CONTRIBUTION OF THE RAINFOREST ALLIANCE CERTIFICATION PROGRAM TO THE ADOPTION OF SUSTAINABLE PRACTICES ON BANANA FARMS IN ECUADOR

EXTERNAL EVALUATION

Deadline for submissions: 19 April 2020.
Contact: hgiijuis@ra.org.
No mandatory format. We encourage concise proposals.
Budget: max EUR 60,000 (excl VAT)

JUSTIFICATION

Rainforest Alliance’s mission is to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices, and consumer behaviour. We work at the intersection of business, agriculture, and forests. Rainforest Alliance’s sustainability standard and certification program are tools for advancing best practices for land use, farm management, and the stewardship of natural resources. Our aim is to transform the way businesses operate, both at farm level and along value chains.

To achieve sustainability transformation at sector level, certification needs to be embedded in and supported by an enabling policy and business environment. We are currently redesigning our certification program (to be launched mid 2020) and implementing supporting interventions to address systemic conditions that certification on its own cannot change. The new RA standard will emphasize measuring and incentivizing performance and progress for producers, as well as more shared responsibility along the value chain, so that producers receive appropriate incentives and support to implement and sustain better social, environmental and productive practices.

This impact evaluation is part of the Rainforest Alliance’s regular monitoring and evaluation system, and signals our commitment to accountability and transparency. As ISEAL member, we adhere to ISEAL’s Impacts Code¹. Our impact studies are contextualized with reference to particular sectors, geographies and periods in time. In 2019 we published our latest impact evaluation of the banana program, focusing on Colombia².

The Rainforest Alliance program is now the world’s largest banana certification program. It certified around 9.2 million tons of bananas in 2019, produced by 2,187 banana growers, covering 243,000 hectares and including 182,000 workers. Ecuador is the world’s largest banana exporter and the 4th largest producer of RA certified bananas, accounting for 12.42% of the RA certified production. The main markets for RA certified bananas are the EU and the USA.

CHALLENGES IN THE BANANA SECTOR

Historically banana plantations in Latin America were at the core of agriculture expansion, but there was little concern for their impact on the local landscape or the workers’ rights. This resulted in the environmental and social abuses such as the use of dangerous pesticides, poor working conditions, water pollution, and deforestation.

² Towards a sustainable banana supply chain in Colombia (2019)
The Rainforest Alliance standard was first adopted and implemented on banana plantations in Costa Rica and Ecuador in the early 1990s. By working with leading firms the benefits of certification were extended to hundreds of thousands of workers, as well as dramatically increasing the supply of more sustainable bananas on the market.

Many improvements have been made over the past 30 years in the sector and on certified farms in particular. Despite many improvements however, pervasive sustainability issues in the sector persist, such as health and environmental risks associated with agrochemicals, the unfair distribution of the costs of sustainable production and restrictions to the workers’ right to associate. Our approach to these challenges is described in the Rainforest Alliance Banana Program (p. 6-12).

The international banana trade is largely buyer-driven, with retailers and brands holding considerable leverage over producers, who feel poorly rewarded for implementing sustainable practices mandated by certification. The Rainforest Alliance acknowledges these constraints and aims to increase the transparency along the supply-chain. New mechanisms and incentives are being developed to enhance transparency and accountability as a way of achieving behaviour change along the value chain, such as fair procurement practices. We believe that the entire supply chain should contribute to the adoption and implementation of sustainable practices at farm level.

SUSTAINABILITY STANDARD AND CERTIFICATION PROGRAM

The present evaluation takes the 2017 Rainforest Alliance Sustainable Agriculture Standard (RA-SAS) as point of reference to assess how adoption of the standard has contributed to producers implementing sustainable practices, and how other value chain actors have supported these investments and practices. The 2017 standard replaced the 2010 Standard, introducing new criteria on the freedom of association, as well as stricter pesticide control measures. By the end of 2018 all certificate holders had transitioned to the 2017 standard, except for those certificate holders who decided not to recertify or who failed certification.

The RA-SAS principles are organized into four outcome areas reflected in the Theory of Change:

1) Critical Criteria (37 in total)
2) Continuous Improvement criteria (82 in total).

Critical criteria cover the highest-priority and highest-risk environmental, social and labor issues. Farms and group administrators have to comply with all critical criteria (at all times) to obtain certification. Continuous improvement criteria require certificate holders to gradually increase their level of compliance.

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Improvement criteria are meant to drive continuous improvement over a six-year period.

The Continuous Improvement System contains criteria oriented around the following areas:
1. Effective planning and management systems
2. Native vegetation
3. Wildlife management
4. Soil conservation and management
5. Water conservation
6. Water quality
7. Integrated pest management
8. Pesticide management
9. Waste management
10. Energy and greenhouse gas emissions
11. Employment conditions and wages
12. Living wage - essential needs for workers and their families
13. Occupational health and safety
14. Community relations

The Standard defines progressive performance thresholds for each performance level.

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Compliance Percentage per Level and Year</th>
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<tbody>
<tr>
<td></td>
<td>Level C</td>
</tr>
<tr>
<td>Year 0</td>
<td>50%</td>
</tr>
<tr>
<td>Year 1</td>
<td>65%</td>
</tr>
<tr>
<td>Year 2</td>
<td>80%</td>
</tr>
<tr>
<td>Year 3</td>
<td>100%</td>
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<tr>
<td>Year 4</td>
<td>100%</td>
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<tr>
<td>Year 5</td>
<td>100%</td>
</tr>
<tr>
<td>Year 6</td>
<td>100%</td>
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</table>

In view of the introduction of the new RA standard in 2020, and the transition period (to mid 2021) during which certificate holders will migrate to the new standard, RA has agreed that Level B and A requirements will no longer be audited as mandatory. This means that current certificate holders need to comply only with the critical criteria and the Level C criteria.
THEORY OF CHANGE

The 2017 Rainforest Alliance Sustainable Agriculture Standard is based on a theory of change\(^4\) (ToC), according to which adoption of the standard stimulates producers to improve social, environmental and management practices on farms. Adoption of these practices contributes to positive social, environmental and economic outcomes. The implementation of codified practices is regularly audited by third party certification bodies, an important element of the certification program.

Buyers of certified products are expected to reward and support sustainability investments and improvements of producers. Brands, manufacturers and retailers can use the on-pack Rainforest Alliance logo to convey a sustainability claim to final consumers and enhance their brand value. The certification program ideally functions as a mutually reinforcing system of norms, verified compliance of sustainable practices, where market-pull and incentives incentivize producers to implement and continually improve sustainable practices. These practices contribute to positive social, environmental and economic outcomes.

Some assumptions of the ToC are important to mention. There is a time-dimension to the immediate and intermediate effects: whereas most changes in practices tend to be made even before the first certification cycle and in the first years of certification, many outcomes require several years of sustained practice to yield observable effects.

FIGURE 31  The theory of change guiding the Rainforest Alliance certification program

Field Level

- Robust standards & policies
  - Establish and implement the Sustainable Agriculture Standard and supporting policies and systems

- Support to producers
  - Provide training and support for farmers and groups
  - Facilitate access to tools, inputs & services to support sustainable agriculture

Support strategies contribute to the following direct results:

- Farms adopt better social, environmental, and agronomic practices
- Farms and groups improve farm and business management systems
- Changes in farm practices and management systems lead to sustainability improvements in four key outcome areas:
  - Biodiversity conservation
    - Farms protect forests and other natural ecosystems
    - Farms increase the amount and diversity of native vegetation
    - Farms contribute to landscape-level conservation
    - Endangered species and other flora & fauna are conserved
  - Natural resource conservation
    - Soil health is maintained & improved, and erosion is minimized
    - Water pollution is minimized
    - Farms use water efficiently and within natural limits
    - Farms reduce net greenhouse gas emissions
  - Farmer, worker, and family wellbeing
    - Essential needs are met: food, housing, clean water, health care, education, transport, clothing, and savings
    - Minors are not exposed to harmful labor conditions
    - Worker rights are protected and the workplace is safe
    - Farmer groups support smallholders through effective and transparent management
    - Farms support local communities and avoid negative impacts
  - Farm productivity and profitability
    - Farms increase productivity of cash crops and staple food crops
    - Farms produce higher-quality products
    - Water, fertilizer, energy: pesticides, and labor are used more efficiently
    - Farms realize higher profits
    - Farms are more resilient to climate change and extreme events

Enabling Environment

- Market & policy linkages
  - Promote consumer & market demand and policy support for sustainable products
  - Establish credible traceability systems and claims for sustainable products

- Companies & consumers:
  - Purchase more sustainable products and fewer unsustainable products
  - Recognize Rainforest Alliance certification and become more interested in sustainable purchasing

- Companies & partners invest in training/support to increase the sustainability of farm production

- Governments adopt policies and incentives that support sustainable agriculture

- Sustainable practices are adopted beyond certified farms through replication, spillover, and supportive policies and incentives

Outcomes are multiplied across many farms and supported by efforts of local communities, governments, and NGOs to sustainably manage and govern nearby areas, resulting in:

- Sustainable, resilient rural landscapes that:
  - Conserve native biodiversity and ecosystem services
  - Produce crops/livestock efficiently & profitably
  - Equitably improve local livelihoods
  - Are managed to adapt effectively to changing conditions
SCOPE: THE RAINFOREST ALLIANCE BANANA PROGRAM IN ECUADOR

The first Rainforest Alliance certified banana farms obtained certification in the early 1990’s, under the Eco-OK label. Over the past 30 years the certification program has been adopted by producers in 11 producing countries and destination markets.

The program in Ecuador has expanded in the past 7 years but seems to have stabilized around 2017. In 2019 18% of the banana production in Ecuador was RA certified. The largest share of RA certified sales from Ecuador is destined to the EU market.

Table 1: Ecuador, RA banana certificate holders’ characteristics 2013-2019

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Certificate holders</td>
<td>32</td>
<td>39</td>
<td>62</td>
<td>136</td>
<td>172</td>
<td>161</td>
<td>171</td>
</tr>
<tr>
<td>Producers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drop outs (de-certified)</td>
<td>nd</td>
<td>0</td>
<td>4</td>
<td>14</td>
<td>5</td>
<td>53</td>
<td>nd</td>
</tr>
<tr>
<td>Volume (MT)</td>
<td>234.032</td>
<td>250.895</td>
<td>414.796</td>
<td>948.150</td>
<td>1.194.869</td>
<td>1.339.183</td>
<td>1.148.185</td>
</tr>
<tr>
<td>Total area (ha)</td>
<td>5.535</td>
<td>7.015</td>
<td>10.608</td>
<td>23.025</td>
<td>28.129</td>
<td>32.672</td>
<td>27.853</td>
</tr>
<tr>
<td>Workers</td>
<td>nd</td>
<td>nd</td>
<td>nd</td>
<td>nd</td>
<td>Nd</td>
<td>17.260</td>
<td>15.103</td>
</tr>
</tbody>
</table>

Table 2: Breakdown of certificate holders per type (individual, group, multi-site), Ecuador in 2019 (Dec)

<table>
<thead>
<tr>
<th>CH Type</th>
<th>Volume (MT)</th>
<th>Number of CH’s</th>
<th>Producers</th>
<th>Production Ha</th>
<th>Total Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm</td>
<td>826.574</td>
<td>157</td>
<td>157</td>
<td>16.921</td>
<td>10.236</td>
</tr>
<tr>
<td>Group</td>
<td>281.761</td>
<td>13</td>
<td>74</td>
<td>5.994</td>
<td>4.301</td>
</tr>
<tr>
<td>Multi-site</td>
<td>39.850</td>
<td>1</td>
<td>8</td>
<td>574</td>
<td>566</td>
</tr>
<tr>
<td>Total</td>
<td>1.148.185</td>
<td>171</td>
<td>239</td>
<td>23.488</td>
<td>15.103</td>
</tr>
</tbody>
</table>

The cultivated area on individual farms ranges from 1 to 429 ha, with an average of 100 ha. The number of workers is on average 93 workers per farm. In terms of gender distribution 15% of the workforce on certified banana plantations is female and 85% male (2019). As for the group certificate holders, they are quite diverse in organisation and composition, ranging from 2 to 19 members. The total production area of groups varies from 80-1000 ha. Most “groups” are organised and managed by larger producers and/or exporters who use this certification modality to include smaller suppliers in their certified supply chain.

A further particularity of the program in Ecuador is the relatively large number of smallholders using individual certification. Some of them are linked to the supply chain of larger

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5 See also The Rainforest Alliance Banana Program (2020)
plantations / companies. There is therefore some diversity inside the program that needs to be taken into account in the evaluation design, for it to be as representative as possible.

**EVALUATION QUESTIONS**

1. How has the RA certification program contributed to the adoption and implementation of sustainable agricultural, environmental, management and labor practices by banana producers in Ecuador?
2. Which practices have improved? How important are these improvements for producers, workers and other value chain actors?
3. How do these improved practices contribute to (expected) outcomes?
4. Which conditions (internal / external to the program) have enabled or limited the effective implementation of sustainable practices? Is the system of norms + assurance (audits) + corrective actions / sanctions + market rewards effectively driving improvements at farm level?
5. What are the (additional) costs and benefits of sustainable banana production in comparison to “business as usual”? How are these costs and benefits allocated to different value chain actors? (producers, workers, buyers)?
6. How have other value chain actors contributed to the implementation of the RA standard? How have they benefitted?
7. What are the most important challenges and opportunities for making further sustainability improvements at farm level and sector level in Ecuador, and how can the Rainforest Alliance program contribute?
8. Did the program have any unexpected, direct or indirect, positive or negative, effects? (e.g. exclusion effects, spillover effects to non-certified farms, policies or local regulations, etc)

These questions should be analysed in the context of the Ecuadorian banana sector, the local institutional and legal framework, and the value chain relations of banana producers. As for the period covered, we would like to include certificate holders with different duration in the program, so as to also understand how changes / improvements have been implemented over time.
To assess changes in practices on certified farms a before/after-comparison would be a logical option. Unfortunately, we lack baseline data. Partial data on the situation before certification could be inferred from pre-certification (self-)assessments, which are not readily available but could maybe be retrieved on a case by case basis. Improvements made during certification can at least partially be inferred from audit-data (non-conformities and ensuing corrective actions).

A comparison group of non-certified ("business as usual") farms could be included in the design. The benefits of doing so should be weighed against the methodological implications (matching, sample size needed for sufficient statistical power, etc), the costs and the uncertainties associated with obtaining collaboration from non-certified farms. The inclusion of non-certified producers in the research sample could be promoted by providing something in return to those (all) participants, e.g. an tailored assessment report, an expert advice or an engagement opportunity. We expect proposals to elaborate how non-certified producers and other respondents will be engaged.

As for evaluating the role and contribution of other value chain actors to the adoption of sustainable practices, it should be noted that the 2017 RA standard does not demand any particular practices for chain of custody actors, beyond compliance with traceability requirements. The focus of the evaluation with regard to chain of custody practices should probably be less on capturing changes, and more on accurately describing current ideas and sourcing practices of value chain actors and the role they play in demanding, enabling and rewarding sustainable production. This can serve as a baseline to assess future improvements in chain of custody practices. As said, the new Rainforest Alliance Standard to be launched mid 2020 will include new requirements for chain of custody actors, meant to enhance their shared responsibility for sustainability improvements by producers.

In addition to characterizing current practices and identifying areas of (and for) improvement, the evaluation should analyse how RA certification has contributed to improving practices. Which motivations, capabilities, opportunities, have played a role in producer behaviour change in terms of implementing sustainable practices?

Certification is usually one among many factors (endogenous or external) influencing producer decisions and behaviour. Certification comes embedded in value chain relations and interacts with farmer/producer characteristics, other standards (multi-certification), market conditions and the national regulatory context, to name but a few.
Improved practices; contribution of certification

We don’t expect the evaluation to mimic an external audit or to cover the full extent of requirements of the RA standard. The evaluators can propose a reasoned selection of code criteria and practices of interest to look into, reflecting the scope and goals of the RA standard.

The selection should at least include these priority areas of concern:

- Pesticide use (reduction), integrated pest management
- Climate change adaptation and mitigation measures
- Workers’ rights: working conditions and freedom of association

As the RA standard has been in use in Ecuador since the mid ’90’s, its early effects are likely to have dissipated, spilled over or normalized in day-to-day practices. The Ecuadorian legal framework has caught up in some respects (e.g. labor and environmental legislation), raising the bar for all banana producers, irrespective of certification status. Hence the importance of analyzing the program’s contribution to improved practices not only at the level of certified farms, but also in the context of the banana sector in Ecuador.

Relevancy of practices – contribution to outcomes

Measuring outcomes directly is outside the scope of this evaluation. But as part of contribution analysis we would like the evaluation to revisit the theory of change and the causal / contributory relations between practices and outcomes and assess the plausibility of the main causal pathways.

CONSIDERATIONS ON DESIGN AND METHODS

We are open to consider a range of evaluation designs. Below we offer some considerations, which in combination with the evaluation questions and the available time and budget should serve to inform the proposals.

The point of departure for the evaluation is the theory of change.

We invite evaluators to propose a design and (suite of) methods for data collection and analysis that they are familiar with, and which can to provide plausible and credible answers to our questions. Please also identify the main validity threats of the proposed method(s) and explain how these will be mitigated by the proposed design.

A local committee of RA certificate holders / producers (“Comité Técnico”) has been consulted on the draft RfP and has expressed a desire to remain engaged in the next phases. This can enhance the usefulness of the evaluation for local stakeholders, and broaden the base for collaboration during implementation. We invite proposals to bring forward ideas on how local stakeholders can play a meaningful role in the evaluation process.

AVAILABLE DATA AND SUPPORT

- List of certificate holders in Ecuador for the years 2017-2019 with key characteristics (farm size, certified area, total area, certified volume, # or workers, address, contact details)
- Non-conformity analysis and data
- Normative and technical documents related to the RA-SAS standard (see annex 1)

Rainforest Alliance will assist in establishing contact with certificate holders but has limited capacity to assist with local deployment of the evaluation team and logistics. These need to
be factored into the proposal, planning and budget. As to managing stakeholder consultation, we see this as a joint effort of the evaluation team and Rainforest Alliance.

Identifying, selecting and contacting non-certified producers (in case it is included in the design) is primarily the responsibility of the evaluators.

**DELIVERABLES**

- Inception workshop (presentational) with RA and local stakeholders (Ecuador)
- Inception report, containing a detailed research plan and outline of the final report
- Draft evaluation report (English or Spanish) including executive summary / annexes
- Validation workshop with local stakeholders
- Final report (English or Spanish) including executive summary / annexes
- Data sets

**HOW WILL EVALUATION FINDINGS BE USED?**

The Rainforest Alliance will publish the final evaluation report (Spanish and English) and will use the findings and recommendations to inform the new Rainforest Alliance Standard and certification system, as well as our supporting strategies (advocacy, tailored programs). We encourage the publication of these evaluation findings in peer reviewed academic journals.

**QUALIFICATIONS OF THE EVALUATION TEAM**

This evaluation will be commissioned to an evaluation research institute and/or consultancy firm with:

- Excellent track record in the design and implementation of (impact) evaluations, preferably of certification programs in the agricultural sector
- Demonstrated experience with the proposed evaluation design and methods
- For proponents not based in Ecuador, we recommend involving a local partner
- Excellent writing, reporting and user engagement skills
- Excellent project management skills

**SELECTION CRITERIA**

We will take into consideration only proposals from research institutes or consultancy firms. Individual applicants and ad hoc teams need not apply.

1. Track record of the research institute(s) and local partner(s)
2. Track record of the research team (members)
3. Your take on our evaluation questions
4. Robustness of the proposed design & methods. Validity threats identified and mitigated?
5. Cost-effectiveness
6. Realistic Planning and time schedule.

**BUDGET AND CONTRACTING**

The available budget is EUR 60,000 excl. VAT. We request a breakdown for the proposed budget, specifying daily rates of all team members, number of billable days per team member; travel / per diem / accommodation costs. The evaluation will be contracted by Stichting Rainforest Alliance, based in The Netherlands.
PROJECT MANAGEMENT, STAKEHOLDER ENGAGEMENT

Henk Gilhuis, Manager Science & Impacts will manage this project, assisted by the Banana Program Coordinator Latin America (based in Costa Rica), and an internal advisory group of 3 RA staff.

PLANNING (INDICATIVE)

We aim for this evaluation to start as soon as possible after contracting and to be finalized at end of October 2020 at the latest. Proposals should include a realistic planning and timetable, based on the availability of the team.

- Request for Proposals: 16 March 2020
- Deadline for submissions: 19 April 2020
- Proposal selected and contracted: 30 April
- Inception report: to be agreed
- Draft report: to be agreed
- Final Report: at latest October 2020
ANNEX 1: REFERENCE DOCUMENTS ON THE RAINFOREST ALLIANCE SUSTAINABLE AGRICULTURE STANDARD AND PROGRAM

Banana Program: Rainforest Alliance Banana Program

Binding documents / policies

- Rainforest Alliance Sustainable Agriculture Standard
- Chain of Custody Standard
- Certification rules
- Transition rules 2017
- Policy on Certification Requirements for Certificate Holders on Year Three
- Rules for planning and conducting audits
- Policy on Auditing Methodologies for Freedom of Association
- Requirements for aerial fumigation
- Wastewater from processing operations applied to soil
- Policy for Exceptional use of FAO/WHO highly hazardous pesticides
- List for pesticide management

Guidance documents

- Guide for the Sustainable Agriculture Standard
- Technical Module 1: Effective Planning and Management System
- Technical Module 2: Biodiversity conservation
- Technical Module 3: Natural Resource Conservation
- Technical Modules Module 4: LIVELIHOODS AND HUMAN WELLBEING
- GUIDE FOR ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT
- GUIDE FOR THE PERFORMANCE EVALUATION SYSTEM
- Living Wage matrix guidance

Impacts reports

- Impacts report 2018
- Impacts report 2015
- Improving practices, changing lives (2014)
- Towards a sustainable banana supply chain in Colombia (2018 Wageningen University)

RA press on certified bananas

- https://www.rainforest-alliance.org/tags/bananas
- https://www.rainforest-alliance.org/articles/how-are-more-sustainable-bananas-grown
- https://www.rainforest-alliance.org/business/innovating-certification/a-greener-banana/

World Map with certificate holders