

ELE Costa Rica Coffee Management Response

1 Background

In 2020, the NSP Costa Rica Coffee was subject to an independent end-of project Evaluation and Learning Exercise (ELE) conducted by an evaluation team led by AMBERO Consulting.

The Technical Support Unit (TSU) is publishing this management response to the recommendations made by the evaluation team in their ELE report.

2 Response to Recommendations

Recommendation	Management Response		
Recommendation 1	Activities	Who	When
<p>NSP design:</p> <p>a) For projects in a smallholder sector to include baseline emissions data and target reductions/removals in the NSP Proposal is cumbersome and reliable baseline data may not exist. It is recommended that a scoping study is included to either validate existing data or collect necessary data for the baseline and targets.</p> <p>b) Indicators should be SMART and sufficient indicators should be developed for the specific context. Two to three well-defined indicators per output deliver a solid base for monitoring and evaluation.</p>	<p><u>Current Activities</u></p> <p>On a) During the DPP and with financial support from the NAMA Facility, applicants can conduct studies to substantiate existing GHG emission data and collect necessary additional data for baselines and targets.</p>	TSU	Since the 4 th Call, demand-based
	<p>On b) As part of feedbacks on Outline and Proposal submissions, the TSU provides recommendations on proposed indicators.</p>	TSU	Ongoing
	<p><u>Additional Activities</u></p> <p>On b) The TSU provides more explicit guidance in its Outline and Proposal templates on the recommended number of indicators.</p>	TSU	12/2020
Recommendation 2	Activities	Who	When
<p>Timescales: It takes more time than anticipated [four years] in the NSP’s design for changes and results to materialise in agricultural, particularly smallholder, settings, and it is recommended that the NAMA Facility is realistic in its expectations.</p>	<p><u>Current Activities</u></p> <p>As part of feedbacks on Outline submissions, the TSU encourages to propose realistic timelines taking into account sector-specifics.</p>	TSU	Ongoing
	<p><u>Additional Activities</u></p> <p>Based on learnings from its NSP portfolio, the NAMA Facility expectations and requirements concerning agricultural, particularly</p>	Donors, TSU	Q1/2021

	smallholder-specific, projects will be discussed.		
Recommendation 3	Activities	Who	When
<p>Financial interventions in the coffee sector: It is recommended for such products [concessional loans] to be timed in line with production cycles (when funds are needed throughout the year), to build on existing structures such as credits received through global coffee traders and/or roasters and to collaborate with banks or respectively other financial service providers (civil society) closer to farmers/ farmer organisations, i.e. with established business relations.</p>	<p><u>Current Activities</u></p> <p>When submitting an NSP Outline, applicants are required to provide a basic business model and justification for the chosen financial support instrument to demonstrate the need and feasibility of the financial intervention.</p>	TSU	Since the 4 th Call
	<p>When submitting an NSP Proposal, NSPs are required to provide an in-depth analysis of the market and financial analysis (including cash-flow analysis) to substantiate that the financial mechanism responds to an actual need and can be implemented effectively.</p>	TSU	Since the 4 th Call
	<p><u>Additional Activities:</u></p> <p>As part of feedbacks on NSP Outline submissions that are similar to the NSP Costa Rica Coffee, the TSU relates to lessons learned from the ELE and shares the link to the ELE report.</p>	TSU	Start in Q1/2021 (7 th Call feedbacks)
Recommendation 4	Activities	Who	When
<p>Framing the narrative:</p> <p>For farmers, climate change adaptation tends to be more relevant and important than mitigation. They may be more accessible when approached through an adaptation rather than a mitigation perspective, i.e. the work should align to the objectives and needs of the coffee farms and mills.</p>	<p><u>Current Activities</u></p> <p>This is not unique for the agricultural sector.</p> <p>NSPs are expected to create co-benefits for the target groups that can be the main driver for changes and help to frame the narrative. The NAMA Facility accepts that GHG mitigation is not the core incentive for target groups to change behaviour or make an investment decision but that co-benefits (or legal compliance) are key drivers for mitigation actions.</p>	TSU	Ongoing