

Impact Evaluations of Projects Supported by the Amazon Fund

Conceptual Framework

Technical Cooperation GIZ and the Amazon Fund

JANUARY 2016

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1. Introduction

The Amazon Fund / BNDES is authorized to allocate the value of donations received to carry out non-reimbursable investments in prevention, monitoring and combating deforestation and promoting conservation and sustainable use of the Amazon Biome. In addition, the Fund can use up to 20% of its resources to support the development of monitoring and control systems to control deforestation in other Brazilian biomes and in other tropical countries.

With the completion in 2013 and 2014 of the first projects supported by the Amazon Fund and with other projects to be finalized in the coming years, the need arises to create a conceptual framework to guide the Amazon Fund, the supported projects and the evaluation teams on the minimum standards to be applied to project evaluations¹. Thus, this conceptual framework has been drafted, using national and international standards, adapted to the particular context of the Fund and leaving space for adaptation to each project.

With this, the Amazon Fund aims to establish an institutional procedure to guarantee a degree of comparability among evaluations to be carried out.

2. Definition and use of evaluations

Evaluations under the Amazon Fund have the following main purposes: (i) assist the Amazon Fund in accountability to its donors on the type of projects supported and their effects; (ii) enable institutional learning within the Fund, improving the quality of projects, prioritization of investments and thus supporting decision-making; (iii) verify compliance of projects supported by the Amazon Fund with the Cancun safeguards agreed under the United Nations Framework Convention on Climate Change (UNFCCC) for REDD+ actions and (iv) check the alignment of projects with the PPCDAm² and state plans for the prevention and control of deforestation.

Projects supported by the Amazon Fund follow an individualized logical framework in which the following are defined: results (goods and services to be delivered or *outputs*), direct effects of the intervention (specific goals or *outcomes*) and indirect effects (overall objectives or *impacts*) to be achieved. This is the project intervention logic, also called "theory of change", as it represents a model of thought that explains how a project is expected to produce a desired change.

¹ The guidelines set forth herein may be modified in order to ensure their alignment with the Monitoring and Evaluation Policy of the BNDES System. The BNDES System consists of the Brazilian Development Bank (Banco Nacional de Desenvolvimento Econômico e Social – BNDES) and its subsidiaries, the Special Agency of Industrial Financing (Agência Especial de Financiamento Industrial - FINAME), the BNDES Participações SA - BNDESPAR, the BNDES Public Limited Company - BNDES PLC, as well as the overseas representation offices and other institutions that may be incurred by the BNDES.

² Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (Plano de Prevenção e Controle do Desmatamento na Amazônia Legal – PPCDAm)

The logical framework has quantitative and qualitative indicators that are monitored in each project. Monitoring is the regular observation of activities, results, direct outcomes and impacts of an intervention. Constantly keeping an eye on the realization of the intervention by watching the indicators is essential for immediate flagging up of any deviations in relation to the predefined project goals and for rapid corrective action.

The evaluation on the other hand is an analysis, through systematic examination, of the extent to which the results, effects and the desired impacts have been achieved and what has caused the observed impacts, whether expected or unexpected. Evaluations are carried out through systematic analysis and based on predefined criteria. The main expected result is the production of information to support institutional learning and decision making.

It is important to highlight the difficulty in evaluating the medium and long term impacts. Multiple internal and external factors influence the reach of these impacts, making it difficult to analyze which were the direct contributions of the project and which were the external contributions, in other words, independent of the project intervention.

3. The fundamentals of evaluations

3.1. Criteria of evaluations

The Amazon Fund is guided by the five evaluation criteria set by the Organization for Economic Cooperation and Development (OECD) in 1991, through its Development Assistance Committee (DAC):

Criteria	Brief definition criteria (based on DAC/OECD)
Relevance	Evaluates the consistency of the project objectives in accordance with the demands of the beneficiaries and the political priorities of the target group, recipient and donor.
Effectiveness	Evaluates the extent to which direct objectives of the project have been achieved or are expected to be achieved and what factors were important.
Efficiency	Measures the cost-benefit of the results, if financial resources were invested most economically for the results to be achieved satisfactorily.
Impact	Evaluates the positive and negative changes resulting from the project, directly or indirectly, intended or unintended.

Sustainability	Evaluates whether the benefits of the project continue to occur after its end, with emphasis on social, economic and environmental aspects.
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Evaluations of individual projects carried out under the Amazon Fund must still consider specific criteria from the Cancun safeguards defined by UNFCCC for REDD+ actions.

For each OECD criterion and Cancun safeguard, general guiding questions should be formulated to be applied to the project evaluations (Annexes 8.2.1 and 8.2.2). The number of general guiding questions may be increased, if necessary, to the context of each evaluation.

Cross-cutting criteria should also be taken into account (Annex 8.2.3), which should include an analysis of the project's effects on poverty reduction and gender equality.

Specific aspects, in addition to the evaluation criteria, can also be evaluated, such as:

- i. Project management;
- ii. Forms of project coordination and networking;
- iii. Methodological approaches applied in the implementation of the evaluated project; and
- iv. How the project relates to the portfolio of the Amazon Fund and with the public policies it is related to, especially those that contribute to REDD+ results.

3.2. Principles of evaluations

Each evaluation is guided by principles of a functional and ethical character³, to be followed by all concerned, namely:

Impartiality and independence

The impact evaluation teams are composed of experts from GIZ⁴ and external consultants selected from applicants from the Brazilian Monitoring and Evaluation Network⁵. The consultants must not have had previous personal or professional involvement with the project being evaluated. The evaluation team should work without outside interference, have access to the data of the projects to be evaluated and obtain

³ These principles are presented in a simplified manner in order to facilitate their implementation. They are based on principles and standards established by the OECD and the German Evaluation Society (Deutsche Gesellschaft für Evaluation e.V. - DeGEval).

⁴ German technical cooperation agency (Deutsche Gesellschaft für Internationale Zusammenarbeit - GIZ)

⁵ Site of the Brazilian Monitoring and Evaluation Network (Rede Brasileira de Monitoramento e Avaliação - RBMA) available at <http://redebrasileirademea.ning.com/>

support to raise all the necessary information. Experts from GIZ and the consultants must treat all documentation of the Amazon Fund and the project to be evaluated with utmost confidentiality.

In this way, it is expected that the evaluations are fairer since the evaluations are conducted by entities external to the Department for Management of the Amazon Fund and the BNDES environmental department.

Utility

An evaluation should be directed to all actors who have specific interests in the realization of the evaluation, among which one can highlight: the organization responsible for executing the project, final beneficiaries, the BNDES technical team and the Amazon Fund donors.

The evaluation process can also be used for collecting official data on REDD+ funded initiatives for inclusion in REDD+ safeguards information system (SISREDD+)⁶.

However, the evaluation team's biggest commitment is to support these stakeholders in the learning process and in decision making by providing information and findings and developing realistic recommendations that may be transformed into action.

Participation

The organization responsible for executing the project should participate in various stages of the evaluation process, such as: revising the evaluation Terms of Reference, providing information, giving feedback on the preliminary results of the evaluation and assessing the final evaluation.

The final beneficiaries, selected among the most important stakeholders of each project, also participate in the evaluation process through interviews on the project performance. For this group, key questions related to the evaluation criteria are selected.

Reliability

The objective, the key questions and the evaluation methodology should be described to enable a clear understanding of the approach chosen. The identified key questions are answered systematically and with reference to the collected data, showing a clear logical line between the objective and the evaluation results.

Information sources are registered to ensure their traceability while preserving interviewee confidentiality. All data collection must be done accurately and reliably. The constraints faced with the chosen methodology are discussed in the report, explaining how they have influenced the outcome of the evaluation.

⁶ Under development by the Brazilian Ministry of the Environment

Ethical position

All the Reference Group⁷ must respect throughout the evaluation process, human rights, cultural and religious differences and the sexual orientation of those involved.

The evaluation team members carry out the collection and analysis of data with integrity and honesty. Possible differences in points of views on the assessed project are described and the data provided by individuals is kept confidential.

The evaluation should consider the strengths and weaknesses of a project in a fair way. Any weighting is based on the analysis and interpretation of the results and should be made in the most neutral way possible.

Transparency

The disclosure of the evaluation report must ensure accessibility by the general public and all of society, in order to optimize the benefits of learning from the evaluation.

The evaluation results must be presented in an accessible format and distributed systematically, both internally and externally, in order to take advantage of the teachings, perform follow-up actions and ensure transparency.

4. Evaluation in the project cycle

During the project cycle, there are four occasions to conduct an evaluation: *ex-ante*, during, at the end of the execution and *ex-post*.

While the *ex-ante* evaluation focuses on the analysis of an initial problem, in order to define future intervention, the other forms of evaluation take place during or after the execution of a project, focusing on the effects of the intervention.

Under the Amazon Fund, the most relevant evaluations take place in two stages:

- i) At the end of a project: aiming to evaluate the immediate results (*outputs*) and direct effects (*outcomes*). This evaluation may indicate the need for a successor project and assist in the construction of this; and
- ii) Ex-post, in a period of between 1 and up to 2 years after the end of a project: aiming to evaluate the direct effects (*outcomes*), as well as the achieved indirect effects (*impacts*), focusing primarily on sustainability and the lessons learned that may be useful for other projects.

⁷ Governance arrangement made up of management representatives from BNDES, GIZ, the organization responsible for executing the project and the evaluation team members. More details in item 5.1 - Governance and management arrangement: responsibilities in the evaluation process

5. Organization of the evaluation process

5.1. Governance and management arrangement: responsibilities involved in the evaluation process

Each project evaluation is accompanied by a Reference Group, an array of actors composed as follows:

- a) Representatives from the Division of Impact Evaluation and Employment⁸ from the BNDES Planning Department;
- b) Representatives from the Department for Management of the Amazon Fund⁹/ BNDES;
- c) Representatives from the GIZ within the specific Technical Cooperation Project;
- d) Representatives from the organization responsible for the execution of the project to be evaluated; and
- e) Evaluation team members.

Responsibilities according to each group are:

- a) Representatives from the Division of Impact Evaluation and Employment from the BNDES Planning Department:
 - ✓ Ensure that the evaluation is carried out according to the BNDES guidelines;
 - ✓ Examine and approve the Terms of Reference for the evaluation;
 - ✓ Examine and approve the evaluation design report; and
 - ✓ Examine and comment on the preliminary report of the impact evaluation.
- b) Representatives from the Department for Management of the Amazon Fund, BNDES:
 - ✓ Examine and approve the Terms of Reference for the evaluation;
 - ✓ Examine and approve the evaluation design report;
 - ✓ Examine and comment on the preliminary report of the impact evaluation
 - ✓ Provide documentation and all necessary information for the evaluation team; and
 - ✓ Coordinate the internal and external communication of the results.
- c) Representatives of the GIZ within the specific Technical Cooperation Project:
 - ✓ Elaborate the Terms of Reference for the evaluation;
 - ✓ Hire external consultants;
 - ✓ Coordinate the technical evaluation team and coordinate communication between all parties;
 - ✓ Accompany all stages of the evaluation; and
 - ✓ Participate in all stages of the elaboration of the evaluation report

⁸ Gerência de Avaliação de Efetividade e Emprego - GERAUV

⁹ Departamento de Gestão do Fundo Amazônia - DEFAM

- d) Representatives from the organization responsible for the execution of the project to be evaluated:
- ✓ Examine and comment on the Terms of Reference for the evaluation;
 - ✓ Provide all documentation and information necessary for the evaluation team;
 - ✓ Examine and comment as necessary on the preliminary report of the impact evaluation; and
 - ✓ Be familiar with the impact evaluation report.
- e) Members of the evaluation team:

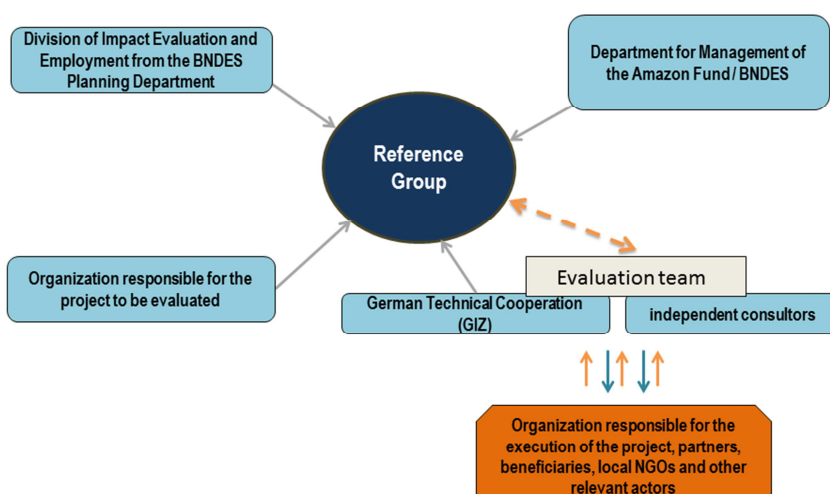
The evaluation team will consist of members of GIZ and independent consultants hired with diverse methodological *expertise*, with knowledge in environmental projects preferably in the Amazon, and with specific technical *expertise*, such as in the type of intervention and objectives of each project. Their responsibilities will be:

- ✓ Elaborate the evaluation design report in accordance with the Terms of Reference;
- ✓ Collect, analyze and interpret data;
- ✓ Elaborate the preliminary impact evaluation report;
- ✓ Organize a round of consultations to present the preliminary impact evaluation report ; and
- ✓ Elaborate the impact evaluation report.

The hired consultants and the GIZ team involved in the evaluation process must treat all documentation as confidential and sign a confidentiality agreement prepared by BNDES.

All members of the Reference Group share responsibility in controlling the quality of each evaluation study.

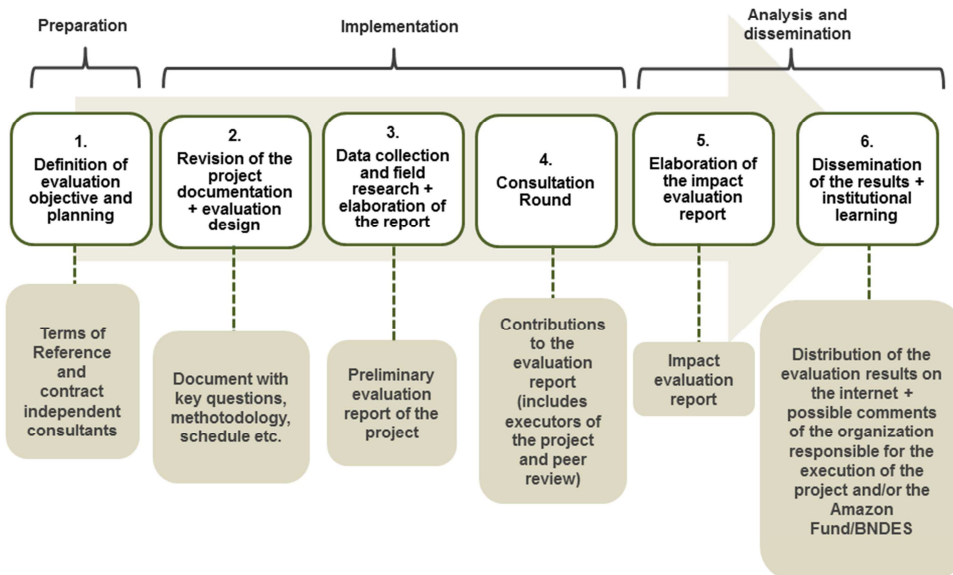
Governance and management arrangement



5.2. Steps and products of the evaluation process

The evaluations follow predefined steps: a preparatory phase followed by the implementation of the evaluation and then reporting and dissemination of the results. The steps result in various products, as shown below:

Evaluation Steps



Among the steps, it is worth mentioning the "Consultation Round" (Step 4). Here, experts on issues related to objectives of the evaluation are invited for a "peer review" of the impact evaluation report. At this stage, the Reference Group, the Brazilian Ministry of the Environment and anyone else present in the "Consultation Round" are explicitly invited to comment, as deemed necessary, on the preliminary impact evaluation report. If these considerations are accepted by the evaluation team, they may be included in the elaboration of the impact evaluation report.

The products have predefined procedures in order to ensure standardization and comparability of Amazon Fund evaluations (Chapter 5.4 and Annex 8.1.7).

5.3. Methodological Approach

To select the most appropriate methodology, it is necessary to:

- Identify the project intervention logic, as well as other elements set out in the logical framework (products and services, indicators, outcomes and impacts) to be verified;
- Define the objective of the evaluation;
- Select the constant guiding questions of item 8.2 to be answered in the evaluation and define any additional key questions;

- d) Describe and justify the most appropriate methodology to be used in the Terms of Reference of the impact evaluation; and
- e) Give details of the methodology in the evaluation design document.

The Amazon Fund does not adhere to any particular methodology, on the grounds that the methodology should be the most appropriate to answer the evaluative questions being asked. The methodology used must comply with the principle of data reliability and provide a logical line that links the data to the results, conclusions and recommendations. It must also respect the principle of economy, and where possible, combine qualitative and quantitative methods (triangulation).

The Amazon Fund considers three forms of data collection:

Non-reactive

This is the collection of non-reactive secondary data sources, such as the project documentation to be evaluated (project proposal, logical framework, etc.) and public and scientific data available about the implementation area of the project.

Survey

If there is a need to collect data other than from secondary sources, field surveys are conducted to collect quantitative and qualitative data.

Quantitative data can be collected using standardized questionnaires (closed questions), facilitating statistical analysis to analyze the responses.

Qualitative data can be collected using questionnaires with open and closed questions, or interviews with individuals or groups involved in a project (the project executors, beneficiaries, government members, experts). The approach could be participative, such as in focus group discussions, participatory rural rapid assessment, and with the use of analysis tools such as SWOT¹⁰, etc.

Observation

Observation has the advantage of having less data collection interference than surveys. Observations can be participatory or not participatory, differing in the degree of interaction between the observer and the observed context. As a method, its use is mainly through field visits.

It is also possible to use a counterfactual approach, i.e. an approach that includes in its analysis the comparison of what would have happened if the project had not been implemented. The comparison can be made from data collected from a control group that has the same or similar features, but has not participated in the project.

¹⁰ The SWOT tool (Strengths, Opportunities, Weaknesses and Threats) serves to analyze a situation from an overall point of view. It is usually used as a background for design or redesign of a project. It also contains elements of judgment and interpretation that can be used in evaluations.

Each evaluation project includes a cost-benefit or cost-effectiveness analysis, to consider whether the project was implemented with the lowest possible cost for the greatest possible effect / impact.

The choice of the most appropriate method depends on the scope of the evaluation and the resources available. However, certain quality standards must always be observed, including the use of a methodological combination and triangulation to:

- Balance the inherent weaknesses of each data collection method; and
- Cross-check the available data from different sources of collection, to verify its robustness.

In this way, a more complete and accurate understanding of the data collected can be guaranteed.

5.4. Reporting and dissemination of results

The evaluation design report

The evaluation design report presents the methodology to be used during the evaluation work, using the standardized steps:

- A. Basic project data to be evaluated
- B. Introduction
- C. Analysis of and feedback on Terms of Reference
- D. Task division, work plan and logistics
- E. Design / methodology
- F. Annex
 - F.1. Terms of Reference and evaluation team
 - F.2. Questionnaires, script for interviews, etc.

Impact evaluation report

Evaluation reports should contain an executive summary and use language that is easy to understand, without highly specialized technical terms.

The results and recommendations should respond to the evaluation's objective, guiding questions (item 8.2) and possible additional key questions for each evaluation. The recommendations should be based on the findings and be relevant and specific and with the possibility of being transformed into action. They can be directed to different actors, namely:

- i. Direct and indirect beneficiaries;
- ii. The organization responsible for executing the project;
- iii. Amazon Fund Team/BNDES;
- iv. Brazilian Ministry of the Environment; and
- v. Amazon Fund Donors

The Amazon Fund impact evaluation reports must contain the following sections, as found in the index¹¹:

- A. Executive Summary
- B. Background
- C. Introduction
- D. Applied methodology
- E. Results
- F. Conclusions
- G. Recommendations and lessons learned
- H. Annexes
 - H.1. Terms of Reference and evaluation team
 - H.2. Evaluation schedule
 - H.3. Logical framework
 - H.4. Questionnaires used
 - H.5. Bibliographic references
 - H.6. List of organizations interviewed
 - H.7. List of other sources

Dissemination of results

The evaluation reports will be published on the Amazon Fund's web page and queries about the evaluations should be asked and answered through the *Contact Us*¹² option.

The information must be compliant with the Cancun safeguards, REDD+ and relevant environmental policies so that the results can be included in the National REDD+ Safeguards Information System (SISREDD+).

Other than that, possible comments on the impact evaluation report may be released by the BNDES Department for Management of the Amazon Fund and by the organization responsible for implementing the evaluated project.

6. Use of results

Evaluations should contribute to institutional learning; therefore the BNDES Department for Management of the Amazon Fund uses the recommendations from evaluations for:

- a) Improving internal analysis and monitoring of Amazon Fund projects;
- b) Strategic development of its portfolio; and

¹¹ The detailed version of the index with captions and explanations is given in Annex 8.1.7 of this conceptual framework.

¹² http://www.amazonfund.gov.br/FundoAmazonia/fam/site_en/Topo/Fale_Conosco/

- c) Knowledge management and apprenticeship for the various actors involved directly and indirectly in the Amazon Fund projects.

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UNFCCC Decisions:

http://unfccc.int/files/land_use_and_climate_change/redd/application/pdf/compilation_redd_decision_booklet_v1.1.pdf

1/CP.16 The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

12/CP.17 Guidance on systems for providing information on how safeguards are addressed and respected and modalities relating to forest reference emission levels and forest reference levels as referred to in decision 1/CP.16

9/CP.19 Work programme on results-based finance to progress the full implementation of the activities referred to in decision 1/CP.16, paragraph 70

10/CP.19 Coordination of support for the implementation of activities in relation to mitigation actions in the forest sector by developing countries, including institutional arrangements

12/CP.19 The timing and the frequency of presentations of the summary of information on how all the safeguards referred to in decision 1/CP.16, appendix I, are being addressed and respected

8. Annexes

8.1. Terms of Reference

The Terms of Reference for project evaluations should contain the following elements:

8.1.1. Introduction and general information

Description of the project to be evaluated including the realized activities and the preliminary results of the analysis of the monitored indicators, the sustainability of these results and of the other aspects already considered in the Amazon Fund's Annual Report.

8.1.2. Purpose and objectives of the evaluation

This should address why and for whom the evaluation is performed and explain in detail what the evaluation aims to achieve.

The purpose of an evaluation is primarily for learning and accountability. In the case of the Amazon Fund, in relation to its supported projects, it is also to demonstrate their alignment with the PPCDAm and the state plans for prevention and control of deforestation and to provide information on how Cancun safeguards for REDD+ projects are being addressed and respected. The purposes can be, for example, to:

- Contribute to improving the performance of the Amazon Fund and the definition of priorities by for the Guidance Committee (COFA);
- Deepen the understanding of the Amazon Fund, in relation to the effects of its projects and the development of its strategies; and
- Assist in the verification of results and provide accountability to Amazon Fund donors and the general public.

The objectives clarify more specifically what the expected results of an evaluation are. Objectives can be, for example:

- Analyze the strengths and weaknesses of the project;
- Provide analysis, conclusions and recommendations on the project;
- Identify lessons learned; and
- Establish the extent to which the project generates impacts, is relevant, efficient, effective and sustainable.

8.1.3. Task description

8.1.3.1. Object and evaluation of focus (scope)

The evaluation scope specifies the topics covered, the time period and geographical coverage of the analysis.

8.1.3.2. The intervention logic

The evaluation should include an analysis of the intervention logic, based on the logical framework of the project to be evaluated, explaining how the project is expected to produce the desired change.

8.1.3.3. Key questions and evaluation criteria

Based on the criteria of the OECD / DAC, the Cancun safeguards for REDD+ projects and cross-cutting criteria, ToR define specific key questions listed in Annex 8.2 (8.2.1, 8.2.2 and 8.2.3), to be answered by the evaluation team.

8.1.4. Methodology

The methodology for each evaluation will be selected based on the following criteria:

- a) Identification of the project intervention logic, as well as the other elements set out in the logical framework of the project (products and services, indicators, effects and impacts) to be verified;
- b) Definition of the objective of the evaluation; and
- c) Definition of the key questions to be answered by the evaluation.

The methodology should be the most appropriate to answer evaluative questions at hand. The methodology used must comply with the principle of data reliability and provide a logical line that links the data to the results, conclusions and recommendations. It must also respect the principle of economy and, where possible, qualitative and quantitative methods should be combined (triangulation).

In the Terms of Reference of the impact evaluation the most appropriate methodology must be described and justified. In addition, the methodology will be detailed in the evaluation design report.

8.1.5. Activities and products

The following schedule shows the activities, products and deadlines of the impact evaluation process:

	Activity	Entity Responsible	Working days*	Deadline	Product
1	Draft of ToR for evaluation	GIZ	5	until XX/XX/201X	Draft of ToR for the evaluation
2	Comment on	GERAV/BNDES DEFAM/BNDES Organization	3		ToR with comments

	ToR	responsible for the project			
3	Consolidate ToR	GIZ	1		Consolidated ToR
4	Approve consolidated ToR	GERAV and DEFAM	3		Approved ToR
5	Disclose ToR / Receive and organize proposals from consultants	GIZ (responsible for contracting)	15		Organized proposals received from consultants
6	Contract consultants and form an evaluation team (consultants + GIZ)	GIZ	10		Contracted consultants and evaluation team formed
7	Prepare initial meeting of the evaluation team with Amazon Fund/ Contact the organization responsible for the evaluated project/ Analyze relevant documents / Formulate proposal for the evaluation design report	Evaluation team	15		Proposal for the evaluation design
8	Comment on the proposal for the evaluation design report	GERAV/BNDES DEFAM/BNDES Organization responsible for the project	3		Proposal for the evaluation design report with comments
9	Revise evaluation design report	Evaluation team	3		Revised evaluation design report
10	Approve revised report	GERAV/BNDES DEFAM/BNDES	3		Final evaluation design report

11	Implement evaluation / Conduct field research / Systematize results, etc. / Prepare and deliver preliminary evaluation report	Evaluation team	25		-
12	Present results (Consultation Round)	Evaluation team	1		Preliminary evaluation report with related considerations in the round
13	Comment preliminary evaluation report	GERAV/BNDES DEFAM/BNDES, MMA, Organization responsible for the project	5		Preliminary evaluation report with comments sent after the consultation round
14	Prepare final evaluation report	Evaluation team	5		Impact evaluation report
15	Incorporate supplementary presentation contents, foreword and executive summary to the final report	Evaluation team	3		Impact evaluation report in disclosure format
16	Translation of the final evaluation report and its annexes	Translator / Evaluation team	10		Impact evaluation report in disclosure format in English
17	Publicize and distribute the impact evaluation report	Amazon Fund Team	-		<i>Upload</i> on the BNDES's website
TOTAL working days			110		

* Because some activities run in parallel, an estimated total time of about 5 months is needed to complete each evaluation. The amount of time may vary slightly in relation to the size and scope of the evaluated project.

8.1.6. Evaluation team

Defines the desired profile of the evaluation team and the requirements regarding the qualifications of the evaluators. This may include requirements regarding technical knowledge, methodological expertise, regional expertise and previous experience with assessments.

The size of the team can be set as well as the gender balance in the team (if applicable to the context of the assessment) and explain how the proponents must demonstrate their qualifications (p. Ex. Résumés, references).

8.1.7. Reporting

There are two reports to be prepared during the evaluation process:

- The evaluation design report; and
- The impact evaluation report

There is also an intermediate step, a preliminary report on the impact evaluation, a product to be used in the round of consultations.

The Amazon Fund evaluation reports must conform to standard sections. See items 8.1.7.1 and 8.1.7.2 below.

8.1.7.1. The evaluation design report

The evaluation design report presents the approach of the evaluation. The evaluation team defines the methodology to be used, prepares the data collection tools and presents a detailed plan of the steps to be carried out. The report includes the degree of probability that the ToR can be satisfied and explains the risks and limitations. The main part of the evaluation design report should be no longer than 10 pages (excluding annexes).

The index must be composed of:

A. Basic data of the project to be evaluated

This section includes the project name to be evaluated, the organization responsible for its execution, project beneficiaries, time and place of its implementation.

B. Introduction

This section gives a brief description of the object, focus and objectives of the evaluation according to the ToR.

C. Feedback regarding ToR

This section reflects the understanding of the ToR by the evaluation team. The team can explain what the limitations and risks in complying with the Terms of Reference may be and propose corrections.

D. Division of tasks, work plan and logistics

This section shows the composition of the evaluation team and their qualifications, the division of tasks and responsibilities, the schedule and the forecast for the next steps, including logistical matters.

E. Design / Methodology

This section presents the methods to be applied and how they serve to answer the evaluation questions and criteria for the selection of samples, describing the advantages and limitations of the chosen methodologies. Tools, such as questionnaires, are presented in a separate annex.

F. Annexes:

F.1. Terms of Reference and qualifications of evaluation team members

F.2. Questionnaires for data collection, interviews, etc.

8.1.7.2. Impact evaluation report

The impact evaluation report presents the evaluation results. The main part of the impact evaluation report should be no longer than 25 pages¹³ (excluding presentation, summary and annexes). Fundamentally, it must be composed of:

A. Cover with the title of the evaluation, name of the evaluated project, date of the evaluation, author and client ("Amazon Fund") names.

B. Index with a list of tables and charts, list of abbreviations and glossary (if applicable).

C. Executive Summary

This section should describe clearly and briefly, all the principal findings, conclusions and key recommendations from the evaluation on up to three pages.

D. Background

This section presents a summary of the basic information of the project: name and implementation period; the value of the Amazon Fund non-refundable financial assistance; the total value of the project; the entity responsible for the

¹³ Basic font: Arial, 12, single-spaced

project's execution; a description of the intervention logic and objectives; the main expected results and a brief presentation on the context.

E. Introduction

This section presents the aims, objectives, object and scope of the evaluation.

F. Applied methodology

This section presents the approach and methodology of the assessment, including the presentation of quantitative and qualitative methods:

F.1. Global approach

Explains the approach, the different stages of the evaluation and how the methods were used to collect the data. This should show a combination of methods to triangulate the data collection in order to increase the reliability of the results.

In the following subsections, described below, the methods used are introduced in detail and include the measurements, location, etc. of the data collection.

F.2. Method w (ex. semi-structured interviews)

F.3. Method x (ex. household survey)

F.4. Method y (ex. satellite image evaluation)

F.5. Method z (ex. analysis of secondary sources)

F.6. Difficulties and limitations

This subsection exposes the difficulties and limitations encountered during the process of collecting and analyzing the data and the extent to which the limitations affect the reliability of the results is explained.

G. Results

This section presents the evaluation results. The evaluation team answers the evaluation questions in relation to the OECD / DAC criteria, the Cancun Safeguards for REDD+ projects and cross-cutting criteria. The analysis and findings must be understandable and supported by data and the results must be in accordance with factual data.

There should also be thematic subsections related to:

G.1. Objectives (general and specific):

Here, the achievement of objectives and performance of the proposed indicators are analyzed, taking into account the results of the applied methodologies and the evaluation questions, with emphasis on the impacts and sustainability.

G.2. Products and project services

Here, the results achieved through the goods and services produced are analyzed, taking into account the results of the methodologies used, the

direct effects of the intervention and the performance of the proposed indicators at this level.

H. Conclusions

In accordance with the applicable criteria, the conclusions are deductions based on the evidence presented in the "results" chapter. Here, the evaluators must give their opinions, summarizing the positive points and challenges of the project and the medium and long term effects the project is likely to generate.

I. Recommendations and lessons learned

Recommendations are suggestions by the evaluators on actions to be taken. They should be formulated based on the identified findings and their challenges with the possibility of being transformed into action. Recommendations must be directed in a differentiated way for actors with a specific interest in the evaluation or for specific thematic aspects.

Actors with specific interests are, among others:

- i. direct and indirect beneficiaries;
- ii. Organization responsible for executing the project;
- iii. Department for Management of the Amazon Fund / BNDES;
- iv. Brazilian Ministry of the Environment;
- v. Guidance Committee of the Amazon Fund; and
- vi. Amazon Fund donors

Specific aspects that can be focused on in the recommendations are, for example:

- vii. Project management;
- viii. Forms of cooperation and networking used throughout the executed project;
- ix. Compliance with Cancun Safeguards for REDD+ projects;
- x. Alignment of projects with the PPCDAm and the state plans for prevention and control of deforestation; and
- xi. How the project relates to the Amazon Fund portfolio and public policies to which the project is related.

J. Attachments

- J.1. Terms of Reference and evaluation team
- J.2. Evaluation schedule
- J.3. Logical framework
- J.4. Sampling plan and descriptive statistics
- J.5. Questionnaires used
- J.6. Bibliographic references
- J.7. List of the interviewed organizations
- J.8. List of other sources

8.1.8. Coordination / Responsibilities

In this section the responsibilities and the division of tasks during the evaluation process are stated. There is a definition as to what type of support the evaluation team can expect by the Reference Group (see chapter 5.1. Governance and management arrangement: responsibilities involved in the evaluation process)

8.2. Evaluation criteria and guiding questions

8.2.1. OECD / DAC Criteria

Relevance

OECD / DAC definition:

This criterion evaluates the consistency of project objectives with the demands of the beneficiaries and the political priorities of the target group, recipient and donors.

Guiding questions:

- To what extent are the project objectives still valid at the time of its completion?
- Are the activities and the immediate results of the project consistent with the achievement of the objectives set for the project?
- Are the activities and the immediate results of the project consistent with the effects and the expected impacts?

Effectiveness

OECD / DAC definition:

This criterion evaluates the extent to which the project's direct or specific objectives have been achieved or are expected to be achieved and the factors that were most important for this to occur.

Guiding questions:

- Have the direct objectives (specific objectives) of the project been achieved?
- What are the main factors influencing the achievement or otherwise of the direct objectives (specific objectives)?

Efficiency

OECD / DAC definition:

This criterion measures the products and services (outputs) in relation to the resources invested in the project. It evaluates if financial resources were invested in the most economical way and if the results were achieved in a satisfactory manner. To assess

whether the most efficient process was adopted, it is necessary to compare the approach used with alternative approaches which achieve the same results.

Guiding questions:

- What is the cost-benefit of the performed activities?
- Do the means applied have a reasonable relation with the results achieved?
- Were the objectives achieved within the time limits?
- Are there alternative ways to achieve the same results with fewer costs/means?

Impact

OECD / DAC definition:

This criterion evaluates the positive and negative changes produced by the project, directly or indirectly, intentional or involuntarily. This involves the principal resultant impacts and effects of the project on the local social development environmental and economic indicators, among others. The evaluation should be concerned as much with unintentional as with intentional results and must also include the analysis of the positive and negative impact of external factors, for example, changes in the social environment and cultural, economic and environmental changes.

Guiding questions:

- What were the main changes generated as a result of the project? Describe and state the causes of the positive or negative effects observed, intentional or not.
- What were the main effects that contributed to achieving the project objective?
- What actions or events external to the project that contributed to the observed changes?
- Has the project made any difference to the beneficiaries?
- Does the project have an impact at a wider scale in the region or does it influence other initiatives?

Sustainability

OECD / DAC definition:

This criterion evaluates whether the benefits of the project continue to happen after it ends, with an emphasis on social, economic and environmental aspects.

Guiding questions:

- To what extent do the benefits of the project continue, after the end of funding from the Amazon Fund?
- What were the main factors that influenced the achievement or otherwise of the project's sustainability?
- What risks should be monitored to ensure sustainability is achieved?

8.2.2. Cancun safeguards

As a financial instrument for the application of resources from payments for REDD+ results, the Amazon Fund must adopt procedures for monitoring and providing information on compliance with the Cancun safeguards (Decision 1 / CP 16, 2010) for the initiatives that it supports. The seven Cancun Safeguards and the corresponding guiding questions are listed here:

1. Actions complement or are consistent with the objectives of national forest programs and relevant international conventions and agreements

This safeguard is used to assess whether the project is in line with the diverse programs and initiatives to promote the reduction of deforestation and forest degradation and to promote forest conservation, sustainable management of forests and reforestation (REDD+ activities). This assessment should be done in synergy with the National Strategy for REDD+ and should address the alignment of projects as: the Native Vegetation Protection Act (New Forest Code), the National Policy for Territorial and Environmental Management in Indigenous Lands¹⁴, the Federal Law on Public Forest Management, National Environment Policy, the National Policy on Climate Change, the Protected Areas Program of the Amazon, the Macro-Ecological and Economic Zoning, the Environmental Rural Register¹⁵, the National Biodiversity Policy, Degraded Areas Recovery Program in the Amazon, the National Program for Community and Family Forest Management, the National Program for Agrarian Reform, the Brazil Quilombola Program, the Federal Constitution, the United Nations Declaration on the Rights of Indigenous Peoples, the International Labour Organization (ILO) Convention 169, the Convention on Biological Diversity, the Ramsar Convention, Agenda 21, the National Water Resources Policy, among others.

Guiding questions:

- Does the project prove to be aligned with the PPCDAm and state plans for prevention and control of deforestation?
- Which other federal public policies and international agreements does the project show alignment with? - In what aspects?
- Does or could the project contribute directly or indirectly to reducing emissions from deforestation and forest degradation? In which way?

2. Transparent and effective national forest governance structures, taking into account national legislation and sovereignty

This safeguard is used to evaluate the degree of coordination of the project with the various actors in the national forest governance structure.

¹⁴ Política Nacional de Gestão Territorial e Ambiental de Terras Indígenas - PNGATI

¹⁵ Cadastro Ambiental Rural - CAR

Guiding questions:

- How has the project promoted coordination between different actors (public, private, third sector and local communities)? Has it made use of shared governance bodies? If so, which ones?
- To what extent has the project contributed to strengthening public instruments and forest and land management processes?

3. Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples

This safeguard is used to assess whether the legal rights of the beneficiaries were respected throughout the entire project, with regard to the recognition and the rights of ownership and use of land, territories and natural resources.

Guiding questions:

- To what extent has the project influenced the constitutional rights associated with ownership and formal allocation of land in the area that the project was executed?
- To what extent has the project influenced the sustainable use of natural resources in the area that the project was executed?
- If the project had indigenous peoples, traditional communities and family farmers as direct beneficiaries, were their socio-cultural systems and traditional knowledge considered and respected throughout the project?
- Are there effects of the project that interfere with the traditional way of life of these groups? Are the effects economic or related to social organization or the use of available space and resources? Are the effects positive, negative or both?

4. Full and effective participation of relevant stakeholders, including, in particular, indigenous peoples and local communities, in actions referred to in paragraphs 70 and 72 of Decision 1 / CP 16

This safeguard means that the execution of the project should consider the rights of indigenous peoples, traditional communities and family farmers (PCTAFs)¹⁶. Among the existing legal instruments, of particular relevance are: Convention 169 of the ILO, the Federal Constitution, National Policy for Territorial and Environmental Management in Indigenous Lands (PNGATI), the National Policy for Sustainable Development of Traditional Peoples and Communities and the Statute for Indigenous Populations.

This safeguard assesses the degree of participation of the final beneficiaries in the decision-making, planning processes and project execution.

¹⁶ Direitos de povos indígenas e comunidades tradicionais e agricultores familiares

Guiding questions:

- How has the project secured the consent of the beneficiaries and has the local / traditional way of choosing representatives of beneficiaries (especially of indigenous peoples and traditional communities)?
- Which participatory tools for planning and managing the project were applied during planning and decision making?
- In the case of projects with economic objectives: were possible economic benefits from the project accessed fairly, transparently and equitably by the beneficiaries, avoiding a concentration of resources?
- To what extent has the project provided to the general public and its beneficiaries, free access and easy to understand information related to the project activities?
- Has the project been able to build a good system for monitoring results and impacts? Has the project systematically monitored and disseminated the results achieved and their effects?

5. Actions are consistent with the conservation of natural forests and biological diversity, ensuring that actions referred to in paragraph 70 Decision 1 / CP 16¹⁷ are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits.

This safeguard is used to evaluate the project's contribution to the expansion and consolidation of protected areas and public forests, as well as to the recovery of deforested and degraded areas, for: economic purposes, conservation and recovery of natural ecosystems, biodiversity and environmental services. The criterion also assesses whether the supported activity did not promote the conversion of natural forests.

Guiding questions:

- Has the project contributed to the expansion or consolidation of protected areas?
- How has the project contributed to the recovery of deforested or degraded areas?
- In the case of activities of forest recovery and reforestation of areas, have the methodologies employed prioritized native species?
- To what extent has the project helped to establish recovery models with an emphasis on economic use?

¹⁷ Decision 1/CP 16: Reduction of deforestation emissions; reduction of forest degradation emissions; conservation of forest carbon stocks; sustainable management of forests and increase in carbon stocks.

6. Actions that address the risks of reversals of REDD+ results

Payment for REDD+ results is inherently an incentive to address the risk of results reversal. Compliance with this safeguard applies directly to initiatives to promote the reduction of deforestation or degradation (REDD) or actions such as recovery/restoration of native forests (+). The questions then evaluate whether the project addressed the risks of reversals of those desired results.

Guiding questions:

- What factors pose as risks to the permanence of REDD+ results? How has the project addressed them?

7. Actions to reduce displacement of emissions

Action to eliminate leakage risks must include robust, comprehensive and continuous monitoring of forest cover, ensuring the environmental integrity of REDD+. For Brazil, PRODES data provide information on the scale of implementation of actions to combat deforestation within the Legal Amazon Region¹⁸. The Federal Government, through Decree No. 6321 of 21 December 2007, established a series of actions to prevent, monitor and control illegal deforestation in the Amazon biome.

Similar to safeguard six, those supported initiatives that involve the direct realization of one of the five REDD+ activities (reducing emissions from deforestation, reducing emissions from forest degradation, conservation of forest, sustainable management of forests and increasing of forest carbon stocks) should consider the issues of displacement of carbon emissions to other areas. Therefore, this safeguard seeks to assess how well this was monitored.

Guiding questions:

- (If applicable) has displacement of emissions to other areas been avoided due to the project's activities?

8.2.3. Cross-cutting criteria

Cross-cutting criteria are "horizontal" issues to be addressed in an integrated way rather than being treated as isolated issues. In the context of the Amazon Fund, "poverty reduction" and "gender equality" are considered cross-cutting issues.

Poverty reduction

Evaluates the extent to which the project contributed to worthy employment and income alternatives in the Amazon, which also have as their central concern, environmental and social sustainability.

¹⁸ Legal Amazon (Amazônia Legal) is a planning region defined by law which includes nine Brazilian states and encompasses around 5 million km² of the Brazilian territory.

Guiding questions:

- To what extent has the project contributed effectively to economic alternatives that value standing forests and the sustainable use of natural resources?
- To what extent has the project had a positive influence on poverty reduction, social inclusion and improving the living conditions of beneficiaries (mainly: traditional communities, settlers and family farmers) living in their area?
- Has the project promoted and increased the production value chains of timber and non-timber products from sustainably managed forests?
- If the project contains a scientific and technological development component, has this contributed to the construction of a development model suitable to the region?

Gender equity

Definition: Gender equity is a cross-cutting criterion which observes the extent to which the project has considered the different needs of men and women and integrated gender equality in their interventions.

Guiding questions:

- Did the project succeed in integrating gender issues in their strategies and interventions? How? Or were gender issues dealt with in isolation?
- Was there a separation by gender in the collection of data for planning and project monitoring?
- How has the project contributed to gender equality?