



Beyond Chocolate external evaluation by the Royal Tropical Institute (KIT)

SUMMARY & IDH
MANAGEMENT RESPONSE



About Beyond Chocolate

STATUS

Multi-Stakeholder Initiative /
Voluntary Partnership

PARTNERS

60+ stakeholders from the private sector,
public sector, civil society, certifiers,
knowledge institutions, retail sector

COMMITMENTS

BY 2025 AT THE LATEST



All the chocolate produced and/or
sold in Belgium shall comply with
a relevant certification standard
and/or shall be manufactured from
cocoa-based products covered by a
corporate sustainability scheme.



Beyond Chocolate partners shall
comply with applicable agreements
between governments and
companies in the regions included in
the Cocoa & Forests Initiative (CFI)

BY 2030 AT THE LATEST



Cocoa growers supplying to the
Belgian market will earn at least
a living income.



Deforestation due to cocoa
growing for the Belgian
chocolate sector has ended.

FUNDED BY



Belgium

partner in development

MANAGED BY



**the sustainable
trade initiative**

DURATION PHASE 1

March 1st 2019 – February 28th 2022

BUDGET

2.5M euros over three years:
2M euros co-funding budget
+ 500k coordination budget



The Evaluation at a Glance

Background & context

Beyond Chocolate is the multi-stakeholder partnership for a more sustainable Belgian chocolate industry. The overall objective of the initiative is to make long-lasting improvements to the living conditions of cocoa farmers and their families in the cocoa growing regions that are important for the Belgian industry.

The initiative is funded by Belgian government through the Directorate-General Development Cooperation (DGD) and managed by IDH, *The Sustainable Trade Initiative*. As defined in the Program Document, the main responsibilities of IDH as overall coordinator of the programme include:

- **Coordination and Convening:** IDH ensures partners live up to their commitments as expressed in the letter of engagement, and work together in an aligned, effective, and efficient manner. IDH's responsibility also includes the identification, co-funding and monitoring of innovative sustainability projects in the cocoa smallholder production regions.
- **Monitoring, Evaluation and Learning:** IDH measures and informs the partnership on the progress and impact of the different contributions and interventions and holds partners accountable to their promised engagements. IDH facilitates the sharing of learnings and signals new sustainability trends in the market.
- **Communications:** IDH aligns the different initiatives and contributions between partners and facilitates informing the Belgian consumer on the sustainability aspects of Belgian chocolate products.

The contract between DGD and IDH for the first phase of the Beyond Chocolate Program ran from June 2019 to February 28th, 2022. To enable to renewal of the program IDH was required to undergo an external Evaluation. The Royal Tropical Institute (KIT) was selected by the DGD to carry out the evaluation.



Objectives & Methodology

The objective of the evaluation was to review the evolution of the Beyond Chocolate partnership since its launch and to assess to what extent the partnership has supported signatories in achieving the partnership's common objectives (cfr. *Supra*). The evaluation also aimed to assess the effectiveness of IDH, *The Sustainable Trade Initiative* in facilitating and coordinating the multi-stakeholder initiative with regard to the above defined roles and the deliverables stated in the program document (cfr. *Infra*). Based on this analysis, the KIT identified recommendations and areas for improvement for IDH and Beyond Chocolate. These suggestions will help IDH in the review and reform of its procedures and working methods in Beyond Chocolate.

The KIT has come to the evaluation conclusions and recommendations through the following sources:

- A desk review based on publicly available information (annual reports, the website, program documents and social media) as well as internal documents of IDH.
- A series of 20 semi structured interviews with a variety of stakeholders, including Steering Committee members, project partners, cooperatives, reporting partners, ... The KIT gathered qualitative and in-depth data providing context and insights in achieving common objectives.
- An online survey which sent out to all members of the partnership and several other related stakeholders (e.g. secretariat of other ISCOs).





Evaluation Findings

Firstly, KIT assessed whether the results and outcomes outlined at the start of Beyond Chocolate have been met in the first phase of the Program. As can be seen in the table below, the KIT concludes that Beyond Chocolate and IDH have been successful in reaching most of the results and outcomes¹. **The KIT therefore concludes that the first phase of Beyond Chocolate can be seen as a general success.**

Accountability	Results	Outcomes	Target reached?
What IDH is accountable for	Result 1: Uniting and supporting the Belgian cocoa industry	1. The steering committee of the Beyond Chocolate partnership has been formed and is giving direction to the programme in accordance with its mandate and the required timetable.	Yes
		2. The number of signatory partners of the Beyond Chocolate Partnership has remained stable or increased compared to the number on 5 December 2018.	Yes
		3. The progress of the Beyond Chocolate partnership in terms of sustainability and operational is monitored annually and communicated to the public.	Yes
		4. At least two annual Beyond Chocolate working groups are organized and attended by a majority of Beyond Chocolate partner organizations.	Yes
	Result 2: Improving the effectiveness/ efficiency of sustainability initiatives within the Belgian chocolate sector	5. A first call for proposals has been successfully implemented and the project partners of 3 to 5 co-financed projects have signed a contract.	Yes
		6. 67% of the co-financing is taken up by project partners.	Yes
		7. The objective of a living income for cocoa producers is included in the projects.	Yes
		8. The projects are adequately monitored. There will also be a report on the progress of the projects and the first lessons will be shared within Beyond Chocolate.	Yes
What IDH holds partners accountable for	Achievement at impact level	9. The volume of chocolate produced and/or sold in Belgium and covered by a sustainability programme or certification standard has increased from 46% (2018) to more than 60% (2021).	On track
		10. Beyond Chocolate partners (in particular the cocoa traders and cocoa processing companies) are fully aware of the agreements made within the Cocoa & Forests Initiative (CFI) and have drawn up an equivalent plan of action	Partially
		11. More than 75,000 small-scale cocoa producers are reached through the Beyond Chocolate co-financed projects and other sustainability initiatives within the market.	On track
		12. Beyond Chocolate's partners have launched new chocolate products that raise the bar in terms of sustainability and create a new dynamic in the market	Yes

¹ Please note that since monitoring results for 2021 are not yet available at this stage, the KIT based itself on 2020 data for outcomes 9 and 11.

What IDH is accountable for

The KIT concludes that it was a viable choice to engage IDH to manage the Beyond Chocolate initiative. IDH is well positioned to coordinate multi-stakeholder initiatives and has in-house expertise on cocoa related matters, particularly on living income. IDH has successfully set up a governance structure and has together with partners developed a functioning monitoring framework. Furthermore, IDH has selected 8 living income projects for co-financing which are now being implemented by broad coalitions of partners.

70.000 cocoa farming families have been reached additionally since the start of the Beyond Chocolate program in 2018 through certification & company schemes.

What IDH holds partners accountable for

The KIT concludes that Beyond Chocolate has had an impact on sustainability in the Belgian chocolate market and does seem to have created a new dynamic in which signatories put sustainability higher on the agenda. This is based on the fact that the volume of sustainably produced cocoa (i.e. certified) has increased as a result of Beyond Chocolate. Since its launch in 2018, four retailers operating in the Belgian market have made their private label 100% certified and several smaller industry players have also vastly increased their certified sourced cocoa (usually up to 100%). These developments can be attributed to Beyond Chocolate. Furthermore, several new products have launched on the Belgian market as a result of Beyond Chocolate. These include products that further build on certification towards realizing Living Income ambitions, implementing holistic intervention strategies including the payment of additional premiums to farmers and cooperatives. Overall, sustainability appears to have become a more important theme in the Belgian market.



IDH Management response to Evaluation Recommendations

IDH welcomes the comprehensive evaluation of the Beyond Chocolate Initiative by KIT. IDH is especially pleased with the overall finding that *“Beyond Chocolate has had an impact on sustainability in the Belgian chocolate market and does seem to have created a new dynamic in which signatories put sustainability higher on the agenda”*. This conclusion is a confirmation that Beyond Chocolate is heading in the right direction and that a sustainable trade of cocoa can be brought to scale when all stakeholders come together and raise their ambitions.

While IDH is happy to observe this progress on the market side, we acknowledge the continuing size and urgency of the challenges on the ground. Currently, the Beyond Chocolate does not yet have the required impact on the ground in relation to farm income, labour conditions and forest conservation. While the partnership receives a good score in terms of relevance and market transformation is ongoing, more efforts will be needed to enable partners to fulfil their commitments. The recommendations of KIT will help to reinforce the partnership in a next financing phase.

IDH feels this evaluation is a solid basis for improving our work, as it identifies areas of improvement in our practices that need to be addressed. The evaluation findings are also a confirmation of our own internal discussions within the Steering Committee and working groups. IDH will explore which elements from the evaluation can be integrated in Beyond Chocolate working group discussions. Furthermore, IDH will use the recommendations made by the KIT as well as those made by the Steering Committee to give shape to the next phase of the Beyond Chocolate Program.





Observation by KIT	Recommendation by KIT	IDH Management Response	Next step/action
Coordination & Convening			
IDH was successful in mobilizing and onboarding the partners and convening the partnership. The partnership generated constructive and relevant discussions, leading to new insights and learnings. However, trust should be further reinforced and IDH should not shy away from in-depth conversations on complex and sensitive matters (e.g. pricing, value chain distribution...).	IDH should include 'complex' topics explicitly (pricing, level playing field, distribution of value, power relations in the chain) in the Beyond Chocolate theory of change and in further discussions.	IDH partially accepts this recommendation	<p>IDH will continue to work on creating a trustful environment in the pre-competitive sphere, where partners can transparently discuss 'sensitive' topics. Through setting up a working group on living income (to start in 2022) and developing a "living income roadmap", IDH will facilitate a discussion on pricing mechanics and distribution of value.</p> <p>However, IDH will keep into account the limits of competition law and will therefore not demand partners to share confidential information publicly.</p>
The co-financed projects helped partners to better grasp the reality on the ground and develop approaches to achieve the living income objective. However, the projects should be better embedded within the overall theory of change and the process towards upscaling should be better defined.	IDH should find new ways and means to enhance the effectiveness and efficiency of the ongoing and new pilot projects co-funded by DGD in terms of learning, scaling and ease of implementation.	IDH accepts this recommendation	<p>IDH will enhance the effectiveness and efficiency of the ongoing and new pilot projects co-funded by DGD in terms of learning, scaling and ease of implementation. In particular, a stronger focus will be set on the living income ambition and partners will be supported to strengthen their approaches. A more detailed learning agenda, capturing lessons from projects, will be developed.</p> <p>For the next financing phase of the partnership, IDH will also propose to rebalance the budget to ensure more capacity can go to the coordination and follow-up of projects (with regard to scaling, sharing learnings, finding solutions for implementation challenges...). Currently, 8 projects are in place. If this number grows in the following years, logically more budget and capacity will be needed for the coordination of the projects. IDH will propose to attribute 60% of the total program budget to co-financing and 40% to coordination, instead of the current 80%/20% ratio.</p>
IDH has gone beyond the expected outcome in aligning and harmonizing with the other National Initiatives on Sustainable Cocoa (ISCOs) and coordinating amongst Member States.	IDH should look for further alignment and coordination with existing platforms in consuming countries (ISCO's) as defined in the Memorandum of Understanding (2020). The ISCOs should define and implement a collaborative framework to align with and reinforce relevant developments in producing countries.	IDH accepts this recommendation	<p>Beyond Chocolate will continue to cooperate, align, and harmonize with the other ISCOs, including the German, Swiss and Dutch initiatives as well as the recently signed French initiative. The ISCOs will bundle efforts in the following fields:</p> <ul style="list-style-type: none"> • Lobby work and creating a level playing field • Building partnerships with producing countries • Further development of a joint monitoring framework • Knowledge exchange and guidance on the ISCO common challenges through joint working groups and learning events
For now, the Beyond Chocolate initiative has been mostly centred in Belgium with a low involvement of actors in cocoa producing countries. More involvement of cooperatives, farmers, and local governments could help link with the field. However, including more actors could make the conversations within the multi-stakeholder context even more complex.	IDH should further improve the internal and external communication processes, including with the stakeholders in West Africa. IDH should further explore the involvement of local governments, NGOs, and farmer organizations in Beyond Chocolate.	IDH accepts this recommendation	IDH has already started to convene stakeholders from producing countries to actively participate in working groups and events. In 2022, IDH will engage, in coordination with other ISCO's, in a dialogue with producing country governments to identify how to ensure alignment with producing country initiatives (e.g., CFI) and developments (e.g. living income differential, national traceability systems, ARS, ...). Recognizing the risks that come with involving a new stakeholder group in the partnership, IDH will develop, jointly with the other ISCO's, a framework of collaboration that clarifies roles and responsibilities for, amongst other, local government representatives.



Observation by KIT	Recommendation by KIT	IDH Management Response	Next step/action
Coordination & Convening			
Most partners see a vital role for government where it concerns the translation of Beyond Chocolate conversations and agreements into contributions for legislation at the national or European level (interviewees often referred to legislation towards a level playing field). By combining the different views and the insight from projects, the Beyond Chocolate Platform could act and contribute to evidence informed policy making etc. If certain complex topics (due diligence, pricing certification) are already discussed in depth, sorted, and agreed among the Beyond Chocolate stakeholders, it is likely that the further validation for legislation is a less time-consuming process.	The government could play a role as intermediary between the EU and the partnership regarding diligence legislation, exchanging views from stakeholders and supporting informed decision making. This would create an opportunity for the partnership to provide input on due diligence and to stay up to date with the latest developments.	IDH partially accepts this recommendation	IDH will explore how the Belgian government and Beyond Chocolate can together play an advisory role to the EU on upcoming legislation and support informed decision making. IDH is convinced that Beyond Chocolate - being a unique forum with voices from diverse stakeholders within the sector- can come to negotiated positions which can inform legislative processes such as HRDD and imported deforestation.
The evaluation findings suggest a continuous further development of the AME system with regard to the fulfilment of commitments/realization of ambitions.	IDH should consider negative consequences if signatories fail to work towards fulfilling the partnership's commitments.	IDH accepts this recommendation	IDH will develop a clear framework with requirements for stakeholders to access the partnership. Moreover, IDH will develop a process to exclude partners who are not living up to these requirements (e.g. partners who refuse to report). These frameworks/processes will be validated by the Steering Committee in 2022.
Accountability, Monitoring & Reporting			
The current AME system and project monitoring provide useful insights and evidence. This could become more structured and comprehensive (enabling attribution analysis) if the measurement of progress is systematically integrated in the theory of change involving key performance indicators at output, intermediate outcomes, and impact level.	IDH and the partnership should develop a clearer 'theory of change' for the partnership's implementation strategies also including a definition of the Beyond Chocolate sphere of influence and a recognition of the more sensitive topics such as farm gate pricing, value distribution in the chain, etc.	IDH accepts this recommendation	IDH and the Steering Committee will further develop and refine the Beyond Chocolate Theory of Change, elaborating on the expected steps towards Beyond Chocolate's end goals and further specifying the spheres of control and of influence of the partnership. The review of the wider theory of change of Beyond Chocolate will include a clarification of the role and a strengthening of the co-financing instrument. The refined Theory of Change will be validated during the General Assembly of Beyond Chocolate (September 2022).
	IDH and the partnership should improve the existing monitoring, evaluation and learning framework for addressing attribution of Beyond Chocolate activities to outcome and impact linked to the overall theory of change.	IDH accepts this recommendation	IDH will, in collaboration with the expert working group on monitoring and evaluation, strengthen the monitoring system to better capture the attribution of the Beyond Chocolate partnership to sector change and sustainability effects in the cocoa producing countries. In future, the ISCO's envision to jointly invest in impact studies to complement the individual reporting of partners.



Observation by KIT	Recommendation by KIT	IDH Management Response	Next step/action
Accountability, Monitoring & Reporting			
Although the long-term objectives of the multi-stakeholder initiative are clear, the way to get there in terms of a detailed roadmap or theory of change (via multi-stakeholder approach and projects) remains unclear for quite some partners.	IDH should further improve the level of accountability of the individual partners with partners reviewing their individual commitments and having their own 'roadmaps' and reporting on their progress and effects.	IDH accepts this recommendation	<p>IDH will facilitate the development of roadmaps on Living Income, Deforestation and Child labor at Beyond Chocolate or ISCO level to guide partners towards their 2025 and 2030 targets. These roadmaps will be developed by partners of Beyond Chocolate and/or the ISCOs in relevant working groups and will be validated by the Beyond Chocolate Steering Committee.</p> <p>IDH will build on frameworks and tools developed within the organisation, such as the living income roadmap, living income driver assessment,... in order to support partners to fulfil their commitments.</p>
A complaint mechanism for cooperatives could provide more insight into trade relations and more structural problems at the bottom of the chain. However, further thought is required how to structure and organize such mechanism,	IDH could create a more explicit complaint mechanism through which cooperatives and farmers can deposit complaints against actors higher up in the chain (e.g. traders). A working group could be initiated to explore the design of such a complaint mechanism.	IDH rejects this recommendation	IDH does not regard as a priority to set up a new complaint mechanism. Since several complaint mechanisms are already in place (company level, IDH, national contact point), IDH suggests building on what exists instead of doubling efforts. Moreover, IDH is convinced that having such a mechanism in place does not guarantee the mechanism will be used by beneficiaries, in particular in a context of extreme poverty. IDH will therefore focus on solving the extreme poverty challenge through its Living Income work.
Communications			
IDH established constructive and direct communications lines with all partners. IDH is open to hearing feedback and is engaged with the concerns of IDH. Due to COVID19, there have been no physical meetings organized, which hampered networking among partners. IDH put effort in 'reinventing' how to facilitate meetings and moderate conversations, requiring different techniques and skills.	IDH should further intensify external communication for the Belgian public, streamlining the communication initiatives and contributions of the different partners. More focus should be put to empower partners to inform consumer on what sustainability entails and what Beyond Chocolate and its partners are doing in this field.	IDH partially accepts this recommendation	<p>IDH will (support partners to) increase the visibility of the Beyond Chocolate Initiative in the Belgian and international public domain through presence in the media, participation in public debates, social media,...</p> <p>However, IDH nor the Steering Committee consider communicating to the consumer directly to be a priority. The focus should be kept on changing business practices in order to create positive impact for cocoa producing households.</p>



CONTACT PERSONS - IDH BELGIAN OFFICE

Charles Snoeck

Senior Program Manager
snoeck@idhtrade.org

Marloes Humbeeck

Senior Program Officer
humbeeck@idhtrade.org