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Version Control

This version (dated 2019-09) was updated to reflect our new company name (Keurig Dr Pepper) and branding. In addition, the Strengthening Farmer Organizations outcome indicators were refined. No other changes were made to the 2015 protocol.

Forward

Dear Friends,

It is with great pleasure that we release the updated Monitoring and Evaluation (M&E) guidelines for Social Impact Projects funded by Keurig Dr Pepper, Inc. (KDP).

This journey started in the Agroecology and Rural Livelihoods Group lab at the University of Vermont, where Rick Peyser, KDP's former Director of Supply Chain Outreach and Professor Ernesto Mendez began discussing how Keurig Dr Pepper could better understand the impact of our coffee community outreach funding, and, at the same time, support our grantees to engage in participatory evaluation processes and collect data that would be valuable to their organizations. The idea was to create a standard monitoring and evaluation protocol that would include quantitative and qualitative outcome indicators and would be both useful and feasible to implement across our portfolio of funded projects.

At the time of the first release of this guide, in October 2012, Green Mountain Coffee Roasters was still a relatively small company, focused primarily on the coffee supply chain. Over the past few years, the Social Impact Team has adjusted our investment strategy to reflect the growth, business drivers and priorities of Keurig Dr Pepper. We are proud to announce our new strategy, *KDP's Livelihood Impact Model*, which we hope will help us scale and deepen our impact in agricultural communities.

We still believe in the important role of this M&E protocol to provide KDP with a standardized and meaningful way to measure our impact, while providing useful data for reflection and reaction by our nonprofit, cooperative, and supply chain partners. We will use the information we receive in your reports for three purposes: (1) Communication – providing aggregate information to our stakeholders (our board, employees, consumers, suppliers, partners) across a growing portfolio of projects, (2) Decision Making – identifying successful approaches, prioritizing outcomes over outputs, and (3) Collaboration – sharing information with grantees and other development actors in a spirit of collective learning and to surface potential partnership opportunities.

We are so fortunate to be partnering with some of the most innovative and effective organizations working in rural human and economic development. We honor the time you spend on evaluating your programs and strive to mirror your commitment to impact and continuous improvement in our own approaches to supply chain investments.

Thank you,

The KDP Sustainability Team

Acknowledgements

First we would like to thank Dr. V. Ernesto Mendez, Associate Professor at the University of Vermont in the Agroecology and Rural Livelihoods Group (ARLG) for his vision and leadership in developing the foundations of our M&E program. We would also like to thank Meryl Olson, PHD, for authoring the original guide and for incorporating diverse feedback from the KDP team, the expanded ARLG lab, and the many nonprofit organizations participating in the Reporting Collaborative sessions carried out by KDP in 2010 and 2011.

We would also like to thank all those who provided their time, energy, and expertise to the development of this updated version of the guide, including:

- Catholic Relief Services – Paul Hicks and Maren Barbee
- Fair Trade USA – Ben Corey-Moran and Lauren Schneider
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- Heifer International – Adriana Garcia-DeVun
- Mercy Corps – Britt Rosenberg
- Root Capital – Asya Troychansky
- Save the Children – Monica Caminiti and Luciana Bonifacio
- University of Vermont – Martha Caswell

This guide has also benefited from an extended review team at each of the above organizations, including central and field teams engaging in thoughtful dialogue about monitoring and evaluation, and impact. Thank you for your support!

KDP's Livelihood Impact Model

KDP's purpose: Ensure our beverages make a positive impact with every drink. More information on our *Drink Well, Do Good* Sustainability platform can be found at <https://www.keurigdrpepper.com/en/our-company/corporate-responsibility>.

Since we know that many small scale farmers – who are among our critical, albeit indirect, business partners – struggle with poverty and food security, our work supports positive economic and social impact for our agricultural producer partners. This improved livelihood in turn helps ensure a long-term, consistent supply of quality products from producers living a dignified life with a strong incentive to remain on their farms and invest in their coffee. Improving livelihoods will also create an economic incentive for the next generation to pursue coffee, rather than transition to other crops or migrate away from the farm. KDP's commitment beyond the commercial transaction increases supplier loyalty and enhances our reputation both at origin and in the market.

In recognition of the importance of producer and worker livelihoods to our core business objectives, one of KDP's 2020 Sustainability Targets is to “Engage 1 million people in our supply chains to improve their

lives.” While our livelihoods commitment applies to both manufacturing and agricultural supply chains, this document focuses on our approach to meeting this target in the agricultural supply chain, with a focus on coffee. This approach will expand and mature over time as other agricultural products are incorporated into our traceable supply chains.

Scope of Livelihood Investments

Agricultural systems are complex, and in order to improve farmer livelihoods, we must consider the interconnected nature of many factors that influence the farming system, especially within the smallholder context.

To achieve this livelihoods target, we will focus our supply chain investments on building the capacity of farming families and the organizations that support them to achieve economic viability and food security in healthy communities and ecosystems.

WE SUPPORT...

✓ Responsible sourcing

via Purchasing Practices

✓ Strong rural organizations

✓ Whole-farm planning and production

★ Coffee Production

★ Food Security

✓ Water stewardship and climate resilience

via Supply Chain Investments

FOR RESILIENT...



TO ACHIEVE...



Our intervention and livelihood investments consist of three specific focus areas:

Focus Areas

- 1) **Improving Farming Techniques:** Promote integrated agricultural extension services that build farmer capacity to sustainably increase yields and quality of their anchor crop (i.e., coffee), while also encouraging income diversification, strengthening their resilience to external shocks and food scarcity. Complement this agronomic assistance with educational programs on food security and nutrition.
- 2) **Water Stewardship and Climate Resilience:** Increase access to potable water for supply chain communities and improve water management for productive use in watersheds where we source. Promote climate- and water-smart production practices and the optimal use of resources to protect ecosystems and improve producers’ ability to adapt to a changing climate.
- 3) **Strengthening Farmer Organizations:** Strengthen the capacity of farmer organizations to provide value-added services to farmers, including access to credit, agronomic assistance, inputs, quality assurance, and differentiated market channels.

Within our programming, we will support **gender and generational inclusion** as a cross-cutting theme, by creating preferential opportunities for women and next generation farmers in our supply chain, especially as it relates to rights or access issues.

These focus areas were selected after an analysis of the livelihood factors critical to a resilient supply chain and narrowed to those that have a direct impact on our business priorities and for which we can make a unique contribution. Resources will be allocated according to the needs identified in specific priority geographies, with many programs touching on more than one of the focus areas.

Definitions

The following section defines the various terminologies used throughout the guide and further explains how KDP hopes to achieve our target to “engage 1 million people in our supply chains to improve their lives.”

We define “our supply chains” as the agricultural and manufacturing supply chain communities where we have a traceable relationship to the source of one or more of our products. Since our programs often support community development, “people in our supply chains” is inclusive of community members who live in source communities but who may or may not be producers of KDP products. There are different ways that “people” can be counted:

- **Participants:** individuals who are directly participating in the targeted interventions of the funded program, such as attending a training.
- **Households:** a grouping of individuals which includes family members and other people living together as a single economic unit. When a project intervention is relevant to an entire household, and the total number of individual members of those households is not available, we convert this number to individuals based on a household size of 5 people per household. This aligns with the standard that our development partners use.
- **Beneficiaries:** individuals who directly benefit from the targeted interventions of the funded program, even if they did not directly participate in those activities, such as all members of a household that has diversified their income sources.

For our 2020 target of engaging 1 million people, we will count all direct beneficiaries of our interventions. This includes not only farmers and workers with a direct link to our supply chain, but also their families and other people who benefit directly from the intervention. These people will still be counted toward our target even in cases where the KDP business relationship changes over the course of the project.

While what constitutes a “significant improvement” to a livelihood is subjective, we have defined a subset of Outcome Indicators that represent an important step to an impact that we consider significant. These indicators go beyond participation rates to look at adoption and practice which are leading indicators of meaningful livelihood results. Individuals achieving outcomes that can measurably and reasonably be attributed to the activities carried out by the funded project will be counted towards KDP’s *1 million livelihoods target*.

To qualify for funding, all projects must clearly identify as part of their proposal **at least one** of KDP’s Outcome Indicators that the project will influence and report, including the target number of people that the project aims to reach within this metric. The Outcome Indicators are as follows:

Focus Area	Outcome Indicator	Metric
Improving Farming Techniques	Adoption of Good Agricultural Practices (GAPs)	Number of households who have adopted new Good Agricultural Practices (GAPs)
	Adoption of diversified income sources	Number of households who have adopted at least one new income source
	Improved food security	Number of households who have reported a decrease in food insecurity from baseline
	Improved nutrition and/or home food production	Number of households who have reported an improved dietary diversity from baseline
Water Stewardship and Climate Resilience	Access to improved water service	Number of households with access to improved water services for individual consumption
	Improved household water, sanitation, and hygiene (WASH) practices	Number of households who have adopted new Water, Sanitation, and Hygiene (WASH) practices
	Adoption of climate or water-smart agricultural practices	Number of households who have adopted new water- or climate-smart Good Agricultural Practices (GAPs)
Strengthening Farmer Organizations	improved services offered	Number of producers benefiting from the new/improved service
	Improved Diagnostic Score	Number of producers affiliated with improved organization(s)

Explanation of Indicator Types and When to Use Each

KDP uses five different kinds of indicators to understand and measure project results. These include:

- 1) **Global Indicators:** While objectives differ between projects, KDP requests a common set of core indicators across all funded projects. All projects must report on ALL Global Indicators.
- 2) **Focus Area Indicators:** Indicators are organized by focus area which should be linked to project objectives. Grantees should identify the focus area indicators associated with their project objectives. There are three different types of focus area indicators: output indicators, outcome indicators, and optional indicators.
- 3) **Output Indicators:** The interventions, products, activities, and services such as a training and technical assistance that are the most basic deliverables of the funded projects.

- 4) **Outcome Indicators:** Outcome Indicators measure the direct, immediate, or short-term results of the intervention and can include, for example, adoption of promoted practices (e.g. new post-harvest methods) and show a pathway to ultimate results of the project’s activities on project participants (e.g. change in income or nutrition status). All projects must report on at least one Outcome Indicator.

Note: Please remember that all projects must commit to which Outcome Indicators the project will address in the project proposal. If, due to unforeseen circumstances, your project will not be able to report on the Outcome Indicator you highlighted in your proposal, you must communicate that to your assigned project manager at KDP immediately in order to discuss project options going forward.

- 5) **Optional Indicators:** While projects are not required to report on optional indicators, doing so helps paint a more comprehensive picture of the project’s impact. KDP highly recommends that projects report on these indicators if data is available.

Every project must report on all of the Global Indicators. Each project must also report on the Output Indicators relevant to each project and at least one of the Outcome Indicators. It is optional, but encouraged, to report on the Optional Indicators if data is available.

Global Indicators

Every project must report ALL four Global Indicators on an annual basis. It is up to each individual organization to describe, when reporting these numbers, how their project defines and measures these indicators and to perform due diligence to ensure that duplicates are removed and individuals are only counted once. These definitions should be established in the proposal, and then be used consistently for monitoring and evaluation purposes throughout the project. Each indicator is defined as follows:

1. **Number of direct beneficiaries:** Total number of direct beneficiaries engaged in the project. Each project defines “direct beneficiaries” differently depending on the scope of the intervention. For example, projects that work at the household level might consider “direct beneficiaries” to be all members of a household that has received training and assistance in establishing a vegetable garden.
2. **Number indirect beneficiaries (with definition and supporting data):** Projects can often affect communities beyond the individuals and households that are directly engaged by project activities (e.g. improvements in a watershed improve the drinking water of communities downstream to project activities). In these instances, where there is reasonable evidence, please report the number of indirect beneficiaries *plus* demonstrate how this project determined that its activities have indirectly had a positive impact on beneficiaries.

3. **Number of direct beneficiaries who have achieved a significant outcome:** Total number of direct beneficiaries whose household have achieved a “significant outcome,” defined as having met at least one of the outlined Outcome Indicators. It is critical that duplicates are removed and individuals are only counted once (e.g. if a household adopts both Good Agricultural Practices and new WASH practices, the individual members of that household should only be counted *once* in the project’s Global Indicator, even though they may appear twice within the associated Outcome Indicators). NOTE: This indicator is used to calculate progress toward the KDP Livelihood Target.
4. **Leveraged Funding:** Amount in US dollars of non-KDP funding leveraged to implement program activities. This includes any substantial in-kind or cash donations that have been awarded to the project as a result of KDP’s involvement in the program. For in-kind donations, please show calculation of value.

Focus Area Indicators: Improving Farming Techniques

Coffee farmers face growing livelihood uncertainties from volatile markets, climate change, and other socio-economic issues. KDP believes that building farmers’ capacity by promoting integrated agricultural extension services can sustainably increase coffee yields and quality while also supporting income diversification and food security. A whole-farm approach will strengthen farmers’ resilience to external shocks and food scarcity while simultaneously strengthening KDP’s supply chain.

1. Participation in agronomic assistance/training and adoption of Good Agricultural Practices

Projects implementers, working in collaboration with community leaders and community members, will determine which Good Agricultural Practices (GAPs) the project will promote and measure based on the needs of project participants and their ecosystem. **The GAP(s) that will be promoted by the project should be communicated to KDP in the project proposal, should have applicability to coffee production, and should be appropriate to the social and environmental context of the community.**

Examples of Good Agricultural Practices include, but are not limited to, projects that promote:

- 1) Coffee tree management and pruning
- 2) Soil and nutrition management (fertilization)
- 3) Water requirements of coffee
- 4) Integrated pest and disease management
- 5) Shade and intercrop management
- 6) Weed control
- 7) Replanting and rejuvenation
- 8) Harvesting, post-harvest handling, and quality consistency

9) Protection of waterways (buffer zones)

OUTPUT INDICATOR	Number of coffee producers who have participated in GAP training or received agronomic assistance related to GAPs as a result of the program (Men/Women)	Good Agricultural Practices promoted by the project (please check those that apply)
	1150 men 1000 women 2150 total	1. Coffee tree management and pruning 2. Soil and nutrition management (fertilization) 3. Water requirements of coffee 4. Integrated pest and disease management 5. Shade and intercrop management 6. Weed control 7. Replanting and rejuvenation 8. Harvesting, post-harvest handling, and quality consistency 9. Protection of waterways (buffer zones)
OUTCOME INDICATOR	Number of households who have adopted new GAPs promoted by the project	Adoption rates, if available
	400 households 2000 beneficiaries (400 x 5 people/hh)	2. Soil and nutrition management (60% adoption) 6. Weed control (80% adoption)

2. Average Yield/Ha Improvements

While not a required indicator, KDP is interested in yield improvements resulting from project activities. Improvements in coffee yields may benefit households by providing more income with which to purchase food, send children to school, or invest in savings or farm improvements. Yields should be reported in per-hectare units, and international system units should be used.

OPTIONAL INDICATOR	Average yield (kg/ha) at baseline	Average yield (kg/ha) among project participants (new)	Percent of farmers who report at least a 20% yield improvement
	272 kg/ha	450 kg/ha	43%

3. Training on new/diversified income sources and adoption of diversified income sources

This indicator is appropriate for projects that seek to increase or diversify income through new economic activities such as diversifying agricultural outputs and/or by helping project participants access new markets for their products. “New” income is defined as income that results directly from the activities supported by the project and adds to the individual’s or household’s income. Income can include cash income and also other essential assets that farmers now produce or raise for their own consumption that they would otherwise have had to purchase with cash (for example, new food produced for the household consumption). Please note that the aim of income diversification should be to increase income sources, not replace existing income sources with new ones.

OUTPUT INDICATOR	Number of coffee producers that have received training on income diversification (Men/Women)		Diversification activities promoted by the project	
	120 men 345 women 465 total		Beekeeping	
OUTCOME INDICATOR	Number of households that have incorporated at least one new source of income	Average number of income sources (baseline)		Average number of income sources (new)
	80 households 400 beneficiaries (80hh x 5 people per hh)	2 income sources • Coffee • Tomatoes		3 income sources • Coffee • Tomatoes • Honey

4. Income from new Sources

“New” income is defined as income resulting directly from the economic activity supported by the project and additional to the individual’s or household’s income prior to the project. While not a required indicator, KDP is interested in the amount of income or savings that is generated by these new income generating activities. Average production costs (including hired labor and inputs) should be subtracted from total revenues for this calculation and income should be reported in US dollars per year.

OPTIONAL INDICATOR	Average new income or savings per year (by household)	Source of income or savings
	\$130 per year/hh	Revenue from honey production

5. Participation in food security and/or nutrition training and decreases in food insecurity

The food security indicator measures the median of a sampling of households experiencing moderate or severe hunger, as indicated by a score of 2 or more on the Household Hunger Scale (HHS). To collect data for this indicator, participants should be asked the following questions:

1. Was there ever no food to eat of any kind in your households because of lack of resources to get food?
2. Did you or any household member go to sleep at night hungry because there was not enough food?
3. Did you or any household member go a whole day and night without eating anything at all because there was not enough food?

If yes, respondents should be asked how often this occurred in the past 4 weeks/30 days:

- Rarely (1-2 times)
- Sometimes (3-10 times)
- Often (more than ten times)

Responses should then be collapsed into the following three responses: never (value = 0), rarely or sometimes (value = 1), often (value = 2). Values for the three questions are summed for each household, producing a HHS score ranging from 0-6. ¹ **Data on this indicator should be gathered during the lean season and repeated yearly at the same point in time to gather the most accurate information.**

These values are then used to generate the HHS indicator outlined below:²

Household Hunger Score	Household Hunger Categories
0-1	Little to no hunger
2-3	Moderate hunger
4-6	Severe hunger

Please also report the months of food insecurity that were most frequently cited by project participants. **For example, if January is continuously mentioned as a month of scarce food security, please report that back to KDP.**

OUTPUT INDICATOR	Number of people who have received training on food security or nutrition as a result of the program (Men/Women)	Practices promoted by the project
	0 men 250 women	Exclusive breastfeeding Nutritious food preparation

¹ *Feed the Future Handbook of Indicators*, Feed the Future, <http://feedthefuture.gov/resource/feed-future-handbook-indicator-definitions>

² *Household Hunger Scale: Indicator Definition and Measurement Guide*, USAID, <http://www.fantaproject.org/sites/default/files/resources/HHS-Indicator-Guide-Aug2011.pdf>

	250 total	Home gardens
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OUTCOME INDICATOR	Number of households who have reported a decrease in food insecurity from baseline (as measured by the Household Hunger Scale)	Average HHS score (baseline)	Average HHS score (new)
	187 households 855 beneficiaries (number of members in households)	2.3	1.7

	Percent of participants experiencing little, moderate, and severe hunger (baseline)	Percent of participants experiencing little, moderate, and severe hunger (new)
OPTIONAL INDICATOR	30% Little to no hunger 50% Moderate hunger 20% Severe hunger Worst months: January, February, and March	55% Little to no hunger 35% Moderate hunger 10% Severe hunger Worst months: January and February

6. Improved nutrition and/or home food production

Dietary diversity is a measure of food access that captures the quality of the diet consumed by an individual. Measures of dietary diversity are based on the mean number of food groups consumed on the *previous* day by project participants. To calculate this indicator, nine food groups are used:

1. Grains, roots and tubers
2. Legumes and nuts
3. Dairy products (milk, yogurt, cheese)
4. Organ meat
5. Eggs
6. Flesh foods and other misc. small animal protein
7. Vitamin A dark green leafy vegetables
8. Other Vitamin A rich vegetables and fruits
9. Other fruits and vegetables

The mean number of food groups consumed by project participants is calculated by averaging the number of food groups consumed (out of the nine food groups above) across all project participants. **Data on this indicator should be gathered during the lean season and repeated yearly at the same point in time to gather the most accurate information.**

OUTCOME INDICATOR	Number of households who have reported improved dietary diversity	Average dietary score (baseline)	Average dietary diversity score (new)

	from baseline (as measured by the Household Dietary Diversity Score)		
	180 households 900 beneficiaries (180hh x 5 people/hh)	4 groups	5 groups

Focus Area Indicators: Water Stewardship and Climate Resilience

Water is essential to all life on earth. Our core agricultural ingredients – coffee beans, tea, sugar and cocoa- require clean, fresh water to grow. As the climate changes, patterns of rainfall and water availability are also changing, and in many regions of the world, water shortages very quickly turn into food shortages. An estimated 780 million people lack access to clean water while another 2.5 billion lack access to basic water sanitation. Due to the interconnected nature of water challenges, both on a local and global scale, collective, cross-sector action is required. KDP believes our company can uniquely contribute to solving local and global water challenges by combining our strengths in innovation, partnership, and sustainability. Our approach to water stewardship aims to be both responsive and restorative. We intend to **optimize** resources through efficient use of water in our own operations; **balance** the water volume of our beverages through projects that restore an equal volume of water for natural and community uses; and **connect** people to clean water sources.

7. Access to improved water services

Because KDP is interested in **connecting** people to clean water sources, projects that improve water services through investments in infrastructure that directly and positively impact a family or individual’s access to more and/or better quality water, will be counted towards KDP’s livelihood goal. When reporting on this indicator, KDP asks that projects use a water access ladder (outlined below)³ to provide KDP with a baseline score and an improvement score at the time of reporting.

Score	Water Access Ladder
1	<ul style="list-style-type: none"> Water Services are provided at household level and system delivers everyday more than 80 liters per person per day. Water is safe for consumption (treated at system level or at household level).
2	<ul style="list-style-type: none"> Water Services are provided at household level, but services are not consistent – water may be rationed. Water is safe for consumption, or treated at household level. Households have water pumps adjacent to their homes.
3	<ul style="list-style-type: none"> Water Services are provided through collective water points within 10 minutes of household. Water is safe for consumption, or treated at household level. Water Services are provided through a water system. Water is good quality. Water is rationed and may only reach household a couple hours a day.

³ The Water Access Ladder is based on the World Health Organization’s [Drinking Water Ladder](#) and expanded on by our NGO partners

4	<ul style="list-style-type: none"> Water infrastructure exists (pumps or water system), but water system or water pump is not working properly, and is in need of replacement or repair. Water that is available is not safe for consumption.
5	<ul style="list-style-type: none"> There are no adequate water services available to households. Serious health risks are present.

OUTCOME INDICATOR	Number of households with access to improved water services for individual consumption	Water Access Score (Baseline)	Water Access Score (New)
	1208 people (260 households)	4	2

8. Participation in training on WASH practices/ Improved household WASH practices

The healthy behavior changes that are promoted through Water, Sanitation, and Hygiene (WASH) programming are a critical part of improving the health of families and reducing the incidence of water and sanitation-related diseases that are passed through bacteria, viruses, and other parasites. Projects, working with community leaders and community members, will determine which WASH practices the project will promote and measure adoption rates. **The list of WASH practices that will be promoted by the program should be communicated to KDP in the project proposal and should be appropriate to the social and environmental context of the community.**

Examples of Water, Sanitation and Hygiene practices include, but are not limited to:

- Integrating hand washing practices into daily routines
- Improving water sources for personal use and eliminating bacterial and other diseases that travel in contaminated water sources
- Improving defecation practices to ensure that waterways are not contaminated by excrement
- Improving sanitation services (e.g. latrines)
- Improving household food preparation and storage techniques
- Improving personal hygiene behaviors

OUTPUT INDICATOR	Number of people trained in WASH practices (Men/Women)	WASH practices promoted by the project
	1,000 people (500 Men, 500 Women)	<ul style="list-style-type: none"> Integrating hand washing practices into daily routine Improving defecation practices to ensure that waterways are not contaminated by excrement
OUTCOME INDICATOR	Number of households who have adopted new WASH practices as a result of the program	Adoption rates, if available
	2500 people (500 households)	<ul style="list-style-type: none"> Hand-washing (60% adoption)

	<ul style="list-style-type: none"> Defecation practices (90% adoption)
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9. Use of improved wet-milling technology

Because KDP’s water stewardship strategy includes optimizing resources through efficient use of withdrawn water (**optimize**), KDP is interested in measuring the amount of water saved through mill improvements and the number of people benefiting from those improvements. It is not necessary to prove a causal relationship between the three indicators but data should be reported on each if available.

OPTIONAL INDICATORS (Optimize)	Number of mills that have completed upgrades in water efficiency and treatment systems (please outline upgrades)
	<i>27 mills (water treatment filters installed)</i>
	Volume of coffee cherry processed by upgraded wet mills (kg/year)
	<i>6,479 kg/year</i>
	Volume of water that is saved (liters of water/year)
	<i>25,000 L (due to changes in water required to process cherries)</i>

10. Participation in training/ Adoption of climate or water-smart agricultural practices

Because KDP’s water stewardship strategy includes optimizing resources through efficient use of water withdrawn (**optimize**) and connecting people to clean water sources (**connect**), KDP is interested in promoting climate or water smart agricultural practices at the farm level. Projects, working with community leaders and project participants will determine which climate or water smart agricultural practices they will adopt. **The list of practices which will be promoted by the program should be communicated to KDP in the project proposal and should be appropriate to the social and environmental context of the community.**

Examples climate or water-smart agricultural practices include, but are not limited to:

- Promoting shade grown farming that captures and retains rainfall while helping remove carbon from the atmosphere
- Use of soil erosion prevention measures such as live barriers, soil ridges, or terracing
- Treatment of coffee processing wastewater
- Reduced use of agrochemical inputs and/or promotion of organic inputs (e.g. compost)
- Reforestation activities in forested or agricultural areas

OUTPUT INDICATOR	Number of coffee producers who have received agronomic assistance and/or trainings specific to climate and/or water	Water and/or Climate-smart practices promoted by the project (please check all that apply)
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	smart agriculture (Men/Women)	
	75 men 10 women 85 Total	<ul style="list-style-type: none"> • Compost development • Live barriers • Shade tree planting
OUTCOME INDICATOR	Number of households that have adopted new water or climate smart GAPs	Adoption rates, if available
	75 households 375 beneficiaries (75hh x 5 pp/hh)	<ul style="list-style-type: none"> • Compost use (47%) • Live barriers (60%) • Shade trees (72%)

11. Improvements in water and land stewardship

By understanding the area of land that is managed under newly adopted water- or climate-friendly agricultural practices, KDP can better understand the impacts of the project on the landscape.

OPTIONAL INDICATORS (Balance)	Number of hectares of land under new water- or climate- smart management practices
	769 hectares
	Change in volume of water flow (Liters of water/year), if available
	22,000 liters/year

12. Improvements in community water source as a result of water stewardship activities

Projects that improve the water quality or quantity of a community source through water stewardship activities often benefit communities and individuals that are not directly engaged by the project; however, these activities align with KDP's goal to **connect** people with clean water sources. KDP will acknowledge the number of indirect beneficiaries of water source improvement projects if the project can provide evidence to demonstrate that the community water source has improved. There are a variety of ways to measure and demonstrate water improvements including:

- **Water quality:** If partners choose to report on water quality improvements, partners should report baseline and improvement data. Some ways to measure improved water quality include, but are not limited to, measurements in laboratories, use of probes which measure acidity and oxygen levels, or measurement of macro-invertebrate levels.
- **Water quantity:** Water quantity and water flows should be measured at the end of the dry season every year as dry season flows are indicative of the health of the watershed. If erratic weather patterns drastically affect water sources during the project's timespan, please highlight this in your report.

- **Water benefits:** Water benefits go beyond measurements in water quality and water quantity. Changes in water recharge and/or reduced erosion for example, would be considered as a water benefit.
- **Water governance:** Improvements in governance systems that protect water sources, and which in turn lead to sustainable improvements in water quality and/or quantity will be considered by KDP as a water source improvement.

Projects should decide which type of measurement is feasible for their individual project and context and include this in their proposal to KDP and subsequent reporting.

OPTIONAL INDICATOR (Connect)	Number of people who benefit from water stewardship or capacity building activities related to their primary drinking water source	Primary Change: Water Quantity, Water Quality, Water Benefits, or Better Governance
	<i>56,000 people</i>	<i>Improved water governance</i>

Focus Area Indicators: Strengthening Farmer Organizations

Rural organizations, such as farmer cooperatives, provide an essential link between smallholder farmers and KDP’s supply chain. KDP believes that farmer organizations that offer high-quality member services (e.g. agronomic assistance, credit services, value-added inputs, mobile data collection, etc.) and have good governance and transparency standards often deliver the most value to smallholder farmers. We support programs that offer access to capital, knowledge, and tools that support farmer organizations to improve their management practices and operations, and the services that they offer members.

13. Improved Services Offered by Target Organization

KDP is interested in measuring the services that organizations provide to coffee producers as well as the quality and value of those services. Because the quality of services can often vary, KDP is asking partners to outline what the state of the service was prior to the project and whether it has changed at the time of reporting. There are several ways to gather this information but KDP suggests that project implementers survey project participants on their perception of the service’s quality and report the results of that survey back to KDP. Please use the service quality ladder outlined below to indicate change in score:

Score	Service Quality Ladder
1	Value-added: Service addresses a fundamental need of coffee producers, is of high-quality, and available consistently

2	Low quality: Service is available but the quality of the service is either poor or inconsistent
3	Not available: Service is not available to producers

OUTPUT INDICATOR	Number of organizations served / Number of producers actively affiliated with target organization	New / Improved Service(s) offered	
	<i>1 organization / 2000 members</i>	<i>Agricultural inputs (fertilizer)</i>	
OUTCOME INDICATOR	Number of organizations improved/ Number of producers benefiting from the new/improved service	Service Quality Score (Baseline)	Service Quality Score (New)
	<i>1 organization / 2000 members (household members are not included)</i>	<i>Not available/ Low quality: Fertilizer is not offered to members by co-op and when it is, it is often not enough and/or bad quality</i>	<i>Value added: Co-op offers members organic fertilizer in sufficient quantities and on a consistent basis. Fertilizer is affordable</i>

14. Improvements in organizational diagnostic score

KDP believes that cooperatives, associations, and other farmer organizations with strong governance and operations are better partners both for KDP’s business and the members they serve. Several NGOs that support farmer organizations have developed diagnostic surveys that can measure the state of internal operations and produce a diagnostic score which identifies strengths and areas for improvement. KDP is interested in gathering information on whether a project has positively impacted an organization’s score or ranking. Partners will determine which diagnostic tool they will use to measure the health of the target organization; this choice should be communicated to KDP in the project proposal and should be appropriate to the local context. Partners will provide KDP with justification for what constitutes a “significant improvement” in score.

OUTPUT INDICATOR	Number of organizations reached / Number of producers actively affiliated with target organizations	Intervention (e.g. loans, training, or other)	
	<i>3 organizations / 4000 members</i>	<i>Financial Advisory Services</i>	
OUTCOME INDICATOR	Number of organizations improved/ Number of producers affiliated with improved organization(s)	Organizational Diagnostic Score (Baseline)	Organizational Diagnostic Score (New)
	<i>2 organizations / 3200 members (household members are not included)</i>	<i>14 on Financial Fundamentals</i>	<i>18 on Financial Fundamentals (3 point increase)</i>

Cross Cutting Theme: Gender and Generational Inclusion

We recognize the critical role that women play in our current supply chain, and the critical role that youth play in our next generation supply chain. At the same time, women and youth face obstacles, which are often based on cultural norms, which limit their full participation in the success of the supply chain. As such, we work with partners to consider how a gender and youth lens can be applied to every project implementation. As a company, we will track the percent of programs with a gender lens and the percent of programs with a youth lens included in the Social Impact program portfolio.

In addition, for all capacity building programs reported above, (including trainings on good agricultural practices, income diversification, food security and nutrition, and Water, Sanitation and Hygiene practices) we request a breakdown of participants by gender. This will help us to ensure that investments in training, resources, and income-generating opportunities are inclusive of women.

How to filter and report data (example)

Below please find a demonstrative example of how data can be filtered and reported back to KDP.

Scenario: There are 100 households in the community where Project X has installed a new water system, and they all use it as their primary water source. 75 of people got trained on WASH practices, and 50 of them have incorporated those practices in the home (50 households). The water committee in the community is part of a larger network of water governance for the municipality which has paid Project X \$1600 to train them in chlorination and good financial management (15 additional people) which helps strengthen the services that network provides to the 50,000 total people living in that municipality.

Global Indicators Reported (Example):

Target	Metric	Number Reported by Project
Number of people engaged	Number of total direct beneficiaries of the funded program	100 households in the community (100 hh x 5 people per household) = 500 people, and 15 people in the network = 515 people
Number of people engaged with significant outcome	Number of total direct beneficiaries who meet at least one of the conditions of the Outcome Indicators (with duplicates removed)	500 (Water Access) + 250 (WASH Adoption) - Duplicates (250) = 500 people
Number of indirect beneficiaries	Number of indirect participants or indirect beneficiaries of the funded program (with definition)	50,000 people benefiting from improved water governance
Leveraged funding	Amount in US dollars of non-KDP funding leveraged	\$1600 from Municipal Government

Focus Area Indicators (Example)

OUTPUT INDICATOR	Number of people trained in WASH practices (Men/Women)	WASH practices promoted by the project
	43 Men 32 Women 75 Total	<ul style="list-style-type: none"> Improvements in sanitation facilities
OUTCOME INDICATOR	Number of households who have adopted new WASH practices as a result of the program	Adoption Rates, if available
	50 households 250 people (50 hh x 5 people/hh)	<ul style="list-style-type: none"> Installed new pit latrines (98%)

OUTCOME INDICATOR	Number of households with improved access to water services for individual consumption	Water Access Score (baseline)	Water Access Score (New)
	100 households 500 people (100 hh x 5 people/hh)	4	2

OPTIONAL INDICATOR	Number of people who benefit from water stewardship or capacity building activities related to their primary drinking water source	Primary Change: Water Quantity, Water Quality, Water Benefits, or Better Governance
	50,000 people	<i>Water Governance: Project has worked with local officials to improve water management practices. Municipal oversight of water sources now ensures all water points are regularly chlorinated and water fees are collected from all users.</i>

Most Significant Change Story

During the initial meeting of the Reporting Collaborative in May 2010 it was agreed that in addition to quantitative monitoring and evaluation, it is important for KDP partners to collect qualitative information about project impact as well.

Qualitative evaluation of KDP-funded projects will be based on the Most Significant Change (MSC) methodology developed by Davies and Dart⁴. The essence of the Most Significant Change protocol for qualitative monitoring and evaluation is the collection of stories about how peoples' lives have changed due to the project, after which participants and project staff at increasingly higher hierarchical levels narrow the pool of stories. At each level of selection, the reasons for selecting a particular story are then communicated back to the previous level.

⁴ Davies and Dart (2005)

KDP partners should **collect one story for every 100 direct participants involved in the project, with a minimum of 10 stories collected and a maximum of 35 stories collected**, per year in preparation for the annual report. From the stories collected, **choose the three stories that represent the most significant change** to include in the annual evaluation report to KDP. If you are unsure about how many stories should be collected for a particular project, please contact your KDP project manager to discuss. The process for gathering the Most Significant Change story is as follows:

1. Define the collection period

Every organization must balance costs and benefits when defining a collection period for monitoring and evaluation. For reporting to KDP, we suggest collecting stories over a three-month period on a yearly basis. Stories can also be collected on a continuous basis, as field workers interact with beneficiaries. However, if stories are collected continuously, there must still be a defined period for review and analysis of stories.

2. Collect stories about significant changes

The core of the MSC method of qualitative monitoring and evaluation is an open question to project participants, such as:

"Looking back over the last year, what do you think was the most significant change in the quality of people's lives in this community?"

While the question used need to be identical to this one, the documentation of the story should contain the following information:

- **Information** about who collected the story and when the events occurred
- **Description** of the story itself (what happened) from the point of view of the storyteller
- **Significance** (to the storyteller) of events described by the story

Most stories should be around one page long. Shorter stories may be quicker and easier to read but they may leave out importance information. Negative as well as positive changes should be documented.

3. Select the stories of most significant change

The Most Significant Change methodology is selective rather than inclusive. It is not intended to represent the average condition of participants, but rather to highlight particularly unusual or successful cases and learn from those.

People discuss significant change stories within their level and then submit the most significant to the level above, which then selects the most significant of all the stories submitted by the lower levels and passes this on to the next level. KDP recommends using two levels of selection, but composition of the selection groups with vary depending on the structure of the

organization. The first level of selection, for example, might be the field staff, and the second level might be the country office or HQ staff. The key ingredients of story selection are that:

- Everyone reads the stories
- The group discusses which stories should be chosen
- The group decides which stories are felt to be most significant
- The reasons for the groups choices are documented

4. Report to KDP on the Most Significant Change

The three stories selected should be included in the yearly evaluation report to KDP. They may be formatted as an Appendix, with an additional section explaining why these stories were selected and what process was used to select them. While KDP does not require projects to feed back the results of the selection process, we highly recommend this step as it is an integral part of project success. There is a risk, however, that providing information about what changed the organization does and does not value might be interpreted as the organization telling communities how to develop. It is up to the organization as to whether providing feedback on MSC story selection to participants is appropriate for the organization's structure and relationship with the community.

Practical Tips for the MSC Process

How should stories be collected? There are several ways to identify and document significant change stories. Field workers can write down unsolicited stories heard during the course of their work. Fieldworkers can also more formally interview beneficiaries and write down their stories. This method is most effective if the interviewer reads his or her notes back to the storyteller to ensure that they have accurately captured the significant change story. Beneficiaries can also write their stories directly. Another option is to record the interview with a good quality recorder, but keep in mind that this then required each interview to later be transcribed, which can be a time intensive process.

Who should collect stories? Who collects MSC stories will depend on the nature of the project. This guide has been written assuming that project field staff will be collecting MSC stories. However, a team from outside the project, or a group of participants from the community could also be trained to collect stories. In general, it is best if the people collecting the stories speak the local language and understand the local culture so as to avoid losing detail in interpretation. The sensitivity of the issues that may come up in the stories is also a consideration; if the project deals with difficult food scarcity coping strategies, for example, the people collecting MSC stories should be known and trusted by the project participants.

How should people be selected to provide MSC stories? Not every participant has a story to tell. Some MSC practitioners find that it helps to announce to the community ahead of time that project staff will be looking for stories, emphasizing that suggestions about things to improve

are also welcome. This gives participants time to think about their stories, and allows those who have stories to share to come forward. It is also important to ask for stories from more marginalized people, such as those in isolated locations or those who are shy and not expecting to be asked.

It is the responsibility of the KDP grantee to provide whatever training is necessary to partner organizations or cooperatives in order to carry out the MSC methodology. Training is required to conduct MSC. A good place to start is by reading the MSC manual By Davies and Dart (2005) which is available in English and Spanish on the web. Organizations unfamiliar with MSC may want to hire a consultant to train upper-level staff and/or field staff. If necessary, cost for MSC training may be included in the M&E budget in grants submitted to KDP.

Reporting Timelines

Record keeping for monitoring activities must be performed on an ongoing basis. Analysis of this data to examine if the project is meeting its goals should be performed at least every six months, beginning six months after the date of the grant letter. A brief report on outputs and activities should be submitted to KDP at least at each six month interval.

In addition to semi-annual progress updates, KDP requires that projects submit a more in depth project evaluation. Evaluations should be performed on an annual basis, with an evaluation report submitted to KDP every year beginning one year after the date of the grant letter. As this will also coincide with a six-month monitoring report, results from monitoring and activities should be incorporated into the evaluation report rather than submitting separate reports.

As KDP's operates on a Calendar Year (not fiscal year), any information received from grantees before December can be considered for inclusion in the yearly Corporate Sustainability Report. M&E reports received after December will be considered for the next year's report.

Appendix 1: Required Cover Sheet (Template)

All reports must include this table with required Global Indicators and the output, outcome, and optional indicators that were approved as part of your M&E plan. Reports that do not include this table will not be reviewed until it is submitted. You may delete rows that are not applicable to your program.

ORGANIZATION AND PROJECT NAME:

SUMMARY:

IMPLEMENTATION PERIOD:

SOURCE DOCUMENT:

COMMENTS:

I. GLOBAL INDICATORS

Target	Metric	Target for Current Project	Number Reached to Date (New/Existing if applicable)	Comments
Number of people engaged	Number of total direct participants/beneficiaries in the funded program	# people	# people	Defined as:
Number of people who have advanced in target livelihood factors	Number of total direct participants/beneficiaries who meet at least one of the OUTCOME conditions (ensure that the sum reported is total unique individuals)	# people	# people	Defined as:
Number of indirect beneficiaries	Number of indirect participants or indirect beneficiaries of the funded program (with definition)	# people	# people	Defined as:
Leveraged Funding	Amount of non-Keurig funding leveraged to implement program activities (in US\$)	\$USD	\$USD	Type of funding/in-kind donations

II. FOCUS AREA INDICATORS: IMPROVING FARMING TECHNIQUES

Livelihood Factors	Type	Indicators of Achieving Advancement	Reached to Date (if applicable)	Comment
Access to agronomic assistance and/or training	OUTPUT	Number of coffee producers who have received agronomic assistance and/or training as a result of the program (M/W)	Total: Men: Women:	
Adoption of Good Agricultural Practices (GAPs)	OUTCOME	Number of coffee households who have adopted new Good Agricultural Practices promoted by the project (list of eligible GAPs defined by project/sector leaders based on local context)	# households	GAPS Promoted:
Average Yield/Ha	OPTIONAL	Percent of farmers who report at least a 20% yield improvement		
Training on income diversification	OUTPUT	Number of coffee producers that have that received training on income diversification (M/W)	Total: Men: Women:	
Adoption of diversified income sourced	OUTCOME	Number of households that have incorporated at least one new source of income	# households	New Income Types:
Average new income or savings per year (by household)	OPTIONAL	Income resulting directly from the economic activity supported by the project and additional to the individual's or household's income prior to the project	\$USD	
Access to food security and/or nutrition training	OUTPUT	Number of people who have received training on food security or nutrition as a result of the program (M/W)	Total: Men: Women:	
Improved food security	OUTCOME	Number of households who have reported a decrease in food insecurity from baseline (as measured by the Household Hunger Scale)	# households	

Percent change in little, moderate, and severe hunger	OPTIONAL	Percent of participants reporting a change in hunger levels based on baseline		
Improved nutrition and/or home food production	OUTCOME	Number of households who have reported improved dietary diversity from baseline (as measured by the Household Dietary Diversity Score)	# households	

III. FOCUS AREA INDICATORS: WATER STEWARDSHIP AND CLIMATE RESILIENCE

Livelihood Factors	Type	Indicators of Achieving Advancement	Reached to Date (if applicable)	Comment
Access to improved water services	OUTCOME	Number of households with access to improved water services for individual consumption	# households	Levels of Service:
Access to training on Water, Sanitation, and Hygiene (WASH)	OUTPUT	Number of people trained in WASH practices as a result of the program (M/W)	Total: Men: Women:	Practices promoted:
Improved household water and hygiene practices	OUTCOME	Number of households who have adopted new WASH practices as a result of the program (list of eligible practices defined by project/sector leaders based on local context)	# households	
Use of improved wet-milling technology	OPTIONAL	Number of mills that have completed upgrades in water efficiency systems; volume of coffee cherry processed by upgraded wet mills; volume of water that is saved	# mills	
Access to agronomic assistance promoting water or climate smart	OUTPUT	Number of coffee producers who have received agronomic assistance and/or training related to climate and/or water smart agriculture (M/W)	Total: Men: Women:	GAPs promoted:

techniques				
Adoption of climate or water-smart agricultural practices	OUTCOME	Number of households that have adopted new water- or climate-smart GAPs (list of eligible GAPs defined by project/sector leaders based on local context)	# households	
Improvements in water and land stewardship	OPTIONAL (BALANCE)	Number of hectares of land under new water- or climate- smart management practices; change in volume of water flow (liters of water/year), if available	# ha	
Improvements in water quality of community water source as a result of water stewardship activities	OPTIONAL (Connect)	Number of people who benefit from water stewardship or capacity building activities related to their primary drinking source		

IV. FOCUS AREA INDICATORS: STRENGTHENING FARMER ORGANIZATIONS

Livelihood Factors	Type	Indicators of Achieving Advancement	Reached to Date (if applicable)	Comment
Access to improved services offered by target organization	OUTPUT	Number of people with access to improved service(s)	# people	New Services Offered:
Use of improved services offered by target organization	OUTCOME	Number of households <u>using</u> new services offered by target organizations	# households	
Improvements in organizational diagnostic score	OUTCOME	Number of producers actively affiliated with target organization (from baseline)	# people	

V. OTHER KEY INDICATORS THE PROJECT IS TRACKING (not to exceed 3 additional metrics)

Livelihood Factors	Indicators of Achieving Advancement	Reached to Date	Comments