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Evaluation budget: USD

Key Words: *Agriculture, Impact financing, Decent work, Sustainability, Capacity building*

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List of Acronyms

AATIF	Africa Agriculture and Trade Investment Fund
ACT/EMP	Bureau for Employers' Activities
ACTRAV	Bureau for Workers' Activities
BMZ	German Federal Ministry for Economic Cooperation and Development
BoD	Board of Directors
CAADP	Comprehensive Africa Agriculture Development Programme
CPO	Country Programme Outcome
DC	Development Cooperation
DWCP	Decent Work Country Programme
DWT	Decent Work Team
IC	Investment Committee
IFC	International Finance Corporation
ILO	International Labour Organisation
KfW	Kreditanstalt für Wiederaufbau
M&E	Monitoring and Evaluation
P&B	Programme and Budget
S&E	Social and Environmental
SEMS	Social and Environmental Management System
SFP	Social Finance Programme
TAF	Technical Assistance Facility
UN	United Nations
UNEP	United Nations Environmental Programme
UNEP FI	United Nations Environmental Programme Finance Initiative

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Finally, our gratitude extends to the ILO Evaluation Manager, whose oversight ensured the adherence to high standards of objectivity and professionalism in this evaluation.

This report stands as a testament to the collective efforts of all those involved in the successful implementation and evaluation of this project.

Executive Summary

Background

Agriculture accounted for 26% of global employment in 2022, down from 43% in 1991. While the numbers of people working in the agriculture sector are expected to continue to decline over time, the sheer scale of the working poor in the sector, and the inherently dangerous and uncertain nature of agricultural work require addressing decent work deficits at all levels. Particularly in developing countries, there are major constraints that need urgent attention, including inadequate skills, exclusion of agricultural workers from national labour laws, low wages, dangerous working conditions, and a high incidence of child and forced labour. Sustainable investment in agriculture is essential for reducing poverty and enhancing food security. In addition, it can contribute to creating sustainable livelihoods, in particular for smallholders, and members of marginalized and vulnerable groups, and generating decent work for agricultural workers.

In recent years, many investors have recognized the need to integrate social and environmental aspects in their investment decisions. Some have moved a step further and are making investments with an explicitly intentional and measurable positive social and/or environmental impact. These 'impact investors' intend to generate financial returns alongside positive social and environmental impacts through their investments.

The project "Building Capacity for Social Risk and Impact Management in Agricultural Finance in Africa (Phase 4)" a collaboration between the International Labour Organization (ILO) and the Africa Agriculture and Trade Investment Fund (AATIF). In June 2012, ILO and AATIF signed the first collaboration agreement with the ILO for building capacity for social compliance of investments in agriculture in Africa. In June 2013, the UN Environment Programme (UNEP) joined the collaboration through a contribution agreement with ILO and has since contributed through complementing the ILO expertise on the social side with UNEP's expertise on environmental elements. Since its inception, the project implemented three collaboration phases (2012-2015; 2015-2018; 2018-2021), and now is at the end of phase 4 (2021-2025).

The AATIF itself is a public-private partnership which was initiated by the Government of Germany in 2011 to "realise the potential of Africa's agricultural production, and related manufacturing, service provision, and trade, through sustainable investments across the entire value chain, aiming at promoting inclusive growth and increasing decent employment and income to farmers and entrepreneurs in the agricultural sector in Africa". The AATIF is an impact investing fund that finances companies along the agricultural value chain, targeting small, medium and large-scale agricultural producers and agricultural businesses as well as financial institutions serving these and wanting to expand their agricultural portfolio. All AATIF activities are guided by its development impact statement and its social and environmental management framework which are embedded in a strong governance structure all to safeguard a positive development impact. Phase 4 builds on the outputs and lessons derived from the earlier phases and particularly aims to increase outreach within the financial industry and along the agricultural value chain by building the capacity of the fund and its partner institutions to create positive social, environmental and development impact The project contributes to SDG 8 (Decent Work and Economic Growth) and aligns with the ILO's Decent Work Country Programmes (DWCPs) across partner countries such as Zambia, Kenya, Zimbabwe, Mozambique, Malawi, Côte d'Ivoire, and Nigeria.

The final independent evaluation aimed to assess the achievements, relevance, and sustainability of Phase 4, extract lessons learned, identify good practices, and provide recommendations for a future project phase. The evaluation followed the OECD-DAC criteria (relevance, coherence, effectiveness, efficiency, impact orientation, and sustainability) and considered cross-cutting issues such as gender equality, disability inclusion, and cultural responsiveness. The primary end users of the evaluation findings are the project management that lies with the ILO Social Finance unit, as well as the AATIF Board of Directors, Investment

Advisor and other collaboration partners including in-country partners and stakeholders. The evaluation methodology was participatory and included desk reviews, key informant interviews (KIIs), and a stakeholder validation meeting.

Methodology

The evaluation used a qualitative approach in line with ILO Evaluation Policy Guidelines and OECD-DAC standards. Data sources included project documents, reports, institutional records, and stakeholder feedback. Data collection tools included Key Informant Interviews (KIIs) and a validation meeting. Stakeholders included ILO staff, AATIF Board Members, AATIF Investment Committee members, AATIF's investment advisor, AATIF's technical assistance facility manager, as well as AATIF partner institutions including financial institutions and agricultural businesses. Data analysis involved coding, categorization, and use of NVivo software. The analysis involved triangulation to ensure consistency and reliability of findings.

Findings

Relevance: The project, *"Building Capacity for Social Risk and Impact Management in Agricultural Finance in Africa (Phase 4)"*, remains highly relevant to the evolving needs of African agricultural finance stakeholders. The initiative addresses critical gaps in sustainable finance, capacity building, and social-environmental risk management, especially as climate change continues to exacerbate challenges across agricultural value chains. Financial institutions and agribusinesses face unmet funding and sustainability needs, and the project's focus on sustainability advisory over traditional compliance frameworks marks a strategic shift towards impact-focused investments and risk mitigation strategies. The project's incorporation of global and regional priorities, such as the Sustainable Finance Disclosure Regulation (SFDR) and climate-related disclosure frameworks, ensures it remains responsive to emerging regulatory demands and stakeholder expectations. Furthermore, the project-facilitated Technical Assistance (TA) measures have been structured to offer customized capacity-building interventions, addressing partner institutions' unique operational contexts and capacity gaps. Additionally, the German government's ongoing high-risk investment in the fund highlights its confidence in the project's relevance and potential for systemic impact across Africa's agricultural finance sector. This commitment demonstrates that stakeholders view the project as a credible and strategic platform for advancing sustainable finance in the region. Incorporating gender equality, social inclusion, and sustainability principles into decision-making frameworks of the project partner further strengthens the project's relevance. The same is mirrored in tailored action plans have been facilitated at the level of AATIF partner institution to address, among others, working conditions, gender representation, social dialogue, sustainable supply chain management, labour compliance, Occupational Safety and Health, and risk and impact management capacities, ensuring a comprehensive and multidimensional approach.

The intervention aligns with key national, regional and global frameworks, including the AU Agenda 2063 and Agenda 2030, by promoting sustainable finance and responsible investment in agricultural sectors. It supports AU Agenda 2063's goals of economic growth, environmental sustainability, and financial inclusion by integrating Social and Environmental Management Systems (SEMS) into financial decision-making, enhancing risk assessment, and fostering inclusive economic participation. It also aligns with the UN's Agenda 2030 through contributions to SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action) by supporting sustainability-driven financial practices, strengthening institutional capacities, and ensuring compliance with national and regional sustainability regulations

Validity of Design and Coherence: The project's design demonstrates strong internal and external coherence, aligning well with the Theory of Change (ToC) and global sustainability objectives. The logical flow from activities to intended outcomes ensures the integration of social, environmental, and impact management systems into partner institutions' operational frameworks. This alignment, guided by the Theory of Change (ToC), provides a well-structured roadmap that connects project components and avoids logical gaps while ensuring consistency with global sustainability objectives.

The transition from compliance advisory to sustainability advisory roles reflects a forward-looking approach that emphasizes long-term impact over short-term regulatory conformity. This shift ensures that stakeholders not only meet compliance requirements but also contribute meaningfully to environmental stewardship and social equity goals. Lessons from previous project phases have been well integrated into the current design. These lessons include increasing the use of local consultants for testing impact measurement tools developed in earlier project phases and communication of results, and transitioning to a sustainability advisory role to emphasize long-term systemic change. The project's participatory approach ensured alignment with regional initiatives as well as local regulatory frameworks and industry good practices, such as Kenya's Sustainable Finance Initiative (SFI) and Nigeria's Sustainable Banking Principles.

Effectiveness: The project has made significant progress in achieving its objectives, demonstrating both intended and unintended changes. Key achievements include the updating of sustainability- related policies, the continuous improvement of aspects of social, environmental, and impact management methodologies for AATIF, and the facilitation of rolling out sustainability frameworks across partner institutions like CKL Africa and AML Zambia. The project provided small-scale technical assistance to partner institutions, enhancing their operational capacity to implement sustainable practices. Capacity-building activities addressed at different AATIF entities as well as AATIF partner institutions covered induction sessions as well as critical topic areas such as social risk assessment, gender equity, and environmental compliance, equipping stakeholders with the knowledge and tools needed to implement and sustain change. Dissemination efforts included stakeholder engagement activities, newsletters, and reports, fostering collaboration and shared learning among stakeholders.

However, challenges remain, but not limited to institutional readiness disparities, resource constraints, and technical limitations within partner organizations. Addressing these gaps through targeted mentorship and follow-up training sessions will be critical for sustaining results.

Efficiency: The project has generally demonstrated efficient use of resources, balancing financial, technical, and human resources to deliver planned outputs. Collaborations with UNEP significantly enhanced resource optimization and technical expertise. Nonetheless, periods of high demand placed strain on human resources, causing delays in some key interventions.

Despite these challenges, the project leveraged synergies with other ILO initiatives, for instance, the Social Finance Network, ILO's Sustainable Enterprises Department and local government agencies, avoiding duplication of efforts and maximizing shared resources.

Impact Orientation and Sustainability: The project has led to significant changes in the main project partner, the AATIF, as well as AATIF partner institutions and their supply chains, in the latter the changes included the adoption of Social and Environmental Management Systems (SEMS), gender inclusion through tailored financial products and gender-sensitive reporting frameworks, increased market access for smallholder farmers, and improved energy and resource efficiency through the adoption of energy-saving technologies and improved resource management practices, ultimately contributing to environmental sustainability objectives. Sustainability measures are embedded through capacity-building initiatives, institutional policy integration, and a structured technical assistance framework. Further, partner institutions demonstrated strong ownership of project outcomes, with sustainability standards increasingly embedded into core operational and decision-making processes.

However, the lack of a standalone gender strategy limits the ability of the AATIF to systematically measure gender-specific impacts, which hinders sustainability of outcomes.

Conclusions

The "Building Capacity for Social Risk and Impact Management in Agricultural Finance in Africa (Phase 4)" project has made significant progress enhancing the capacity of agricultural finance stakeholders in Africa, enabling them to better understand and manage sustainability risks, resulting in positive development impacts through improved resilience, inclusivity, and sustainability in agricultural finance.

Notable successes have been achieved in: revising and updating sustainability policies; refining methodologies for social, environmental, and impact management; establishing an impact measurement framework; delivering technical assistance to partner institutions; enhancing stakeholder capacity, and effectively communicating project outcomes. However, challenges remain in ensuring consistent adoption of tools, addressing capacity gaps, and formalizing gender and sustainability frameworks across partner institutions.

The project's systemic changes, inclusive finance practices, and structured facilitation of technical assistance provide a strong foundation for future scalability and impact. Moving forward, enhancing gender strategies, improving monitoring systems, and standardizing sustainability management tools will be critical for ensuring long-term success and scalability across Africa's agricultural finance landscape.

Lessons Learnt

1. *Sustainability is a key investment criterion*

Incorporating sustainability into financial sector practices improves social and environmental compliance and long-term development impact. The collaboration with the main project partner, the AATIF, build institutional capacity to facilitate that partner institutions addressed social and environmental risks more systematically using tools such as Social and Environmental Management Systems (SEMS) and GHG mapping. For example, Sterling Bank and African Milling Limited have implemented these practices, resulting in improved risk management and operational standards. This emphasizes the importance of making sustainability a core component of financial decision-making.

2. *Tailored Capacity Building is essential for effective Knowledge Transfer*

Effective capacity building through structured training sessions and tailored technical assistance proved essential. This lesson underscores the importance of aligning capacity-building efforts with institutional readiness and providing ongoing support for long-term success.

3. *Strategic Partnerships Amplify Impact*

Collaborations with organizations like UNEP and local ILO offices enhanced the project's ability to address regional challenges and align with local policies. These partnerships facilitated the adoption of sustainability measures and ensured coherence with national frameworks. The value of leveraging complementary expertise and local networks is evident in the project's ability to achieve greater outreach and systemic improvements.

4. *Cultural responsiveness enhances effectiveness.*

Adapting project outputs to local norms, such as addressing communal land ownership practices and incorporating regional socioeconomic factors, increased the project's relevance. Training and resources tailored to regional challenges, such as climate-related hazards, highlighted the significance of cultural responsiveness.

5. *Gender Integration Requires a Strategic Framework*

There is a need for proactive gender integration to address inclusivity effectively. While the project introduced gender-sensitive metrics, the lack of a standalone gender strategy limited the ability to measure and enhance gender-specific outcomes comprehensively. Developing a dedicated gender strategy with defined objectives and measurable targets would ensure a more structured and impactful approach to gender equality.

Good Practices

1. *Integration of Social and Environmental Management Systems (SEMS) into financial and non-financial business models*

The development or upgrading of Social and Environmental Management Systems by project partners, including the AATIF and AATIF partner institutions and their integration into financial and non-financial business models was a standout practice. This approach ensured a systematic way to address social and environmental risks, aligning institutional practices with national and international sustainability standards and enhancing operational effectiveness. Integrating procedures and tools for tracking sustainability metrics provided partner institutions with clear guidelines, fostering accountability and continuous improvement in their operations.

2. *Tailored Technical Assistance for Capacity Building*

The project provided small-scale customized technical assistance, such as training collaboration partners and AATIF partner institutions in social and environmental risk management and developing action plans tailored to specific institutional needs. This targeted approach allowed partner institutions to internalize and implement sustainability practices effectively, addressing their unique challenges and capacities.

3. *Leveraging Partnerships for Resource Optimization*

Collaboration with organizations like UNEP and local ILO offices was highly effective. These partnerships enabled the project to tap into specialized expertise and local networks, ensuring that activities were both resource-efficient and aligned with regional policies and needs.

Recommendations

Relevance and Validity of Design

1. Organize regular stakeholder consultations to align project design with evolving stakeholder needs (strengthen iterative nature of project management)

   Who: ILO and local partners

Effectiveness

2.1 Incentivize partner institutions to invest in real-time sustainability metrics tracking technology, with implementation and usage training provided.
Who: AATIF and ILO

2.2 Provide targeted support for underperforming[1] institutions.
Who: ILO and UNEP.

Efficiency

3. Conduct a detailed resource evaluation to identify areas of over- or under-utilization. Redistribute human and financial resources to address high-demand areas without compromising overall efficiency.

   Who: ILO and AATIF.

[1] Inability of an institution to meet established sustainability, social, or environmental management targets, requiring tailored remedial support such as targeted technical assistance, capacity-building initiatives, and strengthened monitoring frameworks to address gaps and enhance compliance.

Impact Orientation and Sustainability

4.1 Enhance the institutionalization of policies that integrate sustainability criteria.

4.2 Provide capacity-building sessions for consistent application.

Who: ILO and UNEP.

Cross-Cutting Themes and Additional Considerations

5. Develop comprehensive gender strategies.

Who: AATIF.

1.0 Background information

Agriculture accounted for 26% of global employment in 2022, down from 43% in 1991. Although the agricultural workforce is expected to decline, the high prevalence of working poverty, alongside the dangerous and unpredictable nature of agricultural work, underscores the need to address decent work deficits. Key challenges in developing countries, such as inadequate skills, exclusion from national labor laws, low wages, unsafe working conditions, and child and forced labor, require urgent action.

Sustainable investment in agriculture is critical for reducing poverty, improving food security, and creating sustainable livelihoods, particularly for smallholders and marginalized groups. Recently, many investors have begun integrating social and environmental factors into their decisions, with some moving toward impact investing—seeking financial returns while generating positive social and environmental outcomes.

1.1 Project Background

The 'Building capacity for social risk and impact management in agricultural finance in Africa' project is a long-standing collaboration between the ILO and the Africa Agriculture and Trade Investment Fund (AATIF). Currently completing its fourth phase, the project initially started in June 2012.

The AATIF itself is a public-private partnership which was initiated by the Government of Germany in 2011 to *"realise the potential of Africa's agricultural production, and related manufacturing, service provision, and trade, through sustainable investments across the entire value chain, aiming at promoting inclusive growth and increasing decent employment and income to farmers and entrepreneurs in the agricultural sector in Africa".* The AATIF is an impact investing fund that finances companies along the agricultural value chain, targeting small, medium and large-scale agricultural producers and agricultural businesses as well as financial institutions serving these and wanting to expand their agricultural portfolio. All AATIF activities are guided by its development impact statement and its social and environmental management framework which are embedded in a strong governance structure all to safeguard a positive development impact.

In June 2012, ILO and AATIF signed a first collaboration agreement with the ILO for building capacity for social compliance of investments in agriculture in Africa. In June 2013, the UN Environment Programme (UNEP) joined the collaboration through a contribution agreement with ILO and since contributed through complementing the ILO expertise on the social side with UNEP's expertise on environmental elements. Since its inception, the project implemented three collaboration phases (2012-2015; 2015-2018; 2018-2021), and now is at the end of phase 4 (2021-2025).

Phase 4 builds on the outputs and lessons derived from the earlier phases and particularly aims to increase outreach within the financial industry and along the agricultural value chain by building the capacity of the fund and its partner institutions to create positive social, environmental and development impact. Phase 4 covers six components:

i. Update AATIF's sustainability-related policies
ii. Expand and refine the social, environmental and impact assessment methodology
iii. Establish social, environmental and development impact of AATIF partner institutions and drive implementation of AATIF's impact measurement framework
iv. Provide small-scale specialised technical assistance to AATIF partner institutions
v. Build social, environmental and impact management capacity of the project partner AATIF and its partner institutions
vi. Communicate and disseminate project outcomes

Project partners and stakeholders

The phase 4 continues to be a global project. Typically, stakeholders across two continents, Africa and Europe, participate in the project activities.

The European outreach is determined by the place of registration of the Fund (Luxembourg), the location of the main AATIF shareholders BMZ (Germany) and EC (Belgium) and their representation on the AATIF Board which is ensured through KfW (Germany), the Fund's Investment Advisor DWS (Germany) and the Fund's Technical Assistance Facility Manager Common Fund for Commodities (Netherlands).

The geographic coverage in Africa depends on applications that the AATIF receives and stretches across the whole continent from North to South and West to East. Typical partner institutions are financial institutions, agricultural input providers or aggregators of produce as well as commercial farmers that receive financing from AATIF. Through the ILO-AATIF collaboration, they are supported to improve their social and environmental management practices and increase their impact management capacities. In addition, and this is where the ultimate development impact is found, smallholder farmers and their families as well as employees and their families of businesses linked to AATIF partner institutions are benefiting from these improvements.

Objectives and Outputs

The immediate objective of the project is to enhance the capacity of agricultural finance stakeholders in Africa to better understand and manage sustainability risks with the aim of producing a positive development impact. As outlined in the ProDoc, the immediate objective will be reached by integrating social and environmental sustainability and development impact across the four operational fields of the AATIF's investment process, technical assistance, capacity building, and promotion of agricultural finance.

The objective will be achieved through six outputs:

1) Updated AATIF sustainability-related policies.
2) Expanded and refined social, environmental and impact management methodology.
3) Social, environmental and developmental impact of partner institution activities established and implementation of AATIF impact measurement framework advanced.
4) Small-scale specialized technical assistance provided to AATIF partner institutions to build their capacity for implementing social, environmental, and impact management improvements as per loan covenants.
5) AATIF stakeholders increased social, environmental, and impact management capacity.
6) Project outcomes communicated and disseminated jointly with AATIF.

Institutional Arrangements

The ILO Social Finance unit of the Sustainable Enterprises Department coordinates the overall project and functions as the administrative and technical backstopping unit. Thus, through the Social Finance unit, the ILO acts as a Sustainability Advisor supporting the AATIF in the implementation of its organizational mission while building up the policies, procedures, tools and reporting of the underlying sustainability management system and capacity of the AATIF itself as well as its partner institutions. The project is managed by a CTA (Technical Specialist) who has implementation support of several technical officers, all development cooperation (DC) staff of the Social Finance unit. The AATIF is governed by a Board of Directors that provides overall guidance and takes the strategic decisions related to the Fund's operations and as such also those related to the Sustainability Advisor function and the collaboration with the ILO.

Linkage to ILO Strategic Framework, Cross-cutting Issues and SDGs

Phase 4 covers the rural economy under P&B Outcome 3 and through a specific Output, 3.2 Increased capacity of member States to formulate and implement policies and strategies for creating decent work in the rural economy. Furthermore, the project also contributes to P&B Outcome 4 Sustainable Enterprises and Outcome 7 Adequate and effective protection at work. It is further linked to several Decent Work

Country Programmes: ZMB177, KEN127, ZWE101; MOZ105; MWI106; CIV102; and NGA103. This project contributed towards achieving objectives and goals of SDG 8. The project interventions included implementing sustainable measures to address ILO cross-cutting issues, in particular, gender, capacity building and environmental sustainability.

Theory of Change (TOC), Risks and Sustainability
The project has identified several risks and mitigation measures for risks and some critical assumptions. The project developed a Theory of Change (ToC) that is integrated into the AATIF's development impact statement. The ILO adjusts the generic TOC for the activities with each AATIF partner institution.

The project has a sustainability strategy where sustainability is the underlying conviction of the collaboration between the AATIF and the ILO. Increased use of local institutions for both social and environmental as well as development impact activities, especially during the due diligence and monitoring process of partner institutions, in the implementation of small-scale technical assistance as well as in the impact measurement framework, has been anchored to be instrumental to improve the sustainability of the project.

Previous Evaluations
Phase 4 (Dec 2021 to 31 March 2025) built on the M&E system in place from earlier project phases. An internal evaluation of the first phase was conducted in August 2014. Subsequently, the agreement was extended for another three-year period in 2015 running through 2018. Phase 3 started immediately after Phase 2 and continued until 14 July 2021. Considering the ILO Evaluation Policy, phase 4 needs to conduct a final independent evaluation at the end of the project. The project has allocated the budget for this activity as per the ILO Evaluation Policy.

Current Status of the project
The project is on track to achieve its overarching goal of promoting sustainable agricultural financing across Africa, with a specific focus on integrating social and environmental as well as development impact considerations into financial investment decisions. The project has successfully updated sustainability policies, refined impact measurement frameworks, and facilitated the development or upgrading of Social and Environmental Management Systems (SEMS) among partner institutions such as CKL Africa, Sterling Bank, and AML Zambia. Through these activities, partner institutions have enhanced their capacity to assess and manage social and environmental risks and impacts, leading to tangible improvements like CKL Africa's establishment of a sustainability desk. Furthermore, the development of specific social and environmental as well as impact monitoring tools has strengthened the project partner's monitoring capabilities, enabling a clear assessment of social and environmental impacts. Collaboration with organizations such as UNEP and the ILO Social Finance Network has provided critical technical expertise to the project implementation. Despite different level of readiness to integrate sustainability management into operations among partner institutions, the project has fostered systemic changes in agricultural finance, demonstrated by the institutionalization of sustainability practices, expanded access to credit along agricultural value chains across Africa, and strengthened stakeholder collaboration. As the project progresses, its focus on building capacity, refining tools, and leveraging partnerships positions it to drive long-term impacts, including expansion of agri finance, enhanced environmental stewardship, and greater resilience among smallholder farmers.

2.0 The Evaluation Background

This evaluation followed the ILO policy guidelines for results-based evaluations[1] and the ILO Policy Guidelines Checklists, particularly Checklist 4.2: "Preparing the evaluation report"[2], Checklist 4.8: "Writing the inception report"[3] and Checklist 4.4 "Preparing the evaluation report summary"[4].

The evaluation also aligned with the OECD-DAC framework and principles for evaluation. For all practical purposes, ILO Evaluation policies and guidelines define the overall scope of this evaluation. Recommendations, emerging from the evaluation, are linked to the findings of the evaluation and provide clear guidance to stakeholders on how they can address them.

2.1 The Evaluation Purpose

The main purpose of the final independent evaluation is to extract lessons learned from Phase 4 and provide an objective assessment of project results and accountability. The evaluation will also support the design of the next phase. The evaluation assesses the project results, management, and contribution to relevant national and international frameworks (SDG 8).

2.2 Specific Objectives

The specific objectives of this final independent evaluation are:

1. To assess the level of achievement of the project's immediate objective and performance as per project targets and indicators and assess whether it can be linked with previous phases.
2. To identify good practices and lessons learned and how they can contribute to designing the new phase including future collaborations with similar and potential new partners.
3. To determine to what extent the project's strategic approach reflects the ILO comparative advantage and cross-cutting issues including norms, gender equality, disability inclusion, and social dialogue.
4. To determine to what extent the project has built in its sustainability strategy.
5. To provide recommendations for future improvement and sustainability.

2.3 The Evaluation Scope

The evaluation provides a comprehensive review of the project components and activities implemented from 1 Dec 2021 to 31 Dec 2024. Considering the intervention type and available data and evidence, the evaluators did not undertake a field mission. The evaluation integrated ILO's cross-cutting issues, including norms and social dialogue, gender equality, disability inclusion, other non-discrimination concerns, and medium and long-term effects of capacity development initiatives throughout the evaluation methodology and all deliverables, including this final report.

2.4 The Primary Users of the Evaluation

The primary end users of the evaluation findings are the project management that lies with the ILO Social Finance unit, as well as the AATIF Board of Directors, Investment Advisor and other collaboration partners including in-country partners and stakeholders. In-country partners and stakeholders, who are involved in

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[1] ILO. (2020). *ILO policy guidelines for results-based evaluation: Principles, rationale, planning and managing for evaluations, 4th ed.* Available at: https://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_853289.pdf

[2] ILO. (2021). *Checklist 4.2: Preparing the evaluation report.* Available at: https://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_746808.pdf

[3] ILO. (2021). *Checklist 4.8: Writing the inception report*. Available at: https://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_746817.pdf

[4] ILO. (2021). *Checklist 4.4 "Preparing the evaluation report summary.* Available at: https://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_746811.pdf

the project's implementation, are also considered as important users, as the evaluation findings may inform their ongoing work and collaboration in the context of agricultural finance and social risk and impact management across Africa.

2.5 Evaluation Criteria and Key Evaluation Questions

This final independent evaluation addressed its objectives considering the OECD DAC evaluation criteria: relevance, coherence, effectiveness, efficiency, orientation towards impact, and sustainability as defined in the ILO Policy Guidelines for results-based evaluation, 2020[5]. The evaluation also addresses cross-cutting themes like gender inclusion, local context alignment, and knowledge transfer to ensure sustainable growth in African agricultural finance.

- *Relevance* examines how well the project's immediate objectives align with the needs of stakeholders in the African agricultural finance sector, and how effectively the project complements other regional and industry initiatives.
- *Validity of Design and Coherence* evaluates the logical consistency and coherence of the project's design, including its objectives, outcomes, activities, and the underlying theory of change. It also looks at how the project incorporates lessons from previous phases and cross-cutting themes, ensuring its alignment with relevant priorities.
- *Effectiveness* assesses whether the project has achieved its objectives, considering both intended and unintended outcomes. It also explores how well the project addressed capacity-building needs within its partner organizations, identifies contributing and challenging factors, and evaluates stakeholder involvement, particularly in social dialogue, as a driver for project success.
- *Efficiency* focuses on the effective and timely use of resources—funds, human resources, time, and expertise. It also examines whether technical resources and partnerships were adequate to meet the project's goals and whether the project leveraged synergies with other ILO initiatives and financial service providers to enhance its impact and avoid duplication.
- *Impact Orientation and Sustainability* looks at the positive changes made along the Theory of Change (ToC) at partner institutions and their supply chains. It assesses the AATIF's strengthened capacity to assess social and environmental risks and the project's impact on institutional and systemic changes for sustainability. Furthermore, it examines the measures in place to ensure the ownership and long-term sustainability of the project's outcomes within partner institutions and provides recommendations for improving the sustainability of ILO's engagements with impact investors.

Criteria	Evaluation questions
1.Relevance	1.1 To what extent the immediate objective (still) corresponds to the needs of stakeholders in the financial sector, who are interested in investing in African agriculture? 1.2 How well does the project complement other initiatives in the industry and region?
2.Validity of design and coherence	2.1 To what extent are the project design (objectives, outcomes, outputs and activities) and their underlining theory of change, its strategies, modus-operandi, risk analysis, and context analysis logical and coherent and address relevant priorities/needs? 2.2 To what extent has the project integrated the previous lessons and cross-cutting themes in the design?

[5] https://www.ilo.org/eval/Evaluationpolicy/WCMS_571339/lang--en/index.htm

3.Effectiveness	3.1 To what extent has the project achieved its objective? What are the intended and unintended changes brought by the project? Were there any good practices and innovations? 3.2 To what extent and how well did the project meet the capacity needs of the project partners and how well did it address capacity challenges in the financial sector? 3.3 Which have been the main contributing and challenging factors towards the project's success in attaining its targets? 3.4 To what extent have stakeholders (including ILO constituencies) been involved in the implementation? How social dialogue has played a role as a driver to achieving project objectives?
4.Efficiency	4.1 To what extent have resources, including funds, human resources, time, and expertise, been used timely and efficiently? 4.2 To what extent were the technical resources and partnerships adequate and adapted to fulfil the project plans? 4.3 Has the project made strategic use of other ILO projects, products, and initiatives to increase its effectiveness and impact without duplicating works? 4.4 To what extent has the project leveraged synergies and partnerships with different financial service providers to enhance the project's effectiveness and impact and maximize its contribution to investing in African agriculture?
5.Impact orientation and sustainability	5.1 To what extent is there evidence of positive changes along the ToC at the level of AATIF partner institutions and their supply chains? 5.2 To what extent has the AATIF strengthened its capacity to assess social and environmental risks and impacts in investments? Has the project had an impact on institutional and systemic changes necessary for sustainable improvements? 5.3 What measures and actions have been put in place to ensure ownership of the project's results in partner institutions? 5.4 What recommendations and lessons could be offered to improve the sustainability of ILO's work with impact investors?

3.0 The Evaluation Methodology

The evaluation framework uses the ILO Results-Based Management (RBM) system and follows OECD DAC criteria, ensuring a comprehensive assessment of the project's design, implementation, and alignment with sustainable development goals and the needs of the African agricultural finance sector.

Key areas of focus include relevance, in which the evaluation assesses how the project meets stakeholder needs and aligns with regional priorities as well as global goals like the UN SDGs. The evaluation also examines how the project integrates into broader ILO frameworks. Design validity and coherence are evaluated by assessing the project's theory of change and expected outcomes, ensuring lessons from prior phases have been incorporated. For effectiveness, the evaluation compares achieved outcomes with the original project goals, focusing on outputs achieved as well as unintended effects, innovations, and the effectiveness of stakeholder engagement and capacity-building efforts. It also assesses the project's impact on building partner capacity, which is critical for sustainability. Efficiency is reviewed by analyzing resource utilization, work plan execution, and collaboration with ILO programs to avoid duplication and maximize impact. The evaluation also focuses on impact orientation and sustainability, assessing long-term benefits such as improvements in social and environmental risk management and examining exit strategies for continued impact after project completion. The evaluation addresses cross-cutting issues including gender equality, decent work, and non- discrimination, with particular attention to disability and diversity to ensure inclusivity and a comprehensive understanding of the project's impact on marginalized groups.

A qualitative, participatory, and collaborative approach was used, incorporating triangulation of data sources and methods like document reviews, interviews, and a validation meeting to strengthen the findings. The desk review informed an Inception Report, which underwent a review process with the Evaluation Manager (EM) before data collection began. Consultations were held with key stakeholders, including implementing partners, AATIF partner institutions, and the funder.

The evaluation explored the Theory of Change, examining assumptions, risk mitigation strategies, and the alignment of results with ILO's strategic objectives and the SDGs. All information is gender-disaggregated and analyzed for diversity and non-discrimination, with a particular focus on the impact on different groups, including those with disabilities.

The evaluation incorporated three key approaches: a theory-based evaluation, a process evaluation, and an impact evaluation approach. The theory-based evaluation involved testing the project's Theory of Change (ToC) to assess its contributions to change. The evaluators examined the project's ToC, which was integrated into AATIF's development impact statement and adjusted for each partner institution. The evaluators analyzed the components, assumptions, and causal pathways of the ToC, assessing the validity of assumptions through stakeholder interviews and risk analysis. This process aimed to determine if AATIF's investments and project activities implemented by the ILO and collaboration partners like UNEP effectively led to impacts in areas like agricultural productivity, employment, and environmental sustainability. The evaluators also explored how well the project's objectives aligned with the needs and priorities of beneficiaries and partners.

A process evaluation assessed the delivery of the project, focusing on the content and implementation of activities. The evaluators compared actual project deliverables to those outlined in the original Project Document, identifying any deviations and their implications. The evaluation reviewed the project's implementation, assessing whether activities were delivered as planned, the quality and quantity of outputs and whether management arrangements facilitated the process. The evaluators analyzed the project's progress towards achieving its expected outputs and outcomes, examining any variances and identifying factors that influenced the achievement or non-achievement of targets. The efficiency of the project was evaluated by assessing whether resources were used optimally, considering the planned activities and outputs. Factors such as input management, and activity implementation, were scrutinized to assess how well the project was managed. The evaluation focused on the project's contribution to changes in outcomes and aimed to elicit the project's potential impact on partners, examining the institutional and systemic changes necessary for sustainable improvements. This evaluation also considered the sustainability of the project's outcomes, specifically whether the benefits will continue after the project's closure and whether sufficient capacity has been built to maintain the results.

The evaluation followed a consultative and participatory approach, involving detailed planning, continuous communication, and feedback throughout the process. It was conducted in three phases, starting with a kick-off meeting to define the scope, objectives, and deliverables, followed by field data collection and a debriefing / validation session with the ILO project team and ILO evaluation unit.

A comprehensive desk review was conducted, analyzing project documents, progress reports, the Theory of Change, and relevant policies of the main project partner, forming the foundation for the evaluation. Multiple data collection methods, including key informant interviews (KIIs), and a literature review, provided comprehensive insights, with a focus on triangulation to ensure balanced perspectives. Data collection primarily occurred virtually, using tools like MS Teams and Zoom. KIIs involved key internal and external stakeholders, using purposive sampling and interview guides.

A purposive sampling approach was used to select key informants for interviews, focusing on stakeholders with relevant knowledge and roles in the project, such as ILO project team members, a UNEP project team member, AATIF Board members, AATIF Investment Committee members as well as the AATIF Investment Advisor and the AATIF Technical Assistance Facility Manager. In addition, three representatives of AATIF partner institutions were reached. The sampling ensured a balanced, gender-sensitive representation, including both high-level decision-makers and operational staff to provide comprehensive insights into the project's challenges and successes.

The sample frame of respondents reached for the evaluation consisted of 18 individuals across various categories, ensuring a comprehensive representation of stakeholders involved in the project. Five (6) ILO respondents were reached, including representatives from the ILO Social Finance unit, Decent Work Team in Africa and Country office in Zambia. One (1) respondent was reached representing UNEP i.e. a technical officer supporting the implementation of the project. The AATIF Board of Directors included 2 respondents, both of whom had close ties with the ILO and held governance responsibilities over the project. From the AATIF Investment Committee, 1 respondent was reached, while 3 respondents were reached from the AATIF Investment Advisor Team. Three (3) respondents were reached from the AATIF Technical Assistance Facility Manager (TAFM) Team. AATIF Partner Institutions were represented by 3 respondents, including those from Sterling Bank (Nigeria), CKL Africa (Kenya), and African Milling (Zambia), each offering insights into sustainability and risk management within the project.

Qualitative data from interviews, discussions, and project documents was reviewed to identify themes and coded based on similarities, objectives, and emerging trends. Open-ended responses were transcribed and analyzed to compare findings and identify common themes.

The consultant prepared a presentation of the initial findings at the end of data collection, which was shared with the evaluation manager and project team for validation and feedback.

The evaluation faced some limitations, including scheduling issues due to the complexity and timing of the evaluation. Logistical constraints impacted the depth of understanding in specific contexts, as interviews were conducted virtually. The limitations, including potential biases in stakeholder selection, were addressed through flexible scheduling, and a representative selection process, ensuring the evaluation remained valid despite these limitations.

4.0 Findings

4.1 Relevance and Validity of Design

Project Alignment with Stakeholder Needs

The project continues to align with the evolving needs of stakeholders of agricultural finance in Africa, including impact investors like the AATIF and financial institutions and agribusinesses that financial investors invest in to support African agriculture. As climate change and sustainability considerations become more critical, all these stakeholders face increased pressure to integrate social and environmental risk management into their decision-making processes. The AATIF has played a key role in addressing these challenges by partnering with the ILO towards implementing a structured sustainability approach that goes beyond compliance. The German government's sustained financial commitment to the AATIF and thus also the project underscores its relevance. The project has successfully transitioned from a compliance focus to comprehensive sustainability management, addressing the increasing need for impact-driven investments, equally covering social and environmental risk and impact management. It has also facilitated the implementation of small-scale technical assistance to strengthen capacity-building efforts among partner institutions, ensuring that financial institutions and agribusinesses can effectively implement sustainability strategies. A member of the AATIF Investment Committee emphasized the relevance of the project, stating:

> *"The project's iterative learning process has allowed it to remain relevant, addressing both institutional and regulatory shifts while maintaining its focus on social and environmental improvements."*

The project complements other industry and regional initiatives, particularly by aligning with global and national sustainable finance goals. It integrates key regulatory frameworks such as the Sustainable Finance Disclosure Regulation (SFDR) and the IFC Operating Principles for Impact Management, ensuring that partner institutions are well-prepared for emerging financial sustainability requirements.

Regionally, the project for instance aligns with Kenya's Sustainable Finance Initiative (SFI) and Nigeria's Sustainable Banking Principles, reinforcing its impact by ensuring financial institutions operate within national sustainability frameworks. Financial institutions collaborating with AATIF have reported improved alignment with existing national and regional sustainability regulations, further demonstrating the project's complementarity with broader industry efforts.

Integration of Lessons and Cross-Cutting Themes

The project has successfully integrated lessons learned from previous phases, particularly in social risk management, gender equality, and environmental sustainability. One notable example is the transition from a compliance advisory role to a sustainability advisory role, which reflects a greater emphasis on environmental and social impacts rather than simply meeting basic requirements. The project changed to a more structured approach to mainstream impact considerations alongside social and environmental management after identifying gaps in sustainability management. As highlighted by a project staff during her reflection on the project, *"This phase was the first where ILO acted as a Sustainability Advisor to the Fund, moving beyond compliance to place equal emphasis on social, environmental, and development impact management"*

Another lesson integrated into the project design was the introduction of S&E consultants as a structural component within the sustainability management framework of the main project partner. These consultants, funded through an ad-hoc S&E consultant pool, provide specialized support to partner institutions, ensuring tailored solutions to unique challenges. Another adjustment of the design was the change from a dual reporting to a single reporting line of the ILO directly to the Board which has streamlined project-related decision-making processes, enhancing accountability and operational efficiency. Besides, the project introduced a budget flexibility of the ILO activities tied to AATIF's growth strategy, in principle allowing for adaptive resource allocation. This shift from an input-based calculation of sustainability-related costs to a target portfolio growth model was to ensure that the project could adapt to expected AATIF growth. However, this option was not triggered.

Extensive stakeholder consultations and external reviews of the fund's impact management framework provided useful information for the current phase of the project. For example, the alignment of AATIF's sustainability requirements with regional regulations has provided a cohesive framework for institutions to enhance compliance and foster a culture of sustainability. This collaborative approach has strengthened the project's impact, ensuring that its strategies remain both relevant and forward-looking.

Gender equality and social risk management have been integrated into operational practices, with tools developed to identify and close gaps in these areas. Social risk management is integrated into the process of making investment decisions. For example, the project facilitates the development of tailored action plans of financial institutions and companies, focusing on improving social and environmental practices, ensuring a more holistic and effective approach.

Synergies with Regional Initiatives and regional and global frameworks

The project complements other initiatives in the agricultural finance industry by aligning with larger sustainable finance goals and assisting financial institutions in integrating social and environmental risk management. It aligns, for example, with country-specific initiatives like Kenya's Sustainable Finance Initiative (SFI) and Nigeria's Sustainable Banking Principles. This alignment has ensured that the financing practices promoted by the project are consistent with national sustainability standards. Financial institutions working with AATIF have benefited from these synergies, as the fund's sustainability requirements complement existing regulatory frameworks. By leveraging these alignments, the project increases its impact and helps scale sustainable practices across the agricultural finance sector in Africa.

The intervention aligns with key national, regional and global frameworks, including the AU Agenda 2063 and Agenda 2030, by promoting sustainable finance and responsible investment in agricultural sectors. It supports AU Agenda 2063's goals of economic growth, environmental sustainability, and financial inclusion by integrating Social and Environmental Management Systems (SEMS) into financial decision-making, enhancing risk assessment, and fostering inclusive economic participation. It also aligns with the UN's Agenda 2030 through contributions to SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action) by supporting sustainability-driven financial practices, strengthening institutional capacities, and ensuring compliance with national and regional sustainability regulations.

4.2 Coherence

Alignment with the Theory of Change

The project's alignment with its Theory of Change is evident in its structured approach to addressing sustainability at multiple levels. The project's objectives, outcomes, and strategies are consistent with its underlying theory of change, particularly in terms of promoting sustainable agricultural finance and incorporating social and environmental risk and impact management. The theory of change effectively guides the project's approach to capacity building within financial institutions and companies in the agribusiness sector and promotes investments that meet both developmental and financial criteria.

Risk and Context Analysis
The project employed a comprehensive risk and context analysis strategy that included environmental and social assessments as part of the due diligence process for AATIF partner institutions. Key risks related to, for example, social and environmental management, employment and working conditions, sustainable land management, indigenous peoples, or supply chain management, are identified through screenings and consultations with local stakeholders. It includes social and environmental assessments during the due diligence process for AATIF partner institutions, where risks are identified and evaluated. To support this, the project developed specialized tools for data collection, ensuring that data is consistently gathered. Additionally, tailored tools are used during the monitoring phase to track the implementation of action plans and address any emerging risks. The findings from these assessments shaped project activities by informing risk mitigation strategies and helping ensure that investments aligned with sustainability standards throughout the project's implementation.

Coordination and Avoidance of Duplication
By leveraging existing frameworks and collaborating with key stakeholders, the project effectively avoided duplication while also ensuring strategic alignment with other ILO and regional initiatives. It aligned its goals with national and regional sustainable finance initiatives, such as the Kenya Sustainable Finance Initiative and Nigeria's Sustainable Banking Principles, to ensure complementarity rather than duplication. Furthermore, the project collaborates closely with other funds, to exchange knowledge and good practices, ensuring that agricultural finance efforts are coordinated. By leveraging partnerships with organizations like UNEP, the project avoided redundancy, focusing on distinct roles—social risk and impact management by ILO and environmental risk and impact management by UNEP—while maintaining a coherent approach.

4.3 Effectiveness

Achievement of Project Objectives
Project effectiveness refers to the extent to which the project achieved its intended objectives or goals. The immediate objective of the project was to enhance the capacity of agricultural finance stakeholders in Africa to better understand and manage sustainability risks to produce a positive development impact. The immediate objective was to be reached by integrating social and environmental sustainability as well as development impact across the AATIF’s investment process, technical assistance, capacity building and promotion of agricultural finance. Specifically, the project focuses on updating AATIF’s sustainability policies, refining the social and environmental risk and impact management methodology, establishing impact of partner institutions and implementing the AATIF impact measurement framework, providing small-scale technical assistance to partner institutions, building capacity for sustainability management among stakeholders, and effectively communicating and disseminating project outcomes. These project outputs should facilitate that stakeholders in agricultural finance, including financial institutions, agribusinesses, and smallholder farmers, integrate sustainable business practices, fostering improved working conditions, environmental sustainability, and economic resilience in the agricultural sector.

The project has made great strides towards accomplishing its goals in a number of areas. Phase IV of the project created strong sustainability-related tools, guidelines, and practices for the fund, which is now a model for incorporating social and environmental factors into investment choices. Likewise, aligning and leveraging frameworks such as the IFC performance standards, the project ensured coherence with regional and global sustainability efforts. Besides, the project has successfully incorporated gender-sensitive metrics into its operations.

Positive systemic changes are also visible at the level of partner institutions, such as improvements in their Social and Environmental Management Systems (SEMS) by financial institutions like Sterling Bank. These changes have improved risk management and sustainability compliance across supply chains, showing tangible improvements in institutional practices. Partner institutions like Sterling Bank and African Milling Limited have integrated sustainability practices into their operations, reflecting progress toward the project's goals. Institutions are implementing sustainability practices, including GHG monitoring, waste management, and integrating sustainability principles into mainstream agricultural finance through partnerships with UNEP and financial regulators. Some partner institutions also engaged in GHG mapping and developed sustainability dashboards which improved their ability to address environmental risks and answer to emerging international sustainability reporting standards.

As stated earlier, several factors have contributed to the project's success. The active involvement of stakeholders, including ILO constituencies, has been instrumental in fostering trust and collaboration. Interactive workshops and consultations have proven particularly effective, allowing for real-time feedback and shared learning. For instance, participants from AML Zambia noted that interactions with the ILO and UNEP enabled them to better align their operational goals with sustainability objectives. The strategic use of partnerships with organizations like UNEP and local ILO offices has also enhanced the project's effectiveness. These collaborations have facilitated the adoption of sustainability practices by providing access to technical expertise.

Despite these accomplishments, challenges such as limited resources, stakeholder turnover, and varying institutional readiness have limited the scope of impact. The project's innovative approaches, such as tailored small-scale technical assistance and participatory engagement, have nonetheless resulted in significant progress towards its objectives.

Strong stakeholder engagement and the strategic use of partnerships have been critical to project success. ILO's and UNEP's advice and small-scale technical assistance have helped partner institutions adopt and implement good practices. Partner Institutions such as CKL Africa, Sterling Bank, and AML Zambia benefited from these efforts, which included workshops, on-the-job mentoring, and the facilitation of customized advisory services. These activities enabled partner institutions to integrate sustainability considerations into their operations effectively. For example, CKL Africa utilized training on environmental management to enhance its supply chain practices, resulting in alignment with international standards. Sterling Bank implemented gender-responsive lending frameworks following capacity-building sessions, directly benefiting marginalized groups. AML Zambia improved its occupational safety protocols and environmental management, improving on critical operational gaps. These targeted efforts demonstrate the project's effectiveness in building institutional capacity of partner institutions to meet sustainability challenges.

As highlighted in the discussions with the project team, *"Interactive workshops and consultations proved to be the most successful social dialogue formats, allowing for real-time feedback, shared learning, and building stakeholder trust"*

Additional outcomes have also resulted from the project. For example, partner organisations gained more publicity as a result of their participation, which improved their standing as pioneers in sustainable finance. Besides, companies that were previously less cognizant of applicable environmental laws, for example, related to the requirements for specific permits, are now not only complying but also realising the wider benefits of environmental management knowledge, hiring consultants for improving other sustainability aspects of their business. The impact management framework, developed, implemented and regularly updated by the project, enables the fund to systematically measure and monitor its effects, including the outreach of financed partner institutions to smallholder farmers and their households. This framework provides stakeholders with valuable insights into the socio-economic and environmental outcomes of the fund's activities, allowing it to purposefully manage its portfolio toward achieving positive development impacts. For examples, rapid appraisals of partner institutions that received finance from AATIF, were able to trace livelihood improvements of farmers in the partner institutions supply chains. These outcomes illustrate the project's broader impact in promoting sustainability and institutional development, extending beyond its immediate objectives.

Progress Towards Achieving the Project Outputs

<u>Component 1: Updated AATIF Sustainability-Related Policies</u>

The project has successfully updated three AATIF's sustainability-related policies to address evolving global trends and reporting requirements in sustainable finance, specifically to ensure alignment with the Operating Principles for Impact Management and the Sustainable Finance Disclosure Regulation (SFDR):

- *Social and Environmental (S&E) policy*.
- *Development impact statement*.
- *Risk management policy*.

In addition, the Fund's Issue Document was updated to reflect the shift of the project's focus from compliance to sustainability advisory.

The updated policies have been instrumental in driving systemic changes within the main project partner and partner institutions, equipping them to better integrate sustainability considerations into their operations and investment frameworks. Stakeholder feedback highlights the success of these updates in enhancing the project's relevance and effectiveness, particularly in addressing the social, environmental, and developmental challenges facing agricultural finance in Africa.

<u>*Component 2: Expanded and refined social, environmental and impact management methodology.*</u>

The project has expanded its social, environmental, and impact management methodology and incorporated simplified tools for due diligence, monitoring, and improvement tracking into the AATIF sustainability management system. The project tested the tools and implemented them across multiple AATIF partner institutions, supporting consistent and comprehensive sustainability management. Stakeholder feedback from KIIs highlighted the effectiveness of these tools in enabling the AATIF and partner institutions to align their practices with global sustainability benchmarks. For instance, Sterling Bank integrated gender-sensitive criteria into its agricultural finance portfolio, tailoring loan products to support women farmers and entrepreneurs. AML Zambia continuously updated its social and environmental action plan and launched a reforestation program and improved waste management practices, which reduced environmental risks and enhanced compliance with Zambian regulations. Challenges such as operational variability and capacity constraints limited broader application, underscoring the need for continued refinement and support.

> *"There were many challenges which included variations in institutional readiness, differences in operational contexts, and capacity constraints in smaller institutions, which limited the consistent application of the tools"*: AATIF Board member

Besides, some challenges remain due to varying levels of institutional capacity and regulatory environments, thus the need for standardizing the methodology across diverse partner institutions. The iterative refinement of the methodology and related tools for implementation demonstrates the project's commitment to continuous improvements in responding to emerging topics and changes in international standards.

<u>Component 3: Social, Environmental, and Developmental Impact of Partner Institutions established and AATIF impact measurement framework implemented</u>

The project continuously reviews and updates the AATIF impact measurement framework based on emerging trends, lessons learned, and input received, at least on an annual basis, during joint impact sessions with the AATIF Board of Directors, Investment Committee, Technical Assistance Committee, Investment Advisor, and Technical Assistance Facility Manager. The implementation of the AATIF impact measurement framework itself has established a robust mechanism for tracking the social, environmental, and developmental impacts of partner institutions. The framework includes a rapid appraisal process as well as a process of annually submitted self-reported impact data by partner institutions. The project has also developed tools like an impact spider, which offers visual representations of progress across key impact dimensions, enabling data-driven decision-making. The results of implementing the impact measurement framework do not only benefit the AATIF but also partner institutions. For example, based on feedback from the annual compilation of its impact spider by the project, CKL Africa set out activities to further improve labour conditions and environmental practices in its supply chains. Three examples are provided below that demonstrate the tangible benefits of the AATIF impact measurement framework across diverse contexts.

- *Example 1: Informed by the annual impact analysis of the project, CKL updated its action plan and implemented activities that reduced workplace safety incidents and enhanced its environmental management systems, resulting in cleaner operations and better resource efficiency. These improvements have had a direct impact on both workers and operational sustainability.*
- *Example 2: Sterling Bank (Nigeria) integrated gender equality into its agricultural finance portfolio. By refining its loan products, the bank has extended credit access to over 15,000 women farmers and entrepreneurs, addressing systemic barriers to financial inclusion. Sterling Bank also implemented data-driven adjustments using AATIF's spider graph analysis, further enhancing its service offerings.*
- *Example 3: Informed by impact results, AML (Zambia) focused on mitigating environmental degradation and enhancing community engagement within its milling operations. After undergoing AATIF's rapid appraisal, AML launched successful reforestation initiatives and improved waste management systems, achieving significant compliance improvements with Zambia's environmental regulations. The company's engagement with local communities through these initiatives has also fostered greater trust and collaboration.*

<u>Component 4: Small-Scale Specialized Technical Assistance</u>

The provision of small-scale technical assistance has been a cornerstone of the project's capacity-building efforts. This assistance has included the development of S&E action plans and impact management action plans tailored to the specific needs of partner institutions. The project has also utilized a consultant support pool to provide targeted expertise in areas such as occupational safety and health, gender equality, and environmental risk management. Feedback from KIIs underscores the effectiveness of this approach, with many partner institutions reporting enhanced capacity to address sustainability challenges. Targeted small-scale technical assistance was provided to partner institutions, specifically supporting them to improve elements of their SEMS. For instance, CKL leveraged this assistance to address gaps in occupational safety, while AML Zambia improved compliance with environmental standards through tailored guidance. The institutions reported enhanced capacity to address sustainability challenges. Where the requests exceeded a small scale, the project forwarded the demand to the AATIF Technical Assistance Facility Manager and jointly larger scale technical assistance measures were drafted and implemented with the support of expert consultants. The demand indicated a need for future efforts on scaling support and addressing institutional gaps to ensure sustained progress.

Component 5: AATIF Stakeholders' Increased Sustainability Management Capacity

Capacity-building efforts have been a central focus of the project, with training sessions and mentoring programs designed to equip stakeholders with the skills and knowledge needed to implement sustainability management measures. The project conducted training activities annually, complemented by on-boarding sessions for new members of the AATIF Board of Directors, Investment Committee, Technical Assistance Facility Committee, Investment Advisor and Technical Assistance Manager. Training materials have been updated to reflect the latest developments in sustainability management, ensuring that stakeholders remain informed and capable. Stakeholder feedback highlighted the effectiveness of these activities in fostering a culture of sustainability within AATIF and its partner institutions.

Component 6: Project Outcomes Communicated and Disseminated Jointly with AATIF

The project has effectively communicated its outcomes through quarterly and annual reports, newsletters, and the AATIF website. These efforts have been complemented by participation in regional and international conferences, where project findings and good practices have been shared with a broader audience. The dissemination of impact briefs and leveraging ILO communication channels like the Social Finance Programme's LinkedIn presence and newsletter have been particularly effective in raising awareness of the project's achievements and promoting its methodologies. Feedback from stakeholders indicates that these communication efforts have enhanced the project's visibility and influence within the agricultural finance sector.

4.4 Efficiency

Resource Utilization and Allocation

In general, resources were used effectively, with money and experience being strategically distributed to address priorities. Nevertheless, there were times when high demand for technical assistance put a strain on human resources, which caused some activities to be delayed. While certain resources, like human resources, were overused during periods of high implementation, others, like technical tools (for example shared data platforms), were underutilized.

The project also strategically leveraged ILO resources to enhance its effectiveness without duplicating efforts. Tools and frameworks developed under ILO initiatives, such as the Social Finance Programme, complemented the project's goals, ensuring alignment with international labour standards and sustainability objectives. For example, the integration of gender-focused metrics into impact measurement tools reflected lessons learned from previous ILO projects. Additionally, Phase IV of the project avoided redundancies by customizing existing ILO tools to suit the specific needs of AATIF stakeholders and partner institutions. This approach maximized resource efficiency and ensured that project outcomes were closely tied to the broader objectives of the ILO.

Technical Resources and Partnerships

Technical resources were adequate, with significant contributions from UNEP and ILO's Social Finance Programme. The partnership with UNEP and collaboration of the ILO backstopping unit with the ILO Social Finance Network played a pivotal role in delivering technical expertise and aligning the project with broader sustainability goals. Stronger local partnerships and more extensive training for partner institutions could have further improved outcomes.

4.5 Impact Orientation and Sustainability

Positive Changes at Partner Institutions

AATIF partner institutions and supply chains have adopted Social and Environmental Management Systems (SEMS) and improved their sustainability management, leading to improved operational standards, more development impact and lower environmental impact. Systemic changes include embedding sustainability criteria into loan approval processes and institutional practices. Institutional changes include the establishment of dedicated risk management teams and tools for impact measurement and reporting. Below some examples of changes at partner organizations.

Enhanced operational efficiency and employment practices

African Milling Limited (AML) in Zambia implemented environmental safeguards and risk management practices, resulting in better operational standards and reduced environmental impact. The project also introduced improvements in employment practices, such as health and safety measures, Personal Protective Equipment (PPE) usage protocols. Similarly, AML developed a Stakeholder Engagement Plan and Grievance Procedure, alongside environmental, legal and permit registers to ensure continuous compliance with environmental regulations.

CKL Kenya established a sustainability desk as a direct result of the project, which transitioned into a fully integrated part of its operations. The desk enabled CKL to implement impact reporting templates, greenhouse gas (GHG) monitoring, and waste management practices.

Social and Environmental Management Systems (SEMS)

Both CKL and AML developed additional elements of SEMS to manage social and environmental risks systematically. AML hired team members to address these issues and developed an Occupational Safety and Health (OSH) Policy. The implementation of its SEMS at CKL helped operationalize sustainability frameworks and improve stakeholder engagement, setting benchmarks for institutional compliance with global sustainability standards.

NSIA Banque, Côte d'Ivoire also enhanced its sustainability management with the support of the project and additional technical assistance. Together with other investors, AATIF has played a significant role in educating the bank about S&E issues and putting them in writing using a format that complies with global norms. To coordinate the implementation of SEMS throughout its operations, the bank established a specialised unit. S&E specialists and relationship managers, who are in charge of S&E screening of possible transactions, received training facilitated through AATIF's TA Facility. The bank received a label in 2022 attesting to its compliance with the ISO 26000 social responsibility standard.

Gender inclusion and workforce development
Both CKL and AML made strides in gender inclusion, with initiatives to promote female employment and leadership. At AML, the number of women in the workforce increased marginally, while CKL incorporated gender-sensitive reporting to enhance representation and inclusivity within their operations.

Improved energy and resource efficiency

AML implemented energy-saving technologies such as power factor units and energy-efficient bulbs, achieving a 30% reduction in energy consumption. These systemic improvements aligned with the project's broader objectives of promoting environmental sustainability.

Ownership and Sustainability of Results

AATIF's capacity to assess and manage sustainability outcomes has been strengthened through its structured impact measurement framework, regular training, and the development of customized tools that enhance monitoring and evaluation capabilities. By formalising procedures that incorporate sustainability standards into training curricula and decision-making processes, as well as coordinating project lessons with institutional policies and continuing initiatives, results are being incorporated into the project partner's core institutional operations.
Equally, through strategies like co-developing specialised tools, offering specialised technical assistance, and incorporating sustainability practices into their operational frameworks, partner institutions have been encouraged to take ownership of the project's outcomes.

4.6 Cross-Cutting Themes and Additional Considerations

Knowledge Transfer and Self-Sustained Growth
The interactive training workshops, tailored sustainability advisory, and regular feedback led to effective knowledge exchange between ILO, UNEP, AATIF and its partner institutions. These mechanisms have also effectively supported self-sustaining growth by equipping partner institutions with the tools and expertise to independently manage sustainability matters.

Promotion of Gender Equality and Non-Discrimination
The project has supported AATIF to incorporate gender and non-discrimination across its investment activities as a cross-cutting matters that are part of its sustainability management framework. The project supports AATIF to gather sex-disaggregated data from partner institutions across a number of indicators, including board diversity, producer outreach, and employment (including gender representation and salary gaps across contract types), even though it does not yet have a specific gender impact dimension. These procedures seek to minimize unintended gender-related risks while keeping an eye on gender dynamics, particularly for underprivileged groups.

The fund's impact metrics also include gender-specific indicators, for example gender pay disparities, the number of women in leadership positions, and compliance with non-discrimination guidelines in hiring procedures.

The project has developed a framework to position and assessed the Fund in a gender impact continuum. The AATIF gender approach currently lies between being gender- responsive and gender-aware. AATIF has the opportunity to broaden its framework by proactively tracking, quantifying, and disclosing gender-specific impacts, in contrast to peer impact funds. Creating a specific gender strategy with goals and transformative projects would improve its standing on this continuum.

By incorporating gender-sensitive metrics into sustainability assessments and modifying goals to accommodate the needs of both men and women, the Building Capacity for Social Risk and Impact Management in Agricultural Finance in Africa (AATIF) project has successfully addressed social inclusion and gender. Partner institutions such as NSIA Bank and CKL Africa have incorporated questions about gender equity, child labour, and women's participation in their client acquisition processes, ensuring these factors are considered in decision-making. For instance, by focusing on smallholder farmers and prioritizing gender inclusivity through partnerships with women suppliers, CKL has created a ripple effect that promotes sustainable practices throughout its value chain.

However, the measurement of the full impact of these efforts has been limited by a lack of systematic gender analysis. Despite gathering gender-related data, AATIF lacks a stand-alone gender strategy and impact assessments tailored to a particular gender. This restricts the fund's capacity to evaluate and improve its gender equality contributions methodically. Additionally, focused technical assistance could improve partner institutions' ability to support gender-equitable decision-making and employment practices.

There remain several opportunities for AATIF to advance toward a gender-responsive or even gender-transformative approach. A key step is developing a comprehensive gender strategy with clearly defined objectives and measurable targets. Additionally, AATIF can link with initiatives such as the 2X Challenge, which focuses on mobilizing investments that support women-led enterprises and promote workplace equity. Incorporating gender impact assessments and adapting existing tools, such as reporting templates and stakeholder assessments, can help capture gender-transformative outcomes effectively. Finally, conducting internal gender awareness training and surveys can enhance AATIF understanding and ensure the integration of gender considerations across all operations. Frameworks such as the 2X Challenge and the Gender Lens Initiative for Switzerland are essential for showcasing new developments in sustainable investing. These programs place a strong emphasis on providing goods that enhance women's livelihoods, encouraging workplace equity, and funding women-led enterprises. Similar tactics could be used by AATIF to increase its influence in the cause of gender equality.

Cultural Responsiveness and Local Context

By taking into account regional practices and making sure that the project's outputs were in line with local norms and legal frameworks, they were adapted to be culturally appropriate and responsive to the local contexts of partner institutions. To guarantee moral and legal compliance, due diligence procedures, for instance, took into account local land acquisition traditions and communal land ownership. Better integration into regional agricultural practices was made possible by training sessions and resources tailored to address region-specific issues, such as socioeconomic conditions and climate-related hazards. However, more local stakeholders participating in the design process could have improved the project outputs' cultural appropriateness and responsiveness even more.

5.0 Conclusions

5.1 Relevance and Validity of Design

The project was able to respond effectively to the evolving African agricultural finance sector's needs by integrating capacity building, social-environmental risk management, and sustainable finance objectives. Its transition from advisory compliance-focused to sustainability-focused, with the addition of climate risk analysis and impact investments, evidenced responsiveness to regulation and environment. Besides that, learning from earlier stages, such as social risk management and gender equality, was incorporated in a way that the project facilitated both the short-term and long-term agendas of stakeholders.

5.2 Coherence

The project maintained strong alignment with its Theory of Change, emphasizing sustainability at multiple levels. However, there is room for improvement in monitoring and evaluating long-term social and environmental impacts. The project successfully utilized structured risk assessments, environmental due diligence, and partnerships to mitigate key risks. By coordinating with a stakeholder like UNEP and aligning with frameworks such as Kenya's Sustainable Finance Initiative (SFI), the project reduced duplication and created synergies with regional sustainability initiatives. While these efforts enhanced coherence, standardizing tools and strengthening stakeholder communication could further improve internal consistency.

5.3 Effectiveness

The project demonstrated significant progress through the adoption of sustainability tools, including GHG mapping, sustainability dashboards, and Social and Environmental Management Systems (SEMS) by institutions such as Sterling Bank and African Milling Limited (AML). Key achievements included improved farmer livelihoods, increased environmental compliance awareness, and stronger institutional sustainability practices. Challenges such as limited resources and varying institutional capacities were mitigated through stakeholder engagement and participatory capacity-building initiatives, ensuring broad adoption of sustainable finance practices.

5.4 Efficiency

The project effectively managed resources, though high demand for technical assistance occasionally strained human resources, leading to delays. Collaboration with UNEP and other institutional partners optimized resource use, aligning agricultural finance with sustainability goals. However, underutilization of technical tools due to varying institutional readiness highlighted the need for improved planning and targeted training efforts to ensure consistency in implementing sustainability frameworks like SEMS and sustainability dashboards.

5.5 Impact Orientation and Sustainability

The project catalyzed systemic and institutional change, evidenced by the adoption of SEMS by AML and NSIA Banque, expanded market access for smallholder farmers, and gender-inclusive financial products. These changes supported environmental sustainability and social equity while embedding sustainability into core institutional policies. However, the absence of a dedicated gender strategy limited the ability to systematically measure gender-related impacts. Formalizing sustainability criteria in institutional policies and providing ongoing technical support will be crucial for maintaining long-term impact.

5.6 Cross-Cutting Themes and Other Considerations

The project promoted knowledge transfer through interactive workshops and tailored advisory services, fostering self-sustaining institutional growth. Gender integration efforts included developing gender-sensitive financial metrics, creating tailored financial products for women, and encouraging equal participation in training programs. While a standalone gender strategy was lacking, these initiatives laid the groundwork for inclusive finance practices. Adapting project outputs to local legal and cultural frameworks also improved relevance, but further engagement of local stakeholders during the design phase could enhance effectiveness and sustainability.

6.0 Lessons Learnt

1. Sustainability is a key investment criterion

Integrating sustainability into financial decision-making is essential for long-term impact and regulatory compliance. The project demonstrated that institutions can systematically address social and environmental risks using structured tools such as Social and Environmental Management Systems (SEMS), GHG mapping, and sustainability dashboards. Institutions like Sterling Bank and African Milling Limited (AML) successfully implemented these practices, improving their risk management, operational resilience, and sustainability reporting. This reinforces the necessity of embedding sustainability criteria into financial governance structures to drive responsible investment and risk mitigation.

2. *Tailored Capacity Building is essential for effective Knowledge Transfer*

Effective capacity-building requires customized training approaches that consider the specific operational needs and readiness levels of partner institutions. The project demonstrated that structured training, technical assistance, and follow-up mentorship programs play a critical role in institutionalizing sustainability practices. Institutions that received context-specific technical support were more likely to implement and sustain environmental and social compliance measures, highlighting the importance of adaptive and continuous learning models for long-term success.

3. Strategic Partnerships Amplify Impact

Collaborations with organizations such as UNEP, local financial regulators, and national agricultural bodies significantly improved the project's ability to align with regional policies and address systemic sustainability challenges. These partnerships facilitated coordinated action on sustainable finance, capacity development, and policy alignment, preventing duplication of efforts. The project's ability to leverage expertise from multiple stakeholders enhanced outreach, strengthened impact assessment frameworks and ensured greater integration of sustainability standards within financial institutions and agribusinesses.

4. Cultural responsiveness enhances effectiveness.

The successful implementation of sustainability initiatives depends on cultural responsiveness and alignment with local governance structures. Adapting project outputs to local land tenure systems, regulatory frameworks, and socioeconomic conditions increased institutional uptake and relevance. The incorporation of region-specific challenges, such as climate adaptation strategies and market access for smallholder farmers, further enhanced the effectiveness of interventions. Moving forward, greater involvement of local experts and stakeholders during project design and implementation will ensure that solutions remain practical and widely accepted.

5. Gender Integration Requires a Strategic Framework

While the project made significant strides in gender-sensitive financial solutions, including the development of tailored financial products for women and gender-responsive sustainability metrics, the lack of a formalized gender strategy limited its ability to systematically track and enhance gender-specific outcomes. A dedicated gender strategy with clear objectives, measurable targets, and integrated reporting mechanisms would strengthen inclusivity efforts. Institutionalizing gender-focused policies across partner organizations will be essential in ensuring equitable access to finance and sustainability opportunities for women and marginalized groups.

7.0 Good Practices

1. *Integration of Social and Environmental Management Systems (SEMS), Sustainability Tools and Frameworks*

The adoption of SEMS and sustainability tools by institutions such as Sterling Bank and African Milling Limited (AML) was a best-practice model for embedding environmental and social risk management into financial operations. This approach enabled institutions to systematically assess, mitigate, and monitor sustainability risks, aligning their practices with global sustainability standards such as the Sustainable Finance Disclosure Regulation (SFDR) and climate-related risk frameworks. The deployment of tools like GHG mapping, sustainability dashboards, and structured impact reporting templates provided clear benchmarks for measuring and improving sustainability performance. These frameworks enhanced institutional transparency, accountability, and continuous improvement in sustainability management.

2. *Tailored Technical Assistance for Capacity Building*

The project successfully delivered customized technical assistance to partner institutions by aligning training programs with specific institutional needs and operational contexts. Training initiatives covered social and environmental risk assessment, gender equity in finance, and regulatory compliance, ensuring that institutions could internalize and implement sustainability frameworks effectively. Additionally, the provision of follow-up mentorship and capacity-building support strengthened institutions' ability to sustain these practices long after initial interventions, demonstrating the effectiveness of adaptive and institution-specific training models.

3. *Leveraging Partnerships for Resource Optimization*

Collaboration with organizations such as UNEP, financial regulators, and national agricultural bodies played a crucial role in ensuring that sustainability initiatives were well-resourced and aligned with regional policies. These partnerships enabled the project to leverage specialized expertise, optimize technical resources, and enhance policy coherence. By working with local financial institutions and regulatory agencies, the project successfully integrated sustainability principles into mainstream agricultural finance practices, reducing duplication of efforts and reinforcing long-term adoption of sustainable finance models.

8.0 Recommendations

Relevance and Validity of Design

1. **Organize regular stakeholder consultations and workshops to align project design with evolving stakeholder needs (strengthen iterative nature of project management)**

   Who: ILO and local partners

   Time implication: Immediately.
   Priority: High.
   Resource Implication: Medium.

Effectiveness

2.1 **Incentivize partner institutions to invest in real-time sustainability metrics tracking technology, with implementation and usage training provided.**

   Who: AATIF and ILO
   Time Implications: Long-term.
   Priority: High.
   Resource Implications: High

2.2 **Provide targeted support for underperforming institutions.**
   Who: ILO and UNEP.

   Timeframe: Medium-term.
   Priority: Medium.
   Resource Requirement: Medium

Efficiency

3. **Conduct a detailed resource evaluation to identify areas of over- or under-utilization. Redistribute human and financial resources to address high-demand areas without compromising overall efficiency.**

   Who: ILO and AATIF.

   Time Implications: Immediately.
   Priority: High.
   Resource Implications: Low

Impact Orientation and Sustainability

4.1 **Enhance the institutionalization of policies that integrate sustainability criteria.**
4.2 **Provide capacity-building sessions for consistent application.**

   Who: ILO and UNEP.

   Time Implications: Medium-term.
   Priority: High.
   Resource Implications: Medium

Cross-Cutting Themes and Additional Considerations

5. **Develop comprehensive gender strategies.**

   Who: AATIF

   Timeframe: Medium-term. Priority: High.
   Resource Implications: Medium

6. Annex

Annex 1 Terms of Reference

Final Independent Evaluation of Building capacity for social risk and impact management in agricultural finance in Africa (Phase 4)

Project location	Global
Application deadline	30 September
Type of contract	External Collaboration Contract
Expected duration	10 October to 20 December 2024
Language required	Proficiency in written and spoken English

The ILO Evaluation Office is seeking expressions of interest for an international consultant/evaluator to conduct the final independent evaluation stated above. Candidates intending to submit an expression of interest must supply the following information:

- A description of how the candidate's skills, qualifications and experience are relevant to the required qualifications of this assignment.
- A list of previous evaluations/work that are relevant in relation to the context and subject matter of this assignment.
- A statement confirming the availability of the candidates to conduct this assignment and the daily professional fees expressed in US dollars.
- A copy of the candidates' CVs (which must include information about the qualifications held by the candidates).
- A statement confirming that the candidates had no previous involvement in the delivery of the stated project or have a personal relationship with any of the ILO Officials who are engaged in the project.
- The names of two referees (email address) who managed the evaluations mentioned in the point 'b'.
- Further details on the evaluation can be found in the attached TORs.

Applications are invited from individual candidates. The deadline to submit an expression of interest for undertaking the evaluation is 5.00 pm Dhaka time, 30 September 2024. Please send an e-mail with the subject head "Evaluation of the AATIF-IV" to the Evaluation Manager, Md Mokther Hossain hossainmd@ilo.org

Terms of Reference Final independent evaluation of 'Building capacity for social risk and impact management in agricultural finance in Africa (Phase 4)'

Key facts

Title of project being evaluated	Building capacity for social risk and impact management in agricultural finance in Africa (Phase 4)
Project DC Code	GLO/12/08/AAT
Type of evaluation	Final independent evaluation
Timing of evaluation	October 2024 to December 2024
Funder	Africa Agriculture and Trade Investment Fund
Administrative Unit in the ILO responsible for administrating the project	Sustainable Enterprises Department / Social Finance Unit
Technical Unit(s) in the ILO responsible for backstopping the project	Sustainable Enterprises Department / Social Finance Unit
P&B outcome (s) under evaluation	Outcome 3 (3.2 Decent Work in Rural Areas) Outcome 4 (Sustainable Enterprises)Outcome 7 (Adequate and effective protection at work) Outcome 8 (Unacceptable Forms of Work)
SDG(s) under evaluation	SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
Project budget	USD 1,248,655

Background information

Agriculture accounted for 26% of global employment in 2022, down from 43% in 1991. While the numbers of people working in the agriculture sector are expected to continue to decline over time, the sheer scale of the working poor in the sector, and the inherently dangerous and uncertain nature of agricultural work requires addressing decent work deficits at all levels. Particularly in developing countries, there are major constraints that need urgent attention, including inadequate skills, exclusion of agricultural workers from national labour laws, low wages, dangerous working conditions, and a high incidence of child and forced labour.

Sustainable investment in agriculture is essential for reducing poverty and enhancing food security. In addition, it can contribute to creating sustainable livelihoods, in particular for smallholders, and members of marginalized and vulnerable groups, and generating decent work for agricultural workers.

In recent years, many investors have recognized the need for integrating social and environmental aspects in their investment decisions. Some have moved a step further and are making investments with an explicitly intentional and measurable positive social and/or environmental impact. These 'impact investors' intend to generate financial returns alongside positive social and environmental impacts through their investments.

Project background: The 'Building capacity for social risk and impact management in agricultural finance in Africa' project is a long-standing collaboration between the ILO and the Africa Agriculture and Trade Investment Fund (AATIF). Currently completing its fourth phase, the project initially started in June 2012.

The AATIF itself is a public-private partnership which was initiated by the Government of Germany in 2011 to *"realise the potential of Africa's agricultural production, and related manufacturing, service provision, and trade, through sustainable investments across the entire value chain, aiming at promoting inclusive growth and increasing decent employment and income to farmers and entrepreneurs in the agricultural sector in Africa".* The AATIF is an impact investing fund that finances companies along the agricultural value chain, targeting small, medium and large-scale agricultural producers and agricultural businesses as well as financial institutions serving these and wanting to expand their agricultural portfolio. All AATIF activities are guided by its development impact statement and its social and environmental management framework which are embedded in a strong governance structure all to safeguard a positive development impact.

In June 2012, ILO and AATIF signed a first collaboration agreement with the ILO for building capacity for social compliance of investments in agriculture in Africa. In June 2013, the UN Environment Programme (UNEP) joined the collaboration through a contribution agreement with ILO and since contributed through complementing the ILO expertise on the social side with UNEP's expertise on environmental elements. Since inception, the project implemented three collaboration phases (2012-2015; 2015-2018; 2018-2021), and now is at the end of phase 4 (2021-2024).

Phase 4 builds on the outputs and lessons derived from the earlier phases and particularly aims to increase outreach within the financial industry and along the agricultural value chain by building the capacity of the fund and its partner institutions to create positive social, environmental and development impact. Phase 4 covers six components:

- Update AATIF's sustainability-related policies

- Expand and refine the social, environmental and impact assessment methodology
- Establish social, environmental and development impact of AATIF partner institutions and drive implementation of AATIF's impact measurement framework
- Provide small-scale specialised technical assistance to AATIF partner institutions
- Build social, environmental and impact management capacity of the project partner AATIF and its partner institutions
- Communicate and disseminate project outcomes

Project partners and stakeholders: The phase 4 continues to be a global project. Typically, stakeholders across two continents, Africa and Europe, participate in the project activities.

The European outreach is determined by the place of registration of the Fund (Luxembourg), the location of the main AATIF shareholders BMZ (Germany) and EC (Belgium) and their representation on the AATIF Board which is ensured through KfW (Germany), the Fund's Investment Advisor DWS (Germany) and the Fund's Technical Assistance Facility Manager Common Fund for Commodities (Netherlands).

The geographic coverage in Africa depends on applications that the AATIF receives and stretches across the whole continent from North to South and West to East. Typical partner institutions are financial institutions, agricultural input providers or aggregators of produce as well as commercial farmers that receive financing from AATIF. Through the ILO-AATIF collaboration, they are supported to improve their social and environmental management practices and increase their impact management capacities. In addition, and this is where the ultimate development impact is found, smallholder farmers and their families as well as employees and their families of businesses linked to AATIF partner institutions are benefiting from these improvements.

Objectives and outputs:

- The immediate objective of the project is to enhance the capacity of agricultural finance stakeholders in Africa to better understand and manage sustainability risks with the aim to produce a positive development impact. The immediate objective will be reached by improving social, environmental, and development impact management capacities across the AATIF's investment process and across the AATIF's technical assistance measures. The objective will be achieved through six outputs:
- Updated AATIF sustainability-related policies.
- Expanded and refined social, environmental and impact management methodology.
- Social, environmental and developmental impact of partner institution activities established and implementation of AATIF impact measurement framework advanced.
- Small-scale specialised technical assistance provided to AATIF partner institutions to build their capacity for implementing social, environmental, and impact management improvements as per loan covenants.
- AATIF stakeholders increased social, environmental, and impact management capacity.
- Project outcomes communicated and disseminated jointly with AATIF.

Institutional arrangement: The ILO Social Finance unit of the Sustainable Enterprises Department coordinates the overall project and functions as the administrative and technical backstopping unit. Thus, through the Social Finance unit, the ILO acts as Sustainability Advisor supporting the AATIF in the implementation of its organisational mission while building up the policies, procedures, tools and reporting of the underlying sustainability management system and capacity of the AATIF itself as well as its partner institutions. The project is managed by a senior project manager who has implementation support of several technical officers, all development cooperation (DC) staff of the Social Finance unit. The AATIF is governed by a Board of Directors that provides overall guidance and takes the strategic decisions related to the Fund's operations and as such also those related to the Sustainability Advisor function and the collaboration with the ILO.

Linkage to ILO strategic framework, cross cutting issues and SDGs: Phase 4 covers the rural economy under P&B Outcome 3 and through a specific Output 3.2 Increased capacity of member States to formulate and implement policies and strategies for creating decent work in the rural economy. Furthermore, the project also contributes to P&B Outcome 4 Sustainable Enterprises and outcome 7 Adequate and effective protection at work. It is further linked to several Decent Work Country Programmes: ZMB177, KEN127, ZWE101; MOZ105; MWI106; CIV102; NGA103. This project falls under SDG 8. The project interventions include measures to address ILO cross cutting issues, in particular, gender, capacity building and environmental sustainability.

Theory of Change (TOC), risks and sustainability: The project has identified several risks and mitigation measure for risks and some critical assumptions. The project developed a Theory of Change (TOC) that is integrated into the AATIF's development impact statement. The ILO adjusts the generic TOC for the activities with each individual AATIF partner institution.

The project has a sustainability strategy where sustainability is the underlying conviction of the collaboration between the AATIF and the ILO. Increased use of local institutions for both social and environmental as well as development impact activities, especially during the due diligence and monitoring process of partner institutions, in the implementation of small-scale technical assistance as well as in the impact measurement framework has been anchored to be instrumental to improve sustainability of the project.

Previous evaluations: Phase 4 (Dec 2021 to 31 Dec 2024) built on the M&E system in place from earlier project phases. An internal evaluation of the first phase was conducted in August 2014. Subsequently, the agreement was extended for another three-year period in 2015 running through 2018. Phase 3 started immediately after phase 2 and continued until 14 July 2021.

Considering ILO Evaluation Policy, phase 4 needs to conduct a final independent evaluation at the end of the project. The project has allocated the budget for this activity as per ILO Evaluation Policy.

Purpose, objectives, and scope of the evaluation

The main purpose of the final independent evaluation is to extract lessons learned from phase 4, provide an objective assessment of project results and accountability. The evaluation will also support the design of the next phase. The evaluation will assess the project results, management, and contribution to relevant national and international frameworks (SDG 8). The evaluation will apply OECD DAC evaluation criteria and adhere to UNEG norms and principles and code of conduct for evaluation. This evaluation also follows ILO policy guidelines for results- based evaluations; and the ILO EVAL Policy Guidelines and relevant Checklists.

The specific objectives of this final independent evaluation are:

To assess the level of achievement of the project's immediate objective and performance as per project targets and indicators and assess whether it can be linked with previous phases.

To identify good practices and lessons learned and how they can contribute to designing the new phase including future collaborations with similar and potential new partners.

To determine to what extent the project's strategic approach reflects the ILO comparative advantage and cross cutting issues including norms, gender equality, disability inclusion, and social dialogue.

To determine to what extent the project has built in its sustainability strategy.

To provide recommendations for future improvement and sustainability.

The primary end users of the evaluation findings are the project management that lies with the ILO Social Finance unit, as well as the AATIF Board of Directors, Investment Advisor and other collaboration partners including in-country partners and stakeholders.

The evaluation will provide a comprehensive review of the project components and activities implemented from **1 Dec 2021 to 31 Dec 2024**. Considering the intervention type, the evaluator may not need to undertake a field mission. There are ILO Decent Work Teams, Africa-based Social Finance Network members, ILO country offices, specialised consultants in numerous African countries of AATIF operation who could extend their support to field data collection if needed. The requirement of the field mission will be finalised in the inception phase based on stakeholders' discussion and evaluation method. The evaluation will integrate ILO's cross-cutting issues, including norms and social dialogue, gender equality, disability inclusion, other non- discrimination concerns, and medium and long-term effects of capacity development initiatives throughout the evaluation methodology and all deliverables, including the final report.

Evaluation criteria and questions (including cross-cutting issues/ issues of special interest to the ILO)

This final independent evaluation should address its objectives considering OECD DAC evaluation criteria: relevance, coherence, effectiveness, efficiency, orientation towards impact, and sustainability as defined in the ILO Policy Guidelines for results-based evaluation, 20201. This final evaluation will address all criteria and questions listed below to the extent possible. However, the evaluator may adapt the evaluation criteria and questions based on the discussions with the ILO evaluation manager and such changes should be documented in the inception report. The evaluator will also document good practices and lessons learned for all relevant criteria according to ILO guidance and template.

<u>Criteria:</u>

- Relevance

- Validity of design and coherence
- Effectiveness
- Efficiency
- Impact orientation and sustainability

Criteria	Evaluation questions
1. Relevance	1.1 To what extent the immediate objective (still) corresponds to the needs of stakeholders in the financial sector, who are interested in investing in African agriculture? 1.2 How well does the project complement other initiatives in the industry and region?
2. Validity of design and coherence	2.1 To what extent are the project design (objectives, outcomes, outputs and activities) and their underlining theory of change, its strategies, modus-operandi, risk analysis, context analysis logical and coherent and address relevant priorities/need? 2.2 To what extent has the project integrated the previous lessons and cross-cutting themes in the design?
3. Effectiveness	3.1 To what extent has the project achieved its objective? What are the intended and unintended changes brought by the project? Were there any good practices and innovation? 3.2 To what extent and how well did the project meet the capacity needs of the project partners and how well did it address capacity challenges in the financial sector? 3.3 Which have been the main contributing and challenging factors towards project's success in attaining its targets? 3.4 To what extent have stakeholders (including ILO constituencies) been involved in the implementation? How social dialogue has played a role as a driver to achieving project objectives?
4. Efficiency	4.1 To what extent have resources, including funds, human resources, time, expertise, been used timely and efficiently? 4.2 To what extent were the technical resources and partnerships adequate and adapted to fulfil the project plans? 4.3 Has the project made strategic use of other ILO projects, products, and initiatives to increase its effectiveness and impact without duplicating works? 4.4 To what extent has the project leveraged synergies and partnerships with different financial service providers to enhance the projects' effectiveness and impact and maximize its contribution to investing in African agriculture?
5. Impact orientation and sustainability	5.1 To what extent is there evidence of positive changes along the ToC at the level of AATIF partner institutions and their supply chains? 5.2 To what extent has the AATIF strengthened its capacity to assess social and environmental risks and impacts in investments? Has the project had impact on institutional and systemic changes necessary for sustainable improvements? 5.3 What measures and actions have been put in place to ensure ownership of the project's results in partner institutions? 5.4 What recommendations and lessons could be offered to improve the sustainability of ILO's work with impact investors?

Methodology

The evaluation will comply with ILO evaluation norms and standards and follow ethical safeguards, as specified in the ILO's evaluation procedures. The ILO adheres to the United Nations system of evaluation norms and standards as well as to the OECD/DAC Evaluation Quality Standards.

Considering the nature of the project, it is suggested that the evaluation applies a mixed method approach. This could include qualitative elements, for example semi-structured questionnaire to capture the assessment and opinion of project partners.

The evaluator will collect preliminary information through desk review of materials that will be made available by the project CTA. These documents will include information that is publicly available on the AATIF website and the ILO project website plus internal information originating from the project implementation.

In addition, the evaluator might choose to implement a survey among collaboration partners as well as AATIF Partner Institutions, to complement and validate the findings of the desk review and the qualitative tools. The list of stakeholders to be interviewed will be confirmed by the evaluator after reviewing the initial list provided by the project to minimise selection bias.

A Stakeholders' validation session will be held towards the end of the evaluation to present initial evaluation findings and receive feedback. The CTA/Evaluator can share the findings. Prior to the stakeholders' session, a debriefing session should be organized with the project and relevant unit of ILO.

The stakeholders' perspectives will be triangulated to strengthen the credibility and validity of the findings. Key stakeholders will have the opportunity to provide inputs to the evaluation's TORs, participate in the evaluation process, and provide inputs to the draft evaluation report.

The evaluator may adapt the methodology, but any fundamental changes should be agreed to between the evaluation manager and the evaluator, and reflected in the inception report.

Findings of the desk review and interviews will be analysed and presented in the draft evaluation report. This report, after fact and sensitivity checking by the evaluation manager and project manager, will be shared with the project stakeholders. The Final Evaluation report will incorporate all relevant comments and will be submitted by the evaluator to the evaluation manager.

The gender dimension should be considered as a cross-cutting concern throughout the methodology and final report of the evaluation. In terms of this evaluation, this implies involving men and women in the consultation. Moreover, the evaluator should review data and information that is disaggregated by sex and gender and assess the relevance and effectiveness of gender-related strategies and outcomes to improve lives of women and men. All this information should be accurately included in the final evaluation report. The data collection, analysis, and presentation should be responsive to ILO's normative work, social dialogue, diversity, and social inclusion, including disability issues.

Main deliverables

The evaluator must produce and submit the following deliverables as per ILO guidance note and templates:

Deliverable 1: Inception report (10-12 pages excluding annexes)

The inception report will be based on initial discussions and desk review of documents. This report will include the detailed evaluation methodology, the evaluation matrix, workplan, data collection tools including interview guide/s, final stakeholder list, among other elements. The data collection tools need to make provisions for the triangulation of data where possible. The report will be structured as per the ILO Checklist 4.8 Writing the inception report and must be approved by the Evaluation manager before proceeding with the data collection including interviews.

Deliverable 2: A PPT on initial findings and stakeholders' validation

The evaluator with CTA or CTA will share the preliminary findings mainly to validate the findings/collect more information from stakeholders. Before the presentation to the external stakeholders, an internal sharing with project staff will be organised mainly to address errors/fact checking. This virtual workshop will be organized by the project team. Evaluation findings should be specific, concise and supported by triangulation of quantitative and qualitative information derived from various sources to ensure reliability, validity and generalization. The evaluator will prepare a PPT for this session.

Deliverable 3: Draft evaluation report (Max 25-30 pages excluding annexes)

The draft evaluation report will include findings from the desk review and interviews. The draft evaluation report will be prepared as per the ILO Checklist 4.2 Preparing the evaluation report. The draft report will be shared with all relevant stakeholders for their feedback. If needed, the draft report will be improved further consistent with the feedback from stakeholders before its finalisation.

Deliverable 4: Final evaluation report (Max 25-30 pages excluding annex)

The final report will be of right merit and worth in terms of content and usability. The report will be finalized as per the Checklist 4.2 Preparing the evaluation report. The evaluation report is considered final only when it has received an approval from the ILO Evaluation Office. The report and all other outputs of the evaluation will be produced in English. The quality of the report and evaluation summary will be assessed against the ILO Checklist 4.9 Rating the quality of evaluation report.

The draft and final evaluation report must include:

Cover page (as per ILO titlepage template)

Acronyms

Executive Summary

Description of the project and its intervention logic

Purpose, scope, limitation, and clients of the evaluation

Methodology and evaluation questions

Presentation of findings for each evaluation criteria and its questions

A table presenting the key achievements against logframe's outcome and output indicators (to be annexed)

Conclusions and recommendations (including to whom they are addressed)

Lessons learned, and good practices (as per ILO format)

Appropriate Annexes (list of meetings and interviews, TOR, and other relevant documents)

Deliverable 5: A separate executive summary will be prepared and shared by the evaluator as Per ILO template.

All deliverables must be prepared in English and using Microsoft Word. The deliverables will be regarded as delivered when they have been received electronically by the Evaluation Manager and confirmed acceptance of them.

Acceptance will be acknowledged only if the deliverable(s) concerned are judged to be in accordance with the requirements set out in the contract, to reflect agreements reached and plans submitted during the contract process and incorporate or reflect consideration of amendments proposed by ILO.

Management arrangements and work plan (including timeframe)

Mr Md Mokther Hossain is assigned as an **evaluation manager** to manage this evaluation with oversight from the ILO Evaluation Office. The evaluator reports to the evaluation manager. The evaluation manager will make sure that the work meets ILO standards and uses ILO evaluation guideline and templates. He is also responsible for following tasks:

Provide all background documents to the evaluator;

Brief the evaluator on ILO evaluation procedures;

Coordinate with the project CTA the data collection schedule of the evaluator;

Ensure the quality of all deliverables together with the departmental evaluation focal point (and EVAL);

Circulate, gather and consolidate input/feedback to the initial evaluation report from relevant stakeholders;

Review and provide inputs/feedback to the draft evaluation report; and

Share inputs/feedback with the evaluators, to be integrated in the final report.

The **project CTA** will manage the administrative works, logistics and contractual arrangements. Their tasks include:

Gather all project background materials for the final evaluation;

Prepare a list of recommended interviewees/stakeholders;

Support the consultant with scheduling meetings for data collection, i.e. interviews;

Be interviewed and provide input as requested by the evaluators during the evaluation process;

Review and provide feedback to the evaluation report with special attention to errors, factual correction, and language sensitivity of the report.

Workplan and tentative timeline of evaluation:

Activities	Responsible	No. of work days for consultant	Tentative timeframe
ToR preparation, sharing, validation and finalisation	Evaluation Manager	-	19 Sept
Consultant / team recruitment (Issuance of Call for Interests, advertisement of consultant, and selection of consultant)	Evaluation Manager	-	30 Sept
Issuance of contracts	CTA	-	7 Oct
Briefing the consultant	Evaluation Manager, CTA	1	8 Oct
Document review and interviews with project team; development of the inception report including the data collection tools submitted to Evaluation Manager	Evaluator	9	21 Oct
Inception report approved	Evaluation Manager	-	23 Oct
Data collection (i.e. interviews) and analysis	Evaluator	5	30 Oct
Report writing (full draft with annexes) submitted to the evaluation manager for review	Evaluator	10	15 Nov
Draft report sharing for comments, consolidating comments and sharing with evaluator	Evaluation Manager	-	21 Nov
Prepare Final Evaluation Report and separate Evaluation Summary and submit to ILO	Evaluator	5	30 Nov

Evaluation Manager approves the evaluation report at its level and submits to the departmental evaluation focal point	Evaluation Manager	-	7 De
EVAL provides final approval	EVAL	-	7 Dec to 20 Dec
Total workdays for evaluator	**30**		

Profile of the evaluator

The evaluation will be carried out by an international consultant selected through a competitive process from qualified consultants or firms.

Qualification:

Master's Degree on relevant subject with minimum 7 years of substantial experience in project evaluations;

Extensive knowledge of, and experience in applying, qualitative research methodologies;

Adequate contextual knowledge of the ILO, knowledge of the Africa region, the rural economy and sustainable finance / investing are essential;

Excellent report writing, interview and communication skills in English;

Previous involvement and understanding of ILO evaluation procedures is an advantage.

Legal and ethical matters

The evaluation will comply with UN Norms and Standards2. This includes all 14 norms and five standards. The evaluator will ensure the independence of the evaluation with quality and impartiality.

The TOR is accompanied by the Code of Conduct3 document for carrying out evaluations. The selected consultant shall sign and return a copy of the code of conduct with her/his contract.

UNEG ethical guidelines4 will also be followed.

It is important that the evaluator has no links to project management or any other conflict of interest that would interfere with the independence of evaluation.

All data and information received from the ILO for the purpose of this assignment will be treated as strictly confidential and are only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to the ILO. The data cannot be used for any publication and other presentation by the consultant.

https://www.unevaluation.org/document/detail/1914

https://www.ilo.org/wcmsp5/groups/public/---ed_mas/--- eval/documents/publication/wcms_649148.pdf http://www.unevaluation.org/document/download/548

Annex – Relevant ILO evaluation policies and guidelines

ILO Policy Guidelines for evaluation: Principles, rationale, planning and managing for evaluations

Guidance notes:
Integrating gender equality in monitoring & evaluation of projects
Adapting evaluation methods to the ILO's normative and tripartite mandate
4.3 Data collection methods
4.5 Stakeholder engagement
Checklists:
Preparing the evaluation report
Filing in the evaluation title page
Writing the evaluation report summary
4.8 Writing the inception report
Templates:
ILO Code of conduct: Agreement for evaluators (To be signed by the evaluators)
Lessons learned
Good practices
Evaluation summary
Evaluation title page

Annex 2 Lessons Learnt

International Labour Organization
Evaluation Office

Template 4.1: Lessons Learned

Project title: 'Building capacity for social risk and impact management in agricultural finance in Africa' (Phase 4)

Project DC/SYMBOL: GLO/12/08/AAT

Name of Evaluator: Dr. Edwin Ochieng Okul, PhD

Date: January, 2025.

The following lessons learned have been identified during the course of the evaluation. Further text explaining the lesson are included in thefull evaluation report.

LESSON LEARNED ELEMENT	TEXT
Brief description of lessons learned (link to specific action or task)	***Sustainability is a key investment criterion***: Integrating sustainability into financial decision-making enhances risk management, regulatory compliance, and long-term development impact.
Context and any related preconditions	There is a growing demand for sustainable finance in African agricultural investment, driven by increasing regulatory requirements, climate risks, and investor expectations for responsible financial practices. This requires sustainability frameworks (e.g., SEMS, GHG mapping), institutional willingness to adopt sustainable finance principles, and technical capacity-building support to facilitate integration and implementation.
Targeted users /Beneficiaries	• Financial Institutions (Banks, Investment Funds, and Microfinance Institutions) – Institutions like Sterling Bank • Agribusinesses and Agricultural Value Chain Actors – Companies such as African Milling Limited (AML) • Impact Investors and Development Finance Institutions (DFIs) • Regulatory Bodies and Policymakers – Government agencies and financial regulators. • Smallholder Farmers and Rural Enterprises,
Challenges /negative lessons - Causal factors	The lack of standardized sustainability frameworks, limited technical capacity, and inconsistent regulatory enforcement hindered the uniform adoption of sustainability practices across financial institutions.
Success / Positive Issues -Causal factors	Institutional capacity-building support, adoption of structured tools like SEMS and GHG mapping, and strong partner commitment from financial institutions.
ILO Administrative Issues(staff, resources, design, implementation)	ILO administrative issues in this lesson include the need for adequate staff expertise, resource allocation for capacity-building, and improved project design to systematically integrate sustainability frameworks like SEMS and GHG mapping into implementation processes.

LESSON LEARNED ELEMENT	TEXT
Brief description of lessonslearned (link to specific action or task)	*Tailored Capacity Building is essential for effective Knowledge Transfer*: Tailored capacity building, aligned with institutional readiness, enhances knowledge transfer and ensures the long-term sustainability of sustainability practices.
Context and any related preconditions	There were diverse institutional readiness levels among financial institutions and agribusinesses, necessitating customized training, technical assistance, and ongoing mentorship to ensure the successful adoption of sustainability practices.
Targeted users /Beneficiaries	• Financial institutions, • Policymakers • Banks • Investment funds.
Challenges /negative lessons - Causal factors	Varying institutional readiness levels, limited technical expertise, and resource constraints affected the consistent adoption and long-term sustainability of training interventions. This was besides the insufficient technical capacity, inconsistent regulatory enforcement, and financial constraints, which hindered seamless adoption and operational effectiveness across institutions.
Success / Positive Issues -Causal factors	The success of the tailored capacity building was driven by the structured training aligned with institutional readiness, continuous technical assistance, and follow-up mentorship, ensuring long-term adoption of sustainability practices. Clear sustainability guidelines, and strong risk management frameworks, reinforced sustainability as a core financial decision-making criterion.
ILO Administrative Issues(staff, resources, design, implementation)	Ensuring adequate human resources, aligning project design with institutional capacity, efficiently managing technical and financial resources, and implementing structured frameworks like SEMS and GHG mapping to enhance sustainability practices and knowledge transfer across partner institutions.

LESSON LEARNED ELEMENT	TEXT
Brief description of lessonslearned (link to specific action or task)	*Strategic Partnerships Amplify Impact:* Strategic partnerships with other organizations enhanced regional alignment, facilitated sustainability adoption, and amplified the project's outreach and impact.
Context and any related preconditions	The project operated within a complex agricultural finance landscape, where regional sustainability challenges, regulatory fragmentation, and capacity gaps required multi-stakeholder collaboration to align sustainability practices with national policies and global standards.
Targeted users /Beneficiaries	• Financial institutions • Agricultural businesses • Policymakers • Regulatory bodies
Challenges /negative lessons -Causal factors	Limited coordination and misalignment of priorities among partners occasionally led to delays in implementation and inefficiencies in resource allocation.
Success / Positive Issues -Causal factors	The project's success in leveraging strategic partnerships was driven by collaborations with UNEP and local ILO offices, which provided specialized expertise, policy alignment, and resource optimization, enabling greater outreach, systemic improvements, and effective adoption of sustainability measures.
ILO Administrative Issues(staff, resources, design, implementation)	The ILO Administrative Issues related to this lesson include coordinating staff and resources across multiple partnerships, ensuring efficient project design and implementation, and facilitating collaboration between ILO offices, UNEP, and local stakeholders to streamline sustainability initiatives and align with national policies.

LESSON LEARNED ELEMENT	TEXT
Brief description of lessonslearned (link to specific action or task)	***Cultural responsiveness enhances effectiveness:*** Adapting project outputs to local norms and socioeconomic contexts enhanced relevance, effectiveness, and stakeholder engagement in sustainability initiatives.
Context and any related preconditions	The project operated in diverse socioeconomic and regulatory environments, where land ownership, varied governance structures, and climate-related vulnerabilities influenced financial and sustainability practices, necessitating localized adaptation of project outputs for greater acceptance and effectiveness.
Targeted users /Beneficiaries	• Local financial institutions • Agribusinesses • Policymakers • Community leaders, and • Smallholder farmers.
Challenges /negative lessons -Causal factors	A lack of early stakeholder engagement and insufficient adaptation to local governance structures, land tenure systems, and socio-economic dynamics hinders project effectiveness.
Success / Positive Issues -Causal factors	The project's alignment with local customs, land tenure systems, and socioeconomic conditions, combined with tailored training on climate adaptation and sustainability, enhanced stakeholder engagement, increased adoption rates, and ensured long-term relevance.
ILO Administrative Issues(staff, resources, design, implementation)	The ILO can ensure cultural responsiveness by allocating staff with regional expertise, providing context-specific training resources, incorporating local socio-economic factors into project design, and adapting implementation strategies to align with community practices and regulatory frameworks.

LESSON LEARNED ELEMENT	TEXT
Brief description of lessons learned (link to specific action or task)	***Gender Integration Requires a Strategic Framework:*** A dedicated gender strategy with clear objectives and measurable targets is essential for ensuring systematic and impactful gender integration in financial and sustainability initiatives.
Context and any related preconditions	The project operated in a context where gender disparities in access to finance and agricultural resources remained prevalent, necessitating a structured approach to gender integration to ensure financial inclusivity and equitable participation.
Targeted users /Beneficiaries	• Financial Institutions; To develop and implement gender-responsive financial products and reporting frameworks. • Government Agencies & Regulators; To integrate gender policies into financial regulations and sustainability mandates. • Development Finance Institutions (DFIs); To ensure impact investment strategies include gender-sensitive metrics. • Agribusinesses & Cooperatives; To promote equitable financial access and economic opportunities for women.
Challenges /negative lessons -Causal factors	The absence of a standalone gender strategy was primarily caused by limited institutional prioritization, lack of standardized gender impact measurement tools, and insufficient technical expertise on gender-responsive finance within partner institutions.
Success / Positive Issues -Causal factors	The project successfully introduced gender-sensitive financial products and impact metrics, but the lack of a formalized gender strategy limited comprehensive measurement and scalability, highlighting the need for structured policies with clear objectives and accountability mechanisms.
ILO Administrative Issues(staff, resources, design, implementation)	The ILO Administrative Issues related to gender integration include dedicated staff and resources for gender-specific initiatives, a structured gender strategy in project design, and clearer implementation frameworks and accountability mechanisms to ensure systematic measurement and enhancement of gender-related outcomes.

Annex 3 Good Practice

Template 4.2: Emerging good practices

International Labour Organization
Evaluation Office

Project title: 'Building capacity for social risk and impact management in agricultural finance in Africa' (Phase 4)

Project DC/SYMBOL: GLO/12/08/AAT

Name of Evaluator: Dr. Edwin Ochieng Okul, PhD

Date: January, 2025.

The following emerging good practices have been identified during the evaluation. Further text can be found in the fullevaluation report.

GOOD PRACTICE ELEMENT	TEXT
Brief summary of the good practice (link to project goalor specific deliverable, background, purpose, etc.)	***Integration of Social and Environmental Management Systems (SEMS) into financial and non-financial business models:*** The integration of Social and Environmental Management Systems (SEMS) by AATIF and its partner institutions was a key initiative aimed at embedding sustainability and risk management into financial and non-financial business models. This practice aligned with the project's goal of enhancing sustainability in agricultural finance by ensuring systematic assessment, mitigation, and monitoring of social and environmental risks.
Relevant conditions and Context: limitations or advice interms of applicability and replicability	The effectiveness of SEMS integration depends on institutional commitment, technical capacity, and regulatory support. Some financial institutions lacked adequate internal expertise or resources for full implementation, necessitating ongoing technical assistance and capacity-building efforts. Successful replication requires tailored approaches suited to the regulatory environment and operational scale of the institution.
Establish a clear cause-effectrelationship	By embedding SEMS into financial decision-making, institutions could identify, monitor, and mitigate social and environmental risks, ensuring compliance with sustainability standards and reducing exposure to financial and reputational risks. This led to improved investment sustainability, enhanced risk management, and better environmental and social outcomes.
Indicate measurable impactand targeted beneficiaries	• Targeted beneficiaries: Financial institutions, agribusinesses, smallholder farmers, and regulatory bodies. • Measurable impact: Increased adoption of SEMS by partner institutions, improved risk assessment capacity, better compliance with international sustainability standards, and enhanced market access for smallholder farmers and businesses adopting sustainable practices.
Potential for replication andby whom	SEMS can be replicated by banks, financial institutions, agribusinesses, and policymakers in other regions, particularly those focusing on sustainable finance, impact investing, and ESG compliance. To facilitate replication, capacity-building programs, regulatory incentives, and standardized guidelines should be developed.
Upward links to higher ILOGoals (DWCPs, Country Programme Outcomes or ILO's Strategic ProgrammeFramework)	• Supports ILO's Decent Work Agenda (DWCPs) by improving social and environmental compliance within financial systems. • Aligns with SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action) through sustainable financing models. • Contributes to ILO's strategic goals on sustainable enterprises, social dialogue, and environmental sustainability.
Other documents or relevantcomments	Supporting documents may include SEMS implementation guidelines, sustainability dashboards, GHG mapping tools, and case studies from partner institutions demonstrating SEMS integration and impact.

GOOD PRACTICE ELEMENT	TEXT
Brief summary of the good practice (link to project goalor specific deliverable, background, purpose, etc.)	***Tailored Technical Assistance for Capacity Building:*** The project provided small-scale, customized technical assistance to AATIF partner institutions and collaboration partners, focusing on social and environmental risk management and the development of institution-specific action plans. This intervention aligned with the project's goal of enhancing institutional capacity to integrate sustainability and impact-driven finance into operations, ensuring that partners could adopt and sustain best practices in environmental and social governance.
Relevant conditions and Context: limitations or advice interms of applicability and replicability	The effectiveness of technical assistance depends on institutional readiness, availability of skilled trainers, and the adaptability of training models to specific contexts. Some institutions required longer-term mentorship and follow-up support to fully implement sustainability practices. For successful replication, resources for ongoing technical support and tailored learning frameworks should be established to address diverse institutional capacities.
Establish a clear cause-effectrelationship	By providing targeted training and technical assistance, the project enhanced the capacity of financial institutions and agribusinesses to implement sustainability frameworks and risk management strategies. This led to better compliance with environmental and social standards, improved risk assessment practices, and increased integration of sustainability in financial decision-making.
Indicate measurable impactand targeted beneficiaries	• Targeted beneficiaries: Financial institutions, agribusinesses, and sustainability officers within AATIF partner organizations. • Measurable impact: Increased adoption of environmental and social risk frameworks, strengthened institutional policies on sustainability, improved compliance with sustainability disclosure regulations, and enhanced decision-making capacity in financial institutions.
Potential for replication andby whom	This approach can be replicated by development finance institutions, regulatory bodies, commercial banks, and agribusinesses seeking to integrate environmental and social sustainability into financial operations. Government agencies and donor organizations can also leverage this model to provide sector-specific technical assistance for sustainable development initiatives.
Upward links to higher ILOGoals (DWCPs, Country Programme Outcomes or ILO's Strategic ProgrammeFramework)	• Supports ILO's Decent Work Agenda (DWCPs) by building institutional capacity for responsible and sustainable finance. • Aligns with SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action) through sustainability-focused financial practices. • Strengthens ILO's strategic objectives on capacity-building for sustainable enterprises and financial governance.
Other documents or relevantcomments	Supporting documents may include training manuals, case studies, impact assessment reports, and action plans developed by partner institutions showcasing the successful implementation of sustainability frameworks.

GOOD PRACTICE ELEMENT	TEXT
Brief summary of the good practice (link to project goalor specific deliverable, background, purpose, etc.)	***Leveraging Partnerships for Resource Optimization;*** The project successfully leveraged partnerships with UNEP, local ILO offices, and regional stakeholders to optimize resources and enhance the effectiveness of sustainability initiatives. These collaborations allowed the project to tap into specialized expertise, share technical knowledge, and align activities with regional sustainability policies and frameworks. This approach contributed to cost efficiency, broader stakeholder engagement, and more effective implementation of environmental and social finance practices.
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	The success of partnership-based approaches depends on strong institutional coordination, clear roles and responsibilities, and alignment of objectives among stakeholders. Challenges such as bureaucratic processes, differences in institutional priorities, and limited resource commitments from some partners may affect implementation. To ensure replicability, partnerships should be formalized through agreements, with clear governance structures and accountability mechanisms.
Establish a clear cause-effectrelationship	By partnering with UNEP and local ILO offices, the project enhanced technical expertise, avoided duplication of efforts, and streamlined sustainability initiatives across financial institutions and agribusinesses. This collaboration improved resource utilization, strengthened policy alignment, and facilitated capacity-building efforts, leading to greater adoption of sustainable finance principles.
Indicate measurable impactand targeted beneficiaries	• Targeted beneficiaries: Financial institutions, agribusinesses, sustainability regulators, and policy-makers. • Measurable impact: Increased resource efficiency, improved alignment with sustainability regulations, greater uptake of environmental and social governance (ESG) frameworks, and expanded reach of sustainability-focused financial programs across multiple institutions.
Potential for replication andby whom	This model can be replicated by financial institutions, regulatory bodies, international organizations, and private sector stakeholders looking to enhance sustainability initiatives through strategic collaborations. Governments and development finance institutions (DFIs) can adopt similar approaches to scale impact finance and ESG integration across sectors.
Upward links to higher ILOGoals (DWCPs, Country Programme Outcomes or ILO's Strategic ProgrammeFramework)	• Supports ILO's Decent Work Agenda (DWCPs) by promoting multi-stakeholder collaboration for sustainable development. • Aligns with SDG 8 (Decent Work and Economic Growth) and SDG 17 (Partnerships for the Goals) by fostering resource-sharing and policy harmonization. • Strengthens ILO's strategic focus on sustainable enterprise development, social finance, and environmental responsibility.
Other documents or relevantcomments	Supporting documents may include memoranda of understanding (MoUs), case studies on successful partnerships, partnership impact assessments, and reports on resource allocation efficiency.

Annex 4 List of Persons Interviewed

Respondent category	Respondent
AATIF Investment Committee	1. **Karl Weinfurtner**, former DEG, Chair of the AATIF Investment Committee
UNEP project team	2. **Sheila Karue**, technical officer
ILO Social Finance unit	3. **Craig Churchill**, head of unit
ILO Africa DWTs / country offices	4. **Roberto Pes**, Senior Sustainable Enterprise Dev & Job Creation Specialist, ILO DWT / CO Dakar
	5. **Gerald Tembo**, senior programme officer, CO Lusaka
AATIF Board of Directors	6. **Michael Moerschel**, KFW, head of division, AATIF Board member and ILO liaison
	7. **Doris Koehn**, Chair of the AATIF Board of Directors and member of the AATIF Investment Committee
ILO project team (ILO Social Finance Unit)	8. **Patricia Richter**, Chief Technical Adviser
	9. **Fernando Messineo Libano**, Technical officer
AATIF Investment Advisor (IA)	10. **Michael Hoelter**, head of AATIF IA team
	11. **Anne-Kathrin Gruenewald**, KFW, former AATIF IA team member and co-initiator of ILO-AATIF collaboration
	12. **Aliou Dieng**, AATIF investment advisor team, West Africa
AATIF Technical Assistance Facility Manager (TAFM)	13. **Eva Johanson**, Common Fund for Commodities, head of AATIF TAFM team
AATIF Partner Institutions	
a) Sterling Bank, Nigeria	14. **Laura Nwabueze** Sterling Bank Ag. Head, Sustainability and Environmental & Social Risk
b) CKL Africa, Kenya	15. **Catherine Gitobu**, CKL Managing Director, Kenya
c) African Milling, Zambia	16. **Jomo Matulu**, AML Head of Sustainability, Zambia

Annex 5 Documents reviewed

Below is a list of documents provided by ILO:

1) ILO documents:
    i. Various ILO documents guiding the evaluation process, including templates and checklists
    ii. AATIF-related policy documents supporting the project
2) Programme documents:
    i. The Project Document
    ii. Progress Reports (2022,2023 and 2024)
    iii. Activity reports
    iv. Development Impact Statement
    v. Social and Environment Policy
    vi. Phase 4 Implementation Plan

Annex 6. The Evaluation Questions Matrix (EQM)

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
Relevance					
To what extent does the immediate objective (still) correspond to the needs of stakeholders in the financial sector who are interested in investing in African agriculture?	• Alignment of project objectives with current stakeholder needs in the financial sector. • Stakeholder satisfaction with project relevance. • Evidence of continued demand for project services and activities.	Project documents Interview responses from sector experts Industry reports	Desk review KIIs	ILO project team AATIF board AATIF partner institutions • Sterling Bank • CKL Africa, • African Milling Limited (Zambia)	Thematic analysis of qualitative data Comparative analysis of project objectives with current sector needs. Trend analysis of demand for project activities.
How well does the project complement other initiatives in the industry and region?	• The extent to which the project aligns with the regional agri-finance initiatives • Evidence of coordination with other programs to avoid duplication. • Stakeholder perceptions of the project's added value	Regional sector reports Project documents Interview feedback	Desk review KIIs	ILO social finance unit, AATIF investment committee UNEP project team AATIF partner institutions	Cross-analysis with similar initiatives in the industry. Review of coordination activities with related projects.
Validity of design					
To what extent has the project integrated previous lessons and cross-cutting themes in the design?	• Presence of cross-cutting themes in project objectives • Evidence of adjustments based on lessons from prior phases	Project design documents Project progress reports Stakeholder feedback	Desk review KIIs	ILO project team UNEP project team ILO social finance unit	Thematic coding to assess integration of cross-cutting themes and prior lessons. Triangulation with primary sources
Coherence					
To what extent are the project design (objectives, outcomes, outputs, and activities) and their underlying theory of change, strategies, modus operandi, risk analysis, and context analysis logical and coherent in addressing relevant priorities/needs?	• Alignment of project design with identified priorities and needs. • Logical consistency in theory of change and strategies. • Completeness of risk and context analysis in project planning.	Theory of Change and strategy documents Risk analysis reports Project planning documents	Desk review KIIs	ILO project team AATIF partner institutions UNEP project team AATIF investment advisor	Thematic assessment of Theory of Change and risk analysis, highlighting gaps or inconsistencies. Cross-verification with stakeholder feedback using triangulation.

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
	• Stakeholder perceptions of coherence and relevance.				
Effectiveness					
To what extent has the project achieved its objective? What are the intended and unintended changes brought by the project? Were there any good practices and innovation?	• Achievement of project objectives. • Evidence of intended and unintended changes. • Availability of evidence of good practices and innovations.	Project design documents Theory of change and risk analysis reports Stakeholder feedback	Desk review KIIs	ILO project team AATIF partner institutions (Sterling Bank, CKL Africa, African Milling) AATIF investment advisor	Comparative analysis between KPIs and achieved outcomes. Triangulation with stakeholder feedback to validate unintended impacts.
To what extent and how well did the project meet the capacity needs of the project partners and address capacity challenges in the financial sector?	• Stakeholder satisfaction with capacity-building • Frequency and effectiveness of capacity interventions • Perceived changes in capacity-building challenges	Project progress documents Survey responses from partner institutions Training and capacity-building reports	KIIs	ILO project team AATIF technical assistance facility manager (TAFM) AATIF partner institutions ILO Africa DWTs / country offices	Thematic analysis of interview responses. Cross-referencing thematic analysis of interview responses with survey data to confirm perceived capacity-building effectiveness.
What were the main contributing and challenging factors toward the project's success in attaining its targets?	• Identification of enabling and hindering factors towards the success of the project in achieving its targets • Stakeholder perceptions on factors impacting the success of the project	Project reports Interview and survey responses Feedback gathered from the stakeholder validation session	KIIs Desk review Stakeholder validation session	ILO project team AATIF investment committee AATIF partner institutions, UNEP project team	Coding of themes from KIIs and survey responses. Triangulation across data sources to assess the consistency of identified factors
To what extent have stakeholders (including ILO constituencies) been involved in implementation?	• Level of engagement of the project stakeholders in the implementation process of the project • Stakeholder satisfaction with their engagement in project implementation process.	Interview and survey responses Project progress reports Feedback from stakeholders	KIIs Desk review	ILO project team ILO Africa DWTs / Country offices ILO social finance unit, AATIF partner institutions	Thematic analysis of stakeholder feedback. Frequency analysis of stakeholder engagement in implementation process of the project

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
How has social dialogue played a role in achieving project objectives?	• Increased social dialogue	Project progress reports Feedback from stakeholders Project meeting reports	Desk review KIIs	ILO social finance unit, AATIF partner institutions	Content analysis Thematic analysis of interview responses to identify patterns in stakeholder engagement and collaboration, Frequency analysis to quantify instances of stakeholder interactions, and Comparative analysis to assess changes in social dialogue over time against baseline measures documented in the project records.
Efficiency					
To what extent have resources, including funds, human resources, time, and expertise, been used timely and efficiently?	• Extent to which the resources have been efficiently used during the project's implementation process • Budget adherence • Stakeholder perceptions of efficiency	Financial reports Project timelines Stakeholder interviews	Desk review KIIs	ILO project team AATIF board, AATIF investment advisor	Financial data analysis against project timelines and feedback on perceived efficiency.
To what extent were the technical resources and partnerships adequate and adapted to fulfill the project plans?	• Suitability of technical resources • Adequacy of partnerships	Technical reports Feedback from partners	Desk review KIIs	AATIF technical assistance facility manager AATIF investment advisor UNEP project team	Comparative analysis of technical adequacy and partnership effectiveness. Cross-validation of data collected through triangulation.
Has the project strategically used other ILO projects, products, and	• Evidence of increased project effectiveness and impact	ILO project reports	KIIs Desk review	ILO project team ILO Africa DWTs	Analysis of resource-sharing and strategic alignment with

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
initiatives to increase effectiveness and impact without duplicating work?	without work duplication as a result of the project's integration with other ILO projects, products and initiatives • Instances of resource sharing	Interviews with ILO stakeholders		ILO social finance unit	other ILO projects to avoid duplication. Triangulation across ILO and AATIF documents to verify integration without duplication.
To what extent has the project leveraged synergies and partnerships with financial service providers to enhance its effectiveness and maximize its contribution to investing in African agriculture?	• Extent of collaboration with financial service providers • Increased effectiveness through partnerships	Project activity reports	Desk review KIIs	ILO project team AATIF board of directors, AATIF partner institutions, UNEP project team	Comparative analysis of partnership agreements and outcomes. Triangulation of feedback from stakeholders to assess synergy effectiveness.
Impact Orientation & Sustainability					
To what extent is there evidence of positive changes along the ToC at the level of AATIF partner institutions and their supply chains?	• Evidence of progress along the ToC • Positive changes in partner institution practices and supply chains	ToC outcomes Feedback from institution partners Annual monitoring reports of AATIF partner institutions / rapid appraisal reports/impact briefs	Desk review KIIs	ILO project team AATIF Partner institutions AATIF technical Assistance facility manager AATIF investment advisor	Comparison of ToC expectations with actual changes observed in partner institutions and supply chains Triangulation of feedback from different stakeholders
To what extent has AATIF strengthened its capacity to assess social and environmental risks and impacts as well as development impact of investments?	• Development and implementation of S&E risk and impact assessment tools • Evidence of institutional capability to evaluate S&E risks and impacts as well as development impact of investments • Use of Social and Environmental Management	Sustainability assessment reports Feedback from partners regarding the use of SEMS in their institutions	KIIs	ILO project team AATIF board AATIF investment advisor AATIF Investment Committee	Coding of qualitative responses on SEMS effectiveness. Cross-validation with Sustainability Assessment Reports for consistency.

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
	Systems (SEMS) in partner institutions				
Has the project had an impact on institutional and systemic changes necessary for sustainable improvements?	• Evidence of policy or operational changes • Integration of sustainable practices	Project progress reports Interviews with partner institutions	Desk review KIIs	ILO project team AATIF partner institutions (Sterling Bank, CKL Africa, African Milling Limited-Zambia) AATIF board	Comparative analysis of systemic changes and sustainable practices across institutions. Triangulation with validation session feedback.
What measures and actions have been put in place to ensure ownership of the project's results in partner institutions?	• An indication of ownership measures implemented by partner institutions • Evidence of institutional commitment to project outcomes	Interviews with partner institutions Project progress and previous final evaluation reports	KIIs	ILO project team AATIF Partner Institutions AATIF Investment advisor AATIF Technical Assistance Facility Manager	Thematic analysis of ownership strategies. Triangulation with partner institution feedback on commitment to sustainability.
What recommendations and lessons could be offered to improve the sustainability of ILO's work with impact investors?	• Availability of key lessons learned on how improvements can be made on the sustainability of ILO's engagement/work with impact investors • Recommendations made for enhancing sustainability	Previous project evaluation reports Stakeholder feedback	KIIs Desk review	ILO project team ILO social finance unit AATIF board AATIF Investment advisor AATIF Technical Assistance Facility Manager	Synthesis of lessons learned and recommendations for future ILO engagements with impact investors. Thematic analysis of ownership strategies. Triangulation with partner institution feedback on commitment to sustainability.
Tripartism, Gender Equality, and Non-Discrimination					
To what extent has the project addressed gender and social inclusion in its impact and capacity-building activities?	• Inclusion of gender equality and non-discrimination components in capacity-building materials and activities. • Feedback from participants on the relevance of gender and nondiscrimination topics.	Training materials stakeholder feedback project reports	Desk review KIIs Stakeholder validation session	ILO project team AATIF partner institutions UNEP project team	Thematic analysis of training content. Comparative analysis of pre- and post-training feedback on gender and inclusion topics.

Questions/sub-questions	Measure(s) or Indicator (s)	Data Sources	Data Collection Method	Stakeholders/informants	Analysis and assessment
	• Evidence of improved understanding and practices related to gender equality and non-discrimination among partners.				Review of partner practices on gender equality and non-discrimination.
What steps were taken to ensure that the project's outputs are culturally appropriate and responsive to the local contexts of partner institutions?	• Documentation of culturally responsive adjustments in project materials. • Partner feedback on cultural relevance of project outputs. • Evidence of adaptation to local contexts in project activities.	Project reports Culturally adapted materials Stakeholder feedback	KIIs Desk review	ILO project team AATIF partner institutions	Content analysis of culturally adapted materials. Thematic analysis of stakeholder feedback on cultural appropriateness. Comparative review of localized project outputs.

Annex 7 Data Collection Tools

5.4.1 KII Guide: ILO Teams

A. Relevance and Validity of Design

Project Alignment with Stakeholder Needs

1. How does the project currently align with the needs of stakeholders interested in agricultural finance in Africa?
2. Have you observed changes in these needs over time, and has the project adapted to meet them?

Integration of Lessons and Cross-Cutting Themes

3. To what extent has the project integrated lessons from previous phases, particularly around social risk management, gender equality, and environmental sustainability?
4. Can you share examples of how these lessons have shaped the current approach?

Synergies with Regional Initiatives

5. How does the project complement other initiatives in the agricultural finance industry and the region?
6. Are there any synergies or overlapping objectives with similar projects?

B. Coherence

Alignment with Theory of Change

1. How well do the project's objectives, outcomes, and strategies align with the underlying theory of change?
2. Are there areas where this internal logic could be improved?

Risk and Context Analysis

3. What strategies were employed for conducting risk and context analysis, and how were the findings used to shape project activities?

Coordination and Avoidance of Duplication

4. How effectively has the project avoided duplication and ensured strategic alignment with other ILO and regional initiatives?

C. Effectiveness

Achievement of Project Objectives

5. In your view, to what extent has the project achieved its intended objectives?
6. What are the notable intended and unintended outcomes of the project?

Capacity-Building Needs and Challenges

7. How well has the project met the capacity-building needs of financial sector partners?
8. Have there been specific challenges in building capacity in social risk and impact management?
9. Which factors (such as resources or stakeholder engagement) have been most influential in achieving project outcomes?

Stakeholder Involvement and Social Dialogue

10. To what extent have stakeholders, including ILO constituencies, been involved in the implementation?
11. Which forms of social dialogue have been most effective in engaging stakeholders?

D. Efficiency

Resource Utilization and Allocation

12. To what extent were resources (funds, human resources, time, expertise) used efficiently to achieve project milestones?
13. Are there areas where resources were over or under-utilized?

Technical Resources and Partnerships

14. Were the technical resources and partnerships adequate to fulfil project plans?
15. Which partnerships have been particularly effective, and have any technical gaps affected progress?

Use of ILO Initiatives to Increase Effectiveness

16. How has the project strategically used other ILO initiatives, projects, or resources to increase effectiveness and impact without duplicating efforts?

E. Impact Orientation and Sustainability

Positive Changes at Partner Institutions

17. To what extent is there evidence of positive changes at AATIF partner institutions and their supply chains?
18. Could you provide examples of systemic or institutional changes resulting from the project?

Capacity for Social and Environmental Risk Management

19. How has AATIF's capacity to assess social and environmental risks been strengthened?
20. What tools or frameworks have been implemented, and have they contributed to systemic improvements?

Ownership and Sustainability of Results

21. What actions or mechanisms have been established to ensure that partner institutions take ownership of project results?
22. **How are these outcomes being integrated into their core operations**?

F. Cross-Cutting Themes and Additional Considerations

Knowledge Transfer and Self-Sustained Growth

23. **What mechanisms have been developed to ensure effective knowledge transfer** from ILO and UNEP advisors to AATIF partner institutions?
24. How well are these mechanisms supporting self-sustained growth within the institutions?

Promotion of Gender Equality and Non-Discrimination

25. How effectively has the project addressed gender and social inclusion in its activities? What steps have been taken to promote inclusive finance practices that support gender equality and non-discrimination?

Cultural Responsiveness and Local Context

26. To what extent were the project's outputs adapted to be culturally appropriate and responsive to the local contexts of partner institutions?

G. Long-Term Recommendations

27. Based on the project experience, what recommendations or lessons would you suggest to improve the sustainability of ILO's work with impact investors in agricultural finance?

H. Good practices

28. What are some good practices (what worked well) in terms of project intervention and results? Why do you consider those as good practices?

5.4.2 KII Guide: UNEP Project Team

A. Relevance

Project Relevance to UNEP Objectives

1. How well does the project align with UNEP's environmental sustainability goals, especially in the context of agricultural finance in Africa?

Environmental Risk Management

2. To what extent have environmental risk management practices been integrated into the project design?
3. Are there additional environmental aspects that could strengthen the project's relevance?

B. Coherence

Collaboration with ILO and AATIF

4. How effectively has UNEP collaborated with ILO and AATIF to support social and environmental risk management?
5. Are there specific aspects of the partnership that have worked particularly well?

Complementarity with Other UNEP Projects

6. Are there any synergies or complementarity with other UNEP projects in the region that could maximize impact or reduce duplication?

C. Effectiveness

Capacity Building in Environmental Risk Management

7. What progress has been made in building the capacity of partner institutions to manage environmental risks?
8. Are there specific achievements or areas for improvement?

Challenges in Environmental Training and Awareness

9. What challenges have you observed in training partners on environmental sustainability and risk management? How has the project addressed these?

D. Sustainability

Long-Term Sustainability of Environmental Practices

10. What measures have been established to ensure that environmental risk management practices are sustained within partner institutions beyond the project's lifespan?

E. Long-Term Recommendations

11. Based on the project experience, what recommendations or lessons would you suggest to improve the sustainability of ILO's work with impact investors in agricultural finance?

5.3.3 KII Guide: AATIF Board Members, Investment Committee, Investment Advisors, and Technical Assistance Facility Manager

A. Project Relevance

Alignment with AATIF Goals

1. How well do the project's objectives align with AATIF's overarching goals in supporting sustainable agricultural finance in Africa?

Relevance to Social and Environmental Risk Management

2. How relevant is the project's focus on social and environmental risk management to AATIF's current priorities and the needs of partner institutions?

B. Coherence

Collaboration and Internal Coherence

3. How effectively has the project leveraged collaboration between AATIF, ILO, and UNEP?
4. Are there specific aspects of this partnership that have enhanced project implementation?

Theory of Change and Strategic Consistency

5. In your view, how well does the project's theory of change and strategy align with its activities and objectives?
6. Are there any areas where coherence could be strengthened?

C. Effectiveness

Impact on Partner Institutions

7. What progress have you observed in strengthening AATIF partner institutions' capacity to assess and manage social and environmental risks?
8. Can you provide examples of changes or improvements within partner institutions?

Challenges and Contributing Factors

9. What have been the primary factors contributing to or challenging the project's ability to achieve its objectives?

D. Sustainability and Long-Term Impact

Ownership and Integration of Project Outcomes

10. To what extent have partner institutions taken ownership of project outcomes, and how are these outcomes being integrated into their ongoing operations?

Sustainable Change in Agricultural Finance Practices

11. Do you foresee the project's social and environmental risk management practices leading to long-term changes in agricultural finance?
12. Are there additional steps that could improve the sustainability of these impacts?

Knowledge Transfer and Systemic Change

- *Knowledge Transfer Mechanisms*

13. How effective have the knowledge transfer mechanisms been in equipping partner institutions to independently manage social and environmental risks?
14. Are there ways these mechanisms could be improved?

- *Systemic Change and Lessons Learned*

15. Has the project contributed to broader systemic changes in the agricultural finance sector? How?
16. What lessons could be applied to future AATIF or ILO engagements?

5.4.4 KII Guide: AATIF Partner Institutions

A. Project Relevance

Alignment with Institutional Goals

1. How well does the project align with your institution's sustainability and social/environmental risk management goals?
2. Are there specific needs within your institution that the project has helped address?

Relevance to Local Context

3. To what extent does the project address the unique social and environmental challenges in your region or sector?
4. Are there areas where the project's approach could be more relevant?

B. Effectiveness

Impact on Institutional Capacity

7. What specific changes or improvements have you observed in your institution's ability to manage social and environmental risks since engaging with the project?
8. Are there new skills or practices that have been particularly beneficial?

Challenges and Success Factors

9. What have been the main challenges in implementing the project's recommended practices?
10. What factors have most contributed to its success in your institution?

C. Sustainability

Long-Term Integration

11. How likely are the project's outcomes (such as improved risk management practices) to be sustained within your institution after the project concludes?
12. What steps have been taken to integrate these outcomes into your core operations?

Ownership of Results

13. Has your institution taken ownership of the project's results?
14. Are there particular aspects of the project that have been fully adopted or adapted into your ongoing processes?

Broader Impact on the Sector

15. In your opinion, has the project contributed to broader changes in social and environmental risk management practices within your sector or region?
16. Are there specific lessons from this experience that could benefit similar institutions?

D. Long-Term Recommendations

17. What recommendations would you suggest to improve the sustainability of ILO's work with impact investors in agricultural finance?