | | | | |
| Green= Achieved | | | | Yellow= On target to be achieved | | | | Red= Not on target to be achieved | | |

### Annex 11. Agenda of the GEF SEC Learning Mission prepared by UNDP CO

**UNDP Brazil - MTR - Project BRA/17/G31 = MATOPIBA**

**Stakeholders’ Interviews**

**From 05 to 12 March, Palmas (Tocantins) and Brasília (DF), Brazil**

**Objectives:**

* Seeing how GGP Brazil is mobilizing and working together with key stakeholders to address drivers of deforestation in Matopiba and understand the approaches, challenges and opportunities for increasing the potential for GGP impact on the ground.

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| **GEF** |
| **GEF Sec´s participants in the Learning Mission** |
| Paul Hartman - Senior Environmental Specialist |
| Mohamed Bakar – Lead Environmental Specialist |
| Gustavo Fonseca – Director of Programs |

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| **UNDP BRAZIL – IMPLEMENTING AGENCY** |
| Haroldo Machado, Senior Advisor |

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| --- | --- |
| **CI-BRAZIL PROJECT TEAM MEMBERS** | |
| Mr. Mauricio Bianco, Vice President | Ms. Iamilly Cunha, Project Coordinator, Tocantins |
| Ms. Karine Barcelos, Project Manager | Mr. Miguel Moraes, Project Senior Director |

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| **PROPOSED INTERVIEWS** | |
| *Mr. Manoel Júnior*,  Instituto Natureza do Tocantins (NATURATINS) | *Mr. Rodrigo Guerra and Mr. Humberto Simao*, Superintendence of the Ministry of Agriculture, Livestock and Supply in Tocantins (SFA/MAPA/TO) |
| *Ms. Marcia Grise and Mr. Alexandre Freitas*,  The Brazilian Agricultural Research Corporation (EMBRAPA - Tocantins) | Secretariat of Environment of the State of Tocantins (SEMARH- TO) |
| *Mr. César Halum*,  Secretariat of Agriculture, Livestock and Aquaculture of the State of Tocantins (SEAGRO- TO) | *Ms. Mariane Crespolini and Mr. Pedro Neto*,  Ministry of Agriculture, Livestock and Food Supply (MAPA) |
| *Mr. Michael Becker*,  Instituto de Educação do Brasil (IEB)/ CEPF-Cerrado | *Ms. Flávia Oliveira*,  The Nature Conservancy |
| *Mr. Rafael Loyola and Mr. Walfredo Schindler,*  Brazilian Foundation for Sustainable Development (FBDS) | *Ms. Isabel Drigo,*  Instituto de Manejo e Certificação Florestal e Agrícola (Imaflora) |
| Secretariat of Environment of the State of Bahia (SEMA - BA) | *Mr. Aldo Carvalho,*  Institute for the Environment and Water Resources (Instituto do Meio Ambiente e Recursos Hídricos – INEMA) |
| *Ms. Cássio Moreira*  IFC (GGP Transactions) | *Ms. Raquel Costa*  UNEP-FI (GGP Transactions) |

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|  | **8.45 (optional)**  **GGP Workshop**  ***UNDP’s Office*** | | |
|  | 10.30 – 11.00  Briefing Session UNDP with Haroldo Machado, Assessor Senior  *UNDP’s Office* | | |
| **Thursday**  05.03.2020 | GGP Workshop | | |
| **Friday**  06.03.2020 | 13.30 – 14.00  *UNDP’s Office* | | |
| 17.30 – 18.00  Conference calls  *UNDP’s Office* | | |
| GEF Learning Mission Agenda | | | |
| **Sunday**  08.03.2020 | 16:00 – 19:00 Arrivals and overnight in Palmas – TO  *Flight Departure tbc* | | |
| **Monday**  09.03.2020 | 07.30 - 08:30 Breakfast | Hotel |  |
| 09.00 - 10.30  **GGP Brazil Presentation Meeting & discussion** | Hotel | GEF mission  UNDP GGP  CI-Brasil |
| 11.00. – 12.00  EMBRAPA  **ABC research and technology transfer initiatives in Tocantins**  Presentation of EMBRAPA  initiatives and the ongoing partnership between EMBRAPA and GGP Brazil  Mr. Alexandre Freitas, Director General, EMBRAPA  Ms. Marcia Grise, Senior Researcher, EMBRAPA | EMBRAPA Office | GEF mission  UNDP GGP  CI-Brasil  EMBRAPA |
| 12.00 – 13.30 Lunch |  |  |
| 14.00 – 17.30  **Field Trip to GGP partner farm/URT** EMBRAPA  Presentation of livestock and soy production system | URT EMBRAPA  Agrotins | GEF mission  UNDP GGP  CI-Brasil  EMBRAPA |
| 17.30 – 18.00  Conversation with Ms. Marcia Grise,  EMBRAPA | Embrapa’s Office | Alida Spadafora  EMBRAPA |
| 19:30 – 21:00  ***Dinner and Day 1 conclusions*** |  |  |
| **Tuesday**  10.03.2020 | 08:00 - 11:30  **Breakfast with the Secretary of Agriculture, Livestock and Aquaculture of the State of Tocantins and Ministry of Agriculture Superintendence in Tocantins**  Mr. César Halum, Secretary of Agriculture, SEAGRO-TO  Mr. Rodrigo Guerra, Superintendent of Agriculture of Tocantins, SFA/MAPA/TO | SEAGRO  Office | GEF mission  UNDP GGP  CI-Brasil  SEAGRO  SFA/MAPA/TO |
| 11.30 – 12.00  Conversations with César Halum & Rodrigo Guerra, SEAGRO/SFA/MAPA | SEAGRO  Office | Alida Spadafora  EMBRAPA |
| 12:00 – 14.00 Lunch |  |  |
| 14:30 – 15.30  **Naturatins & Secretary of Environment (SEMARH) Meeting**  CAR analysis and validation in Tocantins  Mr. Manoel Junior, Director, Naturatins | NATURATINS Office | GEF mission  UNDP GGP  CI-Brasil  Naturatins  SEMARH |
| 15.30 – 16.00  Conversations with Mr. Manoel Júnior, Naturatins | NATURATINS Office | Alida Spadafora  Naturatins |
| 16:30 – 20:00  ***Hotel Check Out*** *and Travel to Brasília*  *Flight Departure 18:40 (arrival 19:55)* |  | GEF mission  UNDP GGP  CI-Brasil |
| **Wednesday**  11.03.2020 | 07.30 - 08:30 Breakfast | Hotel |  |
| 09.00 – 09.30  Conversations with Mr. Michael Becker, IEB | CI-Brazil Office | Alida Spadafora  IEB |
| 09:30 – 10:30  **Meeting with IEB**  Presentation of the proposal to support creation and implementation of municipal protected areas in Matopiba, a partnership between IEB and GGP Brazil  Mr. Michael Becker, Coordinator, IEB | CI-Brazil Office | GEF mission  UNDP GGP  CI-Brasil  IEB |
| 10:45 – 11:45  **Meeting with Ministry of Agriculture, Livestock and Supply (MAPA)**  Mr. Pedro Neto, Assistant Secretary, MAPA  Ms. Mariane Crespolini, Director, MAPA | MAPA  Office | GEF mission  UNDP GGP  CI-Brasil  MAPA |
| 12:00 – 13:00  **Meeting with Ministry of Environment (MMA)**  Mr. Thiago Gil, Director, MMA | MMA  Office | GEF mission  UNDP GGP  CI-Brasil  MMA |
| 12:30 – 14:00  **GEF Mission Closing Lunch** |  | GEF mission  UNDP GGP  CI-Brasil |

**Annex 12. Signed MTR final report clearance form**

**MTR Report Clearance Form**

*(to be completed by the Commissioning Unit and UNDP-GEF RTA and included in the final document)*

**Midterm Review Report Reviewed and Cleared by:**

**Commissioning Unit**

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**UNDP-GEF Regional Technical Advisor**

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Annexed as separate files:

1. Audit trail from received comments on draft MTR report
2. Project’s GEF 7 Core Indicators Worksheet.

1. The source of this information is the Project document. Changes in the participation of specific partners occurred during project implementation. [↑](#footnote-ref-1)
2. Gibbs et al., 2015a, b; Macedo et al., 2012, in Rausch, 2019. [↑](#footnote-ref-2)
3. A&L supports the overall coordination, coherence and consistency, as well as communications and partnership building, whilst fostering substantial knowledge management at the global level to advance the supply chain approach for beef, soy, and oil palm. [↑](#footnote-ref-3)
4. The CAR is an electronic registry of rural properties and information with respect to the so-called *Legal Reserve*: 35 percent in the state of Tocantins, and 20 percent in the state of Bahia. Farms also need to conserve areas along streams and springs, as well as hilltops and steep hillsides under natural vegetation cover, so-called permanent protection areas or *Areas de Proteção Permanente* – APP. Illegally converted APPs need to be restored, while illegally converted Legal Reserves may be restored or offset in areas outside the farm. These areas need to be identified in the CAR registration, and form the basis for monitoring and combating illegal deforestation of native vegetation, as well as for the environmental and economic planning of rural properties. [↑](#footnote-ref-4)
5. <https://goodgrowthpartnership.com/> [↑](#footnote-ref-5)
6. Carajás Forum; The Institute for Society, Population and Nature (ISPN), The Pro-Nature Foundation (FUNATURA); The Brazilian Agency for Environment and Information Technology (ECODATA); The National Confederation of Agricultural Workers (CONTAG), the National Federation of Men and Women Workers in Family Farming (FETRAF); the Pastoral Land Commission (CPT); the Landless Workers' Movement (MST); the Small Farmers' Movement (MPA); Inter-state movement of *Babaçu* nut breakers (MIQCB), Alternatives for Small-Scale Farming in Tocantins (APA - TO), State Coordination of *Quilombola* Communities from Tocantins (COEQTO) *10senvolvimento* Agency (Barreiras, Bahia state), *Central do Cerrado* Cooperative/Cerrado Network; and the International Institute of Education of Brazil (IIE) Rural Workers' Movement (MTC). [↑](#footnote-ref-6)
7. Brazilian Agricultural Research Corporation, Ministry of Agriculture, Livestock, and Food Supply [↑](#footnote-ref-7)
8. In the state of Bahia, farmers must set aside 20% of their properties as a Legal Reserve under the Forest Code. [↑](#footnote-ref-8)
9. As indicated by the project team some risks could be generically predicted, but not always with the accurate dimensioning of their impact. [↑](#footnote-ref-9)
10. Batliwala S. & A. Pittman (2010). Capturing Change in Women’s Reality. A Critical Overview of Current Monitoring & Evaluation Frameworks and Approaches. AWID. www.awid.org/About-AWID/AWID-News/Capturing-Change-in-Women-s-Realities. [↑](#footnote-ref-10)
11. At the time of finishing this MTR, a Reuters article of May 22nd, 2020, highlights an increase of deforestation in Brazil in the last months: *Deforestation hit an 11-year high last year and has increased 55% in the first four months of the year, compared to a year ago.* <https://www.reuters.com/article/us-brazil-politics-environment/brazil-minister-calls-for-environmental-deregulation-while-public-distracted-by-covid-idUSKBN22Y30Y> (internet site consulted June 23th, 2020) [↑](#footnote-ref-11)
12. Further explanations in PIR 2018: *The recognition of differences with respect to the strategies adopted by each institution, the niches they occupy, and the prioritized part in the supply chain, are part of an effort to highlight the need for each organization to respect one another as well as other*  [↑](#footnote-ref-12)
13. It refers to assessments produced by the project such as: *Recommendations for Safeguards* (AMTROPICA, 2018), *Elaboration of a Methodology of Evaluation and Monitoring of Gender Issues in the Matopiba Region* (Vértice Profissionais Associados, 2018), *Stakeholders Engagement Strategy within the Framework of the GEF-MATOPIBA* CAMBARÁS, 2018), *Diagnosis of the Forest Restoration Chain ​​in the Matopiba Region*, 2018), *Evaluation of Strategies to Encourage Sustainable Soy Production* (CPF, 2019) [↑](#footnote-ref-13)
14. The ABC Plan, created by the Brazilian Government in 2010, is a credit initiative that provides low-interest loans to farmers who want to implement sustainable agriculture practices. These include no-till agriculture, the restoration of degraded pasture, the planting of commercial forests, biological nitrogen fixation, treatment of animal wastes and the integration of crops, livestock and forest <https://csa.guide/csa/brazil-s-low-carbon-agriculture-abc-plan>, consulted 04-17-2020. [↑](#footnote-ref-14)
15. The project is implemented following UNDP’s Civil Society Organisation (CSO) implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Brazil, and the Country Programme. [↑](#footnote-ref-15)
16. There was an expectation that WWF would play a leading role to facilitate navigation in this agenda for the Brazil child project, with their influence on the GTC (Cerrado Working Group). This did not happen, due to issues related to the zero deforestation agenda pushed by GTC, which was conflicting to the Forest Code compliance narrative adopted by the Brazil child project. [↑](#footnote-ref-16)
17. Registered in interviews and in the assessment produced by AMTROPICA on recommendations for social safeguards. [↑](#footnote-ref-17)
18. For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see [UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results](http://www.undp.org/content/undp/en/home/librarypage/capacity-building/discussion-paper--innovations-in-monitoring---evaluating-results/), 05 Nov 2013. [↑](#footnote-ref-18)
19. Populate with data from the Logframe and scorecards [↑](#footnote-ref-19)
20. Populate with data from the Project Document [↑](#footnote-ref-20)
21. If available [↑](#footnote-ref-21)
22. Colour code this column only [↑](#footnote-ref-22)
23. Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU [↑](#footnote-ref-23)
24. Alternatively, MTR conclusions may be integrated into the body of the report. [↑](#footnote-ref-24)
25. Engagement of the consultants should be done in line with guidelines for hiring consultants in the POPP: <https://info.undp.org/global/popp/Pages/default.aspx> [↑](#footnote-ref-25)
26. <https://intranet.undp.org/unit/bom/pso/Support%20documents%20on%20IC%20Guidelines/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx> [↑](#footnote-ref-26)
27. <http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc> [↑](#footnote-ref-27)
28. Details of the agenda of the GEF SEC Learning Mission in which the reviewer participated may be found in Annex 12. [↑](#footnote-ref-28)
29. [↑](#footnote-ref-29)
30. Further explanations contained in PIR 1928 indicates: *In Tocantins the agreement has been signed and we are about to hire technical support. In Bahia we are in the final steps to get state government approval*. [↑](#footnote-ref-30)
31. The governmental agency webpage (floresal.gov.br/modulo-de-relatorios) no longer presents the information referring to the rural properties analyzed by the municipality. Thus, data used is the same reported in 2019 technical reports [↑](#footnote-ref-31)
32. Observation in PIR 2018 states the following: *In addition, we are negotiating an agreement with AIBA (Association of Irrigants and Agriculturists of Bahia) to work closely with the associated producers. With the agreement signed we will have much more precise data on direct beneficiaries.* [↑](#footnote-ref-32)
33. The project Results Based Framework clarifies the following: *The deforestation rates refer to the whole Cerrado. In the baseline period, most of the deforestation was concentrated in the Matopiba area. An overall reduction with 1000 km2 over a three-year period as a result* of improved environmental management is feasible [↑](#footnote-ref-33)
34. Observation in PIR 2018 states the following: *As part of the work undertaken within component 3 we were able to significantly improve data quality. This effort will impact the reduction rate, since the baseline was not calculated using accurate data. We are updating the spatial database and carrying out a detailed analysis to be able to report accurately. Nevertheless, we also believe other external factors are influencing the increase registered. External factors here include the debate on the forest code and the extension of the CAR deadline, which may have generated a rebound effect. Until the window is closed, landowners may accelerate legal deforestation, taking advantage of the political window of opportunity created. This can impact increasing deforestation in the region.* [↑](#footnote-ref-34)
35. As a result, Cooperation Agreements between CI-Brazil and Tocantins state was signed, and already ratified, while in Bahia state it will be signed and ratified soon. These public acts will allow the provision of direct support to accelerate the environmental regularization of targeted farms, through the analysis and validation of CAR registries in the project region. [↑](#footnote-ref-35)
36. Annex M of Project Document contains a detailed list. [↑](#footnote-ref-36)
37. Further explanation indicates that *The project still plans to build the capacity of bank staff to better understand the ABC program so they can promote greater participation of farmers in this loan scheme. The project will also strive to promote the development of indicators by banks to monitor whether the loans are actually being used for the intended purpose of implementing low-carbon agriculture and/or encourage the Ministry of Agriculture to implement a more thorough set of mechanisms to ensure the effective implementation of the program.* [↑](#footnote-ref-37)
38. Further explanation indicates: *In addition, FBDS, an implementing partner of the project, has concluded the mapping of land use and vegetation cover of 114 out of 337 municipalities located at the Matopiba region, which will contribute to the identification of priority regions for the creation of ecological corridors.*  [↑](#footnote-ref-38)
39. As the current area of protected areas adds up to 13.294.654, in order to have 40% of the total area under legal protection 15.974.935 hectares of native vegetation need to be protected on private lands and should therefore be regularized. The project itself will not achieve this, but will rather contribute indirectly. [↑](#footnote-ref-39)
40. To be funded, implemented and monitored under the Demand child project in coordination with this project. [↑](#footnote-ref-40)
41. To be funded, implemented and monitored under the Demand child project in coordination with this project. [↑](#footnote-ref-41)
42. To be funded, implemented and monitored under the Demand child project in coordination with this project. [↑](#footnote-ref-42)
43. This will be implemented and monitored under IFC’s transactions child project [↑](#footnote-ref-43)
44. To be funded, implemented and monitored under the Brazil child Project or under the Transactions child project. [↑](#footnote-ref-44)
45. This will be implemented and monitored under IFC’s transactions child project [↑](#footnote-ref-45)
46. Further explanations in PIR 2018: *The recognition of differences with respect to the strategies adopted by each institution, the niches they occupy, and the prioritized part in the supply chain, are part of an effort to highlight the need for each organization to respect one another as well as other*  [↑](#footnote-ref-46)