### Progress report

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<th>Country: Peru</th>
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#### Development measure

**Project Title:** "Sustainable Agricultural Development to reduce poverty through an environmentally sustainable approach and gender empowerment"

**Project number:** TDPERU87FPE

**Current phase duration:** 07/2013 – 12/2014

**Total duration:** 01/2011 – 12/2014

**Donor:** Federal Ministry for Economic Cooperation and Development (BMZ), Germany

**Implementing agency:** United Nations Office on Drugs and Crime (UNODC), Peru and Ecuador Field Office

**Counterpart:** DEVIDA - Comisión Nacional para el Desarrollo y Vida sin Drogas (National Commission for Development and Life without Drugs)

**Evaluator/s:** Andra Kiggen, Rural Development Sector Programme, German Agency for International Cooperation (GmbH) (GIZ), and Günter Liepach, INTEGRATION International Management Consultants GmbH, on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), Germany

**Date:**

Field visit: 22 September – 01 October 2014
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Acronyms

BMZ  Federal Ministry for Economic Cooperation and Development in Germany

COCEPASA  Comité Central de Productores Agropecuarios de San Alejandro (San Alejandro Central Committee of Farming Producers)

DAC  Development Assistance Committee (OECD)

DEVIDA  Comisión Nacional para el Desarrollo y Vida sin Drogas (National Commission for Development and Life without Drugs)

ENLlcd  Estrategia Nacional de Lucha contra las Drogas (National Strategy for the Fight against Drugs)

FONDAM  Fondo de las Américas (Fund for the Americas)

GIZ  German Agency for International Cooperation

ha  Hectare

IMF  International Monetary Fund

MINAGRI  Ministry of Agriculture and Irrigation

mt  Metric ton

NGO  Non-Governmental Organisation

OECD  Organisation for Economic Co-operation and Development

ppm  Parts per million

PIR DAIS  Programa “Plan de Impacto Rápido Desarrollo Alternativo Integral y Sostenible” (“Rapid Impact Plan: Alternative, Full and Sustainable Development” Programme)

UNODC  United Nations Office on Drugs and Crime

UNOPS  United Nations Office for Project Services
1. Preliminary remarks

The UN Single Convention on Narcotic Drugs of 1961 includes the coca leaf in its Schedule I and prohibits its production, manufacture and marketing. However, in the case of the Indigenous Andean People, the coca leaf still represents an essential part of their culture, since they use it for medical and ritual purposes as well as a part of their religious traditions, which are deeply rooted in their world view. Yet, its illegal use for the production of drugs boosts drug trafficking and all the negative aspects linked to it.

Since the 1980s, the cultivation and illicit trafficking of drugs related to the production of cocaine has posed a serious threat to the Peruvian State. The greatest increase in the cultivation of cocaine took place in 1992, with 128,000 hectares (ha) (National Strategy for the Fight against Drugs 2012-2016, DEVIDA, March 2012, p. 9). During the second part of the 90s, there was a reduction in the area of these plantations to 38,700 ha in 1999, mainly due to the shifting of coca cultivation to Colombia, the air interdiction that broke the air bridge with Colombia, which moved the basic paste used to produce cocaine hydrochloride, and the dismantling of the cartels and capture of their leaders.

However, the presence of coca plantations and illicit drug trafficking has been increasing in a sustained manner in the country since 2000, particularly in the Apurímac and Ene River Valley, until it has reached an area of 62,500 ha in 2011 (Monitoring Report on Coca Plantations in Peru - 2012, UNODC, September 2013, p. 5).

The main factors that explain this trend are the following:

- The increase in the international drug demand, especially from new markets in Europe, Asia and Latin America;
- The absence of an effective and efficient implementation of national strategies in the fight against drugs;
- The significant reduction of coca plantations in Colombia, which led to a relocation (overall effect) of these plantations to Peru and Bolivia;
- The lack of food safety, economic alternatives and access to markets, which transformed the small farmers into narco-farmers;
- The lack of legal certainty about land ownership combined with a limited presence on the part of the authorities;
- The limited support to alternative development projects from international donors.

Since 2012, the Peruvian government has increased its efforts in the fight against drugs, achieving a reduction of the surface area used for coca cultivation to 49,800 ha in 2013, which accounts for a production of 121,242 metric tons (mt). It is important to highlight that cocaine production represents 13.5 times the demand for legal consumption, estimated at 9,000 mt. This means the remaining 112,243 mt (92.5%) is directed toward illicit drug trafficking (Monitoring Report on Coca Plantations in Peru - 2013, UNODC, 2014, p. 15). Today, it is estimated that most of the Peruvian cocaine is intended for consumption in Brazil and Argentina, or exported to Europe, all of these being markets that have grown significantly in recent years.

The production, illicit trafficking and consumption of drugs represent serious problems whose criminal consequences spread throughout the country, damaging civil society and the political power, increasing levels of crime and corruption, and affecting peaceful civil co-existence. On one hand, they generate an illegal and distorting...
component in the economic dynamics at national, regional and local level, since they link financial transactions to money laundering, illicit trade of chemical inputs and remittances for the payment of the manufacture and purchase of drugs. On the other hand, they have a serious impact in ecological environments due to deforestation, the invasion of nature conservation areas (parks and nature reserves), erosion and pollution, damaging and severely reducing the biodiversity of natural systems.

In this sense, illicit drug trafficking boosts social unrest in rural areas as it aims to maintain destabilisation processes which represent the best context for its development.

Conclusion: The production, trafficking and consumption of illicit drugs represent a very complex problem with several economic, social, political, ethical, cultural and environmental consequences. This systemic complexity demands a comprehensive approach taking into account the various characteristics of the problem.

In view of this situation, the alternative development project TDPERU87FPE "Sustainable agricultural development to reduce poverty through an environmentally sustainable approach and gender empowerment" intends to strengthen and diversify rural livelihood systems by providing economically and environmentally sustainable alternatives. This project is financed by the Federal Ministry for Economic Cooperation and Development in Germany (BMZ) and implemented by the United Nations Office on Drugs and Crime (UNODC). It began in January 2011 and its current phase spans from July 2013 to December 2014, and funding for a third phase to last until the end of 2016 is planned.

The project is based in two regions which account for 17% of the total coca cultivation in Peru. In the Huánuco region, 14,000 ha were cultivated in 2010 while 2,800 ha were cultivated in the Ucayali region (Monitoring of Coca Plantations in Peru - 2013, UNODC).

The field visit for the second evaluation was conducted from 22nd September to 1st October 2014. A first evaluation of the project by GIZ, on behalf of BMZ, was conducted in February 2012. Ernesto Parra, Project Manager, Margarita Suarez (DEVIDA), Günter Liepach (INTEGRATION) and Andra Kiggen (GIZ) participated in the second evaluation. The aim of this evaluation was to measure the objectives, results and impacts attained by the Project following the criteria established by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).

2. Summary

The project aims to contribute to "establishing sustainable livelihoods through agroforestry and forestry development actions, implemented from a gender perspective and with an environmental approach, as a basis to achieve economic and social progress as well as the adequate use of natural resources". With this aim, it is intended that 400 farming families in the Huánuco and Ucayali regions will show sustainable gender-based changes, reflected by an increase in income generation, production enhancement and integration of agroforestry and forestry activities in 1,000 ha.

The project strategy comprises five components, including gender equity as a cross-cutting component:

- C1 Institutional synergy through the establishment of networks for better inter-institutional integration and coordination at local and communal levels. This will
represent a device for inclusion, building commitment, dialogue and definition of options and strategies for public and private investment towards the comprehensive and sustainable alternative development.

- C2 Production systems through the extension, rehabilitation and maintenance of permanent crops like cocoa and coffee under agroforestry systems with diversification activities: food crops, annual crops, organic gardens and breeding of small animals, in order to improve the food safety of the beneficiaries.

- C3 Environmental remediation and management through reforestation and maintenance of plantations installed under enrichment and forest protection systems, including the improvement of the capacities for raising awareness about taking care of the environment and the rational use of natural resources.

- C4 Improvement of the quality of beneficiaries’ capacities for efficient quality management, which will be reflected through the economic revaluation of alternative products in order to direct them towards differentiated markets, thus obtaining better prices and revenue.

- C5 Business management based on partnership to provide technical assistance and capacity-building to farmers’ organisations to improve the partnership-organisational management and promote the model as a social inclusion alternative for small producers.

It is important to highlight that this is a pilot project. Hence, each beneficiary participates with only two hectares (demonstrative system): one under an agroforestry system (cocoa or coffee) and the other of reforestation. This allows the beneficiaries to build capacities in the use of both systems (agroforestry and reforestation) and it is expected that they will replicate this know-how in the remaining areas of their plantations.

At the same time, in order to properly analyse the process of change concerning the project objective, it is necessary to take into account the period between the sowing and the first harvest in cocoa and coffee plantations, which require approximately 3 years to yield the first fruits and 5 years to reach full productivity.

It is estimated that this project is progressing adequately with respect to the productive systems, but due to the timings mentioned above, as of yet it has not been possible to fully market the products. In this sense, results are still pending concerning the validity and sustainability of the strategies over the long term. However, great achievements can already be observed in several aspects: the planned sowing has been completed, there is good progress in the knowledge of the use of coffee and cocoa by the beneficiaries, there is a good integration of agroforestry and forestry activities and the quantitative indicators have been exceeded in relation to the number of families and hectares originally considered.

There is also a very important aspect to be highlighted: strong contact between the project and DEVIDA has been established and DEVIDA is assuming its partner role. Thanks to this good relationship, 6 internship visits to the project, promoted by DEVIDA, have been conducted. A total of 175 producers and technicians affiliated with DEVIDA have participated, generating experience exchanges that are expected to be included in the future design processes for projects financed under the "Rapid Impact Plan: Alternative, Full and Sustainable Development - PIR DAIS" framework budgetary Programme.

Concerning the evaluation criteria established by the DAC, the project is considered good in general terms and it is reaching positive results without presenting significant
deficiencies (Level 2). Moreover, the project has generated additional multiplier impacts both at the beneficiary level and at the institutional level with DEVIDA and other actors involved. The following table summarises these criteria:

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Measurement</th>
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<tr>
<td>1. Relevance</td>
<td>1</td>
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<tr>
<td>2. Effectiveness</td>
<td>3</td>
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<td>3. Impact</td>
<td>1</td>
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<td>4. Efficiency</td>
<td>1</td>
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<tr>
<td>5. Sustainability</td>
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**Weighted average value of the criteria 1 - 5**

If Effectiveness, Impact or Sustainability are valued "4" or under, the overall measurement is reduced to "4", even if the average value is higher.

**Overall project measurement**

2

The overall project measurement results from the evaluation of the five individual criteria. It is expressed on a 6-level scale:

- **Level 1**: Very good result
- **Level 2**: Good result; no significant deficiencies
- **Level 3**: Satisfactory result; positive aspects prevail
- **Level 4**: Unsatisfactory result; there are some positive aspects, but the negatives prevail
- **Level 5**: Clearly unsatisfactory results: few partial positive aspects; the negatives unmistakeably prevail
- **Level 6**: The project or programme is unsuccessful or the situation has even worsened (due to the development measure)

Levels 1 to 3 in the overall measurement mean the project or programme has been successful; levels 4 to 6 represent a lack of success. As a general rule, the evaluation measurements will always be expressed in whole numbers (rounding up or down, according to mathematical rules).

For a more detailed explanation of the evaluation table and the ratings included in it, see the Guidelines on the Project Progress Review, chapter 5.1 (DAC evaluation criteria).

Project Effectiveness is the only indicator showing an average performance. However, there are still satisfactory results and the positives prevail (3); this is due to the only partial achievement of results 1, 4 and 5, which have not yet been achieved according to the expected results.

The main reason for the success observed has been the excellent work carried out by the project team members. During this evaluation, the team has shown an impressive dedication and enthusiasm. They have gained the trust of the beneficiaries, which has made the work easier and has given a great deal of credibility to the counselling and

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1 The results of the last evaluation (GIZ 2012) differ from the current ones in three criteria. The effectiveness and efficiency criteria were assessed with one point of difference with respect to the current evaluation, while there is a two-point difference in the results obtained from the project concerning impact. This difference stems from the greater impacts of the project since 2012 (see the explanations above).
technical assistance provided to farmers. The second crucial reason for the success of the project has been an approach that effectively combines the completion of technical assistance activities with the supply of the necessary inputs; one example is the allocation of timber species to be reproduced in the families' incubators in the necessary quantities for reforestation. In this way, beneficiaries feel supported and, at the same time, they are required to make an effort and to actively participate in the project. This demonstrative system complements this approach and highlights the nature of the project as a temporary support, promoting the initiatives of beneficiaries to make the most and take ownership of the advantages of the project.

Finally, regarding the recommendations, it is considered necessary to highlight that the next phase must focus on the marketing aspect in order to close the cycle started with the sowing of crops and generate real impacts in the improvement of family incomes. In this way, the project will achieve the financial sustainability of all training and investment provided within its framework. Moreover, concerning the marketing, it is recommended to take into account aspects related to production quality, especially those which have not been intensively dealt with during the first two phases – for example, the post-harvest and fermentation aspects – in order to strive for the standardisation of processes and achieve a steady pattern that would generate competitive products of uniform quality for the beneficiaries of the project.

Another aspect to be considered is the level of cadmium in the production of cocoa because it is known that in Latin America there are soils with high levels of this heavy metal, which is considered harmful to human health. The cocoa absorbs this cadmium and, particularly in ‘fine flavour’ chocolates with a high cocoa content, the cadmium content can be relatively high. Even if the average levels of cadmium in this area do not exceed the recommended levels of the European Union (Huamani-Yupanquil et al. 2012), it is important to constantly monitor these levels and analyse the soils before growing more cocoa in order not to invest in plantations that display levels of this metal considered too high.

3. Framework conditions

There are six factors that determine the framework conditions for the implementation of this project:

1. Political stability,
2. Macroeconomic stability,
3. Conditions of the cocoa and coffee sectors,
4. Characteristics of the areas of intervention,
5. Characteristics of the target group, and
6. Security conditions in the project areas.

1. Political stability

The political situation in Peru is, generally speaking, very stable and favourable. In 2011, an electoral process was held and the following federal representatives were elected: Ollanta Humala Tasso was elected as President of the Republic; 130 members of Congress were elected at the Congressional elections and 5 Andean members of Parliament were elected in the representative elections for the Andean Parliament. The next elections will be held in 2016. The regional and local elections were held on the 5th October 2014 throughout the whole country, during which
Regional Presidents, Provincial Mayors and Local Mayors were elected for the period 2015 - 2018.

However, it should be mentioned that there were very severe internal political conflicts in the country. For example, in 2013, there were protests on mining and also armed resistance against the coca eradication efforts in the Monzón Valley and other areas.

2. Macroeconomic stability

According to the International Monetary Fund (IMF, Article IV), the Peruvian economy continues to be a leader in the region in terms of high economic growth and low inflation, thanks to careful macroeconomic policies, ambitious plans for structural reform and a positive external environment. These factors are largely the reason why the economy came through the global financial crisis of 2008-2009 practically unscathed. Therefore, the short-term perspectives are still positive despite the complex external conditions. The anticipated deceleration of China's economic growth (one of Peru’s main trading partners) and the reduction of the monthly securities purchased by the U.S. Federal Reserve would result in a lower external demand and deterioration in the terms of trade. Against this backdrop, last April the IMF forecast a real GDP growth of 5.5% in 2014, slightly under the potential growth. At the beginning of October 2014, the IMF adjusted its forecast to 3.6%. However, in 2015, the Peruvian economy is expected to grow by 5.1%. As for inflation, it is estimated that it will be reduced by approximately 2.5%. It is also predicted that the current account deficit will continue to be high (4.8% of GDP in 2014), but that it will reduce gradually over the mid-term thanks to the expected rise in mining exports.

3. Conditions of the coffee and cocoa sectors

Coffee: Although between 1990 and 2012 global production increased by more than 50%, mainly due to the emergence of Vietnam as an important producer on the international scene, international coffee prices have risen by 160% in the last ten years, making general prospects in the coffee sector quite positive. In many countries the arable land is being reduced while production costs are increasing; hence, it will be difficult for the production to maintain this high rate of increase in the near future.

Yet, global coffee consumption is on the increase. Although the growth is only modest in many traditional markets and consumption has reached saturation point in many countries, there are still several dynamic opportunities within the specialised market that could benefit the producers, such as coffees of special quality and certified coffees. Moreover, consumption in emerging markets and exporting countries is rapidly increasing and is showing strong potential for future growth. The standard of living in the coffee-exporting countries continues to improve and generates strong potential for growth in the internal consumption of coffee thanks to a growing middle class.

Cocoa: Cocoa demand continues to increase, boosted by the influx of new consumers from emerging countries. Between the end of 2005 and the end of 2010, the cocoa price in the international market doubled, and it increased again between July 2013 and August 2014, by 52%, with a period of decline between these two periods. According to the International Cocoa Organization (ICCO), the cocoa sector’s supply is immersed in a period of structural deficit. Fine cocoa in particular is considered to present great opportunities for sale to achieve better prices. However, despite this high increase, it is important to highlight that prices are now “only” at the level of 5 years ago (end 2009), which shows the high fluctuation in prices.
4. Characteristics of the areas of intervention

The project covers 26 rural communities in the regions of Huánuco and Ucayali, including the 14 communities reached during the first phase of the project and the 12 communities included in the second phase. The area of intervention is divided into two ecological layers: the high area (Huánuco) and the low area (Ucayali). Due to the ecological characteristics of these areas, the communities in Huánuco are directed towards coffee, while the communities in Ucayali are suitable for cocoa plantations. In general terms, the agricultural activities in the lower area are more diversified than those in the high area; in the high area, only food crops are grown besides coffee, while in the low area, there are several alternative cash crops such as oil palm, maize, rice, papaya and banana.

Both areas of intervention are characterised by poor road infrastructure, which has a significant negative impact on the development of the communities. Most roads are dirt tracks, which makes vehicle access very difficult, especially during the rainy season, when it is almost impossible to drive on the roads. This, in turn, has a negative effect on the marketing of agricultural products.

The situation concerning access to basic services is similar: only 10% of the first group of beneficiaries have access to water in their home; a quarter of them still rely on the river as a water source. Moreover, almost 90% use cesspits as a toilet. Around 46% have electric lighting, while a similar percentage uses kerosene. Some 80% of the beneficiaries use firewood as fuel in order to prepare their food.

A considerable percentage of the project beneficiaries used to grow coca, which has had a significant environmental impact in both areas: first, high levels of deforestation caused by the slash-and-burn of primary and secondary forests; and secondly, the use of chemicals for growing coca has produced soil and fertility loss.

5. The migratory nature of the target group

Most of the beneficiaries migrated to the areas of intervention to grow coca. Many of them are not familiar with the (semi)tropical agriculture and so there is a lack of know-how vis-à-vis growing agricultural products suitable for the ecological characteristics of the area. This lack of know-how on agriculture in tropical areas has led to situations of poor nutrition and lack of food security for the population.

The migratory nature of the target population also means that a legal uncertainty as to the ownership and use of the lands prevails, representing an obstacle for mid- and long-term investments, such as those necessary for growing coffee and cocoa, which requires several years before beginning to bear fruit. Recommended by GIZ, on behalf of BMZ, in 2012, and in order to face these risks, the project management has decided to work only with beneficiary families who legally own the land. Some 33% of the families have a registered title deed, while 57% have a certificate of ownership, which is, according to local sources, a legal instrument with legal certainty in the mid and long term. The others have proof of purchase and sale or inheritance and only one family has no record.
6. Security conditions in the project areas

The security conditions have improved in recent years. A total area of 10,290 ha of coca has been eradicated in the area of intervention, 59% of it in Alto Huallaga (Huánuco) and 41% in Río Agüaytia (Ucayali). As a result, the tension has diminished and the social environment in the communities has improved so much that it is now possible to live in peace in the area (with significantly lower crime rates). This makes the project implementation much easier, particularly its grassroots work approach, with several technicians living in the communities.

4. Results

4.1 Data sources and quality

In order to obtain the relevant information for this evaluation, a combination of several sources has been used:

- Semi-structured individual interviews with:
  - Direct beneficiaries;
  - UNODC staff involved in the project;
  - Staff involved in the project from the technical partner of the Peruvian State (DEVIDA);
  - Cooperative Managers from La Divisoria and Río Azul;
  - Other actors involved, such as the Mayor of Hermilio Valdizán (Huánuco), the Executive Secretary of the Peruvian Environmental Network and others;
  - Representatives from the German Embassy in Peru, the GIZ, the EU and USAID.
- Semi-structured group interviews with direct beneficiaries.
- Semi-structured group interview with the project staff in the project office in Agüaytia.
- Review of official reports presented by UNODC, project baseline, annual reports, and the last evaluation report conducted by GIZ in 2012, among others.
- Review of specific information additionally requested to UNODC.
- Review of external documents considered relevant to the project (i.e. the National Strategy for the Fight against Drugs, ENLCD, 2012-2016; Monitoring Report on Coca Plantations in Peru - 2013, UNODC; Supreme Decree declaring a state of emergency in the coffee-growing areas of several regions in Peru).

It is important to mention that a large portion of the interviews were conducted by the evaluation team as a group and that, in most cases, their perceptions were identical or very similar, confirming the validity and quality of the information received. Moreover, the assessment and verification criterion has always been applied in order to duly confirm the content of the interviews. Thus, it has been possible to identify new aspects which were not clear in the official reports, with the relationships with DEVIDA being the most important factor.
4.2 Status of the change process

In the analysis of the process of change concerning the project objective, it is necessary to take into account the period between the sowing and the first harvest of cocoa and coffee plantations, which require a minimum of 3 years to produce the first fruits and 5 years to reach full productivity. Considering the first seeds were sown three years ago, the evaluation team were able to see the first fruits of the cocoa and coffee. It can be confirmed that the project is adequately progressing in terms of the productive systems, but due to the timings mentioned above, products have not been entirely marketed yet. In this sense, it is yet to be confirmed whether the basic strategy of the project, which seeks to promote alternatives to cocoa plantations with production systems based on permanent, legal plantations, such as cocoa and coffee, inserted within agroforestry systems and with a participatory approach, is valid and sustainable in the long term, since the marketing of the products has not yet been completed. However, the process of change is progressing adequately: the scheduled sowing has been completed, good progress has been made in the knowledge of the use of coffee and cocoa by the beneficiaries, there is good integration of agroforestry and forestry activities and the quantitative indicators have been exceeded in relation to the number of families and hectares originally considered.

As for the short-term planned impacts (organic gardens and breeding of small animals in order to improve the food safety of the beneficiaries), the evaluation team can confirm these changes are being implemented. Almost all families have organic gardens or are breeding small animals, or both, and benefit from the support provided by the project in order to start with these initiatives. As a consequence, the families have achieved better food autonomy and they sometimes sell their products, obtaining an additional income for the family.

Finally, this evaluation wants to highlight that there is a good relationship between the project and DEVIDA and that the project is collaborating with DEVIDA in its internship programme (organized by DEVIDA Lima). These internships aim to learn new techniques and to exchange successful experiences and the interns commit to share what they have learned with their communities and, in this way, replicate the drawn expertise, adapting them to the conditions of their home regions. This allows an exchange of successful experiences, both with the technicians and with the beneficiaries of the other projects implemented by DEVIDA, contributing with their good experiences to internal discussion in the organization. Currently, DEVIDA is implementing the Programme “Rapid Impact Plan: Alternative, Full and Sustainable Development - PIR DAIS”, with an approximate annual budget of EUR 36 million (budget for 2014). DEVIDA provides, through different agreements, funds to regional or local governments in order to implement alternative development projects and monitors the physical and financial progress of those.

4.3 Causes and success factors for the observed results and change processes

The main reason for the success observed has been the excellent work conducted by the project team members. During this evaluation, the team has shown impressive dedication and enthusiasm. They have gained the trust of the beneficiaries, which has made the work easier and given great credibility to the counselling and technical assistance provided to farmers.
The second crucial reason for the success of the project has been an approach that effectively combines the completion of technical assistance activities with the provision of the necessary inputs; one example is the allocation to the farmers of timber species to be reproduced in the families’ incubators in the necessary quantities for reforestation. In this way, beneficiaries feel supported and, at the same time, they are required to make an effort and actively participate in the project. The demonstrative approach of the activities for one hectare complements this approach and highlights the nature of the project as a temporary support that requires the active participation of the beneficiaries to ensure that they can really benefit from the advantages of the project.

The third important factor is the effort made by the project to forge alliances with other organisations in order to complement the activities of the project. Thanks to this, seven additional projects have been financed with a total budget of US$ 3,005,000. Moreover, UNODC has secured the participation of Austria, which will co-finance the project with US$ 169,904 for the 2011-2013 period.

With respect to the good relations with DEVIDA, the main reason behind this is the strong personal relationship existing between the people in charge: the Project Coordinator, Mr Ernesto Parra, and his counterpart in DEVIDA, Ms Margarita Suarez Alvites.

Thanks to the favourable framework conditions, these success factors have been able to develop and bear fruits.

5. Overall assessment

5.1 DAC evaluation criteria

Relevance:

Project Relevance is considered very high (1), as the project fully meets the needs of the target population, as well as corresponding with the Peruvian Government’s policies and the drug policy of the German Government and the European Union (see "National Strategy on Drug and Addiction Policy" from the German Government and "Rethinking the Approach of Alternative Development" of BMZ, the EU Drugs Strategy and the EU Drugs Action Plan).

As far as the population is concerned, the project clearly faces the livelihood problems in the areas of intervention of the project, especially the transformation from a coca-based economy towards a legal and diversified economy and the sustainable use of natural resources. Most beneficiaries migrated to the project area in order to grow coca. Therefore, the technical know-how on agriculture suited to the climatic conditions of the region is very limited. After the eradication of coca plantations conducted between 2010 and 2012, the population of the area suffered a significant food safety crisis and even from a situation of extreme poverty; they were left with the decision of whether to stay and produce legal crops or to migrate to other areas in order to grow coca again.

As for Peruvian policy, the project is fully aligned with the commitment of the Peruvian Government to adopt a comprehensive policy against drugs, as is reflected in the National Strategy for the Fight Against Drugs (ENLCD, 2012-2016). The overall
The strategic objective of the ENLCD is: "To drastically and sustainably reduce illicit trafficking and consumption of drugs, as well as their negative social, political, economic, cultural and environmental impacts, by incorporating producers of illegal crops in the licit economy."

The ENLCD has a comprehensive approach and involves the active and complementary intervention of all State institutions in the three levels of government: national, regional and local. It is structured around four core concepts with their respective specific strategic objectives: (1) Comprehensive and Sustainable Alternative Development, (2) Prohibition and Penalty, (3) Prevention and Rehabilitation of drug consumption, and (4) Cross-cutting Global Commitment Priority.

The ENLCD includes the commitment of the Peruvian State committed to allocate the necessary budgetary resources in accordance with the results-based budgetary programming methodology. These resources will be complemented by those from international cooperation in order to assure the financing of the activities and projects required to achieve the expected results.

With respect to German policy, the project is aligned with the alternative development strategy, which focuses on the improvement of livelihoods in rural areas, progress towards food security and the protection of natural resources (forests and water) in order to create sustainable alternatives to the cultivation of coca.

Moreover, it is also consistent with the European Strategy concerning the fight against drugs (2013-2020), which is constructed around two spheres of action: (1) the reduction of drug demand and (2) the reduction of drug offer; and three cross-cutting issues: a) coordination, (b) international cooperation, and (c) research, information, monitoring and evaluation.

The project is also in line with the strategy of the German cooperation in Peru in the area of "Sustainable rural development, natural resource management and climate change", especially with regard to the reduction of forest exploitation through the improvement of production and the marketing of agricultural products. It is important to highlight another project that is being implemented simultaneously: "Zero Deforestation", financed by BMZ and implemented by the Peruvian NGO "Vida" and the Cooperativa Agraria Cafetalera Divisoria. Both projects aim to improve agricultural practices and the production of cocoa and coffee in order to boost the livelihoods of the population in the regions of Huánuco and Ucayali. The evaluation team also met the Manager of "Zero Deforestation" and it was recommended that both projects work even closer together in the near future. At the same time, both projects ensure the benefits are not identical.

Finally, the project is also in line with the UN International Guiding Principles on Alternative Development, approved by the General Assembly of the United Nations in December 2013 and which represent an international guide on how to implement alternative development measures.

**Effectiveness:**

The Effectiveness of the project, which establishes to what extent the objectives of the intervention have been achieved (comparing objectives with results), can be considered as **satisfactory result, where positive aspects prevail (3)**. Below, we will briefly analyse each indicator for the 5 anticipated outcomes:
Outcome 1 Indicator:

"By the end of the project, two institutional networks are in operation, promoting the comprehensive and sustainable alternative development of rural communities, and more synergies effects concerning coordination and cooperation between the existing institutions have been created in the area".

The level of achievement of this indicator is partial. On one hand, there are seven partnership agreements with different institutions and organisations (e.g. DEVIDA, PROVIAS, FONDAM, etc.) for the implementation of complementary projects in different communities. These agreements have managed to mobilise considerable funds – US$ 3 million – and each project is of great value, both individually and for the beneficiaries. However, each project is an individual and isolated intervention and this does not sufficiently meet the criterion of promoting synergy effects concerning coordination and cooperation between the existing institutions in the area. In other words, these agreements do not follow the systemic approach of promoting the sustainable development of the communities in a broad sense. Institutional networks have not yet been established, with "networks" being the operative word. Therefore, this criterion has only been partially fulfilled.

Outcome 2 Indicator:

"By the end of the project, 300 farmer families in 20 communities have improved their productive capacities and are working technically in 600 hectares of alternative plantations established and/or redeveloped under the agroforestry systems proposal, which allows them to increase their legal income by 30%, thanks to the sale of alternative products".

The quantitative result of 300 families having improved their productive capacities and working technically in 600 hectares has been achieved. Concerning the 30% increase in their legal income, this result has not yet been achieved since the production cycle of cocoa and coffee makes it impossible to achieve this result within the timeframe established. There is additional minor income from the organic gardens, the sale of bananas and the breeding of small animals. However, the higher incomes that could account for the expected increase of 30% depend on the marketing of the cocoa and coffee products and, as mentioned earlier, large-scale results have not yet been achieved due to the timeframe necessary for the sowing and harvesting of the crops (3 to 5 years). In terms of production, the project is progressing adequately.

The critical issue still pending is that of the marketing, which seems to be more advanced for coffee than for cocoa at this moment. Coffee can be sold to the cooperative "La Divisoria", which obtains a surplus of US$ 50-80 per quintal of organic and fair-trade coffee of the finest quality; in this sense, the challenge is to "only" present the coffee with the required quality. As for cocoa, the situation is a little more complicated since the project is still seeking to establish a marketing channel to obtain a higher price for the sale of fine cocoa. Promising talks are ongoing with a French company in search of producers of fine cocoa, and it is due to visit the project site in October. Moreover, in the past there was contact with a German chocolate-producing company that was interested in purchasing fine cocoa. However, according to some information provided to GIZ, there were several problems and the company did not follow up their cooperation with the project:

1. In many areas, cadmium levels in the soil (and therefore in the fine cocoa cultivated in these areas) were too high for the production of fine cocoa-based
chocolate, which would block the possibility of exporting it to Europe, USA and Japan.

2. The company found it difficult to assure that there was no mixture between the different cocoa varieties. According to the company, it would have been very important to distinguish the different cocoa varieties by batches: cocoa for mass consumption, the "CCN51" variety, and fine cocoa.

3. The post-harvest processes as a fundamental requirement (fermentation must comply with high quality standards) were not adequate.

Marketing will undoubtedly be the key to the success of the project (see recommendations).

Outcome 3 Indicator:

"By the end of the project, 200 farmer families in 20 communities have developed their capacities in the process of reforestation and are working technically under an environmental approach in 400 hectares with native timber species that guarantee additional and sustainable incomes from the 7th year onwards thanks to the sale of timber products".

Some 316 ha have been reforested thus far, up to June 2014, which accounts for 79% of the targeted outcome. The 84 remaining hectares have already been selected and the plants of forest species are in the corresponding family incubators. Therefore, it is estimated that this outcome will be achieved by the end of the year.

Apart from the family incubators, the project foresees the establishment of three communal incubators. Thus far, 5 incubators have been established: 4 of them are diversified communal incubators (forest, fruits and cocoa) in Nolberth del Alto Uruya, Ricardo Herrera, Tres de Octubre and San Juan; the remaining incubator is exclusively for cocoa and has been established in San Alejandro. It is being managed by COCEPASA.

Finally, the beneficiaries have been technically trained and are aware of the importance of timber products and the ecological value of reforestation. As a result, the project is progressing towards the achievement of indicator 3.

Outcome 4 Indicator:

"By the end of the project, 200 beneficiary families have improved their technological processes and post-harvest of coffee and cocoa facilities, which results in an increase in the quality of the alternative products, reaching the international classification standards required by the special differentiated markets: coffee + 80 points, cocoa Grade 1".

Even if the project is progressing adequately, it is not believed that this outcome will be reached during this phase. After the training on harvest and post-harvest management, beneficiaries are aware of the importance of these processes and very much appreciate the support received through the technical assistance. However, considering that they are still harvesting the first yields in higher quantities, it is not yet known if the quality really meets the physical and sensorial standards required by European companies. The German company highlighted that the quality of cocoa depends heavily on the fermentation process. If good results are to be achieved, the company would still be very interested in purchasing fine cocoa.
Meanwhile, the project was visited at the beginning of October 2014 by the French company, which took two samples of the first productions of the aromatic clones in order to analyse them in their laboratories. After this analysis, it will become clearer if the French company would be interested in the project area. Apart from the contact with these two companies, the project has supported the cooperative La Divisoria to set up its own laboratory. This quality control laboratory is already in operation and is creating samples of cocoa paste in order to adjust the post-harvest standards. The project provided 2 guillotines to cut cocoa beans, 2 moisture analysers and a cocoa refiner; the remaining equipment has been financed by the Fund for Innovation, Science and Technology of the Peruvian Ministry of Production.

The situation regarding coffee is similar: the quality mapping has been defined, with the support of the cooperative La Divisoria, and the project has sown the varieties known to have the best rate profile (a balance between flavour, aroma, body and acidity). Recently coffee has been harvested in higher quantities and there has been no large-scale sale to the cooperative La Divisoria.

**Outcome 5 Indicator:**

"By the end of the project, at least 80% of the beneficiary families are organised and actively participate in their strengthened social and business enterprises that efficiently plan, handle and control the production process, the post-harvest and the marketing of the alternative production".

This indicator is less advanced than the others in its implementation, although coffee producers are mostly associated with the Agricultural Coffee Cooperative "La Divisoria". This was established in 2001 under the framework of a project implemented by the United Nations Office for Project Services (UNOPS) and has approximately 1,000 members in the areas of Huánuco, Ucayali and San Martin. Since 2004, the cooperative has possessed the organic certification to export its production to USA and Europe and, since 2005, the fair-trade certification; in 2007, it added cocoa to its product line. Furthermore, La Divisoria produces and markets tropical flowers, organic fertiliser and certified timber. However, coffee remains its main business.

Concerning the active participation in the cooperative, new members are not yet participating actively. It is believed that it is too soon for this and we must wait for the members to begin to appreciate and value "their" cooperative due to the sale of their products. When this happens, they will become active members.

As for cocoa producers, the level of association is much lower. Some of them are members of La Divisoria but this is just a small portion of the beneficiary farmers. It seems that the lower volumes of production and the relatively long distance (despite the 7 collection centres of the cooperative) between the producers and the cooperative, makes it difficult for La Divisoria to assume the same position as main buyer that it has for coffee producers. Apart from La Divisoria, there is no other similar cooperative with which the project could work with the same intensity. In view of this situation, most of the cocoa producers sell their products to individual buyers who pay an average price for "normal" quality cocoa, lower than the price established for fine cocoa. Consequently, the project strategy should focus on the search for a European buyer for the entire production of fine cocoa. This is considered the most sustainable option, since once the commercial relationship is established, the European partner will support the producers to meet the international classification standards required by the markets.
Impact:
The Impact of the project, which establishes the extent to which the project contributes to the achievement of the planned overall objectives and the emergence of other indirect results, can be considered as **very good** (1). Below we will analyse the achievement of the indicator for the end of the project, followed by the identification of the indirect results.

**End Indicator:**

"Some 400 farmer families present sustainable changes which are reflected by the generation of higher incomes, the improvement of production processes and the integration of agroforestry and forestry activities in 1,000 hectares."

The quantitative targets exceed the number of families involved (487) and meet the planned number of hectares. Regarding the integration of agroforestry and forestry activities, a good integration of these activities in the production system can be observed: all the plots visited presented a combination of coffee or cocoa with agroforestry and forestry activities. Moreover, good progress towards the know-how on managing coffee and cocoa plantations can also be observed. For example, in Santa Rosa de Guinea, there was a plot cultivated following the project instructions and, next to it, another plot supported by a local project financed by DEVIDA. It was observed that the cocoa plot receiving continuous support and agricultural counselling from the UNODC project attained better results concerning the physical state of the plants.

The generation of higher income, however, has not yet been achieved as expected. There is additional minor income from the organic gardens, the sale of bananas and the breeding of small animals. However, the higher income depends mainly on the marketing of the cocoa and coffee products. These products have not yet been sold in high quantities due to the timeframe necessary for the sowing and the first harvest of the cocoa and coffee plantations (for the moment, only small quantities of cocoa and coffee already produced before the beginning of the project are being sold). It is expected that, from next year, with the first big harvest, the income increase will be noted.

Apart from the indicator for the end of the project, there are three aspects that, although not explicitly mentioned as indicators in the project design, meet the overall objective and have shown positive impacts:

- **Diversification and food security**: the organic gardens, bananas and the breeding of small animals contribute to better family nutrition, improving resistance to diseases. In addition, the sale of these products generates additional revenue, diversifying the family’s income.
- **Gender perspective**: the project has managed to successfully establish the gender perspective as a cross-cutting issue in all its activities. Active female participation is observed, particularly in but not limited to the organic gardens and the breeding of small animals. By taking care of the sales management, they directly contribute to the family income, generating a significant empowerment that increases their self-esteem and which is also valued by their husbands.
- **Environmental awareness** of farmers, decrease in soil erosion: The trainings have engendered greater knowledge of the importance of protecting natural resources. The farmers are aware of the relationship between deforestation, water resources and soil erosion, as well as their negative impacts on the agricultural potential of
their lands and on the generation of income. As a consequence, they appreciate the benefits of agroforestry systems.

Indirect results
Aside from the impact on the end of the project indicator, there are two additional important indirect results:

- Experiences exchange: There is a good relationship between the project and DEVIDA, with DEVIDA properly assuming its partner role. The 6 internship visits to the project, promoted by DEVIDA in the framework of its internship programme, have been greatly valued. A total of 175 producers and technicians affiliated with DEVIDA have participated. This allows DEVIDA to incorporate the experiences gained in the organisation, generating knowledge exchanges that are expected to be included in the future design processes for projects financed under the framework budgetary Programme "Rapid Impact Plan: Alternative, Full and Sustainable Development - PIR DAIS". Moreover, the project has received another 4 internships from other institutions: 1 internship of farmers from the Iquitos region (18 people), 2 internships from producers promoted by the region of Huánuco (240 people), and one internship from CADA Project in Tingo María (18 people).

- Multiplier effects: There are two main impacts: one at beneficiary level and the other at community level.
  - Beneficiary level: Each beneficiary participates in the project with one hectare. Almost all of them intend to or are already replicating what they learn within the project in the rest of their plots. This means that the productive improvements and the integration of agroforestry and forestry activities will be implemented in much more than the 1,000 hectares provided for in the design of the project.
  - Community level: In many communities, there is a knowledge transfer between the beneficiaries of the project and other members of the community who are not participating in it. In addition, farmers other than the direct beneficiaries of the project also participate in several communal training sessions. It is estimated that the number of indirect beneficiaries is 500 families, from which approximately 200 is accounted for by work with children in the schools, thus doubling the total number of beneficiaries (although on a different level). As a result of these two impacts, the number of families benefiting from the project, the hectares where productive improvements are achieved and the integration of agroforestry and forestry activities increase and exceed the original expected results of the project.

Efficiency:
Efficiency establishes the relationship between the resources invested in the project and the goals achieved (products and results). It is qualified as very good (1). Four main aspects can be highlighted:

- A good balance between costs and results through the participation of highly-qualified national staff.
- A project approach that does not provide all inputs, but just the minimal base on which the beneficiaries work in order to multiply them. For example, the provision of
timber species that are produced in the family incubators in order to obtain the necessary quantity for reforestation.

- The co-financing of US$ 169,904 from Austria, obtained by the project for the 2011-2013 period. These funds enabled the completion of several additional activities, such as the strengthening of the technical capacity of the Project (2 technicians per year) and the rehabilitation of the seedbed and Germplasm bank in San Alejandro.

- The support for the implementation of seven complementary projects with a total value of US$ 3,005,000. Among these, we could highlight the support to the cooperative "La Divisoria" to present a winning offer for a grant fund from the Ministry of Agriculture and Irrigation (MINAGRI) in order to purchase a processing plant for green coffee to be exported and the rehabilitation of 71 km of rural dirt tracks and roads to improve access to the project communities in the District of Hermilio Valdizán (see Annex 4 for a list of complementary projects managed with the support of the project).

All these aspects symbolise that the project has reached a very positive cost-benefit ratio in terms of the German funding and the impacts achieved.

Sustainability:

The evaluation team considers Sustainability as good (2), which means it is highly probable that the positive results will remain after the end of the project. The main factors responsible for this are the following:

- **High level of ownership:** As described throughout this report, beneficiaries are aware of the support provided and the advantages of an agroforestry system, as well as the importance of protecting forests. Hence, there is a very active participation with a strong will to make the most of the technical assistance in order to continue to apply everything that has been learnt once the project is finished.

- **Sustained international demand for coffee and cocoa:** The conditions of the demand for coffee and cocoa in international markets are favourable (see chapter 3).
  - The price of cocoa has increased substantially during the past year and it is likely that this situation will continue in the short- and mid-term, especially concerning the demand for fine cocoa.
  - Coffee prices are more variable than those of cocoa. However, there is a strong demand for quality coffee, particularly organic and fair-trade coffee (a premium of US$ 50-80 per quintal is paid on top of the global price). Moreover, with La Divisoria, there is already a good marketing channel to ensure the farmers can actually obtain these prices, provided that the coffee meets the required standard.

- **Increase of the value chain:** The planned purchase of a processing plant for green coffee to be exported (with grant funds from the Competitiveness Reward Programme - AGROIDEAS, MINAGRI) offers a good opportunity to improve the financial competitiveness of La Divisoria because it will internalise activities to its value chain and increase its percentage of added value (processing the coffee in the cooperative instead of transporting it to Lima for processing). The challenge still lies in obtaining the necessary counterpart funds, which amount to 30% of the total cost.
• **Environmental sustainability:** The environmental awareness of farmers has a strong impact on the environmental sustainability of the future production methods. Beneficiaries know the economic and environmental relationships between the production systems and appreciate the advantages of the agroforestry system. It can be assumed that, in the future, they will continue to apply the techniques learnt during the project and this will result in a more sustainable production system in comparison with the methods applied in the past.

• **Biological diversification and plague resistance:** The project promotes an inter-clonal approach (different to most of the cocoa plantations, which apply a monoclonal approach with the CCN 51 species) by sowing 7 different fine cocoa species and mixing them, contributing not only to a greater biological diversification, but also to better resistance against plagues, providing the plantations with greater economic stability.

The evaluation has identified three risk factors for the sustainability of the project. First of all, the level of cadmium in the soils is directly related to the consumption of contaminated food. This has a direct impact on the demand for cocoa products, including fine cocoa. In Latin America, there are soils with high levels of this heavy metal which is considered harmful to the human health. The cocoa absorbs this cadmium and ‘fine flavour’ chocolates with a high content of cocoa in particular can contain relatively high levels of cadmium. Even if the average levels of cadmium in this area do not exceed the recommended levels (3 ppm - parts per million) of the European Union (Huamani-Yupanquil et al. 2012), the project sustainability will depend on the plantations permanently respecting the EU recommendation on the maximum levels of cadmium residues in chocolate and other cocoa products.

The second risk is related to the marketing of fine cocoa, which is not assured over the long term. The challenge will be to find a buyer who values product quality and is willing to pay a higher price for aromatic cocoa (Trinitario variety) rather than simply for "normal" cocoa (Criollo and Forastero varieties).

Finally, the third factor refers to the development of cocoa and coffee prices in international markets. If these are predicted to be favourable, there is always the risk that they will not develop as expected (see chapter 3).

In this sense, and considering the timeframe for the first harvest of coffee and cocoa plantations, the project has not yet had the opportunity to strengthen aspects such as post-harvest and marketing, which are equally important for the sustainability of the project impacts.

6. **Recommendations**

Relevance:

• The proposal design for the third phase should be more realistic concerning the definition of objectives and their respective indicators. In particular, there should be a differentiation between the first and second groups of farmers, considering that there is a difference of two years in the degree of progress and the production cycle.
Effectiveness:

- The next phase must focus strongly on marketing, thus ending the production and marketing of crops cycle and engendering real impacts through the generation of income thanks to the sale of the products. In this way, the project will achieve the financial sustainability of all the training and investment provided within the framework of the project.

- Related to marketing, it is recommended to also focus on production quality. A basic condition for the cultivation of cocoa would be to allocate more funds for the analysis of soils in order to establish whether soil conditions are really suitable for growing cocoa for export. For example, in areas with high levels of cadmium, there is a risk that the cocoa absorbs this cadmium and does not meet the phytosanitary requirements of companies for the export and production of pure, fine cocoa-based chocolate of high quality for markets in Europe, USA and Japan. Therefore, the project has to find ways to cooperate with DEVIDA, MINAGRI and the Universidad Nacional Agraria de la Selva (National Agricultural University of the Jungle) in Tingo María in order to take advantage of the results of the analysis conducted by the French company. A second and very important condition is to be able to ensure that fine cocoa is not mixed with the CCN51 variety. Finally, the project should also focus in the future on issues that have not been extensively dealt with during the first two phases, especially the post-harvest and fermentation aspects, where it is very important to strive for the standardisation of processes in order to achieve a steady pattern that would generate competitive products of uniform quality.

- Considering this focus on marketing and product quality, and acknowledging that the establishment of institutional networks (Result 1) depends on many external factors, it is recommended to reformulate Result 1 in order to limit the result to the establishment of inter-institutional agreements and not the formal establishment of institutional networks.

- Both DEVIDA and the project promote environmental education. In order to create synergies and avoid duplications, the project has to coordinate the pertinent activities with DEVIDA.

- A fertilisation plan for the second group of beneficiaries should be considered, since they did not benefit from the sale of fertilisers in the same that way the first group did. This is especially important in land deteriorated by the previous cultivation of coca.

Impact:

- It is recommended to seek a closer relationship with DEVIDA in order to maximise the possibilities of experience exchanges. It is also recommended to establish a regular mechanism of exchange every three months, ideally not only at the technical level but also with the Directors of the different departments.

- The project should create a knowledge transfer strategy between the direct beneficiaries who have received training and the community members who had not initially participated in the project but who, in view of the good progress observed, are willing to learn from their beneficiary neighbours. In this way, the project would achieve a greater multiplier effect compared to what has been achieved so far.

Efficiency:

- It is recommended to continue support for obtaining additional funds for complementary projects, especially for the construction of roads. In this sense, the
project should closely coordinate with DEVIDA concerning the pertinent procedures for PROVIAS and possible funding synergies between DEVIDA and PROVIAS.

**Sustainability:**
In order to set the project exit strategy and ensure its sustainability, the following actions are recommended:

- Increase the number of training processes on forest management, focusing on issues such as forest protection at farmer level and reforestation, thus ensuring the environmental sustainability of the plots and natural resources.
- Ensure that cocoa is produced in areas where the level of cadmium does not exceed 3 ppm, since this will allow its sale in international markets and, therefore, will bring an increase in income generation. Moreover, this will also allow cooperation with other institutions to learn more about the situation of this metal and funding for its analysis, both in the area of the project and in the whole region.
- In a new project phase, it is necessary to specifically define how to ensure the independence and sustainability of the implemented measures and the livelihood improvements achieved by the project in the future.
- Pay greater attention to the issue of legal certainty and land ownership. As described above, most beneficiaries have a certificate of ownership but not the legal deeds required by financial institutions in order to grant loans. During this evaluation, a closer collaboration with DEVIDA in this issue has been agreed.
- Work in a greater detail and more extensively with all local governments to improve institutional management on the comprehensive sustainable development of beneficiary communities in order to increase the sense of ownership among them.
- In the future, it is recommended to monitor the possibility of obtaining additional funds, as the project did in the past (with important contributions from Peruvian authorities), which have the potential to multiply the project impact (see annex 3).
Annexes

Annex 1: Project area map
Annex 2: Work programme

22/09/2014

09.00 am Meeting with representatives from UNODC and the Project Coordinator Central Office in San Isidro - Lima

10.00 am Meeting in DEVIDA's Central Office with representatives of the Directorate for Promotion and Monitoring and the Directorate for Technical Affairs

11.30 am Meeting with representatives from the German Embassy

3.00 pm Meeting with the technical division of USAID, in charge of monitoring of alternative development projects financed by USAID in Peru

4.30 pm Meeting with the technical division of the fight against drugs of the EU Delegation in Peru

23/09/2014

9.00 am Presentation of the project progress in the UNODC auditorium
Participants: Evaluation team, UNODC, DEVIDA, MINAGRI, Foreign Affairs and strategic partners
Questions and comments

1.00 pm Work with the Technical Coordinator and the Administrative Assistant
Technical and administrative information required for the evaluation mission

24/09/2014

8.50 am Evaluation team transfer to the Project site
Destination: Tingo María
Accompanied by Ernesto Para

7.00 pm Arrival at Tingo María - Huánuco
Accommodation in Hotel Madera Verde

25/09/2014

9.00 am MARGARITA AREA (Extensionist: Miltón Huarauya)
Visit to the new area of coffee and flowers
Mrs Noemi Arostegui Lino

10.00 am SANTA ROSA AREA
Visit to the coffee plot and the agroforestry system
Mr. Foreman Salazar
Visit to the coffee plot and the agroforestry arrangement
Mr. Oscar Salazar
11.00 am  RIO AZUL AREA
Visit to comprehensive demonstrative farm
Mrs. Nelly Huarauya

2.00 pm  CAPITAN MARINO AREA (Extensionist Livorio Pinedo)
Visit to new coffee plantation under an agroforestry system model
Mr. Marcos Castro
Visit to a plot replacing coca with cocoa
Mr. Augusto Jorge Morales
Visit to a new coffee plot
Mr. Presención Jorge Morales

4.00 pm  TRES DE OCTUBRE AREA (Extensionist Livorio Pinedo)
Visit to the multipurpose communal incubator
Production of cocoa plants
Production of timber tree plants
Grafting practices sites for avocados
Production of citrus fruit plants
Visit to the tornillo plot, used for protection purposes
Mr. Epifanio Condezo Nureña

Visit to the hen section
Mr. Cleto Rosales Tarazona

26/09/2014

8.30 am  MICAELA BASTIDAS AREA (Extensionist Livorio Pinedo)
Visit to the hen breeding section and organic gardens
Mrs. Martha Gálvez
Visit to coffee installation and hen section
Mr. David Bravo

10.00 am  VISTA ALEGRE AREA
Visit to rehabilitation of cocoa, coffee section, organic garden, hen and
guinea-pig section, and compost section.
Mrs. Nola Tolentino
There was also a visit to the tropical fish breeding tanks and a meeting
with the community.

11.30 am  RICARDO HERRERA AREA
Visit to the cocoa and reforestation circuit
There was also a visit to the post-harvest cocoa section.
Mr. Zenen Rodriguez
A visit to communal works was added:
Communal incubator
Healthy housing
Sustainable Habitat Project
Conversation with women about the processing of cocoa grains
4.00 pm  SAN ISIDRO AREA
Visit to a coffee rehabilitation plot, compost plant
Mr. Baleriano Chayeca Chuta
Guinea-pig breeding, hen breeding, compost section, organic gardens.
Mr. Moly Checya Aguilar

27/09/2014

9.00 am  MIGUEL GRAU AREA (Extensionist Miltón Huarauya)
Visit to organic garden and reforestation in the Educational Centre
Participation of the Director of the Educational Centre

10.00 am  PUENTE CHINO AREA
Visit to organic gardens and guinea-pig breeding section
Mrs. Juana Marleni Ventura Durand
Visit to organic gardens and guinea-pig breeding section
Mrs. Ruth Carrión Estela
Visit to organic gardens and hen breeding section
Mrs. Zulma Cardenas Espinoza

28/09/2014

8.30 am  NUEVO ORIENTE AREA (Extensionist: Florencio Capcha)
Visit to the installation of a new area of coffee, reforestation for
protection purposes, and rehabilitation of cocoa
Mrs. Silvia Alvarez

9.00 am  COCEPASA AREA
Visit to the extension of the Germplasm bank, evaluation of aromatic
clones, reforestation and post-harvest section.

9.30 am  CORAZÓN DE JESUS AREA
Visit of new area of aromatic coffee, rehabilitation of cocoa
Mrs. Rayda Espinoza Chue

10.00 am  NUEVO UCAYALI AREA
Visit to organic garden, implementation of new species
Mrs. Mina Erica Tolentino, Ladies Committee, Health Responsible

11.00 am  SAN JUAN AREA
Visit to the incubator of the Educational Centre, cocoa crops.
Mr. Director of the Educational Centre
Visit to communal incubator, forest cocoa crops, new cocoa area and
agroforestry system.
Mr. Mirco Lujando

1.00 pm  MIGUEL GRAU AREA (Extensionist Terrestre Quispe)
Visit to installation of new cocoa area, reforestation with Bolayna.
Mr. Paulo Calderón Jesús

Visit to a CCN-51 cocoa rehabilitation plot
Mr. Ricardo Alberca Labán

Visit to new aromatic cocoa area
Mrs. Maria Amelia Machado

3.00 pm  NOLBERTH AREA
Visit to communal incubator in Nolberth
Director of Educational Centre, Mrs. Silvia Iparraguirre.

Visit to cocoa plantations, interclonal garden, reforestation for aromatic purposes, fruit trees (soursop), and flower farm.
Mr. Hernán Castillo Cordova

29/09/2014

9.00 am  SANTA ROSA DE GUINEA AREA (Extensionist Víctor Loarte)
Visit to new area of cocoa under an agroforestry system.
Mr. Santos Pariacuri Huamán
Visit to rehabilitation of a new coffee area.
Wilder Julon Acuña

VIRGEN DEL CARMEN AREA
Visit to new area of cocoa under an agroforestry system.
Mr Eugenio Moreto

30/09/2014

Evaluation team Desk work
Drafting of preliminary report
Requirement of additional information

01/10/2014

9.00 am  Presentation of preliminary results of the evaluation
UNODC Office in San Isidro
Participants: DEVIDA, UNODC, Peruvian Environmental Network and other strategic partners
Annex 3: List of complementary resources (projects) managed with the support of the project PERU87

1. Project "Strengthening sustainable agricultural development activities to build sustainable and comprehensive models for habitat"
   Financial institution: Government of Austria
   Implementing institution: UNODC
   Funding: 2011: US$ 52,300
             2012: US$ 54,869
             2013: US$ 62,735
   Supported activities
   - Strengthening of the technical capacity of the Project (2 technicians per year)
   - Provision of a motorbike for rural extension tasks
   - Rehabilitation of seedbed and Germplasm bank in San Alejandro
   - Construction of a tube well for water for the community of Nolberth
   - Construction of a healthy housing model in the community of Nolberth
   - Installation of demonstrative units for tropical flowers

2. Project "Participatory rehabilitation of 15 km of rural road and construction of 5 access bridges to the community of Nolberth"
   Financial institution: DEVIDA
   Implementing institution: District Municipality of Irazola
   Funding: 2012: US$ 400,000
             2013: US$ 680,000

3. Project "Certification process for agricultural farms in the Farming Producers Association of Nolberth for the management of organic, fair-trade and UTZ labels"
   Financial institution: DEVIDA
   Implementing institution: District Municipality of Irazola
   Funding: 2013: US$ 72,000

4. Project "Installation and setting up of a quality control laboratory for the physical, chemical and organoleptic analysis of cocoa"
   Financial institution: Fund for Innovation, Science and Technology
   Implementing institution: Agricultural Coffee Cooperative "La Divisoria"
   Funding: 2013: US$ 100,000

5. Project "Rehabilitation of 71 km of rural dirt tracks and roads to improve access to communities in the Project at the Districts of Hermilio Valdizán"
   Financial institutions: Municipalities of Hermilio Valdizán and Leoncio Prado
                         PROVIAS Descentralizado - Ministry of Transport and Communications
                         Regional Government of Huánuco
   Implementing institution: District Municipality of Hermilio Valdizán
6. Project "Improvement of coffee yield and productivity through the installation of a processing plant for green coffee for export"
   Financial institution: Programa de Compensaciones para la Competitividad - AGROIDEAS (Competitiveness Reward Programme)
   Implementing institution: Agricultural Coffee Cooperative "La Divisoria"
   Funding: 2014: US$ 385,000

7. Project "Construction of a pilot model of healthy housing and improvement of the public rural space for a sustainable and comprehensive habitat in the community of Ricardo Herrera"
   Financial institutions: Fund for the Americas (FONDAM)
   District Municipality of Hermilio Valdizán
   Implementing institution: Peruvian Environmental Network
   Funding: 2014: US$ 38,000

8. Project "Capacity building for the improvement of post-harvest, quality control and marketing processes for tropical flowers"
   Financial institution: Fund for Innovation, Science and Technology (FINCIT)
   Implementing institution: Agricultural Coffee Cooperative "La Divisoria"
   Funding: 2014: US$ 80,000.