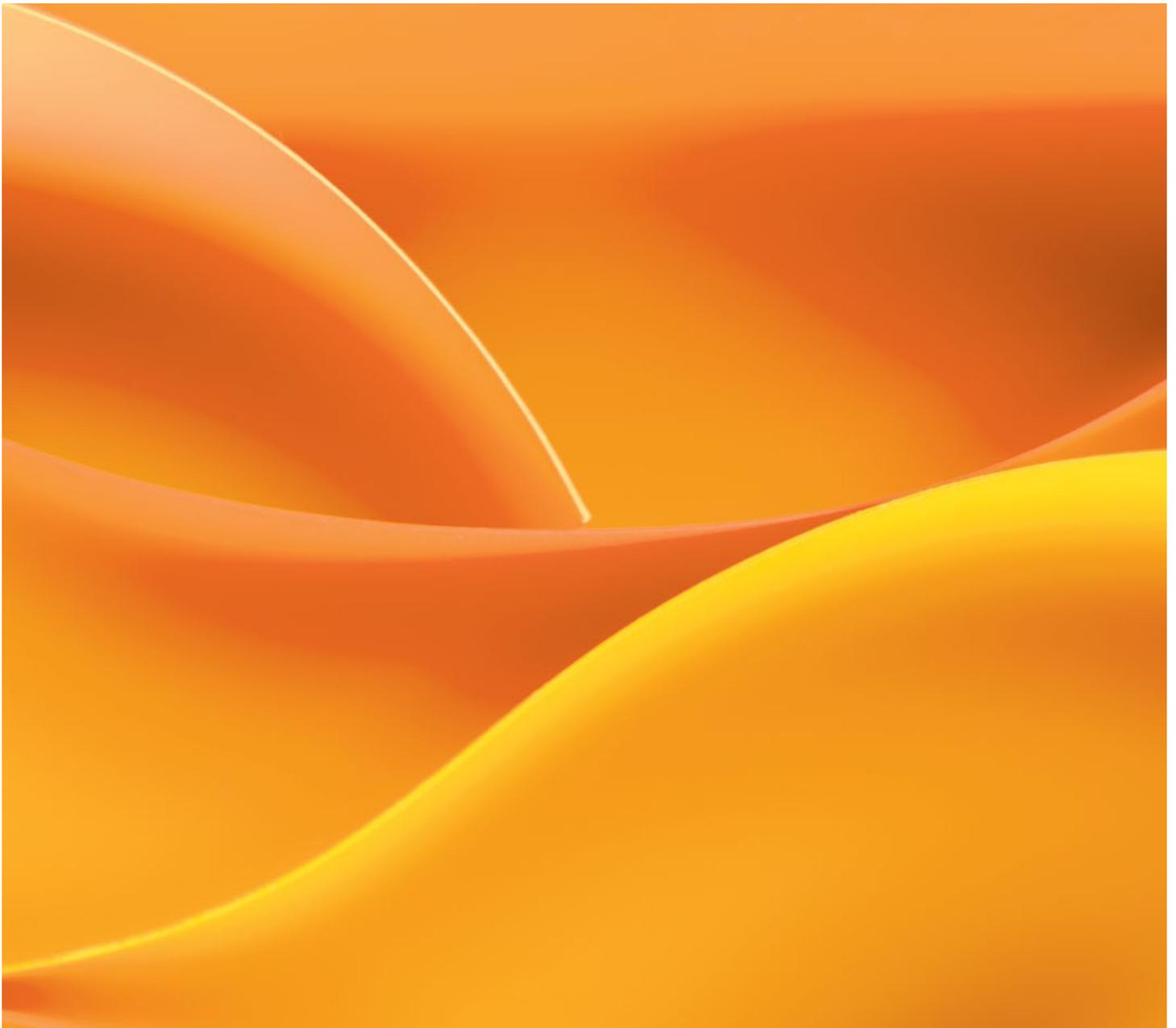




# EVALUATION

Programme-based Support through  
Finnish Civil Society Organizations I



Evaluation on Finland's Development Policy and Cooperation

**2016/4b**



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# EVALUATION

## EVALUATION OF THE PROGRAMME-BASED SUPPORT THROUGH FINNISH CIVIL SOCIETY ORGANIZATIONS I

### Fairtrade Finland

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**2016/4b**

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# ACRONYMS AND ABBREVIATIONS

€	Euro
Anacafé	Asociación Nacional del Café (National Coffee Association of Guatemala)
ASONOG	The NGO umbrella organization in Honduras
COPINH	Consejo Cívico de Organizaciones Populares e Indígenas de Honduras (Council of Popular and Indigenous Organizations of Honduras)
CGCJ	Coordinadora Guatemalteca de Comercio Justo (The Guatemalan Coordinator for Fair Trade)
CHPP	Coordinadora Hondureña de Pequeños Productores (The Honduran Coordinator for Small Producers)
CLAC	Coordinadora Latinoamericana y del Caribe de Pequeños Productores y Trabajadores de Comercio Justo (Latin America and the Caribbean Network of Small Producers)
CONSUCOOP	Consejo Nacional Supervisor de Cooperativas (National Supervisor Council of Cooperatives)
CSO	Civil Society Organization
FLOCERT	Fairtrade Labelling Organization Certification (The Fairtrade certification body)
FMO	Netherlands Development Finance Company
FT	Fairtrade Finland
HRBA	Human Rights-Based Approach to Development
IHCAFE	Instituto Hondureño del Café (Honduran Coffee Institute)
lb	Pound
MFA	Ministry for Foreign Affairs of Finland
M&E	Monitoring and evaluation
Quintal	46 kg
SNV	Stichting Nederlandse Vrijwilligers (Netherlands Development Organization)
SPO	Small Producers' Organisation
ToC	Theory of Change
RBM	Results based management
USD	American Dollars



# TIIVISTELMÄ

Reilu kauppa ry on yksi kuudesta evaluoidusta kansalaisjärjestöstä, joka on saanut kansalaisjärjestöille tarkoitettua monivuotista ohjelmataukea vuosien 2010-2015 aikana. Evaluoinnin tarkoitus on tuottaa näyttöön perustuvaa tietoa ja suuntaviivoja 1) ohjelmatuon tulosperustaiselle johtamiselle ja 2) parantaa Suomen kansalaisyhteiskunnalle antaman ohjelmatuon saavuttamia tuloksia. Evaluoinnissa todettiin ohjelman olevan linjassa Reilu kauppa ry:n suhteellisen edun kanssa ja Suomen vuoden 2012 kehityspolitiikan mukainen. Hankkeet suunniteltiin vuonna 2014 ja ne käynnistettiin vuoden 2014 lopussa. Ohjelman toteutus on tehokasta, sillä kustannukset on pidetty pieninä. Kustannukset ovat tuotoksiin nähden perusteltuja, johtamisjärjestelmä on tehokas ja käytössä on tulosperusteinen seuranta- ja evaluointijärjestelmä. Vaikka onkin liian aikaista mitata kahvituotannon määrään ja laatuun liittyviä tuloksia, alku on ollut lupaava. Osuuskuntien valmiuksia vaikuttamistyöhön ei ole suoraan kehitetty. Ohjelman vaikutuksia ei voida vielä mitata, mutta useat havainnot antavat viitteitä mahdollisista myönteisistä vaikutuksista. Sen lisäksi on monia viitteitä siitä, että ohjelman tulokset tulevat olemaan kestäviä. Kumppanit koordinoivat toimia keskenään ja tekevät yhteistyötä muiden sidosryhmien kanssa. Reilu kauppa ry:n ohjelman ja muiden kehitysyhteistyökumppaneiden ohjelmien välillä on paljon täydentävyyttä.

*Avainsanat: evaluointi, kehitysyhteistyö, kansalaisjärjestö, tulosohejaus, Reilu kauppa*

**Evaluoinnin tarkoitus on tuottaa näyttöön perustuvaa tietoa ja suuntaviivoja 1) ohjelmatuon tulosperustaiselle johtamiselle ja 2) parantaa Suomen kansalaisyhteiskunnalle antaman ohjelmatuon saavuttamia tuloksia.**

**Syftet med utvärderingen är att ge evidensbaserad information och vägledning för nästa uppdatering av den Utvecklingspolitiska riktlinjen för det civila samhället samt för den programbaserade modaliteten.**

## REFERAT

Utvärderingen av Fairtrade Finlands (Rättvis handel) program för utvecklings-samarbete i 2014-15 är en av de första sex utvärderingarna av finländska frivilligorganisationer (CSO), som får fleråriga programbaserade stöd. Syftet med utvärderingen är att ge bevisbaserad information och vägledning för att 1) förbättra resultatbaserad styrning av utvecklingssamarbetsprogrammet för CSO, och 2) att öka resultaten från finskt stöd till det civila samhället. Utvärderingen baseras på fältbedömningar av två projekt i Guatemala och Honduras som syftar till att stödja kooperativ med mindre kaffeodlare. Utvärderingen visade att programmet låg i linje med den komparativa fördelen hos Fairtrade Finland och väl i linje med den finländska utvecklingspolitiken 2012. Projekten planerades 2014 och startade i slutet av 2014. Programmet är effektivt i den meningen att kostnaderna hålls nere, resultaten motiverar kostnaderna, ledningsstrukturen är effektiv och ett system för resultatbaserad övervakning och utvärdering har etablerats. Det är för tidigt att mäta resultaten i relation till kvantiteten och kvaliteten i kaffeproduktionen. Emellertid har en lovande start gjorts. Man har inte direkt tagit itu med kooperativens kapacitet att påverka. Det är för tidigt att mäta effekterna av programmet. Men ett antal fynd tyder på möjliga positiva effekter. Ett antal faktorer tyder på att resultatet av programmet kommer att bli hållbart. Partnerna samordnar och samarbetar med andra intressenter. Det finns många fall av komplementaritet mellan programmen och programmen hos andra utvecklingspartner.

*Nyckelord: utvärdering, utvecklingssamarbete, CSO, RBM, Fairtrade*

# ABSTRACT

The evaluation of development cooperation programme of Fairtrade Finland 2014-15 is one of the first six evaluations on Finnish Civil Society Organizations (CSOs) receiving multiannual programme-based support. The purpose of the evaluation is to provide evidence-based information and guidance on how to 1) improve the results-based management approach of the programme-based support to Civil Society, and 2) enhance the achievement of results from Finnish support to civil society. The evaluation found the programme in line with the comparative advantage of Fairtrade Finland and well aligned with the Finnish Development Policy of 2012. The projects were planned in 2014 and started in late 2014. The programme is efficient in the sense that costs are kept low, the outputs justify the costs, the management set-up is efficient and a system for results-based monitoring and evaluation has been established. It is too early to measure outcomes related to the quantity and quality of coffee production. However, a promising start has been made. The cooperatives' capacity for advocacy has not been addressed directly. It is too early to measure the impacts of the programme. However, a number of findings indicate possible positive impacts. A number of factors indicate that results of the programme will become sustainable. The partners coordinate and collaborate with other stakeholders. There are many cases of complementarity between the programme and the programmes of other development partners.

*Keywords: evaluation, development cooperation, CSO, RBM, Fairtrade*

**The purpose of the evaluation is to provide evidence based information and guidance for the next update of the Guidelines for Civil Society in Development policy as well as for the programme-based modality.**

# YHTEENVETO

## Tarkoitus ja tavoitteet

Reilu kauppa ry:n kehitysyhteistyöohjelman evaluointi on yksi kuudesta ensiksi evaluoidusta kansalaisjärjestöstä, jotka ovat saaneet monivuotista ohjelmataukea. Evaluoinnin tarkoituksena on tuoda esille näyttöön perustuvaa tietoa sekä opastusta siihen kuinka 1) parantaa tulosperustaista johtamista kansalaisjärjestöille annettavassa ohjelmatussa; 2) edistää kansalaisyhteiskunnalle annettavalla tuella saavutettuja tuloksia.

## Toimintatapa ja metodologia

Evaluointi toteutettiin joulukuun 2015 ja toukokuun 2016 välisenä aikana. Aloitusvaiheessa laadittiin muun muassa evaluoinnin metodologia ja evaluointimatriisi (liite 2).

Työryhmä keräsi ja analysoi tietoja kahdella tasolla:

- Ensiksi analysoitiin Reilu kauppa ry:ltä ja UM:ltä saadut hankekokonaisuutta koskevat asiakirjat (liite 3) kuvaavan analyysin tekemiseksi koko hankekokonaisuudesta. Seurantatietoja sisältävistä hankeraporteista saatiin yleiskuva tuloksista. Lisäksi työryhmä haastatteli useita sidosryhmiä (liite 4) Helsingissä ja kentällä.
- Toiseksi tehtiin kenttävierailu Hondurasiin ja Guatemalaan, jotta voitiin tutustua Reilu kauppa -ohjelmaan kuuluviin esimerkkihankkeisiin (29.3.-16.4.2016). Löydöt tarkistettiin kunkin maavierailun päätteeksi toimeenpanokumppanien kanssa pidetyssä työpajassa sekä Reilu kauppa ry:n kanssa Helsingissä 9. toukokuuta pidetyssä työpajassa.

Työryhmä pyrki tunnistamaan raportoimattomia tuloksia sekä vaikuttavuutta ja keräämään niistä todisteita käyttämällä tutkivaa lähestymistapaa; tätä varten osuuskuntien jäsenille esitettiin avoimia kysymyksiä sekä ryhmissä että yksittäin. Käyttämällä eri toimintatapoja, muun muassa havainnoimalla, tutustumalla asiakirjoihin sekä haastatteleamalla toimeenpanijoita, edunsaajia ja muita sidosryhmiä, työryhmä sai kerättyä aihetodisteita ohjelman mahdollisista tuloksista.

Evaluoinnin suurin rajoite oli se, että Reilu kauppa ry:n ja UM:n välinen yhteistyösopimus oli tehty vasta hiljattain (vuonna 2014), minkä vuoksi tulosketjun yläpään saavutukset (vaikutukset) eivät vielä olleet nähtävissä. Muiden suomalaisten kansalaisjärjestöjen ohjelmat olivat saaneet tukea ennen nykyistä ohjelasopimusta, joten niiden tuloksista oli enemmän konkreettisia merkkejä.

## Taustaa

UM:n vuonna 2010 julkaisemassa Kehityspoliittisessa kansalaisyhteiskuntalinjauksessa esitetyn määritelmän mukaan Suomen kansalaisyhteiskunnalle

kehitysyhteistyöhön myöntämän tuen tavoitteena on ”elinvoimainen, moniarvoisuuteen ja oikeusperustaisuuteen pohjautuva kansalaisyhteiskunta, jonka toiminta tukee ja edesauttaa kehitystavoitteiden saavuttamista ja ihmisten hyvinvoinnin lisääntymistä.”

Yleisellä tasolla reilu kauppa koskee ja voi vahvistaa sekä tiettyjä kansalaisyhteiskunnan järjestöjä - kehitysmaiden tuottajia (viljelijöitä) - että kehittyneiden maiden kuluttajia. Reilu kauppa on yhteiskunnallinen liike, jonka tavoitteena on auttaa kehitysmaiden viljelijöitä saavuttamaan paremmat kaupankäynnin olosuhteet ja edistää kestävyttä. Liike pitää nykyistä kansainvälistä kauppajärjestelmää epäoikeudenmukaisena ja pyrkii vaikuttamaan siihen. Reilu kauppa perustuu vuorovaikutukseen, avoimuuteen ja kunnioitukseen, joiden kautta pyritään lisäämään kansainvälisen kaupan tasavertaisuutta. Reilu kauppa edistää kestävästä kehitystä parantamalla kaupankäynnin olosuhteita ja turvaamalla kehitysmaiden syrjäytyneiden viljelijöiden ja työntekijöiden oikeudet.

## **Reilu kauppa ry**

Reilu kauppa ry, jonka perusti vuonna 1998 joukko suomalaisia kansalaisjärjestöjä, toteuttaa hankkeita Latinalaisessa Amerikassa ja Afrikassa. UM:n ohjelmataukea saavalla Reilun kaupan kehitysyhteistyöohjelmalla pyritään edistämään pienviljelijöiden ja työntekijöiden kestävästä elinkeinonharjoittamisesta tukemalla tulojen, ihmisarvoisten työolosuhteiden ja ympäristön kannalta kestävien käytäntöjen kehittämistä. Reilu kauppa ry:n ohjelmaa toteutetaan Guatemalassa ja Hondurasissa pienviljelijöiden osuuskuntien ja Reilu kauppa ry:n markkinointiorganisaatioiden kautta erityisesti kahvialalla sekä jossain määrin hunajan tuotannossa ja kaupallistamisessa.

## **Havainnot ja päätelmät**

### **Tarkoituksenmukaisuus**

Reilu kauppa ry:n ohjelma on hyvin tarkoituksenmukainen, sillä se on linjassa Reilu kauppa ry:n suhteellisen edun kanssa ja vastaa edunsaajien ja sidosryhmien oikeuksia ja tavoitteita. Lisäksi ohjelma on Guatemalan ja Hondurasin hallitusten ilmoittamien linjausten mukainen ja vastaa merkittävältä osin Suomen kehityspolitiikan painopisteitä.

### **Tehokkuus**

Johtamisen, hallinnon ja teknisen tuen kustannukset on pidetty pieninä, eikä työryhmä löytänyt kustannustehokkaampia vaihtoehtoja. Evaluointiryhmä on sitä mieltä, että kustannukset ovat tuotoksiin nähden perusteltuja. Suomessa muodostuneiden kustannusten osuus on suhteellisen suuri (36 %), mikä johtuu pääasiassa viestintä- ja edistämistoimien suuresta osuudesta (15 %). Evaluointiryhmä katsoo, että ohjelma on kustannustehokas ja että kustannukset jakautuvat asianmukaisesti.

Nykyinen hanketason johtamisjärjestelmä on tehokas, sillä koordinaattorit tekevät päätöksiä tiiviissä vuorovaikutuksessa osuuskuntien ja organisaatioidensa hallitusten kanssa kun taas Reilu kauppa ry:n ohjelmatoimihenkilö tarjoaa yleistä opastusta. Käyttöön otettu tulosperusteinen seurantajärjestelmä

sisältää joitakin hyviä tulosindikaattoreita, jotka tarjoavat Reilu kauppa ry:lle, UM:lle ja muille sidosryhmille asianmukaista tietoa. Koska toimeenpano alkoi vasta vuonna 2014, indikaattoreilla ei vielä voida mitata ohjelman tuloksia.

UM osallistuu ohjelmaan strategisella tasolla. Pääasiallisena vuoropuhelu- ja palautejärjestelmänä toimii vuosittain tammikuussa pidettävä kuuleminen. Suhteet toimivat kitkattomasti, ja Reilu kauppa ry arvostaa UM:n joustavuutta.

Riskit on tunnistettu suunnitteluvaiheessa asianmukaisesti ja ohjelmassa vastataan suurimpiin riskeihin tukemalla kahvipensaiden uudistamista sekä lisäämällä viljelijöiden teknisiä valmiuksia. Suurimpia riskejä ei kuitenkaan vielä seurata järjestelmällisesti.

### **Tuloksellisuus**

Kahvituotannon määrään ja laatuun liittyviä tuloksia ei voida vielä mitata. Alku on kuitenkin ollut lupaava, sillä tähänastiset tuotokset johtavat todennäköisesti toivottuihin tuloksiin.

Luomukasveista saatujen tuotteiden käytön vaikutukset on testattava järjestelmällisesti. Testien ja taloudellisen analyysin perusteella on laadittava suositukset näiden tuotteiden käyttämisestä.

Hankekumppanit ovat luoneet toimeenpanovalmiuksia ja kehittäneet niitä, mutta on liian aikaista arvioida, missä määrin osuuskuntien valmiudet tuottaa palveluita itsenäisesti ovat parantuneet. Evaluointiryhmä on kuitenkin sitä mieltä, että joistain osuuskuntien edistämistä uusista toiminnoista, kuten luomukasveista ja naisille tuloa tuottavasta toiminnasta, olisi kehitettävä erillisiä liiketoimintoja.

Toimeenpanokumppanien valmiuksia vaikuttamiseen on kehitetty vain epäsuorin keinoin. Osuuskuntien ja niiden kattojärjestöjen valmiuksia lobbaukseen ja vaikuttamiseen on tarpeellista kehittää. Guatemalan ja Hondurasin poliittisten järjestelmien vuoksi avoimesti poliittiset (ja vastakkainasettelua herättävät) välineet eivät todennäköisesti ole toimivia. Niiden sijaan osuuskuntien etujen ajamisessa olisi käytettävä vastakkainasettelua välttäviä menetelmiä.

Vaikka Reilu kauppa ry pyrkii kehittämään kumppaneidensa valmiuksia ja vahvistamaan näiden yhteyksiä Reilu kauppa ry:hyn ja Suomeen, nämä yhteydet ovat vielä heikkoja.

### **Vaikuttavuus**

Todellisia vaikutuksia on liian aikaista arvioida toimeenpanon lyhyen keston vuoksi. Tässä vaiheessa vaikuttaa kuitenkin siltä, että mahdollinen suora vaikutus kahvinviljelijöiden tuloihin on todennäköisesti vähäinen. Eräs merkittävä mahdollinen vaikutus on uhkia ja mahdollisuuksia koskevan tietoisuuden lisääntyminen sekä niihin liittyvien valmiuksien kehittyminen, mikä on tärkeää kestäväälle elinkeinon harjoittamiselle muuttuvassa ympäristössä. Toiminnalla on voimakas tukea houkutteleva vaikutus, sillä myös useat muut avunantajat ovat antaneet osuuskunnille suhteellisen suurta tukea. Osuuskunnat ovat teknisen ja sosiaalisen innovaation keskuksia, joista muut paikallisen yhteiskunnan toimijat saavat oppia. Tämä johtuu osittain siitä, että Reilu kauppa ry:n osuuskunnat toimivat muutoksen ajajina. Otollisemmassa poliittisessa

ympäristössä osuuskunnat voisivat myös vaikuttaa paikallispolitiikkaan ja siten toimia osana moniarvoista ja elinvoimaista kansalaisyhteiskuntaa, jolla on poliittista vaikutusta.

### **Kestävyys**

Monet tekijät antavat viitteitä siitä, että ohjelman tulokset saattavat olla kestäviä. Guatemalassa ja Hondurasissa olevilla kumppaneilla on vahva omistajuuden tunne. Viljelijät ovat erityisen kiinnostuneita kahvintuotannosta, he omaksuvat mielellään uusia, hankkeiden edistämiä tekniikoita ja ovat osoittaneet olevansa valmiita maksamaan kustannukset. Lisäksi ohjelma on onnistunut edistämään uusien sukupolvien sitoutuneisuutta, mikä on kestävä kahvinviljelyn edellytys.

Reilu kauppa ry:n ohjelma kehittää valmiuksia viljelijöiden, osuuskuntien ja koordinaattoreiden tasolla niin, että näiden tasojen edunsaajat voivat saada aikaan tuloksia vielä ohjelman päättymisen jälkeenkin. Myös jäsenmäärän kasvu näyttää edistävän kestävyttä ennen kaikkea lisäämällä mittakaavaetuja.

Reilu kauppa ry:n ohjelmassa on lisäksi panostettu erityisesti kahvinviljelyn ekologisten ongelmien ratkaisemiseen, muun muassa vesivarojen säästämiseen, torjunta-aineiden hallintaan ja luonnonmukaisten tuotantomenetelmien käyttöön.

Reilu kauppa ry:n pitäisi kuitenkin laatia asianmukainen exit-strategia.

### **Täydentävyys, koordinointi ja johdonmukaisuus**

Reilu kauppa ry:n ohjelmaan osallistuvat kumppanit koordinoivat hyvin toimintaansa ja tekevät hyvin yhteistyötä muiden sidosryhmien kanssa.

Keski-Amerikassa on hyvin vähän suomalaisia toimijoita, eikä työryhmä havainnut täydentävyyttä Reilu kauppa ry:n ohjelman ja suomalaisten toimijoiden toimien välillä. Reilu kauppa ry:n ohjelman ja muiden kehitysyhteistyökumppaneiden ohjelmien välillä on sen sijaan paljon täydentävyyttä.

### **Evaluoinnin opetukset ja suositukset**

Evaluoinnin perusteella voidaan tiivistää seuraavat opetukset:

- Onnistunut ja laajapohjainen valmiuksien kehittäminen edellyttää pitkäaikaista opastusta.
- Vaikuttamistyöhön tarvittavien valmiuksien kehittäminen on haasteellista.
- Poliittisen johdonmukaisuuden ylläpitämistä vaikeuttavat kaupallisten ja sosioekonomisten tavoitteiden väliset ristiriidat.

### **Evaluatation suositukset ovat seuraavat:**

1. UM:n ja Reilu kauppa ry:n pitäisi jatkaa yhteistyötään ohjelmaperusteisen tuen puitteissa.
2. Reilu kauppa ry:n pitäisi edelleen pyrkiä pitämään kustannuksensa pieninä ja kohdentamaan mahdollisimman suuri osuus edunsaajille.
3. UM:n pitäisi antaa Reilu kauppa ry:lle enemmän palautetta.

4. Reilu kauppa ry:n pitäisi kehittää seuranta- ja evaluointijärjestelmää edelleen riskien seurannan mahdollistamiseksi.
5. Reilu kauppa ry:n ohjelman olisi otettava yhteyttä maatalouden tutkimukseen erikoistuneisiin tahoihin, muun muassa yliopistoihin, biolaitosten tuotteiden testauttamiseksi ja niitä koskevien käyttösuositusten laatimiseksi.
6. Reilu kauppa ry:n ohjelman pitäisi auttaa osuuskuntia kehittämään malleja, joiden avulla ne voivat tehdä biolaitoksista ja naisille tuloa tuottavasta toiminnasta erillisiä ja kannattavia liiketoimintoja.
7. Reilu kauppa ry:n ohjelmassa olisi korostettava erityisesti kahvi-osuuskuntien ja niiden kattojärjestöjen lobbaus- ja vaikuttamisvalmiuksien kehittämistä suosien vastakkainasettelua välttäviä menetelmiä, jotka sopivat Guatemalan ja Hondurasin poliittisiin tilanteisiin.
8. Reilu kauppa ry:n pitäisi tehostaa toimia, joilla vahvistetaan kumppanien yhteyksiä Suomessa oleviin järjestöihin.
9. Reilu kauppa ry:n ja sen toimeenpanokumppaneiden pitäisi kehittää järjestelmiä, joilla edistetään osuuskuntien roolia muutoksen ajajina.
10. Reilu kauppa ry:n ohjelman pitäisi tarkistaa kestävyysliittymien toimensa ja kehittää niistä selkeä ja johdonmukainen exit-strategia.
11. UM:n pitäisi varmistaa, että sen eri rahoitusinstrumenttien johtajat ymmärtävät Suomen linjaukset kansalaisyhteiskunnan tukemiseksi ja edistävät tämän politiikan tavoitteita.

# SAMMANFATTNING

## Motivering och mål

Finlands utrikesministerium (UM) har beställt en serie utvärderingar av finländska civilsamhällesorganisationer (CSO) som erhåller mångårigt program-baserat stöd. Denna granskning av Fairtrade Finland (FT) ingår i en utvärdering av sex CSO. De övriga fem är: Crisis Management Initiative, Finska missionssällskapet, Finlands flyktinghjälp, Dagsverke och Världsnaturfonden WWF Finland.

**Syftet** med utvärderingen som definieras i uppdragsbeskrivningen, i bilaga 1, är att ge evidensbaserad information och vägledning för nästa uppdatering av den Utvecklingspolitiska riktlinjen för det civila samhället samt för den programbaserade modaliteten om hur man kunde:

- förbättra resultatstyrning (RBM) av det programbaserade stödet till det civila samhället för förvaltning, lärande och ansvarighetsändamål; och,
- öka resultaten från Finlands utvecklingspolitik på programnivå i det civila samhället.

## Tillvägagångssätt och metoder

Utvärderingen genomfördes mellan december 2015 och maj 2016. I inledningsfasen ingick utarbetandet av metoderna samt beredningen av en utvärderingsmatris (bilaga 2).

Arbeteammet samlade in och analyserade data på två nivåer:

- Först analyserades dokument (bilaga 3) i den totala projektportföljen, som samlats in från FT och utrikesministeriet, för att skapa en deskriptiv analys av hela projektportföljen. Projektrapporter, som innehöll övervakningsdata, gav en översikt av resultaten. Dessutom intervjuade teamet en rad intressenter (bilaga 4) i Helsingfors samt ute på fältet.
- Därefter genomfördes ett fältbesök till ett urval av projekt under FT-programmet i Honduras och Guatemala (29 mars till 16 april 2016). Därefter triangulerades resulterade med genomförandepartners i en workshop som ordnades i slutet av besöket till respektive länder, samt i en workshop med Fairtrade Finland i Helsingfors den 9 maj.

Teamet använde en utforskande metod för att identifiera och samla bevis på icke-redovisade prestationer och resultat, samt effekter på lång sikt: genom att ställa öppna frågor till kooperativets medlemmar både i grupp och individuellt. Genom att använda dessa metoder, inklusive granskning av dokumentation, intervjuer med genomförare, förmånstagare och andra intressenter, samt observation, har teamet kunnat samla indicier på de programmets potentiella resultat.

Den största begränsningen av utvärderingen var att det fanns begränsade framgångar i den högre ändan av resultatkedjan att basera en utvärdering på, eftersom FT:s samarbetsavtal med utrikesministeriet nyligen ingåtts (2014). Eftersom andra finländska CSO:s program hade fått stöd redan innan det aktuella partnerskapsavtal ingåtts, fanns där mer betydande indikationer på resultat.

### **Det större sammanhanget**

Den utvecklingspolitiska riktlinjen för det civila samhället 2010 definierar det övergripande målet för utvecklingssamarbetet i Finlands stöd för det civila samhället som: "ett livskraftigt, pluralistiskt civilt samhälle som bygger på rättsliga grunder, och vars verksamhet stödjer och främjar att utvecklingsmålen uppnås och människors välmående ökar."

I allmänhet arbetar den rättvisa handeln för, och har en potential, att stärka specifika civilsamhällsorganisationer: både producenter i utvecklingsländer och konsumenter i utvecklade länder. Rättvis handel är en social rörelse som har som mål att hjälpa producenter i utvecklingsländer att uppnå bättre handelsförhållanden och samtidigt främja hållbarhet. Det nuvarande internationella handelssystemet betraktas som orättvist och rörelsen försöker ta itu med detta. Rättvis handel är baserad på dialog, transparens och respekt för att uppnå större rättvisa inom den internationella handeln. Rörelsen bidrar till hållbar utveckling genom att erbjuda bättre handelsvillkor och garantera rättigheter för marginaliserade producenter och arbetare i utvecklingsländerna.

### **Fairtrade Finland**

FT grundades 1998 av en grupp finska civilsamhällsorganisationer och genomför projekt i Latinamerika och Afrika. Dess utvecklingssamarbete, inom ramen för Utrikesministeriets programbaserade stöd, syftar till att främja hållbara försörjningsmöjligheter bland små producenter och arbetare genom att möjliggöra förbättrad inkomst, anständiga arbetsvillkor och en hållbar miljöpraxis. FT-programmet i Guatemala och Honduras genomförs genom små producentkooperativ och marknadsorganisationer inom rättvis handel som är verksamma främst inom kaffesektorn och i viss utsträckning inom produktionen och kommersialiseringen av honung.

### **Resultat och slutsatser**

#### **Ändamålsenlighet**

FT-programmet är mycket relevant, eftersom det är i linje med FT:s komparativa fördelar och svarar på mottagares och intressenters rättigheter och prioriteringar. Dessutom är det i linje med Guatemalas och Honduras regeringars uttalade policy och även i huvudsak i linje med prioriteringarna i Finlands utvecklingspolitik.

#### **Resurseffektivitet**

Utgifterna för förvaltning, administration och tekniskt stöd har hållits låga och utvärderingsteamet har inte identifierat några andra, mer kostnadseffektiva alternativ. Teamets bedömning är att resultaten motiverar kostnaderna.

Kostnadsandelen i Finland är relativt hög (36 %), vilket främst beror på en betydande kommunikations- och opinionsbildningskomponent (15 %). Slutsatsen är att programmet är kostnadseffektivt och att fördelningen av kostnader är lämplig.

Det nuvarande förvaltningssystemet på projektnivå är effektivt, eftersom beslut fattas av koordinerare i nära dialog med styrelserna i deras organisationer och kooperativ, medan FT:s programhandläggare ger övergripande vägledning. Ett resultatbaserat uppföljningssystem har fastställts, vilket innehåller några goda resultatindikatorer som kommer att ge lämplig information till FT, UM och övriga intressenter. Eftersom genomförandet startade först 2014, kan dessa indikatorer generellt sett ännu inte mäta resultaten av programmet.

UM är involverat på en strategisk nivå. Den viktigaste mekanismen för dialog och feedback är det årliga samrådet som äger rum i januari varje år. Relationerna fungerar friktionsfritt och FT uppskattar att UM är flexibelt i sin strategi.

Riskerna har identifierats på lämpligt sätt i planeringsfasen och programmet tar itu med de största riskerna genom stöd till förnyandet av kaffeplantor, samt genom att öka jordbrukarnas tekniska kapacitet. Betydande risker uppföljs emellertid ännu inte systematiskt.

### **Effektivitet**

Det är för tidigt att mäta resultat som gäller kaffeproduktionens kvantitet och kvalitet. Emellertid har en lovande start påbörjats med prestationer som kan väntas leda till de önskade resultaten.

Effekten av användningen av produkter från bioanläggningar måste testas systematiskt. Baserat på dessa tester och på en ekonomisk analys, bör rekommendationer om hur man bäst tillämpar dessa produkter utvecklas.

Även om projektpartnerna har etablerat och utvecklat kapacitet för implementering, är det för tidigt att bedöma hur mycket kooperativens kapacitet för att genomföra tjänster har ökat. Slutsatsen teamet drog var att vissa av de nya verksamheterna som stöds av kooperativen, såsom bioanläggningar och inkomstbringande verksamheter för kvinnor, bör omvandlas till oberoende företag.

Genomförandepartnerns förmåga för påverkningsarbete har endast framskridit genom indirekta metoder. Bland kooperativen och deras paraplyorganisationer finns ett erkänt behov av att bygga upp kapaciteten för lobbning och påverkningsarbete. På grund av karaktären hos de politiska systemen i Guatemala och Honduras, är öppet politiska (och konfronterande) instrument sannolikt ogenomförbara. Icke-konfronterande metoder för att främja kooperativens intressen är lämpligare.

Även om FT bidrar till att bygga upp kapaciteten hos sina partners och till att skapa eller förstärka deras koppling till FT och till Finland i allmänhet, är dessa länkar fortfarande svaga.

### **Effekter på lång sikt**

Det är för tidigt att bedöma de faktiska effekterna på lång sikt på grund av den korta genomförandeperioden. För tillfället förefaller det ändå som om den

potentiella direkta inverkan på kaffeodlarnas inkomster sannolikt är begränsad. En viktig eventuell effekt på lång sikt är framväxandet av en medvetenhet om hot och möjligheter och förmågan att ta itu med dessa, vilket är viktigt i en föränderlig miljö för att fastställa hållbara försörjningsmöjligheter. Kooperativen utgör en så kallad "honungs effekt", eftersom ett antal givare ger relativt stora mängder av stöd till kooperativen. Kooperativen är dock centrum för teknisk och social innovation, något som människor i de omgivande lokalsamhällena lär sig av. Detta beror till viss del på det faktum att fairtrade-kooperativen fungerar som förändringsrepresentanter. I en mer gynnsam politisk miljö skulle kooperativen också ha potential att påverka den lokala politiken och därmed ingå i ett pluralistiskt och livskraftigt civilt samhälle med politiskt inflytande.

### **Hållbarhet**

Ett antal faktorer tyder på att programmets resultat kan vara hållbara. Partnerna i Guatemala och Honduras har en stark känsla av delaktighet. Bönderna visar ett särskilt intresse för kaffeproduktionen och är angelägna om att tillämpa de nya tekniker som stöds av projekten och visar en vilja att bära kostnaderna. Dessutom är programmet framgångsrikt i främjandet av engagemang i flera generationsled, något som är grundläggande för en hållbar kaffeodling.

FT-programmet bygger kapacitet på olika nivåer - bondens, kooperativets och koordinerarens - vilket gör det möjligt för mottagarna på dessa nivåer att upprätthålla resultaten bortom programmets slutdatum. Det ökande antalet medlemmar verkar också bidra till en hållbar utveckling: först och främst genom att öka stordriftsfördelarna.

Dessutom är FT-programmet särskilt noga med att fokusera på ekologiska frågor som rör kaffeodling, inklusive bevarandet av vattenresurser, hanteringen av bekämpningsmedel och tillämpningen av ekologiska odlingsmetoder.

Det är dock nödvändigt att FT utvecklar en särskild exitstrategi.

### **Komplementaritet, samordning och samstämmighet**

Inom FT-programmet samordnar och samarbetar parterna väl med andra intressenter.

Det finns mycket få finländska aktörer i Centralamerika och teamet har inte identifierat någon komplementaritet mellan FT-programmet och insatser av dessa aktörer. Det finns emellertid många fall av komplementaritet mellan FT-programmet och program hos andra utvecklingspartner.

### **Lärdomar**

De viktigaste lärdomarna från denna utvärdering är att:

- Framgångsrik, bred kapacitetsutveckling kräver långsiktig vägledning;
- Att bygga påverkanskapacitet är utmanande; och,
- Upprätthållandet av en politisk samstämmighet förvärras av dåliga kopplingar mellan kommersiella och socioekonomiska mål.

## Rekommendationer

1. UM och FT bör fortsätta sitt samarbete inom ramen för det programbase-  
rade stödet.
2. FT bör fortsätta sina ansträngningar för att hålla kostnaderna nere och  
tilldela stödmottagarna så mycket som möjligt.
3. UM bör ge mer faktisk återkoppling till FT.
4. FT bör fortsätta att utveckla övervakningssystemet till att omfat-  
ta övervakning av risker.
5. FT-programmet bör kontakta institutioner (inklusive universitet) som  
specialiserar sig på forskning inom jordbruket, för att kunna testa pro-  
dukterna i bioanläggningar och utveckla specifika rekommendationer  
om hur de bäst bör användas.
6. FT-programmet bör hjälpa kooperativ att utveckla modeller som kan  
hjälpa verksamheter med bioanläggningar samt kvinnors inkomstbring-  
ande verksamheter till att bli självständiga och livskraftiga företag.
7. FT-programmet bör betona specifik kapacitetsuppbyggnad av kaffeko-  
operativen och deras paraplyorganisationer för lobbning och opinions-  
bildning, med tonvikt på icke-konfronterande metoder som är lämpliga  
för den politiska situationen i Guatemala och Honduras.
8. FT bör förstärka den delen av verksamheten som ämnar att stärka part-  
nersnas koppling till organisationer i Finland.
9. FT och dess genomförandepartner bör utveckla system för att stärka  
rollen för kooperativen som förändringsrepresentanter.
10. FT-programmet bör se över den delen av verksamheten som rör hållbar-  
het och utveckla den till en explicit och sammanhängande exitstrategi.
11. UM bör se till att de ansvariga för de olika stödinstrumenten förstår  
Finlands politik för stöd till det civila samhället och bidrar till målen för  
denna politik.

# SUMMARY

## Rationale and objectives

The Ministry for Foreign Affairs of Finland (MFA) has commissioned a series of evaluations of Finnish Civil Society Organizations (CSOs) receiving multiannual programme-based support. This study of Fairtrade Finland (FT) is part of an evaluation of six CSOs, the other five being: Crisis Management Initiative, Finnish Evangelical Lutheran Mission, Finnish Refugee Council, Taksvärkki and the World Wide Fund for Nature Finland.

The purpose of the evaluation, defined in the Terms of Reference, in Annex 1, is to provide evidence based information and guidance for the next update of the Guidelines for Civil Society in Development Policy as well as for the programme-based modality on how to:

- improve the results based management (RBM) approach in the programme-based support to civil society for management, learning and accountability purposes; and,
- enhance the achievement of results in the implementation of the Finnish development policy at the civil society programme level.

## Approach and methodology

The evaluation was carried out from December 2015 to May 2016. The inception phase included the elaboration of the methodology and preparation of an evaluation matrix (Annex 2).

The team collected and analysed data at two levels:

- Firstly, documents (Annex 3) on the total project portfolio, collected from FT and MFA, were analysed to create a descriptive analysis of the whole project portfolio. Project reports containing monitoring data provided an overview of the results. In addition, the team interviewed a range of stakeholders (Annex 4) in Helsinki and in the field.
- Secondly, a field visit to a sample of projects under the FT programme was carried out in Honduras and Guatemala (29 March to 16 April 2016). The findings were triangulated in a workshop held at the end of each country visit with the implementing partners and at a workshop with Fairtrade Finland in Helsinki on 9 May.

The team used an exploratory approach to identify and collect evidence on unreported results and outcome as well as impact: asking open questions to cooperative members in groups and individually. By using these approaches including reviewing documentation, interviewing implementers, beneficiaries and other stakeholders as well as observation, the team was able to collect indicative evidence of the potential results of the programme.

The main limitation of the evaluation was that, because FT's cooperation agreement with MFA was recent (2014), there were limited achievements at the higher end of the results chain on which to base an evaluation. As the programmes of other Finnish CSOs had received support prior to the current partnership agreement, there were more substantial indications of results.

## **The Broader Context**

The 2010 MFA Guidelines for Civil Society in Development Policy define the overall development cooperation objective of Finland's support to civil society as: 'A vibrant and pluralistic civil society based on the rule of law, whose activities support and promote the achievement of development goals and enhanced human-well-being.'

Generically, fair trade addresses and has a potential for strengthening specific civil society organisations: producers in developing countries, as well as consumers in developed countries. Fair trade is a social movement whose goal is to help producers in developing countries achieve better trading conditions and to promote sustainability. The current international trading system is regarded as unjust and the movement attempts to address this. Fair trade is based on dialogue, transparency and respect, to seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions and securing the rights of marginalized producers and workers in developing countries.

## **Fairtrade Finland**

FT, established in 1998 by a group of Finnish CSOs, implements projects in Latin America and Africa. Its development cooperation programme within MFA's programme-based support aims to foster sustainable livelihoods among small producers and workers by enabling improvements in income, decent working conditions and sustainable environmental practices. The FT programme in Guatemala and Honduras is implemented through small producer cooperatives and Fairtrade marketing organizations operating mainly in the coffee sector, and to some extent in the production and commercialization of honey.

## **Findings and Conclusions**

### **Relevance**

The FT programme is highly relevant in that it is in line with the comparative advantage of FT and responds to the rights and priorities of beneficiaries and stakeholders. Furthermore, it is coherent with the declared policies of the governments of Guatemala and Honduras and it is substantially aligned with the priorities of Finnish development policy.

### **Efficiency**

Expenditures for management, administration and technical assistance have been kept low and the team has not been able to identify other more cost-efficient alternatives. The team's assessment is that the outputs justify the costs. The share of costs in Finland is relatively high (36%) which is mainly due to a

substantial communication and advocacy component (15%). It is concluded that the programme is cost-efficient and that distribution of costs is appropriate.

The current management system at project level is efficient as decisions are taken by coordinators in close dialogue with the boards of their organisations and the cooperatives, with the FT programme officer providing overall guidance. A results-based monitoring system has been established, which includes some good outcome indicators that will provide appropriate information to FT, MFA and other stakeholders. However, as implementation only started in 2014, in general these indicators do not yet measure the results of the programme.

MFA is involved at the strategic level. The main mechanism for dialogue and feed-back is the annual consultation that takes place every January. Relations are smooth and FT appreciates that MFA is flexible in its approach.

A results-based M&E system has been established, which includes some good outcome indicators that will provide appropriate information to stakeholders. However, as implementation only started in late 2014, these indicators do not yet point to the results.

Risks have been appropriately identified in the planning phase and the programme is addressing the major risks through support to the renewal of coffee plants, as well as through increasing the farmers' technical capacity. However, major risks are not yet systematically monitored.

### **Effectiveness**

It is too early to measure outcomes related to the quantity and quality of coffee production. However, a promising start has been made with outputs likely to lead to the desired outcomes.

The effect of the use of products from the bio-plants needs to be systematically tested. Based on these tests and on an economic analysis, recommendations on how to best apply these products should be developed.

Although the project partners have established and developed implementation capacity, it is too early to assess how far the cooperatives' capacity for service delivery has been increased. However, the team concludes that some of the new activities promoted by the cooperatives like bio-plants and income generating activities for women should be turned into independent businesses.

The implementing partners' capacity for advocacy has only been advanced through indirect means. Among the cooperatives and their umbrella organisations there is a felt need for building capacity for lobbying and advocacy. Due to the nature of the political systems in Guatemala and Honduras overtly political (and confrontational) instruments are likely to be unviable. Non-confrontational methods for promoting the interests of the cooperatives would more appropriate.

Although FT contributes to building the capacity of its partners and is establishing or strengthening their links to FT and to Finland, in general these links are still weak.

## Impact

It is too early to assess the actual impacts because of the short implementation period. However, at this stage it appears that the potential direct impact on the incomes of the coffee farmers is likely to be limited. An important possible impact is the development of an awareness of threats and opportunities and the capacity to address these, which in a changing environment is important for establishing sustainable livelihoods. There is a strong honey-pot effect, as a number of donors also provide relatively large amounts of assistance to the cooperatives. However, the cooperatives are centres for technological and social innovation, from which others in the surrounding local societies are learning. This to some extent is due to the fact that the Fairtrade cooperatives function as change agents. In a more conducive political environment, the cooperatives would also have the potential to influence local politics and thus be part of a pluralistic and vibrant civil society with political influence.

## Sustainability

A number of factors indicate that the results of the programme might be sustainable. The partners in Guatemala and Honduras have a strong sense of ownership. The farmers take a particular interest in coffee production and are keen to apply the new techniques promoted by the projects and show a willingness to bear the costs. In addition, the programme is successful in promoting generational involvement, which is fundamental for sustainable coffee farming.

The FT programme is building capacity at farmer, cooperative and coordinator levels that will enable the beneficiaries at these levels to sustain results beyond the end of the programme. The growth in membership also seems to contribute to sustainability: first and foremost, by increasing economies of scale.

In addition, the FT programme is taking special care to address ecological issues related to coffee farming including conservation of water resources, management of pesticides and application of organic practices.

Nonetheless, there is a need for FT to develop a specific exit strategy.

## Complementarity, Coordination and Coherence

Within the FT programme the partners coordinate and collaborate well with other stakeholders.

There are very few Finnish actors in Central America and the team has not identified any complementarity between the FT programme and the interventions of these actors. However, there are many cases of complementarity between the FT programme and the programmes of other development partners.

## Lessons learned

The key lessons from this evaluation are that:

- Successful broad-based capacity development requires long-term guidance;
- Building capacity for advocacy is challenging; and,
- Maintaining policy coherence is aggravated by disconnects between commercial and socio-economic objectives.

## Recommendations

1. MFA and FT should continue their collaboration within the framework for programme-based support.
2. FT should continue its efforts to keep costs low and to allocate as much as possible to the beneficiaries.
3. MFA should provide more substantive feed-back to FT.
4. FT should continue developing the M&E system to include the monitoring of risks.
5. The FT programme should contact institutions (including universities) specialized in research on agriculture to test the products of the bio-plants and to develop specific recommendations on how they should best be used.
6. The FT programme should assist the cooperatives to develop models for turning bio-plants and women's income generating activities into independent and viable businesses.
7. The FT programme should emphasize specifically the capacity building of the coffee cooperatives, as well as that of their umbrella organisations for lobbying and advocacy with an emphasis on non-confrontational methods suitable for the political situations in Guatemala and Honduras.
8. FT should reinforce its activities aimed at strengthening partners' links to organisations in Finland.
9. FT and its implementing partners should develop systems to enhance the role of the cooperatives as change agents.
10. The FT programme should review its activities relating to sustainability and develop them into an explicit and coherent exit strategy.
11. MFA should ensure that the managers of the various aid instruments understand Finland's policy for support to civil society and contribute to the objectives of this policy.

# KEY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Findings	Conclusions	Recommendations
<b>Relevance (Section 4.1)</b>		
<p>The objectives of the programme are in line with FT's aim of strengthening the capacities of producers and fair practices in supply chains in developing countries to achieve sustainable livelihoods and production. They also reflect FT's comparative advantage, which is to deal with whole value chains as well as with civil action.</p> <p>The FT programme responds to the rights of beneficiaries and stakeholders as their fundamental rights are integral parts of the Fairtrade concept.</p> <p>The FT programme is coherent with national policies and strategies as formulated by the governments of the partner countries.</p> <p>The FT programme is well aligned with Finnish development policy priorities by explicitly addressing key objectives defined by Finland.</p>	<p>The FT programme is highly relevant in that it is in line with the comparative advantage of FT, and responds to the rights and priorities of beneficiaries and stakeholders. Furthermore, it is coherent with the declared policies of the governments of Guatemala and Honduras and it is substantially aligned with the priorities of Finnish development policy.</p>	<p><b>Recommendation 1:</b> MFA and FT should continue their collaboration within the framework for programme based support</p>
<b>Efficiency (Section 4.2)</b>		
<p>Expenditures for management, administration and technical assistance have been kept low and the team has not been able to identify other more cost-efficient alternatives.</p>	<p>As the outputs appear to justify the costs, the indications are that the FT programme is cost-efficient</p>	<p><b>Recommendation 2:</b> FT should continue its efforts to keep costs low and to allocate as much as possible to the beneficiaries</p>
<p>The share of costs in Finland is relatively high (36%), which is mainly due to a substantial communication and advocacy component (15%)</p>	<p>Distribution of costs is appropriate.</p>	
<p>Decisions at project level are taken by coordinators in close dialogue with the boards of their organisations and the cooperatives with the FT programme officer providing overall guidance.</p>	<p>Although the management system is efficient, FT considers that there is insufficient feed-back to FT from MFA</p>	<p><b>Recommendation 3:</b> MFA should provide more substantive feed-back to FT.</p>
<p>MFA is involved at the strategic level but provides little substantive feed-back to FT.</p>		

Findings	Conclusions	Recommendations
A results-based M&E system has been established, which includes some good outcome indicators that will provide appropriate information to stakeholders. However, as implementation only started in late 2014 these indicators not yet point to the results.	As implementation only started in late 2014, the M&E system has yet to give an indication of the results.	<b>Recommendation 4:</b> FT should continue developing the M&E system to include the monitoring of risks.
Risks were appropriately identified in the planning phase and the programme is addressing the major risks through support to the renewal of coffee plants, as well as through increasing the farmers' technical capacity. However, major risks are not yet systematically monitored.		
<b>Effectiveness (Section 4.3)</b>		
As the products from the bio-plants have not been systematically tested, the optimal dose from an economic point of view is unknown. Furthermore, the risk of harmful secondary effects from the products has not been assessed.	The use of the bio-plant products is currently based on practical experience. There is a need for economic and chemical analysis.	<b>Recommendation 5:</b> The FT programme should contact institutions (including universities) specialized in research on agriculture to test the products of the bio-plants and to develop specific recommendations on how they should best be used.
Although the project partners have established and developed implementation capacity, it is too early to assess how far the cooperatives' capacity for service delivery has been increased.	Some of the new activities promoted by the cooperatives like bio-plants and income generating activities for women should be turned into independent businesses.	<b>Recommendation 6:</b> The FT programme should assist the cooperatives to develop models for turning bio-plants and women's income generating activities into independent and viable businesses.
The implementing partners' capacity for advocacy has only been advanced through indirect means. Among the cooperatives and their umbrella organisations there is a felt need for building capacity for lobbying and advocacy.	Due to the nature of the political systems in Guatemala and Honduras overtly political (and confrontational) instruments are likely to be unviable. Non-confrontational methods for promoting the interests of the cooperatives would more appropriate.	<b>Recommendation 7:</b> The FT programme should emphasize specifically the capacity building of the coffee cooperatives, as well as that of their umbrella organisations for lobbying and advocacy with an emphasis on non-confrontational methods suitable for the political situations in Guatemala and Honduras.
Although FT contributes to building the capacity of its partners and is establishing or strengthening their links to FT and Finland in general, these links are still weak.	There is a need to strengthen the partners' links to FT and to organisations in Finland.	<b>Recommendation 8:</b> FT should reinforce its activities aimed at strengthening partners' links to organisations in Finland.

Findings	Conclusions	Recommendations
<b>Impact (Section 4.4)</b>		
<p>It is too early to assess the actual impacts because of the short implementation period. However, at this stage it appears that the potential direct impact on the incomes of the coffee farmers is likely to be limited. An important possible impact is the development of an awareness of threats and opportunities and the capacity to address these, which in a changing environment is important for establishing sustainable livelihoods.</p>	<p>There is a strong honey-pot effect, as a number of donors provide relatively large amounts of assistance to the cooperatives. However, the cooperatives are centres for technological and social innovation, from which others in the surrounding local societies are learning. This to some extent is due to the fact that the Fairtrade cooperatives function as change agents. In a more conducive political environment, the cooperatives would also have the potential to influence local politics and thus be part of a pluralistic and vibrant civil society with political influence.</p>	<p><b>Recommendation 9:</b> FT and its implementing partners should develop systems to enhance the role of the cooperatives as change agents.</p>
<b>Sustainability (Section 4.5)</b>		
<p>A number of factors indicate that the results of the programme might be sustainable. The partners have a strong sense of ownership. The farmers take a particular interest in coffee production and are keen to apply new techniques promoted by the projects and show a willingness to bear the costs. In addition, the programme is successful in promoting generational involvement, which is fundamental for sustainable coffee farming.</p>	<p>The FT programme is building capacity at farmer, cooperative and coordinator levels that will allow the beneficiaries at these levels to sustain results beyond the end of the programme. The growth in membership also seems to contribute to sustainability: first and foremost, by increasing economies of scale.</p>	<p><b>Recommendation 10:</b> The FT programme should review its activities relating to sustainability and develop them into an explicit and coherent exit strategy.</p>
<b>Complementarity, Coordination and Coherence (Section 4.6)</b>		
<p>Within the FT programme the partners coordinate and collaborate well with other stakeholders.</p> <p>There are very few Finnish actors in Central America and the team has not identified and complementarity between the FT programme and the interventions of these actors. However, there are many cases of complementarity between the FT programme and the programmes of other development partners.</p> <p>The unfriendly operating environment for CSOs is a serious problem for the cooperatives</p> <p>Other actors have more leverage for creating a supportive environment for civil society than CSOs.</p>	<p>Improved coherence of Finnish interventions would make Finland's support to civil society more effective.</p>	<p><b>Recommendation 11:</b> MFA should ensure that the managers of the various aid instruments understand Finland's policy for support to civil society and contribute to the objectives of this policy.</p>

# 1 INTRODUCTION

## 1.1 The evaluation's rationale and objectives

The Ministry for Foreign Affairs of Finland (MFA) commissioned a series of evaluations of Finnish Civil Society Organizations (CSOs) receiving multiannual programme-based support. This study of Fairtrade Finland (FT) is part of an evaluation of six CSOs receiving support from the Government of Finland. The other CSOs evaluated are Crisis Management Initiative, Finnish Evangelical Lutheran Mission, Finnish Refugee Council, Taksvärkki and World Wide Fund for Nature Finland.

Since 2013, 22 Finnish CSOs receive programme-based support from MFA. This multiyear programme support provides funding for an activity or project, and involves restricted application rounds.

The Terms of Reference for the assignment are presented in Annex 1. The purpose of the evaluation is to provide evidence based information and guidance for the next update of the Guidelines for Civil Society in Development Policy as well as for the programme-based modality on how to:

- 1) improve the results based management (RBM) approach in the programme-based support to civil society for management, learning and accountability purposes and
- 2) enhance the achievement of results in the implementation of the Finnish development policy at the civil society programme level.

The objectives of the evaluation are:

- to provide independent and objective evidence of results (outcome, output and impact) from the civil society development cooperation programmes receiving programme-based support;
- to provide evidence of successes and challenges of the civil society development cooperation programmes by assessing the value and merit of the obtained results from the perspective of MFA policy, CSOs programme and beneficiary level;
- to provide evidence of the functioning of RBM in the organizations receiving programme support;
- to provide evidence of the successes and challenges of the programme-support funding modality from the RBM point of view.

The overall evaluation includes two components:

- Component 1 collects data on the results of the programmes of the six organizations selected and assesses their value and merit to different stakeholders. This report pertains to Component 1.

- Component 2 assesses the functioning of the RBM mechanisms of each organization receiving programme-based support including the link between the RBM and achieving results.

Seven reports are published: one for each of the six CSO cooperation programmes evaluated plus a synthesis report, which also includes the results from Component 2.

## 1.2 Approach and methodology

The evaluation of FT's development cooperation programme was carried out from December 2015 to May 2016. The inception phase included the elaboration of the evaluation methodology and preparation of an evaluation matrix with the evaluation questions (Annex 2).

The evaluation has collected and analysed data at different levels. Firstly, documents on the total project portfolio have been collected from FT and MFA. These documents include financial data, descriptions of project objectives and target groups, information about the geographical location of the projects, progress and annual reports, and capacity building reports. Based on this a descriptive analysis of the whole project portfolio has been made.

These data do not provide independent and objective evidence on the results of the programme as required by the ToR. The evaluation therefore includes a second level, which is a meta-analysis of the results of the CSO programmes based on external evaluation reports. However, in the case of the FT programme this was not possible because the programme only started in 2014 and none of the projects under the programme have yet been evaluated.

The third level of data collection and analysis is a field study of a sample of projects under the FT programme. FT has three substantial projects with cooperatives of small coffee farmers in Nicaragua, Honduras and Guatemala, and supports the Latin America and the Caribbean Network of Small Producers (CLAC), headquartered in El Salvador. Two adjacent countries with typical FT projects and with large budgets (of 290 000 € each) were selected: Guatemala and the neighbouring Honduras.<sup>1</sup> The final selection of these two countries was influenced by the fact that the field team was able also to evaluate the Guatemala project of another CSO, Taksvärkki.

The team applied an exploratory approach for identifying and collecting evidence on unreported results, outcome as well as impact. Based on the evaluation matrix, the team asked open questions to members of the cooperatives on whether and how life had changed, walking through fields and communities and interviewing respondents. The team took care to investigate relations between the cooperatives and their communities: for example, how far community members were able to buy inputs from the cooperatives, how far they applied new techniques promoted within the cooperatives, how far there were conflicts between cooperatives and the communities. By using these approaches including reviewing documentation, interviewing implementers, beneficiar-

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<sup>1</sup> Criteria for selection of projects for the field survey are described in the synthesis report.

**FT's cooperation agreement with the MFA is recent.**

ies and other stakeholders as well as observation, the team was able to collect indicative evidence of the potential results of the project.

The team was unable to conduct its own surveys for measuring the results of the projects due to time constraints. However, quarterly and annual project reports containing monitoring data provided an overview of the results of the programme. These data on results, quantitative as well as qualitative, were verified and critically assessed in a number of ways through observations and interviews with: 1) beneficiaries 2) other stakeholders, and 3) implementers.

The team conducted group and individual interviews with staff and members of the cooperatives and asked them to identify and assess results. These interviews mostly took place in locations where they could be combined with direct observation: for example, coffee farmers were asked to explain or demonstrate how they treated their coffee bushes and how this had affected the health and the productivity of the bushes. At bio-plants, the responsible staff were asked to demonstrate their work. Women and young people were often interviewed separately to enable an assessment and verification of results without interference from more influential groups.

The team met a range of other stakeholders including public and private institutions, financial institutions, coffee exporters and development partners who, in addition to providing specific information pertaining to their own fields, in some cases were also able to verify and assess some of the results of the programme.

The field visit to Guatemala and Honduras took place from 29 March to 16 April 2016. The findings from the field trips were triangulated in a workshop held at the end of each country visit with the implementing partners and at a similar workshop with Fairtrade Finland in Helsinki on 9 May.

The team met and interviewed the FT staff, and staff from MFA (the Civil Society Unit as well as staff involved in Finland's Aid for Trade strategy and the Unit for UN Development Affairs). The reviewed documents (Annex 3) include FT programme plans, logframe, technical and financial reports, audit reports; CSO partner work-plans, annual plans, technical and financial reports; MFA – Fairtrade annual consultation minutes and other guiding documents; and Fairtrade International Standards. The list of people interviewed during the different phases of the FT programme evaluation is provided in Annex 4.

The limitations of the evaluation include: FT's cooperation agreement with the MFA is recent: the programme financed within the programme-based support from MFA started in 2014, whereas the programmes of other Finnish CSOs evaluated were based on projects that had received project support before entering into the partnership agreement. Thus, it is expected that, at this stage, it will be more difficult to measure achievements at the higher end of the results chain for the FT programme than for the other CSO programmes evaluated.

Furthermore, because the Fairtrade cooperatives are widely dispersed, the team had to spend much of its time travelling long distances on poor roads. More time in the communities would have allowed interviews with more stakeholders and a deeper understanding of the issues.

## 2 DESCRIPTION OF THE BROADER CONTEXT AND ITS INFLUENCE ON THE PERFORMANCE OF THE PROGRAMME

### 2.1 Finland's policy for support to civil society

The 2010 MFA Guidelines for Civil Society in Development Policy define the overall development cooperation objective of Finland's support to civil society as: 'A vibrant and pluralistic civil society based on the rule of law, whose activities support and promote the achievement of development goals and enhanced human-well-being' (MFA 2010: 11).

This objective is in line with and supportive of the human rights-based approach to development (HRBA) which underpins Finland's development policy and cooperation. Within the HRBA the most important task of civil society is to empower citizens to claim their rights, influence public decision-making and to take responsibility for their own lives. The immediate target of development cooperation in the HRBA is CSOs acting as agents of change (MFA 2013).

The Guidelines for Civil Society in Development Policy stress that Finland's civil society objective can be achieved in two ways: capacity development of CSOs in the targeted countries and the creation of a supportive environment for civil society activities. Civil society is seen as having two basic functions: firstly, advocacy that focuses on political decision-makers, governance and public opinion, making the voice of citizens heard and strengthening their participation; and, secondly, the provision of services where the state lacks adequate capacity (MFA 2010: 24).

The programme-based support is the mechanism through which Finland finances the programmes of the six Finnish CSOs, which are the subject of this evaluation. Finnish partnership organizations apply periodically for funding of up to 85% of the costs of their strategic programmes.

The aim of the partnerships between the MFA and Finnish CSOs is to strengthen the position of civil society and individual actors as channels of independent civilian activity in both Finland and developing countries (MFA 2010: 10-11). Other objectives are advocacy to boost global solidarity, empower locals to exercise influence, and improve cooperation and interaction between the public authorities and civil society actors (MFA 2010: 12). The central role of the partners is therefore to strengthen civil society in developing countries, regardless

**The aim of the partnerships between the MFA and Finnish CSOs is to strengthen the position of civil society and individual actors as channels of independent civilian activity.**

**The current fair trade movement was shaped in Europe in the 1960s.**

**Coffee is the largest fairly traded commodity.**

of their organisational mission, sectoral expertise, forms of work, countries of operation and specific stakeholders.

## **2.2 Fairtrade as a social movement as well as a market actor**

Generically, fair trade deals with and has a potential for strengthening specific civil society organisations: producers in developing countries, as well as consumers in developed countries. Fair trade is a social movement whose stated goal is to help producers in developing countries achieve better trading conditions and to promote sustainability. The current international trading system is regarded as unjust and the movement attempts to establish a more just one. Fair trade is based on dialogue, transparency and respect, to seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions and securing the rights of marginalized producers and workers in developing countries.

The current fair trade movement was shaped in Europe in the 1960s. Fair trade certification and labelling was first established by the Dutch NGO Solidaridad, under the Max Havelaar label in 1988, which made sales of fair trade products take off (Wilson & Muttersbaugh 2015, 286). This initiative was replicated in several other markets in Europe and North America - in Finland under the name *Reilu kauppa ry* (Fairtrade registered association).

In 1997 Fairtrade International, formally known as Fairtrade Labelling Organizations International or FLO, was established in Bonn, Germany, to unite the national Fairtrade organizations under one umbrella and harmonize worldwide standards and certification. Five years later Fairtrade International launched the international FAIRTRADE Certification Mark. The goals were to improve the visibility of the mark on supermarket shelves, facilitate cross border trade and simplify export procedures for both producers and exporters.<sup>2</sup>

To become certified a trader and a producer must operate to certain standards related to: protection of the environment; respect for human rights and standards of the International Labour Organization (ILO) including freedom of association, conditions of employment and occupational health and safety; agricultural and environmental practices that are sustainable and minimize risks; democratic participation and transparency; and non-discrimination. FLOCERT (the Fairtrade certification body) handles producer certification, inspecting and certifying producer organizations in more than 50 countries in Africa, Asia, and Latin America. Customary spelling of Fairtrade is one word when referring to the FLOCERT product labelling system.

Fairtrade certified agro-food products were according to Fairtrade International valued at USD 6.2 billion in 2012 (Raynolds & Greenfield 2015, 26). Coffee is the largest fairly traded commodity. The Fairtrade coffee market has expanded

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<sup>2</sup> In the case of coffee only small scale producers organised in cooperatives are Fairtrade certified. This contrasts with products like tea and sugar where large-scale plantations are eligible for certification. Disagreement on whether large scale producers should be certified led to a split in 2012 where the American organisation left Fairtrade International.

rapidly, and currently multinationals like Starbucks and Nestle use fair trade coffee. Thus, increasing numbers of small farmers who own their own land and work in cooperatives have become fair trade coffee producers.

An important component of Fairtrade is the social premium to the producers. Currently the premium to coffee producers is USD 20 per quintal (1 quintal = 46 kg). The producers or producer-groups decide how it is spent. Often the premiums go towards socioeconomic development.

It is debated how far Fairtrade is primarily an economic system providing higher and less volatile prices to producers, thus having an immediate effect on their livelihood; or whether it has to be perceived as a more broad-based empowerment of the producers. Critics, who primarily see fair trade in economic terms have pointed out that only a minor share of what consumers pay extra reach producers. In Finland a study found that only 12% of the extra price paid by consumers reached the exporter (Valkila et al. 2010). This is because the running of the Fairtrade system (certification and inspection) is costly and possibly also due to lack of effective competition within the Fairtrade system (Griffith, 2011). The position of two other neoliberal critics, Mark Sidwell and Brink Lindsey, is briefly described in Williams et al (2014). Publications from Fairtrade international represent the opposite position (Fairtrade International 2014). The contributions in Reynolds & Bennett (2015) and Wilson & Mutersbaugh (2015) are more nuanced by assessing costs as well as the benefits of the system.

Researchers, who take a broader approach, point at effects of the establishment of democratically managed cooperatives and the protection of the environment (Bacon et al. 2015). Some see cooperatives as creating a space of solidarity and promoting an entrepreneurial spirit among producers. When producers feel they have control over their own lives within the network of their cooperative, it can be empowering. Operating a stable business allows producers to think about their future, rather than worrying about how they are going to survive. A case study in Guatemala found that relationships forged through the fair trade market has helped bolster the self-confidence of the Maya coffee farmers and provided them with a secure organizational space in which they are able to initiate community development projects (Lyon, 2015).

Some critics point out that there is a '*honeypot effect*'. Fairtrade cooperatives often attract aid from international donors, international non-governmental organisations (NGOs) or governments. They point out that this means that resources are diverted from other, poorer, farmers. Others consider this effect as positive, partly because they see the empowered fair trade producers as change agents who transfer knowledge to their neighbours, inspire them to take control of their own lives and who organise themselves and their local communities politically.

**Fairtrade implements developing cooperation projects in Latin America and Africa to foster sustainable livelihoods among small producers and workers by enabling improvements in income, decent working conditions and sustainable environmental practices.**

## 3 THE PROGRAMME OF FAIRTRADE FINLAND AND ITS THEORY OF CHANGE

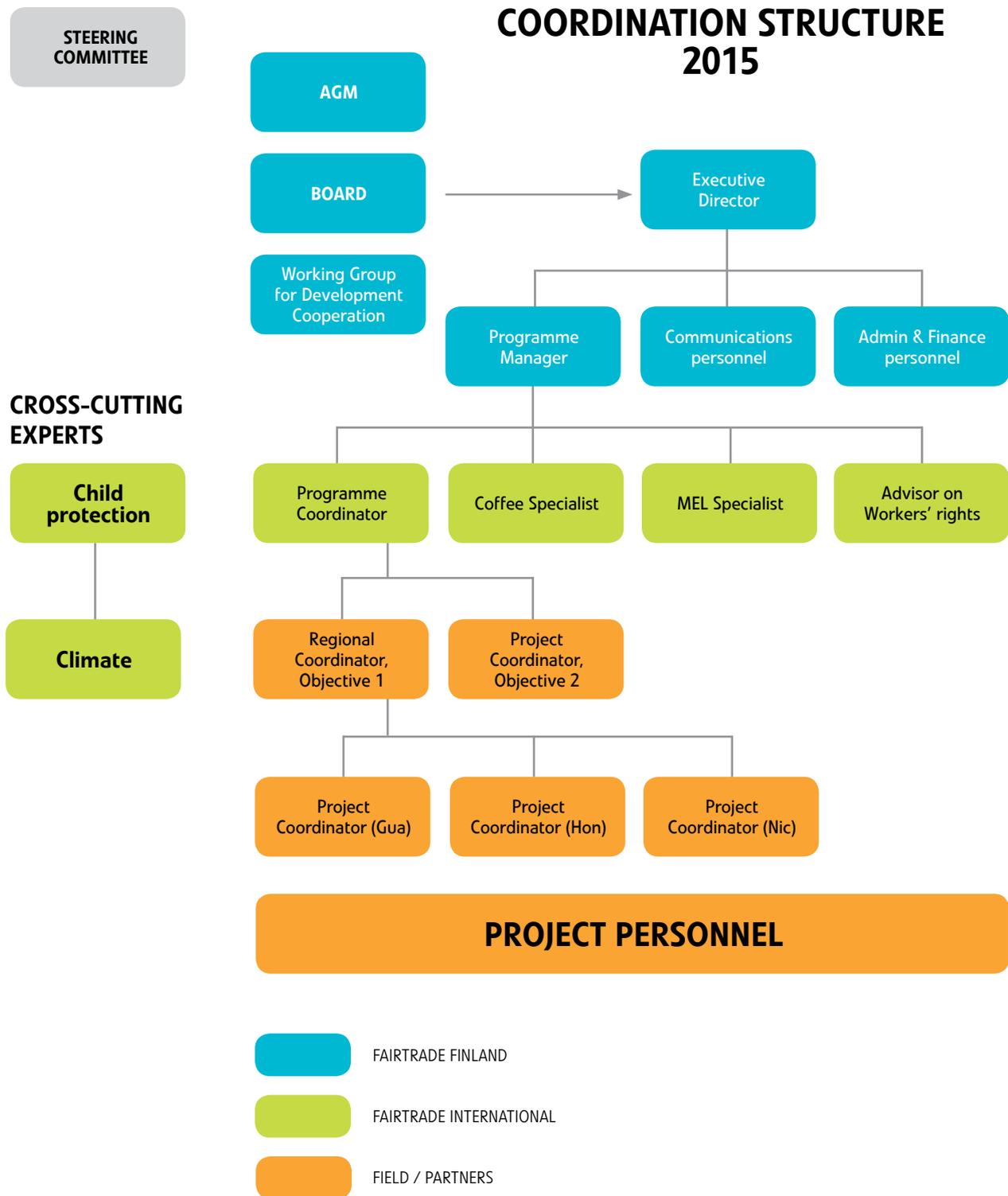
### 3.1 Fairtrade Finland and its Development Cooperation Programme

FT was established in 1998 by a group of Finnish CSOs. Currently, FT has 31 member organizations and more than 5 million members (FT Development Cooperation, Annual Report 2015, draft).<sup>3</sup> FT supervises the use of the FAIR-TRADE mark in Finland and other Baltic countries; promotes the market of Fairtrade products and raises awareness on fair trade and its impacts in developing countries. In addition, Fairtrade implements developing cooperation projects in Latin America and Africa. Its development cooperation programme within MFA's programme-based support aims to foster sustainable livelihoods among small producers and workers by enabling improvements in income, decent working conditions and sustainable environmental practices.

The programme is implemented in close cooperation with Fairtrade International, to strengthen efficiency and to leverage expertise in both organizations. Together they have created an implementation structure (Figure 1) that includes a Steering Committee to give guidance and oversight, in addition to a working group of advisers nominated by FT's Board.

<sup>3</sup> Such a high number is partly due to 'double-counting' as memberships are overlapping.

**Figure 1:** Coordination structure for FT's development cooperation programme.



Source: FT, Annual Report for 2015

## 3.2 Theory of Change of Fairtrade Finland

FT has developed an overall Theory of Change (ToC) aiming at capturing change in the areas it is influencing, which integrates civic action as well as a value chain approach. The 'spheres of change' of this ToC are depicted in Figure 2.

**Figure 2:** Spheres of change of FT's development cooperation programme.



Source: FT, 2015 a

FT describes two types of interventions for bringing about change in the four spheres:

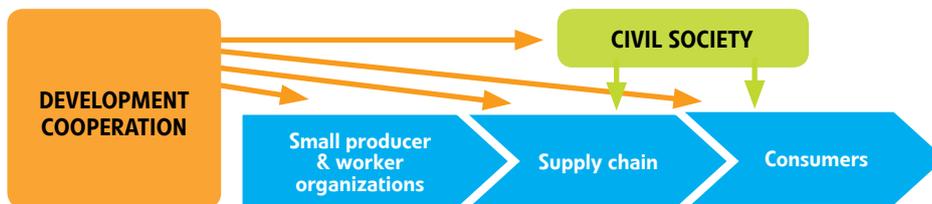
- Standards, which include rules for trading, norms for good governance in producer organisations, human rights and working conditions, protection of environmental conditions.
- Support activities to enable the actors within the four areas to engage in Fairtrade and to bring about justice and sustainability in trade. This includes building markets, providing support to producers, workers and their organisations, support to networks and alliances, and advocacy (Box 1).

## Box 1. Value chain approach

“Fairtrade’s approach takes into account the whole value chain, from production to demand and supply in the markets - including business practices. Development cooperation projects in FT’s portfolio contribute to (1) strengthening production and organizations, (2) increasing information and knowledge and thereby (3) promoting demand. Cooperation and traders aim at improving business practices and increasing the supply of sustainably produced products. The projects in Central America and the communication work in Finland share a common goal: if there is no demand for the farmer’s products, the productive improvements accomplished through the programme will hardly improve their living conditions.” Teemu Sokka, FT Programme Manager.

FT’s development cooperation programme falls under the later support activities. The overall ToC for its development cooperation programme is presented in Figure 3 which contain the four spheres from the overall ToC.

**Figure 3:** Overall Theory of Change of FT’s development cooperation programme.



Source: FT, 2015 a

The in-depth logic of the development cooperation programme is described in the reconstructed logframe in Table 1, which defines three main objectives for the development cooperation programme: Small Producers’ Organizations (SPO) development, strengthening producer’s network and communication to consumers and advocacy on how the supplies are produced in developing countries. These objectives aim at the overall objective of sustainable livelihoods for small scale coffee producers.

**Table 1: Logframe for Fairtrade Finland’s Development Cooperation.**

<b>Intervention logic</b>	<b>Indicators</b>
<b>Overall Objective: Sustainable livelihoods for small-scale coffee producers</b>	<ul style="list-style-type: none"> <li>• Improved standard of living for participating producers (income, assets, food security, schooling, health).</li> <li>• Increased environmental sustainability and resilience to climate change.</li> <li>• Young people within producer communities considering coffee farming as a viable future livelihood option.</li> <li>• Reduction of child labour risks.</li> </ul>
<b>Objective 1: More efficient and productive small producer organizations</b>	
<b>Capacities of small producers’ organizations are improved</b>	<ul style="list-style-type: none"> <li>• SPOs’ internal control and management systems have improved</li> <li>• Increased participation and voice of members in the activities of the SPOs</li> <li>• Increased % of producers receiving satisfactory key services from SPOs</li> <li>• SPOs’ financial position has been strengthened</li> </ul>
<b>Productivity and quality have improved</b>	<ul style="list-style-type: none"> <li>• Increased productivity</li> <li>• Measures to support and track improvements in quality adopted</li> <li>• Farmers have adopted agricultural practices to improve quality and productivity</li> <li>• Reduced rejections from buyers for defects or poor quality</li> <li>• Quality valuation has improved</li> </ul>
<b>The contribution of SPOs to social development is enhanced</b>	<ul style="list-style-type: none"> <li>• Increased amount of Premium income spent on community and risk mitigation development projects</li> <li>• Premium projects benefit more women and young people</li> <li>• Participation of women and young people within the SPOs is increased</li> </ul>
<b>Increased resilience to climate change and more sustainable production</b>	<ul style="list-style-type: none"> <li>• Farmers start to adopt agricultural practices to mitigate climate change risks.</li> </ul>
<b>Profitability is improved</b>	<ul style="list-style-type: none"> <li>• Increase in sales</li> <li>• Increase in number of buyers</li> <li>• Increase in quality premium</li> </ul>

Intervention logic	Indicators
<b>Objective 2: Enhanced capacities of the producer network to provide key services and advocate for its members</b>	
<b>Producer networks (PN) has improved organizational capacities to fulfil its adjusted mandates and roles</b>	<ul style="list-style-type: none"> <li>• Approved organizational development strategy and business plan are implemented</li> <li>• Effective human, institutional and financial resource mobilisation</li> <li>• Lower transaction costs</li> </ul>
<b>PN has improved technical capacity to provide and deliver key services to its members</b>	<ul style="list-style-type: none"> <li>• Increase in compliance with certification Standards (less audit queries)</li> <li>• Increased satisfaction of members with service delivery</li> </ul>
<b>PN has strengthened capacity to carry out advocacy for its members</b>	<ul style="list-style-type: none"> <li>• PN is able to influence the broader Fairtrade policy framework</li> <li>• More effective advocacy leads to new funding and technical support opportunities</li> <li>• Increased satisfaction of members with representation in the global Fairtrade system</li> </ul>
<b>Objective for Communication: Finnish people recognize the links between their lives and activities and the livelihoods of farmers in developing countries</b>	
<b>Target audience know about the programme and the achieved permanent changes in the farmers' livelihoods.</b>	<ul style="list-style-type: none"> <li>• Through the campaign and the farmer visit tour the media hits will reach 6 million contacts</li> <li>• Successful content communications of the programme; 5 shared updates in Facebook and Twitter, 2 blog texts</li> </ul>
<b>Consumers' awareness on small farmers' challenges and international trade system's grievances has increased.</b>	<ul style="list-style-type: none"> <li>• Through the campaign and the farmer visit tour the media hits will reach 6 million contacts</li> <li>• The communications carried out by our partners will reach 300,000 people</li> <li>• 30% of the radio/TV/-mass media listeners remember the campaign</li> </ul>
<b>Individual Fairtrade supporters' commitment has deepened.</b>	<ul style="list-style-type: none"> <li>• # of committed supporters has increased by 3%</li> <li>• The presence in the social media gets stronger</li> <li>• # of Facebook page likers increased by 2000 annually</li> <li>• The average # of our Facebook updates shared increases</li> </ul>
<b>The awareness of the companies in food and textile industry on ethical sourcing and human rights risks in supply chains has increased.</b>	<ul style="list-style-type: none"> <li>• 38 new companies, not part of Fairtrade movement yet, have been contacted in 2014–2016</li> </ul>

Source: FT 2014, Annual Report

The intervention logic of the logframe is in line with what is described in the mission statement of Fairtrade Finland, which is focused on disadvantaged producers and their representatives. According to this, the mission of the organization is to *'connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives. Thus, Fairtrade producers and their legitimate representatives (the producers' networks) are at the forefront of this programme as partner organizations. Fairtrade Finland works to directly connect producers and consumers, to promote fairer trading conditions and sustainable development.'*

### 3.2.1 Assumptions

Two key assumptions/hypotheses embedded in the FT ToC have been identified:

- The first assumption is that the support to Fairtrade certified producers will benefit disadvantaged producers. However, if there is a honey-pot effect, Fairtrade certified producers might benefit at the expense of other (possibly more) disadvantaged producers. Thus, disadvantaged producers, who are not members of Fairtrade certified cooperatives will only benefit from the FT programme if the Fairtrade certified cooperatives and their members act as change agents that enable them to benefit indirectly.
- Secondly, it is assumed that producer networks with the capacity to carry out advocacy for its members are willing and able to do so. In the representative context of Central America (see section 3.3 below) the producer networks might not be willing or able to 'expose' themselves.

## 3.3 Description of all projects implemented by FT

According to FT its development cooperation programme was developed in a participatory and consultative process. The planning phase started in 2012 and included participation from advisors, coordinators and partner organizations from Africa and Latin America. The initial programme to be implemented in Latin America (Brazil, Guatemala, Honduras, Nicaragua) and East Africa (Ethiopia, Kenya Tanzania) was geographically narrowed and financially reduced in 2013, during the assessment of the application proposal for the Partnership Agreement.

The programme is implemented through small producers' cooperatives and Fairtrade marketing organizations operating mainly in the coffee sector, and to some extent in the production and commercialization of honey. The approved programme resulted in three main projects with cooperatives in Guatemala, Honduras and Nicaragua and one regional project with CLAC (Annex 5). In addition, projects were planned in the Dominican Republic and Peru on strengthening human resources management at banana and coffee producing organizations (Table 2). Delays in the start-up activities and budget cuts in 2016 have adversely affected these later projects.

**Table 2:** Project portfolio of Fairtrade (2010-2015) in the Partnership Agreement Scheme.

Country	Projects	Budget (€)
Guatemala	Development of sustainable living condition for small coffee producers	212 687
Honduras	Strengthening small coffee producers' organizations on fair trade	212 590
Nicaragua	Development of sustainable livelihoods for small coffee producers	212 687
Latin America and the Caribbean	Development of Latin America and the Caribbean Producers Network	187 590
The Dominican Republic	Promoting bargain of Dominican banana workers	50 000
Peru	Promoting Human Rights by strengthening human resources management at the coffee producing organizations	60 000
Finland	Communications	198 001
<b>TOTAL (€)</b>		<b>1 133 555</b>

Source: FT Project Information Table 2015; and FT 2016

The direct beneficiaries of the programme are the producer organizations. Producers' families and their communities are considered indirect beneficiaries. Small farmers supported in the projects live mostly in remote rural areas.

The FT projects apply the key principles of Finnish development cooperation policy by collaborating closely with local partners and building their capacity. Producer cooperatives in Latin America in general, and in Central America in particular, play an important role in the local socioeconomic development. The principles of cooperatives are founded on solidarity, participation, self-help and responsibility, democracy and equality. Cooperation reduces expenses and eases market access. Moreover, cooperatives provide a channel for social inclusion for people working in the informal sector or living in remote areas. Cooperatives and the producer networks are important platforms for networking and connecting farmers facing similar challenges and facilitating exchange of information and best practices. According to FT's Programme Document (2014) there is a total of 64 certified organizations: Guatemala (13), Honduras (27) and Nicaragua (24) with an estimated 44 000 farmer members, of whom 19% are women.

A significant component of the FT programme centres on communication and advocacy of development issues in the partner countries (FT Development Cooperation Programme, Annual Reports 2014, Annual Report 2015 draft). The information related to the programme and activities conducted in the partner countries is communicated regularly in Finnish and Swedish mostly via FT's own channels: webpages, newsletters, news to Fairtrade associated towns, parishes, member organizations and workplaces and social media (approximately 38 000 followers). In order to reach a wider target group, Fairtrade established a co-operation with a Finnish mass media channel which resulted in the elaboration and release of five short films on conditions and challenges in the pro-

**The FT projects apply the key principles of Finnish development cooperation policy by collaborating closely with local partners and building their capacity.**

duction of coffee in Guatemala (FT Development Cooperation Programme, Annual Report 2015 draft).

Furthermore, coffee farmers' representatives from CLAC, including the Executive Director, visited Helsinki. The objectives of the visit included increasing the awareness about coffee production and the situation of smallholder coffee farmers.

### 3.4 Introduction of the projects being studied, the cooperation partners and other stakeholders

#### Finland's cooperation with Central America and the projects in Guatemala and Honduras

Finland's development cooperation with Central America has declined considerably in recent years. The bilateral programme with Nicaragua ended in practice in 2013 and the embassy in Managua was closed. Regional programmes in Central America are now ending. These programmes comprised energy, the forest sector, food security and violence against women (security). In addition, Finland has supported the UN programme against impunity in Guatemala and rural electrification in Honduras.

The main fields of cooperation include sustainable livelihoods and value chains, education, human rights, natural resources management, renewable energy and rural electrification (MFA, 2013).

The projects of the FT international cooperation programme selected for this evaluation are in Guatemala and in Honduras and both are supporting coffee producer cooperatives under the programme's Objective 1 (see the logframe in Table 1).

In Guatemala the project comprises all Fairtrade certified coffee cooperatives which are organised within the Guatemalan coordinating body for Fairtrade certified producers, *Coordinadora Guatemalteca de Pequeños Productores de Comercio Justo* (CGCJ). The similar organisation for Fairtrade certified producers in Honduras, *Coordinadora Hondureña de Pequeños Productores de Comercio Justo* (CHPP), decided that the project should support the weaker cooperatives. The most well organised Fairtrade certified cooperatives are therefore not part of the project in Honduras.

The projects are implemented by the national coordinating bodies, namely CGCJ in Guatemala and CHPP in Honduras. The coordinating bodies are governed by a president and a board elected by the cooperatives. These organisations have limited staff and facilities. The elected president, who is also heading one of the member cooperatives, takes care of the secretariat functions. Both have a person hired with funds from CLAC, providing organisational support (capacity building) to member cooperatives. However, as the coordinating bodies do not have office facilities, this person is operating from her home in Guatemala, while the person in Honduras operates from an office facility provided by the NGO umbrella organisation in Honduras, *Asociación de Organismos No Gubernamentales* (ASONOG). In Honduras the project coordinator and an accountant/administrative advisor have a small office rented from a member cooperative,

while the project coordinator in Guatemala operates from an office space that a cooperative (ASOBRAGRI) has provided for the CGCJ team.

Table 3 below shows the number of cooperatives and coffee producers (i.e. the direct beneficiaries) within these cooperatives in 2015. The number of beneficiaries has increased since the start of the projects. In Honduras the number of members in the cooperatives increased 18% from when the project started in 2014 to 2015 (from 2 416 to 2 858). In Guatemala one coffee cooperative joined the local Fairtrade network in Guatemala and the project in 2015.

**Table 3:** Beneficiaries of the FT programme in Guatemala and Honduras in 2015.

	Number of cooperatives	Direct beneficiaries		
		Male	Female	Total
Guatemala	15	550	824	1 374
Honduras	13	2 223	635	2 858

Source: Information provided by CGCJ and CHPP.

According to CGCJ, in the Guatemalan project the direct beneficiaries are mainly from various ethnic Maya groups. According to CHPP, in the Honduran project 20% of the direct beneficiaries belong to the indigenous group Lenca.

### 3.4.1 Coffee producers in Guatemala and Honduras

As shown in Table 4, coffee producers are subject to volatile world market prices. Due to historically low prices in 2001-2004, coffee producers experienced a deep crisis. Prices then increased steadily until they peaked in 2011. Subsequently, producer prices have fallen by 50%. The decline in prices coincided with an outbreak of coffee rust (*Hemileia vastatrix*) in Central America, which became severe in 2012 and in 2013 reduced coffee production considerably; some farmers lost 30-90% of their crop (Fairtrade International 2015). Thus, coffee producers in the region are once more facing a serious crisis.

**Table 4:** Prices paid to coffee growers in Guatemala and Honduras in USD cents/lb green (unroasted) beans.

	2001	-02	-03	-04	-05	-06	-07	-08	-09	-10	-11	-12	-13	-14	-15
Guatemala	45	50	48	67	92	91	98	111	110	145	212	166	127	153	148
Honduras	34	37	42	50	79	81	82	91	84	126	200	145	110	132	133

Source: International Coffee Organization ([www.ico.org/](http://www.ico.org/))

Fairtrade coffee producers are cushioned to some degree from the low world market prices because they have a guaranteed minimum price. Currently they are receiving a minimum price above the free market price. However, they are not able to sell all they produce within the 'Fairtrade market'. The ones hit most within the Fairtrade market are the sellers non-organic of coffee and the ones with the lowest quality, because with a fixed price in the Fairtrade market quality becomes the main parameter, with the result that the Fairtrade cooperatives in Central America generally produce good quality coffee. What they are unable to sell in the Fairtrade market is then sold in the conventional market at much lower prices (Frank Reese and Mauricio Martinez, managers of Molina).

**Coffee producers in the region are once more facing a serious crisis.**

The export of organic coffee from Guatemala has increased annually by 14–21% in recent years; with the demand for organic coffee in the USA and Europe increasing by 120% and 180% respectively (*Anacafé Memoria de Labores 2014–2015*). This increase in worldwide demand for certified coffee has created a need for specific technical assistance in organic production and certification practices, which corresponds well with the activities of the programme at national and regional level.

Many rural areas in Central America suffer from the emigration of youth to urban areas within the region and northwards to Mexico or the United States in search of better work and living opportunities. Due to this exodus, the average age of small coffee farmers has increased. To strengthen the small farm coffee sector and to ensure sustainability, the sector needs to attract the younger generation and make them interested coffee growing, commercialization and services to consumers.

Coffee is a major productive sector in the two countries. In 2015/16 Guatemala produced 3.4 million 60 kg bags, amounting to 2.3% of total world production, while Honduras produced 5.75 million bags or 4.0% of total world production. However, according to CGCJ and CHPP small coffee farmers have limited opportunities to access technical assistance services as most national field technicians (e.g. associated with national organizations like Anacafé (National Coffee Association of Guatemala) are assigned to the larger coffee farms and focused more on lowland coffee production.

Coffee producers in Honduras are heavily taxed. Government charges USD 4.25 per quintal coffee exported for providing technical assistance to the sector, and it retains USD 9 for a fund that in principle is to cover the bad debts the sector incurred in the crisis around the turn of the century. However, according to the producers met, the semi-autonomous institution with the mandate to support and develop the coffee sector, *Instituto Hondureño del Café* (IHCAFE), does not provide technical assistance that corresponds to the taxes paid by the producers and very little technical assistance is provided to the small producers. It should be mentioned that government does provide some means for investment in the coffee sector, e.g. through programmes with the Inter-American Development Bank (IADB) and that some of the cooperatives visited have benefitted from this.

According to CGCJ, taxes are less heavy in Guatemala, where exporters only pay 3 to 5% in tax. Thus, producer prices have been consistently higher in Guatemala than in Honduras (see Table 4), which has led to farmers and middlemen smuggling coffee across the border from Honduras. In Guatemala support to the coffee sector is also provided by a semi-autonomous institution, *Anacafé* (Asociación Nacional del Café), which is financed by donors, as well as by service charges on exported coffee. The representatives of the cooperatives met in Guatemala saw Anacafé as an entity providing little support to small producers.

### **3.4.2 Civil society in Guatemala and Honduras**

In Guatemala and Honduras, the political regimes can be characterised as relatively authoritarian and repressive. On a scale from 1 to 7, where full democracy is rated 1 and a totalitarian country is ranked 7, Freedom House (2016a and

2016b) gave a rating of 4 in political rights and civil liberties in both countries. The CSOs have been subdued and governments have closed the doors for dialogue, especially when the CSOs question or oppose government policies and government-sponsored development projects. There is, however, a possibility that the situation might change in Guatemala following the installation of a new government in October 2015.

Due to a repressive operating environment, cooperatives tend to focus on their internal issues and keep a low profile in relation to politics. By taking this stance, they are often not seen as belonging to civil society. It is symptomatic that in Honduras, where relations between CSOs and government are worse than in Guatemala, the NGO umbrella organization, ASONOG, is located in Santa Rosa de Copan in the east of the country, far from the capital, Tegucigalpa. Some NGOs simply do not want to deal with government institutions, including institutions with a technical mandate such as IHCAFE.

A climate of near total impunity pervades in Honduras with violence linked to the surge in destructive agriculture, mining and dam projects in recent years. Organizations perceived to be critical to the political and economic elite risk being violently repressed. The ruling elites, their private security companies, the police and army are reported to be the perpetrators of violence against CSOs and human rights activists.

Shortly before the team's field visit, the Honduran indigenous and environmental rights campaigner, Berta Cáceres, from the NGO, COPINH (Consejo Cívico de Organizaciones Populares e Indígenas de Honduras) was murdered. According to the international NGO, Global Witness (2016, p.20), Berta Cáceres was subjected to regular death threats, criminalized by her government, and had seen colleagues murdered for opposing a dam project on indigenous land. Solidarity Mission (2016) reported that since 2013 the indigenous Lenca people were killed during the struggle against the project, including former Lenca leader, Tomás García, who was shot by an army officer at close range. Global Witness reported that since 2002 some 101 campaigners have been killed, registering a higher death toll per capita than in any other country around the world (Global Witness 2016 p. 20). A disproportionately high number of the victims came from indigenous communities. Private security companies hired by landowners are reportedly responsible for serious human rights violations, including killings. Furthermore, according to Global Witness (2016) the police and army have been involved in numerous cases of intimidation, threats and suspected killings of environmental and land activists.

Despite international condemnation, violent repression continues unabated. For example, in 5 April, while the team was in Central America, Luis de Reyes Marcía, an indigenous leader fighting illegal logging in his community, was found murdered in Northern Honduras. The same day, Guatemalan anti-mining activist, Telesforo Pivaral was killed by unknown gunmen near his village of El Volcancito (Global Witness 2016).

**Due to a repressive operating environment, cooperatives tend to focus on their internal issues and keep a low profile in relation to politics.**

**Despite international condemnation, violent repression continues unabated.**

# 4 FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

## 4.1 Relevance

### Comparative advantage

The overall goal of FT's development cooperation programme is sustainable livelihoods for small-scale coffee producers. The objectives through which this is to be achieved are (as described in the logframe in Table 1):

- 1) More efficient and productive small producer organisations, and
- 2) Enhanced capacities of the producer network to deliver services and advocate for its members

In addition, the programme includes a development communications component.

These objectives are fully in line with FT's aim of strengthening the capacities of producers and fair practices in supply chains in developing countries to achieve sustainable livelihoods and production. In addition, they reflect FT's comparative advantage among Finnish CSOs, which is to deal with whole value chains, as well as with civil action to further the interests of small producers (FT 2015a pp. 6-12).

### Rights and priorities of stakeholders and beneficiaries

The programme responds to the rights of beneficiaries and stakeholders insofar as their fundamental rights are integral parts of the Fairtrade concept: non-discrimination, the right to peaceful assembly and freedom of association, the right to participate, freedom of information and children's rights to development and education. The programme was designed in a participatory way in several workshops with representatives of the cooperatives in the driver's seat. This has ensured that the programme responds to the priorities of the indirect beneficiaries: small and poor coffee producers. In addition, the programme is making special efforts to address the rights of women and youth to participate in income generating activities, capacity building, possibilities to get organised and to take part in decision making bodies. The programme promotes compliance with the International Labour Organization's fundamental rights and the essential UN conventions regarding the right to work, livelihood, labour rights, and prohibition of child labour.

### Coherence with national policies and strategies in Guatemala and Honduras

The programme supports the coffee sector, which is a major productive sector in Guatemala and Honduras. In both countries governments claim that it is

their policy to develop and support the coffee sector. However, according to the farmers and other stakeholders like SNV, the governments do little to implement their policies. The fact that the team did not meet and did not see any trace of government extension workers supports this assessment. According to the national laws in the two countries, the main responsibility for supporting the coffee sector is vested in national councils and autonomous institutions outside the government: in Guatemala to Anacafé and in Honduras to IHCAFE. These organizations, where national coffee producers are represented on the boards, coordinate with national ministries on the strategies and actions in the sector at national level. Anacafé is to a large degree dependent on donor funding, while IHCAFE finances its activities and services from the taxes on coffee exports (interviews with representatives of IHCAFE and Anacafé). The team met a number of coffee producers who have a strong aversion to IHCAFE as a result. In Guatemala where coffee producers are taxed more lightly, feelings are more relaxed towards Anacafé.

The team concludes that the programme is fully coherent with the national development policies and strategies of the governments of Guatemala and Honduras, which emphasize the development of the coffee sector.

### **Alignment with Finnish development policy priorities**

The FT programme is based on the 2012 development policy of Finland, which emphasizes human rights. The priority areas are:

- 1) a democratic and accountable society that promotes human rights,
- 2) an inclusive green economy that promotes employment,
- 3) sustainable management of natural resources and environmental protection, and
- 4) human development.

The programme is well aligned with all these priority areas. It is furthermore in line with the specific Aid for Trade policy (MFA 2012b) in which trade is seen as an opportunity for developing countries to break free from the extreme poverty, provided that the special position of the poorest developing countries with regard to market access is taken into account.

### **Conclusion and recommendation on relevance**

The FT programme is highly relevant in that it is in line with the comparative advantage of FT, it responds to the rights and priorities of beneficiaries and stakeholders. Furthermore, it is coherent with the declared policy of both governments and it is substantially aligned with the priorities of Finnish development policy.

**Recommendation 1:** MFA and FT should continue their collaboration within the framework for programme based support

## 4.2 Efficiency

### Planning and implementation

The overall programme planning started in May 2014, when FT and the organisations coordinating the FT cooperatives in Guatemala, Honduras and Nicaragua met in El Salvador. The next step was a series of participatory planning workshops supported by external facilitators, which started in each of the three countries in September 2014 (Programa Fairtrade Finlandia-CLAC 2014; Giannina Cadena 2014; and Claudio Diaz 2014). One or two representatives of every cooperative took part in the workshops. The workshops analysed gender issues, climate change risks and environmental sustainability, problems, objectives and stakeholders. A summary workshop defined the activities, objectives and indicators for each of the country projects. Participants from the cooperatives met by the evaluation team all appreciated that FT allowed them to define projects according to their own priorities.

This approach has led to certain differences between the projects in the three countries (e.g. CGCJ chose to emphasize gender more than the organizations in Nicaragua and Honduras. Thus, there are gender workshops for men in Guatemala). However, due to the fact that the coffee producers and their cooperatives face similar challenges, the projects are also similar. One difference is that whereas all Fairtrade coffee producer organisations are participating in the project in Guatemala, only the smallest and weakest, who were deemed to have a bigger need for support, were selected in Honduras (interview with chairmen and board members of CGCJ and CHPP).

The planning was finalized in November 2014 and each of the three country projects procured the equipment needed by the cooperatives by the end of the year. At that time coffee producers were engaged on their farms and there was no possibility of involving them in training or workshops. Capacity building activities were therefore only initiated in 2015.

### The outputs and their value and merit

The outputs that the projects in Guatemala and Honduras have chosen to produce are quite similar. They can be categorised broadly as organizational capacity building, improving the volume and quality of coffee production, improved access to finance and improved markets.

Within the field of organizational capacity building the projects have successfully assisted the cooperatives in preparing strategic and working plans, updating regulations and complying with legislation. The projects in Guatemala and Honduras have conducted a number workshops focused on organizational management, agriculture and organic farming practices, gender issues and parental responsibility.<sup>4</sup> In Guatemala, as a result of the high participation of

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<sup>4</sup> Coffee production is known for its high work-intensity particular during harvest and processing phases. Responsible parental care trainings addressed children's education rights, protection of forced labour, violence, exploitation and abuse, as well as on women's participation rights. CLAC's policy on the protection of children and vulnerable youth (2015) is based on the UN Convention on the Rights of the Child.

women in capacity building and training (60%), a National Gender Commission was created and accepted by the CGCJ General Assembly.

In order to increase the volume and improve the quality of the coffee production, the projects have assisted member cooperatives in establishing nurseries with varieties that are resistant to coffee rust. The plants are distributed to members who are renovating their farms. In addition, a large number of relatively simple bio-plants for producing organic manure and organic pesticides have been established. Experts from Costa Rica have advised the cooperatives and trained members on the operation of these plants. A large proportion of those trained to operate the bio-plants were young farmers. Finally, the projects have assisted cooperatives in establishing a number of demonstration plots, where improved techniques such as better application of manure and application of organic pesticide are demonstrated to members of the cooperatives, as well as to other community members.

In general, the cooperatives in the projects need short-term credit to be able to buy and process the coffee produced by their members. In order to expand their operations and to improve the quality of processing they need longer term credit. The project in Guatemala has therefore built capacity and facilitated the elaboration of strategies for the generation of their own funds, as well as assisted and trained cooperative staff in preparing business plans and projects to apply for financing from commercial banks, development funds or donors.

The development of markets / marketing in order to obtain good prices on the coffee exported is key to increasing the income of the coffee producers. As mentioned earlier, many cooperatives are not able to sell all their production to buyers operating within the Fairtrade market, as supply has been larger than demand. Because of this, the cooperatives have had to sell part of their production to buyers operating in the conventional market at lower prices. Occasionally they have had to sell part of their production in the national market, where prices are much lower. The projects have therefore embarked on making the cooperatives aware of the value of stable long-term relations with buyers and of identifying the requirements for building and maintaining such relations in the Fairtrade market.

## Costs

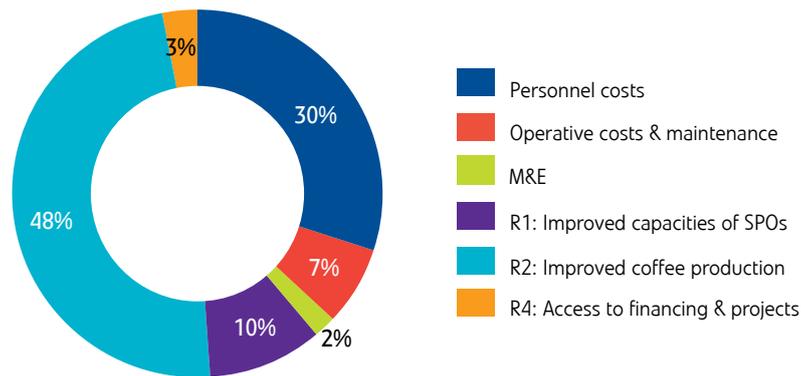
The salaries in Guatemala and Honduras are within the normal range of development cooperation interventions supported by Finland in Central America (PAMI - Taksvärkki 2015; ProPemce 2013). Costs are low due to several cost-control measures: for example, office expenses are modest due to the fact that all project coordinators use inexpensive office facilities and the project staff uses public transport or private motorcycles for project-related tasks. In addition to this, technical assistance from Fairtrade International has been provided free of charge. Thus, the costs for management, administration and technical assistance have been kept low. The team has not been able to identify other more cost-efficient alternatives.

**The projects have assisted member cooperatives in establishing nurseries with varieties that are resistant to coffee rust.**

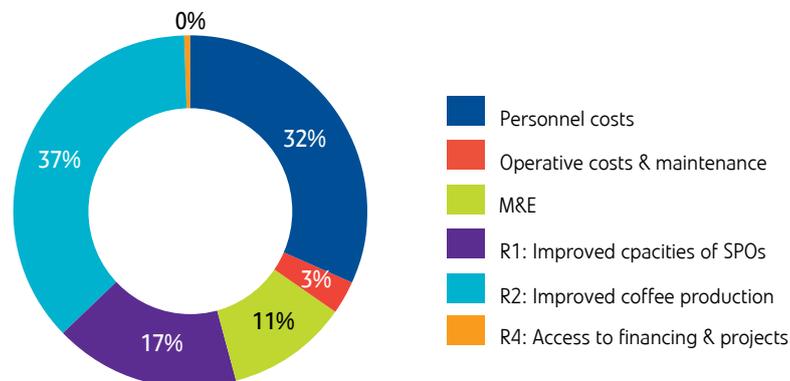
## Utilisation of resources against result areas in Guatemala and Honduras

Figure 4 shows that the personnel costs at the projects in Guatemala and Honduras are broadly similar (30-32%). The analysis of expenditures by result (Figure 4) shows that the largest share of resources was used for improving coffee production (nurseries, bio-plants) in both countries. In Honduras it was decided to emphasize capacity building of the cooperatives (mainly expenses for training courses and technical assistance from consultants), while it was decided to put less effort on capacity building and more on improved production of coffee in Guatemala. This difference is the consequence of the adjustment of the projects to the priorities and needs of each country, which was made possible by the delegation of decision making power to the projects in the respective countries. This principle is in line with good practices to promote ownership, commitment and uptake by the national partners. Overall it is the assessment of the team that the outputs in the result areas justify the costs.

**Figure 4:** Distribution of actual costs (€) by categories in Guatemala and Honduras in 2015.



Guatemala, Source: Accounts data provided by FT and CGCH 2016.

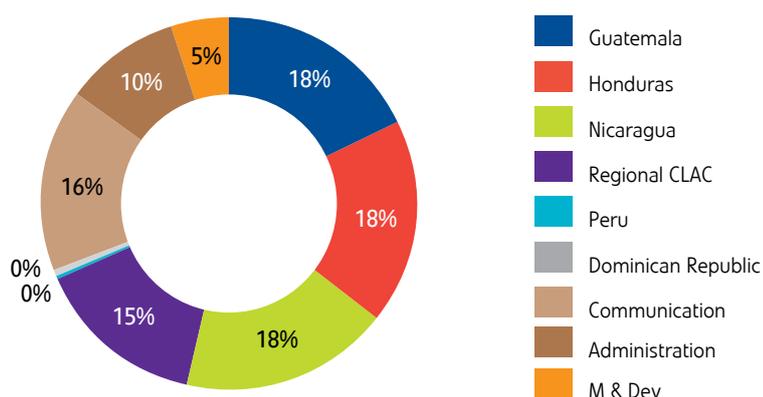


Honduras, Source: Accounts data provided by FT and CHPP 2016.

## Utilisation of resources at programme level

As shown in Figure 5, the total programme budget for 2014 - 2015 was 1 233 463 €. The figure shows that the projects in Guatemala, Honduras, Nicaragua and the project aimed at strengthening CLAC constitute nearly all of FT's overseas programme. The interventions in the Dominican Republic and Peru only started recently and account for less than 1% of the expenditure.

**Figure 5:** Project total expenditures (€) and shares (%) of FT programme in 2014–2015.



Source: Accounts data provided by FT

It can be seen from Table 5 that the expenditure of 442 638 € in Finland comprised 36% of the total programme cost.

**Table 5:** Programme expenditures (€) in Finland in 2014–2015.

Actual costs	2014–2015	%	MFA funds	FT contribution
<b>FINLAND</b>				
Cost in Finland for projects in partner countries *	70 895	5%	57 800	13 095
Costs in Finland for programme monitoring and development**	63 456	6%	51 764	11 691
Costs in Finland for communication and advocacy ***	189 796	15%	154 765	35 032
Costs in Finland for administration ****	118 491	10%	96 615	21 875
<b>Total costs in Finland</b>	<b>442 638</b>	<b>36 %</b>	<b>360 944</b>	<b>81 693</b>
<b>PARTNER COUNTRIES</b>				
Local project costs / Field costs	790 824	64 %	644 732	146 093
<b>TOTAL</b>	<b>1 233 462</b>		<b>1 005 676</b>	<b>227 786</b>

\* Salaries and social costs of FT personnel 91% share and 9% other costs in Finland; \*\* salaries and social costs of monitoring and development personnel 73% share and 27% other costs in Finland; \*\*\* salaries and social costs of advocacy and communication personnel 25% share and 75% other costs in Finland; \*\*\*\* salaries and social costs of personnel 74% share and 26% other costs in Finland.

Source: Accounting data from FT

The costs in Finland are relatively high as a percentage of the total. However, administrative costs are reasonable (approximately 10%) and in the range

required in the scheme for programme based support; the largest cost item is communication and advocacy, which is a major component of the activities of the programme.

### **Management including M&E**

The projects are managed by the project coordinators within CGCJ and CHPP, who maintain close dialogues with the cooperatives they serve, as well as with the chairmen of their boards. There is also a dialogue between the coordinators and the programme officer in FT, who receives quarterly and annual progress reports from the coordinators and provides overall guidance. The annual reports include M&E data, which in principle ensures that management is based on results. However, as the programme is at an early stage, achievements at the higher level of the results chain have not yet been realised. It is the assessment of the evaluation team that this management set-up is efficient.

MFA is involved at the strategic level. In the opinion of FT, the communication between FT and MFA is limited and FT would welcome more feed-back from MFA. However, relations are good and FT finds that MFA is flexible. The main mechanism for dialogue and feed-back is the annual consultation that takes place in January to discuss the annual reports for the year that ended 12 months earlier.

The M&E system is based on a number of relevant indicators, which have been defined separately for each project (country). Baseline surveys have been made (CHPP 2015). The negative consequence of letting the project implementers define indicators (to encourage ownership) is that it is difficult to aggregate them at programme level. However, in order to get an overview, FT has created an Excel sheet with all the objectives and sub-objectives, their indicators, as well as the values for the indicators (baseline values and values for each year). By sorting by country, objective and sub-objective this tool makes it possible to get an easy overview of the extent to which a given objective is being achieved. FT has also added ToC indicators for all projects, having defined a ToC-indicator for each objective. These are new system-wide indicators for the whole programme.

Some of the indicators are SMART (Specific, Measureable, Achievable, Relevant and Time bound). Most of them refer to results at a relatively low level in the results chain (outputs). For example, indicators for the capacity of small producer organisations include i) the existence of updated strategic plan; ii) whether they have regular meetings; and iii) whether their statutes have been updated to comply with the legal requirements. However, the M&E system also includes a few good outcome indicators. For the capacity of small producer organisations, a good outcome indicator is members' assessment of services provided by their cooperatives.

It should be mentioned that the (otherwise good and relevant) outcome indicators for volume and quality of coffee are not yet measuring results, since the measures for increasing coffee quality and for renewing coffee bushes will take at least three years (i.e. until 2018) to come to fruition.

## Identification and management of risks

The programme has a comprehensive Quality Management System, which includes the management of risks (FT undated). The system aims at ensuring the quality, effectiveness and sustainability of the projects.

In the planning phase of the programme, stakeholders undertook a thorough mapping of risks for coffee producers in each of the countries. The main risk identified within the next years is an increase in plant diseases. This is a reflection of what is already happening with the coffee rust fungus *Hemileia vastatrix*, a known hazard affecting the region since 2012 which has resulted in losses of more than 18 million quintals of coffee, valued at 2 550 million USD (Anacafé 2014-2015). All the coffee-producing countries of Central America have seen drops in production in recent years, resulting in a loss of work and income.

The programme is designed to address the main risks identified, first and foremost by supporting renewal of the coffee plants and building the capacity of coffee farmers, cooperatives and the coordination bodies (CGCJ and CHPP) to be aware of the risks and to be able to respond to them. The team finds that this is an appropriate response to the risks. However, it is clear that the major risks are not systematically monitored.

In 2014, risks in relation to the accounting and internal control management of the projects in Central America were identified. These risks were addressed in the audit report (Signia, 2014, in annexes), and in a series of recommendations to the accountings practices. Among the most important were the identification and record-keeping of additional sources of programme funds.

## Human rights principles in the implementation of the programme

Human rights principles such as democracy, participation, transparency, accountability, non-discrimination, gender equity and respect for the environment are well embedded in the programme and are part of the Fairtrade concept. Producer cooperatives can only be certified if they comply with these principles under FLOCERT monitoring (World Fair Trade Organization 2013).

In addition, the leaders of the cooperatives met by the team have clearly been motivated by such principles. They are sensitive to the needs of the weaker cooperatives and are engaging the poorer and most marginalized producers in the project. One example is the special attention given to women and youth. In particular, CGCJ has emphasized the training and participation of women. The increased participation of women and youth is intended to increase accountability in relation to these groups; although at this early stage evidence of progress is not yet forthcoming.

Cooperatives in both countries have supported and/or organized income generating activities for women's groups. In the cooperatives visited the team observed a number of initiatives in both countries for involving youth in coffee farming (generational change), as well as in the governance of the cooperatives.

**The results in relation to quantity and quality of coffee production have not yet materialised because new coffee bushes will only provide their first modest yield after 3 years.**

### **Conclusions and recommendation on efficiency**

Expenditures for management, administration and technical assistance have been kept low and the team has not been able to identify other more cost-efficient alternatives. The team's assessment is that the outputs justify the costs. The share of costs in Finland is relatively high (36%) which is mainly due to a substantial communication and advocacy component (15%). It is concluded that the programme is cost-efficient and that distribution of costs is appropriate.

**Recommendation 2:** FT should continue its efforts aimed at keeping costs low and allocating as much as possible to the beneficiaries.

The current management system at project level is efficient as decisions are taken by coordinators in close dialogue with the boards of their organisations and the cooperatives with the FT programme officer providing overall guidance. A results-based monitoring system has been established, which includes some good outcome indicators that will provide appropriate information to FT, MFA and other stakeholders. However, as implementation only started in 2015 in general these indicators do not yet measure the results of the programme.

MFA is involved at a strategic level. The main mechanism for dialogue and feed-back is the annual consultation that take place in January. Relations are smooth and although it finds that MFA is flexible, FT appreciates more appropriate feed-back from MFA.

Risks have been appropriately identified in the planning phase and the programme is addressing the major risks through support to renewal of the coffee plants, as well as through increasing the farmers' technical capacity. However, major risks are not yet systematically monitored.

**Recommendation 3:** MFA should provide more substantive feed-back to FT.

**Recommendation 4:** FT should continue developing the M&E system and develop systems to monitor major risks.

## **4.3 Effectiveness**

### **Outcomes related to coffee production**

The outputs of the programme aimed at increasing the volume and the quality of coffee production - such as nurseries with coffee varieties resistant to coffee rust, bio-plants and demonstration farms - are likely to lead to the desired outcomes. However, the results in relation to quantity and quality of coffee production have not yet materialised because new coffee bushes will only provide their first modest yield after 3 years.

The bio-plants that have been set up by the cooperatives are producing manure, fertilizers and various kinds of organic pesticides. The products are normally sold at a price only covering the cost of production, and it has not been difficult to sell them to members and non-members (interviews with operators of

bio-plants and with leadership of cooperatives). However, the products have not been systematically tested. Their use is only based on practical experiences. One cooperative, which the team visited, experimented with the dose of an organic fertilizer and doubled the dose normally applied - with the result that the coffee bushes died. But it is not known what the optimal dose is. Neither the biological optimal dose, nor the optimal dose from an economic point of view, which takes prevailing prices and costs into account, have been determined. Furthermore, it is not known how far there are harmful secondary effects from some of the products; as it is often wrongly assumed that organic products do not have harmful secondary effects.

### **Capacity building of partners for delivering services**

When building the capacity of the cooperatives and their umbrella organisations - i.e. the project implementers CGCJ and CHPP - the project has focused on i) capacity for service delivery including technical assistance to producers, to establishing demonstrations/farmer field schools and for establishing small bio-plants, ii) capacity for operating commercially including access to finance and coffee marketing, as well as iii) democratic governance within the cooperatives including better inclusion of women and youth within the cooperatives.

The programme has first and foremost developed the capacity of the cooperatives to deliver goods and services to their members as they are now providing disease resistant coffee plants from the newly established nurseries and organic fertilizers and pesticides from the bio-plants. In addition to this they have been capacitated to provide technical assistance to members, as well as to community members, on these matters. The programme is also contributing to developing the capacity of CGCJ and CHPP. Although they have not implemented projects like the ones of the FT programme before, they have used resources provided by the programme to establish the necessary project implementation capacity and they are gradually gaining experience.

It is the assessment of the team that some of the new goods and services should not necessarily be produced by the cooperatives but be spun off as independent businesses. One of these is the bio-plants, which are mostly operated by younger people, sons and daughters of the members of the cooperatives. Their involvement in the bio-plants has aroused their interest in natural science and coffee farming and seems to be a success in relation to attracting young people to the cooperatives and to encourage the involvement of the younger generation. It is important to the younger generation that they work in their own group (and not on the family farm commanded by their father) and earn their own money. Independent bio-plants owned and operated by young entrepreneurs could motivate them further to remain in the rural areas and if the business is commercially viable they will be able to set up bio-plants in the many areas where their products are not available.

Another example is income generation groups for women based on such activities as roasting of coffee, processing and selling honey for which the cooperatives have been supported by the programme. The income generating activities seem to have the potential to provide women with an opportunity for improving their livelihoods. However, they are not yet viable independent businesses.

**The programme has first and foremost developed the capacity of the cooperatives to deliver goods and services to their members.**

**The cooperatives see a need for advocating for certain issues. But they are restrained by the repressive environment.**

They are still to a large degree part of the cooperatives that provide equipment and facilities.

As long as the bio-plants and the women's income generating activities are part of and/or subsidized by the cooperatives it will be unclear how far they are viable and their further development and replicability will be constrained. However, if they are turned into independent businesses they will have to develop a viable model which can be the basis for accumulation and replication. In the case of bio-plants this could lead to more plants generating more jobs for the young and providing products closer to the farmers.

### **Capacity building of partners for advocacy**

The cooperatives' capacity for advocacy has not been addressed directly. However, the capacity is being strengthened indirectly by the programme through measures taken to strengthen the general capacity of the cooperatives. The general social standing of the cooperatives is being enhanced by the fact that the cooperatives are successful enterprises, that their members are able to address coffee rust, and that they are transparent and inclusive. The team was informed by cooperative members that neighbouring farmers often learn from or copy some of the organic farming techniques applied by members of the cooperatives, including buying products sold at bio-plants. Members of some of the cooperatives have stated that by being technically and commercially proficient and by having healthy and productive coffee bushes, while the bushes of other farmers suffer from coffee rust, they are advocating effectively for organic farming. Members of some of the cooperatives have pointed out that a successful cooperative can be influential in the local communities since their neighbours try to replicate or learn from their farming techniques or that their leading members are elected to local political offices.

Nevertheless, although the programme increases the social standing of the cooperatives and thereby increases their influence, it could do more for building their capacity for advocacy. In conversations with the team, the cooperatives and their umbrella organisations (CGCJ and CHPP) saw a clear need for building capacity for advocacy. However, due to the repressive nature of the political systems in Guatemala and Honduras, some also fear that an overtly political profile might expose them to repression from the ruling elites.

This indicates that the second assumption of the FT ToC identified by the team in section 3.2 does not hold fully. The cooperatives see a need for advocating for certain issues. But they are restrained by the repressive environment, which makes them reluctant to engage in advocacy. The FT programme can do little to establish 'supportive environment for civil society activities', which is one of the objectives of Finland's civil society development policy. However, when building advocacy capacity, the programme could emphasize non-confrontational methods in order to avoid repressive and violent responses from ruling elites.

### **Contribution to key cross-cutting objectives**

The programme is addressing the key cross cutting issues of gender equality, reduction of inequalities and promotion of climate sustainability. However,

due to the short implementation period it is not possible to fully assess how far these objectives are being achieved.

With respect to gender equality, organisational structures for women, like a national commission for women, have been created within the cooperatives. The representatives of the cooperatives met by the team have been gender conscious and some have stated that this gender consciousness has increased recently due to the intervention of the project.

In relation to inequalities, it is much too early to measure how far the techniques promoted by the programme increase the income and the livelihood of the small coffee producers (members of the cooperatives as well as non-members) and thus reduce income inequality.

The programme has addressed climate sustainability by building capacity to address coffee rust, which stakeholders met by the team believed had become a serious threat due to climate change. The programme is, as mentioned, supporting the renewal of coffee plantations and the organic treatment of infected coffee bushes. The most important result in relation to this is the programme's readiness for adaptation to meet challenges and the capacity for technological change among the cooperatives and their members to which the programme has been contributing.

### **Partners' benefits from links to FT**

The links between FT and the project implementers in Central America are ones that are strictly necessary for implementing the programme. Through provision of technical assistance FT has contributed to establishing the capacities of CGCJ and CHPP for project implementation. However, within CGCJ and CHPP and the cooperatives, little is known about FT and its supporters or Finnish civil society in general.

FT is working in various ways on strengthening its partners' links to Finland. It has made a major Finnish supermarket chain, Kesko, interested in buying Fairtrade certified coffee from Central America. FT has also financed a video on coffee production in Guatemala, which has been shown on a commercial TV channel.

#### **Conclusions and recommendations on effectiveness**

**Conclusion:** It is too early to measure outcomes related to the quantity and quality of coffee production. However, a promising start has been made with outputs likely to lead to the desired outcomes (introduction of rust resistant varieties, measures promoting the health of coffee plants).

**Conclusion:** The effect of application of products from the bio-plants needs to be systematically tested. Based on these tests and on an economic analysis, recommendations on how to apply these products should be developed.

**Recommendation 5:** The programme should contact institutions (including universities) specialized in research on agriculture to test the products of the bio-plants and to develop specific recommendations on how they should be used.

Conclusion: The project implementers, CGCJ and CHPP have established and developed capacity for project implementation. It is too early to assess how far the cooperatives' capacity for service delivery has been increased. However, it is the assessment of the team that some of the new activities promoted by the cooperatives like bio-plants and income generating activities for women should be turned into independent businesses.

**Recommendation 6:** The programme should assist the cooperatives to develop models and plans for turning bio-plants and women's income generating activities into independent and viable businesses.

Conclusion: Building of the partners' capacity for advocacy has only been advanced through indirect means. Among the cooperatives and their umbrella organisations there is a felt need for building capacity for lobbying and advocacy. Due to the authoritarian and repressive nature of the political systems in Guatemala and Honduras overtly political (and confrontational) instruments are likely to be unviable. Non-confrontational methods for promoting the interests of the cooperatives would more appropriate.

**Recommendation 7:** The programme should emphasize specifically the capacity building of the coffee cooperatives, as well as that of their umbrella organisations, CGCJ and CHPP, for lobbying and advocacy with an emphasis on non-confrontational methods suitable for the political situations in Guatemala and Honduras.

Conclusion: FT contributes to building the capacity of its partners and is establishing or strengthening their links to FT and Finland in general.

**Recommendation 8:** FT should continue the effort aimed at strengthening partners' links to organisations in Finland.

## 4.4 Impact

Due to the short implementation period, it is too early to measure the impacts of the programme. However, the team has found a few indications that point to possible future impacts. They concern the direct effect on the income of the members of the cooperatives, the capacity to address future threats and opportunities, generational change and, in order to assess the assumption of the FT ToC, how far there is a honeypot effect and the cooperatives as successful change agents.

The core membership of the cooperatives seems to be motivated more by ideas related to organic farming, preservation of the environment and social justice than by economic incentives. However, other members of the cooperative and coffee farmers in the vicinity who are non-members assess the pros and cons of being part of the cooperatives. An important pro is that a Fairtrade certified cooperative is able to get a higher price for its coffee including a social premium. Among the cons, certification is costly, reducing the price the cooperative is able to pay to the producers, and the members of a certified cooperative are subject to a number of restrictions some of which might be reducing their

yields (interviews with cooperative members, community members, coffee traders).

In the cooperatives visited by the team, members constituted a minority within the surrounding community (from 5% to 30% of the coffee farmers). Currently the cooperatives are growing, membership in Honduras has grown 18% since the project started (CHPP 2016). The fact that farmers join the cooperatives indicates that they gain from joining. However, the fact that the members of the cooperatives remain a minority within their communities indicates that this gain is small. Nonetheless, there seems to be a general 'oversupply of certification' for fair trade coffee and as the cooperatives are generally not able to sell all their production on the Fairtrade market, they often sell a major part of their production on the conventional market at much lower prices (de Janvry et al 2015). An increase in membership, which leads to increased production marketed through the cooperatives, will therefore tend to increase the proportion of the crop that has to be sold on the conventional market at low prices and will therefore reduce the aggregate price members get for their coffee. This dynamic indicates that the direct income effect for coffee growers participating in the Fairtrade cooperatives will remain small.

An important longer term impact of the programme is farmers' and cooperatives' awareness of threats and opportunities, and capacity to address these. In a changing world such a capacity is needed to ensure sustainable livelihoods (the development objective). The workshops on risks and the measures taken to address coffee rust can be seen as contributing to this.

The programme's contribution to generational change is also important. It has, as mentioned, been found that young people are now taking interest in coffee farming. The interest of the young farmers has been stimulated through involvement in bio-plants, as well as through participation in youth committees, both of which have been facilitated by the programme in order to ensure generational relay. The team has found that the young farmers who operate bio-plants have learned about new techniques, some were experimenting with the techniques they had learned, and all those met by the team showed interest in learning more.

A number of donors provide assistance to the Fairtrade cooperatives. In Guatemala the main donor is the EU and in Honduras it is the World Bank. In addition, a number of NGOs and bilateral donors provide assistance. Large amounts have been provided for investments in equipment and facilities for coffee processing. There is in other words a strong honey-pot effect, as alluded to previously.<sup>5</sup> The question is whether the FT programme just contributes to this honey-pot effect by assisting Fairtrade cooperatives already receiving substantial amounts of assistance or whether the cooperatives and their members also function as change agents in relation to the communities where they are located (the first assumption of the FT ToC identified in Section 3.2).

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<sup>5</sup> Compared to the programmes of the donors mentioned, the FT programme is quite small and not contributing much to the honey-pot effect.

**An important longer term impact of the programme is farmers' and cooperatives' awareness of threats and opportunities, and capacity to address these.**

The cooperatives are centres for technological and social innovation from which others in the surrounding local societies are learning. The team has found that neighbours to members of the cooperatives in many cases learn from and copy some of the new techniques promoted by the cooperatives. It seems that the experience of the Fairtrade cooperatives is engendering an interest in influential circles and that some consider replicating them. The team 'bumped into' the Vice President of Honduras, who was taking a delegation to visit one of the cooperatives, and it met a Vice Mayor interested in wholesale replication of the programme (Box 2). It would appear that the authorities' response could provide an opportunity for Fairtrade Honduras to initiate a more positive relationship with the local authorities.

### **Box 2. Replication of farming techniques to preserve water resources?**

The potential impact of the Fairtrade cooperatives was indicated by the Vice Mayor in the small town of Gracias, in Lempira Department in eastern Honduras. The water supply of Gracias originates in the mountains above the town. However, small farmers have settled in the mountains and have cut the trees, including those in a natural reserve. Thus, the water supply to the town has been polluted and the situation will get worse if nothing is done.

The Vice Mayor knew that the Fairtrade cooperatives take care to use techniques protecting the environment. He therefore asked the representative of Fairtrade Honduras, CHPP, to create a Fairtrade cooperative for all coffee producers in the mountain area. Although CHPP cannot create a cooperative and demand that all farmers in a certain area join this cooperative, the Vice Mayor's request clearly indicates that others know what the Fairtrade cooperatives are doing and that there is an interest in replicating and learning from these experiences.

The team met the Dutch NGO, SNV, which is currently developing and testing techniques for effective management of residues in coffee processing in Honduran cooperatives. SNV chose the cooperatives and not private processors because it has the experience that the cooperatives are open to sharing their experiences.

Furthermore, the team found that in many cases cooperatives have an influence in local politics. In some cases, their members have been elected to local political offices. Consequently, they have the potential to contribute to a pluralistic and vibrant civil society.

In summary the first assumption of the FT ToC, that the Fairtrade cooperatives are change agents and that they generally benefit the wider community/society evidently holds true.

#### **Conclusion and recommendation on impact**

It is too early to assess the actual impacts of the programme because of the short implementation period. However, at this stage it appears that the potential direct impact on the incomes of the coffee farmers seems to be limited or marginal. An important possible impact is the development of an

awareness of threats and opportunities and the capacity to address these, which in a changing environment is important for establishing sustainable livelihoods. There is a strong honey-pot effect, as a number of donors provide relatively large amounts of assistance to the cooperatives. However, the cooperatives are centres for technological and social innovation, from which others in the surrounding local societies are learning. This is at least to some extent justified by the fact that the Fairtrade cooperatives function as change agents. The cooperatives also have a potential to influence local politics and thus be part of a pluralistic and vibrant civil society with political influence.

**Recommendation 9:** FT, CGCJ and CHPP should develop systems to enhance the role of the cooperatives as change agents.

## 4.5 Sustainability

### Ownership

CGCJ, CHPP and the cooperatives in Guatemala and Honduras have a strong sense of ownership of the programme and refer to the programme as theirs. Many of the cooperatives benefit from much larger investment projects financed by large donors such as the EU or the World Bank. However, they appreciate the FT programme because it is more flexible and because they are able to use the funds to address needs they themselves have defined. In some cases, the FT funds and the training/capacity building provided by the programme supplement the investments made by those larger donors.

### Organizational, social, cultural, ecological and financial sustainability

The rural population in Guatemala and Honduras take a special interest in coffee production, a traditional activity in both countries. Thus, farmers are particularly open to advice on measures for addressing problems in relation to coffee production. Most of the measures promoted by the programme come at a cost: plantations have to be renewed, extra labour has to be applied or inputs have to be bought, but it has been observed that farmers are willing to bear these costs by, for example, renewing plantations or buying the recommended inputs.

Many young people from the rural areas of Guatemala and Honduras migrate to urban areas and to the USA, which has resulted in increasing average ages of the farming population. Thus, generational linkages are important for ensuring the long term sustainability of farming. There are clear indications that the FT programme is addressing this issue with some success by promoting activities of interest to young farmers and thus is contributing to the sustainability of coffee farming.

The FT programme is taking special care to address ecological issues related to coffee farming including conservation of water resources, management of pesticides and application of organic practices. The Fairtrade principles emphasize ecological standards by, for example, promoting shade grown coffee.

fee, which provides a much better soil protection than pure stand coffee, and which excludes polluting chemical inputs. The programme has undertaken a number of specific activities to meet these standards by promoting the planting of trees, use of organic inputs to reduce the use of agro-chemicals, and facilitating the exchange of experiences on sustainable agriculture with other producer organisations.

According to the cooperatives visited by the team the membership of these cooperatives has varied. When cooperatives have experienced specific problems members have left and when they have been relatively successful there has been a tendency for more to join. Due to the farming techniques promoted by the programme there is an increased interest from non-members. Neighbours see new coffee plants that are resistant to coffee rust and they see bushes treated with organic inputs growing healthily. There is consequently a tendency for more members to join and thus for increased sustainability of the cooperatives due to the FT programme.

The programme provides technical assistance and training aimed at strengthening the managerial-organisational capacity of the cooperatives. Organisational strengthening is the basis for improving financial sustainability. The poorly organised cooperatives were generally unable to save because they give in to members' pressure for short-term gains. Thus, these weak cooperatives are in most cases decapitalized and because of their poor organisation, they are unable to access credit from commercial banks. Thus, the programme is addressing the key issue related to financial sustainability of the cooperatives: that is, institutional strengthening which, according to the funding agencies is the most important single parameter for the sustainability of the cooperatives. Although in both countries organizations like Anacafé and Consejo Nacional Supervisor de Cooperativas (CONSUCOOP) promote the development, consolidation and integration of cooperatives in the coffee sector, small producers have limited capacity to access and benefit from these services.

### **Exit strategy**

No explicit exit strategy has yet been prepared to ensure the sustainability of the programme after MFA funding ends in December 2017. However, the programme is implicitly addressing this risk by building capacity at farmer, cooperative and coordinator levels that will contribute to enabling beneficiaries at these levels to sustain results beyond 2017.

### **Conclusion and Recommendation on sustainability**

A number of factors indicate that results of the programme might be sustainable. The partners in Guatemala and Honduras have a strong ownership to the programme. The coffee farmers take a special interest in coffee production and show interest in applying techniques promoted by the projects and willingness to bear the costs. In addition, the programme is successful in promoting generational involvement, which is fundamental for sustainable coffee farming.

The programme is building capacity at farmer, cooperative and coordinator levels that will contribute to enabling beneficiaries at these levels to sustain results beyond the end of the programme. The growth in terms of members seems also to contribute to sustainability: first and foremost because it will increase economies of scale.

In addition, the programme is taking special care to address ecological issues related to coffee farming including conservation of water resources, management of pesticides and application of organic practices. Nonetheless, the team believes that there is a need to develop a specific exit strategy.

**Recommendation 10:** The programme should review its activities relating to sustainability and develop them into an explicit and coherent exit strategy.

## 4.6 Complementarity, Coordination and Coherence

### Coordination

The partners coordinate and collaborate with other stakeholders. In Guatemala CGCJ exchange experiences with public organizations (Ministry of Agriculture, Livestock and Food; National Commission of Ecological Agriculture) and participate in national platforms like the National Platform of Sustainable Coffee. There is less coordination with development partners engaged in agriculture, food security or value chain support. However, several CGCJ member organizations are engaged in development cooperation projects funded by donors and agencies like the EU, the Inter-American Development Bank, United Nations Development Programme, Root Capital and private foundations.

In Honduras, CHPP and member organizations collaborate closely with other CSOs like SNV, Heifer International, and the umbrella organization ASONOG; as well as with national organizations like the Council of Cooperatives CONSU-COOP, IHCAFE, and the Tri-national project, Trifinio, operating in the border regions of Guatemala, Honduras and El Salvador.

FT collaborates closely with Fairtrade International, Fairtrade Germany and Fairtrade Sweden. In addition, FT has engaged in partnerships agreements and proposals with Finnish private companies and trade organizations for future ventures in the coffee sector in Latin America and Africa.

### Complementarity

The Finnish government was represented in Central America until 2012, when the diplomatic mission in Managua, the last in the region, was closed. The FT programme ensures a continued Finnish presence within some of the traditional Finnish cooperation sectors in Central America: rural development, value chain, local governance and civil society. There are very few Finnish actors in the region and the team has not identified complementarity between the FT programme and the interventions of these actors. However, there are many cases of complementarity between the FT programme and the programmes of oth-

er development partners. The most important of these is the FT programme's ability to supplement large investments in buildings and equipment from other donors with flexible technical assistance.

### Coherence

The unfavourable environment in which the CSOs operate has posed problems for the cooperatives supported by the programme. It contradicts the objective of Finland's support to CSOs (refer to Section 2.1) which is to ensure a supportive environment for civil society activities. In reality, the FT programme has been unable to contribute towards a supportive environment for the CSOs because the entry point for dialogue with the government is non-existent. Besides the programme is too small to open doors and create space for dialogue.

#### Conclusion and recommendation on complementarity, coordination and coherence

In the development cooperation programme of FT, the partners coordinate and collaborate well with other stakeholders, mostly other CSOs and development partners.

There are very few Finnish actors in Central America and the team was unable to identify complementarity between the FT programme and the interventions of these actors. However, there are many cases of complementarity between the FT programme and the programmes of other development partners.

Other actors have more leverage for creating a supportive environment for civil society than CSOs.

**Recommendation 11:** MFA should ensure that the managers of aid instruments understand Finland's policy for support to civil society and contribute to the objectives of this policy.

## 4.7 Lessons learned

### Successful broad-based capacity development requires long-term guidance

The evaluation has focussed on the capacity development of CSOs, which according to the ToC for Finland's support to civil society is the major pathway for contributing to the overall development objective: a vibrant and pluralistic civil society. The evaluation planned to use the allocation of resources for service delivery compared with the allocation of resources for capacity development as a yardstick (see Question 2.6 in the Evaluation Matrix). Figure 4 shows that the project in Honduras has allocated more resources for capacity building than the project in Guatemala. However, the evaluation concluded that both projects were focussed on capacity development because both of them put the coffee cooperatives in the driver's seat. They allocate the resources according to their priorities and learn from the implementation process: primarily

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developing their capacity from this learning procedure. However, this does not imply that a CSO will always learn from service delivery. For example, if the programme continues to subsidise the bio-plants and nurseries this activity will not contribute to sustainability and little will be learned.

### **Building capacity for advocacy is challenging**

It was also learned that building capacity for advocacy is more challenging than building capacity for service delivery. The cooperatives have seen a clear need for addressing a number of practical issues. The cooperatives and their members have seen a clear need for technical solutions to problems related to coffee production, particularly to addressing coffee rust. Addressing broader socio-economic and political issues related to small farmers' coffee growing like the lack of government extension service to small farmers have been less obvious to the cooperatives. Due to the repressive nature of the regimes and the absence of a tradition for dialogue has made them reluctant to address such issues. Nevertheless, it is only by addressing the broader socio-economic issues in their communities and in society as a whole that the cooperatives will be become part of a truly vibrant and pluralistic society.



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## THE EVALUATION TEAM

**Ole Stage** is a sociologist with more than 30 years of experience from international development cooperation. He has undertaken long-term assignments focussed on agricultural development, data collection and processing, and capacity building in Mozambique for the FAO and for the Danish NGO, Ibis, and in The Gambia for African Development Bank. He has been a researcher at the Danish Centre for Development Research (now part of the Danish Institute for International Studies), where he has conducted studies on agricultural development of Mozambique. For the past 20 years he has undertaken more than 80 assignments in Africa, Asia and Latin America as a short-term consultant. As part of this he has headed 15 major evaluations within the fields of civil society development, rural development and agriculture, governance and conflict management.

**Tania de la Rosa** is a biologist with 15 years of experience in development cooperation, working on sustainable management of natural resources. She has continuously worked for MFA funded programmes since 2001 as project manager, team leader, evaluator and specialist in forest conservation, rural development, agriculture and the provision of opportunities for vulnerable groups. She has participated in the evaluations and appraisal of projects in Latin America and has managed bi-lateral and regional programmes with multidisciplinary teams. She has relevant long- and short-term working experience from Bolivia, Ecuador, Kenya, Nicaragua, Peru and Venezuela. Her professional carrier includes more than 10 years of experience as an ecologist and researcher investigating the responses of plants to environmental signals. Dr de la Rosa is a permanent employee of NIRAS Finland since 2008.

# ANNEX 1: TERMS OF REFERENCE



ULKOASIAINMINISTERIÖ  
EVA-11

TERMS OF REFERENCE EVALUATION UH2015-018499  
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## Evaluation of the program based support through Finnish Civil Society Organizations

### 1. BACKGROUND

Civil society actors are an essential and integral element of Finland's development cooperation in its entirety. The role of Civil Society Organizations' (CSO) - domestic, international and local in developing countries- has been increasing in Finland's development cooperation during the last years together with the total share of ODA channeled through them which was 14,6% (180 MEUR) in 2014. However due to the recent budget cuts to the Finnish Development cooperation by the government of Finland, cuts in Civil Society funding are also envisaged. The CSOs work in various thematic areas; civil society capacity building, advocacy as well as poverty reduction and public services in developing countries.

This evaluation is the first in a series of evaluations on the Civil Society Organizations receiving multi-annual programme-based support. A total of 19 organizations and 3 foundations receive this type of multiannual programme-based support and a total of appr. 80 MEUR was channeled through their programs in 2014. Each round of evaluations will include a programme evaluation on the results of selected 5-6 organizations as well as a document analysis on a specific question that will be assessed within wider group of programme-based civil society organizations.

The selected 6 organizations for this evaluation are Crisis Management Initiative, Fairtrade Finland, Finnish Evangelical Lutheran Mission, Finnish Refugee council, Taksvärkki (ODW Finland) and WWF Finland. The specific question that will cover all the 22 organizations, is the functioning of the results management in the organizations receiving programme-based support.

The development cooperation of the Civil Society Organizations has been part of several thematic and policy level evaluations and reviews during the recent years; the most recent, comprehensive and relevant being: Complementarity in Finland's Development Policy and Co-operation (2013) and Results on the Ground, an Independent Review of Finnish Aid (2015). The Complementarity evaluation highlighted the limited complementarity between the Finnish NGOs and other aid modalities as well as between different NGO instruments. Finnish Development policies encourage complementarity but there is no systematic coordination across program types. However the evaluation concludes that complementarity in general was supported by the MFA and most NGOs, whereas some feared that the distinction between state and civil society might become blurred.

The independent review concluded that the assessment of results in the Finnish CSO support was difficult due to lack of evaluations on results. The latest evaluation about the MFA support to Finnish foundations and Partnership agreement scheme was conducted in 2008 and the support to DEMO was evaluated in 2009 and KEPA in 2005 but very little is said about the results in any of these evaluations. The latest comprehensive evaluation on the results and impact of CSO development cooperation, funded by MFA dates back to 1994. MFA commissions regularly performance audits on the cooperation of the partnership Scheme organizations: two organizations are audited each year, the most recent being FIDA International and Free Church Federation of Finland.

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This evaluation will include two components. Component 1 will collect data on the results of the programmes of the selected 6 organizations and assess their value and merit to different stakeholders. Component 2 will assess mainly through document analysis the functioning of the results based management mechanisms of each organization receiving programme-based support including the link between the results-based management and achieving results. The findings from the component 1 will be synthesized in Component 2. The evaluation will produce 7 reports: a separate report on each of the programme evaluations of the 6 organizations and a report synthesizing the current status of results based management in the 22 different organizations and the findings of the 6 programme evaluations from the results based management point of view.

## 2. CONTEXT

The program-based support is channeled to the partnership agreement organizations, foundations and umbrella organizations. Each category has a different background and somewhat different principles have been applied in their selection. However they have all been granted a special status in the financing application process: they receive funding and report based on a 2-4 year program proposals granted through programme application rounds which are not open to others. On the policy level however they are all guided by the same policy guidelines as the rest of the Finland's support to Civil Society Organizations.

All the civil society development cooperation is guided by the Development Policy Programme of Finland (2012) as well as guidelines for Civil Society in development policy (2010). The role and importance of civil society actors is emphasized also in the Ministry for Foreign Affairs Democracy support policy (2014). In addition to these common policy guidelines guiding the CSO funding in general and focusing on the special role of the CSOs in development cooperation, the thematic policy guidelines set the ground for specific fields that the CSOs are working in.

### **The value of Finnish Civil Society in Finland's development cooperation**

According to the guidelines for Civil Society in development policy (2010) the special value of development cooperation implemented by civil society organizations lies in the direct links it creates between the Finnish and the partner countries' civil society. These direct links are believed to be the foundation to increase Finns' awareness of conditions in developing countries and strengthen public support for all development cooperation.

Another value of the development cooperation implemented by the civil society according to the guidelines is that the activities of civil society organizations make it possible to achieve results in areas and regions and among groups of people that the resources and tools of public development cooperation do not always reach.

The special value of the Finnish civil society actors is also emphasized in building the capacity of their peers in the developing countries; the peer to peer cooperation is seen as an effective modality. Strengthening Civil society in the developing countries is one of the key priorities of Democracy support policy.

### **Results-based management in Finland's development cooperation**

The Managing and Focusing on results is one of the Aid Effectiveness principles as agreed in the context of the Paris Declaration and Busan Partnership Agreement (2005, 2011). According to the MFA Guiding Principles for Result Based Management in Finland's Development cooperation (2015), Results based management in development cooperation is simultaneously an organizational management approach, based on set principles and an approach utilizing results based tools for planning, monitoring and evaluating the performance of development projects and programs.

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The Logical Framework Approach has been widely in use as a results based programming tool in the project management of the Finnish development cooperation including CSO cooperation. In 2015 the MFA decided to start using the results chain approach in its aid instruments in the future but the process of introducing the new tool to CSO cooperation has not started.

## **The Partnership Agreement Scheme**

The origin of the Partnership Agreement Scheme lay in the framework agreement system founded in 1993. The original objectives set by the MFA for the framework agreement were to reduce administrative burden in the MFA and to improve the overall quality of projects implemented by the NGOs by ensuring financing for the most professionally operating organizations. By 2001 framework agreements were signed with a total of seven organizations: FinnChurchAid, Fida International, Finnish Evangelical Lutheran Mission, Finnish Red Cross, Free Church Federation of Finland, International Solidarity foundation and SASK (Trade Union Solidarity Centre of Finland). An evaluation of the framework agreement was conducted in 2002 which found little evidence that the framework agreements had contributed to either of these goals. Based on the recommendations of the evaluation the move towards program-based support with the framework NGOs took place in 2003-2004.

A New mechanism was called Partnership Agreement Scheme and a set of new criteria were set. The seven first framework organizations were directly transferred to the Partnership Scheme but a special audit was carried out of the three new entering organizations (World Vision Finland, Plan Finland and Save the Children Finland).

The Partnership Agreement Scheme was evaluated in 2008 which concluded that the new scheme had evident benefits for both MFA and the participant NGOs in terms of increased flexibility, long-term planning and reduced bureaucracy. However the objectives and rules guiding the scheme were not clear for efficient oversight by the MFA and meaningful dialogue between the partners. The evaluation recommended that the MFA should develop new management guidelines to reflect programmatic approach. The evaluation also recommended for the MFA to define clear selection criteria and to open the scheme for a limited number of new entrants to be selected in an open process.

The new instructions concerning the Partnership Agreement Scheme became operative in the beginning of 2011 and updates have been done regularly based on lessons learned in implementation. According to the current instructions, the aim of the Partnerships between the Ministry for Foreign Affairs and CSOs as well as organisations' mutual collaboration is to strengthen the position of civil society and individual actors as channels of independent civilian activity in both Finland and the developing countries. Other objectives are to boost global solidarity, empower locals to exercise influence, and improve cooperation and interaction between the public authorities and civil society actors.

The selection criteria and principles were also revised and an application round was opened in 2013 and five new partnership organizations were selected: Crisis Management Initiative, Fairtrade Finland, Finnish Refugee council, Taksvärkki (ODW Finland) and WWF Finland. Fairtrade Finland started the programme from the beginning whereas the other organizations build their programmes on projects that had received project support from the MFA before entering to the partnership scheme.

The ongoing dialogue between the Ministry for Foreign Affairs and the partnership organisation includes annual partnership consultations, partnership forums and seminars for CSOs as well as close contacts between the CSO and the responsible official in the Unit for NGOs.

## **The Support to Foundations**

Through its NGO Foundations modality, the MFA supports three Finnish foundations that each provide small grants to NGOs in developing countries. Each foundation focuses on different issues: Abilis on

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disability, KIOS on human rights issues and Siemenpuu on environmental issues. The three foundations manage together 350 small-scale grant programs. All three foundations were established in 1998 but whereas Abilis and KIOS have been receiving MFA funding since the beginning Siemenpuu only received its first grant in 2001. Siemenpuu has received public funding also from the Ministry for Environment.

The foundations were originally established by a group of Finnish NGOs and/or civil society activists to manage small-scale flexible grants to support the development of civil society in developing countries funded by the MFA. Most of the funding to these foundations comes from the MFA but other sources of funding have emerged including other official development cooperation donors, multilateral organizations and individual donations. Since over 50% of the funding is received from the government of Finland, the foundations are required to follow the Government regulations on the use of discretionary Government transfers.

### **The Umbrella organizations**

The Ministry for Foreign Affairs grants programme-based support also to umbrella organizations KEPA (Service Centre for Development Cooperation) and Kehys (Finnish NGDO Platform to the EU). Kepa is the umbrella organisation for Finnish civil society organisations (CSOs) who work with development cooperation or are otherwise interested in global affairs. The Finnish NGDO Platform to the EU, Kehys, offers services to NGOs on EU development policy issues. KEPA and Kehys have received programme-based support from the beginning since their role as providing support, guidance and training to Finnish Civil Society organizations' working in development cooperation has been seen instrumental in improving the quality, effectiveness, impact and efficiency of development cooperation by Civil Society organizations.

### **DEMO**

The voluntary association **DEMO** (Parties' international Democracy Cooperation) was formed in 2005 and it has received since funding from different units in the MFA. In the earlier phases the democracy dialogue in Tanzania was funded through the Unit for Eastern and Western Africa at the Ministry. In 2007 the administration of the funding was transferred to the Unit for Development policy and planning to be financed from the research and institutional cooperation funds. When the administration was transferred to the Unit for Civil Society Organizations in 2012, it was decided that the programme-based support principles would be applied to DEMO with the exception that the individual project proposals would still be sent to the MFA.

## **Programmes of the selected 6 organizations for the programme evaluation:**

### **Crisis Management Initiative CMI**

CMI works to build a more peaceful world by preventing and resolving violent conflicts, and supporting sustainable peace across the globe. The CMI programme makes a contribution to sustainable development by preventing and resolving violent conflicts in 11 countries: Moldova, Armenia, Azerbaijan, Georgia, Ukraine, Iraq, Libya, Yemen, Palestinian territories, South Sudan and Central African Republics.

The work is carried out in around 15 projects under three sub-programmes: i) Mediation and Dialogue, in order to enhance the prospects for existing and potential peace processes, support their effectiveness and ensure the sustainability of their results, ii) Mediation support, in order to enable states, multinational organisations and key individuals to be better equipped to undertake and support mediation endeavours and iii) Support to states and societies in conflict prevention and resolution, in order to foster participatory design and implementation of policies and practices relevant for conflict prevention and resolution in fragile contexts. The programme supports the effective design and implementation of peace and transition processes in all of their phases. Specific emphasis is placed on women's participa-

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tion and the role of gender-sensitivity in these processes. The MFA has granted 13 300 000 EUR to the implementation of the programme in 2014-2016.

### **Fairtrade Finland**

Fairtrade Finland's mission is to improve production and living conditions of small producers and workers in developing countries. The three year programme aims at achieving sustainable livelihoods for small-scale coffee producers with i) More efficient and productive small producer organizations ii) enhanced capacity of producer networks to deliver services to their members. The MFA has granted 1 800 000 euros for the implementation of the three year programme in 2014-2016.

The four projects of the programme are implemented in Central and Latin America. Coffee producer support activities will be delivered in Guatemala, Honduras and Nicaragua. Producer networks capacity will be developed in Latin America and the Caribbean.

### **Finnish Evangelical Lutheran Mission FELM**

The FELM Development Cooperation Programme is a six-year program (2011-2016), divided into two three-year budget periods. The second half of the program will be implemented during the years 2014-2016. In 2014, the program was implemented in 16 countries, through 50 partners and 86 projects. FELM has a long-standing partnership with the MFA through the program-based funding modality as well as the partnership scheme since the establishment of these funding instruments. Established in 1859, FELM is one of the first organizations to work in development cooperation in Finland.

The program objectives are women's and girl's empowerment, the rights of persons with disabilities, persons living with HIV and AIDS and other marginalized groups of people as well as sustainable development and climate change. This includes strengthening inter alia food security, gender equality, education and health, income generation, environment and adaptation to climate change, all for the advancement of poverty reduction and human rights. In the implementation multiple strategies are used, such as capacity building of the beneficiaries and local partners / rights-holders and duty-bearers, improving the quality of project management and implementation, raising awareness of human rights and active citizenship, strengthening networks, advocacy, and supplying financial, technical and material support. The operational principles include equality, inclusiveness and participation, local ownership, non-discrimination, transparency and accountability. During the next programme period 2017-2022, the work is tentatively planned to be implemented in 14 countries: Bolivia, Botswana, Cambodia, Colombia, Ethiopia, Laos/Thailand, Mauritania, Myanmar/Thailand, Nepal, Palestinian territories, South Africa, Senegal, Tanzania and Zimbabwe. Some of the program level documents, such as annual reports are written in Finnish, others in English. Project level documents are in English, Spanish and French.

The implementing partners are national and international non-governmental organizations, churches and networks. The program consists of project work (regular and disability projects under a separate disability sub-program), emergency work, advocacy, technical support/experts and development communication and global education. In addition, capacity building, program development and evaluation are part of the overall program implementation. The MFA has granted 22 800 000 EUR (2011-2013) and 25 200 000 EUR (2014-2016) for the implementation of the program.

The work is carried out in 17 countries: Angola, Bolivia, Botswana, South Africa, Ethiopia, Cambodia, China, Colombia, Mauritania, Myanmar/Thailand, Nepal, Palestinian territories, Senegal, Tanzania, Laos/Thailand, Vietnam and Zimbabwe.

### **Finnish Refugee Council**

The development Cooperation program of Finnish Refugee Council is implemented in prolonged refugee situations and in post conflict areas. The goal is to increase equality and participation as well as to improve the realisation of human rights in selected activity areas and among target groups. The objec-

tives of the programme are: i) the target group's ability to influence the realisation of their basic rights and prevent violent conflicts is enhanced ii) non-discrimination and equality among the target communities is increased and iii) Poverty is reduced among the target group through improved capabilities to control their own lives and increase in skills

Programme is divided in three geographical sub programmes: refugee programme in Uganda, programme for social integration in Western Africa and livelihood support programme in Mekong area. The work is carried out in 10 projects. Activities are: adult education, especially functional education including reading literacy and civic rights, community development where emphasis is on education, peace building and conflict prevention as well as supporting livelihood and capacity building of civil society organisations. The MFA has granted 6 300 000 EUR of Programme support to the Finnish refugee council for 2014-2016. The program document has been written in Finnish but the annual reports in English.

### **Taksvärkki (ODW Finland)**

In development co-operation activities, ODW's aim is to support young people's opportunities to manage their lives and develop their communities. The organizations work is founded on a rights-based approach, supporting the promotion of child and youth rights and the participation of youth within their communities. The program aims to strengthen youth-driven activities, participation and awareness and knowledge of the rights and obligations of youth. In developing countries this is done by supporting development projects of local NGOs, and in Finland through development education and information work in Finnish schools.

Collaborating partner organizations in the developing world are ODW's program partners. The programs project themes are: supporting vocational training and school attendance (Sierra Leone, Mozambique), preventive youth work (Bolivia), prevention of child labor (Cambodia), youth participation in municipal decision-making (Guatemala) and street children (Kenya and Zambia). The MFA has granted 2 700 000 EUR of Programme support to the ODW Finland for the years 2014-2016.

### **WWF Finland**

The objective of WWF Finland's international work is to ensure that the valuable natural environment in globally important areas, based on human needs and biodiversity, is conserved and valued, responsibly used and managed and equitably governed by people and governments to secure long-term social, economic and environmental benefits, in order to fulfil the rights and well-being of present and future generations.

WWF Finland programme focuses on the following work areas: a) Biodiversity conservation, b) Sustainable natural resource management, c) Good governance, d) Ecological footprint

The work is implemented in Nepal, India, Bhutan, Tanzania, Mozambique and Indonesia. These countries are linked to regional priority programmes of the global WWF Network, which are Coastal East Africa (Tanzania and Mozambique), Heart of Borneo (Indonesia) and Living Himalayas (Nepal, Bhutan and India). The MFA has granted a total of 5 754 637 EUR to the implementation of the WWF Finland's programme during 2014-2016.

## **3. PURPOSE AND OBJECTIVES**

*The purpose* of the evaluation is to provide evidence based information and guidance for the next update of the guidelines for Civil Society in development policy as well as for the programme-based modality on how to 1) improve the results based management approach in the programme-based support to Civil Society for management, learning and accountability purposes and 2) how to enhance the achieving of results in the implementation of Finnish development policy at the Civil Society programme level. From

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the point of view of the development of the program-based modality, the evaluation will promote joint learning of relevant stakeholders by providing lessons learned on good practices as well as needs for improvement.

*The objectives* of the evaluation are

- to provide independent and objective evidence on the results (outcome, output and impact) of the Civil Society development cooperation programmes receiving programme-based support;
- to provide evidence on the successes and challenges of the Civil Society development cooperation programmes by assessing the value and merit of the obtained results from the perspective of MFA policy, CSO programme and beneficiary level;
- to provide evidence on the functioning of the results-based management in the organizations receiving programme support;
- to provide evidence of the successes and challenges of the programme-support funding modality from the results based management point of view.

#### 4. SCOPE OF THE EVALUATION

The evaluation covers the programs of the 22 Finnish civil society organizations receiving programme based funding from the Ministry for Foreign Affairs of Finland. The evaluation covers both financial and non-financial operations and objectives in the CSO programmes. The evaluation consists of two components. It is organized in such a way that the two components support and learn from each other. While the findings of the programme evaluations of the selected six CSOs are reported in separate reports, the findings are synthesized into the broader document analysis of the results based management of all the 22 organizations.

**Component 1** consists of programme evaluation of the 6 selected civil society organizations: Crisis Management Initiative, Fairtrade Finland, Finnish Evangelical Lutheran Mission, Finnish Refugee council, Taksvärkki (ODW Finland) and WWF Finland. This includes field visits to a representative sample of projects of each programme.

**Component 2** includes an assessment of the results based management chain in the 22 Finnish civil society organizations and in the management of the programme-based support in the Ministry. This includes document analysis and verifying interviews of the key informants in Helsinki to analyze the formulation processes of the programmes, overall structure of the two latest programmes, key steering processes and structures as well as accountability mechanisms to MFA and to beneficiaries.

The evaluation covers the period of 2010–2015. The guidelines for Civil Society in Development cooperation became effective in 2010 and the new instructions concerning the Partnership Agreement Scheme became operative in 2011. However, a longer period, covering the earlier development cooperation implemented by the programme support CSOs is necessary since many of the programmes and individual projects in the programmes started already before 2010 and the historical context is important to capture the results.

#### 5. THE EVALUATION QUESTION

The following questions are the main evaluation questions:

**Component 1:**

*What are the results (outputs, outcomes and impact) of the CSO programmes and what is their value and merit from the perspective of the policy, programme and beneficiary level?*

## **Component 2:**

*Do the current operational management mechanisms (programming, monitoring, managing, evaluating, reporting) in the CSOs support the achievement of results?*

*Have the policies, funding modality, guidance and instructions from the MFA laid ground for results-based management?*

The evaluation team will elaborate these main evaluation questions and develop a limited number of detailed Evaluation questions (EQs) presenting the evaluation criteria, during the evaluation Inception phase. The EQs should be based on the priorities set below and if needed the set of questions should be expanded. The EQs will be based on the OECD/DAC and EU criteria where applicable. The EQs will be finalized as part of the evaluation inception report and will be assessed and approved by the Development Evaluation Unit (EVA-11). The evaluation is also expected to apply a theory of change approach in order to contextualize the criterion for the evaluation questions.

### **The Priority issues for the Results based management chain of the CSOs:**

The guiding principles for RBM in Finland's development cooperation (2015) will form the basis for evaluating the results based management mechanisms, which will be further developed to include other issues that rise from the document analysis.

The evaluation will assess the extent to which 1) all the programme intervention areas support the overall mission of the organization and fall into the comparative advantage/special expertise of the organization 2) Clear results targets have been set to all levels (programme, country, project) 3) Credible results information is collected 4) The results information is used for learning and managing as well as accountability 5) Results-oriented culture is promoted and supported by the CSOs and by the management of the programme-based support in the MFA 6) The focus on short and long term results is balanced and the link between them is logical and credible.

### **The Priority issues of the CSO programme evaluation:**

The CSO programme evaluations will be evaluated in accordance with the OECD DAC criteria in order to get a standardized assessment of the CSO programmes that allows drawing up the synthesis. In each of the criteria human rights based approach and cross cutting objectives must be systematically integrated (see UNEG guidelines).

#### Relevance

- Assess the extent to which the development cooperation programme has been in line with the Organizations' overall strategy and comparative advantage
- Assess the extent to which the CSO program has responded the rights and priorities of the partner country stakeholders and beneficiaries, including men and women, boys and girls and especially the easily marginalized groups.
- Assess the extent to which the Program has been in line with the Finnish Development Policy priorities.

#### Impact

- Assess the value and validate any evidence or, in the absence of strong evidence, "weak signals" of impact, positive or negative, intended or unintended, the CSO programme has contributed for the beneficiaries.

### Effectiveness

- Synthesize and verify the reported outcomes (intended and un-intended) and assess their value and merit.
- Assess the factors influencing the successes and challenges

### Efficiency

- Assess the costs and utilization of financial and human resources (financial& human) against the achieved outputs
- Assess the efficiency of the management of the programme
- Assess the risk management

### Sustainability

- Assess the ownership and participation process within the CSO programme, e.g. how the participation of the partner organizations, as well as different beneficiary groups have been organized.
- Assess the organizational, social and cultural, ecological and financial sustainability

### Complementarity, Coordination and Coherence

- Assess the extent to which CSO's programme has been coordinated with other CSOs, development partners and donors.
- Synthesize and assess the extent to which the CSO programme has been able to complement (increase the effect) of other Finnish policies, funding modalities (bilateral, multilateral) and programmes by other CSOs from Finland or developing countries.

## 6. GENERAL APPROACH AND METHODOLOGY

The approach of the evaluation combines the need to obtain a general overview of the status of results-based management in the CSOs and to research in more depth, looking more closely at achieving results in the selected six CSOs' programmes. Field visits will be made to a representative sample of projects of the six CSO programmes. The sampling principles and their effect to reliability and validity of the evaluation must be elaborated separately.

Mixed methods for the analyzing of data will be used (both qualitative and quantitative) to enable triangulation in the drawing of findings. The evaluation covers both financial and non-financial operations and objectives in the CSO programmes, and the methodology should be elaborated accordingly to assess the value of both. If sampling of documents is used, the sampling principles and their effect to reliability and validity of the evaluation must be elaborated separately. A systemic analysis method will be used to analyze the data.

The Approach section of the Technical tender will present an initial workplan, including the methodology (data collection and analysis) and the evaluation matrix, which will be elaborated and finalized in the inception phase. The evaluation team is expected to construct the theory of change and propose a detailed methodology in an evaluation matrix which will be presented in the inception report.

The approach and working modality of evaluation will be participatory. During the field work particular attention will be paid to human right based approach, and to ensure that women, vulnerable and easily marginalized groups are also interviewed (See UNEG guidelines). Particular attention is also paid to the adequate length of the field visits to enable the real participation as well as sufficient collection of information also from other sources outside the immediate stakeholders (e.g. statistics and comparison material). The field work for each organizations will preferably last at least 2-3 weeks but can be done in

parallel. Adequate amount of time should also be allocated for the interviews conducted with the stakeholders in Finland. Interview groups are to be identified by the evaluation team in advance.

Validation of all findings as well as results at the programme level must be done using multiple sources. The main document sources of information include strategy and programme documents and reports, programme/project evaluations, minutes of annual consultations, official financial decisions, Finland's Development Policy Strategies, guidance documents, previously conducted CSO and thematic evaluations and similar documents. The evaluation team is also required to use statistics and different local sources of information, especially in the context analysis, but also in the contribution analysis. It should be noted that part of the material is in Finnish.

Supportive information on all findings must be presented in the final reports. The team is encouraged to use statistical evidence where possible. Direct quotes from interviewees and stakeholders may be used in the reports, but only anonymously and when the interviewee cannot be identified from the quote. In the component 1 programme evaluations, statistical evidence and supportive information must be presented on aggregated results, where possible.

## 7. EVALUATION PROCESS, TIMELINES AND DELIVERABLES

The evaluation will tentatively start in November 2015 and end in June 2016. The evaluation consists of the following phases and will produce the respective deliverables. The process will move forward according to the phases described below. It is highlighted that a new phase is initiated only when all the deliverables of the previous phase have been approved by the Development Evaluation Unit (EVA-11). During the process particular attention should be paid to a strong inter-team coordination and information sharing within the team.

It should be noted that internationally recognized experts may be contracted by the MFA as external peer reviewer(s) for the whole evaluation process or for some phases/deliverables of the evaluation process, e.g. final and draft reports (evaluation plan, draft final and final reports). The views of the peer reviewers will be made available to the Consultant.

### 1. Start-up

**The kick off meeting and a work shop** regarding the methodology of the evaluation will be held with the contracted team in November 2015. The purpose of the kick off meeting is to go through the evaluation process and related practicalities. The work shop will be held right after the kick off meeting and its purpose is to provide the evaluation team with a general picture of the subject of the evaluation. Furthermore, the evaluation methodology and the evaluation matrix presented in the technical tender are discussed and revised during the work shop. The kick-off meeting will be organized by the EVA-11 in Helsinki.

**Participants in the kick-off meeting:** EVA-11 (responsible for inviting and chairing the session); reference group and the Team Leader, the Programme evaluation coordinators and the Home-Office coordinator of the Consultant in person. Other team members may participate.

**Venue:** MFA, Helsinki.

**Deliverable:** Agreed minutes of the kick off meeting and conclusions on the work shop.

### 2. Inception phase

The Inception phase is between November and January 2015 during which the evaluation team will produce a **final evaluation plan with a context analysis**. The context analysis includes a document analysis on the results based mechanisms as well as an analysis on the programmes of the selected six CSOs. Tentative hypotheses as well as information gaps should be identified in the evaluation plan.

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The evaluation plan consists of the constructed theory of change, evaluation questions, evaluation matrix, methodology (methods for data gathering and data analysis, as well as means of verification of different data), final work plan with a timetable as well as an outline of final reports. The evaluation plan will also elaborate the sampling principles applied in the selection of the projects to be visited and the effects to reliability and validity that this may cause.

The evaluation plan will be presented, discussed and the needed changes agreed in the inception meeting in January 2015. The evaluation plan must be submitted to EVA-11 two weeks prior to the inception meeting to allow sufficient time for commenting.

**Participants to the inception meeting:** EVA-11; reference group and the Team Leader (responsible for chairing the session), the Programme evaluation Coordinators and the Home-Office coordinator of the Consultant in person. Other team members may participate via VC.

**Venue:** MFA, Helsinki.

**Deliverable:** Evaluation plan and the minutes of the inception meeting

### 3. Implementation phase

The Implementation phase will take place in January - March 2016 and it includes the field visits to a representative sample of projects and validation seminars. The MFA and embassies will not organize interviews or meetings with the stakeholders on behalf of the evaluation team, but will assist in identification of people and organizations to be included in the evaluation.

The purpose of the field visits is to reflect and validate the results and assessments of the document analysis. It should be noted that a representative of EVA-11 may participate in some of the field visits as an observer for the learning purposes.

The consultant will organize a debriefing/validation meeting at the end of each country visit. A debriefing/validation meeting of the initial findings of both components 1 and 2 will be arranged in Helsinki in March/April 2016.

The purpose of the validation seminars is to learn initial findings, but also to validate the findings. The workshops will be organized by the Consultant and they can be partly organized also through a video conference. After the field visits and validation workshops, it is likely that further interviews and document study in Finland will still be needed to complement the information collected during the earlier phases.

**Deliverables/meetings:** Debriefing/ validation workshop supported by a PowerPoint presentation on the preliminary results. At least one workshop in each of countries visited, and one joint workshop in the MFA on the initial findings of component 2 and organization specific workshops on initial findings of each programme evaluations.

**Participants to the country workshops:** The team members of the Consultant taking in the country visit (responsible for inviting and chairing the session) and the relevant stakeholders, including the Embassy of Finland and relevant representatives of the local Government.

**Participants to the MFA workshops:** EVA-11; reference group and other relevant staff/stakeholders, and the Team Leader (responsible for chairing the session) and the programme evaluation Coordinators of the Consultant (can be arranged via VC).

### 4. Reporting and dissemination phase

The Reporting and dissemination phase will produce the Final report and organize the dissemination of the results.

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The reports should be kept clear, concise and consistent. The report should contain inter alia the evaluation findings, conclusions and recommendations and the logic between those should be clear and based on evidence.

The final draft report will be subjected to an external peer review and a round of comments by the parties concerned. The purpose of the comments is only to correct any misunderstandings or factual errors. The time needed for commenting is 2-3 weeks.

A final learning and validation workshop with EVA-11, the reference group including the concerning CSOs will be held at the end of the commenting period. The final learning and validation workshop will be held in Helsinki and the Team Leader (responsible for chairing the session) and the Programme evaluation coordinators of the Consultant must be present in person.

The reports will be finalized based on the comments received and will be ready by **31st May 2016**. The final reports must include abstract and summary (including the table on main findings, conclusions and recommendations) in Finnish, Swedish and English. The reports will be of high and publishable quality and the translations will match with the original English version. It must be ensured that the translations use commonly used terms in development cooperation.

The reports will be delivered in Word-format (Microsoft Word 2010) with all the tables and pictures also separately in their original formats. Time needed for the commenting of the draft report(s) is two weeks. The language of all reports and possible other documents is English. The consultant is responsible for the editing, proof-reading and quality control of the content and language.

As part of reporting process, the Consultant will submit a methodological note explaining how the quality control has been addressed during the evaluation. The Consultant will also submit the EU Quality Assessment Grid as part of the final reporting.

The MFA also requires access to the evaluation team's interim evidence documents, e.g. completed matrices, although it is not expected that these should be of publishable quality. The MFA treats these documents as confidential if needed.

**Deliverables:** Final reports (draft final reports and final reports), methodological note and EU Quality Assessment Grid.

**A management meeting on the final results will be organized tentatively in the beginning of June 2016 or on the same visit than the final validation and learning workshop.**

It is expected that at least the Team leader and the coordinators of the CSO programme evaluations are present.

**A press conference** on the results of the evaluation will be organized in Helsinki tentatively in June 2016. It is expected that at least the Team leader is present.

**A public Webinar** will be organized by the EVA-11. Team leader and the coordinators of the CSO programme evaluations will give a short presentations of the findings in a public Webinar. Presentation can be delivered from distance. A sufficient Internet connection is required.

**Optional learning sessions** with the CSOs (Sessions paid separately. Requires a separate assignment by EVA-11)

The MFA will draw a management response to the recommendations at two levels/processes: the results based management report will be responded in accordance with the process of centralized evaluations and the organization reports in accordance with the process of decentralized evaluations as described in the evaluation norm of the MFA. The management response will be drawn up on the basis of discussions with the CSOs concerned. The follow up and implementation of the response will be integrated in the planning process of the next phase of the programme-based support.

## 8. EXPERTISE REQUIRED

There will be one **Management team**, responsible for overall planning management and coordination of the evaluation. The Team leader, the Programme evaluation coordinators and the Home officer of the Consultant will form the Management group of the evaluation Consultant, which will be representing the team in major coordination meetings and major events presenting the evaluation results.

One Team leader level expert will be identified as the **Team Leader** of the whole evaluation. The Team Leader will lead the work and will be ultimately responsible for the deliverables. The evaluation team will work under the leadership of the Team Leader who carries the final responsibility of completing the evaluation.

One senior expert level expert of each of the CSO specific programme evaluation teams will be identified as a **Programme evaluation Coordinator**. The programme evaluation coordinator will be contributing the overall planning and implementation of the whole evaluation from a CSO perspective and also responsible for coordinating, managing and authoring the specific CSO programme evaluation work and reports.

The competencies of the team members shall be complementary. All team members shall have fluency in English. It is also a requirement to have one senior team member in each programme evaluation team as well as in the management team is fluent in Finnish as a part of the documentation is available only in Finnish. Online translators cannot be used with MFA document material.

Successful conduct of the evaluation requires a deep understanding and expertise on results-based management in the context of different aid modalities but especially in civil society organizations. It also requires understanding and expertise of overall state-of-the-art international development policy and cooperation issues including programming and aid management, development cooperation modalities and players in the global scene. It also requires experience and knowledge of HRBA and cross-cutting objectives of the Finnish development policy and related evaluation issues.

Detailed team requirements are included in the Instructions to the Tenderers (ITT).

## 9. BUDGET

The evaluation will not cost more than € 450 000 (VAT excluded).

## 10. MANAGEMENT OF THE EVALUATION

The EVA-11 will be responsible for overall management of the evaluation process. The EVA-11 will work closely with other units/departments of the Ministry and other stakeholders in Finland and abroad.

A reference group for the evaluation will be established and chaired by EVA-11. The mandate of the reference group is to provide advisory support and inputs to the evaluation, e.g. through participating in the planning of the evaluation and commenting deliverables of the consultant.

The members of the reference group may include:

- Representatives from relevant units/departments in the MFA forming a core group, that will be kept regularly informed of progress
- Representatives of relevant embassies
- Representatives of civil society organizations

The tasks of the reference group are to:

- Participate in the planning of the evaluation
- Participate in the relevant meetings (e.g. kick-off meeting, meeting to discuss the evaluation plan, wrap-up meetings after the field visits)

- 
- Comment on the deliverables of the consultant (i.e. evaluation plan, draft final report, final report) with a view to ensure that the evaluation is based on factual knowledge about the subject of the evaluation

Support the implementation, dissemination and follow-up on the agreed evaluation recommendations.

## 11. MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organizations. However, it is not authorized to make any commitments on behalf of the Government of Finland. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

All intellectual property rights to the result of the Service referred to in the Contract will be exclusive property of the Ministry, including the right to make modifications and hand over material to a third party. The Ministry may publish the end result under Creative Commons license in order to promote openness and public use of evaluation results.

## 12. AUTHORISATION

Helsinki, 2.10.2015

Jyrki Pulkkinen

Director

Development Evaluation Unit

Ministry for Foreign Affairs of Finland

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## Reference and Resource material

### DEVELOPMENT POLICY PROGRAMMES OF FINLAND

Development Policy Programme 2004

<http://formin.finland.fi/public/default.aspx?contentid=84297&nodeid=15457&contentlan=2&culture=en-US>

Development Policy Programme 2007

<http://formin.finland.fi/public/default.aspx?contentid=107497&nodeid=15457&contentlan=2&culture=en-US>

Development Policy Programme 2012

<http://formin.finland.fi/public/default.aspx?contentid=251855&nodeid=15457&contentlan=2&culture=en-US>

### GUIDELINES AND POLICIES

Evaluation Manual of the MFA (2013)

<http://www.formin.finland.fi/public/default.aspx?contentid=288455&nodeid=34606&contentlan=2&culture=en-US>

Results based management (RBM) in Finland's Development Cooperation

<http://formin.finland.fi/public/default.aspx?contentid=332393&nodeid=49273&contentlan=1&culture=fi-FI>

UNEG Manual: Integrating Human Rights and Gender Equality in Evaluations (2014)

<http://www.uneval.org/document/detail/1616>

Guidelines for Civil Society in Development Cooperation (2010)

<http://formin.finland.fi/public/default.aspx?contentid=206482&nodeid=15457&contentlan=2&culture=en-US>

Ministry for Foreign Affairs' democracy support policy (2014)

<http://formin.finland.fi/public/default.aspx?contentId=311379&nodeId=15145&contentlan=2&culture=en-US>

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Instructions concerning the Partnership Agreement Scheme (2013)

<http://formin.finland.fi/public/download.aspx?ID=117710&GUID={FC6AEE7E-DB52-4F2E-9CB7-A54706CBF1CF}>

Thematic policies and guidelines

<http://formin.finland.fi/public/default.aspx?nodeid=49719&contentlan=2&culture=en-US>

## **EVALUATIONS AND REVIEWS**

Independent Review of Finnish Aid (2015)

<http://formin.finland.fi/public/default.aspx?contentid=328296&nodeid=15145&contentlan=2&culture=en-US>

Evaluation: Complementarity in Finland's Development Policy and Co-operation (2013)

<http://formin.finland.fi/public/default.aspx?contentId=299402&nodeId=15145&contentlan=2&culture=en-US>

Evaluation: Finnish NGO Foundations (2008)

<http://formin.finland.fi/public/default.aspx?contentId=161405&nodeId=49326&contentlan=2&culture=en-US>

Evaluation: Finnish Partnership Agreement Scheme (2008)

<http://formin.finland.fi/public/default.aspx?contentId=133140&nodeId=49326&contentlan=2&culture=en-US>

Evaluation of the Service Centre for Development Cooperation (KEPA) in Finland (2005)

<http://formin.finland.fi/public/default.aspx?contentid=71136&nodeid=49326&contentlan=2&culture=en-US>

Strengthening the Partnership Evaluation of FINNIDA's NGO support programme (1994)

Report of Evaluation Study 1994:1, Available only in printed version (MFA Library).

# ANNEX 2: EVALUATION MATRIX

DAC Criteria and Evaluation questions	Evaluation Sub-Question (SQ)	Indicators	Method of data collection	Source of data
<b>RELEVANCE</b> <b>EQ 1. How relevant is the CSO programme?</b>	1.1. Has the CSO programme been in line with the organisations' overall strategy and is the CSO focusing on its comparative advantage?	Consistency between CSO mission goals and goals of its development cooperation programme	Document review, interviews	Strategy documents, mission statements, programme documents, descriptions of areas of work/ expertise; CSO staff
	1.2. To what extent the CSO programme has responded to the rights and priorities of stakeholders and beneficiaries in the partner countries (including men, women, boys, girls and especially marginalised groups)	Assessments of the extent to which the situation analysis and implementation processes address relevant rights and priorities  Objectives address the relevant rights of the target group (and marginalised groups if not explicitly part of rights holders)	Document review  Focus group discussions (FGD), systematic interviews (some with marginalised groups)	Situation analysis documents; programme document and reports, Evaluation reports; beneficiaries and stakeholders including men, women, boys, girls and marginalised groups
	1.3. To what extent is the CSO programme coherent with national policies and strategies in the partner countries?	Correspondence with partner countries' national policies and strategies	Document review, interview	Partner countries' national policies and strategies; Partner CSOs staff
	1.4. How well is the programme aligned with Finnish development policy priorities?	<p>Correspondence with Finnish development policy priorities.</p> <ul style="list-style-type: none"> <li>The extent that a range of CSOs are supported in terms of geography, theme, target group, approach (pluralism)</li> <li>The extent that the support promotes active citizenship, debate and local ownership (vibrancy)</li> </ul> <p>The extent of alignment between the ToC of CSO programmes and the ToC of MFA's support for CSO cooperation</p>	Document review	CSO's programme documentation, Finnish development policy and strategy documents

DAC Criteria and Evaluation questions	Evaluation Sub-Question (SQ)	Indicators	Method of data collection	Source of data
<b>EFFICIENCY</b> <b>EQ 2. How are the resources/ inputs (funds, expertise, time, etc.) converted to outputs?</b>	2.1 What are the outputs and what is their value and merit from the perspective of the policy, programme and beneficiary level?	<p>The extent that stated outputs have been achieved</p> <p>The extent that outputs correspond with outputs of the overall ToC, namely outputs related to:</p> <ul style="list-style-type: none"> <li>• Advocacy efforts at country level</li> <li>• Strengthening of resource mobilisation, organizational development, governance, competence and democratic values</li> <li>• The provision of basic services</li> <li>• Communication, advocacy and education efforts in Finland</li> </ul>	Document review, systematic interviews with the beneficiaries, other interviews	Programme strategies, reports; partner CSO staff; beneficiaries
	2.2 What are the costs and utilisation of financial and human resources against the achieved outputs?	<p>Administrative costs per standard unit (e.g., beneficiary, training costs).</p> <p>Assessment of the planning and implementation process</p>	Document review including collection of statistical data, interviews	Programme and project documents, financial and progress reports, audit reports, partner CSOs
	2.3 How efficient is the management of the programme-based support (CSO and MFA level), including M&E?	<p>Allocation of human resources and administration in the programme; frequency of M&amp;E reports; availability of data on results; management decisions with reference to specific M&amp;E data/reports</p>	Document review, interviews	Programme management and M&E manuals; programme progress reports, audit reports, financial reports, evaluation reports, minutes of annual meetings between MFA and Finnish CSOs, MFA and Finnish CSO staff; documentation of management decisions
	2.4 How well have risks been identified and managed?	<p>Availability of risk assessment tools; identification of major risks and possible measures taken for handling them.</p>	Document review, interviews	Risk assessment plan, context analysis, planning documents; project management manuals
	2.5 How are the human rights principles of participation, equality and accountability embedded in the implementation of the programme?	<p>The capacity of staff to work with human rights principles is built</p> <p>The extent that human rights principles, including gender equality, are integrated in implementation processes</p> <p>The realisation of human rights principles is monitored and reported</p>	Document review, systematic survey based on documents, interviews	Programme document and reports; monitoring and evaluation plans; evaluation reports; interviews with Finnish CSO and partner CSO staff; interviews with rights holders

DAC Criteria and Evaluation questions	Evaluation Sub-Question (SQ)	Indicators	Method of data collection	Source of data
<b>EFFECTIVENESS</b> <b>EQ 3. What are the outcomes of the CSO programmes?</b>	2.6. How well were the funds utilised across various parts of the programme?	Means and resources allocated for capacity development activities (coaching, training, re-organization, strategy development etc.) compared to those allocated to service delivery	Document review, collection of statistical data, interviews	Progress reports, training plans and reports, training materials, Finnish CSO and partner CSO staff
	2.7. Would there have been more cost-efficient alternatives?	Assessment based on comparison with similar projects	Document review, interviews	Project implementation plan, progress reports, interviews with implementers
	3.1. What are the outcomes of the CSO programme (intended and unintended) and what are their value and merit from the perspective of the policy, CSO programme and beneficiary level?	Beneficiaries/right holders' assessment of change Other stakeholder's assessment of change Knowledge of basic rights Cases where rights have been claimed	Systematic document review; systematic group and individual interviews, observations	Programme document, baseline studies; Finnish CSO's monitoring reports; progress reports with information on outputs and outcomes, mid-term reviews; project management staff; beneficiaries
	3.2. What were the internal/external factors that influenced the successes and challenges?	The extent that structures and systems internal to the programme supported/hindered the attainment of results The extent that external opportunities/threats affected the attainment of results	Document review/analysis, interviews	Programme ToC and supporting documentation; interviews with CSO staff, partner CSO staff, beneficiaries; data on change collected by the evaluation, evaluation reports
	3.3. To what extent has the programme built the capacity of partner CSOs for delivering services or for advocacy (perceived and factual changes)	Quantity and quality of delivered services by each partner across the evaluation period Quality of advocacy by partner CSOs across the evaluation period	Systematic interviews, document review	Key staff from partner CSOs, stakeholders, monitoring reports, evaluation reports
3.4. Has the programme contributed to the achievement of key cross-cutting objectives including gender equality, reduction of inequalities and promotion of climate sustainability?	Change from the point of view of marginalised groups	Document review, systematic interviews	Annual programme reports, evaluation reports; beneficiaries	
3.5. To what extent has the partner country CSOs benefitted from direct links to the Finnish CSO?	Perceptions on the value provided by Finnish CSO partners	Interviews	Partner organization's staff	

DAC Criteria and Evaluation questions	Evaluation Sub-Question (SQ)	Indicators	Method of data collection	Source of data
<b>IMPACT</b> <b>EQ 4. To what extent is there evidence of impact of the CSO programme in the partner countries?</b>	4.1. What kind of evidence or signs are there of real and long lasting impact (positive or negative, intended or unintended)?	Evidence of likely contributions to real and long lasting change	Document review, interviews, statistical data when available	Annual reports, progress reports of development of partner countries goals; evaluation reports; stakeholders and beneficiaries
	5.1. To what extent do partner organizations and beneficiary groups have ownership of the project(s)?	<p>The extent that partner organizations are in the drivers' seat and participate in decision processes. The extent that beneficiary groups have participated in decisions during the implementation process</p> <p>The extent that partners take own initiatives to address problems. The extent that the Finnish CSO funding to partner organizations constitutes core support</p> <p>The extent that partners describe programme as theirs</p>	Interviews, document review	Staff of Finnish CSOs and partner CSOs; stakeholders
	5.2. What is the organizational, social, cultural, ecological and financial sustainability of the CSOs programmes?	<p>Effective use of social, cultural environmental or financial guidelines</p> <p>The extent that organizational capacities, including management, administration and governance, have been developed</p>	Document review, context analysis, interviews	CSOs' strategy documents, organizational, social, cultural, ecological and financial guidelines; programme reports, project reports, evaluation reports; stakeholders and beneficiaries
	5.3. Has an exit strategy been developed and if so, how well is it being implemented?	Documentation of the implementation of an exit/sustainability strategy. Level of own fund raising	Document review Interviews	Project documents, Final reports, Annual reports; partner CSO staff

DAC Criteria and Evaluation questions	Evaluation Sub-Question (SQ)	Indicators	Method of data collection	Source of data
<b>COMPLEMENTARITY, COORDINATION AND COHERENCE</b> <b>EQ 6. How and to what extent has the programme complemented and/or coordinated with other interventions?</b>	6.1. To what extent have CSOs' programmes been communitated to and/or coordinated with other CSOs, donors and other development partners?	The extent where the exchange of information among CSOs, donors and other development partners is  Cases of coordination with other CSOs and development partners.	Interviews	Local partner organization, organizations they collaborate with, Finnish Embassy and relevant donor programmes
	6.2. How and to what extent has the programme been able to complement (increase effect) of other Finnish policies, funding modalities (bilateral, multilateral) and programmes by other CSOs from Finland or developing countries.	Evidence of synergies with other Finnish interventions and/or developing country CSOs.	Interviews, document review	Local partner and Finnish Embassy; Evaluation of country strategies and country strategy modality

## ANNEX 3: DOCUMENTS CONSULTED

- Anacafé. (2016). *Memoria de Labores 2014–2015. 2016.*
- Asociación Coordinadora Hodureña de Pequeños Productores. (2016). Informe Anual del proyecto.
- Bosshard, Peter (2016). *Agua Zarca: A Stain on the Dutch and Finnish Human Rights Record.* [www.internationalrivers.org/blogs/227/agua-zarca-a-stain-on-the-dutch-and-finnish-human-rights-record](http://www.internationalrivers.org/blogs/227/agua-zarca-a-stain-on-the-dutch-and-finnish-human-rights-record)
- Coordinadora Guatemalteca de Comercio Justo. (2016). *Informe Annual del Proyecto 2015.*
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- Coordinadora Latinoamericana y del Caribe de Pequeños Productores de Comercio Justo. (2015). Política y Procedimiento en Protección Infantil y Adultos vulnerables de CLAC.
- Coordinadora Nicaragüense de organizaciones de pequeños productores y productoras de Comercio Justo (CNCJ-NIC). (2015). Reporte Anual del proyecto.
- Coordinadora Nicaragüense de organizaciones de pequeños productores y productoras de Comercio Justo (CNCJ-NIC). *Quarterly progress reports, financial reports, project plan and work plans.*
- Fairtrade Finland. (2016). Fairtrade's Theory of Change Indicators (Draft)
- Fairtrade Finland. (2016). Development Cooperation Programme. Annual Report 2015. (Draft)
- Fairtrade Finland. (2016). Project Information Table, updated.
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- Fairtrade Finland. (undated). Risk and opportunities policy.
- Fairtrade Finland. (undated). Process guidelines, Development Cooperation, Programme cycle management.
- Fairtrade Finland. (undated). Project management toolkit.
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Finnfund (2016 b). *Disbursements to Honduran hydropower project currently on hold.*  
[http://www.finnfund.fi/ajankohtaista/uutiset16/en\\_GB/agua\\_zarca\\_finnfund/](http://www.finnfund.fi/ajankohtaista/uutiset16/en_GB/agua_zarca_finnfund/)

Global Witness (2016). *HOW MANY MORE? 2014's deadly environment: the killing and intimidation of environmental and land activists, with a spotlight on Honduras.*  
[www.globalwitness.org/en/campaigns/environmental-activists/how-many-more/](http://www.globalwitness.org/en/campaigns/environmental-activists/how-many-more/)

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de Janvry, Alain; McIntosh, Craig; Sadoulet, Elisabeth (July 2015). *"Fair Trade and Free Entry: Can a Disequilibrium Market Serve as a Development Tool?"*. The Review of Economics and Statistics 97 (3): 567-573

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Williams, P.J., Venäläinen, R., Santisteban, R., Ndidde, A.N., Muhtaman, D.R., & Mäkelä M. (2008). Finnish NGO Foundations. Evaluation Report 2008:5. Ministry for Foreign Affairs of Finland.

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# ANNEX 4: PEOPLE INTERVIEWED

N.B. Titles and positions reflect the situation that prevailed at the time of the interviews, 2015-16.

## FINLAND

### Ministry for Foreign Affairs of Finland

Jyrki Nissilä, Director, Unit for Civil Society

Anu Ala-Rantala, Senior Officer, Unit for Civil Society

Mirja Tonteri, Senior Officer, Unit for Civil Society

Katja Hirvonen, Programme Officer, Unit for Civil Society

Elina Iso-Markku, Programme Officer, Unit for Civil Society

Tessa Rintala, Programme Officer, Unit for Civil Society

Eeva-Liisa Myllymäki, Desk Officer, Unit for UN Development Affairs

Mika Vehnämäki, Senior Economic Adviser, Unit Unit for Sectoral Policy

## FT

Janne Sivonen, Executive Director

Teemu Sokka, Programme Officer

### Finnish Fund for Industrial Cooperation Ltd. (Finnfund)

Tapio Wallenius, Director, Impact and Communications (e-mail correspondence)

## GUATEMALA

### Asociación Nacional del Café (ANACAFE)

Evelyn Andrea Porras Véliz, Organic coffee production and certifications

Beatriz Moreno, International Cooperation and Programmes

Mario Enrique Chocoo, Analyst Analab

Marco Duarte, Director

### Coordinadora Guatemalteca de Comercio Justo (CGCJ)

Neri Leonidas Rafael Molina, Coordinator for the FT programme in Guatemala

Baltazar Francisco Miguel, President of CGCJ

Enmi Gálvez Moya, Technical advisor on organizational development CGCJ

Veronica Chesoun, President of Mano Mujer Coffee Cooperative

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### **Federación Comercializadora de Café Especial de Guatemala (FECCEG)**

Vera Arreaga, Executive director for FECCEG

Ramiro Temaj, FECCEG

Felicita Sic, Accountant FECCEG

### **Asociación de Cooperación de Desarrollo Integral de Huehuetenango (ACODIHUE)**

Mariano Suanávar, General Director of ACODIHUE cooperative

Felix Camposcio Brossi, Director for production and commercialization

Sergio Silvestre Delgado, Certifications

Carlos Herrera, Field technician

Women and youth at cooperative Cajuil near San Antonio Huista in Huehuetenango Department,

### **Others**

Adalberto Mejia Del Cid, Head of regional office of INACOP in Quetzaltenango of INACOP (Instituto Nacional de Cooperativas)

Agosto Cordón, Country director, Oiko Credit

## **HONDURAS**

Silvio Cerda Hernandez, Regional Coordinator of the FT programme

### **Coordinadora Hondureña de Pequeños Productores (CHPP)**

Sonia Mercedes Vásquez Medina, Coordinator for the FT programme in Honduras

Iris Reyes, Coordinator of CLAC project in Honduras

Roberto Isaías Salazar, Chairman of the board of CHPP

Marcos Morales, Vice Chairman of the board of CHPP

Nelson Guerra Member of the board of CHPP

Consejo Superior de Cooperativas (CONSUCOOP)

Ana Espinoza, Superintendent of other sectors of cooperation

### **Coffee exporters**

Frank Reese, Director of Molina (coffee exporter) and member of the Association of Coffee Exporters of Honduras

Mauricio Martinez, Commercial Directors Molina

### **Cooperatives**

Sandra Marleny Soriana Ortega, Financial and Commercial Director of Coagricol

Wilson Colindres, Administrator of COAPROCC

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Delmy Yolanda Manchami, Secretary of COAPROCC and Board Member of CHPP

Alfredo Morales, President of COAPROCC

Sundeloria Henandez Guerra, Chairman of the board of COAPROCC

Maria Beronica Gabarette, Administrator of Flor de Pino

José Ramon Cartageno, Flor de Pino

Jorge Alberto Henriques, Flor de Pino

Mauricio Gabarette, Flor de Pino

Community members around Flor del Pino

Roberto Isaías Salazar, Executive Director COOAFELOL

Luis Rodolfo Peñalba, Director of COMSA

Alberto Molina, President of COAQUIL

José Guttierres, Manager of COAQUIL

Isela Vásquez, Adiministrtor of COAQUIL

Alejandro Reyes, President of CABRIPEL

Alberto Mejía, Administrator of CABRIPEL

### **Others**

José Ramón Avila, Executive Director, ASONOG

Irma, Desk officer, ASONOG

Mario Roberto Torres, Advisor, SNV

Salvador Tapia, Independent consultant, IICA

Juan Miguel Alvarenga, Vice Director of Agricultural Department, Banco de Occidente S.A.

Cristiam Josué Hernandez Saavedra, Regional Coordinator, IHCAFE

Carlos Lara, IHCAFE

Mario José Galix, Vice Mayor of Gracias, Lempira

Ricardo Arias, Programme Director, Fintrac - USAID

Angel Meza, Director of Agribusiness, FUNDER

Angel Aguilar, Coordinator, RETES

# ANNEX 5: PROJECTS OF FAIRTRADE'S DEVELOPMENT COOPERATION PROGRAMME

Intervention / project	Main areas of activities	Direct beneficiaries	Implementing organization and partners
<b>Sustainable livelihood of coffee producers in Guatemala</b>	<ul style="list-style-type: none"> <li>– Training of trainers</li> <li>– Support the establishment of coffee nurseries, demonstration plots, solar drying areas</li> <li>– Training on organizational management, finance, sustainable production, organic practices, women's rights, responsibly parental care</li> </ul>	15 cooperatives, 1,374 producers, (60% women; 40% men)	Coordinadora Latinoamericana y del Caribe de Comercio Justo  Coordinadora Guatemalteca de Comercio Justo (CGCJ)
<b>Strengthening of small-scale coffee producer organizations in Honduras</b>	<ul style="list-style-type: none"> <li>– Capacity building and training of trainers</li> <li>– Setting up coffee nurseries, demonstration plots, solar drying areas</li> <li>– Training on sustainable production, coffee handling, market knowledge, production of fertilizers, organizational management, finance</li> </ul>	13 cooperatives 2,858 producers (22% women; 78% men)	La Coordinadora Hondureña de Pequeños Productores (CHPP)
<b>Development of small-scale coffee producers' sustainable livelihoods in Nicaragua</b>	<ul style="list-style-type: none"> <li>– Training of trainers</li> <li>– Setting up coffee nurseries, demonstration plots, solar drying areas</li> <li>– Training on sustainable production, certification criteria, risk analysis in coffee markets</li> </ul>	18 cooperatives 5,585 producers (33% women; 67% men)	Coordinadora Latinoamericana y del Caribe de Comercio Justo (CLAC)  Coordinadora Nicaragüense de Organizaciones de Pequeños Productores de Comercio Justo (CNPPCJ)
<b>Development of Latin American and the Caribbean Producer Network</b>	<ul style="list-style-type: none"> <li>– Capacity building of the regional network</li> <li>– Elaboration of instructions, manuals and strategies</li> <li>– Research and studies</li> <li>– Regional youth and women meetings</li> </ul>	700 producer organizations with total of over 300,000 farmers & workers.	Coordinadora Latinoamericana y del Caribe de Comercio Justo (CLAC)
<b>Promoting collective bargaining of banana workers Dominican Republic</b>	To be confirmed	Undocumented seasonal workers	Confederación Autónoma Sindical Clasista (CASC) and La Federación de Ligas Agrarias Cristiana (FEDELAC)

<b>Intervention / project</b>	<b>Main areas of activities</b>	<b>Direct beneficiaries</b>	<b>Implementing organization and partners</b>
<b>Promoting human rights by strengthening Human Resource Management at the coffee producing organizations</b> Peru	To be confirmed	–	Coordinadora Nacional de Comercio Justo de Perú (CNCJ – Perú)
<b>Communication Component in Finland</b>	<ul style="list-style-type: none"> <li>– Dissemination in webpages, newsletters and social media</li> <li>– Short-films for TV</li> <li>– Nationwide awareness campaign</li> <li>– Exchange of experiences through country visits</li> </ul>	Finnish citizens	Fairtrade Finland



# EVALUATION

PROGRAMME-BASED SUPPORT  
THROUGH FINNISH CIVIL SOCIETY ORGANIZATIONS I:  
FAIRTRADE FINLAND  
2016



MINISTRY FOR FOREIGN  
AFFAIRS OF FINLAND