

AEM Mid-Term Review

- Project partners -

7 June 2012

Report on a
Mid-Term Review
of the GIZ project
“African Eco-labelling Mechanism”

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All statements and judgments are solely reflecting the opinion of the assessment team.

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Abbreviations

ARSCP	African Roundtable on Sustainable Consumption and Production
ARSO	African Organization for Standardization
AU(C)	African Union (Commission)
AV	Auftragsverantwortung; Auftragsverantwortlicher; responsible project leader
BMU	Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit, German Ministry for Environment, Nature Protection and Nuclear Safety
CD	Capacity Development
COMESA	Common Market for Eastern and Southern Africa
CPC	Cleaner Production Centre
CW	Capacity WORKS, GIZ's management model
EAC	East African Community
EB	Executive Board
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EMA	Eco Mark Africa
FSC	Forest Stewardship Council
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
IKI	Internationale Klimaschutz-Initiative, German International Climate Initiative
MSC	Marine Stewardship Council
NSB	National Standardisation Body
PTB	Physikalisch-Technische Bundesanstalt
REC	Regional Economic Community
SADC	South African Development Community
SB	Sounding Board
SWG	Sector Working Group
TB	Technical Board
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Program

1 Background

On behalf of the BMU (Federal Ministry of Environment, Nature Protection and Nuclear Safety) and in the Framework of the German International Climate Initiative (Internationale Klimaschutzinitiative, IKI), GIZ is supporting the development of the African initiative towards a pan-African sustainability label, the Eco Mark Africa (EMA).

The African Eco-labelling Mechanism (AEM) is supposed to function as a quality assurance system for the consumption and production of goods and services in selected key sectors (agriculture, forestry, fisheries and tourism). Relevant standards are being defined to address ecological, social and climate concerns, and to ensure credible governance / compliance and implementation of sustainability measures.

The implementation plan of the AEM project provides for a Mid-Term Review. This appraisal has been subcontracted to an independent consulting team. This report is addressed to all project partners and those who have been interviewed during the appraisal.

2 Methods

The appraisal team followed a stepwise approach. The first step included a documents desk study in Germany, followed by interviews of GIZ project personnel and resource persons and BMU members.

The second step comprised of a number of interviews carried out in Kenya and Ethiopia in the week from December 4 to December 9, 2011 (see Annex). The evaluation team and the project team met several times during the assessment period to give feedback on the so far received information and results, and to readjust the survey.

The survey started in mid-November 2011 and continued until the end of January 2012 with one last person interviewed on 29th February.

The interviews and the report are oriented at the five success factors of Capacity WORKS, GIZ's management model:

- 1) Strategy
- 2) Internal and External Cooperation
- 3) Steering Structure
- 4) Processes
- 5) Learning and Innovation

Capacity WORKS is GIZ's management model for sustainable development. It helps provide answers to the following questions: How does GIZ make an effective contribution toward capacity development, and how do we help structure the management and steering of projects and programmes so that the results of capacity development are as effective and sustainable as possible? The structure of Capacity WORKS "translates" the corporate policy concept of "sustainable development" into practical questions.

The key points of reference for Capacity WORKS are the objectives and results jointly agreed on with partners. In development cooperation projects, the procedure to be applied can be continuously reviewed and corrected in relation to the five success factors presented in the model. In each success factor, thoughts and actions are guided by key questions. This is further supported by the GIZ-specific consultancy principles. Capacity WORKS provides structures that facilitate the management of complex projects.

Capacity WORKS is a management model that offers a structured approach. The process itself is iterative. How often, on which occasions, in which structures and by which rules users will complete each loop must be agreed within the individual project concerned.

Even though the project was not initially evaluated, negotiated or planned according to this management model, the evaluation corresponding to the five success factors and their instruments will give a good orientation for the assessment, redirection and adjustment of the project.

All statements and judgments are solely reflecting the opinion of the assessment team.

3 Abstract

The goal of the project “African Eco-labelling Mechanism” (AEM) is the development of an African sustainability label for products and services. It is financed through the German International Climate Initiative. The implementation schedule is from 12/09 to 03/13.

The project is based on an idea of UNEP who invested years of preparatory work on the development, securing political endorsement and implementation of the AEM. UNEP’s draft AEM strategy, dated of 2008, already suggested ARSO as implementing organisation and goes ahead to mention other stakeholders (partners) who are currently participating in the implementation of AEM .

In 2008/09, UNEP sent a financing proposal to BMU Germany. In the beginning of 2009, BMU asked GIZ to submit a proposal for the implementation of the AEM. In December 2009, BMU confirmed the financing of the GIZ proposal. The project started in December 2009.

Originally, UNEP and ARSO had expected a direct assignment of UNEP to implement the AEM (in paragraph 2 above the UNEP’s strategy suggested ARSO as the implementing organization). However, BMU assigned GIZ with the implementation of the AEM. While ARSO according to the original plans is expected to play the role of an implementing agency, the GIZ implementation plan (consultancy framework) places ARSO as an institution to be consulted by GIZ during the implementation process. This places a fundamental departure from the original expectations and a likely major source of disagreements especially in a situation where these fundamental changes were not discussed and their implications understood at the beginning.

Thus, the implementation structure, as suggested by UNEP, was complemented by the additional actor GIZ. Because the expectation of the partners to implement the AEM all by themselves did not materialize, the project started with tensions between the partners that led to substantial delays in coordination processes during the first project year. Due to this the project goals have only partly been achieved.

Meanwhile, since February 2011 the project is carried out as planned and first successes are already visible. The interest in the eco label and the AEM itself among various stakeholder groups is rising. But it is obvious that the mechanism cannot be established to self-sustaining and enduring level within the last year of the actual financial support.

Continuous support is essential for a truly sustainable implementation of the AEM. The rapporteurs firmly recommend an extension of the project beyond 2012, however, with changes in operational arrangements.

The evaluation team describes two suggestions for a project continuation.

- Establishment of the AEM as a stand-alone legal body by March 2013 hosted by ARSO with operations and management being completely autonomous. This should be followed by financial support, and probably limited personal assistance for one more year.
- Continuation of the project beyond March 2013 with conditions unchanged (business as usual scenario)
-

4 Project progression

4.1 Topical

The main project goals are:

- 1) AEM has a functioning organisational structure, and a workable strategy to ensure financial self-sufficiency.
- 2) AEM is in a position, through a benchmarking system, to assess existing sustainability standards and integrate them into its own mechanism.
- 3) Greater know-how and capacity for certifying sustainability standards is available at national accreditation institutions and certifier.
- 4) Promotion of the African Eco-Label receives support from national and international partners(private sector/NGO/government)
- 5) The African Eco-Label is known and well-received internationally, by both the public and governments

The focal points of the cooperation during the first two years were the goals 1 and 4, and, to a lower extent, the goals 2 and 5. Details may be found in the interim project reports.

The organizational structure, with the exception of the Technical Board, is established and operational. The Technical Board met for the first time in February 2012.

A number of business plan models are in preparation. In the first quarter of 2012 a workshop is planned where a suitable business model will be identified.

AEM promotion is advanced quite reasonably. The brand and logo “Eco Mark Africa” has been established; an Internet site is online, information materials are available. The AEM and the Eco Mark Africa label are presented internationally, and contacts with potentially interested persons are continuously being established.

The political networking is promoted mainly through the participation in relevant conferences and processes. A more systematic approach in anchoring the AEM politically at relevant stakeholders is achieved through a closer cooperation with UNEP and selected members of participating countries (according to the respective market sector).

4.2 Overview

Year	Event	Partner
2005	Development of the African eco label and the AEM	UNEP, BMU
2005-2008	Basic concept strategy development, stakeholder participation	UNEP, BMU; AUC(C), ARSO,CPCs, ARSCP
2008-2009	BMU funds are available Entry of UNEP proposal at BMU	UNEP, BMU AUC
2009	January, February: BMU asks GIZ to develop an AEM-offer	BMU

	<p>March: GIZ develops offer based on UNEP-proposal</p> <p>Summer: Preparatory talks with ARSO in Nairobi</p> <p>December AEM consultative meeting Kenya</p> <p>BMU assigns GIZ</p>	<p>GIZ</p> <p>ARSO</p> <p>PTB</p>
2010	<p>January: Project starts</p> <p>February und September: EB meetings</p> <p>SB meetings July and December</p> <p>March: employment of two German technical experts</p> <p>June: employment of EM</p> <p>December: dismissal of EM</p>	<p>EB members</p> <p>SB members</p>
2011	<p>Search for new EM until June 2011, selected candidate turns down the offer</p> <p>June: employment of coordinator</p> <p>Since June: EM position open</p> <p>September: job offer for local technical experts open</p>	<p>GIZ Kenya</p> <p>GIZ Eschborn</p> <p>GIZ Kenya, EB</p>
2012	<p>Outlook:</p> <p>Planned organisational developments/changes: assessment of new strategic options for the AEM implementation</p> <p>Planned conceptual measures: enhanced cooperation with UNEP, strengthening the orientation towards regional co-operation, foster the political acknowledgement of AEM</p> <p>Planned personal changes: senior expert based in Nairobi</p> <p>March: employment of EM, employment of two local technical experts</p>	<p>BMU, GIZ, EB</p>

5 Strategy

5.1 Analysis of the Project Environment

On first sight, the project environment is very positive. The conditions of life and work are good, and the security situation also is good.

As an important partner of BMU and of this project, since 2005 UNEP has provided political and conceptual preparatory work that the project is based upon. According to BMU and GIZ personnel, the regional network of stakeholder from business, NGO, competent organisations and political actors is well established and cared for; relevant actors are interested in the AEM and have assured their support. The professional expertise of the network is, though selective, good or very good.

GIZ has more than 50 years of experience in Kenya and is working in its focal areas water, health and agriculture. GIZ is also present in many African countries where AEM implementation is taking place. Apart from these programmes and project there are a number of regional projects; one of them is the “African Eco-labelling Mechanism”.

Taking a closer look, the project environment proves to be challenging.

The Pan-African organisation and main partner ARSO has been chosen by AUC and UNEP to implement the AEM. ARSO enjoys recognition by AUC as a key agency for promoting Pan African standardization of production, goods and services and is linked to the commission’s division of trade. This recognition and linkage is critical to establishing a political goodwill across Africa. ARSO is also linked to National Standards Bureaus who are also critical to the setting and harmonization of standards and can potentially contribute to compliance in their own respective countries or regions. However, a good number of the interviewees described ARSO as an institution with a number of challenges. ARSO consists of 28 member states (December 2011). Its secretariat is based in Nairobi and hosted by the Kenya Government through Kenya Bureau of Standards (KEBS). ARSO charges its member states fees to generate funds for their operations. Payment of fees by these member states, however, has been rather slow with some members not paying on time. Reasons for this late payment and reluctance in obliging to pay needs to be investigated if ARSO is to fulfil its Pan Africa mandate effectively. ARSO has few operational funds and is keen to utilize it rationally as seen from downsizing of staff that recently took place at their headquarters in Nairobi. Most of their funds apart from the member state contributions are obtained through external third party funding. There is a longstanding cooperation between ARSO and the German PTB; since 2011 another project on capacity development is funded by South-Korea.

There is a need to interrogate urgently reasons underlying the low members’ participation (e.g. only 11 member states came to the last ARSO General Assembly) and the reluctance (missing) in financial contributions. It is good also to assess (in view of the member states) the legitimacy of ARSO as an organization capable of representing their interest especially as an African speaker of their national standardisation bureaus. Additionally, there are two technical working groups developing outside of ARSO but with the support of ARSO. These are the Intra-Africa Metrology System (Afrimets) and the African Accreditation Cooperation (AFRAC). These are developing outside ARSO because of the specific and specialized roles they play.

The AEM was set up as a Pan-African initiative right from the start. It is attributed to the African Union (AU). Since 2011, Nadir Merah, Head of Trade Division, is in charge of the AEM

within the AU Commission. He succeeded Dr Sarah Olemba, Directorate of Rural Economy and Agriculture, who was responsible in the first project year.

The AUC has high political expectations towards the project. The Pan-African approach of the AEM shall, for instance, be reflected in the personnel structure and the regional presence of the secretariat. Despite the fact that ARSO itself is a Pan-African Organisation that was founded by the OAU and UNECA in 1977, the AUC does not dispose of hierarchical power or any other means, i.e. budgetary incentives, to have an effect on ARSO.

The idea to develop the AEM as an African sustainability label that will be developed from inside Africa was much-admired by African stakeholders. Well-known and established large labels (such as FSC, MSC, Rainforest Alliance, Fair Trade, and others) were showing interest and were willing to cooperate. However, as the AEM gains shape and develops further (EMA logo, website presentations in international meetings) the once assured cooperation has changed to a rather observing and reluctant position, because the AEM is now perceived as a competing labelling process.

Within the AEM team – between the partners – there is an on-going discussion about the question whether the AEM and its standards shall be developed as a market-driven label (view of UNEP and GIZ) or as a technical standard according to ISO regulations which will gain its relevance and impact by political backing (ARSO's view). In the light of experience it can be shown that either approach will yield the same result, if the standard is a success: a strong standard is as much accepted in the market as it is supported by political decisions and guidelines.

The international relevance of yet another sustainability label, and subsequently the political and economic acceptance, was discussed controversially. Some interviewees expressed their concern that in the face of the market consolidation towards some well-known large sustainability labels and the parallel trend to establish in-house labels (like 'Pro Planet' of the German REWE Group, 'Confidence in Textiles' for cotton production or ecological and organic product lines and labels of large discounters) it will be difficult to successfully introduce the AEM in the market. The rapporteurs recommend a market study aimed at both the regional (African) and the global market, considering not only Europe but also Asia and the Arabic consumers and retailers.

5.2 Consultancy Strategy

The consultancy strategy in place provides for a technical support of the AEM implementation, carried out through a project leader based in Nairobi and a number of short term missions of two German technical experts and a senior consultant. ARSO is the main implementing partner; UNEP and the ARSCP are strategic partners. ARSO shall be enabled

- to maintain the AEM Secretariat as supporting structure of the AEM
- to carry out the certification process functionally and technically for an African sustainability label
- to develop appropriate technical standards
- to train certifiers and accreditors, and
- to raise awareness of the eco label in the market and support its acknowledgement

In order to reach these goals, ARSO is consulted in the areas of standard development and marketing. UNEP and ARSCP are expected to prepare, foster and accompany the political endorsement process.

There was no project appraisal or an institutional assessment of the capacities, needs and expectations of the project partners. This is partly due to BMU guidelines which generally don't provide for project appraisals.

Since the GIZ support was basically a technical support to the establishment of AEM, initial needs assessment especially on personnel was necessary in order to identify areas where the German technical assistance was required to deliver on the project objectives. This for example should have identified the types and levels of assistance needed and also the residence time in Nairobi for the experts.

The project originally was structured as shown in Figure 1.

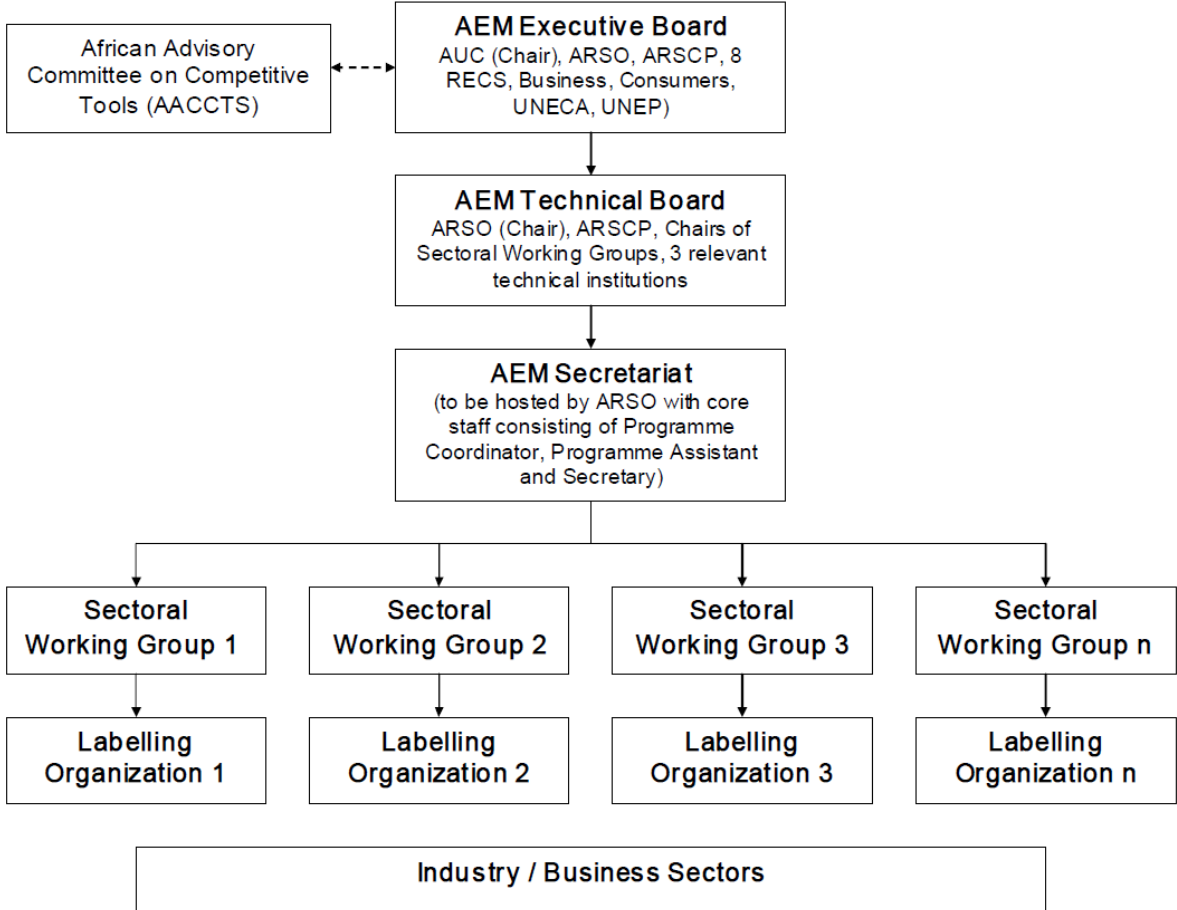


Figure 1: AEM organisational structure according to UNEP 2008

This organisational structure shows ARSO as host of the AEM secretariat; almost all organisations suggested by UNEP are now EB members. Please note that one year earlier, in UNEP's organizational AEM chart of 2007, the Executive Board was named Advisory Board, a name much more appropriate for a technical (in distinction to political) orientation of the AEM.

The assignment of GIZ as implementing organisation of the BMU-funded AEM project changed the organisational structure (Figure 2). GIZ now is part of the secretariat. At the same time, a Sounding Board (SB) was established which serves as preparatory and management forum and may be summoned faster than the EB. It consists of UNEP, AUC, ARSO, ARSCP and GIZ (representing BMU). The SB does not take decisions but is a functional and preparatory consulting body. In this new structure BMU and GIZ began to take GIZ as the implementing agency as well as the financing agency. The AEM partners and ARSO

on the other hand remained with the perception of the original plans taking ARSO as the implementing agency and GIZ as a financing institution.

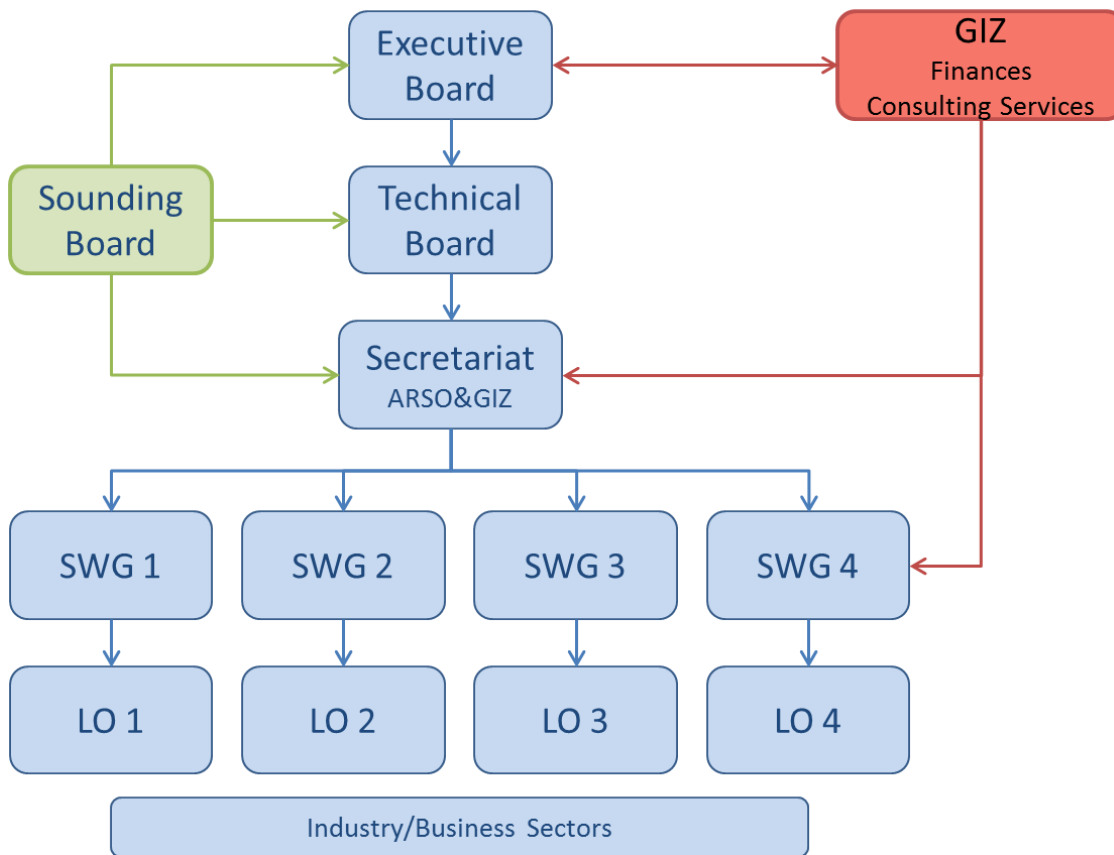


Figure 2: Organisational AEM structure with GIZ

The developments and performance of the first project year induced some personnel changes of key positions. The GIZ project leader changed several times. The first Executive Manager of the AEM, who had been hired in June 2011, had to leave the project in December 2011 due to a lack of professional performance.

The personnel changes and their underlying causes had severe impact on the project implementation (delay) which could not be fully reconciled in the second project year.

The missing risk assessment in the beginning of the project led to a project design that did not care for the institutional set-up of some partners, neither for their expectations and demands. The partners don't recognise themselves as organisations needing advice but rather as professional actors of the AEM process. This risk assessment at the beginning of the project could have helped to re-align institutional roles and expectations capturing the changes in the implementation plan where GIZ and not ARSO is the implementing agency.

5.3 Actor Profiling

The actor profiling builds on the self-assessment of the interviewees. An evaluation of the organisations is given in chapter 9.

5.3.1 AUC

The AU Commission is represented by **Nadir Merah** who is chairing the EB. The AUC is representing all 54 African states and claims that the Pan-African nature of the AEM should be

reflected in the personnel structure of the secretariat as well as in the processes. This means for example that there shall be more staff hired from countries other than Kenya, and that more economic regions should be included in project activities beyond the East African Economic Community. However, this geographical distribution of positions should be done carefully without compromising competence and the ability to perform in the position.

The Commission stresses the strategic importance of the AEM for the EU and Germany. Since the establishment of an African eco label is part of the German and European strategic Agenda for Africa, the AUC concludes that it is indeed an obligation for Germany and the EU to support the AEM.

5.3.2 ARSO

ARSO is hosting the AEM secretariat and has one vote in the EB. The president of ARSO is Kioko Mang'eli, whereas the acting Secretary General is Andrew Maiyo.

ARSO (according to the managerial staff) sees itself as the central institution of the AEM. ARSO wants to strengthen the political networking for the acknowledgement and implementation of the AEM at least within the ARSO community, but also beyond, on the level of ministries and heads of states.

With regard to the development of standards and the necessary processes for certification and accreditation, ARSO understands itself as a professional organisation to lead and steer the respective procedures.

5.3.3 UNEP

UNEP developed the idea of the AEM and the eco label and carried out a lot of preparatory and conceptual work that the project now is benefitting from. UNEP originally asked Germany for funding of the AEM implementation and received a GIZ project, finding itself in an unwanted position as partner rather than implementing organisation. UNEP stressed repeatedly that GIZ has 'usurped' the AEM. The protagonists describe the implementation of the AEM by GIZ as incomplete: GIZ is using UNEP's preparatory work, but implementing the AEM only as a technical project. The second part, according to UNEP, is missing, i.e. the involvement of all necessary stakeholders and the political and social endorsement of the AEM in relevant groups and associations. UNEP sees its role and strength in this political networking but due to the project history and progress the organisation was reluctant in participating and active involvement in the project. They would like to implement the stakeholder process through the sector working groups and through more regional activities.

UNEP has very good regional and technical experience, also gained through the development of the East African Organic Products Standards. UNEP is very keen to have AEM institutionalized to ensure sustainability, into the future as opposed to a timed project that would end and the momentum dissipated.

The cooperation recently improved due to a grant agreement between UNEP and GIZ.

5.3.4 BMU

Within BMU, Ulf Jaeckel is promoting and pushing the AEM. BMU has, together with UNEP, developed the idea of an African eco label (originally, the German "Blauer Engel" was the blueprint for the AEM) that is oriented at established and well-known international sustainability labels. BMU secured funding for this project and sees itself as supervisor and strategic partner. The difficulties of the project progress and history are known within BMU; nevertheless it strives for a new project phase beyond 2013. BMU is open for new strategic options if

the setup is more promising than the actual design. BMU likes to see a closer cooperation with and involvement of UNEP.

5.3.5 GIZ

GIZ has been assigned by BMU to implement the project. It sees its task in capacity development and institution building. The AEM secretariat shall be enabled to certify products and services against standards developed within the project. The AEM shall become a self-sufficient, sustainable institution. GIZ is temporarily supporting the AEM process.

6 Cooperation with Internal and External Partners

Development cooperation projects are joint ventures. They are negotiated, planned, implemented and steered by a large number of actors.

The relationships, power, influence and cultural orientations of the actors change in the course of the cooperation. A further aspect is that the actors create for themselves an artificial reality. They invent an environment that is either conducive or hostile to them; they admire or demonise events and other actors. Their action strategies are determined not only by cultural orientations and the knowledge which they possess, but also by how they experience and interpret their relationships with other actors, and whether they are able to influence and shape the reform project.

When planning a project according to Capacity WORKS, the success factor “Cooperation” builds on the analysis of the project environment and the actors profiling. This systematic analysis of the internal cooperation factors is missing; nevertheless there is a lot of knowledge about forms of cooperation and actors. But this knowledge is not discussed or mutually shared between partners, resulting in personnel positions and attitudes towards each other. True cooperation is missing – the form of cooperation rather looks like a competition for influence and resources. This is already visible in the form of communication: people talk about “us” and “them” when explaining roles, tasks and conflicts in the daily work.

In contrast, external cooperation works quite well. Every partner is using its respective professional network. Conflicts as observed in internal cooperation play a less important role.

7 Steering Structure

7.1 Steering Model

The fundamental communication and steering mechanisms are negotiation and hierarchy. In other words, there are some steering topics that are better negotiated, and others that are better decided on within the scope of a firm hierarchy.

The two can also be combined. From a development-policy stance it is desirable to have as many steering topics as possible dealt with on a participatory basis, i.e. to have them negotiated with the participation of the relevant stakeholders. In practice, this is not always possible, because we are often working with partner structures that are organised along hierarchical lines, as are our own organisations.

It is advisable to determine the degrees of participation at the beginning of each project. Who will decide, who will only be informed, and who will take over responsibility? There are five degrees of participation:

- 1) information on steering decisions provided through the normal channels of information
- 2) detailed information on and explanation of the steering decision provided
- 3) consultation prior to decision-making or participation in preparatory work for decision-making
- 4) direct involvement in steering decisions
- 5) formal direct responsibility for the steering decision.

Irrespective of the steering model it is advisable to define the borders of these degrees of participation and to be clear about roles and responsibilities. The By-laws of the AEM are in favour of a cooperative steering model – but they are not valid for the GIZ project.

There is no functional discrimination between the AEM programme and the GIZ project. They are overlapping, but they cannot be congruent. Both the project and the AEM should have distinct structures. A mixture leads to misunderstanding in the execution of tasks and identification. This is reflected in communication: who speaks for the AEM, who for the GIZ project, and when?

7.2 Steering Structure of EB and Secretariat

The steering structure of the project has developed evolutionary and is a compromise between GIZ's position (which is derived from the BMU assignment and the resulting responsibility for the achievement of the project goals) and the partner's position of providing intellectual, technical and regional (African) ownership on the AEM. There appears to be a conflict between EB and GIZ in making some decisions. For example the hiring of EM was made by EB but dismissing was done by GIZ unilaterally.

The UNEP document 'Structure and Functions of The African Eco-labelling Mechanism' (2007) already shows the actual steering structure, though speaking of a Regional Advisory Board instead of the Executive Board. The next document (AEM Strategy Document (2008)) however suggests the steering structure as it is today.

The existence of an EB and a GIZ-governed decision structure at the same time shows the different demands on the participation in steering decisions, causing periodic disagreements between the EB and GIZ. The EB must feel like a 'toothless tiger' because in fact the final decision always is with the GIZ. This reflects the missing definition and allocation of the degrees of participation in the beginning of the project.

The indistinct steering structure leads to complicated, sometimes lengthy negotiation processes within the EB. Communication barriers and blockades make it difficult to carry out the activities (output process), to establish working routines and coordinate partners (cooperation processes), and to learn (learning processes). Example are the still open position of the EM, coordination problems of EB members between meetings, disputes about resources or setting technical priorities.

8 Distance to Targets and Impacts

The degree of achievement of the project targets, according to the indicators fixed in the project document (offer), is assessed in this chapter. It is differentiated between the goal as documented in the project offer and the distance already covered on the way to meet the target.

8.1 Degree of Achievement of Goals and Indicators

Goals

- 1) AEM has a functioning organisational structure, and a workable strategy to ensure financial self-sufficiency.

Degree of Achievement: 50%

This goal has been – technically speaking – achieved by 50%. If “functioning infrastructure” is translated into cooperative, target-oriented contact the goal has not been achieved half but only by 30%. This is due to the project history as described above.

- 2) AEM is in a position, through a benchmarking system, to assess existing sustainability standards and integrate them into its own mechanism.

Degree of Achievement: 30%

The establishment of a benchmarking system is in very different stages of execution in the four priority sectors. This needs fast tracking if EMA has to be put in place within the current GIZ funding cycle especially if the option 4 stated in this report is adopted.

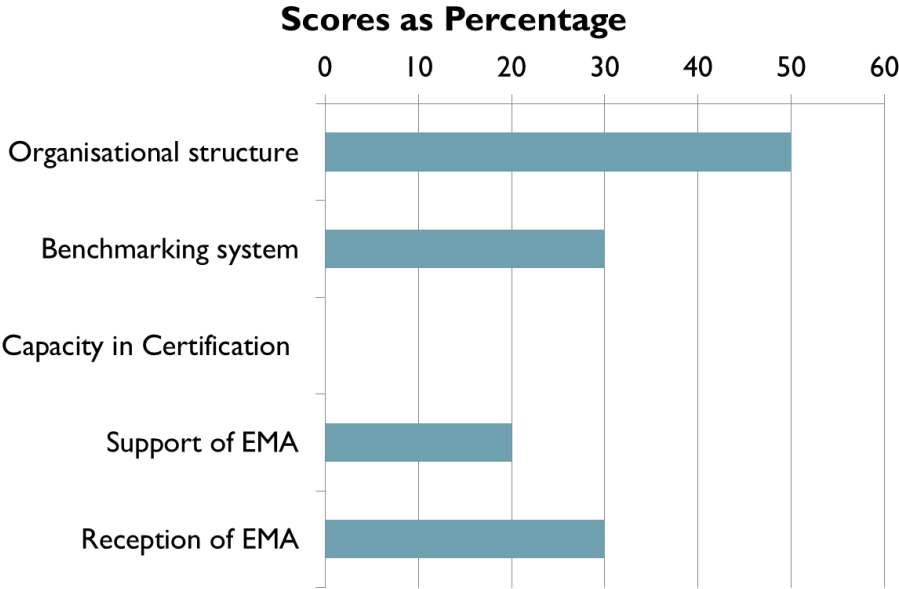


Figure 3: Achievement of results shown as percentage

- 3) Greater know-how and capacity for certifying sustainability standards is available at national accreditation institutions and certifier.

Degree of Achievement: 0%

There have been no training workshops carried out.

- 4) Promotion of the African Eco-Label receives support from national and international partners(private sector/NGO/government)

Degree of Achievement: 20%

5) The African Eco-Label is known and well-received internationally, by both the public and governments

Degree of Achievement: 30%

Calculated mean of achievement: 26%

Overall Performance

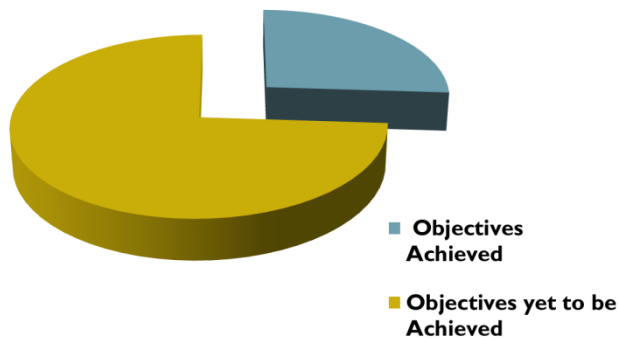


Figure 4: Overall performance

8.2 Impacts along the Results Chain

GIZ is assessing its projects according to its rationale and concepts of the results model.

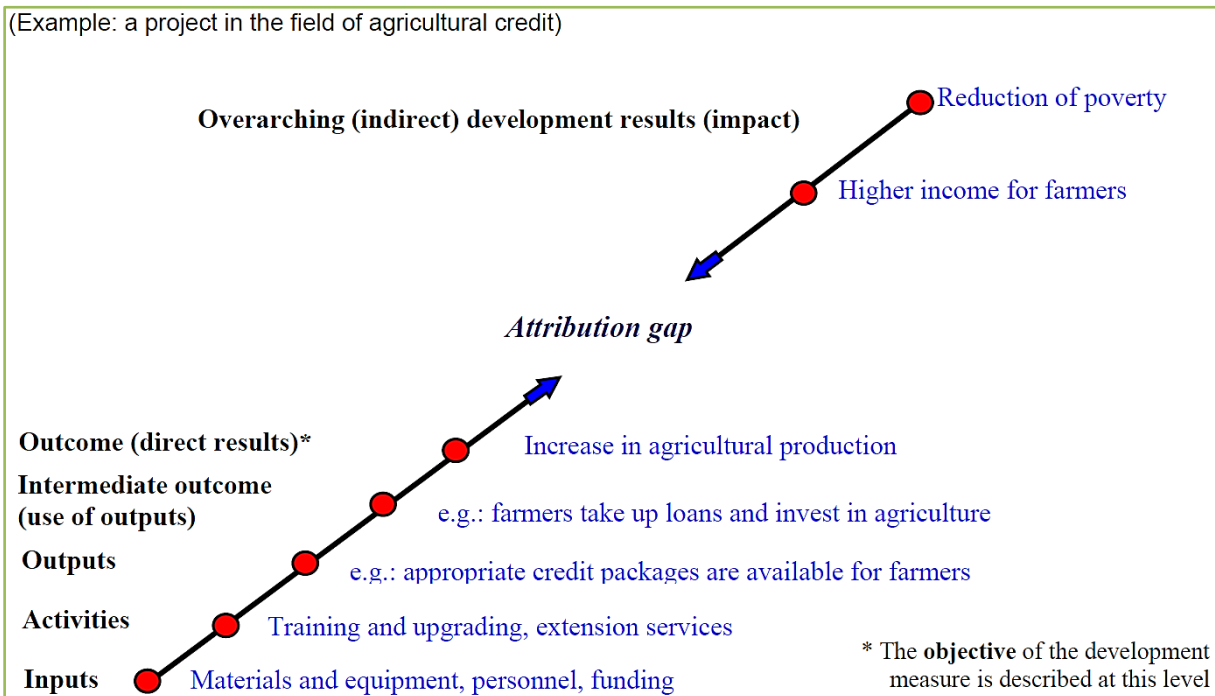


Figure 5: GIZ result model with an example from the field of agricultural credit

The basic hypothesis of the project remains valid. It states that a sustainability label will also in Africa contribute to more sustainable patterns in consumption and production, thus contributing to sustainable development. At the same time, the label is expected to foster the national and international market access of sustainable products, thus increasing the income of producers. Since sustainable production and consumption may have positive effects on climate protection and adaptation this impact hypothesis is also valid.

The project is, however, only providing an instrument useful to achieve the desired impacts. If and how the instrument is applied, and if its assumed impact will be overcompensated by negative impacts cannot be assessed here.

8.2.1 Relevance

The project relevance is still high.

8.2.2 Efficacy

The project efficacy has to be increased. The degree of achievement is low – after two years only about 25% of the goals are reached.

8.2.3 Overarching development results (Impact)

Indirect impacts of the project on overarching development goals are difficult to assess. A broad impact on producers and consumers is envisaged in the four priority economy sectors.

8.2.4 Efficiency

It is possible to increase the efficiency of the project approach and the implementation structure. The personnel can be deployed more efficiently and be more target oriented, e.g. through a long term assignment of a senior expert (see recommendations, chapter10).

The type of implementation as a project is not appropriate because the partners do not demand or expect consulting services. Another means of implementation beyond March 2013, e.g. financial support, should be considered.

8.2.5 Sustainability

The project sustainability understood both as durability and within the four dimensions political, economic, ecological and social sustainability, is part of the project hypothesis.

At the time of this assessment of this project, sustainability is not observable in any dimension.

9 Assessment

The AEM implementation can significantly be improved. The project has lost a substantial amount of time in the first project year. The reasons are the following.

- Due to the close cooperation between BMU and UNEP in the years before this project there were possibly growing expectations on the side of UNEP which did not materialise. However, the choice of ARSO as an implementing agency was done with full consultation of UNEP and reasons for UNEP not being the preferred agency for implementation is actually the need for the process to be owned by Africans or rather hosted by an African institution.
- The GIZ project design did not care enough for the history of the AEM development. The GIZ project document was not made available to the partners. As a result ARSO

assumed the role of implementing agency as was originally planned, while according to the GIZ document GIZ was the implementing as well as financing agency.

- The project was not appraised before implementation. This is partly due to the BMU guidelines which exclude project appraisal missions.
- Because of the lack of an appraisal the expectations and roles of UNEP and ARSO were not assessed correctly. As a consequence both partners felt that their expertise and expectations were not adequately recognised.
- The personnel concept is inadequate for such a complex and important project. There is a broad consensus that the project should be guided by an experienced senior expert based at Nairobi.
- There was a need for an initial needs assessment especially on personnel expertise required for the project in order to establish the fields and levels of German technical experts. In the absence of this there is bound to be duplication of expertise in some areas while gaps in others exist.

There are more reasons for divergences:

- The basic understanding of the cooperation is different. GIZ is assuming a typical client-consultant relationship, while as the partners reckon GIZ as “Donor Agency” (quote of an EB meeting). This is a major cause of divergence.
- The actors’ mandates are not distinct. It is for instance hard to understand why the EB chair was interested in job descriptions, a job usually done by the secretariat.
- There are neither clear hierarchical nor horizontal decision processes.
- Throughout the project, GIZ has been acting as the AEM implementing agency, while ARSO and the partners were acting with the knowledge that ARSO as the implementing agency.

9.1 Assessment of the Key Actors

ARSO

With regard to the present project structure, ARSO is one of the most important actors. ARSO knows about its key position. The personnel structure of the ARSO secretariat may change in the next couple of months. There will be assemblies in March and/or June 2012 where the positions of the President and the Secretary General will be renewed. However, ARSO as an institution, changes in office bearers or institutional leadership which is a normal thing to happen should not be expected to significantly alter the course of an on-going project especially a project like AEM that has its own independent management structure and financing arrangements.

ARSO’s strategic orientation towards strengthening the African character of the organization may need to be strengthened both within the AUC by achieving a functional status within AUC structure and also by achieving a better recognition by member countries and the regional economic blocks (RECs). Some members may be hesitant to cooperate because they probably disagree on the political course of ARSO. They would rather orient ARSO to become a well-recognised player in the international level. The orientation and positioning of the managerial staff and the strategic orientation is observed with great interest from inside and outside ARSO.

From an external point of view the importance of ARSO for the AEM is assessed differently. The ARSO secretariat and its institutional outreach are considered as ‘challenging’ by a good

number of interviewees. This is the case for the legitimacy of the managerial staff as well as for the organisation as a whole. There are some member countries which are considered as strong and willing to cooperate – but the organization (or rather the secretariat) “is not delivering”, as an interviewee put it. ARSO saw the implementation of AEM as an opportunity to strengthen its activities. Several interviewees have called for strengthening of ARSO in order to have the capacity to host AEM.

AUC

The AUC plays a key role in the AEM implementation. This role may be strengthened because it is grounded in the political importance and position of the AUC. The AEM thus should become more visibly Pan-African as claimed by the AUC. Project activities shall cover all African Regional Economic Communities. The continent-wide approach should be reflected in the personnel structure. A closer cooperation with the AUC-departments for environment and Climate Change should be explored to allow for the importance of these topics in the AEM sustainability approach.

UNEP

Since UNEP developed the AEM and the idea of an African eco label, but also because of its excellent network and political experience, its role in the AEM implementation should be substantially strengthened. UNEP should take over the responsibility for the long-missing political stakeholder participation process in order to assure wide acceptance and endorsement of the AEM. However, this will probably result in the lack of indigenous ownership by an African institution that is required to drive the political fronts forward. In some circles, UNEP is not considered as an African institution.

ARSCP

The ARSCP is considered to be a relatively small organisation and itself not strongly institutionalized to contribute significantly to AEM. However, the potential of using the ARSCP network for cooperation with the private sector should be emphasized. ARSCP has held several Pan African conferences (with the ARSCP conference in Accra from 20th – 24th May 2012 being the 7th) on the subject of sustainable production and consumption. Experiences gained by ARSCP in these meetings and the momentum generated through the conferences should be useful to AEM. There already exists a channel of engagement through the President of ARSCP who is the vice chair of the Executive board of AEM. It would perhaps be more rewarding if AEM develops functional linkages with ARSCP especially on the issue of EMA sustainability as both ARSCP and AEM on the same course of enhancing sustainable consumption and production.

GIZ

GIZ shall reconsider the personnel concept. The evaluation team suggests installing a permanent senior expert at the AEM secretariat. The expert missions of the technical experts should be extended to 4-6 months in order to allow for more continuous support. The team also suggests for training of local counterparts (even at NSBs level) who can carry on activities of the programme when the GIZ funded project is over.

GIZ is considered by about 30% of the interviewees to be too contemptuous, too much emphasising its leading position in the partnership. Interviewees called for a more modest approach and attitude.

Table 1 gives a short overview over the self-assessment and the external assessment of the key actors of the AEM

Actor	Self assessment	External assessment
ARSO	Core actor ★★★★★	Important actor, more impact wanted ★★★★☆
UNEP	Core networking actor ★★★★☆	Important core actor, more engagement wanted ★★★★★
AUC	Key supervising actor ★★★★★	Important political actor, less detailed engagement desired ★★★★☆
ARSCP	Networking actor ★★★★☆	More visibility and impact wanted ★★★★☆
GIZ	Key implementing actor ★★★★★	Too contemptuous key actor, more modesty wanted ★★★★☆

Table 1: Self-assessment and external assessment of key actors

10 Recommendations

The recommendations are derived from the project history and the assessments of the appraisal mission.

The project partners shall renew their basic consensus on the working relationship. This is a question of roles: In the view of GIZ the AEM project is a classical capacity development project which implies a client needs support and a consultant who delivers. The basic question is:

Is it possible to find a consensus on a consultant-client relationship?

Answering the following questions positively will create the basis for a cooperation project.

Is there a mutual goal for development?

Are all partners willing to learn?

What are the partners' expectations, what are their reservations?

Following this exercise the project should be structured using the Capacity WORKS approach.

10.1 Strategic Options

In the view of the present situation we developed two procedural suggestions for the future support of the AEM implementation. These suggestions are addressed to BMU.

1. **Continuation** of the AEM support beyond March 2013 as **stand-alone autonomous organisation**(AEM institutionalised)hosted by ARSO with operations and management being completely autonomous. Support may be delivered as financial contribution rather than in terms of consulting services.
2. **Continuation** of the project **as capacity development project** beyond March 2013(Business As Usual).

There are some recommendations to implement the project more effective and efficient which are applicable to both scenarios. These are

- Install a permanent senior expert at the AEM secretariat
- Plan and steer the project with GIZ's management model Capacity WORKS
- Fill the EM position as soon as possible
- Establish and functionalize the Technical Board
- Intensify cooperation with UNEP, including resource allocation
- Resource allocation and terms of reference beyond the technical standards development for SWG
- Improve regional cooperation, especially in West or North Africa (MEDA)
- Apart from this, institutional development it is essential to foster the political, economic and social networking in order to assure acknowledgement and acceptance of the AEM and the EMA label. This should be done together with UNEP – in the frame of the existing grant agreement, but also beyond – mainly in mutual strategic negotiations and activities.
- The role of the Executive Manager is even more important for this option than for the others. The position will play a key role in establishing the AEM organisation.

Apart from this it is essential to foster the political, economic and social networking in order to assure acknowledgement and acceptance of the AEM and the EMA label. This should be done together with UNEP – in the frame of the existing grant agreement, but also beyond mainly in mutual strategic negotiations and activities.

Procedural suggestion 1: Continuation beyond 2013, AEM as stand-alone organisation

Key characteristics

- Extension of the AEM funding beyond March 2013
- Find an appropriate legal form and all conditions for the AEM organisation
- Founding of AEM as an organisation
- Establish AEM Trust Fund to secure AEM financing
- Transfer available funds
- Support ARSO so as to play the roles of AEM host as is necessary

This suggestion would follow the basic idea of developing the AEM as a stand-alone institutional body. The main goal is to have the AEM functional by March 2013. The AEM secretariat staff could be transferred to this new entity provided funds are available. To secure funding of the AEM and to administer possible revenues of the AEM implementation an AEM Trust Fund shall be established, probably as part of the AEM business model. This Trust Fund could also attract new donors apart from Germany.

GIZ would conclude its capacity development project by March 2013 as planned.

In the case that these goals are not achievable until March 2013 a continuation of the capacity development project until achievement of all conditions may be explored.

Procedural suggestion2: Continuation of the project as it is beyond March 2013

Key characteristics

- Extension of the AEM funding beyond March 2013
- (Re)Create trust between partners and understanding of each other's position
- German technical experts based in Nairobi as long as necessary

The challenge of this suggestion is that it will not solve the fundamental contradiction and cause of the last two year's disagreements between GIZ and the partners but rather extend the unsatisfactory situation for another two or three years. Since the main allegation is that GIZ executes its powers regardless of the EB's opinion, a solution for the steering structure that all partners can accept has to be developed.

With the employment of the two national technical experts and the Executive Manager in the near future there is, however, a new momentum and a fair chance that the project partners may overcome their divergences for the sake of the overarching goals. In case this scenario is favored by all project partners the rapporteurs recommend a retreat workshop to build trust and confidence between partners.

11 Annex

11.1 Documents explored

- Angebot (2009)
- Änderungsangebot (05.2011)
- Implementation Agreement with ARSO
- Executive Board meeting minutes (2009 until today)
- Sounding Board meeting minutes (2010 until today)
- Background material UNEP
 - Strategy Document of the African Eco-labelling Mechanism (AEM)
 - Structure and functions of The African Eco-labeling Mechanism
 - Summary Note
 - on the Development of the African Eco-labeling Mechanism
- Interim reports to BMU until today
- Internal work plan
- Standard Setting Process Document
- ToRs for decision making
- Draft By-laws AEM

11.2 Interview partners

Nr.	Name	Organisation
1)	Prof. Cleo L.C. Migiro	ARSCP
2)	Nadir Merah	AUC
3)	Dr. Kioko Mangéli	ARSO
4)	Andrew Maiyo	ARSO
5)	Patrick Mwesigye	UNEP
6)	Samuel Ochieng	Consumer International
7)	Andrew Ngone	COMESA
8)	Dr. Ulf Jaeckel	BMU
9)	Dr. Oswald S. Chinyamakobvu	Former SADC Representative
10)	Mr. Willy Musinguzi	East African Community (EAC)
11)	Ms. Isatou Gaye	United Nations Economic Commission for Africa (UNECA)
12)	Hendrik Linneweber	GIZ Kenia
13)	Norbert Eulerling	GIZ Kenia
14)	Evance Mundia	GIZ Kenia
15)	Katrin Gothmann	GIZ
16)	Burghard Rauschelbach	GIZ
17)	Carsten Schmitz-Hoffmann	GIZ
18)	Purity Karuga	GIZ-AEM
19)	Christian Hagemann	GIZ

Nr.	Name	Organisation
20)	Ute Sonntag	GIZ
21)	Kerstin Linden	GIZ
22)	Detlef Schreiber	GIZ
23)	Martina Kolb	GIZ
24)	Elizabeth Zimmermann	Psychologin
25)	DestaMebratu	UNEP, Nairobi
26)	Josephine Bauer	UNEP, Nairobi
27)	LiazzatRabbiosi	UNEP, Paris
28)	Alex Inklaar	Consultant to PTB
29)	Kathrin Wunderlich	PTB
30)	Dr. Richard Eba'aAtyi	Center for International Forestry Research
31)	Mr. Tom Apina	Sustainet East Africa
32)	Mr. KahindiLekalhaile	Ecotourism Kenya
33)	Eva Oduor	Kenya Bureau of Standards
34)	Chiara Tardivo	EU Delegation to the AU