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GEF-6 COMMODITIES INTEGRATED APPROACH PILOT (IAP) PROGRAM

EMERGING LESSONS FROM THE GOOD GROWTH PARTNERSHIP

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LIST OF ACRONYMS

A&L	Adaptive Management and Learning
ABC	Brazilian Cooperation Agency
ADBE	Brazilian Association of Development Banks
CI	Conservation International
COP	Community of Practice
CSO	Civil Society Organization
ESG	Environmental, Social, and Governance
FOLUR	Food Systems, Land Use and Restoration
GCC	Green Commodities Community
GEF	Global Environment Facility
GGP	Good Growth Partnership
GIZ	German Corporation for International Cooperation
GLEAM-i	Global Livestock Environmental Assessment Model-interactive
GPP	Government Payment Portal
GRSB	Global Roundtable for Sustainable Beef
GTSF	Global Trade Supplier Finance
HCV/HCS	High Conservation Value and High Carbon Stock
IAP	Integrated Approach Pilot
IEO	Independent Evaluation Office
IFC	International Finance Corporation
IKI	German International Climate Initiative
ISEAL	International Social and Environmental Accreditation and Labeling
M&E	Monitoring and Evaluation
MPCS	Paraguayan Roundtable for Sustainable Beef
OPS6	Sixth comprehensive evaluation of the GEF
P4D	Partnership for Forest
PAGE	Partnership for Action on Green Economy
REDD	Reducing Emissions from Deforestation and Forest Degradation
RSPO	Roundtable on Sustainable Palm Oil
RTRS	Round Table on Responsible Soy
SECO	Swiss State Secretariat for Economic Affairs
SESPs	Social and Environmental Safeguards Procedures
STAP	Scientific and Technical Advisory Panel
TFA	Tropical Forest Alliance
TOC	Theory of Change
TRASE	Transparency for Sustainable Economies
UN Environment	United Nations Environment Programme
UNDP	United Nations Development Programme
UNEP FI	United Nations Environment Programme Finance Initiative
WWF	World Wildlife Fund

EXECUTIVE SUMMARY

The Commodities Integrated Approach Pilot (IAP) program, re-branded by partners as the Good Growth Partnership (GGP), is advancing an integrated supply chain approach to take deforestation out of supply chains for beef, soy, and palm oil, working closely with the governments of Brazil, Indonesia, Liberia, and Paraguay. The Program approach aims to shift these important commodity markets towards reduced-deforestation production, while delivering continued social and economic development to farmers and their communities, and businesses working in these sectors.

The GGP is supporting governments to increase assistance to producers and small-scale farmers and strengthen the enabling environment for sustainable production and land use policies by convening industry stakeholders for national and subnational action. It focuses on raising awareness and building tools and capacity to influence the global demand for sustainably-produced agricultural commodities and supply chain transparency, in addition to engaging the finance sector with new opportunities for investment. The Program is developing models for intervention that can be replicated across a wide range of commodities and additional geographies, with the potential to accelerate a reduction in deforestation from commodity expansion.

The GGP's integrated approach focuses on the systemic issues across entire key commodity supply chains that lead to deforestation and environmental degradation. This goes to the core of enabling good, fair, and sustainable growth. The focus on systemic issues is why the Program targets reducing poverty by enabling rural and often marginalized communities,

which rely on commodity production, to meaningfully participate in decision-making processes and to gain access to the means and finance necessary to improve their incomes and quality of life.

The key principles underpinned overall design and delivery of the program in the following ways:

1. GEF VALUE-ADD

The GEF's convening power and catalytic role has been key for mobilizing the targeted producer countries and other diverse stakeholders along the supply chain.

The focus on integration helped the GGP agencies overcome early design challenges and join forces to implement the projects in best way possible. The GEF's flexibility and recognition of adaptive management as a key component of project management was also decisive in GGP implementation and results achieved to date, including on integration.

The Value-add of the GEF allowed the Program to:

- Test the supply chain approach despite operational challenges.
- Create trust between GGP agencies leads and project managers, and foster collaboration beyond GGP child projects.
- Reflect on the key levers of change that could be prioritized for bigger impact and systems change.
- Provide inputs and share lessons in the design of the FOLUR Impact Program.

2. PROGRAM ADDITIONALITY

The process of planning activities in an integrated manner across the entire supply chain has created many opportunities for linking beneficiaries, activities, and scale.

One of the key instruments that enables the programmatic approach to foster coherence and consistency within the Program is the GGP Adaptive Management and Learning (A&L) project, or “umbrella project.” The project has so far been instrumental in ensuring cohesiveness in the GGP by establishing mechanisms for coordination and coordinating program-level monitoring and evaluation, engagement with initiatives and other organizations for GGP-Program level partnerships, and a knowledge management and communications strategy. The umbrella project is the engine that helps demonstrate that the whole of the Program is greater than the sum of its parts as a result of integration. This has also contributed by having strong child project managers, an overall lead for coordination and integration, and a Program-level governance structure where key staff fully understand the value of the integrated approach. These are fundamental to bring the supply chain approach to life. Leading the Program-level activities with positivity and persistence, despite the challenges faced, until first benefits generated from integration can be felt—which can take time—was critical to drive GGP towards an integrated approach. The GGP experience also demonstrates the importance of investing time and resources in building trust among partners at the global and country level.

3. INSTITUTIONAL FRAMEWORK

The GGP was launched as a framework for mobilizing and engaging all stakeholders involved in the supply chain for the three commodities.

The Program’s approach relies on supply chain integration, which can provide opportunities for systems shift and transformational change. An

important feature of the program relates to working across multiple scales, from local to national, regional, and global. The supply chain approach led to cross-project collaboration between GGP Partners working on the sustainable production, financing, and demand sides of targeted supply chains, which enabled the creation of synergies.

Through the GGP, the GEF agencies (UNDP, WWF-US, CI, IFC, UN Environment) bring unique experiences and networks to the program through their work with recipient country ministries, global and national CSOs, and private sector entities. UNDP brings sectoral transformation and government engagement; CI brings landscape-level conservation management and commodities; WWF-US brings consumer campaigns, market transformation initiatives and relationships with companies (e.g. McDonalds); and IFC and UN Environment Finance Initiative bring financial expertise and partnership with the financial services sector (e.g. Rabobank).

Besides cross-project and implementing agency collaborations, synergies, and leverages, a key element of the institutional framework to engage supply chain stakeholders was the use of global, regional, national, and subnational multi-stakeholder platforms. In some cases, new platforms were created, but wherever possible existing platforms were used and/or strengthened. Such platforms have proven invaluable so far to engage and mobilize all key actors in a collaborative manner.

4. DEALING WITH COMPLEXITY

The challenge of commodity-driven deforestation is multidimensional (economic, environmental, social, governance, incentives, and motivations) and cannot be tackled by looking at a single or even a few dimensions. A holistic, integrated, multi-stakeholder approach is required. While bringing together multiple organizations with various strengths and expertise generates additional value, it also results in more complex communication,

coordination, collaboration, and governance arrangements between agencies and sub-grantees. The GGP program is working to overcome this complexity through: (a) interventions that tackle the range of root causes of the identified challenge in a holistic manner; (b) an appropriate coordination mechanism; (c) engagement of all key stakeholders in dialogues through national and subnational platforms to ensure all perspectives on the issue and its solution are captured, and to ensure local ownership throughout the process; (d) the use of adaptive management to ensure that the project can quickly react to changes brought about by the complex, nonlinear nature of the problem being addressed; and (e) effective learning processes that reuse existing knowledge and generate new knowledge that supports replication and scaling-up across geographies—subnational to national to regional and global.

The Program is proving successful in dealing with complexity by building trust between GGP Partners and facilitating coordination between child projects. It also continues to assess potential risks and needs for adaptation, with knowledge management and learning loops, feeding current implementation as well as adaptive management.

5. ACHIEVING RESULTS BY PROMOTING SYSTEMIC SHIFTS

The GGP is designed to address the issues related to sustainable commodity promotion in a global, integrated, and holistic manner. It is supporting sustainable production, strengthening demand for sustainable products and ensuring that financial and economic incentives are in place and support sustainable production. The approach contributes to climate change mitigation through avoided deforestation, and hence builds resilience of communities affected by climate change. In addition, the GGP is looking at improving the livelihoods and coping mechanisms of smallholder farmers involved in commodity production through improving yields, health and safety, thanks to

good agriculture practices, and in some cases, certification that brings a premium. Taking a systems approach has been helpful to reflect on a given system, test a theory of change and its assumptions, and re-orient project activities through adaptive management. GGP partners agree that the Program's supply chain approach to achieving systemic change is strong and valid but consider it to be too high-level.

6. LEVERAGING THE PRIVATE SECTOR

The private sector plays a key role in this IAP program, which will be further strengthened under the GGP. Commodities are produced by smallholder farmers and producers—which are private sector entities—and then off-taken by buyers, which may include processors, traders, and retailers. The private sector represents the market force and the economic and financial incentives. As such it is a key actor to engage and influence towards more sustainable production and system-level transformation. The private sector can be harnessed to pull producers towards more sustainable production.

Emerging trends show an increased number of sustainability commitments from private sector actors, but that they are challenged in delivering these commitments, including due to a limited (but increasing) capacity and limited experience in collaboration with other stakeholders, as well as due to the lack of premiums for sustainably produced commodities such as soy and palm. Given this context, GGP prioritizes the following means of engagement:

- Linking with global, regional, national, and subnational multi-stakeholder platforms to drive coordination and alignment.
- Developing tools/guidelines to support the private sector transition, including the finance sector, to sustainable supply chains.
- Enabling new supply chain partnerships at the country level.

- Strengthening the ability of financial actors to lend and invest sustainably.
- Accelerating sustainable sourcing and improving traceability and supply chain transparency by building capacity and supporting companies.
- Improving access to information and knowledge exchange.
- Leveraging co-financing provided by the private sector.

7. STAKEHOLDER ENGAGEMENT

GGP has undertaken extensive external stakeholder consultations and outreach to industry and private and public organizations to gain a greater understanding of how business tackles deforestation. Further, given the complexities and challenges in each commodity supply chain, platforms and relevant roundtables at global, regional, national, or subnational levels are interwoven into the implementation of the child projects to create space for dialogue and collaboration on an ongoing basis, in addition to more traditional bilateral stakeholder engagement, and contribute to the delivery of targeted outcomes. Emerging lessons from stakeholder engagement include:

- Implementing agencies and the GEF do not have enough influence over governments to drive rapid change.
- Engagement of individual stakeholders is not enough. What is additionally required are multi-stakeholder collaborations.
- Success of engagement through platforms following a multi-stakeholder collaboration approach depends upon consensus building and a framework for stakeholders to align and coordinate their actions.
- It is important to link national and subnational engagement with real action.

8. MAINSTREAMING GENDER

GGP focuses on gender mainstreaming mainly through analyses to identify and account for gender differences in needs, roles and responsibilities, the identification of opportunities for equal engagement of women and men and the implementation of specific activities to mainstream gender and support women's empowerment. At the project level, gender issues are considered to varying degrees, but all child projects included gender analysis and/or gender-related activities in their design.

A knowledge product focusing on gender and commodity supply chains was published at the program level, analysing gender inequalities, and providing entry points to address them in the production, financing, and demand aspects of commodity supply chains (*Gender mainstreaming in global agricultural supply chains can accelerate good growth; what works and for whom?*). This resource could disseminate knowledge on gender and commodity supply chains—an area where knowledge is still limited—and improve commodity practitioners' understanding and capacity to mainstream gender in commodity supply chains. Produced under the A&L project, this knowledge product stresses the added value of using a gender lens in the design and implementation of activities in agricultural supply chains, and reflects current trends in gender mainstreaming, opportunities to accelerate action, and critical lessons-learned from initiatives that have already been implemented.

9. INTEGRATING SYSTEMS RESILIENCE

Supply chain resilience considerations have been embedded in the design of GGP. Indeed, it focuses on mitigating climate change and associated extreme weather events that significantly affect agricultural production, leading to pressure to expand production and reducing support for setting aside forests of high conservation value and for sustainably sourced commodities, potentially undermining the ability of the Program itself to achieve expected impacts. Therefore, the



Commodities IAP built in consideration of resilience into aspects of its design, and undertook an analysis of risks and proposed mitigation measures.

During program implementation many shocks have arisen, related to climate change induced-disasters, diseases, market demand changes, and political changes, as described below. The projects and program overall have responded to these shocks and built resilience at country level in doing so, particularly through the following means:

- Supply chain resilience promoted through reducing deforestation, climate change mitigation targets and capacity building of stakeholders.
- Project delivery resilience achieved through adaptive management, regular risks analyses/ definition of mitigation practices, and discussions at the GGP Steering Committee and Secretariat levels.
- Adaptive management allowed projects to react to political changes, adapt activities to market shocks, mitigate COVID-related risks, and include resilience-related activities such as training on climate adaptation practices or provision of alternative livelihoods
- Resilience is also integrated in learning activities (Green Commodities Community).

Considering the COVID-19 crisis, GGP highlighted the importance to transition towards greener and more resilient supply chains, promoting how the

activities of the projects contribute to the response and recovery.

10. KNOWLEDGE MANAGEMENT AND LEARNING

The A&L project is capturing lessons learned from each child project through different mechanisms. These lessons are then gathered in a database that has been developed to keep track of the lessons learned around different thematic such as project design, management, gender, communications, and COP, among others. Most child projects use the same mechanisms to gather lessons, such as quarterly reports and Steering Committee meetings. GGP tools and techniques to generate, capture and disseminate knowledge include:

- The Green Commodities Community CoP and its biennial in-person gathering;
- Evidensia which aims to be a global repository of credible evidence on the impacts and effectiveness of standards and other sustainability tools;
- participation in events and communications activities such as the Good Growth Journalist Initiative;
- M&E mechanisms capturing lessons learned across the Program;
- Each child project also has its own processes and techniques including development of tools and knowledge products and their dissemination.

OVERVIEW OF THE COMMODITIES INTEGRATED APPROACH PILOT

1. INTRODUCTION

As part of its 2020 strategy, the GEF has funded three Integrated Approach Pilots, including: Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa; Sustainable Cities; and Taking Deforestation out of Commodity Supply Chains. The Integrated Approach Pilots are testing the delivery of integrated approaches that address discrete, time-bound global environment challenges.

The program “Taking Deforestation out of Commodity Supply Chains, or Commodities Integrated Approach Pilot (CIAP)” focuses specifically on introducing sustainability measures throughout commodity supply chains. Agricultural expansion and production of commodities has been identified as the primary driver of approximately 80 percent of tropical deforestation worldwide. Soy, beef, and palm oil are used in many foods and goods consumed by billions of people around the world, and are a key part of global commodity trade. While they are important factors in many national and local economies, globally they are among the largest drivers of tropical deforestation and conversion of habitat in Latin America, West Africa, and South East Asia.

A growing population, burgeoning middle class, and changing diets are expected to increase the demand for these agricultural commodities. To help address the challenges to tropical forests that these trends pose, the Global Environment Facility (GEF) conceived of the CIAP, which the agency partners rebranded the Good Growth Partnership (GGP), and launched in 2017. Instead of treating production, demand, and investment interventions as separate

tracks, the program works to remove barriers across commodity sustainable supply chains and harness the potential synergy and multiplying effect of addressing key agricultural commodities through an integrated supply chain approach.

GGP is led by the United Nations Development Programme (UNDP) and implemented in collaboration with Conservation International (CI), the International Finance Corporation (IFC), UN Environment, and World Wildlife Fund (WWF). GGP works in partnership with the governments of Brazil, Indonesia, Liberia, and Paraguay, as well as civil society and major private sector players.

The Partnership has taken its integrated approach to Brazil, Paraguay, Liberia, and Indonesia, and supports subnational and national government-led multi-stakeholder platforms, which are committed to implementing long-term action plans for the sustainable production of palm oil, beef, and soy.

At a landscape level, the Good Growth Partnership has helped identify and is now working to protect more than half-a-million hectares of high conservation value forest. Through technical guidance on policy, effective land use planning, conservation agreements, private sector partnerships, and strengthening farmer support services, we are helping to catalyse the systemic transformation necessary to change the way commodities are produced.

Critically, efforts to harness the demand and influence of commodity traders, buyers, manufacturers, and the institutions that finance them are making significant headway.

2. PROJECT PORTFOLIO

The GGP is a commodities-focused Integrated Approach Pilot program consisting of five child projects working across production, financing, and demand in Brazil, Indonesia, Liberia, and Paraguay. GGP is working in key production and demand geographies, invests in points of the supply chain identified as barriers, and links siloed existing initiatives to replicate them.

The Adaptive Management & Learning (A&L) project led by UNDP that acts as the coordinating umbrella project for the other child projects.

The Production project implemented globally by UNDP works to improve the enabling environment for sustainable commodity production through dialogue platforms, policy reform, land use planning, and farmer training and support. It focuses on palm oil in Indonesia and Liberia, as well as on beef in Paraguay.

The Demand project, led globally by WWF-US, helps raise awareness and strengthen demand for sustainable beef, palm oil, and soy among consumers, policy makers, companies, and investors.

The Transactions project is co-led by the International Finance Corporation (IFC) and the UN Environment's Finance Initiative (UNEP FI) to help make sustainable financing more accessible for businesses, farmers and ranchers who require additional capital to invest in more environmentally sound practices.

The Brazil project, led by Conservation International, combines the production, demand, and transaction streams into a single project in that country including landscape focus of the MATOPIBA region.

3. OVERVIEW OF THE REPORT

As all Integrated Approach Pilot programs are in the second half of project implementation, the GEF is going to hold a technical workshop to share lessons learned from three programs. This report is a background paper to provide reflection from the Lead Agency and partners during three years of program implementation, which focus on following nine principles;

- Principle 1: Demonstrating value-add of the GEF
- Principle 2: Demonstrating Program additionality
- Principle: Creating institutional framework for stakeholder engagement
- Principle 4: Dealing with complexity
- Principle 5: Achieving results by promoting systemic shifts
- Principle 6: Leveraging the private sector
- Principle 7: Mainstreaming gender
- Principle 8: Integrating systems resilience
- Principle 9: Knowledge management and learning

GOVERNANCE FRAMEWORK

1. INITIAL PROGRAM DESIGN AND ADAPTIVE MANAGEMENT

The vision of GGP is to take a supply chain approach to transform key commodity supply chains. This means leveraging production, demand and transaction for **systemic change** at the level of the supply chain system. However, neither the project design nor the 'inception' phase specified how to move from a generic integrated approach to a clearer theory of change about the opportunities for leverage areas between the three themes in a given system.

GGP Partners realized soon after the program inception that the integration between different institutions would not happen naturally with the original program design and that it would need more resources and time than what was expected at the design phase, at the global but also at the country level. Although the A&L project has not been designed to fix the lack of integration between the child projects, it attempted to address the weak project design with the integrated planning. This has been valuable to maximize integration among agreed project activities.

2. INTEGRATED WORK PLANNING

In 2018, the A&L team designed a system and the GGP Global Project Manager facilitated integrated work planning workshops at the global level, as well as at country level. Among different GGP Partners, the program identified the roles and strengths of each institution to maximize benefit from comparative advantages for the program.

As part of this process, GGP child projects share their annual workplans, and discuss any potential synergies and joint activities for the coming year.

Strategic joint-activities are being prioritized and their implementation is monitored on a quarterly basis. The integration process is taking place differently at the global and country levels, adapting to the local dynamics between organizations.

3. INTEGRATED PROGRAM MANAGEMENT

The *Program Steering Committee* is accountable for Program delivery and achievement of expected outcomes. The Program Steering Committee meeting takes place twice annually, with at least one of these meetings being in person and the other one being virtual. Ad-hoc meetings are organized at the request of GGP Steering Committee members.

The monthly calls with the *Secretariat* and *national teams* serve the critical function of sharing information, documenting adaptive management, finding solutions to strengthen adaptive management, and identifying potential new areas of collaboration and specific joint activities.

At the global level, *regular ad-hoc meetings* are organized in addition to the *GGP Secretariat calls*, as well as two *in-person meetings* each year (the A&L workshop in Q1 and the GGP Steering Committee meeting in Q3), which enables Partners to coordinate and strengthen working relations.

Calendar indicating missions of GGP colleagues and their participation in events is also shared on a quarterly basis so GGP Partners can identify new opportunities for in-person meetings. A calendar informing GGP Partners at the global program-level activities and inputs needed from them is also shared on a quarterly basis to help work planning.

During implementation, some structures have not worked, and adaptive management has been

applied. For example, it was deemed inefficient for the M&E working group to meet on a monthly basis. Therefore, they only meet on an ad hoc basis. Due to low attendance in Secretariat calls, adaptive management was also applied, including the optional participation of country teams, and the organization of quarterly country-focused calls.

4. CHILD PROJECT DELIVERY

Child project delivery and structural arrangements

The five main agencies are UNDP, CI, WWF-US, World Bank/IFC, and the UNEP FI, working through a consortium. Each Agency has taken on different responsibilities either unilaterally or in collaboration with one another on different projects.

GGP is made up of five child projects including three global projects with country and global level activities (Demand led by WWF-US, Transactions led by IFC and UNEP FI, and Production led by UNDP), one global project with global level activities (A&L led by UNDP for components 1 and 3 and WWF-US for component 2) and one integrated country-level project (Brazil led by UNDP Brazil and executed by CI Brazil) which mostly focuses on production. If in theory the Brazil project was expected to be more integrated as this is a country focused project, its integration is in fact limited as it links to the global projects for implementation of demand and transactions related activities. A mechanism similar to the project designed for Indonesia, Paraguay, and at the global level was needed to facilitate the integration efforts. Also, for Brazil, national governance organs such as the GGP Brazil Executive and Steering Committees, which meet regularly and include all the Partners, play an important role of coordination and integration. Having country focused child projects directly integrating activities in the design of the project and ensuring that sufficient resources are allocated for coordination and integration between the partners could help

improve integration in future GEF programs. Thematic global child projects including country level interventions can help the linkages between global, national, and subnational interventions as well as facilitate more connection between countries implementing similar activities, but they tend to reduce country ownership for country-level interventions and pose challenges to their sustainability (see more below).

Under each child project, various modalities and contractual agreements are established to delegate execution of activities to other organizations, as indicated in the organigram (Figure 1) and Table 1, through responsible parties or sub-grantees agreements. This brings more expertise and strength in the partnership, but also increases the needs for coordination between organizations.

Projects has been organized differently, with the Brazil child project being the only country focused child project. In consequence, government stakeholders are more involved in the governance of the project (see the list of Board members in Table 2). Similarly, under the Production project, a specific project document was created for Paraguay at the request of the government which signed it with UNDP, leading to more involvement from the government in the governance and implementation of the project, in comparison with Indonesia and Liberia whose activities are part of a same global project document (Production). The Paraguay model seems to be reinforcing country ownership of the project, as it can be observed that in Indonesia and Liberia the government does not "own" the project at the same level as in Paraguay.

The execution modalities of the projects can also influence the level of engagement with government. In the Production project, where national level activities mainly focus on engagement with the government, UNDP, which is traditionally an organization with strong relationships with governments, is implementing and executing activities at the national level. In the case of Brazil, an NGO execution modality was

selected with CI Brazil, which is in charge of the relationships with the government.

Based on the GGP experience, we recommend national, country-focused projects for increased ownership, and a global hub project actively supporting integration through dedicated quality staff and sufficient resources. Clear roles and responsibilities for integration as well as dedicated

resources are needed at country project level for such a structure to work.

Child project management

Members of Steering Committee or Project Boards for each project meet every six months and have additional ad hoc thematic meetings as needed to maintain regular communication.



TABLE 1. IMPLEMENTING AGENCIES, EXECUTING AGENCIES FOR EACH CHILD PROJECT

Child Project	Implementing Agencies	Project Management Unit	Executing Agencies and Responsible Project Components
Demand	WWF, UNDP	WWF	WWF-US: Global (palm oil, beef, soy)
			WWF-Singapore: South East Asia (palm oil)
			WWF-Indonesia: Indonesia (palm oil)
			WWF-Brazil: Brazil (soy)
			Proforest Initiative Africa Office: West Africa (palm oil)
			Proforest Initiative Latin America Office: Brazil (soy)
			SEI, Global Canopy (Trase): Brazil, Paraguay, Indonesia (soy, beef, palm oil)
			UNDP Paraguay: Paraguay (beef)
Production	UNDP	UNDP	UNDP Regional Hub for LAC: Global (palm oil and beef)
			UNDP Paraguay: Paraguay (beef)
			UNDP Liberia, CI Liberia: Liberia (oil palm)
			UNDP Indonesia, CI Indonesia, WWF-Indonesia: Indonesia (palm oil)
Transaction	WBG, UNEP	UNEP FI	IFC: commercial transactions
			IFC, UNEP FI: financial markets and institutions
			UNEP FI: public sector – incentives and co-financing
A&L	UNDP, WWF	UNDP	ISEAL Alliance: Component 2 - Online knowledge hub (Evidensia)
			UNDP Regional Hub for LAC: Components 1 and 3
Brazil	UNDP Brazil	CI	CI Brazil: Sustainable Production component 1~3, coordination, KM
			WWF-Brazil: Responsible demand
			IFC: Commercial transactions
			UNEP FI: public sector – incentives and co-financing, financial markets and institutions

TABLE 2. STEERING COMMITTEE AND ADVISORY COMMITTEE FOR EACH CHILD PROJECT

		Steering Committee	Advisory Committee
Program-level		UNDP, IFC, WWF-US, CI, UNEP FI, GEF Secretariat	
Child Projects	Demand	WWF-US (Chair), WWF-Singapore, WWF-Indonesia, WWF-Brazil, SEI, Proforest Initiative (Africa and Latin America), UNDP Paraguay, Conservation International (Brazil)	Selective experts contacted as needed
	Production	UNDP Regional Hub for Latin America and the Caribbean (Chair), UNDP Bureau for Policy and Programme Support, UNDP Indonesia, UNDP Liberia, UNDP Paraguay	Established in each participating country, composed by implementing agency, and government representatives (Indonesia and Paraguay) as well as executing agency (Liberia)
	Transaction	No formal Steering Committee established, informal coordination on a need/ad hoc basis between IFC and UNEP FI at global and country levels. At a global level, monthly coordination calls are organized between IFC and UNEP FI.	Selective experts from the private sector, NGOs, platforms, donors contacted as needed
	A&L	UNDP Regional Hub for Latin America and the Caribbean (Chair), UNDP Bureau for Policy and Programme Support, UNDP Indonesia, UNDP Liberia, UNDP Paraguay: Components 1,3	Advisory Committee for Component 2 (UNDP, International Trade Centre, Oxfam America, University of Oxford, RSPO, Climate Advisers, Albert Heijn, Alliance for Water Stewardship)
		(Project Coordination Committee) WWF-US, Rainforest Alliance, ISEAL Alliance: Component 2	
	Brazil	UNDP Brazil, Brazilian Cooperation Agency (ABC), Ministry of Environment (MMA), Ministry of Agriculture, Livestock and Supply (MAPA), State Environmental Agencies, Representatives of the agribusiness sector in MATOPIBA, Representatives of community organizations in MATOPIBA, CI Brazil, WWF, IFC, UNEP FI	(Project Board) ABC , UNDP Brazil, MMA, MAPA, CI Brazil



5. COUNTRY LEVEL DELIVERY

The integrated work planning takes place in *Indonesia* through an integrated planning workshop during which GGP Partners share their plans for the year and collectively define areas for collaboration and joint activities for the year. In *Paraguay and Brazil*, annual workplans are shared between the GGP Partners, potential joint activities discussed in informal setting and the A&L team provides support for the creation of the integrated workplans. In the case of Brazil, it was agreed from 2020 not to continue developing integrated workplans as they were not deemed the most appropriate and useful tool for partners in Brazil. Instead, coordination is being strengthened through regular meetings of the Project Executive

Committee. In Paraguay and Brazil, workshops focusing on systemic change, lessons learned and collaboration between Partners to achieve greater impact were held in 2020 (in person in Q1 2020 in Brazil, and virtually in Q4 2020-Q1 2021 for Paraguay). These workshops allowed the identification of key levers of change for the target commodity systems, and strengthened collaboration between partners.

Based on the mid-term review, country staff felt integrated workshop for the A&L give them extra work while they themselves can't meet their own targets, but the GGP Partners in general are aware of the value addition and the new opportunities that integration in the program would ultimately generate.

6. ENGAGEMENT OF STAKEHOLDERS AND PARTNERS FOR INTEGRATION AND KNOWLEDGE SHARING

Outcome 3 of the A&L project helps the program on knowledge management, partnership development, and communications to maximize learning, foster synergies, and promote replication. The establishment of a culture of learning has helped tremendously for connecting with other members around a common engagement on green growth. Today the community includes 194 members from 14 commodity-producing countries working on eight different agricultural and marine commodities and is being upscaled by GGP. The Community of Practice has aimed to strengthen country practitioners' capacity—virtually and through inspiring face-to-face encounters and events—on issues relevant across multiple commodities such as land-use, stakeholder dialogue, private sector and financial institutions engagement, farmer support, gender, etc. The Community's program of activities has been driven by users' needs and prevailing project work of its member practitioners. An important innovation of the Community of Practice is also to turn collective experiences and shared learning into guidance material and good practice documents, shaping collective knowledge beyond its membership. The farmers support toolkit is an example of a product developed as part of collective experiences in the Community of Practice.

At the project level, engagement with stakeholders is principally managed through

multi-stakeholder platforms, building on a Multi-Stakeholder Collaboration for Systemic Change that connects local and global practitioners within government, civil society, and business engaged in the transformation of commodity sectors and facilitates collaboration between these actors to achieve systemic and lasting changes. GGP has various roles on these platform—it sometimes established them and/or supports their operation (Production and Brazil projects), or is an active member of existing platforms (Demand and Transactions projects).

Additionally, partnership is also a topic regularly discussed at the GGP Steering Committee level. For example, the Tropical Forest Alliance (TFA) was identified as a strategic partner and specific actions and bilateral GGP/TFA meetings were organized to strengthen information sharing and collaboration between the Green Commodities Community and the TFA Jurisdictional Exchange Network took place in Q4 2020. Organization of GGP program-level side events and round tables is also a way that GGP is engaging with stakeholders and partners (TFA General Assembly, private sector roundtables, GGP event on private sector engagement and landscape approaches at 2020 NYC Climate Week in collaboration with TFA and the Consumer Goods Forum, etc.). Finally, a Statement of Intent was signed between GGP and &Green Fund. Despite the administrative challenges for the Core Partners of signing an agreement as GGP, this framework should help strengthening the collaboration with &Green Fund.

PRINCIPLE 1: DEMONSTRATING VALUE-ADD OF THE GEF

1. THE GEF VALUE-ADDED FOR THE PROGRAM

Convening

The GEF's convening power was certainly a major value-add for GGP. GGP draws on the comparative strengths of its GEF agencies and executing partners. As per the OPS6 Review, the self-selection of the five GEF agencies for GGP (UNDP, CI, WWF, World Bank/IFC, and the UNEP Finance Initiative) was based on their experience in the subject matter, their country presence, and their credibility with other stakeholders. The involvement of the GEF Scientific and Technical Advisory Panel brought in additional experts from leading academic and conservation institutions to inform program development and measures of success.

Innovative Approaches

GEF also added value to the GGP program and to each of the implementing and executing partners through its vision and mandate for an integrated supply chain approach across multiple projects led by different partners. This vision for GGP was communicated at the design stage but also reinforced during implementation, with the GEF encouraging GGP agencies to fully test the supply chain approach. Instead of treating production, transactions, and demand-side interventions as separate tracks, the GEF designed this innovative to break silos between separate supply chain interventions of development partners in order to optimize final results, recognizing that the work is ultimately interconnected. As this was the first time the approach was piloted, there were naturally some design challenges; yet the GEF's insistence on integration led GGP agencies to adapt and find solutions to overcome challenges related to

integration linked to the project design, and to join forces to implement it the best way possible given the resources available. The GEF's flexibility and recognition of adaptive management as a key component of project management was also decisive in GGP implementation and results, including on the integration side. Adaptations were made to allow for more integration at the global level and in Indonesia, where the national GEF focal point gave strong indications of her interest to test the supply chain approach. Integration was more challenging in Paraguay and Brazil, where none of the GGP Partners at the country level clearly took the leadership to coordinate integration between Partners. Issues related to differing business models across implementing agencies, misaligned project implementation timelines, lack of ownership for leading integration at the country level and insufficient resources allocation for integration and coordination in child projects beyond the A&L project are some limits that, despite adaptations, prevent GGP Partners from fully applying the supply chain approach. However, over the last nine months, the situation has improved significantly in Paraguay and Brazil thanks to staff being hired locally for the Transaction project, more interactions and increased trust between the country team members. For example, in the 2020 integrated planning workshop in Paraguay, eight areas for collaboration between GGP Partners were identified, showing significant progress from the past year. Country colleagues also recognize that coordination and communication is much stronger than at the beginning of the project. The system approach workshops in both of these countries (Brazil, March 2020 and Paraguay October 2020-February 2021) was also meant to build on and reinforce these encouraging developments. In

Green Commodities Community

Bogor, Indonesia - 2017



Brazil, since 2020, coordination with partners seems much higher, with updates shared during GGP Secretariat calls directly mentioning collaboration on the ground, for example on farmers training. In Paraguay, it is still too early to say if the systems approach workshop contributed to increased integration, but it was deemed as a helpful exercise by all the participants and will directly feed into the 2021 integrated planning process.

Financing

As the key donor of GGP, the GEF demonstrated value through its robust capacity to fund projects and invest on specific points in commodity supply chains that are currently barriers or choke-points but can unlock greater uptake of sustainable practices. Additionally, integrated programs covering a broad scope and many partners require significant funding, and the GEF provides a model for such funding where it is otherwise relatively absent or often comes from donors that are

associated with just one country rather than the full range of countries on the GEF Council, which makes this funding uniquely representative of global interests.

Collaborative design

GEF efforts to develop GGP child projects in a collaborative way and its engagement with diverse stakeholders and experts was also a major value-add that should be maintained for future projects design. Establishing this practice of country-level stakeholder engagement in the design phase set the expectation that local stakeholders would continue to be involved throughout project implementation as well. Additionally, through its networks of GEF Operational Focal Points (OFPs) in countries and their relationships with governments, the GEF ensures that child projects are developed in consultation with national authorities so they can get their full support and buy in during implementation.

Lessons learning for current projects and future design

Beyond the above value-add, the GEF can influence the design of its future projects building on GGP results, knowledge generated, and lessons learned. As a donor funding three Integrated Approach Pilots but also several other projects related to food and agriculture, the GEF is in a position to collect key lessons from current projects to integrate them into future project design such as FOLUR and GEF-8, but also to disseminate them more widely. Integration of more systems thinking in project implementation is also something that the GEF is supporting through GGP, and that could be replicated in future project design and implementation. In addition, by supporting adaptive management practices, the GEF also allows lessons learned to directly feed project implementation.

2. THE VALUE-ADD BEING HARNESSSED DURING PROGRAM IMPLEMENTATION

GEF value-add highlighted in the first question is being harnessed during implementation as demonstrated below:

The integrated approach vision from the GEF

The integrated approach is being harnessed through concrete collaboration at the global and country levels between the GGP child projects. Every year, integrated work planning between the child projects is organized, and joint activities for collaboration are defined. These can take the form of joint strategic planning between child projects, collaborative execution and integration between child projects and GGP Partners and program-level activities, information exchange and review of products, leveraging networks and resources of GGP Partners including beyond GGP for GGP activities, etc. For example, at the global level, the Farmers Support Toolkit developed under the Production project benefited from feedback and inputs shared by the Transactions team, enabling

a final product of higher quality and relevance. In Indonesia, media engagement activities performed under WWF's Demand child project have benefited from other child project's activities, especially the Production child project, by obtaining stories and facts on sustainable palm oil production from the project activities for further exposure in various media channels to establish consumer knowledge on sustainable palm oil practices. In Brazil, CI and IFC are looking at strategically collaborating on farmers training and COFCO suppliers screening to facilitate a new supply chain partnership, linking farmers trained by CI with COFCO's supply and commitments for sustainability. CI Brazil also took part in the training for banks facilitated by UNEP FI, providing an overview of the ABC program for low-carbon agriculture for farmers to enable financiers to better assess clients and projects from a sustainability perspective. Additionally, in regular GGP Secretariat and Steering Committee meetings, sharing updates from each project often leads to the identification of new opportunities for integration and collaboration that were not identified in the annual work planning process. For example, UNEP FI is working on a Paraguayan beef risk analysis and connected with Demand Project partner Trase for data on the Paraguayan beef supply chain. The **GEF's support for taking innovative approaches** such as including systems thinking in GGP projects through the organization of two systems-approach workshops in Brazil and Paraguay in 2020 was also a value-add and allowed GGP Partners to think about their current activities beyond the fixed project log frames in the light of the current commodity systems, and reflect on the levers that could be prioritized for bigger impact and systems change.

Partnership convened by the GEF

Even if partnership was not explicitly sought in the program outcomes but implicitly expected by the GEF Secretariat, a key value added is the **collaboration between GGP agencies beyond the GGP child projects**. For example, in Brazil, a new alliance and collaboration among NGOs

working on projects in the Cerrado called Cerrativo was created, including WWF-Brazil and CI-Brazil. This has allowed, in addition to strategic alignment between organizations, the development of joint activities around zero-conversion topics, and also reduced the overlap between activities (within and beyond GGP). Another good example is the collaboration between CI-Indonesia and UNDP Indonesia on the Coalition for Sustainable Livelihoods (CSL) in North Sumatra and Aceh. Leveraging the work of GGP in North Sumatra Province and the South Tapanuli district enabled CI to further engage the private sector and regional stakeholders and demonstrate the efficacy of the jurisdictional approach. With knowledge of this work through GGP, the WWF-US GGP team also connected the CI and UNDP teams working on CSL and UNDP's Value Beyond Value Chains to other WWF-US colleagues working on engaging the private sector in jurisdictional and landscape approaches, creating opportunities for alignment and collaboration that otherwise might not have existed. Information sharing and new connections made between Partners on their engagement and work with China is another benefit created and facilitated by the GGP. GGP enabled the **creation of relationships and trust between GGP agencies leads and project managers**, which will last even after the end of the program. The willingness of the GGP Partners to explore future collaboration beyond 2021 under a phase 2 of GGP is a good illustration of this.

The collaborative design facilitated by the GEF

The collaborative design and especially its engagement with national authorities ensured buy-in from governments of GGP projects at the country levels, which is key especially for the implementation of policy related work. The fact that the program went through an extensive process of collaborative design and vetting from OFPs and GEF Council members gives an element of credibility to the work and authority to the executing partners even when politics in the

country have changed (though this does have its limits and there are still challenges engaging new governments that were not involved in project development). This was helpful to achieve key results, such as 39 policies, policy frameworks, strategies, and/or action plans being supported to reduce deforestation in commodity supply chains, after three years of implementation.

Sharing lessons learned for GEF-7 and GEF-8

GGP teams are also sharing their lessons learned to inform FOLUR design projects, and advocate for a deeply collaborative design process, integrating systems thinking approaches, and building on GGP achievements, as well as other projects active in the targeted landscape/ country. For example, key GGP lessons on program management and coordination are being shared to the Global FOLUR platform design team. Also, GGP Liberia and Indonesia have been actively engaged in sharing lessons and inputs to the FOLUR Country Projects in those countries. Finally, the Transactions project is working on creating synergies between the GGP project and the FOLUR project in Paraguay, specifically related to capacity building of broader stakeholders such as the Central Bank, the Ministry of Environment and Sustainable Development, and INFONA on implementation of the Resolution 8 promoting the integration of environmental, social, and governance (ESG) criteria in lending. The A&L project also invited the Paraguay FOLUR design team to the GGP Paraguay systems approach workshop, to ensure that insights identified can feed into the project design. Finally, the Transaction project is making links with a GCF Results Based Payment project in Paraguay, leveraging the work done to date under REDD+ to articulate criteria for a National Climate Fund. Lessons learned will continue being shared by GGP for GEF-8 as well, through lessons learned documents such as this one, and through the implementation of the FOLUR projects where GGP plays a role in the global knowledge platform.

PRINCIPLE 2: DEMONSTRATING PROGRAM ADDITIONALITY

1. PROGRAMMATIC APPROACH FOSTERING COHERENCE AND CONSISTENCY WITHIN THE PROGRAM

The GGP was designed so that working in an integrated manner across the supply chain stages of production, demand and transaction, as opposed to in silo, would allow for achieving more than the sum of its various child projects. The idea was also for the program to work across multiple scales (global, regional, national and local), which is usually not feasible with the usual country project modality, even when a portfolio of many similar projects is being implemented. GGP allows regional and global activities to build off the country level work and to reach new scales.

One of the key instruments to allow for the programmatic approach to work and foster coherence and consistency within the program is the GGP Adaptive Management and Learning (A&L project) or “umbrella project.” It demonstrates interesting, innovative features, including a coordination function across child projects and an emphasis on knowledge exchange and capacity building through a dedicated platform for collaborative learning, the Green Commodities Community (GCC). Building on an existing community of practice within UNDP’s Green Commodities Programme, the Green Commodities Community was re-scoped and expanded to cover topics beyond production and to include Demand and Transactions Project partners as well as relevant practitioners.

To help coordinate efforts and lead program-level activities, the A&L project was secured with a budget of approximately \$9 million, including co-financing, representing approximately 3 percent

of the total budget. The project has so far been instrumental in ensuring cohesiveness in the GGP by coordinating program-level M&E, engagement with initiatives and other organizations for GGP program-level partnerships, and a knowledge-management and communications strategy. One of the key responsibilities of the A&L project is also to support and facilitate adequate technical sequencing of activities between child projects, which plays a critical role in realizing the linkages between child projects to affect transformational change. In order to achieve it, several mechanisms for integration, coordination, and collaboration were established, such as annual integrated work planning at the global and national levels, monthly GGP Secretariat and quarterly country-focused calls, regular meetings and information sharing, and planning and coordination of program-level activities. Despite some challenges (see lessons learned on efficient and effective coordination of the program reported for Principle 3 on Creating Institutional framework for Stakeholders Engagement), these mechanisms established by the A&L project were essential to give life to the programmatic and integrated approach.

Beyond facilitating collaboration and adaptive management, the A&L Project also facilitates learning by all project partners as well as external stakeholders and the broader public. The project supported ISEAL to develop the publicly available online global knowledge platform Evidensia, which provides decision-makers with information that has been distilled and curated to make it easier for them to use—in addition to providing a full library of original research and transparent methodologies for content curation. The Green Commodities Community provides additional opportunities for shared learning by featuring multiple virtual

workshops and discussions per month around GGP-related topics of interest, open to community members and in some cases beyond. The A&L project is based on a continuous iterative learning and knowledge-dissemination component, which is a unique aspect and underpinning of the GGP. By creating program-level knowledge such as public reports on gender considerations and private sector engagement in supply chains and practical learnings from implementing child projects and facilitating knowledge exchange between GGP child projects, the A&L learning activities support the realization of the supply chain approach and foster increased learning, exchange between commodity practitioners across the supply chain, and scaling up of good practices. For example, having a program working across production, transactions, and demand allowed the production of a complete analysis of COVID-19 impacts on GGP target supply chains and countries.

Additionally, by having program-level indicators on integration and cross cutting issues such as gender, partnership engagement and learning, the A&L project embodies the programmatic approach and leads the M&E program-level efforts, including on the definition of additional program-level indicators, representative of the targeted results of the whole program, beyond individual child projects results frameworks.

Furthermore, the development of a GGP communication strategy and branding was key to give a unique identity to GGP, provide a sense of community to partners, increase visibility of the partnership, coordinate messages and communications efforts across the partnership to ensure consistency and coherence, and have a bigger impact and outreach by relying on GGP Partners' networks to share GGP's progress, lessons learned and knowledge produced. The development of a [website](#) was a key milestone achieved, and is today a space where material produced across the partnership is being posted.

Finally, by ensuring coordination and information

sharing between GGP Partners on strategic partnerships, the partnership component of the A&L project is also helping to build this coherence and consistency of the GGP program and reinforces GGP engagement with other initiatives by aligning the voices of five organizations under the GGP umbrella. The signature of a Statement of Intent between GGP and &Green Fund in May 2020 is an illustration of this.

However, beyond the project framework and narrative around the integrated approach, having strong child projects managers and an overall lead for coordination and integration, fully understanding the value of the integrated approach and supporting it, is fundamental to bring the supply chain approach to life. Leading the program-level activities with positivity despite the challenges faced and being persistent until first benefits around the integration can be felt – which can take time – was critical to drive GGP towards an integrated approach. In the particular set-up of GGP, having a global project manager in charge of the A&L and Production projects was also helpful, to give directions and examples to the other child projects in terms of expected contributions from them. The GGP Steering Committee, governance body gathering representatives from all the child projects and the GEF Secretariat, also plays an important role, reminding all about the importance of the GGP big picture and supporting the adoption of necessary project adaptations to contribute to A&L activities.

Besides, the programmatic approach cannot be optimally implemented without inputs and collaboration from all the child projects, so this is important to ensure that all child projects have resources and time to contribute to the program-level activities, and that their own project references the programmatic approach so that incentives to participate in the program level activities are built in the design of the project. This is one of the design challenges that partners in the other child projects have had to overcome to contribute to the activities led under the A&L

Project. Technically, these are all still discrete child projects and partners have had to be flexible and adaptive in their use of resources under their child projects to support the broader GGP in ways that were not originally anticipated. This however led to not always equal or timely contributions from child projects. Adaptive management practices and encouragement of the GEF and the Steering Committee were essential to prompt global child projects to reallocate some time to provide inputs for these program level activities which help connecting child projects. However, in disruptive contexts such as the COVID-19 pandemic, these program-level activities tended to be deprioritized, each child project needing to adapt to the new reality and having thus less time for joint activities. In the future, it could be useful, to allow a smoother integration, to have integration between child projects and related responsibilities very clearly mentioned in the project documents and ToRs of child projects managers, as well as indicators related to integration and program level activities included in the project logframes. This would allow for budget and time to be allocated to integration related activities from the beginning and project managers would have more incentives for contributing to these activities.

2. PROGRAM IMPLEMENTATION FRAMEWORK LEVERAGING OTHER INITIATIVES

First of all, by gathering key organizations working on greening commodity supply chains, the GEF has allowed GGP to build and leverage all other initiatives led by UNDP, WWF-US, UNEP FI, IFC, and CI and their subgrantees (Proforest, ISEAL, TRASE), on sustainable commodities. For example, the Production project benefits from and leverages all the learnings produced by the UNDP Green Commodities Programme (GCP), and especially its methodology on multi-stakeholder collaboration for systemic change. Another example is the Production project in Indonesia leveraging the IFC palm oil project implemented in partnership with Musim Mas (IPODS) in terms

of its deliverables, lessons, and networks. The A&L project also leveraged the existing Green Commodity Community created under UNDP GCP and strengthened and expanded it to Demand and Transactions areas under GGP.

Moreover, WWF has provided significant subgrants to external organizations beyond the GEF agencies, aligning goals and objectives broadly and amongst some of the most important conservation organizations that themselves are receiving resources from many additional agencies. As new projects emerge in the broader portfolios, GGP Partners, constantly seek opportunities to align with GGP priorities and leverage the work of other GGP partners.

Indeed, program implementation at the global and landscape level has leveraged other donors interested in sustainable commodities and deforestation reduction to work towards common objectives. Additional sources of co-financing to those originally expected at project design have been mobilized as a result of new initiatives that started operating in the landscapes, as well as new partnerships that GGP has accomplished with different stakeholders in order to work on specific project components. Each child project has leveraged initiatives from different donors working to achieve projects targets, mobilizing new sources of co-financing. For example, in just the first two years, WWF and UNDP (Production) mobilized nearly 200 percent of its original four-year co-financing commitment.

Adaptive Management and Learning Project

UNDP resources from the German Corporation for International Cooperation (GIZ), Mondelez, and the Partnership for Action on Green Economy (PAGE) have been leveraged to support communications activities, the Green Commodities Community (GCC), and the development of the Good Growth Conference, which convened more than 250 participants from around the world. The A&L project also led the development of a partnership



with &Green Fund, which has been officialised through a Statement of Intent, where several areas for collaboration were identified. Practitioners from non-GGP organizations are also invited to join the Green Commodities Community, strengthening linkages with other commodity-related initiatives and allowing GGP to benefit from their learnings.

Production Project

At the global level, through UNDP, donors like GIZ have provided financing to jointly work on the development of Knowledge Products such as the

Four Dimensional Systemic Change, which was also produced in partnership with another UNDP team (Climate and Forests). Also, the Swiss State Secretariat for Economic Affairs (SECO) and IKEA have supported the advisory services of the global team supporting country activity implementation primarily in Indonesia and Liberia. In Indonesia, the government of South Tapanuli, ADM Capital, PT. PN III, and PT. ANJ Agri Siais, have mobilized resources to contribute to CI's landscape activities. For example, an MoU between CI and PT AJN was signed to support independent smallholders

training on negotiating fresh fruit bunches price and ensuring land legality, allowing direct linkages of producers with buyers of sustainably produced palm oil. Besides, the Coalition for Sustainable Livelihood including producers, buyers, and financial institutions, convened by CI in North Sumatra is partnering with the GGP in South Tapanuli which should lead to new linkages with smallholder farmers there in the second half of the project. Finally, in Liberia, Partnership for Forest (P4F) should support CI's work related to HCV/HCS mapping and set aside work in the GGP landscape. In Paraguay, the GGP project worked closely with a different GEF-funded project implemented in the Eastern region of the country as well as a REDD+ focused project, and is leveraging key results achieved by these projects. Thanks to integrated planning and systems approach workshops supported by the A&L project, collaboration was also strengthened with development partners present in the Chaco.

Demand Project

The Demand Project has facilitated other projects and sources of funds working on demand-related topics to align and leverage efforts to support common activities, like the German International Climate Initiative (IKI), Swedish International Development Cooperation Agency, Norwegian Agency for Development Coordination, Accountability Framework Initiative, Gordon & Betty Moore Foundation-funded Collaboration for Forests & Agriculture, etc. For example, the IKI Sustainable Consumption and Production Project is supporting WWF-Indonesia (via WWF-Germany) to conduct activities closely aligned with the Demand Project such as analysis and engagement of retailers and brands regarding sustainable palm oil sourcing and models for sustainable business practice, analysis of consumer behavior and perceptions of sustainable consumption, online and offline communications campaign activities regarding sustainable production and consumption, and media engagement on sustainable production

and consumption. The Demand Project and the IKI Sustainable Consumption and Production project are now coordinating on activities, budgets, and personnel resources to avoid duplication and leverage resources for maximum benefit on common objectives. As another example, new consumer campaigns focused on sustainable palm oil are emerging with WWF partners in China, India, and Singapore (external to GGP), and the Demand Project leveraged learnings from its Indonesia consumer campaign by facilitating a workshop to bring together the people involved in these other campaigns—many of which are about to be launched—to discuss the successes and challenges of implementing these kinds of campaigns and adapting to local contexts. Moreover, WWF brought significant co-financing to the program from a foundation where the work focused on companies implementing deforestation-free commitments. There are two countries where the work takes place that are aligned with GGP countries, and resources were effectively tripled to drive the same agenda.

Transactions Project

Work led by UNEP FI has allowed for additional co-financing as originally planned from SECO and UN-REDD in support to the development of a business case for sustainable soy production in Brazil. In addition, UNEP is currently in discussions with GIZ to secure additional resources to transition the training program on deforestation risk management from an in-person delivery to on-line which will be adopted and hosted by the Central Bank of Brazil with financial contribution from GIZ. This will ensure broad-based use of the training components. IFC has also provided co-financing to develop new approaches to tracking of GHG emissions through the FAO GLEAM-i (Global Livestock Environmental Assessment Model - interactive), approaches to working effectively with smallholder supply chains and methodologies for the assessment and capacity building of producer organizations.

PRINCIPLE 3: CREATING INSTITUTIONAL FRAMEWORK FOR STAKEHOLDER ENGAGEMENT

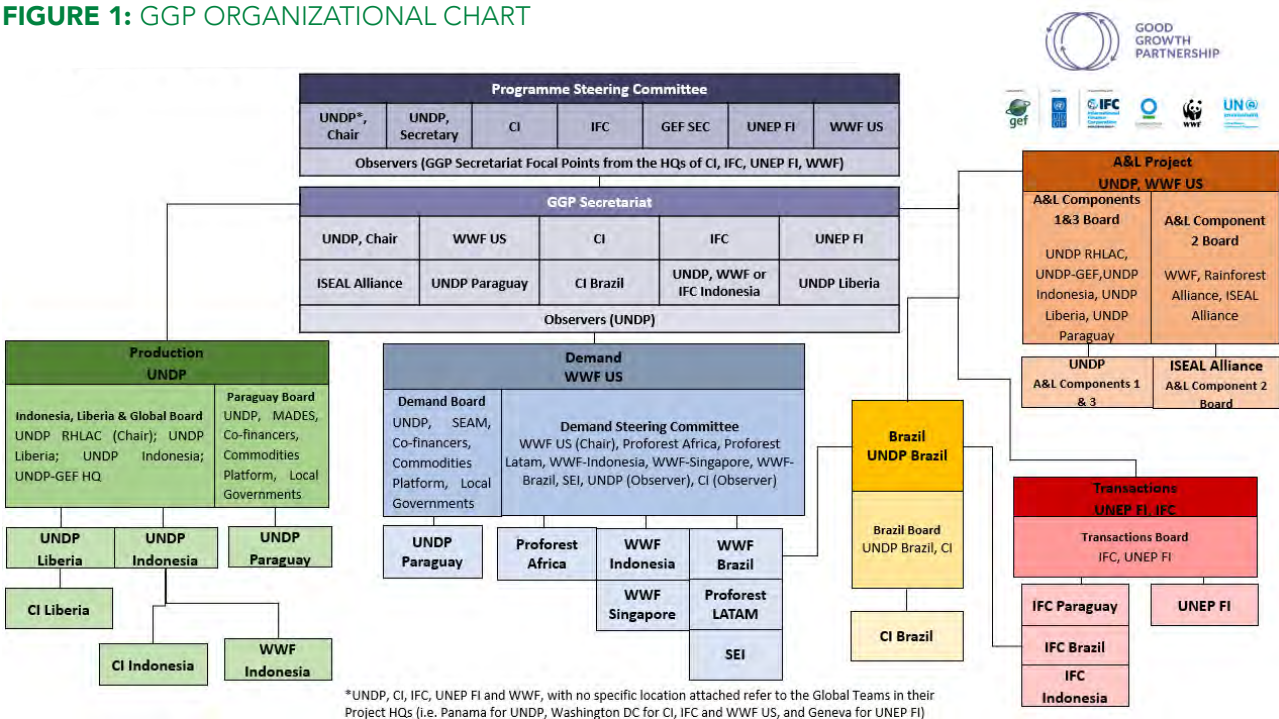
1. INSTITUTIONAL ARRANGEMENTS

Overall GGP structure

GGP is composed by 5 child projects:

- 1. Production**, led by UNDP, which focuses on reducing deforestation from commodity production and includes activities at the global, national (palm oil in Indonesia and Liberia) and subnational levels (Riau, North Sumatra and West Kalimantan provinces and Pelalawan, South Tapanuli, and Sintang districts in Indonesia, counties of Grand Bomi, Gbarpolu, and Bong and Grand Cape Mount in Liberia, and beef in the Chaco/Paraguay). Responsible party agreements were signed under the Production project with several partners
- 2. Transactions**, led by IFC and UNEP FI, aiming at strengthening the financing environment for sustainable commodity production and implemented through activities at the global and national levels (Indonesia, Brazil, and Paraguay). The Transactions Project has Forest Trends as an executing partner.
- 3. Demand**, led by WWF-US, whose objective is to generate responsible demand for reduced deforestation commodities, and includes activities at the global, regional (South East Asia, West Africa, Latin America), national (Paraguay, Indonesia, Brazil) and subnational levels (Pelalawan, Sintang, and South Tapanuli districts

FIGURE 1: GGP ORGANIZATIONAL CHART



in Indonesia). Demand Project executing partners include: Proforest Africa, Proforest Latin America, Trase, WWF-Indonesia, WWF-Singapore, and WWF-Brazil.

4. **Brazil**, led by UNDP Brazil and executed by CI Brazil, covering mainly production related activities and linking to the Transactions and Demand child projects.
5. **Adaptive Management & Learning (A&L)**, led by UNDP (Components 1 & 3) and WWF-US (Component 2) and responsible for overall program coordination among different child projects as well as program-level activities such as knowledge management, learning, communications and partnerships. ISEAL is the executing partner for Component 2, the Evidensia knowledge platform.

This complex architecture of agencies is led by a **GGP Steering Committee**, accountable for program delivery and achievement of expected program level outcomes. The GGP Steering Committee meets two times per year, with at least one of these meetings being in person and the other one being virtual. Information shared during these meetings allows relevant program level decisions to be taken, or project level suggestions to be made. Coordination between the child projects is being ensured by the **GGP Secretariat**, composed of all child project managers and meeting virtually on a monthly basis to discuss project implementation progress, challenges and program-level activities. The GGP Secretariat reports to the GGP Steering Committee. Each child project – except for Transaction one - has also its respective Project Board or Steering Committee, which is meeting on a quarterly or bi-annual basis. Several **coordination and integration mechanisms** such as a quarterly calendar and annual in-person A&L and integrated planning workshops were established to improve program management and realize the GGP integrated approach.

Stakeholder engagement

GGP stakeholder engagement has been first facilitated during the design phase of the program, which incorporated a participatory process involving countries, GEF agencies and a wide range of stakeholders. GGP has undertaken extensive external stakeholder consultations and outreach to industry and private and public organizations to gain a greater understanding of how business tackles deforestation. Further, given the complexities and challenges in each commodity supply chain, platforms and relevant roundtables at the global, regional, national and subnational levels are interwoven into the child projects' implementation to create space for dialogue and collaboration on an ongoing basis, in addition to more traditional bilateral stakeholder engagement, and contribute to the delivery of targeted outcomes. Examples from GGP child projects are outlined below.

Under the *Production child project* and building on the [UNDP Green Commodities Programme's methodology on multi-stakeholder collaboration for systemic change](#), GGP supports the establishment and operations of **government-led national and subnational commodity platforms** as the means to ensure structured dialogue on sustainable production within the target countries, thus facilitating action planning, policy reform and improved enforcement capabilities. Based on root cause analysis agreed upon by a wide array of stakeholders, commodity platforms are developing and implementing strategies and action plans, leading to the practical alignment and implementation of public and private investments and other actions related to target commodities. Platforms enable public-private discussions, as well as greater coordination among different governmental institutions and ministries, and ensure that the views of smallholders, local communities and disadvantaged groups are heard.

Under the *Transactions child project*, stakeholder engagement with financial actors mainly takes

place through existing and widely recognized platforms, such as the **IKBI network of banks in Indonesia**, the **Brazilian banking federation FEBRABAN**, the **Brazilian Association of Development Banks (ADBE)**, the **GIZ supported Finance Lab**, the **Brazilian Coalition for Forest, Climate, and Agriculture**, and the **Paraguayan Sustainable Finance Roundtable and Technical Roundtable on Sustainable Finance of the Central Bank**. Engaging stakeholders through these platforms allowed a better reception and dissemination of trainings being developed and delivered. Engagement is also being done specifically around some products under development, such as the Chaco Biodiversity Map, and national financial partners are involved in the technical support and delivery of training programs in their country. This is being completed as needed with bilateral stakeholder engagement such as with Central Banks.

Under the *Demand child project*, executing partners (which themselves represent more than half a dozen NGOs) work with myriad stakeholders, and the modality will differ depending on the topic or constituent. At times, stakeholder engagement is facilitated through various existing platforms such as the **Asia Sustainable Finance Initiative** gathering finance, industry, academia, and science-based organizations; the **African Palm Oil Initiative's** multi stakeholder forums focusing on palm oil in 10 countries from West and Central Africa; the Paraguayan Roundtable for Sustainable Beef (MPCS), which convenes corporate, government, and civil society participants to discuss sustainability topics and find consensus on national criteria for sustainable beef; the **Soft Commodities Forum**, which supports traders groups focusing on soy; and the **Soy Buyers Coalition**, a forum gathering retailers. Using these established structures ensures the development of products that answers needs of stakeholders, as they are involved in the process itself (e.g. consultations through Soy Buyers Coalition for the development of the [Soy Toolkit](#)). In other situations, the project has

helped launch new platforms such as a sustainable retail platform in development in Indonesia and the Cerrativo collaboration of Cerrado-focused NGOs in Brazil. Often, however, practitioners are working directly with companies to influence or effect change. Individual companies can often be influential in a multi-stakeholder platform, and we have found that a combined one-to-one partnership with individual companies and multi-stakeholder platform approach is most influential in effecting change.

Under the *Brazil child project*, stakeholder engagement mainly takes place through the **MATOPIBA Coalition**, a multi-stakeholder forum gathering private sector, government, and civil society representatives, aimed at developing a common vision towards a more sustainable development of the MATOPIBA region. Government stakeholders are also mobilized through the **Consortium of Secretaries of Agriculture**, a forum supported by CI-Brazil, which gathers representatives across the four Brazilian States to develop an agenda and a work plan to support landscape management and sustained commodities production expansion. The project is also active in the Cerrativo collaboration of Cerrado-focused NGOs in Brazil. Under the *A&L child project*, stakeholder engagement is done through the [Green Commodity Community](#), the [Good Growth Conference](#), and [Evidensia](#), which offer learning and knowledge exchange opportunities to stakeholders (development partners, GGP project staff, private sector, government, etc). It is also complemented by engagement with stakeholders convened at GGP roundtable/panel discussion events.

As highlighted in the GEF OPS6 Review, GGP's approach marks a paradigm shift for the GEF's operational modalities by expanding a traditional national government-focused model to reflect a wider range of actors involved in key commodities, including key stakeholders and the private sector, which is crucial for advancing systemic shifts and transformational change.

2. EXISTING GOVERNANCE ARRANGEMENTS PROMOTING OPPORTUNITIES FOR SYSTEMS SHIFT AND TRANSFORMATIONAL CHANGE

Lessons from efficient and effective coordination of the program

GGP's approach relies on supply chain integration, which can provide opportunities for systems shift and transformational change. Its implementation in the past two years demonstrated that coordination, collaboration, and integration between GGP partners and child projects takes the following forms:

- Information exchange and review of products between GGP Partners and subgrantees
- Leveraging networks and resources of GGP Partners including beyond GGP for GGP activities
- Joint strategic planning between child projects and GGP Partners
- Collaborative execution and integration between child projects and GGP Partners
- New collaboration beyond GGP enabled/strengthened by GGP
- Program level activities

Key lessons identified in the past two years include:

- Integration takes time and resources. It is important to create incentives and include it as a common objective with indicators in the result framework of all the child projects, as well as in the projects budgets, allowing for proper planning and resourcing in all projects annual workplans.
- Adaptive management helps create new mechanisms and processes aiming at facilitating integration and coordination within the resources available.
- Timelines of the interventions and their expected results should not be underestimated in the design of the project and theory of change.
- Longer timelines (more than four years) should be considered for integrated programs as ambitious as the Good Growth Partnership.

- Taking a systems approach can help reflect on a given system, test a theory of change and its assumptions, and re-orient project activities through adaptive management as needed.
- One model of integration does not work for all. Local and national specificities should be considered, including local politics between organizations, and adapted models of integration/coordination defined with local project managers.
- Structural obstacles related to the internal organization and culture of GGP agencies should not be underestimated, and a rigorous analysis should be conducted at the beginning of the project to define ways of working. Structural solutions (such as joint teams or shared offices between organizations) should also be explored to overcome these challenges.
- Another way to reduce structural challenges is to have the same project team managing child projects at the country level, which helps integration between these two projects or to have country focused child projects with one lead agency supervising execution of all the activities and incentivized to coordinate integration instead of thematic focused child projects.
- In-person meetings between organizations can help overcome some structural challenges by building a team spirit.

Lessons from stakeholder engagement for achieving outcomes

By working with multiple stakeholders and national and subnational governments to create enabling conditions, GGP supports a transformational shift to a low-emission and resilient development path. Thanks to the work carried out on multi-stakeholder engagement under GGP, important results and lessons have been captured in Indonesia, Liberia, Brazil, Paraguay, and at the global level.

Commodity platforms following a multi-stakeholder collaboration approach allow for consensus building along a more sustainable path for a given commodity. They ensure solutions and actions gain

a broader and longer ownership from stakeholders, who are part of the actors implementing solutions for more sustainable supply chains. So far, under the Production project, platforms have achieved stakeholder consensus and commitment at the highest level in Indonesia (with Presidential endorsement and signature of the National Action Plan for Sustainable Palm Oil in November 2019), and processes well underway in Paraguay and Liberia. Multi-stakeholder platforms are a framework for stakeholders to align and coordinate their actions, as seen in Indonesia, Paraguay, and Liberia under the Production project, with alignment mechanisms in place.

Sustainability of multi-stakeholder platforms established and/or supported by GGP needs to be ensured after the end of the project to further sustain the change being facilitated by the platform. Pre-existing platforms non-dependent on GGP support/funding are usually a good way to ensure sustainability of other GGP activities and material developed. For example, under the Transactions project, discussions with existing platforms have enabled the project team to plan for the integration and adoption of their programs into these platforms for continuity.

Having champions from the government and private sector in multi-stakeholder platforms is helpful to accelerate change and increase stakeholder involvement, and having a skilled and independent facilitator is important. Platforms led by government or with deep government involvement are helpful to enable policy change. Furthermore, having stakeholder engagement and platforms at national and subnational scales, and ensuring that they are linked, is key to accelerate change. The monitoring and costing of action plans for sustainable commodity production developed with stakeholders is important to ensure its implementation.

Platform-level commitments from global buyers and demand actors, such as the Cerrado Manifesto Statement of Support, can also bring market

pressure for local actors to change production practices. These commitments have more impact when they are accompanied by dialogue with local producers, active monitoring and communications, farmer support or incentive mechanisms, or when they lead to policy action.

It is important to continue bilateral engagement on the side of multi-stakeholder engagement through platforms to better understand needs and visions of all the stakeholders—for example in Paraguay, the project team is investing in bilateral discussions with small, medium, and large farmers as well as indigenous and Mennonite communities to understand their differing cultures and visions and ensure their participation in the platform. Similarly, in the Demand project, Trase is developing corporate and government case studies to explore how certain entities use the online supply chain mapping platform; WWF will be developing company case studies to highlight how they are improving their sourcing practices in alignment with the criteria in the Palm Oil Buyers Scorecard; and WWF-Singapore offers the opportunity for in-depth bilateral trainings with specific investors after holding broad sectoral workshops on sustainable investing topics.

Platforms and multi-stakeholder initiatives are critical for the adoption and dissemination of GGP programs such as the training program on land-use change developed under the Transaction project. Being part of multi-stakeholder platforms and initiatives has allowed GGP projects to solicit feedback from a range of stakeholders and understand differing points of view and needs. Bottom up approaches are critical to ensuring the adoption of programs so that capacity building programs are adjusted to national requirements, for example.

Tailoring learning opportunities to stakeholders targeted is key to getting them involved. Stakeholders respond well when seemingly diverse issues are connected. For example, messaging which connects deforestation to the spread of



zoonotic diseases helps combat “issue fatigue,” especially during a global pandemic. Stakeholder engagement with producers and financial institutions at the country level during COVID is challenging without face to face meetings.

3. ROLES AND RESPONSIBILITIES OF PARTICIPATING INSTITUTIONS CREATING SYNERGIES DURING THE PROGRAM DELIVERY

An important feature of GGP relates to working across multiple scales, from local to national, regional, and global. Additionally, the supply chain approach taken and the collaboration between GGP Partners working on the sustainable production,

financing, and demand sides of GGP targeted supply chains enable the creation of synergies.

GGP was designed so that each partner brought complementary strengths, expertise, and networks, and roles and responsibilities were assigned among them, keeping that principle in mind. That has allowed synergies to emerge horizontally (in target landscapes) and vertically (local to global) between the work of partners.

Spatially (target geographies)

In target countries, partners are able to find synergies both within the Production project (across partners/landscapes) as well as between

child projects. For instance, UNDP, CI, and WWF-Indonesia are each involved in different districts in the Production project but all share knowledge and experience of how they are handling policy work, HCV/HCS mapping and set-asides, and farmer support, in order to help each other. The Demand project (WWF-Indonesia) also interacts with Production partners (WWF-Indonesia, UNDP, and CI) in relation to supply chain mapping and learning tours for media and influencers as part of the consumer campaign, and has found synergies with IFC's plans under a sister project (IPODS) to connect RSPO certified farmers to buyers and to develop traceability tools. Trase's work to map Indonesian palm oil supply chains including smallholder production within and outside concessions and their work to link buyer companies and governments with sustainable jurisdictions is nascent but will explore synergies with the other GGP partners. Finally, in 2020, the socialization of the National Action Plan for Sustainable Palm Oil, whose development was facilitated by the Production project, was supported by the Demand and Transactions projects with retailers and financial institutions they work with, leveraging networks of all the partners.

In Liberia, UNDP visits the landscapes and writes stories about the work of CI. The landscape level forum supported by CI was also used to gather inputs for national-level processes such as the RSPO National Interpretation.

In Paraguay, the Chaco Beef Platform established under the Production project is a space where issues related to the Demand project are also discussed, ensuring a better link between production and demand interventions for sustainable beef. In addition, synergies have been created between Production and Transactions through UNDP and IFC in the Chaco in the HCV/HCS mapping (UNDP is sharing existing related maps with the Smithsonian Institute carrying out the mapping for IFC). The study on sustainable beef competitiveness being conducted by IFC under the Transactions project in Paraguay will

be a helpful business case that could be used by UNDP under Production to incentivize producers to adopt sustainable production practices, and the Demand Project provided market intelligence research to support IFC's exploration of blockchain traceability frameworks in Paraguay. The IFC and Supply Change report on corporate sustainability commitments linked to Paraguayan beef provides opportunities for synergies with UNDP's demand-side work to market Paraguayan beef to buyers. Finally, information on studies completed on financial incentives for forest conservation were shared between UNDP and UNEP FI and collaboration will be further explored in 2021.

A synergy around work in Brazil between Transactions and Demand is being leveraged to map and classify degraded pastures in Tocantins State. This will feed into the development of business models for soy production on degraded lands, which will be disseminated to the financial sector. IFC and CI also started collaborating on farmers training and COFCO's suppliers sustainability screening, supporting the facilitation of a possible sustainable supply chain linkage between producers and a supplier.

At the global level, the GGP Climate Week event demonstrated the power of the partnership and its ability to mobilize around public-private collaboration for sustainable commodity supply chains various initiatives and organizations, allowing knowledge exchange and the dissemination of tools and guidance developed by GGP and the partners' organizations.

Vertically (local/global)

There have been many synergies created between GGP partners across subnational, national, and global scales, within child projects and across projects.

For instance, in Indonesia, UNDP's work and experience at national and provincial level on platforms is used to build the capacity of the district platforms supported by CI and WWF-Indonesia in

South Tapanuli and Sintang, respectively. Additionally, UNDP's policy work at the national level on KEE is supporting the work on set-asides by WWF-Indonesia and CI at local level.

The Commodity Market Intelligence Updates produced under the global Demand project fill the knowledge gaps on commodity markets identified in GGP countries, supporting partners' strategic engagements at the national level.

In Indonesia, stories and facts from landscape activities by UNDP Indonesia, WWF-Indonesia, and CI under the Production project contribute material for the Demand Project's communications campaign to establish consumer knowledge on sustainable palm oil practices.

At the global level, several companies such as COFCO are being engaged by several GGP Partners under Demand and Transactions, based on their roles and responsibilities with the view to increase their sustainable sourcing of soy from Brazil, hence having a positive impact at the local level. Coordination around this engagement is allowing for better alignment between partners and a more efficient engagement.

Tools and guidance being developed at the global level by UNDP under the Production project are being piloted by the Production project partners at landscape level (UNDP Indonesia, Liberia and Paraguay, WWF-Indonesia, CI Indonesia and Liberia) in GGP landscapes, helping to accelerate change at the local level, while also providing feedback on the tool and improving it. This is the case with the Ladder of Change, an M&E tool developed to measure change achieved through the multi-stakeholder platforms; the Landscape Analysis Tool, which analyzes the status and dynamics of changes in deforestation that take place at the landscape level and assessing the impact of project interventions; the Value Beyond Value Chains guidance note; and the Farmers Support Toolkit.

Trainings for banks on ESG being developed by UNEP FI under the Transactions project at the global level, are linked and complement trainings developed for banks in Indonesia, Brazil, and Paraguay, including existing efforts by partners such as WWF-Indonesia and WWF-Brazil.

All UNDP-led GGP program level activities under the A&L project amplify and support the work undertaken at the local or national levels. For example, communication at the global level uses inputs from the local level. Similarly, the Green Commodity Community fulfils an important learning and knowledge management function for the whole GGP program, focusing on sharing knowledge, lessons learned and experiences, ideas, and solutions between global, regional, national and subnational levels. An important innovation of the Community of Practice is also to turn collective experiences from national/subnational work and shared learning into guidance material and good practice documents, shaping collective knowledge beyond its membership.

Regional APOI meetings and topic-specific trainings supported by the Demand project enabled the UNDP and CI Production Liberia team to learn from successes and challenges of nine other countries throughout the West and Central African region and provided opportunities for dialogue on regionally relevant topics such as the meaning of "deforestation-free" in the African palm oil context.

Through the Demand project's Asia Learning and Exchange program, ISEAL Alliance is currently conducting research on implementation of the sustainable palm oil initiatives in different Asian countries. The result will be a set of case studies highlighting the challenges and successes of each initiative and the lessons learned that can be applied to the industry.

PRINCIPLE 4: DEALING WITH COMPLEXITY

1. NATURE OF COMPLEXITY IN THE PROGRAM

GGP seeks to address the drivers of tropical deforestation led by those commodities that contributed to 76 percent of global deforestation in 2008¹: soy, beef and palm oil, in two hot spots (Brazil MATOPIBA for soy and Indonesia for palm oil) and two frontier countries (Paraguay's Chaco for beef and Liberia for palm oil). These drivers are complex and include at the macro level:

- Demographic growth and an increase in the middle class, leading to a higher demand for food and animal feed, as well as non-food products derived from palm oil, soy and beef.
- The economic importance of these commodities globally, as well as in producing countries whose economic growth is dependent on them.
- The importance of these commodities for the livelihoods of millions of people.
- Inadequate legal and regulatory frameworks to support sustainable production and lack of publicly available land tenure and environmental license data.
- Weak institutions and governance of supply chains, including vested interest in keeping the status quo.
- Lack of demand for sustainable products and lack of price premiums for sustainable products in many markets.
- Lack of enabling financial transactions.

The impacts of unsustainable production are also varied and complex including:

- Climate change and climate events, linked to GHG emissions from deforestation and large-scale agricultural production;

- Biodiversity loss;
- Pollution;
- Land degradation;
- Water scarcity;
- Social unrest (land disputes, human right abuses, labor laws not respected, etc.).

All these impacts compound each other, making them particularly serious and affecting the world's capacity to achieve the SDGs and Agenda 2030.

Finally, the soy, beef, and palm oil supply chains are **complex national and international supply chains spanning from farmer to final consumer and involve many actors with diverse incentives and motivations**.² The complexity of the constellation of stakeholders involved in achieving transformational change is increased by their **multiple scales** (local, national, regional, and global), that only an integrated and multi-level approach can effectively tackle.

Additionally, given the nature of commodity-related issues, solutions need to be designed **across areas**, involving not only actors from the agricultural sector, but also those involved in trade, policy, health, environment, gender norms, education, transport, infrastructure, and so on, which increases the complexity of the program as these actors often work in a disconnected and siloed manner.

The COVID-19 pandemic also demonstrated that in times of crisis, economic or social issues are prioritized over environmental ones, and their interrelation is not yet fully understood and acknowledged by all stakeholders, adding to the complexity and the challenges being faced.

¹ GEF IEO. 2018.

² Ibid.



Clearly the challenge of commodity-driven deforestation is multidimensional (economic, environmental, social, governance, incentives, and motivations) and cannot be tackled by looking at a single or even a few dimensions. A holistic, integrated, multi-stakeholder approach is required.

Besides, the commodities sectors are fast-moving and react rapidly to local, national, and global influences and the many players are looking

to influence this space. The commodity sector is indeed an area where **multiple multilateral organizations and NGOs** are present and work towards more sustainable supply chains. However, their **interventions are often not coordinated or aligned between themselves or with structural issues such as incentives/policies from markets and governments**, and a climate of competition can easily overtake cooperation. Even with the best intentions, uncoordinated efforts can send

mixed signals and be confusing for companies that then do not know which actions to take. Hence, identifying critical interventions and coordinating the entire programmatic response is a complex, but vital, component.

This is why, although traditional food and commodity programs tend to adopt a production-focused approach, the GGP program was designed with a whole supply-chain lens for each of the three commodities—soy, beef, and palm oil—and aims to support activities in four producing countries and in demand markets (including local consumption in emerging economies) to better tackle the complexity of the commodity systems and all their levers and influential forces.³

Addressing the multi-dimensional issues related to the targeted commodity systems in an integrated manner requires involving institutions with complementary expertise. This obviously adds another layer of complexity, as experienced under GGP.⁴ Indeed, bringing together multiple organizations with various strengths and expertise generates additional value, but also has a cost in order to deal with more complex communication, coordination, collaboration, and governance arrangements, between GGP agencies as well as with their sub-grantees. This is an important point to consider when designing channels and mechanisms of communication and coordination, so that the most streamlined and efficient processes are established, while ensuring a good flow of information between all.

2. INTEGRATED APPROACH AS SOLUTION FOR COMPLEXITY

The overall objective of GGP is to reduce the global impact of agricultural commodities on greenhouse gas (GHG) emissions and biodiversity by meeting the growing demand of palm oil,

soy, and beef through sustainable production. The program addresses the issue through direct interventions in the biodiversity and climate change focal areas (conservation, enhancement of forest carbon stocks, reduction of emissions from deforestation, and forest degradation) as well as through support for sustainable forest management (reinforce sustainable forest management as means of preventing soil erosion and flooding and increasing atmospheric carbon sinks), focusing on **drivers of environmental degradation**, which is one of the key strategic priorities as outlined under the GEF 2020 strategy, as well as on the **creation of enabling conditions for sustainable commodity supply chains**.⁵

As highlighted in the question above, GGP works on complex issues but is designed to take a systemic and integrated approach to overcome single focal area silos and single-country, single-commodity, and single-activity focus to shift reliance to an **integrated supply-chain approach covering multi-country, multi geographical scales (global, regional, national, and subnational) and multi-stakeholder engagements, and concerning multiple commodities**.⁶ As such, it is focused on delivering integrated solutions through **strategic partnerships** with national and international actors and covering multiple focal areas.⁷ This is being translated by coordination and integrated planning between GGP agencies working on the production, financing, and demand sides of the supply chain as well as between the different levels of interventions (global/regional/national/subnational) and by multi-stakeholder engagement processes.

Recognizing the complexity of commodity systems, GGP engages across **multiple layers of interventions**⁸— from agricultural and forest policies, to information, advocacy, and capacity-

3 GEF IEO. 2018.

4 Bierbaum, R. et al. 2018.

5 GEF IEO. 2018.

6 Bierbaum, R. et al. 2018.

7 GEF IEO. 2018.

8 Ibid.

building, such as consumer awareness and capacity building, to building incentives, such as certifications and commodity standards national interpretations, and tools to effect environmental changes. Other areas and levers present in commodity systems, such as trade or gender for example are also taken into account and integrated in multi-stakeholder dialogue, the development of strategies, and more generally GGP interventions.

Moreover, the A&L project coordinates GGP efforts to harness the power of the market to move commodity production away from its current unsustainable path and remove deforestation from commodity supply chains and guides its implementation **in a synergistic and sequential manner**⁹. In the first two years of the program, mechanisms for coordination and integration were developed, tested, and adjusted to ensure an efficient coordination among GGP Partners. Thus, GGP's five child projects are using diverse interventions and intend to work simultaneously on different areas, using key principles reinforced by external literature to achieve impact through a "whole of supply chain" approach.¹⁰

Collaboration is key to face complexity, and the relationships and trust built between Partners thanks to GGP is a key enabling factor. As the umbrella project, A&L also facilitates learning exchanges, especially between GGP countries who can learn from each other on successes and challenges faced during implementation.

In addition, GGP is proving successful in dealing with complexity because, since its design phase, it has developed a good understanding of the social-ecological system in which the project would be implemented and relies on a clear theory of

change,¹¹ continuing to assess potential risks and need for adaptation and guaranteeing good quality knowledge management and learning loops, feeding current implementation as well as future project design. **Taking a systems approach** during the design phase but also during project implementation was recognized as an important methodology to revisit and adjust the theory of change, and as a consequence, learning and systems approach workshops were organized in 2020 in Brazil and Paraguay, while capacity building for others to apply a systems approach is being delivered through the Green Commodities Community.

Aware of the multiple players present in the sustainable commodity supply chains field, GGP is also making efforts to **link with existing initiatives** (such as TFA and other multi-stakeholder initiatives discussed in the Principle 2) and build synergy with nascent and emerging processes that can address important barriers along the value chain.

The proliferation of many different sustainability initiatives, standards, and platforms, have led to some confusion among stakeholders, including target companies. The Demand project noted a receptiveness to tools which provide guidance to help navigate this complexity. Examples include the RESPOND tool, CFA Operational Guidance, Soy Toolkit, Trase platform, and Palm Oil Buyers Scorecard. Increased coordination across the Partners around the development of tools targeting private sector actors, such as demonstrated during the preparation of the GGP Climate Week event through the development of a narrative explaining how these tools can complement each other, was also an effort made by the Partners to deal with this complexity.

9 Ibid.

10 Ibid.

11 Bierbaum, R. et al. 2018.

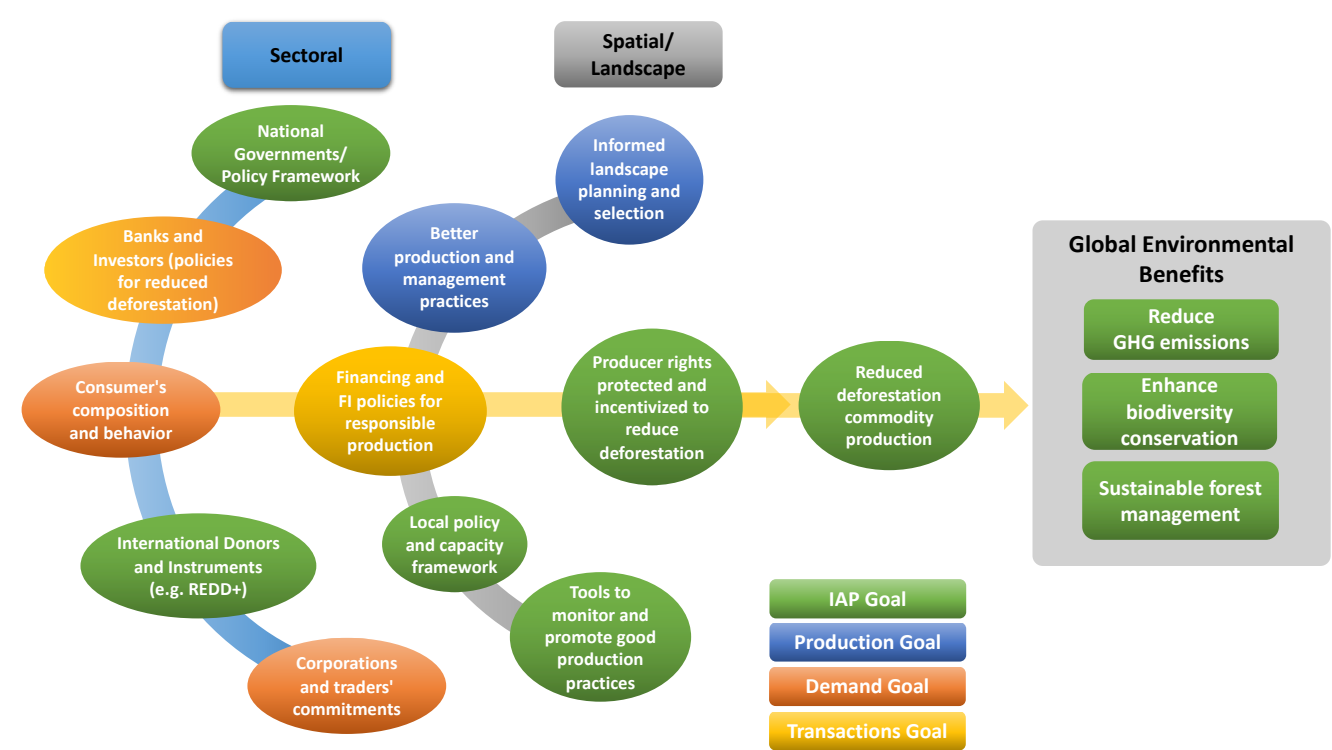
PRINCIPLE 5: ACHIEVING RESULTS BY PROMOTING SYSTEMIC SHIFTS

1. THEORY OF CHANGE OF THE PROGRAM

The Theory of Change of the program builds on the premise that the increased adoption of agricultural commodity production practices that are less destructive of forests is contingent on several factors (Figure 2). First, enabling conditions, including policies and land use/spatial plans must be in place to make the right lands available for production (agricultural lands and degraded lands) and to make high biodiversity value and

high carbon stock forests less accessible. Second, producers need enhanced capacity to adopt good agricultural practices and improve yields. Third, increased financial flows and economic incentives are necessary to support these good production practices in the right locations and fewer incentives must be provided for production in inappropriate locations. This assumes that the capacity of financial actors to understand, assess, and act upon increasing financial flows towards more sustainability is first built. Fourth, market

FIGURE 2. GEF COMMODITIES IAP THEORY OF CHANGE



awareness and demand for reduced deforestation supply, and particularly willingness by brands and consumers to pay premiums for sustainability are critical to promote more sustainable production. If these factors are addressed, agricultural production can be increased to meet growing demand, yet achieved with sharp reductions in deforestation compared to business-as-usual scenarios. This assumption is based on a comprehensive analysis of the barriers that are currently undermining reduced deforestation commodity production and of the root causes of deforestation from agricultural commodities.

The approach aims to address the entire commodity supply chain in an integrated and coordinated fashion in order to foster sustainability and achieve transformational impact. The supply chain approach reinforces the need for all actors to embrace best practices and sustainability principles and for clear linkages to be established among the production, demand, and transaction actors. This is an innovative approach as most interventions have focused on only one aspect of the supply chain and these have been less effective at driving change due to the fragmentation of efforts and lack of a coordinated framework for the entire supply chain of these commodities. For greater impact and upscaling, the program includes a strong learning and knowledge management component to identify the suite of interventions that are most effective at addressing deforestation in commodity supply chains. Effective partnership building and maintenance fosters synergies and minimizes overlap. Ultimately, the program seeks to make the drive for sustainable products associated with significantly reduced deforestation to become standard industry practice.

The complete program theory of change can be seen in the following diagram. Assumptions are discussed in the second question.

2. UNDERLYING ASSUMPTIONS — LESSONS AND IMPLICATIONS FOR PROMOTING SYSTEMIC SHIFT AND TRANSFORMATIONAL CHANGE

The underlying assumptions have been reviewed in the Mid-Term Review of all child projects and have been assessed and recommendations have been made in order to make the program more impactful. The write-ups below hence are mostly extracted but adapted from the MTR reports.

ASSUMPTION 1

Connectivity between the three child projects will allow for the various levers (policies, farmer support, demand, and finance) of sustainable production to work in synergy at country level, bringing about systemic change.

Evidence supporting this assumption

Fostering synergies between finance, demand, and production elements of a supply chain is a key part of the Theory of Change of the GGP. At child project level, this was translated by the need for all three child projects to be as integrated as possible to ensure that the policies, farmer support, demand and finance levers can be pulled to achieve system change. This assumption is corroborated by evidence and case studies showing that a one-dimensional approach is not sufficient and that an integrated approach is necessary and more likely to bring systemic change for the targeted commodities. For example, in Paraguay and the Cerrado biome in Brazil (two GGP geographies), farmers are allowed to deforest 75 percent and 65 percent (if located in the Legal Amazon, otherwise 80 percent) respectively of their private property by law and therefore some amount of deforestation is legal. Best agricultural practices alone are often insufficient to discourage farmers from deforesting legally.¹² Further, soy, beef, and palm oil producers are well organized and can sell to a diversity of markets, so cannot always

¹² Guerrero, A.M. et al. 2021.

be coerced by ‘good’ downstream actors such as international retailers to adhere to their sustainability practice without financial compensation to produce sustainability above the national legislation.¹³ Financial and policy incentives, together with increased demand and willingness to pay for sustainability, are therefore needed to incentivize sustainable practices, in particular when the various markets currently do not demand or pay sufficiently for sustainable products (e.g. beef is exported mainly to Russia and Chile from Paraguay, Brazilian soy is mainly exported to China and consumed by the domestic market, and 40 percent of RSPO-certified palm oil is not purchased as certified). An integrated approach on production, transaction, and demand has therefore the potential to bring the right incentives for systemic change with different strategies reinforcing each other. The two systems approach workshops organized (Brazil and Paraguay) confirmed these interrelations with demand and financial drivers appearing in the commodity systems maps.

Lessons and implications

Public governance must enhance the incentives and rules in favor of sustainability rather than encourage unsustainable behaviors. The national and subnational platform approach of the GGP is one of the effective ways of enabling the integrated approach as it has the potential to combine both private and public governance by leveraging on the three thematic areas of production, demand, and transactions to create incentives and rules of the game towards sustainability. However, in practice, connectivity between production, transactions, and demand child projects revealed being more challenging than expected because of several reasons, from design flaw to operational difficulties. Challenges included:

- The development of the global component before countries being fully known;
- The time it takes for some child project outputs to transition into capabilities and benefits at country level, making it difficult for other child projects to make use of them, even though they depend on them to achieve systemic change;
- The projects differing effective start dates preventing perfect sequencing of child projects outputs;
- The various business models of the Implementing Agencies impeding rapid engagement and results, and sometimes exchange of relevant information/data with other child projects;
- In-country challenges with organizations’ relationships with government not always being consistent;
- Systemic change is actively resisted in the field, as are systemic approaches, for a variety of reasons including misunderstanding, power dynamics, short-termism, and ultimately self-interest;
- Shifting national economic priorities request constant adaptation from projects, especially in times of crises where new economic realities emerge.

To improve implementation of the integrated approach, the MTR recommended GGP refining its approach for integration between child projects, drawing from systems thinking, and multi-stakeholder dialogue, while continuing efforts to overcome practical challenges related to integration.

¹³ Virah-Sawmy et al. 2019. Sustainability gridlock in a global agricultural commodity chain: Reframing the soy–meat food system. <https://www.sciencedirect.com/science/article/abs/pii/S2352550918303166>

ASSUMPTION 2

Good Agriculture Practices with improved land-use planning are likely to support and incentivize farmers toward sustainable production and dis-incentivize farmers from clearing forest land for production.

Evidence supporting this assumption

The spread of existing Good Agricultural Practice has shown to have great results on yield improvement, allowing in theory for sustainable intensification on the same plot of land without conversion or deforestation. However, evidence from the literature also shows that it is only with improved land use planning and enforcement practices that improved practices can incentivize farmers to carry-out sustainable intensification away from HCV and HCS areas. These complementary policies are important because evidence often shows that when productivity and income increase, farmers tend to invest the extra income in unsustainable behaviors and expand their production including on forested areas.

Lessons and implications

This hypothesis assumes that commodity production is the direct driver of deforestation. However, the drivers of deforestation are often an interaction of complex dynamics between actors and parameters. For example, as soy in Brazil became profitable, the land value increased, and as a result farmers being incentivized to clear forest land to increase the property value of their land¹⁴ while land investors are legally or illegally clearing forest land creating a land speculation market at the forest frontiers, which is then purchased legally by soy producers. Even if it is not turned into productive soy farms, the land clearing has already taken place. Similarly, in Indonesia, the market for timber provides an incentive as an additional source of income

to clear forest land in preparation for palm oil plantations. The Brazil and Indonesia examples demonstrate the coexistence of various incentives leading to deforestation beyond expansion for commodity production, which are key to understand if we want to drive change in the landscape. The lesson for future programming here is that it is important to take a system approach when looking at drivers of deforestation in a specific landscape, and to reassess this on an annual basis in order to check whether commodity production is still a primary driver or if this is something else. The Landscape Analysis Tool that the Production project has developed aims to respond to some of these questions by analysing drivers of deforestation periodically during the project as well as effective interventions to reduce deforestation at the landscape level. Hopefully, it will yield great lessons on the validity of our assumption and improve future programming. This tool will also be a legacy of the GGP project and could be used by future programs and projects.

ASSUMPTION 3

Consumers have a role to play to increase demand for sustainable palm oil, soy, and meat products and working on demand will bring systemic change.

Evidence supporting this assumption

The lessons learned from an ivory campaign in China suggest that increasing consumer awareness can reduce consumer demand and in turn reduce purchases.¹⁵ However, even if the assumption is correct, it is clear that to bring about systemic change consumer side actions must be coupled with strong interventions on the policy/production side and on the financial incentives side.

Although the Demand Project's palm oil campaign in Indonesia is still incomplete, early evidence suggests that the baseline may be

¹⁴ Richards, P. 2015.

¹⁵ Meijer, W. et al. 2017.

lower than anticipated. Consumer understanding of the definitions and benefits of sustainable palm oil needs to be improved before domestic consumers can realistically influence the demand for sustainable palm oil.

In addition, evidence from GGP countries and especially Paraguay, shows that there is insufficient customer demand for sustainable palm oil, soy, and beef, not only from the European market,^{16,17} but also from emerging countries that now have a greater share of the market,¹⁸ to drive systemic change of these large global commodities. For example, RSPO (one of the most advanced standards for commodities) has stagnated at 18-20 percent of global production for the past several years, and 40 percent of RSPO certified palm oil is not purchased as RSPO certified. Similarly, less than a few percent of soy globally produced uses a certification standard due to a lack of market.¹⁹ And the demand for these certified products is driven mostly by traders, manufacturers, and retailers, and not so much by end consumers, as the formers are the target of international NGO campaigns which have impact on their reputation and investment worthiness.

Lessons and implications

Clearly, the lesson here is that although consumers may have a role to play in driving demand for sustainable product, in order to achieve system change, consumer side actions have to be coupled with strong interventions on the policy/production side and on the financial incentives side. This reinforces the GGP TOC.

ASSUMPTION 4

Increased financial flows towards sustainable production will incentivize more sustainable production

Evidence supporting this assumption

The financing gap particularly for small holder farmers is estimated to be almost \$440 billion, the margins for agricultural production are slim, and the risk is high for producers of all sizes. Financing for agriculture takes many forms, but in many countries, subsidies have a big role to play as does support from commercial players such as supply chain finance from traders, working capital from banks, and other sources of capital. Many producer associations have pointed to the barriers to innovation as essentially a capacity one and a financial one. By engaging the private sector, namely commercial banks and development ones to increase financial flows to sustainable production, producers can start putting in place innovations towards more sustainable production models. This can take many forms such as discount on interest premiums to sustainable clients, offering additional or new credit lines and increasingly blended finance opportunities through engaging with public institutions.

Besides, there are numerous examples of blended finance supporting more sustainable production in agriculture and other sectors. In 2019, IFC invested \$5.8 billion in 93 climate-smart projects and these projects have resulted in 15.5 million tons of GHG reductions. Since 2012, IFC's Global Trade Supplier Finance (GTSF) program has disbursed \$3 billion to nearly 1,000 suppliers. The interest rates for this financing are linked to environmental and social sustainability criteria. Clearly, although it is still early days for GPP Transaction, as IFC works with Advisory clients

¹⁶ Balch, O. 2013.

¹⁷ Ask RSPO. 2019.

¹⁸ Transparency for Sustainable Economies (TRASE). <https://trase.earth/>

¹⁹ Lyons-White, J. and Knight, A.T., 2018.

to transition them to investment clients, it requires the latter to adopt IFC Performance Standards and hence sustainable production. Hence, we expect to have been able to increase sustainable production in Brazil and Paraguay through IFC's current and future deals there.

Lessons and implications

In recent years there has been an uptake in the development of agriculture lending facilities to support sustainable production. These come in various forms such as blended finance, traditional lending, impact investing, and grants. Despite these offerings, producers point to the high barriers of accessing these financial mechanisms for a number of reasons such as unfavorable loan conditions, lack of capacity to access the financing, among other reasons. For financiers and other institutions, the risk, high transaction costs and lack of capacity within financial institutions to place the loans makes it difficult to disburse these products. Another constraint is the cost of data collection to ensure full traceability, especially for livestock, which may change hands several times. The situation is further complicated with a complex regulatory environment and trade agreements which are often not favorable to innovations in sustainable production. In some countries the existing environmental laws are not well aligned with the lending practices of banks (and vice versa) which does not always enable the application of the best sustainable agricultural practices to be applied.

Furthermore, "sustainable production" is difficult to define and measure, especially when the full GHG footprint is considered. For example, supplemental feeding of livestock can increase production per unit of land area. However, unless all the ingredients of the feed are deforestation free, the overall impact could

be negative. Pasture improvement is a proven method to increase production per unit of land. However, it is challenging to accurately measure improvements in soil carbon.

It is challenging to finance sustainable production at commercial rates, as the impacts of intensification may be slow to manifest themselves. Also, a key challenge—if not the main one—is that there are limited price premiums for sustainable products. Finally, there are limited incentives to preserve forested land, so it is difficult to convince farmers or ranchers to go beyond legal compliance with deforestation regulations.

All in all, the above challenges in relation to incentivizing sustainable production through finance, show that:

- Sustainable finance products are still few, complex, and hard to access. It is important to invest future project resources in testing models of blended finance that balance impact and expected risk/return profiles.
- Sustainable finance is not enough as a lever to ensure system change and needs to be coupled with policy, market, and other incentives (such as for instance a compensation mechanism for going beyond legal set-asides requirements).
- The Demand Project's engagement with Asian investors revealed a relatively low level of awareness related to deforestation-related risks. Training instead needed to focus on the basics of ESG risks and how they can be managed. This suggests it may be unrealistic to expect the GGP to move the needle immediately among Asian investors.
- Focusing on rehabilitation of degraded land, which would reduce the need for newly cleared land, could be a way of addressing the limited incentives to preserve forested land.



ASSUMPTION 5

The Community of Practice will be a funnel for knowledge and lessons from the pilot to be scaled-up, and knowledge and lessons from other relevant sustainable commodities initiatives will be adopted by GGP countries for achieving systemic change in particular concerning how to get government and farmers buy in towards sustainability.

Evidence supporting this assumption

There is no doubt that a community of practice and a strong coordination structure can support the development of a robust trust mechanism, 'collective dialogue and engagement',²⁰ and learning under a joint 'umbrella'²¹ towards systemic change. At the end of the first Green Commodities Community learning cycle that was closed by a Community in-person gathering at the Good Growth Conference, a survey was conducted to assess how effective the Community of Practice was at disseminating lessons learned and changing members practices. The survey was answered by 40 members, of which 50 percent stated to have

changed their work based on the lessons learnt during the Green Commodities Community virtual workshops. When asked for specific lessons applied in their work, members stated lessons on stakeholder communication as the lessons that had influenced their work the most. Lessons on private sector approach, jurisdictional approach, platform sustainability, among others were also stated as important lessons applied, proving the effectiveness of a Community of Practice to enable scaling up of lessons learned.

Lessons and implications

GGP shows that having a Community of Practice is a cost-effective way of ensuring knowledge uptake and scale-up of good practices. However, ensuring the sustainability of such a Community of Practice is difficult beyond the end of the project, if it is not embedded in a larger program with a diversified funding source. In order to increase the chance of sustainability of the GGP Community of Practice, it was built on the existing Green Commodity Community which enjoys various funding sources from GIZ, to PAGE and SECO and which will continue to exist beyond GGP.

²⁰ GGP A&L child project document

²¹ GGP A&L child project document

PRINCIPLE 6: LEVERAGING THE PRIVATE SECTOR

1. EMERGING TRENDS ENGAGING THE PRIVATE SECTOR

GGP engages with a large variety of private sector actors present along the supply chain—from the producers to the banks, traders, buyers, and retailers at the local, national, regional, and global levels, and through different forms of engagement. Engagement with private sector actors during the design phase as well as current engagement allowed the identification of the following trends, and guided the nature of engagement prioritized in the program:

Increased commitments from private companies to reduce deforestation

Commitments have become more nuanced and complex to address what companies understand to be the biggest barriers to achieving sustainable commodity sectors overall. Companies are increasingly committing to action beyond their own supply chains, including supporting smallholders, investing in jurisdictions, and developing traceability tools, and are using their collective power to influence upstream supply chain actors.

Challenges in delivering commitments

Challenges arise from several factors including the complexity of supply chains; costs and difficulty of tracing back to farmers; costs of farmers training; unwillingness of buyers to pay for certified products; illegality and corruption resulting in uncertified, unverified, and illegal products entering supply chains; low market penetration for sustainably produced commodities; and weak legal and regulatory environments due to low government capacities. However, companies are showing an increased appetite to address these complex challenges on their own and in partnership

with their peers, competitors, and NGOs/multilateral organizations.

Limited (but increasing) capacity from private companies

Delivering on these commitments and **limited experience in collaboration** with other stakeholders such as governments to enable systemic change and go beyond pockets of good practices aimed primarily at direct suppliers with limited impact on indirect suppliers and sustainability challenges in production landscapes beyond farm or plantation boundaries.

In order to overcome these challenges, the following means of engagements with private sector are being prioritized in the GGP program:

Engagement in global, regional, national and subnational multi-stakeholder platforms to drive coordination and alignment

To avoid reinventing the wheel, the GGP participates in and engages companies through many existing multi-stakeholder platforms such as the Roundtable for Sustainable Palm Oil (RSPO), Round Table on Responsible Soy (RTRS), Global Roundtable for Sustainable Beef (GRSB), Paraguayan Roundtable for Sustainable Beef (MPCS), Paraguayan Sustainable Finance Roundtable, Soy Buyers Coalition, Soft Commodities Forum, Cerrado Working Group, Tropical Forest Alliance, Amsterdam Declaration Partnership, Indonesia Business Council for Sustainable Development, and many others.

Where gaps were identified in corporate engagement on a particular area of focus, the GGP has developed some new platforms, including the MATOPIBA Coalition where private sector

actors are engaged and consulted on sustainability issues in the four-state MATOPIBA region of Brazil's Cerrado biome. Additionally, some GGP initiatives have involved the collective engagement of multiple companies e.g. through private sector roundtable events during which opportunities and solutions in sustainable agricultural finance as well as the alignment of donors, international development agencies, NGOs, and the private sector to accelerate systemic change in sustainable agricultural production were discussed with private sector companies, and

To foster government led collective action, all actors involved in the palm oil production in Indonesia (national/provincial/district levels) and Liberia (national/landscape levels) and the beef production in Paraguay (departmental level), including private sector actors (producers, financial institutions, traders, buyers, retailers), are meeting on a regular basis to define a common vision for sustainable commodity production and co-create and co-implement a plan to achieve it. GGP has also been able to synergize with and leverage sister initiatives, such as CI's [Coalition for Sustainable Livelihoods](#) in North Sumatra, Indonesia.

Tools/guidelines to support the private sector transition to sustainable supply chains

The [Value Beyond Value Chains](#) guidance note developed by the Production project helps public-private collaboration and focuses on how companies can collaborate more effectively with governments to create the enabling conditions for sustainable agricultural supply chains.

The Transactions and Demand projects have engaged the beef sector in Paraguay to develop guidance for responsible beef, including through the local chapter of the Global Roundtable for Sustainable Beef.

WWF-Indonesia has developed a guide to sustainable retail to engage demand-side companies on responsible sourcing for palm oil and other issues.

WWF's global palm oil team developed the Palm Oil Buyers Scorecard which contributes to increased transparency by providing consolidated, open-access information about which actions companies have taken to make and implement commitments to source sustainable palm oil and to support smallholders, conservation projects, landscape initiatives, and other action on the ground. As a result, many companies have engaged with WWF on how they can improve their supply chains and contribute more broadly to a sustainable palm oil sector.

The [Soy Toolkit](#) developed by Proforest in the Demand Project provides guidance to companies on assessing risk, developing an implementation plan, engaging their suppliers, establishing a purchasing control system, and monitoring, verifying, and reporting. Adaptations of the toolkit for beef and palm oil are currently in development.

WWF-Singapore launched an interactive online tool (RESPOND) based on an assessment framework to help asset managers identify and improve climate-related portfolio risks.

Enabling new supply chain partnerships at country level (Production project)

In Liberia, the project is working with the palm oil producer present in the GGP landscape MANCO to build a business case and support the transition towards a sustainable outgrower scheme, while in Indonesia, an MoU was signed with Musim Mas, a major palm oil producer, on the delivery of training for farmers on sustainable palm oil production in Pelalawan. In Paraguay, the project is working closely with the Rural Association of Paraguay, an association gathering key producers, and recently developed with them a map on land use changes in the Chaco.

Strengthening financial actors' ability to lend and invest sustainably (Transactions project)

Under the Transactions project, training on land use change issues such as deforestation risk

management is being developed for banks and regulators in Indonesia, Brazil, and Paraguay as well as at the global level. The Transactions project is also engaging with sustainable banking associations and Central Banks to ensure capacity development of the key actors in the financial ecosystem of GGP partner countries. In addition, under the Demand project, investors and assets managers from Southeast Asia are being trained on ESG principles in order to increase their capacity to incentivize the consumer goods companies in their investment portfolios to adopt ESG criteria such as reduced-deforestation sourcing. In the Demand Project, this investor-focused approach acknowledges that companies will be more likely to change if they are influenced from all sides—including receiving pressure from their investors.

Accelerating sustainable sourcing and improving traceability and supply chain transparency through capacity building and provision of support to companies

GGP partners also have many bilateral engagements with private sector companies, and in the Demand Project these are mostly focused on helping companies to source sustainable commodities and reduce the risk of deforestation in their supply chains. WWF-Indonesia works with domestic retailers and hotels to encourage them to source certified RSPO palm oil products and connected them to sellers who can provide certified products or ingredients. The tools listed in the second bullet above, as well as the [Trase supply chain transparency platform](#) (see below), an online tool mapping commodity supply chains from production jurisdiction to trader companies and consumers countries, are used to engage with strategically significant companies to help facilitate their transition to sustainable supply chains. Information on which companies are strategically significant is provided by the market intelligence arm of the Demand Project, and an annual GlobeScan survey conducted by the Demand Project provides insightful

information on which activities by NGOs and multilateral organizations are seen as most helpful to companies in filling their capacity and implementation gaps.

Improving access to information and knowledge exchange

Thanks to the participation of private sector actors in Green Commodities Community's virtual workshops focusing on various activities to enable sustainable supply chains (A&L project), while Intelligence Updates informing on the latest commodity market trends are produced on a quarterly basis under the Demand project and shared with the GGP list of contacts including key private sector actors present in the target commodity sectors. Additionally, the [Evidensia](#) platform developed under the A&L project provides easy access to credible research on the sustainability impacts of supply chains initiatives and tools, including standards and certifications, with an aim of providing easy-to-interpret, decision-relevant information to key corporate and government decision-makers. The information is synthesized and distilled into a variety of formats including visual summaries, evidence maps, synthesis reports, and an easily searchable library full of podcasts, webinars, infographics, and full research reports. Finally, events such as the one organized at the NYC Climate Week (Business action in and beyond supply chains) as well as the two follow up deep dive workshops provided important space for companies to share their experiences and influence companies less advanced in their sustainability journey to take action.

Co-financing (Production, A&L, Transaction projects)

The strength of GGP engagement with the private sector relies on the comprehensiveness of its coverage and the diversity of private sector actors engaged all along the supply chain and at multiple levels, including engaging the same company at the national and global level when appropriate. The nature of the GGP interventions—partnership and capacity building, consultation and dialogue,

traceability, knowledge exchange—are also characterized by their lasting effects, their long-term vision, and their emphasis on aligning and facilitating coordination of stakeholders' actions including companies for sustainable supply chains.

2. PRIVATE SECTOR ENGAGEMENT FOR SYSTEMIC SHIFT AND TRANSFORMATIONAL CHANGE

GGP takes an approach, in its engagement with private sector, that encourages transformational change and effectively engages, supports, and accompanies private sector companies in their efforts to reduce deforestation from supply chains in a systemic manner. This approach relies on the following elements:

A multi-stakeholder collaboration for systemic change

A multi-stakeholder collaboration of the GGP program includes engagement and facilitation of the collaboration between private sector actors and all other key actors of the commodity sector. This approach is at the core of the national and subnational commodity platforms led under the Production project so alignment can be found between key actors involved in commodity production and an action plan to achieve this vision can be developed and implemented. In addition to the facilitation of this collaboration, several tools are being developed to extend and strengthen this approach—the Platform Methodology and its Ladder of Change to measure progress made through the commodity platforms, or the [Farmers Support Toolkit](#) to strengthen farmers extension systems in a collaborative manner with key stakeholders. This process of participatory governance is essential to enable stakeholders with common sustainability problems and distinct interests, to align and collectively learn, innovate, and act upon a complex and changing environment, and thus create opportunity for systems shift and transformational change. Besides, under the Demand project, WWF- led negotiations

with the soy traders in the Cerrado working group to develop a biome-wide plan for no future conversion in the Cerrado, and led a coalition of companies in Europe who were sourcing from the Cerrado to support the protection. Finally, by providing guidance to companies on how they can collaborate more effectively with governments, the [Value Beyond Value Chains](#) guidance note and its roll out in GGP countries will also ensure alignment between private sector support and national/ subnational action plans for sustainable commodity production implementation.

Creation of enabling environments

Refocus private sector efforts on the creation of enabling environments for sustainable supply chains, as recommended by the [Value Beyond Value Chains](#) guidance note. The private sector can play a key role in strengthening land use governance, improving production practices, strengthening conservation policies and funding mechanisms and supporting community development. Under the Production project, this guidance note will be piloted in GGP countries, and will be extended to cover the whole GGP program and guide private sector actors involved in the demand and financing sides of commodity supply chains to strengthen enabling environments for sustainable supply chains.

Capacity building adapted to the diverse needs of distinct private sector actors, as highlighted in the previous question, which takes the form of training, knowledge exchange, and improved access to information.

Development of new supply chains linkages and partnerships

Connecting the production, transactions and/or the demand layers of the commodity supply chain, for example, at the national/subnational levels, the creation of new partnerships was facilitated in Indonesia between farmers groups supported by GGP and buyers of sustainably produced



palm oil. At the global level, the private sector roundtables were effective under certain conditions at gathering financial actors, producers, and buyers to collectively identify opportunities and solutions for sustainable commodity supply chains.

Coordination and exchange of information and networks between GGP Partners

Information exchange and program-level coordination which enabled GGP engagement with the private sector to be more efficient and effective. The organization of GGP events benefitted from the large networks of GGP Partners and gave them the opportunity to convey actors of the supply chains that were not connected before. Similarly, relationships that GGP Partners have with private sector actors accelerated the creation of new supply chain partnerships (case of the partnership between UNDP and Musim Mas in Indonesia supported by IFC). Even if resources were not sufficient to develop a robust coordination mechanism between GGP Partners on private sector engagement, information sharing is regularly facilitated at the national and global levels between GGP Partners, allowing for more coordinated interventions. Increased coordination on private sector engagement was noted by the Steering Committee as a key synergy to be leveraged at the country level, especially in Indonesia, and will be included in the national integrated workplan for 2021. Alignment of messages sent from NGOs and

multilateral organizations to the private sector was also identified as a necessity to accelerate systemic change and improved thanks to GGP.

Global market focus enables prioritization of engagements with the most strategic companies

It is however important to note some limitations related to GGP engagement with the private sector, which could affect the transformational change targeted by GGP:

- Lack of capacity at the country level on systems approach. If some tools are being developed to equip country teams, there is still a knowledge gap regarding the systems approach methodology and implementation that would be important to reduce to increase impact at the country level.
- Systems thinking not sufficiently integrated in the design phase of the project, and lack of budget and time to always integrate it when gaps are identified during project implementation.
- Lack of adequate resources and incentives to enable exhaustive coordination between GGP Partners on private sector engagement at the global and country levels.
- Existence of competition between organizations (including development partners) that can result in less optimal collaboration between stakeholders including private sector actors.

PRINCIPLE 7: MAINSTREAMING GENDER

1. GENDER MAINSTREAMING IN THE EARLY DESIGN AND PROGRAM IMPLEMENTATION

Women play an important but often invisible role in agriculture, resulting in an uneven burden of care and unpaid labor in the agricultural sector. For example, in Indonesian palm oil production, women may not be paid directly for fruit collection in cases where their contribution is used to help meet their spouses' production quotas. Further, women engaged in commodities production may rely on poorer livelihood conditions and on limited access to and control of inputs and resources. Such conditions affect the value of women's contribution in agriculture and their ability to influence the sector, including on sustainable issues. Social sustainability, including gender equity, is essential to achieving sustainable commodity supply chains, even though it is often a lower priority than the environmental aspect of sustainability. This is based on this rationale that the GGP highlighted gender as one of the key cross-cutting issues of the whole program and its individual child projects.

GGP focuses on gender mainstreaming mainly through analyses to identify and account for gender differences in needs, roles, and responsibilities, the identification of opportunities for equal engagement of women and men and the implementation of specific activities to mainstream gender and support women's empowerment. At the project level, gender issues are considered to varying degrees, but all child projects included gender analysis and/or gender-related activities in their design. At the program level, a [Gender Knowledge Product](#) was planned at design level, and was materialized through the production of a knowledge product

focusing on gender and commodity supply chains, analysing gender inequalities and providing entry points to address them in the production, financing, and demand aspects of commodity supply chains. This resource was to generate and disseminate knowledge on gender and commodity supply chains—an area where knowledge is still limited—and improve commodity practitioners' understanding and capacity to mainstream gender in commodity supply chains. Produced under the A&L project, this knowledge product seeks to stress the added value of using a gender lens in the design and implementation of activities in agricultural supply chains, and reflects on current trends in gender mainstreaming, opportunities to accelerate action, and critical lessons-learned from initiatives that have already been implemented. Further dissemination of the executive summary and key findings of this product are being planned in 2021, increasing the awareness efforts led by GGP for gender mainstreaming in commodity supply chains.

Under the *Production project*, each GGP country was mandated to conduct a gender analysis examining differences in terms of control of resources such as land and financial services, as well as gender division of labor, differences in availability of time, legal rights, and land tenure considerations that may be at the origin of gender inequalities in the production sector. Based on these analyses and the conduct of needs assessments, action plans to address these inequalities and promote gender mainstreaming were developed in Indonesia, Liberia, and Paraguay. Their implementation led to the adoption of measures to increase participation of women in the commodity platforms meetings and working groups for the development of action plans for

sustainable production, the inclusion of gender components in sustainable commodity production action plans developed, and the integration of differentiated needs of women and men in the development of farmer support strategies and trainings. Production's Core Indicators also include figures on project beneficiaries disaggregated by gender that are reported at the beginning, mid-term, and end of project.

Under the *Brazil project*, a detailed gender assessment was carried out, identifying inequalities and possible actions to revert those in order to get a better understanding of the position and role of women, and the inequalities they face in the agribusiness sector. Several actions are now being implemented and women's participation in meetings, training courses, and other events is documented using sex disaggregated data. In addition to that, the project is supporting a research study on women's perspectives on soy supply chain sustainability in MATOPIBA and a communication campaign aiming at raising awareness on gender issues in the soy productive sector will be organized in 2021.

The *Demand project* faced initial challenges with understanding how gender mainstreaming could be integrated into demand-side activities. The gender analysis to inform this understanding was intended to build on the Production and Brazil projects' gender analyses, but delays in these analyses led to an issue of sequencing. A literature review was conducted and gender experts with experience in agricultural commodities and corporate engagement were hired to provide a baseline level of knowledge about gender equity and equality-related concerns in commodity supply chains to project partners before coaching them one-on-one about how these concerns could be linked to their project activities and how to appropriately mitigate them. After building the capacity of project partners to engage on these issues, activities, and indicators were then designed into the project to build awareness, capacity, and opportunities for buyers, traders,

and investors to be more gender-inclusive and equitable. Some specific activities built into the Demand project include collecting gender-disaggregated data on workshop participation and encouraging workshop organizers to consider gender balance during planning, conducting gender-disaggregated consumer perceptions research on sustainable palm oil, identifying sustainability messages that resonate especially with women and focusing the consumer campaign on young urban mothers, including gender-related questions in the [responsible investment framework](#) (investor scorecard) and encouraging asset managers to increase gender diversity on their own management boards as well as promoting an expectation of gender diversity on their portfolio companies' boards, assessing indicators of women's empowerment and gender equality for potential inclusion in the Trase platform, and developing a Soy Toolkit briefing note on incorporating gender considerations into sustainable soy sourcing.

As part of the project design, the *Transactions project* planned to integrate gender through a focus on gender in case studies developed and by ensuring a gender-balanced participation in trainings and workshops organized.

Even if the A&L project does not include gender-disaggregated indicators, since this is a global project and there are no direct beneficiaries, this project monitors the learning generated on gender mainstreaming through a specific program-level indicator. Additionally, workshops focusing on gender were organized through the Good Growth Conference and the Community of Practice, and a [Gender Knowledge Product \(Gender mainstreaming in global agricultural supply chains can accelerate good growth: what works and for whom?\)](#) was developed by a gender consultant with input from all of the child projects. Initially a Gender Working Group gathering representatives from all GGP countries and child projects was created, though it was later decided that it would be more effective to facilitate and mainstream knowledge exchange on gender through quarterly GGP country focused calls, during

which gender-related activities are being discussed with a broader group of participants than the original Gender Working Group.

It is important to note that actions to ensure gender mainstreaming are informed by adaptive management and adjusted as necessary. Some of the challenges faced related to the promotion of gender equality under GGP include:

- Lack of gender-disaggregated data. Though it was initially envisioned that the Production project would monitor the number of project beneficiaries and provide a number disaggregated by gender, the lack of data and challenges to getting it led the project team to request a modification of the results framework to remove the gender-disaggregated reporting. While this information is collected whenever possible, it is not always 100 percent accurate and therefore can be misrepresentative if too much stock is put into the numbers (for example, even if signup sheets are provided for a workshop, not everyone fills them out and not everyone includes their gender even if this information is requested).
- Although gender action plans were developed in each GGP country and at the global level (Demand), the implementation of all these activities can be challenging, as project teams are already stretched in terms of resources to deliver on all the GGP activities planned in the project documents. Gender-related activities often require additional time and funds, which are not always available as they were not specifically highlighted in project results framework or project documents, and because the activities were not determined until the projects were running, they were not properly budgeted in the project development phase. The Transactions project particularly faces difficulties in integrating concrete gender-related activities in project implementation, especially as the finance sector is not the most receptive to gender issues, and that resources would be needed to effectively integrate gender into project activities.

- Conducting gender analyses during the first half of GGP implementation only leaves two years for full implementation of the gender action plans, which is a limited timeframe to see concrete results.
- Though gender is a cross-cutting thematic relevant for all the child projects, project teams are not always equipped to efficiently tackle gender and integrate it in their project activities or do not always see it as a priority.

These challenges were identified in the early implementation of GGP, and gender-related activities under the A&L project detailed in the next question contribute to overcoming them.

2. EMERGING LESSONS ON SUPPORTING AND ADVANCING A COHERENT AND EFFECTIVE GENDER MAINSTREAMING

GGP is proceeding in the advancement of coherent and effective gender mainstreaming interventions. Indeed, under the A&L project, eight pieces of learning on gender mainstreaming have been reported (produced under the Production, Brazil, A&L, and Demand projects) and are informing changes to project-level activities. This includes the A&L [Gender Knowledge Product](#) which contributes to increase the understanding of practitioners on how gender mainstreaming can improve environmental results and is key to enable good growth while providing tools to practitioners to help them reduce gender inequalities in commodity supply chains. Additionally, several gender workshops were organized under the [Green Commodities Community](#) and a resource with tools to mainstream gender in commodity supply chains was produced. The Community of Practice is currently exploring opportunities to continue building the capacity of practitioners on gender issues by facilitating other gender-related virtual workshops including online trainings. Finally, a Gender Roundtable called “Women Speak Their Truth” was organized at the 2019 Good Growth Conference. During this session, a group of female changemakers discussed their realities

and opportunities of being a woman in this work and how empowering women throughout the commodity supply chain was possible. A summary video is available at: <https://www.youtube.com/watch?v=4Nu8fPGjiko>.

In general, the *Production project* works through commodity platforms to ensure inclusive participation and development for everyone, also considering gender inequalities that often characterize commodity supply chains. For example, Liberia adopted specific measures to increase participation of women in platform meetings (meetings organized in location accessible to both women and men, two-week notice, appropriate timing etc.), actively tried to ensure equal participation, and ensured that a gender mainstreaming component was included in the national oil palm strategy developed through the platform. Women's representation is also ensured in the subnational platform, where three of the eight persons on the governance body are women. Moreover, the Project Manager ensured that any communications and awareness raising material is distributed equally to both men and women and that the communication materials are presented in a manner that is accessible to community members who are illiterate or have not been through formal schooling. Additionally, in Liberia, under the Zodia Conservation Agreement, gender considerations were included in the negotiation and design of the Agreement. In Indonesia, trainings provided to smallholders include modules on Women's Role in the Sustainable Palm Oil Development, and in Paraguay, discussions on gender are organized as part of the commodity platform.

As part of the *Demand project's* Gender Mainstreaming Strategy and Action Plan, the following key outcomes were identified: major buyers and traders implement gender-sensitive reduced-deforestation sourcing policies; investors incentivize fast-moving consumer goods companies to integrate gender equality commitments into reduced-deforestation sourcing practices; supply

chain transparency is increased to facilitate verification of sustainably produced commodities where gender equality has been prioritized in the supply chain; consumers demand reduced-deforestation products and are aware of gender inequality issues in the supply chain; policymakers develop and implement gender sensitive reduced-deforestation policies and action plans. The Demand project is contributing towards the long-term and broad outcomes listed above, while developing specific interventions to ensure primary project stakeholders have the capacity, commitment, and tools to promote gender equality, and that learning in relation to addressing gender inequality is promoted and good practice disseminated. For example, a gender-focused paper was developed as part of the Soy Toolkit, and a gender lens is being integrated in the trainings provided to investors. These actions are also reflected in the Demand annual workplans and monitored. In terms of mainstreaming women's empowerment and gender equality into corporate practices, the anticipated effect of the Demand Project will be on the margins and aims to be gender sensitive rather than transformative, meaning it does not marginalize women and provides benefits for both women and men, but does not attempt to transform gender relations. Messaging for the private sector will be best framed as a business case and put into terms that are actionable by the corporate audience. This will require work to better understand the needs of the private sector and to provide tools and information that they can use to make more informed decisions.

Emerging lessons from these experiences include:

- Some similarities can be found between GGP countries and commodities, but gender inequalities and inequities and the most efficient actions that can be taken to address them are context, culture, and commodity specific. The conduct of needs assessments and gender analyses in each GGP country was key to develop related action plans adjusted to the various GGP countries' contexts.



- Participation from women in platforms is a first step, but empowerment of women for an informed and active engagement is equally important.
- Women in agricultural supply chains are not a homogeneous group. Though both women working in the household and outside the household and employed women exercise power on household spending, there is no “One Woman” archetype that can be the target of gender mainstreaming efforts. Gender mainstreaming and women empowerment-focused actions must be targeted and nuanced.
- Time use is one of the most significant barriers to gender mainstreaming and women empowerment in supply chains. It sits on top of other barriers such as unequal access to participation, unequal opportunities for leadership and access to benefits.
- Along the supply chain, four main intervention areas for gender mainstreaming were identified:
 - Closing gender gaps in labor market and between paid and unpaid employment (relevant to all child projects, especially Production);
 - Closing gaps in women’s access to and control over productive resources in agriculture (most relevant to Production project);
 - Closing gaps in access to training and correct application of inputs (most relevant to Production project);
- Empowering women and strengthening their engagement in decision-making or leadership (relevant to all child projects).
- It is often hard to see concrete results in limited (e.g. 4-year) project lifetime, but a focus on women’s access to inputs and closing gender gaps in the labor market is an entry point that can efficiently influence the two other priority interventions. Gender gaps are too big for GGP to fully address them, but the program can contribute by seeking to influence a couple of companies.
- While several normative frameworks emphasize, to varying degrees, the need to minimize adverse social and environmental effects from supply chain activities (e.g. sustainability standards such as RSPO, RTRS, etc.), gender equality is inconsistently prioritized in those frameworks,

compliance is difficult to achieve, and consensus on what gender equality means in the context of commodity supply chains is still elusive.

- Gender-lens investing is a trending space, but using finance as a tool for social change through instruments that focus on gender and the environment at the same time is still a challenge.
- More data is needed on gender-related company indicators, such as those reported on in the Forest 500. A scoping exercise conducted by Trase found little data before 2019 and beyond the global level to make a meaningful analysis of trends.
- A preliminary analysis of 32 Asian-listed companies food service and hotel companies found that there is an overall low level of disclosure related to gender diversity. The analysis also found that even within companies that have started to integrate gender inclusion and diversity into their work, the focus needs to be extended beyond companies' own operations to supply chains and subcontractors/vendors. In addition, these companies should expand the focus from staff to the senior management and the board levels. Finally, more actions are needed to broaden the disclosures to include the percentage of women across the leadership ladder, and indicators pertaining to pay, recruitment, retention, advancement, and work-life balance.

3. EMERGING TRENDS OF GENDER RESULTS ACHIEVING PROGRAM OBJECTIVES

As highlighted in the [Gender Knowledge Product](#) produced under the A&L project and mentioned above, fostering gender mainstreaming and gender equality are crucial issues for sustainable commodity supply chains.

Improving gender equality in commodity supply chains leads to increasing equity and efficiency, while providing benefits for all. Indeed, the business case for gender mainstreaming in global agricultural supply chains built in the framework of the [Gender Knowledge Product](#) shows how the

three components of the GGP, namely production, demand, and transactions, will benefit from gender mainstreaming. From the production point of view, reduced knowledge gaps together with equal access to trainings for women result in more productivity. Better representation and involvement can be guaranteed through gender quotas and financial incentives, which, the study found, can also have positive impacts on conservation. Since global demand for commodities is increasingly driven by environmental and social concerns, gender equality is also an emerging concern for consumers. Transactions is undergoing a similar momentum too, with more and more funds and gender-lens investments being allocated.

A gendered approach to commodity supply chains involves nine SDGs (Goals 1, 2, 3, 4, 5, 8, 12, 13, and 15), which underline the fact that the SDGs cannot be achieved without tackling inequalities between countries and within countries and that more environmentally focused SDGs cannot be achieved without addressing ones that are more social in nature. Gender is a development multiplier for sustainable commodities projects and supply chain sustainability efforts.

Therefore, closing gender gaps in the labor market and between paid and unpaid work, guaranteeing equal access to resources, training, and inputs, and empowering women and strengthening their engagement in decision-making, are all priority actions that are needed to secure gender mainstreaming in commodity supply chains. Initiatives like introducing gender-based education and training modules, carrying out analyses of women's role in agriculture and expanding communications on gender equality, are strategic to improve sustainability in beef, soy, and palm oil supply chains. It may be too early to show such evidence and the impact of the activities which have been adopted under GGP, but they are certainly believed to be leading towards more sustainable supply chains.

PRINCIPLE 8: INTEGRATING SYSTEMS RESILIENCE

1. RESILIENCE CONSIDERATIONS ACROSS THE PROGRAM

Resilience is the capacity of a system to deal with change and continue to develop, absorbing shocks and reorganizing to retain the same functions. It is about how humans and nature can use shocks and disturbances like climate change to spur renewal and innovative thinking. Resilience thinking means generating increased knowledge about how we can strengthen the capacity to deal with the stresses caused by environmental change. It aims to find ways to withstand unexpected events and live in a sustainable manner.

Resilience considerations in the Program have been taken into account at two levels:

1. Supply chain resilience
2. Project delivery resilience/adaptive management

Supply Chain Resilience

Supply chain resilience considerations have been embedded in the design of GGP. Indeed, it focuses on mitigating climate change and associated extreme weather events which significantly affect agricultural production, leading to pressure to expand production and reducing support for setting aside forests of high conservation value and for sustainably sourced commodities, potentially undermining the ability of the Program itself to achieve expected impacts. Therefore, the Commodities IAP built in consideration of resilience into aspects of its design and undertook an analysis of risks, proposing mitigation measures.

The Program as a whole developed a Theory of Change on how transformational impact can

be achieved to take deforestation out of global commodity supply chains through the interlinkages of supply chain actors among sustainable production, responsible demand and enabling transactions. The idea behind adopting this integrated approach pilot was to strengthen the resilience of sustainable commodity production systems to external shocks and climate change while contributing to reduced deforestation.

The Production and Brazil projects are designed to improve climate change resilience in the target landscapes through policy work and farmers training, allowing the increase of production in designated areas and reduction of expansion into forested areas.

Under the *Demand project*, the design aimed to build capacity of traders, companies, retailers, and investors to make and implement commitments to reduced deforestation commodities. Increasing demand for sustainable commodities should support producers with sustainable practices meeting the objectives of the Production project on building climate and market resilience.

The *Transactions project* aims to improve the resilience and competitiveness of financial institutions, enabling them to develop in a sustainable manner with improved risk management practices and innovative products to accelerate the production and supply of forest friendly commodities. In detail, the project was designed to support the development of investment transactions that reduce deforestation in key commodity supply chains on a commercial or blended finance basis. The effect of deforestation risks on financial performance and resilience will then be used to support greater financial sector engagement and the development of new financing models.

The COVID-19 pandemic highlighted the importance of increasing supply chain resilience to shocks, crises, and disruptions. With livelihoods of producers being reduced or threatened during the COVID-19 crisis, the risk of producers adopting an expansionist behavior to compensate for the loss faced during the crisis emerged.

Program and Project Delivery Resilience/ Adaptive Management

Each child project was designed to consider and monitor changes and anticipate risks in the project environment at global, regional, national and subnational levels in order to adapt to and/or manage them quickly. In order to learn from adaptive management, a specific indicator keeping track of adaptive management practices for all child projects was integrated in the A&L project log frame.

If resilience was identified as a key cross-cutting issue alongside gender and knowledge management, it is important to note that no clear activities were defined during project design on how resilience could be integrated into project implementation. Unlike gender or knowledge management, no specific indicator was built around resilience besides the monitoring of adaptive management practices under the A&L project. Resilience is mainly approached through the climate mitigation angle, but not so much through the climate adaptation point of view, which would be relevant under the Production project. Adaptive management allowed the project team to include this element when relevant and needed.

2. EMERGING LESSONS ON RESILIENCE MANIFESTED AS CRITICAL FOR THE PROGRAM

As mentioned above GGP has been built as a way to mitigate climate change. Nonetheless, during program implementation many shocks have arisen, related to climate change induced-disasters, diseases, market demand changes, and political changes, as described below. The projects and

program overall have responded to these shocks and built resilience at country level in doing so.

In **Paraguay**, building resilience to disaster risks, market shocks, and political change has arisen as crucial. Paraguay is vulnerable to climate change and natural disasters, prone to drought and floods. This was evidenced in 2019, when the fires taking place in Brazil and Bolivia reached the landscape the GGP is working on, proving that the country and producers are not well prepared for fire prevention and mitigation. In addition, in 2020 due to the COVID-19 outbreak, China's import of beef decreased significantly, causing higher participation of Argentinian and Brazilian beef on markets traditionally supplied by Paraguay, and reducing the latter's market share. Also, during the elections in 2018 and the period afterward when the new government was being assembled, there was political uncertainty that needed to be mitigated through cautious engagement on politically sensitive topics. This need for caution has extended into 2020 when international communications about beef consumption by the United Nations caused tensions locally in Paraguay, resulting in increased difficulties engaging critical stakeholders like government and producers. This led the Production, Transactions, and Demand projects to work on increasing resilience in Paraguay. During 2019 and 2020, more than 2 600 producers were trained on sustainable production practices through workshops, roundtables, conferences and training modules, and as a response to the 2019 and 2020 fires, the project started looking into how fire prevention and mitigation practices could be included in farmers training and organized at the end of 2020 a specific training on this. Also, under the Production project, the Prevention and Control of Fire Law will be analyzed and improved. On the other hand, the Demand Project will focus on developing a strategy to position the Paraguayan beef as a sustainable product in order to increase its market relevance and reduce the vulnerability to market shocks, with studies currently being under development. In addition

to that, under Transactions, IFC is piloting the use of fodder banks to provide supplemental cattle feed through the dry season while UNEP FI is working with the Paraguayan Central Bank to increase the resilience of the finance sector to volatility due to climate and other environmental risks such as land use change. By offering training on environmental and social risk management the Central Bank and commercial banks will be better equipped to address these risks by putting in place systems/processes and tools to anticipate and mitigate them. Finally, in terms of addressing political risks, the project held a system approach workshop to help all stakeholders align around a common understanding of the drivers, threats, and opportunities related to deforestation and beef production in Paraguay. As in other geographies around the world, the team is adapting to the likely reality of needing to shift most activities to virtual settings or postpone them until after the COVID-19 pandemic has subsided.

In **Liberia**, community resilience at the landscape level through the provision of alternative livelihoods was identified as the most critical for the project. As a consequence, as part of the Conservation Agreement (CA) agreed with three communities located around the Zodua Community Forest under the Production project to promote biodiversity conservation and sustainable forest management, livelihoods improvement opportunities for the communities involved is also provided. The Convention recognizes issues and trade-offs affecting resilience of landscapes and thus, while reducing forest cover loss and forbidding unsustainable activities such as charcoal burning and pit-sawing, it also provides a chance to improve livelihood options for communities in return for verified conservation actions. Selected beneficiaries from communities with CA have been trained as Frontline Conservationists. These individuals have received a monthly stipend and on-going training in return for a series of conservation related activities to support Zodua Community Forest protection. In this way, the CA guarantees community resilience

by promoting alternative livelihood options through local job creation incentivizing people away from unsustainable livelihood practices.

In **Indonesia**, resilience to climate change has emerged as a critical issue, and trainings to smallholders have emphasized topics of conservation and sustainable and resilient commodities production. Training modules so far include: Environment Management and Monitoring in Conservation Area and Cultivation Area; Certification System in ISPO (Indonesia Sustainable Palm Oil) and Global Certification System (RSPO); Cultivation and Fertilization Management and Oil Palm Cultivation; Environmental Services from Forest Ecosystem; Climate Change and the Importance of Protecting Forests. In addition, community resilience is identified as an emerging issue in Indonesia and mitigation measures are being taken with the introduction of additional trainings for producers, with a focus on Safety and Health Work; Management of Finance, Economic Resilience, and Women's Role in the Sustainable Palm Oil Development; Institutional Management and Farmer Cooperatives; Household Financial Management. Thanks to these modules, resilience of Indonesian smallholders can be improved through increased access to information and awareness of viable ways for better life conditions. Post-training monitoring also reveals the importance of income diversification for smallholders, to increase their livelihoods and being more resilient to shocks. In addition, the GGP has experienced the political risks of working through many partner organizations in an integrated and coordinated fashion, as some may at times fall out of favor with the current government for various reasons, as experienced in Paraguay. This has also happened in Indonesia, where one branch of government has come to disagreements with WWF and has consequently influenced the relationships between WWF and the other project partners, demanding that these partnerships cease, and putting at risk the more integrated activities developed under GGP. Project

partners have needed to adaptively manage their project portfolios to accommodate government requirements without abandoning the important relationships and strategic focus that are so important to achieving GGP goals. Meanwhile, another risk threatens the program—the market shocks of COVID-19, which brought volatility and decline in exports since the first quarter of 2020. Overall, Indonesia's palm oil exports declined by over 35 percent from December 2019 to January 2020, and exports to China in particular fell by 57 percent.²² GGP partners are working on adjusting their messaging to continue promoting sustainable supply chains while acknowledging the sensitivities and concerns posed by the current economic climate. While times like this can result in companies shrinking back from sustainability initiatives that are sometimes seen as additional to their core operations, the resilience to climate and other shocks should be presented as a reason for sustainability activities to continue to be priorities.

In **Brazil**, the project has developed a zoning proposal for soy expansion supporting the conservation of target forest habitats and the sustainable management of currently degraded land in the MATOPIBA region, ensuring long-term resilience to climate change. Based on this demand, the project is promoting the dissemination of existing practices and organizing training courses together with farmer organizations. Contrary to Paraguay, Liberia and Indonesia, production and sales of soy in Brazil seem to have been less disrupted by COVID-19, showing how a global crisis can affect countries and supply chains differently, and that other market factors such as the value of a currency also play an important role.

At the **global level**, under the Demand Project, an innovative global sustainability platform called Trase is increasing agricultural commodities supply chains' transparency and providing insights into opportunities to improve the sustainability of how these commodities are produced, traded

and consumed. The platform recognizes that the complexity and opacity of supply chains are major barriers to delivering on deforestation-free commodities, potentially hampering resilience. To face this, Trase uses publicly available data to map the links between consumer countries via trading companies to the places of production in unprecedented detail. In such a way, it can show how commodity exports are linked to agricultural conditions – including specific environmental and social risks – in the places where they are produced, allowing companies, governments and others to understand the risks and identify opportunities for more sustainable production. Mapping the trade of several commodities has already been done for Indonesia, Paraguay, and Brazil, supporting efforts to improve resilience from the other Child Projects. However, even this global platform can suffer from political risks, since much of the data comes from national government agency databases that are under the influence of politicians who may see risks to their own agendas once these data sources are shown to be used for deforestation risk assessment and supply chain transparency. Data availability has been a concern in Brazil, Paraguay, and Indonesia, and the platform has had to come up with alternative data solutions when there are changes or disruptions to the quality or availability of data.

Overall, the COVID-19 pandemic highlighted the fragility and lack of resilience of commodity supply chains and actors, and called for increased resilience including through a transition towards greener production and consumption. The GGP produced a series of papers analyzing the impacts of COVID-19 on target countries and supply chains, while positioning a transition towards greener supply chains as a key solution for a more resilient future, and demonstrating how GGP supports it. In addition to that, the Demand project also produced a Market Intelligence Update focusing on COVID-19 and key commodity markets such as palm oil and soy, informing the project teams and

²² Iswara, M. A. 2020. Indonesian palm oil exports to China drop by half in January: GAPKI. TheJakartaPost, March 30 2020. Available at: <https://www.thejakartapost.com/news/2020/03/30/indonesian-palm-oil-exports-to-china-drop-by-half-in-january-gapki.html>

the public about main markets dynamics resulting from the pandemic.

3. TOOLS TO INTEGRATE AND ASSESS RISKS AND VULNERABILITIES TO INFORM RESILIENCE

The design phase of GGP has involved an analysis of risks at the level of each child project and for the Program as a whole. Projects' risks, vulnerabilities and adaptation measures have then been analyzed continuously throughout project implementation, ensuring ongoing monitoring of unexpected and hard-to-predict shocks and stresses such as the COVID-19 pandemic. In fact, the extent to which child projects and the IAP Program as a whole are being able to bolster resilience is assessed regularly through project and Program M&E. Risks and proposed mitigation strategies are reported in regular monitoring reports, GEF Project Implementation Reviews, GGP Partners' own annual reporting processes, and in the Mid-Term Reviews. Further, for the UNDP-led projects where safeguards are a concern, Social and Environmental Safeguards Procedures (SESPs) are being followed and the project risk log is being updated annually or sooner as needed, to reflect new challenges faced by the project. In fact, for the Production Project, the program team has carried out a new SES screening process to assess vulnerabilities and to check whether the mitigation measures adopted are satisfactory and in alignment with UNDP standards and requirements. Finally, the GGP as a whole is currently considering the risks of COVID-19

to project and program implementation with the view to mitigating and adapting as best as possible.

At the Program level, the Program Steering Committee meetings and Secretariat calls provide a forum for the Implementing agencies and partners to discuss risks and how well they are applying a resilience lens to ensure robustness in project implementation, reviewing lessons emerging from implementation. Based on these meetings, adaptive management practices are captured and gathered in a database, where practices ensuring program resilience are collected, reported, and presented, quarterly and annually. Also, country reporting and country focused calls taking place every quarter present the activities each country is doing around resilience. This information is shared with all GGP partners in Steering Committee Meetings and Project boards. If additional adaptive measures appear to be needed, the costs and benefits of options are discussed as a result of M&E activities. In this way, an iterative and participatory approach may follow to refine project and Program planning.

Finally, under the A&L project the importance of including resilience in more knowledge and learning activities of the program like the Community of Practice and Knowledge Products was discussed. Some strategies were developed and will be put in place during 2020/21. Partners have also used the GGP and the Green Commodities Community as a forum for ad-hoc knowledge sharing, including circulating resilience-related resources that partners come across in their other work external to GGP.

PRINCIPLE 9: KNOWLEDGE MANAGEMENT AND LEARNING

1. TOOLS AND TECHNIQUES IDENTIFIED FOR KNOWLEDGE MANAGEMENT AND LEARNING DURING PROGRAM DESIGN

During the program design it was stated that the Adaptive Management and Learning (A&L) Project will coordinate joint knowledge management and learning at the global level, across child projects, and with external initiatives. It was defined that the joint knowledge management activities will be organized around two knowledge platforms:

- A global Community of Practice established to facilitate learning on effective interventions to address deforestation in supply chains and to provide a learning framework to explore cross-cutting themes such as gender and resilience.
- A Global Impacts Platform to disseminate robust and policy-relevant evidence on the effectiveness of different market-based sustainability approaches for deforestation-free commodities.

In addition to these platforms, knowledge and learning activities will include:

- A total of two Community of Practice events held during implementation of the IAP program, with specific objectives of lessons learned sharing, promotion and replication of best practices, facilitation of south-south cooperation, and partnerships and collaboration support.
- Facilitation of regular discussions through social media, the program website, webinars, etc.
- Learning from external partners through participation in events, and representation at major policy events, to share knowledge on the integrated supply chain approach.
- Production of periodic publications to support knowledge management on global cross-cutting

themes such as resilience and gender, including a specific study to examine the effects of increased demand and financing on sustainable production and vice versa.

- Development and implementation of a Communications Strategy to support knowledge management by disseminating content and learnings to internal and external stakeholders and providing information about advances linked to the different child projects. IAP publications would be produced, information disseminated through speaking events, and articles included through content sponsorship on the Guardian Sustainable Business website.

Besides the tools for knowledge management identified in the A&L project, all child projects are responsible for capturing lessons learned from each component, based on M&E reports, and communicate them regularly for dissemination with stakeholders. In addition, at the design stage of each child project, the following specific tools for knowledge management were identified.

Production project

Knowledge products to be developed on topics such as approaches to constructively engaging governments, approaches to working with the private sector, and good practices for providing effective support to smallholders.

Brief documents exploring uses in a less technical, user friendly way, case studies, articles, blogs, infographics, and productions from the field (videos and documents).

The creation of a sub-community, or working group, of knowledge professionals (such as UN-REDD, DFID, among others) that will meet on an annual

basis to develop cutting-edge joint analyses of key issues and findings under the project themes.

Capturing lessons learned and new knowledge generated by the project to be amplified and replicated through provincial and national platforms and beyond.

Demand project

Market Intelligence Researcher to provide state-of-the-art information on market demand, its impact on deforestation, trade patterns, corporate tracking, key consumption trends, and financial flows for beef, soy, and palm oil. Information disseminated to GGP partners and broader stakeholders (e.g. companies and practitioners) when appropriate, in the form of biannual info briefs and annual reports.

Asia Learning and Exchange small grants fund to provide opportunities for companies and governments in Asian demand markets to learn about sustainable production (e.g. through study tours to Production Project sites) and from the challenges and successes of others implementing sustainable supply chain demand-side actions (e.g. through cross-commodity or cross-geography workshops and reports). This competitive fund seeks applications on a rolling basis and requires approval from the GGP Steering Committee.

Transactions project

Organization of a series of workshops and webinars with financial institutions and other relevant stakeholders in the target countries to disseminate knowledge generated from project activities, including the identification of financial risks associated to deforestation in the production and trade of commodities, the business cases for removing deforestation from the production and trade of palm oil, soy, and beef, and on the role of financial policy and regulation to remove deforestation from supply chains.

Development of studies, guidance notes and technical briefs on relevant topics, such as guidance

notes on how REDD+ financing could accelerate the production of low deforestation commodities; production country analyses of fiscal instruments, trade frameworks and legal frameworks that shape the flow of capital in a landscape into areas that are not aligned with sustainable agricultural practices, and recommendations for enhancing alignment.

Brazil project

Development of studies and technical briefs on relevant topics, such as restoration, sustainable soy expansion, socio environmental safeguards to traditional communities, gender, financial incentives/strategies and low-carbon agriculture techniques to farms profitability and sustainability improvement.

Communication materials (articles, videos, infographic, cards) developed in a less academic manner and more user friendly way, in order to raise awareness on the soy sustainable production agenda in MATOPIBA to local governments, farmers and civil society groups in general.

Component 5 includes a target of four lessons learned identified and disseminated. Three were already consolidated. A final brief will be developed summarizing all lessons learned, as well as knowledge generated by the project. The brief is aimed to be widely disseminated to stakeholders through project governance committees in 2021.

2. TOOLS AND TECHNIQUES TO GENERATE, CAPTURE AND DISSEMINATE KNOWLEDGE DURING IMPLEMENTATION

The A&L Project

The A&L Project has led in coordinating knowledge management. The tools and techniques used during implementation have been the following:

- The Green Commodities Community (GGC) was relaunched in February 2018, with orientation calls for new and existing members. Since then the GGC has engaged 245 practitioners from 50 organizations and 12 countries. The Community

carries out cycles of virtual workshops leading to the Good Growth Conference in English and Spanish, facilitating knowledge sharing. In addition, lessons learned from the GCC have been captured and knowledge products are being created as an output from exchanges facilitated through the GCC. This demonstrated that conceiving, planning, and implementing a Community of Practice and development of knowledge products synergistically creates a virtuous circle that allows the creation of hands-on guidance knowledge products. Other child projects have contributed to the GCC in different ways, by attending or leading virtual workshops.

- The first Community event, the Good Growth Conference, was organized on 13-17 May in Peru and gathered 262 participants from 90 organizations and 21 countries. The conference started with a high-level event in Lima and then moved to the Amazon for an immersive learning experience complemented by field trips. Partners from all of the child projects contributed to conference preparation and implementation by planning and hosting sessions and recruiting speakers from a diverse array of organizations and companies. The next conference will take place in May 2021 in a virtual format given the COVID-19 pandemic, and will have a focus on systemic change, as recommended by the A&L MTR. The Global Impacts Platform, now branded as [Evidensia](#), was publicly launched on June 18, 2019 and is now live. Evidensia is aiming to be a global repository of credible evidence on the impacts and effectiveness of standards and other sustainability tools. This innovative knowledge management platform delivers high quality evidence, information, and insights on sustainability impacts with the final goal of positively influencing corporate and government decisions regarding sustainable commodity production and sourcing and supporting sustainability practitioners and implementers as well as researchers and academics. Keeping in mind the targeted audience, Evidensia developed an online library that is easily searchable thanks to interactive tools such as the geographic map and the knowledge matrix, and formats to efficiently share knowledge such as visual summaries and podcasts. The wide range of partners confirmed as of April 2020—including, beyond GGP Partners, the Sustainable Food Lab, the Meridian Institute, the UN Forum on Sustainability Standards and others—reinforces the relevance and strength of this platform. All GGP knowledge content on the impacts and effectiveness of its projects is being published on the site. The vision is for Evidensia and the Community of Practice to work together to generate, distribute and deliberate on emerging evidence and insight to foster effective learning amongst practitioners and policy-makers, and action was taken in 2020 for these two platforms to work more closely. Evidensia is also being socialized to practitioners through the GCC.
- GGP has been represented at different global events such as the TFA annual meetings, RSPO regional and global meetings, GRSB regional and global meetings, learning workshops such as the one on Stakeholder Engagement and dialogue processes in the pursuit of GEB organized by the STAP and the Gordon and Betty Moore Foundation in 2019, to name a few.
- A program level gender knowledge product was developed and disseminated: [Gender Mainstreaming in Global Agricultural Supply Chains Can Accelerate Good Growth](#). The second program level product on private sector engagement is being finalized, while a study planned on the integrated approach has been kicked off at the beginning of 2021.
- The GGP Communications Strategy was implemented, developing a webpage, logo, communications channels, etc. So far, more than 30 pieces of editorial content have been published and 15 pieces of co-created content developed. In addition, yearly [GGP Highlights Reports](#) presenting the main results and milestones are developed and disseminated.

- A Communications Strategy of the Good Growth Conference was developed. As part of this effort, the Partnership launched the Good Growth Journalist Initiative. It was designed as a shared learning experience and training on constructive journalism, conducted in the week of the Conference. Eight journalists working for well-known national and international media outlets were selected to participate in the training and the Good Growth Conference.

The A&L project is capturing lessons learned from each child project through different mechanisms. These lessons are then gathered in a database that has been developed to keep track of the lessons learned around different thematic such as project design, management, gender, communications, COP, among others. Most child projects use the same mechanisms to gather lessons, such as quarterly reports, and Steering Committee meetings.

Production project

Tools and techniques used in the Production project to generate, capture and disseminate knowledge are:

- The ladder of change, to track progress and understand how change occurs in the process of multi-stakeholder collaboration at country level.
- The Landscape Analysis Tool, currently under development and piloting, to assess the impact of different interventions aiming to reduce deforestation inside a landscape, learn which ones are the most effective, and adapt quickly.
- Production of global and national knowledge products including:
 - Policy briefs, popular reports, or publications on lessons learned, at country level;
 - A toolkit to develop and/or strengthen farmers extension systems using a multi-stakeholder collaborative process;
 - A Theory of Change for sector transformation;
 - A guidance note on how companies can work

with government to help create enabling conditions for sustainable commodity production;

- Technical papers on land use change monitoring systems and sustainability of multi-stakeholder platforms.

Demand project

Tools and techniques used in the Demand project are the following:

- WWF-US's market intelligence researcher develops knowledge products on different countries and commodities of interest to the GGP. So far there have been seven Commodity Market Intelligence Update newsletters as well as additional deep-dive market analyses and topical reports providing decision-relevant information to stakeholders.
- The Asia Learning and Exchange program under the Demand project has primarily received applications for corporate-focused and corporate-and-government-focused projects, a few of which were approved by the GGP Steering Committee and are under or have completed implementation. Deliverables achieved to date have included a mapping of the stakeholder landscape for Chinese soy, providing information to GGP partners on key influencers and points of leverage, especially for the commodity trader COFCO, which is responsible for a large share of global soy trade; a business roundtable dialogue led by ISEAL to explore challenges, opportunities, and strategies to move toward sustainable palm oil production across several Asian countries; a strategic business-media-youth dialogue led by ISEAL on whether becoming more sustainable can be a competitive advantage for businesses operating in India; and a strategic dialogue led by ISEAL with the Indian finance sector to explore challenges, opportunities, and strategies to achieve deforestation-free supply chains in India. Anticipated future activities include the development of palm oil and beef

toolkit materials for Chinese buyers, building on the success of Proforest's Soy Toolkit. Depending on political sensitivities in Brazil, the program may also support Brazil-China learning visits and workshops for companies and governments of the two countries to learn and share about the realities of soy and beef production in Brazil and China's demand.

- Using unspent funds from the Asia Learning and Exchange Program, the Demand Project issued several subgrants to jumpstart demand-related initiatives to address urgent and emerging issues related to supply chain sustainability for priority commodities and geographies, with an emphasis on activities that could be implemented despite COVID travel and meeting restrictions. Several of these sub-grants contribute to knowledge generation and dissemination. For example, University Gadjah Mada (UGM) received support to research the potential impacts of Indonesia's new Omnibus Law on Job Creation on sustainable palm oil production and on local communities. Brazilian NGO Instituto Cerrados will implement another grant under this mechanism. This project involves research on the state of traditional communities who may be affected by cattle intensification activities, as well as stakeholder interviews within select communities, including women representatives. Demand Project partners have also shared their learnings through various publicly available reports, such as the Africa Palm Oil Initiative Impact Report developed by Proforest, the Soy Toolkit materials and website developed by Proforest, the Trase Yearbook and other blogs and infobriefs made available on the Trase website, and the palm oil primer for sustainable investment developed by WWF-Singapore, to name a few. Additionally, the Demand Project team at WWF-US has organized and facilitated online workshops to encourage shared learning from: (a) different partners in GGP and beyond working on Chinese demand for sustainable commodities; and (b) WWF communications

teams to share lessons around conducting sustainable palm oil consumer campaigns.

- The Demand Project is having GlobeScan conduct an annual survey on corporate commitments, progress on key sustainability activities, challenges and barriers to implementing commitments, and the most effective roles for NGOs and multilaterals to support companies in these efforts. The pilot survey was conducted in 2019, and learnings from the 2020 survey will reveal progress made over the past year including areas where GGP partners have been influential. Findings will be used to support the continuation of existing strategies and/or suggest adaptive management to GGP partners' strategies when appropriate.

Transactions project

Tools and techniques used in the Transactions project for learning are the following:

- IFC led a GGP Indonesia workshop on lessons learned that took place in 2019. Participants included GGP colleagues as well as key stakeholders such as private sector and Ministries representatives, SECO, GIZ, and retailers.
- IFC worked with the Alianza para el Desarrollo Sostenible to produce a Guide on best practices for livestock production (*Manual de Buenas Prácticas Ganaderas para el Desarrollo Sostenible del Alto Paraguay*).
- IFC is working with the Smithsonian Institution to develop a bio-diversity map of the Chaco Region for investment risk screening.
- IFC is introducing the Global Trade Supplier Finance (GTSF) program in the soy sector. This trade finance facility links sustainable practices with reduced interest rates.
- IFC supported the development of the "Working with Smallholders - a handbook for firm building sustainable supply chains", through co-financing.
- UNEP FI is developing guidance on integration of deforestation risk in lending for Brazilian banks.

- Guidance is provided by UNEP FI to the Central Bank of Paraguay on the integration of ESG in supervisory and regulatory functions of the Central Bank.
- Facilitation of REDD+ learning exchange on sustainable beef in Paraguay was supported by UNEP FI.
- Knowledge products: Forest Trends produced a study in partnership with IFC on companies' commitments on cattle in Paraguay, which was launched in March 2020, as well as a study on companies' commitments to sourcing sustainable palm oil from Indonesia with UNEP FI. The report was launched in January 2020 and a webinar will be held in April 2020.
- A knowledge product outlining the key environmental regulations relevant for the Brazilian financial sector was finalized in 2019 and discussed at a seminar hosted by FEBRABAN and UNEP.
- One knowledge product was produced by UNEP FI on outlining financing options for supporting zero deforestation and restoration in Brazil.

Brazil project

Tools and techniques used in the Brazil project for learning are the following:

- Knowledge products—Three knowledge products have been produced along with three partners: With TNC "Mapping the future dynamics of the soybean in the Cerrado: identification of risks and sustainable opportunities;" with the Conservation Strategy Fund "Database for the correlation analysis between soybean expansion and land conversion in MATOPIBA;" and with AMTRÓPICA "Analytical report of the most critical areas in terms of threat and conflict with traditional communities."

3. CHALLENGES FACED IN ADVANCING KNOWLEDGE AND LEARNING

Several barriers have been faced in advancing knowledge management and learning components for the program, including coordination and integration between GGP partners and Country offices., These problems will affect the knowledge management and learning component.

Additionally, even when child projects make great efforts to produce a significant amount of knowledge, they are not always proactive in sharing them with the A&L project for greater dissemination. Also, creating joint knowledge products (e.g. the Gender publication or the yearly Highlight report) that require collaboration and commitment from all GGP partners has proven to be a more lengthy process than expected, leading sometimes to delays in creation and publication of relevant content. This is mitigated through the annual integrated planning cycle where child projects are invited to share with other child projects their planned knowledge products release for the year, as well as through sending a quarterly calendar of expected inputs from the GGP partners.

Moreover, because of misaligned timelines or the long internal review processes required by some partners, the materials are not always available to contribute in a timely manner to the preparation and implementation of activities under other child projects that would have benefitted from the knowledge. Taking into account timelines of activities and review processes necessary to finalize knowledge products should be better integrated in the design phase.

In addition, one of the main barriers to learning is the insufficient budget and time planned at project design for these activities from all child projects. This has limited the full participation of all partners in learning activities and knowledge sharing, especially activities listed under the A&L project that require heavy involvement from all GGP partners (such as the Green Commodities

Community, the yearly Highlights Report, and the Good Growth Conference) since these types of activities turned out to be more time- and labor-intensive than expected. Related to insufficient budget is the lack of dedicated human resources to produce knowledge management products. For example, under the Transaction project, UNEP has relied on internal communications support on an ad hoc basis.

There have also been important efforts from the global team to gather lessons learned from child projects and feed an existent database. Nevertheless, turnover in the M&E and Learning Specialist positions in multiple child projects has led to gaps in lessons learned harvesting and dissemination over the last year.

The Community of Practice has proven to be an excellent learning environment and has been able to grow and engage new members from an increasing number of organizations, countries, and commodities within and beyond GGP partners. However, though the sign-up by community members has always been good, the actual participation in some virtual workshops has not reached the target number of 20. According to the A&L Project Mid Term Review, this drop out between sign-up and workshop can be explained by the following shortcomings, recognized by the A&L team:

- Purpose and learning objectives of some virtual workshops was not always clear.
- Timing of virtual workshop did not account for language and time zone differences well enough.
- User-friendliness and information sharing were hampered by lack of an online collaborative space.
- Preparedness and facilitation by some moderators were not optimal or aligned with expectations.

Since the release of the MTR, the A&L team has been working to overcome these barriers by:

- Shaping a Community program that is more inclusive, diverse, and practitioners focused.



- Conceiving all virtual workshops with clearly stated purpose (case study dialogue / global practice briefing / training) and intended learning outcomes.
- Systematically assuring the quality of the design, preparedness, and facilitation of each workshop.
- Establishing a digital collaborative learning space where practitioners can connect and exchange effectively, which will be officially launched at the beginning of 2021.
- Capturing lessons learned from each virtual workshop in a systematic manner to produce a report capturing key learnings.

The above efforts remain hindered by a budget that is not aligned with the stated intention of the project. In addition, the COVID-19 pandemic and the increased number of virtual exchanges and workshops created new challenges for the Green Commodities Community, with a fatigue of virtual engagement felt by members. In order to address this issue, the calendar of virtual workshops was revised and additional work was put into ensuring the quality of each session.

COVID-19 AND GOOD GROWTH PARTNERSHIP

1. IMPACTS ON THE PROGRAM

Overall

The COVID-19 pandemic has forced countries into physical distancing and confinement, closed borders and restricted international travel. In-person meetings and events were suspended in GGP countries, as well as in other countries where events were planned. At the same time, field work became limited at the landscape level. This has led to adaptation in terms of delivery mechanism of some interventions (shifting interactions online as much as possible), and to delays in some activities that could only take place face to face.

More globally, the COVID-19 crisis increased stresses in food security due to difficult physical access to food related to disruptions of local and global supply chains, and lack of financial resources to allow access to food as COVID-19 leads to loss in revenues affecting mostly the poor and vulnerable. COVID-19 is affecting both the supply and demand sides of supply chains. Production activities are being slowed down with producers falling sick or not being able to access their farms, and preventive measures hampering production's logistics. The demand side is also being affected with generally a decrease in global and local demand as people stay at home and reduce purchases. New commercial dynamics are emerging and the current uncertainty and economic crisis sparked by COVID-19 is also likely going to reduce opportunities for smallholders to access needed finance for productive investments. This new context had to be taken into account by the program and all its interventions.

Production

The pandemic generated disruptions and delays in Indonesia, Liberia, and Paraguay:

- Activities implying stakeholders consultations such as policy work or development of action plans were challenged as being traditionally done in-person. When possible, stakeholder engagement was conducted virtually, but in some cases adaptations were not possible. For example, in Liberia, consultations on the National Oil Palm Strategy and Action Plan, the Roundtable on Sustainable Palm Oil National Interpretation, and the Targeted Scenario Analysis were delayed, as community consultation, which cannot happen virtually, is key to finalize these activities. Similarly, in some districts in Indonesia, the internet infrastructure was not sufficient to enable virtual engagement. These activities were then postponed until confinement measures were lifted.
- In the three countries where the project operates, government engagement is crucial for project implementation related to policy development. With the pandemic, governments were and continue to be focused on responding to the crisis and some policy priorities are shifting. As a consequence, their availability for online consultation as part of development of policies related to sustainable commodity production was reduced, generating a slowdown in the development of these policies.
- Capacity building activities requiring in-person meetings such as farmer training in Indonesia were on hold, until restrictions measures were lifted.
- Technical advisors and review missions planned for the year were all adapted to a virtual format, saving travel funds but limiting their effectiveness (inability to carry-out field visits and discuss with a wide range of local stakeholders).

Transactions

- Firm level advisory, such as the development of deforestation risk screening tools, has proceeded according to schedule through virtual meetings.
- The pandemic has delayed farmer training in Brazil and Paraguay, due to restrictions on travel and group events.
- In Paraguay, the development of the Chaco biodiversity map is taking longer than expected, as consultations with stakeholders need to be conducted virtually, rather than in group meetings as originally planned.
- The annual meeting of the Global Roundtable for Sustainable Beef was scheduled to be held in Paraguay in fall of 2020. This would have been an opportunity to showcase the work of the local chapter of GRSB. The event is currently re-scheduled for 2021, but may be delayed again.
- The business downturn, particularly in the beef sector, has delayed investment decisions
- The Central Bank of Paraguay delayed the training for banks to account for new economic priorities in the country. In Brazil the training was shifted to an online format with only a slight delay.
- Activities regarding fiscal incentives are still in planning phase but have little stakeholder support in partner countries due to COVID related economic uncertainties.

Demand

The pandemic impacted virtually all aspects of the project. This of course included cancelled conferences, workshops, and in-person meetings as well as general disruptions and delays to project activities as staff and partners adjusted to remote office work. Fortunately, the nature of the Demand Project meant that most activities could be moved to online formats, which prevented a complete derailment of progress. Some impacts that were perhaps unique to the Demand Child project include:

- Both WWF-Singapore and WWF-Indonesia reported a reluctance of some companies and investors to do business online, which likely reduced overall participation in meetings. WWF-Indonesia also noticed that even when companies agree to online meetings, it is harder to build trust across a computer screen.
- Larger events and conferences can also be moved to online formats, but participation is usually lower, and these formats do not allow for side conversations and networking, which hinder collaboration across initiatives.
- Although most of the activities could be conducted virtually, some were impossible to replicate and needed to be cancelled, postponed, or re-worked. For example, the supply chain mapping work of WWF-Indonesia requires that local stakeholder consultations and ground truthing of maps be conducted in-person. As a result, some of these activities have remained on pause in the hopes that travel and meeting restrictions will be lifted, although with another surge in the pandemic the team is reconsidering alternative ways of completing these activities.
- Beyond logistical challenges, the pandemic is decreasing the appetite of some stakeholders to engage in sustainability initiatives. WWF-Singapore for instance reported decreased engagement with investors in the food service and hotel industry, which was hit especially hard by the pandemic.
- WWF-Indonesia also noted that some companies are going into “survival mode”, and do not have the bandwidth to address sustainability at the moment.
- In its engagement with soy traders and buyers, WWF-Brazil and Proforest noted that the pandemic might be accelerating “initiative fatigue,” perhaps leading to less overall progress.

Brazil

The pandemic mainly affected the Brazil project in the following ways:

- Field activities involving soy farmers training on low-carbon agriculture techniques (with EMBRAPA), were adapted to online formats and the monthly indicators monitoring routines took place remotely, with very few exceptions. That led to a delay in activities implementation in 2020 and work plans had to be updated.
- Most activities on restoration carried out with implementing partners located in west Bahia had to be postponed, schedules were adapted, and strategies carefully replanned in order to achieve expected results in 2021.
- Events and meetings initially planned in-person, such as the “MATOPIBA +”, which aimed at gathering GGP Brazil public and private sector partners to address soy supply chain themes, were postponed and are now planned to take place virtually between April-May 2021.
- Engagement with the local governments were affected by the suspension of face-to-face meetings (despite the schedule of more frequent calls with focal teams), as well as a shift in priorities and availability in terms of governmental agenda (most efforts were focused on fighting COVID-19 in 2020).

A&L

The pandemic mainly affected the A&L project in the following ways:

- Events and meetings initially planned in-person such as the GGP event at the UN General Assembly/NYC Climate Week or the GGP Steering Committee meetings had to take place virtually. In the case of the NYC Climate Week event, the virtual format probably reached a larger audience (+420 people) but the level of participants might have been different as if it was an in-person event. For the Steering Committee

meeting, sessions were streamlined, but main overall objectives still achieved. Participation in other global events such as the TFA annual conference or the Global Roundtable for Sustainable Beef were cancelled.

- A fatigue of virtual meetings and workshops was anticipated, creating a new risk of lower participation in Green Commodities Community virtual workshops.
- Preparation of the 2021 Good Growth Conference and decision on its location were delayed due to the constant uncertainty about possibilities of travel and in-person meetings in 2021.
- The GGP Paraguay systems approach workshop was planned to take place in Q1/early Q2 for 2020, as a way to strengthen and facilitate integration for 2020 and 2021 in Paraguay, and was postponed to the end of 2020.
- This new context requested adaptation efforts from all the Partners and as a consequence, Partners might have been less involved in the implementation of some collaborative actions agreed before the pandemic and included in the 2020 global integrated workplan.

2. GGP RESPONDS TO COVID-19

Overall

As a response to COVID-19, the GGP Steering Committee mandated the production of papers focusing on the COVID-19 pandemic and the GGP supply chains. With support from the A&L project, four COVID-19 papers analyzing the impacts of the pandemic on GGP target countries and supply chains were developed, based on inputs gathered from all project teams, improving the access to information to project stakeholders and the public on the issue. These papers also contributed to defining the GGP response to the pandemic, advocating for a transition towards sustainable supply chains as part of the response and recovery, highlighting the need for more resilience to crises, and demonstrating how GGP is part of the answer.

Given that the projects' outcomes (reducing deforestation out of commodity supply chains and protecting ecosystems and biodiversity), contribute to the prevention of future zoonosis-related virus outbreaks, the GGP program directly contributes to long term response strategy. Communication on the correlation between COVID-19 and deforestation was used and will continue to be used as relevant to highlight the importance of reducing deforestation. The new reality created by COVID-19 is being integrated in all products developed, events organized, or support provided to beneficiaries.

In addition, by supporting sustainable commodity production, GGP contributes to improving small producers' income and livelihood, as well as the sustainability and resilience of target supply chains (e.g. climate smart production practices promotion, etc.), all key elements in the economic recovery stage of the COVID19 crisis. It is particularly relevant to continue working with downstream companies to ensure they put in place the right processes to support their upstream business partners such as trade financing, payment terms or other tools to facilitate each players' chance of survival to avoid devastating effects of this type of crisis for large swathes of the value chain impacting the most vulnerable—the small producers and communities.

The COVID-19 pandemic, however, highlighted the importance of supply chain and supply chains actors' resilience to shocks, which could be better integrated in future commodity-related projects. This will include ensuring that projects not only focus on sustainable production of given commodities, but also work on supporting smallholder producers' diversification, local processing and value addition, and the promotion of shorter supply chains.

Production

- The project requested and obtained an extension until June 14, 2022 to complete all activities that have been affected/delayed by COVID and achieve the project targets.
- When possible, virtual format was adopted for missions, events, and activities. In the case of farmers training in Paraguay, adopting this strategy with large producers revealed being successful, allowing a bigger number of stakeholders to be reached and a higher quality of presenters. A virtual site was also developed with the National University of Asunción to offer [online courses for training](#). In the case of training of small producers and indigenous communities, training of local trainers was done respecting preventive measures, so they could train local communities afterwards. In addition, trainings with indigenous communities were adapted, including a component on the development of vegetable plots in order to overcome food insecurity they may face because of the crisis.
- In Liberia, through the Zodia Conservation Agreement, the Kangar community was supported with medical supplies. Work was also done on building awareness of local communities of the disease through distribution of sensitization and awareness materials, which would help in reporting of suspected case(s) to health facilities.
- At the country level, efforts were done to align sustainable commodity action plans with recovery plans funded by governments.
- Personal Protective Equipment were purchased to allow face to face engagement with stakeholders ensuring all preventive measures were respected in the cases of virtual engagement not being possible.
- Annual workplans and budget for the year were revised, and a 12-month no cost extension was requested to compensate for delays generated by the pandemic.

Transactions

- Focusing on firm level advisory, which has been less affected by COVID-19
- Shifting from face-to-face training to virtual learning, via WhatsApp and other channels

Demand

In addition to standard measures (moving meetings to online formats, cancelling trips, postponing non-essential travel) the Demand project responded in the following ways:

- Using unspent funds from the Asia Learning and Exchange Program the Demand Project launched a small grants RFP in June to address adaptive management challenges related to the pandemic to jump-start new efforts or re-ignite actions that were stalled. Through a transparent selection process with members of the Project Steering Committee, four proposals were selected for funding.
- Given the amount of unspent travel funds and delayed activities from March to August 2020, the Demand Project requested a 6-month no-cost extension and facilitated a subsequent project-wide adaptive management exercise to rethink delivery of project activities and outputs. This involved identification of activities that needed to be moved to the final 6 month no-cost period, activities which were no longer possible to implement, and new activities which would help the project achieve the pre-defined outputs and outcomes in the face of the pandemic. Although this type of adaptive management exercise is routine, it took on a greater meaning during the COVID-19 pandemic. This process was deliberately held after issuing the four small grants to ensure complementarity and to avoid duplication of efforts.
- The Demand Project found that messaging that connects the pandemic to the core issues being addressed by the project was effective. For instance, some partners reported that companies

respond well to messaging which connects deforestation to the spread of zoonotic diseases,

- To counter the lack of meaningful side conversations at meetings and workshops, a useful strategy employed by Proforest has been to engage more through social media and schedule follow-up meetings with individual companies or smaller groups to dive deeper into the Soy Toolkit content.
- WWF-Singapore's Sustainable Finance team also experimented with new ways to survey workshop participants online to understand changes in capacity. Webinar polling may produce richer data than in-person, as Zoom or other platforms provide more user functionality options.

Brazil

- Farmers training on low carbon agriculture techniques were adapted to online formats, as well as monthly indicators monitoring routines took place remotely. The cooperation agreement was amended to cover activities in 2021.
- Most activities on restoration carried out with implementing partners located in west Bahia were postponed to early 2021 and strategies were replanned in order to achieve expected results in 2021, as well as seize opportunities through negotiations with farmers to implement sustainable low cost techniques in new areas.
- Events and meetings initially planned in-person, such as the "MATOPIBA+", the "Dialogues on Gender and Sustainable Production" and the official launching of the publication "Sustainability in the soy supply chain in MATOPIBA" are now planned to take place virtually between April-May 2021.
- Given the significant amount of unspent travel funds, exchange rate volatility and delayed activities due to COVID-19 restrictions, the Brazil Project requested a 6-month no-cost extension, considering IAP adaptive management approach, to re-plan delivery of project activities and outputs.



A&L

- The project requested and obtained an extension until March 31, 2022 to complete all activities that have been affected/delayed by COVID-19 and achieve the project targets.
- The program of the Green Commodities Community was revised and the number of virtual workshops reduced. More work was done on the preparation of each virtual workshop, to ensure an interactive learning experience and to differentiate the learning offer of the Community from the multitude of online webinars being promoted during the pandemic and retain members' engagement.
- Objectives of the GGP Paraguay systems approach workshop were adapted and development partners beyond GGP and including the FOLUR design team were invited to the virtual sessions to maximize the benefits of this exercise, which took place later than initially planned.
- Support material was created and shared within the GGP community to achieve running highly participatory and engaging online meetings, based on the Green Commodities Community's experience in running virtual workshops, webinars and online sessions, (An [Online Meetings Knowledge Base and Virtual Production Teams guidelines](#) as well as a series of interviews available in the [UNDP Green Commodities Program website](#)).
- The design of the Good Growth Conference is being fully adapted to a virtual format, and advantages of this format will be maximized as much as possible to offer a quality learning experience.

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