

Laudes ———  
—— Foundation

# InPACTO Institutional strengthening

External evaluation of the initiative

Partnership with InPACTO – National Pact for the Eradication of Slave Labour  
Institute<sup>1</sup>

**EVALUATION REPORT | FINAL VERSION**

December 2020

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<sup>1</sup> Original: *Instituto Pacto Nacional pela Erradicação do Trabalho Escravo*



# Acronyms

**ABVTEX** - *Associação Brasileira do Varejo Têxtil* (translation: Brazilian Association of Textile Sector Wholesalers)

**IVI** - *Índice de Vulnerabilidade do InPACTO* (translation: Índice de Vulnerabilidade do InPACTO)

**CSOs** - Civil Society Organisations

**ILO** - International Labour Organisation (ILO)

**ToC** - Theory of Change

## Identification resources

In order to standardise, make reading the text easier and avoid the use of lengthy terminology, the following abbreviations are used:

**InPACTO** - *Instituto Pacto Nacional pela Erradicação do Trabalho Escravo* (translation: National Pact for the Eradication of Slave Labour Institute)

**Instituto Ethos** - *Instituto Ethos de Empresas e Responsabilidade Social* (translation: Ethos Institute of Companies and Social Responsibility)

**Pacto** - *Pacto Nacional pela Erradicação do Trabalho Escravo* (translation: National Pact for the Eradication of Slave Labour)



# Executive summary

The **InPACTO** organisation was created in 2014 for the purposes of “Promoting the prevention and eradication of slave labour in national and international corporate productive chains”. A four-year partnership was started with the Laudes Foundation in 2017 at an investment of R\$ 1,956,419.00 with the objective of achieving institutional strengthening.

The initiative was considered **relevant** for both organisations, both due to attending to InPACTO’s objective needs – as it was in the initial stages of development and needed to coordinate its institutional capacity –, and because of the relevance of the forced and child labour agenda present in the Laudes Foundation programme at the time. The convergence of these alignment guaranteed the high relevance of the partnership.

Despite not counting upon a structured, formal conceptual framework to guide **core support** investments in civil society organisations, the initiative entered into with InPACTO included essential elements to offer a kind of support that is orderly and structured upon institutional development, and whose approach stands out due to: offering a kind of support that is unlinked to specific rubrics, that is to say, it is an unhinged resource, featuring prolonged support times, demanding progressive leverage of financial resources, counting upon non-financial support aimed at developing organisational capacity and featuring a close communication between the Laudes Foundation and InPACTO, all of which enhanced lessons learnt.

Nevertheless, in order to gain efficiency in the approval process, the core support initiative includes an element focused on the fashion industry that does not have a direct relationship with institutional strengthening. By introducing this element, efficiency was removed from the focus on achieving the central results, given that attention was deflected towards activities of a different nature. Additionally, actions were proposed that did not take into consideration InPACTO’s most urgent organisational needs or its capacity for delivery.

The initiative’s **monitoring dynamic** was characterised by the intense communication held between the Laudes Foundation and InPACTO, which represented a significant support for InPACTO management vis-à-vis the different challenges encountered over the course of the period. That being said, it also proved positive given the context of constant changes in both organisations’ teams, which implied frequent realignments with regard to the implementation of the core support. The initiative’s monitoring allowed for better responding to InPACTO’s needs for support, in addition to contributing towards the promotion of knowledge among the organisations. However, this intense monitoring dynamic represented an unsustainable effort in relationships with partnerships of this kind, as it is unfeasible to do the same in all the partnerships and organisations supported by Laudes Foundation.

The constitution of a **team** that was aligned and equipped with the right skills so as to allow InPACTO to perform its social action with quality was an objective pursued throughout the cycle of the initiative, but one that was met with certain challenges, such as the high turnover, which left constant gaps of positions, an overworked team and a lack of spaces for development and learning. Within this context, to date, InPACTO has thus far been unable to decentralise roles and responsibilities. Nonetheless, during the last year of the initiative, there was an initial movement to constitute a more appropriate, integrated team.

The **governance** arrangement adopted when InPACTO was created was not befitting of its size, organisational format and proposal for actions. As a consequence, this configuration proved incapable of potentializing the organisation's social intervention (which was more sluggish on account of the different issues brought about by this model) or supporting the development of its leaders. While the capacity for coordination, relationship and technical knowledge by executive leaders in the field of combatting slave labour was acknowledged, it suffered from limitations due to the established power dynamics. Sensitive issues related to gender and race seem to have permeated relationships and decisions alike, but these were not paid the attention they deserved in the initiative.

The intention of InPACTO's social intervention, including the changes sought and the choices made to achieve these, are not clearly expressed in the plans and guidelines presented. These devices, whose objective is to express the organisation's **strategic alignment**, were developed within the scope of the initiative, but weren't necessarily incorporated or institutionalised by the team.

Within the framework of this partnership, InPACTO's **financial sustainability** was related to its capacity for enlisting more associated members, who pay a membership fee, as well as new supporters – both institutional and for specific projects. Advances in expanding the membership base were not significant enough and failed to produce gains that influenced the organisation's financial capacity. It is worth mentioning that InPACTO members acknowledge the organisation's worth and value the association established. InPACTO was able to showcase its ability for leveraging resources from other partners, although these were not specifically aimed at core support, but rather at projects linked to the institution's purpose. In this respect, the ability for mobilising international rather than national resources is worth highlighting. With limited time reserved for this task in the management team's schedule, difficulties linked to mobilising funds are also a consequence of restrictions in time dedicated to this task. The absence of a concept and a clear calculation aimed at inserting the overhead in the projects' budgets is another variable present in InPACTO that limited fundraising for institutional use. The development of the InPACTO Vulnerability Index (IVI) was seen as a highly relevant innovation with much potential in service provision for mobilising untied resources.

Overall, the influence exerted by InPACTO in **strengthening the field of combatting slave labour** is seen positively. While marked by tensions and conflicts of interest between different organisations, InPACTO has become an important actor in the field, and is acknowledged both due to its technical know-how and its capacity for liaising with these different sectors. In this sense, the organisation is considered a reference in the country and is even starting to achieve some degree of international recognition.

This capacity, coupled with the acknowledgement achieved in its role as a coordinator between different sectors, is an indicator of InPACTO's capacity for identifying and mediating between different interests, including by being present in a number of spaces for representation and advocacy. InPACTO enjoys much credibility in the productive sector, especially on account of its capacity for engaging companies. InPACTO's capacity stems from its ability to deal with the key issue for the sector - modern slavery - in a technically rigorous manner and by means of pragmatic proposals that are able to resolve value chain challenges, a relevant issue for companies looking to strengthen their compliance, protect human rights and safeguard their reputations. A delicate issue for the sector, this accumulation of expertise stems from its relationship with the theme, and mainly from being capable of presenting proposals for actions that will make it easier for companies to resolve problems identified in the chains, all whilst adding value to the company or chain.

In terms of the **influence exerted in production chains**, InPACTO was able to cause a significant impact in the coffee production chain, with which it worked over the course of the entire period of partnership with the Laudes Foundation, but with support from other investment partners. The work carried out with the carnaúba<sup>1</sup> chain did not advance over the course of the period, but it was maintained by the organisation despite the absence of financial supporters, an aspect the evaluation considers to be positive. With regard to the fashion industry, the actions of workgroups and debates on the subject, installed on the Laudes Foundation's request, disputed a space that already existed with the Brazilian Association of Textile retailers – ABVTEX, and little progress was made. The above mentioned IVI, which was developed over the course of the period, presents itself as a potential tool to contribute towards distinct productive chains and as an opportunity to improve the slave labour monitoring system, along with the commitments entered into by means of the Pacto Nacional pela Erradicação do Trabalho Escravo<sup>2</sup>, another technology improved throughout the initiative and proving relevant for incidence in the different productive sectors.

It is also necessary to observe the **influence of the country's political and social context of the last few years** where slave labour and InPACTO's actions are concerned. It is a period marked by unfavourable transformations and serious setbacks in federal policies aimed at combating slave labour. The period is also characterised by the advance of right-wing agendas that influenced the power of the public institutions responsible for supervising the presence of slave labour in the country, which in turn made it difficult for this evaluation to report any advances in this agenda. This meant that InPACTO's capacity for promoting more expressive advances in the agenda and in terms of advocacy were affected; the time has come to try to maintain what rights had already been secured, so actions were solidly aimed towards acting in conjunction with the productive sector, where a great deal of advances were reported.

The main conclusions of the evaluation are as follows: (i) investing in core support must be made exclusively in core support, without any additional guidelines, (ii) the core support model is robust and scalable, (iii) partnerships must be entered into that display a balance between organisational needs and delivery capabilities, (iv) becoming dependent upon external consultancies that only go as far as planning, but do not support implementation must be avoided, and (v) all the capabilities of management (political, technical, institutional management) must be carefully observed, and the race and gender agenda needs to be considered carefully at all times.

From among the **recommendations for the Laudes Foundation**, The following are worth highlighting: (1) special attention must be paid to core support designs with the direct involvement from partner organisation management, (2) for medium-term core support projects, intermediate (internal) evaluations must be structured to analyse the progress of the initiative mid-way through its life cycle to be able to rework agreements and strategies, (3) a serious, in-depth study of the challenges women- and black people-led organisations face in their development processes should be carried out, (4) an exit strategy from the core support initiative should be considered for InPACTO. **The recommendations for InPACTO are as follows:** (1) the organisational model that best suits its logic and capacity must be reconsidered, (2) a careful process of team strengthening should be entered into, (3) resource mobilisation with international sources should be started, a business model for IVI designed and the pricing strategy of the association and the benefits offered reviewed, especially the monitoring of the commitments of the Pact, and (4) the communication strategy with members must be reviewed.

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<sup>1</sup> Carnaúba, or *Copernicia prunifera* is a type of palm used for wickerwork.

<sup>2</sup> Translation: *National Pact for the Eradication of Slave Labour*.



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# Presentation

This report presents the results of the external evaluation of the “*InPACTO Institutional Strengthening*” initiative, developed by means of the partnership between the Laudes Foundation and InPACTO – Instituto Pacto Nacional pela Erradicação do Trabalho Escravo<sup>1</sup>. As per the proposal presented in the Inception Report validated in October of this year, the evaluation brought to light evidence for the analysis of 7 macro questions related to the initiative’s design, implementation, results and impact. Additionally, it sought to understand the influence of factors that either contributed toward or limited the scope of the results, as well as to systematise lessons learnt to then be able to generate recommendations. The layout of this evaluation, including its methodological pathway may be found in Annex 1.

Stemming from a presentation of the initiative – consolidated into a Theory of Systemic Change that represents it –, the document will delve deeper into this study’s findings. The analyses and thoughts arrived at are structured from categories connected to the macro evaluation questions, which have been systematically detailed in footnotes present in each of the sections and subsections throughout the document. The final considerations highlight the main messages and lessons learnt from this evaluation, together with recommendations aimed at the parties involved in this process.

We hope that this material proves thought-provoking.

## Evaluation team

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<sup>1</sup> Translation: *National Pact for the Eradication of Slave Labour Institute.*





# 1. About the initiative

The InPACTO organisation was constituted from the experience of a movement that has been mobilising different sectors in the promotion of decent work since 2005. This led to the creation of Pacto, the Pacto Nacional pela Erradicação do Trabalho Escravo<sup>2</sup> – with more than 400 signatories, all committed to refrain from negotiating with suppliers that exploited slave labour. The transition from the Pacto movement to its institutionalisation as InPACTO in 2014 was coordinated by the International Labour Organisation (ILO), the Instituto Ethos de Empresas e Responsabilidade Social<sup>3</sup>, the Instituto Observatório Social<sup>4</sup> and the NGO Repórter Brasil, with collaboration from the companies Cargill, Carrefour, C&A, Eletrobrás Eletronorte, Grupo André Maggi and Walmart Brazil. InPACTO's vision is that of achieving a “Brazil free of slave labour”, and its mission “Promoting the prevention and eradication of slave labour in national and international corporate productive chains”, stemming from 5 strategic pillars: (i) to monitor the fulfilment of the commitments assumed by InPACTO members with regard to the Pacto, (ii) to raise awareness and mobilise companies for the prevention and eradication of slave labour in their business activities and productive value chains, (iii) to furnish companies, civil society organisations and governments alike with instruments for eradicating the production and commercialisation of goods and services that make use of slave labour, whether directly or indirectly, (iv) to support the social and productive (re)integration of former slave labourers, and (v) to coordinate with different groups and social actors to develop collective actions and influence public policies.

Within the scope of its current ‘Rights and Employment Programme’<sup>5</sup>, the Laudes Foundation<sup>6</sup> gathers a diverse set of strategies and partners and concentrates efforts to transform the situation of forced labour in the fashion industry (among other agendas). It is within this context that the ‘InPACTO Institutional strengthening initiative’<sup>7</sup> started being developed in 2016, to coincide with the foundation’s début in the field. At the time, a Preparation/Learning Grant<sup>8</sup> was directed at creating the basic conditions for developing a better proposal for support<sup>9</sup> that was more structured. This is how the core support project that guides this initiative was constituted, by focussing on expanding the InPACTO team’s capacity and member base, strengthening its actions in combating slave labour and innovating and consolidating the methodologies and services offered. The duration of the initiative contemplated a 4-year period (April 2017 to March 2021) and the amount investment was R\$ 1,956,419.00, whose aim was that of structuring InPACTO as an autonomous organisation.

<sup>2</sup> Translation: *National Pact for the Eradication of Slave Labour*.

<sup>3</sup> Translation: *Ethos Institute of Companies and Social Responsibility*.

<sup>4</sup> Translation: *Social Observatory Institute*.

<sup>5</sup> Original: *Programa Direitos e Trabalho*. In its current form, the Laudes Foundation’s Rights and Employment Programme is constituted from the amalgamation of the former Programme to combat forced and child labour, and the Employment Conditions Programme.

<sup>6</sup> It is worth highlighting that the initiative studied in this evaluation process was constituted within the framework of the C&A Institute; however, in line with the transitional situation the organisation is undergoing, this document uses the current denomination of ‘Laudes Foundation’.

<sup>7</sup> Original: *Fortalecimento institucional do InPACTO*.

<sup>8</sup> An initial contribution of R\$ 560,000.00 for a period of 6 months (October 2016 to March 2017).

<sup>9</sup> Among other things, the Learning Grant foresaw the development of a detailed expansion plan for the core team, including an organisation chart, a description of positions and responsibilities and a recruitment plan.







## 1.1. The Initiative's Theory of Change

The theory of change (ToC) represents a valuable resource for understanding the theory behind a social impact initiative by logically mapping and coordinating the premises that guide the intervention, the issues it sets out to deal with, the strategies used, the target populations, the different levels of results and the impact by means of which it intends to contribute.

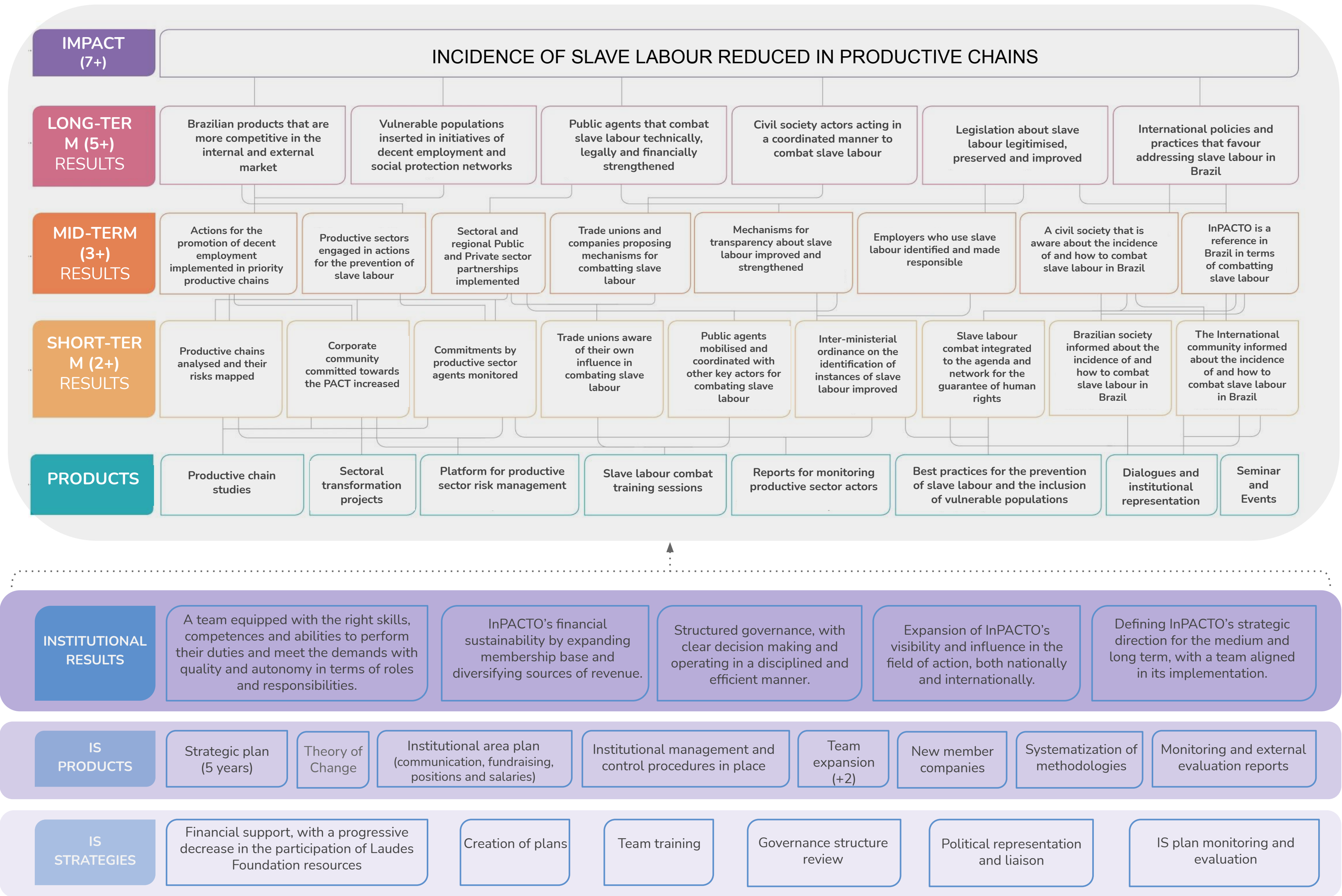
In the case of this initiative, in 2017, InPACTO had already come up with a ToC that expressed the intention of its programmatic action at that time, however, it did not include the dimension of institutional strengthening, which is the object of this initiative (and, consequently, the evaluand.). Over the course of the evaluation process, a workshop was held with the InPACTO team to exchange and validate the ToC of the initiative proposed by Move, which connected the dimensions of the existing ToC with a layer of institutional results. The evaluation team also proposed two other dimensions (products and strategies) related to the institutional strengthening process. The final ToC proposal of the initiative was presented and approved in the Inception Report. From it, the Matrix that guides this evaluation was created.

The image of the ToC proposed as follows is divided into two major fields – highlighted in grey (top), the dimensions of products, results (short, medium and long term) and impact express the deliveries and changes intended by InPACTO in the scope of its programmatic performance (as declared in the ToC created in 2017). The fields at the lower section (highlighted in shades of purple) include the dimensions of strategies, products and results related to InPACTO's institutional field, declared as intentions in the core support proposal. The main idea expressed here is that the set of changes related to the institutional strengthening of the organisation create the right conditions to favour the achievement of InPACTO's social intervention objectives.



The Initiative's Theory of Change

InPACTO Institutional Strengthening (IS)





## 2. Highlights of the evaluation

Below are the results of the evaluation, guided by the questions present in the Evaluation Matrix and highlighting the key statements, which seek to synthesize the evaluative criteria applied to each section. The Laudes Foundation's evaluation rubrics were also considered, 12 of which were<sup>10</sup> selected by this evaluation, in addition to the mini rubric related to the initiative's context. Despite the fact that more than one item may be linked to more than one section, the values assigned are presented in the sections to which the rubrics are most directly related, together with their respective justification.

### 2.1. Relevance of the initiative<sup>11</sup>

#### Evaluation statements

**A1.** The relevance of core support was aligned with the Laudes Foundation's programmatic agenda and InPACTO's need to expand its capabilities, as well as with the opportunity for collaborating towards the advancement of human rights in Brazil.

**A2.** The design of the initiative was exceedingly dependent upon support from third parties, whether from the Laudes Foundation or from specialised consultants hired for this purpose, an aspect that is perceived as contradictory to the strengthening of organisations.

**A3.** Moving away from its original scope, to facilitate the Laudes Foundation's internal approval process, the proposal incorporated actions focused on the fashion industry, which proved inadequate, as they ended up dispersing the main objective of the initiative and generating a potential for inefficiencies.

#### Evaluation rubrics

**Rubric A1.** Correct design to deal with important issues/needs, to strengthen organisations and networks alike and to influence the sector's policies, legislation and narratives<sup>12</sup>: **Partly conducive**<sup>13</sup>

**Rubric A2.** Alignment with the Laudes Foundation's strategies and strong suits: **Conductive**<sup>14</sup>

<sup>10</sup> Selection made from the analysis of the Laudes Foundation's set of rubrics, the evaluation questions and the initiative's ToC. Annex 6 details the applicable procedures and provides a complete description of each scale of rubrics, identifying the justification for the attribution for the one selected in the evaluation of this initiative.

<sup>11</sup> This section deals directly with evaluative macro question A of the Evaluation Matrix: (A) *To what extent was the initiative's design relevant and adequate for achieving InPACTO's institutional strengthening and improving its actions?* The dimension being dealt with here is Alignment.

<sup>12</sup> This rubric was also linked to the analyses presented in the following section, on the core support model (2.2).

<sup>13</sup> **Justification:** Core support being implicitly linked to the design brings about positive characteristics, such as a certain flexibility in the use of resources, the duration of the initiative (medium term), and even the regressive participation logic of the Laudes Foundation's support to the InPACTO annual budgets. Having supported products and plans by way of a strategy for organisational development is seen as a limitation in the design, as is the fact that it does not deal with the issue of governance (which constituted an important organisational challenge at the time).

<sup>14</sup> **Justification:** The design stems from the intensive work carried out and the dialogues held with partnering organisations, including having made a consultancy available to this end, as well as the existence of a preliminary support of the initiative centred around its preparation (Learning Grant). The alignment with the mission and priorities of the Laudes Foundation is a reflection of the directions at that given time, when there was no consolidated 'pro-core support' strategy yet.





The relevance behind the Laudes Foundation's support of InPACTO, an organisation focused on reducing slave labour in value chains, was built concurrently with the foundation's production of a new programmatic action focused on "forced and child labour". The agenda centred around this subject was still in its initial stages at the time, and both the alignment of the organisations and the relevance of the support were still emerging. At the same time, InPACTO's core support represented an opportunity to support 'field building', that is to say, to strengthen the ecosystem of actors that operate within the fashion industry by demanding that they be better aligned with the premise of "making fashion a force for good".

"This scenario, coupled with InPACTO's significant institutional fragility, makes InPACTO's core support a priority for the 'Forced and Child Labour' in Brazil programme". (Instituto C&A, Due Diligence, 2016, p. 2)

"As an organisation, InPACTO was unique within the Brazilian slave labour ecosystem, and supporting InPACTO was essential if we wanted to make some kind of impact in the fashion industry where slave labour is concerned". (Laudes Foundation Team)

"The policy was to strengthen what already existed, and not to create [a new organisation] from scratch, which would be much more challenging. It was to strengthen this actor, who collaborates and relates with other different actors in the field, so that it might cause an influence in the field. That is when the strategic alignment was built, it didn't exist previously, we built it". (InPACTO consultancy)

This context presented certain risks for the viability of the initiative, and with views to strengthening the alignment and expanding the chances of making the grant viable, the insertion of an action that directly linked InPACTO's actions in the fashion industry was suggested, which generated a focus of work that differs from that of the core support, carried out as a specific result related to the fashion value chain: the solidification of a Textile Working Group.<sup>15</sup>

"Additionally, the strategy includes organising and systematising information about the textile sector, in addition to proposing solutions to face challenges collectively and creating sectoral projects or programmes aimed at generating improvements". (Core Support Proposal, 2017, p. 5)

The insertion of such an action escaped the scope of a core support project, and since it recognised that direct actions with the fashion industry could strengthen the alignment between the agendas of both organisations and favour making support feasible, it was used with the specific intention of gaining effectiveness in the Laudes Foundation's internal approval process. By seeking to provide efficiency for internal approval, carrying out an activity that escapes the scope initiative produces the opposite effect in terms of its efficiency given that it diverts part of its attention to an issue other than institutional strengthening. Thus, the strategy for producing efficiency for the approval actually generated inefficiency in terms of achieving key ambitions.

Considering the current Laudes Foundation positioning to act "with partners throughout the fashion market to address poor employment conditions, in addition to child and forced labour"<sup>16</sup>, the alignment and strategy of the initiative is maintained, which supports the relevance of the investment, even with the adjustments in the programmatic agenda recently conducted by the foundation.

<sup>15</sup> The efficiency of this front is analysed in section 2.6, oriented towards influencing productive chains.

<sup>16</sup> Laudes Foundation website. 'Who we are' section. Accessed on 07 December 2020.





From InPACTO's perspective, the relevance and suitability of the initiative relates to its connection with the priority institutional challenges of that moment. From a more immediate perspective, the main challenge – and the one this initiative seeks to respond to –, is the very existence of InPACTO as an organisation, in terms maintaining its basic structure and creating the right conditions for achieving financial sustainability. This perspective is corroborated by partners, who also consider core support as the mechanism to leverage the organisation's strength and help it achieve a role of greater political and technical importance in tackling slave labour in value chains.

"[The] birth of InPACTO is intertwined with that of the initiative as a whole, budget included, InPACTO's dream of coming into being. The goal for one of them, the goal for the other". (InPACTO Team)

"[The] Laudes Project was essential to maintain management and operation, without which they would not have been able to support themselves. It wasn't just the members that achieved sustainability. [The organisation] gained momentum". (InPACTO Partner)

"It shifts responsibility for the collective action Pacto to civil society organisations, looking out for the long-term survival of the initiative". (InPACTO Partner)

While the initiative's relevance is clear, its design faced challenges. Firstly, the proposal was drafted in collaboration with the Laudes Foundation itself, which had a person from its team dedicated to advancing this design. An external consultant was then assigned to the task, indicating that the authorship was not attributable to InPACTO management strictly speaking. This support brings a contextualisation of InPACTO's limited capacity at the time, given its limited knowledge and experience in relation to the themes and strategies for strengthening an organisation, in addition to restrictions related to the elaboration of this proposal – which disputed schedule time with significant advocacy actions that were taking place in Brasilia. Thus, this production depended upon third parties, which recognises the premise of delegating (albeit partially) to others the responsibility for drawing up a high-level strategy set to determine the future of the organisation, which in itself may be understood as a contradiction of a process whose proposal is to being that of institutional development. To this end, it is assumed that in order for it to be empowered and sustainable, strengthening must stem from forces internal to the organisation.

"At the time, there was talk in Brasilia about [definition] with working conditions akin to those of slavery, and the advocacy actions carried out were key. All of this taking place at the same time, and we still had to spend time on the design of the core support (a bit like having the egg and chicken at the same time, we had no arms, legs or even the neck to deal with all of it)". (InPACTO Team)

Preparing it presented a number of difficulties, and it is worth mentioning that while what guided the proposal was listening carefully to InPACTO's needs, no formal diagnostic was carried out, which may explain the lack of objective proposals to deal with the progress of the organisation's management in aspects that presented a challenge, especially with regard to governance.





## 2.2. Core support model for InPACTO<sup>17</sup>

### Evaluation statements

**A4.** While without a conceptual reference instituted by the Laudes Foundation, the core support model for InPACTO was accurate to keep paying attention to key organisational capacity building premises, such as medium-term duration of the partnership, financial support for a significant part of the budget, untied use resources, requirement to leverage third-party funding, non-material support, budgetary down scaling, among others.

**A5.** The concentration of product deliveries, especially plans drawn up with the support of external consultants, proved to be scarcely effective in building capacities because it disregarded the feasibility of implementing proposals designed by external experts.

The core support approach used with InPACTO was created without a conceptual framework within the Laudes Foundation at the time. The process has been ongoing since then and has now achieved clearer global guidelines linked to the ONE (Organisational and Network Effectiveness) strategy. While accruing knowledge from institutional development programmes implemented in Brazil<sup>18</sup> and in an environment where initiatives with similar intentions were being conceived<sup>19</sup>, the support evaluated here was based on the organisation's needs as observed over the course of a learning grant cycle, and whose guiding principle was the definition of a broad set of deliverables – mainly plans – that had the potential for underpinning the organisation's development if properly implemented<sup>20</sup>. The documentary analysis and the interviews allow us to identify the fundamentals of the pioneering core support model adopted with InPACTO, which are as follows:

- A. Originating from a 6-month 'learning grant'<sup>21</sup> and guided by the perception of InPACTO's institutional challenges, but without delving deeper into concrete institutional diagnoses.
- B. Focusing on creating and consolidating the organisational structure, as well as adapting the infrastructure and hiring collaborators.
- C. The organisational structure would create the conditions for InPACTO to exercise its advocacy and service provision in value chains with increased dedication and quality.
- D. The organisational structure would also create the right conditions for developing and innovating products and services, and in the case of InPACTO, this aspect is focused on the monitoring system for the Pacto's commitments and the quality of the value chain studies, having also advanced in the creation and fine tuning of the Vulnerability Index.

<sup>17</sup> This section deals directly with evaluative macro question A of the Evaluation Matrix: *To what extent is core support capable of supporting InPACTO in the achievement of the desired results?* The dimension being dealt with here is Core support model.

<sup>18</sup> Networks and Alliances Program and Institutional Development Program (PDI). Original: *Programa Redes e Alianças e Programa Desenvolvimento Institucional (PDI)*.

<sup>19</sup> Brazilian Association of Fundraisers – ABCR, Project Axé; original: *Projeto Axé*, Educational Action; original: *Ação Educativa*, for instance

<sup>20</sup> Present in the Proposal's Logical Matrix, as per the Donation Contract (InPacto\_Contrato\_Doacao.pdf).

<sup>21</sup> The proposal of this preparatory support was to establish the basic foundations for people management, to enable the hiring of the basic team, to prepare the 2017 institutional plan and to start to develop communication and resource mobilisation plans so they could be implemented in the multi-year core support proposal (Core Support Proposal, 2017, p. 5).



- E. Medium-term support, covering a 4 – 4.5-year period, taking the learning grant into consideration.
- F. Support of a significant amount of the overall budget for the 4-year period of the grant constituting 30% of the institutional budget planned for the period.
- G. Budget without specific rubrics allocated, therefore constituting a resource that is absolutely untied.
- H. Disbursement of annual instalment defined within the context of the down scaling, with a 25% reduction in the amount contributed each year, considering years 1, 2 and 3 (the disbursed amount for year 4 being similar to that of year 3).
- I. Requirement that InPACTO leverage resources from additional sources, also focused on core support, and with a 20% average annual growth of these values, a commitment established by contract and that contemplated that future disbursements would be performance-influenced, which, in the event of failure to meet the target, could lead to the suspension of funding.
- J. An increase of the values derived from the membership fee by 10% each year with reference to the estimated value for year 1, this resource being partially untied in nature, since it should support the operation of monitoring the commitments of the Pacto.
- K. Non-financial support, with emphasis on Training for Institutional Development<sup>22</sup> and the financial management support provided by the Laudes Foundation. Actions carried out in conjunction with the organisation's Board are not taken into consideration in the non-financial support category or even in the core support variable of this evaluation.
- L. Structuring its logical framework in the delivery of objective specific outputs, prioritising organisational pillar plans (institutional, ToC, communication and resource mobilisation, team roles and responsibilities), an aspect that generated considerable demand for external consulting services.
- M. High intensity of communication between InPACTO and the Laudes Foundation by means of informal mechanisms (not monitoring) based on demands from the partner organisation's management.
- N. While the project was oriented towards core support, specific actions with the textile sector were demanded from the partner organisation (strengthening of the textile working group).
- O. Although this had not been planned for, we were able to observe that the core support itself created legitimacy for the organisation receiving it, as it was perceived as an expression of trust by the Laudes Foundation.
- P. While on the one hand, the organisation was led by a black woman, among the main shortcomings of the model adopted, we would like to highlight a disregard for the race and gender agenda, the absence of exit strategies, the lack of a debate about overhead as an instrument for attracting additional projects and opting out of addressing the organisation's governance.

The lessons learnt from this experience are covered throughout the chapters of this evaluation. Only those topics that do not fit into the focus of the next sections are highlighted here. Initially, evidence from stakeholders of different natures pointed at the fact that the initiative tended to concentrate the institutional development orientation in an extremely structured approach, guided by plans (products), which meant prioritising a management style guided by the materiality of the deliveries. While this

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<sup>22</sup> External consultancy carried out by Domingos Armani.





aspect is relevant in terms of controlling progress, it disregards InPACTO's capacity for implementing the plans, a key aspect for strengthening the organisation.

"At the time, the internal committee was formed only by people from the company, who had a corporate logic and a need to see objective products, deliveries". (Laudes Foundation Team)

"Many plans, a lot of time spent with consultants making plans and often facing time constraints to implement them. That would constitute a difference, not having as many plans as deliveries. I tried to make everything that was built/revised as flexible as possible. Reshuffling resources. Extremely constant dialogue. (Laudes Foundation Team)

"We had legal planning processes in place by consultants who helped implement very cool things, like the ToC, but then they would leave, and it would all amount to nothing, there wasn't any talk of 'what are we going to do with this?'. It was something that had to be done, because it was contemplated in the project, so we were forced to develop it, which meant we would go and do it, but its implementation was limited. [...] It was practically just about filling in a piece of paper, which is a shame, we could not make the most of it, because we had planned for many cool things, there wasn't any need to invent anything because it was all very clear, but not much of it was made the most of". (Former InPACTO collaborator).

As for the non-financial support provided, showcased by the Formative Journey<sup>23</sup> and the monitoring of InPACTO's financial management by a Laudes Foundation professional, an element that stands out is the origin for the demand for this support and its implications. The Formative Journey's proposal is that of overcoming organisational gaps, which implies being open and available in order to face these challenges. In this sense, a process such as this becomes more powerful if the interest and demand for this movement comes from the organisation itself – which was not the case for this initiative, since the Laudes Foundation itself included InPACTO in a group of organisations receiving support. As for the financial mentoring, it was a demand by InPACTO itself that stemmed from the identification of a need by the organisation. This customised monitoring even added perspective for the Laudes Foundation in terms of the need to strengthen the partners' financial analyses before launching a core support partnership, an aspect which is already being developed internally.

"I don't think InPACTO should have been selected [for the Formative Journey] because there was no adherence to it. There wasn't a team mobilised to that end". (InPACTO consultancy)<sup>24</sup>

"Nowadays, a minimal amount of financial analysis forms part of any grant project. The model is not yet very clear, they are in the process of structuring an operational standard, but it will be aimed at removing the risk from the operational and financial aspects". (Laudes Foundation Team).

Furthermore, the normative perspective of suspending funding should core support leverage values not be made feasible was only a formal requirement stipulated by contract, and did not guide any of the Laudes Foundation's actions, since such resources were not mobilised according to the established goal, and this did not change the flow of the partnership and disbursements in any way, constituting something of a contractual formality, but one that was ignored in the development of the initiative and rendered irrelevant in the mediation of the relationship.

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<sup>23</sup> Original: *Percorso formativo*

<sup>24</sup> InPACTO's participation was decided by the Laudes Foundation based on criteria defined together with the external consultant.







## 2.3. Partnership relationship and monitoring<sup>25</sup>

### Evaluation statements

**A6.** The dynamic of the relationship established between both partner organisations was positive, as it represented a necessary support for InPACTO management and the possibility of identifying and addressing other actions not **foreseen** in the initiative. This relationship was marked by a great deal of proximity and frequent communication, beyond even what had been predicted in the initiative monitoring dynamics.

### Evaluation rubrics

**Rubric A3.** Good implementation: Inclusive, capacitating, empowering – an approach that improves skills<sup>26</sup>: **Unconductive**<sup>27</sup>

**Rubric A4.** Adequate monitoring to arrive at solid, adaptative management: **Conductive**<sup>28</sup>

In spite of the high turnover in both the teams, this intense relationship of exchanges with InPACTO from the start of the initiative marked the relationship and communication between both organisations throughout the implementation period. This dynamic is seen in a very positive way by the actresses/actors involved in the process, since it has allowed for a better understanding of the challenges experienced by InPACTO and the ways of supporting the organisation. In addition, it also served as a form of support and liaison with the Executive Director, which at times found itself alone in facing all the demands and actions developed.

“[The closeness] was positive because I was able to access the challenges more quickly, which meant I could help the organisation”. (Laudes Foundation Team)

“The greatest risk of this grant is InPACTO’s potential lack of capacity for implementing the institutional strengthening plan. It is almost like the egg and chicken situation, whereby without institutional support, it is not possible to expand the capacity to act, and vice versa. For the first few years, we will have to work closely with InPACTO so we may guarantee the monitoring of the results planned from the core support logical framework”. (Instituto C&A, Due Diligence, 2016, p. 5)

<sup>25</sup> This section deals directly with evaluative macro question B of the Evaluation Matrix: *How did the initiative make use of strategies to include, empower and strengthen the groups and individuals that comprise InPACTO’s institutional environment?* The dimensions dealt with are Communication and relationship between partners and Monitoring.

<sup>26</sup> The initiative’s implementation theme, which is present in this rubric, was dealt with transversally throughout the report. Its location in this section is explained exclusively due to being more in line with the dimension at hand, however, the evidences that justify the attribution are dealt with in other sections.

<sup>27</sup> **Justification:** There were sensitive factors that caused an impact on the implementation: on the one hand, internal InPACTO tensions and conflicts (management and governance), and on the other, frequent team turnover both in InPACTO and the Laudes Foundation. Because of this, the implementation was less efficient than expected, with more efficient results having been seen in the previous year.

<sup>28</sup> **Justification:** The monitoring remained close and transparent throughout the cycle, in such a way that the challenges identified could be resolved over the course of the implementation. The monitoring system proposed was partially sufficient – despite the fact that the reports did not fulfil their role, the initiative as a whole demanded more dedication by the Laudes Foundation in terms of monitoring (verified by the intense relationships and communication established between the organisations) in order to guarantee all the data and information, as well as the necessary support demanded by InPACTO.





Something that also characterised the communication and relationship dynamics between the organisations over the course of the implementation were the changes in both teams, which turned out to be a challenging aspect for the continuity of the established flow of relationships and the monitoring itself, given that it implied the need for constant realignments and coordination, including about the understanding about the products to be delivered, which in turn generated some tension, having to do work twice and generally having both parties waste time.

“The fact that both organisations are in the process of change also affected. There were changes in the Laudes team also. As soon as we started to understand what was happening, we would introduce the changes – we needed to coordinate. For the core support, the fact that there are people who understand, those who don’t, what the product is, what it isn’t, constituted the logical framework, so in the end you were left wondering whether it was or not. So this would generate a certain degree of friction”. (InPACTO Team)

“That always constituted an Achilles’ heel – the high turnover. Having a more stable team would have helped achieve the results”. (Laudes Foundation Team)

As proposed, the monitoring involved periodic meetings and reports, and as the Due Diligence document itself points out, it focused on the goals and products foreseen in the core support. Every six months, the monitoring reports would increasingly display a trend towards monitoring the deliveries, with an infrastructure that was well defined and directed towards producing progress indicators for the goals and products stemming from the logical framework. Furthermore, it contemplated financial and accountability reports.

As for the monitoring by means of planned meetings, this became a more frequent practice – whenever requested by InPACTO – all in line with the dynamic of achieving greater proximity between the organisations, which demanded a great deal of dedication by the Laudes Foundation; it was this monitoring dynamic that made it possible to go beyond verifying the progress of meeting goals and establishing a broader (and necessary) support for InPACTO. This was made possible through direct exchanges between both organisations and by addressing actions beyond the scope of the initiative (such as consultancies carried out to support accountability, construction of the new Institutional Development statute) all in aid of seeking to meet challenges in which the organisation and its leadership had not yet been able to advance.

“Starting with monitoring, the Laudes Foundation offered other types of support and assistance to InPACTO”. (Laudes Foundation Team)

At the same time, despite there being less evidence, this experience of a close relationship between the organisations contributed towards generating important lessons to be learnt from the Laudes Foundation about certain aspects of support and monitoring carried out by the initiatives financed – especially certain solutions that helped in the development of the monitoring and of InPACTO itself, as well as the identification of elements that could be improved upon in the support model itself.

“[The proximity established] was cool, because by having the teams communicate, we didn’t have to create a giant, time-consuming mega process for partners, instead, we focused on building something that Laudes management understood, and we started developing solutions”. (Laudes Foundation Team)





## 2.4. Strengthening of InPACTO's institutional capacity<sup>29</sup>

### Evaluation rubric

**Rubric D1.** Organisational and network efficiency: Organisations and networks with the right skills and capacity to produce relevant results: **Partly conducive**<sup>30</sup>

InPACTO's updated Theory of Change indicates that organisational capabilities such as governance, strategic direction, team and sustainability all create the right conditions for the organisation to deliver its commitments in terms of transforming value chains. This section addresses the extent to which these capabilities have been strengthened in InPACTO since it entered into the partnership with the Laudes Foundation.

### 2.4.1. Team

### Evaluation statements

**A7.** The strengthening of the InPACTO team was a sensitive issue permeated by gaps in people management capabilities throughout the entire cycle of the initiative, where the following must be highlighted: challenges of high turnover, an incomplete and overloaded team and an absence of development and learning spaces. That being said, during the last year of the initiative, there was an initial movement to constitute a more appropriate, integrated team.

**A8.** The search for the decentralisation of roles and responsibilities previously converging on the Executive Director was met with the challenge of having to consolidate the team, as well as the contradiction regarding moves aimed at expanding the powers attributed to her that marked the period.

The expansion of the InPACTO team's capacity in order to enhance its performance in the field was one of the objectives highlighted in the core support proposal, which faced the challenge of a small, overworked team (two people at the time) that was unable to meet with the demands and produce results. In addition to expanding quantitatively, the strategies for this included hiring professionals that were adequately qualified and with the right profiles, decentralising roles and responsibilities, professionalising actions and systematising institutional knowledge.<sup>31</sup>

<sup>29</sup> This section deals directly with evaluative macro question C of the Evaluation Matrix: To what extent has the initiative been able to strengthen InPACTO's institutional capacity? The dimension being dealt with here is Institutional strengthening. This dimension is made up of four sub-dimensions, which will be addressed in different subsections, namely team, governance, financial sustainability, and strategic direction.

<sup>30</sup> **Justification:** The institutional challenges related to governance and management were present over the course of the majority of the initiative and produced negative effects with regard to what had been expected.

<sup>31</sup> Source: Support proposal (Core Support Proposal\_InPacto\_VF ENG 20 04 17).





As for the composition of the team, the goal of expanding to two new positions was achieved and surpassed<sup>32</sup>. That having been said, the senior position for someone responsible for the organisation's financial management area remains a gap to be filled – which leads to the absence of a strategic direction for this area, currently marked by weak financial planning and management (as further elaborated in section 2.4.4).<sup>33</sup>

Throughout the support cycle, the issue of strengthening the InPACTO team was a sensitive one marked by a number of challenges. A first highlight was the high turnover of the team; according to internal data made available by the organisation, at least 9 people have left since InPACTO was founded. With the exception of the Executive Director, who has been with the organisation since the very beginning, the team is currently made up of 5 people, and the average time they remain in the organisation is 1 year<sup>34</sup>.

The factors that have made it hard to consolidate a more stable team are construed in different ways by the people consulted. Firstly, there was the lack of planning when it came to defining their roles, that is to say, a clear and much needed organisation of positions and their structure and the right profiles to occupy them. As a consequence, in addition to technical criteria, hiring was marked by more diffuse criteria and individual motivations by leadership. The different conversations held brought to light that to work at InPACTO, one needs to really want to and personally identify with the job; also highlighted were traits such as resilience and emotional maturity, especially when taking into consideration the challenges and tensions that permeate the field:

“You have to fit the profile, you need to have the stomach to work here. One needs to hold it together, to not let your anger show; you need to be very mature to work here. It's not an easy place to work”. (InPACTO Team)

As a consequence of the high turnover, vacancies would often remain unfilled for long period of time, which in turn led to a pattern of overworking the existing team, who had to take on a number of roles in addition to their own, and oftentimes without the necessary knowledge to perform them.

As for team management, these challenges were an indication of the absence of structured practices and spaces aimed at the team's individual development, including feedback, acknowledgement or training<sup>35</sup>.

The Executive Director recognises her personal shortcomings with regard to team management, especially on account of her limited experience and lack of availability to devote herself to this topic:

“It's hard to occupy this leadership spot, I was not prepared for the position . [...] I am aware that I am very capable when it comes to teaching, showing people how to do things. But I lack the patience... [...] When the person is arrogant and holds their ground when we are doing everything we can, and things just do not

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<sup>32</sup> Currently, the team is composed of 5 people, namely an Executive Director, a Project Coordinator, a Mobilisation and Relationship Coordinator, an Executive Assistant and a Communication Intern. There is also a permanently employed consultant dedicated to information management and production.

<sup>33</sup> The position has been vacant since August 2020, when Mônica Correa Alves was let go. Since then, the responsibility for this area has been divided between three people from the team, with support from an external consultant.

<sup>34</sup> Two collaborators (Denis and Milena) have been working at InPACTO for a year, one (Milene) for less than a year and the other (Daniele) for about 2-3 years.

<sup>35</sup> When they were carried out, movements to expand and exchange knowledge were on account of individual initiatives or specific actions. According to the latest annual report, only 32 technical hours were logged throughout 2019 to “strengthening the team, training in the financial administrative area, language courses, among other training sessions”.





progress, it's as though they can't be bothered, and that I cannot deal with. That's when I just think it is a waste of my time [...]. And also, I am a very pragmatic person, pick yourself up and start walking. That's when I can no longer interact. And I don't know how I deal with it, I am unable to nurture a relationship that no longer exists, that clearly will not progress in this place. [...] I'd love to have someone calmer on the team to talk to when people are coming apart. [...] I don't have the experience to see when people are starting to get weird. It's not so much that I don't have experience, I observe, but I don't know what to do". (InPACTO Team)

These people management challenges intensified over the course of a specific phase of this journey (2018), in which the Executive Director was physically absent from the organisation for long periods due to a series of international trips in representation of InPACTO. This absence had negative effects on organisational dynamics, with the team lacking guidance in the performance of their professional duties. At that time, the atmosphere of conflict and tension had become more and more accentuated, with relationships increasingly marked by distrust and dissatisfaction, which culminated with the departure of 3 people.

The objective of decentralising the roles and responsibilities of the then Executive Coordinator (currently Director) whilst strengthening the team was declared as a relevant aspect of InPACTO's institutional development from the very beginning. The Laudes Foundation made this intention known in the initial documents establishing the partnership:

"Once expanded, the executive coordination will be able to delegate functions to the team currently under its responsibility and, with this, we hope it will be able to devote itself increasingly to more strategic and political issues in the struggle against slave labour in Brazil". (Instituto C&A, Due Diligence, 2016)

This excess of work in the leadership's functions has been consensually acknowledged to constitute a bottleneck for the organisation. This point is also especially accentuated in the diagnosis carried out in the Institutional Development Path among the key issues identified. Although this issue is considered a priority, the challenge of consolidating a stable and qualified team, together with a resistant stance by management when questioned hindered the implementation of changes needed in this respect.

The contradiction that comes to light in terms of the centralisation of the leadership is that if on the one hand, the Director expressed being extremely tired (recommending the hiring of more people for the team as a way out), on the other, a search for increasing her powers and responsibilities has permeated InPACTO's trajectory over the course of the analysed period (as detailed more in depth in the next section – 2.4.2).

Although patterns and challenges related to strengthening the team have been identified as points of continuity throughout this cycle, there has been a recent (in the last year) movement that is still in its initial stages to build a more appropriate, integrated, satisfied team that is committed with the organisation's mission.

"InPACTO has been able to accumulate. Nowadays, we have quite an interesting, small, competent team that is in charge of many things". (InPACTO consultancy)

The current team itself highlights that it has been developing relationships of mutual support, interdependence and complementarity between the different positions, which is also a reflection of the review of processes that made some of the issues transversal. An important milestone for this was a





recent (mid 2020) sick leave taken by the Executive Director due to health issues, which boosted team ownership of responsibilities and a joint search for solutions.

“This year, everyone circulated in all areas, which represented a huge innovation – my being absent on sick leave meant that everyone had to rotate. This turned out to be an extremely fruitful experience for the team, as not a single piece of InPACTO remained as a little box belonging to someone, which helped them take charge and understand. It was a highly productive experience”. (InPACTO Team)

This has also implied the emergence (though still in the early stages) of other InPACTO representations, in addition to leadership, indicating a positive change for future construction.

“There is an action planned to incorporate more leaders, to avoid having everything centralised on Mércia. Having other people participate is healthy. Obviously, nobody is like Mércia, no one has that fire she has within her”. (InPACTO Partner)

“Previously, InPACTO was all about Mércia. InPACTO meetings were held by Mércia. InPACTO problems were solved by Mércia. That has changed now. There are other team references. [...] I feel that this process of transition, of developing new capacities, is underway”. (InPACTO Partner)

## 2.4.2. Governance

### Evaluation statements

**A9.** InPACTO’s leadership has acknowledged capacity for acting in the field of combating slave labour, especially on account of the liaison and relationship skills and the technical knowledge accumulated.

**A10.** InPACTO adopted a governance model inspired by the institutional model of the organisation that incubated it, which proved inadequate for its reality in terms of size and proposal for action. This arrangement was not able to support the development of leadership and enhance its capabilities.

**A11.** The presence of the Laudes Foundation in the InPACTO Board brought about challenges related to the communication, independence and autonomy dynamics between the parties, in addition to the position on the Board being smaller than expected.

**A12.** There has been a recent movement aimed at structuring InPACTO management, with emerging advances being noticed in different areas. The revision of the statute has contributed towards this, although as it is an ongoing process, the results generated have thus far proved impossible to assess.

### Evaluation rubrics

**Rubric D2.** Gender justice and social inclusion: Diversity, equality and inclusion<sup>36</sup>: **Unconductive**<sup>37</sup>

Governance is a central dimension for any organisation. The power relationships and decision-making

<sup>36</sup> While this rubric has been considered across all the evaluation questions, the results of the evaluation have brought elements of greater prominence to the issue of governance (especially with regard to the executive leadership). Therefore, rubric D2 is presented in this section.

<sup>37</sup> **Justification:** The initiative did not intentional take into consideration issues such as gender (and race) in any of its strategies or expected results, despite the issue being present both internally (considering the profile of the leader), and externally (considering the theme and the characteristics of the victims of slave labour).







between the internal and external bodies that comprise the institutions influence their actions, relevance and strategic direction. While the challenges related to this field were already perceived from the design of the partnership and reinforced by a series of episodes that occurred over the course of its implementation, the strategies for confronting them, when they existed, followed a logic of “emergency”. This meant they only alerted to serious problems, or even occasional changes in the institutional apparatus, but failed to draw any conclusions about their meaning or present a strategic view of consolidation of this area.

Currently, InPACTO’s governance is composed of the following instances: (i) the General Assembly, (ii) the Governing Board, (iii) the Executive Board, and (iv) the Fiscal Council. However, this was not the organisation’s initial layout, which was as follows: (i) the General Assembly, (ii) a Consultative Council and Audit Committee, (iii) the Board (Presidency and Vice-Presidency), and (iv) the Executive Secretariat. This initial institutional arrangement mirrored the model used by the Instituto Ethos – an organisation with a consolidated structure and a long trajectory – which performed the role of “incubating” InPACTO in its initial years, which in turn influenced the institutional formats and dynamics that were installed. As will be discussed more in depth, over the course of the entire core support cycle, the relationships between the Board, the Presidency and Vice Presidency and the executive body (previously Coordination, and currently Directorship, but always the same person) were challenging, but key to understand InPACTO’s institutional strengthening process, and especially its limitations.

Considering that the institute was born from a collective action involving Civil Society Organisations (CSOs) and companies<sup>38</sup>, InPACTO’s founding framework was also relevant. This aspect generated reflexes in its governance dynamics, because the interests and disputes around the issue, represented by different sectors, were now present and being manifested “in-house”. This may be observed by the presence of CSOs, trade unions and companies in the composition of the Board and that of the Presidency and Vice-Presidency, always seeking alternate representation between companies and civil society organisations<sup>39</sup>. If, on the one hand, this configuration is democratic on account of liaising different social sectors, this governance configuration demanded a slower pace in terms of decision-making and advances.

“By placing governance in corporate hands, the speed at which changes occurred was reduced, and there were even some steps backwards. And we are talking about slave labour, which is an issue of the utmost urgency... Companies are able to make changes in the short term if they want to, as was seen at the beginning of the Pacto (2003 to 2005), which is not the case for the InPACTO of today. The perception of losing something if nothing is done was lost. Not that they do it on purpose, that the companies act in bad faith, what I’m trying to say is that a certain amount of pressure needs to be applied. This is my view of what happened in the first few years”. (InPACTO Partner)

“Every organisation comprising multiple stakeholders is bound by arriving at agreements about technical issues, which ends up delaying the process”. (InPACTO Board Member)

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<sup>38</sup> A criação do Instituto é uma iniciativa conjunta entre Organização Internacional do Trabalho (OIT), o Instituto Ethos de Empresas e Responsabilidade Social, o Instituto Observatório Social e a ONG Repórter Brasil, com a colaboração das empresas Cargill, Carrefour, C&A, Eletrobrás Eletronorte, Grupo André Maggi e Walmart Brasil.

<sup>39</sup> The original management team comprised a representative of civil society in the Presidency (Caio Magri, Instituto Ethos) and a corporate representative in the Vice-Presidency (Tatiana Trevisan, Walmart), whereas this was reversed in the second management team, with Tulio Dias Brito (AgroPalma – company) in the Presidency, and Tatiana Mischon (Instituto Ethos) in the Vice-Presidency.





“The interests of [company name] always clashed. That was the role. He was a [company name] representative at InPACTO. In the same way as [company name] and many others were representing corporate interests”. (Former InPACTO collaborator).

“[InPACTO] presented as an institute formed by companies, a business pact. But no, it was never a pact. It was the NGO Ethos that prepared the Pacto’s term, the [Social] Observatory, which is an NGO linked to the trade union movement, the ILO and Repórter Brasil. It is presented as though it were a pact between companies. However, the NGOs have the same power of voice as the companies represented in the Board”. (Former InPACTO collaborator).

The existence of the Presidency and Vice-Presidency positions has revealed that this structure is not consistent with InPACTO’s size and proposal. This hierarchical arrangement generated overlaps and lack of clarity of roles in the management of the organisation, with different issues being construed in different ways by the parties. As a consequence, there have been conflicting relationships, power disputes, tensions, control issues and a search for autonomy.

“Management could not be remunerated. It was management itself, Presidency and Vice-Presidency. So [...] would delegate all day-to-day issues to the executive directorship, but the role was more executive than that of a Presidency of the Board, becoming involved with regard to management, InPACTO’s day-to-day activities (documents, signatures, authorisation of payments, etc.). [...] She carried out this management monitoring, which was very similar to the way in which the organisation was being managed, seen as this was a role that had been delegated to her. When the team started coming to me with day-to-day issues [about internal tensions]. That was when we started creating a monitoring mechanism, we would organise it into goals about the role we expected for each of the issues – time management, institutional representation... everything. I was in charge of this monitoring, and we started to do this periodically, we would sit down with her and keep ticking things off. (Former InPACTO collaborator).

The role exercised by the Board orbited between *governing*, marked by the guidance and monitoring of the higher strategy, and *managing*, characterised by actions of an executive nature associated with the operation and creating conditions to ensure commitments and deliveries, which escapes the formal role that this body should occupy in organisations. Also, the demand for performing a role that was closer to institutional routine was established by the Executive Directorship by means of periodic meetings and consultations about any issues that would arise at that given time, which was accentuated in the first couple of years of the initiative, a moment in which the higher need called for building capacities and institutional structures.

The Board’s decision of carrying out a routine monitoring of InPACTO intensified around 2018 when faced with any signs of institutional challenges, turnover from professionals in the team and the Executive Directorship’s increased dedication towards international liaisons, which kept her away from day-to-day organisational issues. The intervention was marked by interviews with people who had left the organisation, as part of a demand for a plan of action that aimed to reorganise the institutional management and question whether trips abroad should be a priority. In general, there are different interpretations of the role played by the Board, which also varied according to the organisational development phases InPACTO was going through. At times, it was thought that the Board received demands that surpassed its role, which implied leaving the strategic view and entering into an excessively tactical-operational realm, and then other times, it was assumed that it should exert a passive and reactive posture, without positioning itself according to its institutional place. In fact, both dynamics coexisted throughout the initiative, which proved a challenge for the Board when it came to exercising its







role of addressing strategic issues pertaining to the organisation: undoubtedly, the issue of institutional management is one of them, and while there have been actions centred around this issue carried out by the Board, they were restricted to a supervisory or administrative approach, but neglected to propose solutions, ways to effectively deal with such challenges. In this way, the lack of clarity about the Board's role has revealed itself to accentuate the impasses in the management and governance of InPACTO.

Another variable that requires observation in the Board's dynamics concerns the presence of the funding organisation as part of this supported organisational body<sup>40</sup>. Within an institutional environment marked by tensions and disputes, this presence brought about more challenges than it did benefits. Firstly, there was the matter of the flow of communication and relationship, which became a sensitive issue within this arrangement, given that it might not be appropriate for the Board to access a piece of information or issue to be dealt with in conjunction with the funding partner, and vice-versa, and in this situation, making this distinction became unfeasible. We were also able to observe that this situation could interfere with the autonomy of the consultancies made available by the Laudes Foundation, given that some had a direct relationship with the Board (which included its contractor) over the course of the work carried out. Finally, and perhaps also most importantly, this experience showed that the very actions carried out by the representative of the Laudes Foundation as a counsellor were limited, given the intricacies involved in the relationship. As financing entity, the Laudes Foundation opted for occupying its place on the Board carefully, avoiding protagonism given the issue of overlapping powers; however, in practice, this positioning ended up justifying and leading to the absence of positioning or actions at key institutional moments for InPACTO.

Based on a traditional model, which was the one chosen by InPACTO, the connection between the Board and institutional management is carried out by the Executive Directorship. Given its ability for coordination, liaison and incidence in the different forums for combating slave labour, in the case of InPACTO, this representation gains acknowledgement as being of prominent political influence. Its technical competence to propose high level solutions, prominent social capital and legitimacy in the private sector and in the international field are worthy of mention.

"[The leader] is passionate about her job, she is enthusiastic. She sets conversations alight with her approach, the way in which she expresses things. She doesn't just concentrate on the emotional aspect – it is a grounded opinion backed by facts and data, robust arguments... and some emotion thrown in for good measure. (InPACTO Partner)

"Mércia brought visibility to the institute. Nowadays, the Institute is known internationally". (Former InPACTO collaborator).

While the talent and political capacity of the Executive Board consolidate its contribution to the organisation, this leaves little room for skills in the institutional management dimension, a field that was admitted of less interest to the leadership, and that therefore received less attention than the organisation required. At the same time, the movements to bring about progress in this area were characterised, on the one hand, by constant requests for support and aid to find solutions to objective issues InPACTO had to deal with, and on the other, by a lack of interest or openness to training processes for management development or similar issues. To a large extent, the leadership profile exercised

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<sup>40</sup> The director of the Laudes Foundation in Brazil has been a member of the InPACTO Council for about 6 years.





contributed with internal challenges related to the strengthening of the team and restrictions in advances made in terms of communication or fundraising, whose efficiency is delved into more in detail in other sections within this report.

However, in addition to the profile and style of leadership, the management structure characterised by the Presidential and Vice-Presidential bodies, statutorily removed autonomy from the executive body, reducing its possibilities of advancing towards institutional strengthening. In this sense, a relevant result was the revision of the bylaws (2019) which, among other things, changed the governance structure, expanding the power of the Executive Directorship<sup>41</sup>. The following stood out within the context of the reform that took place: (i) the dissolution of the Presidency and Vice-Presidency, (ii) the Council's character going from advisory to deliberative, (iii) increased financial autonomy being given to the Executive Board, since its attributions now include "To represent InPACTO before financial institutions, being able to proceed with any and all banking operations", as well as "To manage the current account, investments and investments in financial institutions"<sup>42</sup> (Art. 18, paragraph 3). The new statutory design allows for a greater organisational efficiency and is suitable for InPACTO's format and size.

Thus, the present moment reveals itself as an important turning point. While there are still challenges ahead, important structuring and "in-house organisational" movements have been observed, including an increased clarity about the role and degree of autonomy of the Executive Directorship, improvements in financial management, team integration and an improved definition of internal processes.

"Over the course of this last year and a half, everything has progressed a great deal, from people to resources, more organised Board meetings and a more cohesive team that is able to navigate any issues better. [The leader] took on more, brought more to the table. It's still not ideal, it is still a work in progress... I think she understands her position, her role better, she assumes the networks more, but there is still room for improvement". (InPACTO Board Member)

"Over the course of the last phase, I was able to observe that the team learnt a lot; we took on the challenge of looking at the financial area and trying to understand that it is interrelated with all the others, that it manages the entire institution, not just in terms of the money, but administratively speaking. In the last Fiscal Council, we were highly praised on account of having presented audit reports that clearly showed maturity and knowledge in terms of managing the institution. [...] and the project is directly related, because it formed part and still forms part of this growth, this maturity". (InPACTO Team)

The role played by the Executive Directorship and the results of its action deserve to be analysed in terms of diversity and equality. The leader of InPACTO is a black woman working in an environment of overwhelmingly white male presence. Given that this agenda was still in the process of maturing in the Laudes Foundation itself and that arriving at a consistent solution was no easy task, the gender and race issues as institutional development variables were not considered in this initiative. In any case, this evaluation captured evidence that cultural aspects of our society, more specifically sexism and structural racism, may have permeated relationships and decisions alike, for instance, the impasse surround InPACTO's new bylaws, approved only once an external consultant (a white male) had issued a ruling

<sup>41</sup> In its article 18, among the roles assigned to the Executive Board are: "To direct InPACTO activities and to perform administrative management, to manage the team, to contract by means of public notices and to dismiss personnel"; institutional representation; "To present and manage proposals for the team's structural organisation and to manage the policies governing positions and salaries, always aiming at institutional sustainability".

<sup>42</sup> Limited to transactions of up to 50 minimum wages; above this amount, a signature from the board is required.





(despite the need for a revision of the old by-laws having been proposed insistently by the Executive Director beforehand). While the subject is delicate and its interpretation challenging, this phenomenon is worthy of mention, as we may need to look into it from a more specialised viewpoint to fully understand it.

“Mércia is one of a select few black leaders in organisations such as this in the world, which is important”.  
(InPACTO Partner)

The issue of professional competence is worthy of mention; the literature<sup>43</sup> highlights an aspect that superimposes and hides culturally widespread prejudiced and/or racist views; it is not uncommon to observe a trend whereby black people in power, or of a higher hierarchical stature or leadership are more questioned in terms of their competence or capacity as professionals. According to Bento (2002), questioning this competence also reveals the presence of values that are against the vision and the judgements arrived at:

“Competence is placed above discrimination. However, human resources professionals, as well as any of us, are informed by stereotypes, which are capable of interfering with the work to be carried out. [...] Competence, the main criterion cited, does not always refer to technical competence, and it may be crossed by a series of values that we have and that can generate a relative judgement”.<sup>44</sup>

Furthermore, with regard to these frequently raised questions about capacities and competences, black leaders (especially women) need to dedicate more time and effort to being acknowledged, which is not required of white people in similar positions<sup>45</sup>. These reflections bring to light a new set of issues that are not dealt with in depth over the course of this evaluation, but that are worthy of attention by the Laudes Foundation and InPACTO, and that relate to the potential influence of these race and gender stereotypes exerted over the role, expectations and performance of the Executive Directorship. The hypothesis arrived at here is that the demands expected of the Directorship would blend with the legitimate demand for an adequate organisational performance that included a discriminative questioning of its competence, an aspect that did not manifest itself consciously between the individuals that comprised this dynamic.

### 2.4.3. Strategic direction

#### Evaluation statements

**A13.** The plans and documents developed, which received a great deal of attention over the course of the initiative, fulfilled their role of guiding InPACTO at the tactical-operational level, however, this role was limited to expressing an intention for social intervention, given that the expanse of the strategies and focuses proposed failed to make InPACTO's intention of addressing slave labour clear.

<sup>43</sup> As seen in: BENTO, Maria Aparecida da Silva. Pactos narcísicos no racismo: branquitude e poder nas organizações empresariais e no poder público. 2002. Tese (Doutorado em Psicologia Escolar e do Desenvolvimento Humano) - Instituto de Psicologia, Universidade de São Paulo, São Paulo, 2002.

<sup>44</sup> Idem, p. 122 e 123.

<sup>45</sup> SILVA, Petronilha Beatriz Gonçalves e. “Chegou a hora de darmos a luz a nós mesmas: situando-nos enquanto mulheres e negras”.

Cad. CEDES, Campinas, v. 19, n. 45, p. 7-23, Julho de 1998. Available at <[http://www.scielo.br/scielo.php?script=sci\\_arttext&pid=S0101-32621998000200002&lng=en&nrm=iso](http://www.scielo.br/scielo.php?script=sci_arttext&pid=S0101-32621998000200002&lng=en&nrm=iso)>. Accessed on 19/12/2020. <https://doi.org/10.1590/S0101-32621998000200002>



**A14.** The plans and guidelines were drawn up in line with the commitments made in core support, however, these were not necessarily institutionalised by InPACTO. While some plans were more present in the day-to-day activities of the organisation, documents of a more strategic nature were restricted to leadership and scarcely incorporated by the team.

Considering that a fundamental institutional strengthening pillar in any organisation is the existence of a clear and aligned strategic direction that is capable of guiding internal decisions and its programmatic performance, the evaluation proposed a focus of analysis on this theme.

As discussed, the core support initiative made a great effort to develop plans and documents that expressed InPACTO's strategic guidelines, and we were able to perceive that it was object of resource allocation and attention throughout the support cycle.

The development of InPACTO's Theory of Change (ToC) in the first year of the support cycle (2017) represented the main milestone in this regard. The image created delivers a robust vision that connects the fields of strategies and products and short, medium- and long-term results (over the course of 2, 3 and 5 years respectively), and finally, impact (devised for 7 years). In addition, the ToC highlights assumptions that guide these directions and the way they connect with the Sustainable Development Goals. The contents are comprised of relationships that showcase the complexity and intentionality of the actions. The construction process and the final production of this tool was considered an important step in the positioning and definition of the contours of InPACTO's performance:

"[...] they were able to delve deeper into the discussions and arrive at a position of how it would act, how it would position itself, what could be done and what could not". (InPACTO Board Member)

"To think about what we, as InPACTO, expected from the future and to reaffirm the concept of slave labour we want to support/defend was a very intense process". (InPACTO Board Member)

With hindsight, during the workshop held with the current InPACTO team about the ToC, it became clear that this tool was "rather unrealistic", and that it has been created from "the perspective of feeling, rather than a technical reference base", a "highly ambitious, passionate endeavour that lacked knowledge of the field". This is especially so in the sense that many of the proposals it brings did not consider any limits in terms of the feasibility and governance of InPACTO. However, other elements are acknowledged as being present in the organisation's performance. Also worth mentioning is the fact that the intense change in the Brazilian political scenario, with serious consequences for the field of human rights and the slave labour combating agenda, somewhat changed operational behaviour, limiting certain aims and opening up to the possibility and need for focusing on other issues and strategies.

Whilst still in the first year of the partnership, a Five-Year Institutional Plan (2018-2022) was prepared. This plan prioritises institutional results (i.e.: the expansion of the membership base, the implementation of new processes, the review of procedures, the creation and implementation of policies and flows and the improvement of systems) while highlighting those oriented to make InPACTO a reference, an intention that permeates throughout all five years and that presents proposals for social results that are apparently



over dimensioned, such as the eradication of slave labour in the coffee or carnaúba<sup>46</sup> value chains. It should be noted that not even the highest ambition of the organisation's ToC mentions eradication. Since there is a clear distinction between what is proposed and the governance required to achieve such result, in this sense, these proposals sound more rhetorical and distant from objective results that might actually be achieved. Moreover, even in the case of the ToC, which is more focused on directing the organisation's programmatic intervention, a wide range of proposed strategies are featured, which makes it hard to identify InPACTO's actual strategy for addressing slave labour, what its contribution to this agenda is meant to be.

Regarding the alignment between the team and the role of these plans and guidelines in organisational life, it is worth mentioning that many of the products were elaborated according to the commitments assumed in the core support. In the case of the ToC, for instance, before the initiative, the tool was unknown and was carried out as a proposal for a partnership, and its potential could probably have been better explored. The same happened with a number of products that were related to deliveries expected in terms of support from the Laudes Foundation, due to which they received attention from the InPACTO team and management. However, many of them were prepared and duly delivered, but without necessarily having been the result of reflection and team involvement, or in other cases, without yet having been approved by the Board, and therefore they were institutionalised. Certain guidelines (such as those foreseen in the five-year plan) were more present than others in the day-to-day of the organisation, and more widely used by the leadership and team, while documents of a more strategic nature (such as the ToC), despite their relationship with other plans, were more restricted to leadership and scarcely incorporated by the team. This reveals that the actions incorporated in the initiative's design (especially in terms of the efforts made to create the plans and their logical framework), in addition to the Laudes Foundation's monitoring logic, negatively influenced the organisation's institutional strengthening process, given that the focus was turned to the production of deliverables that were not necessarily useful for InPACTO itself.

#### 2.4.4. Financial sustainability

##### Evaluation statements

**A15.** InPACTO clearly provides added value to its members, however, the organisation was unable to capture new members and meet with the commitments entered into over the course of the partnership established with the Laudes Foundation.

**A16.** The organisation succeeded in terms of international fundraising, all focused on value chains rather than core support. However, the Laudes Foundation remains a significant contributor to InPACTO's budget, and the organisation's prospect of financial sustainability in the short term is fragile.

##### Evaluation rubric

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<sup>46</sup> Carnaubá, or *Copernicia prunifera* is a type of palm used for wickerwork.





**Rubric A4. Financial sustainability: **Partly conducive**<sup>47</sup>**

**Rubric A5. Good communication for fostering internal and external collective learning<sup>48</sup>: **Partly conducive**<sup>49</sup>**

The expansion of the membership base was a strategy to leverage InPACTO's political and financial sustainability. The four categories of membership are as follows: (a) associated companies that contribute to InPACTO institutionally and by means of the annual subscription fee, (b) associated companies that contribute with the annual subscription fee according to their turnover<sup>50</sup>, (c) CSOs and trade unions that are exempt from the association fee and (d) individuals, who are also exempt from all fees. Arriving at the actual number of InPACTO members was no easy task, given the differences in the contributions received. The numbers oscillated between 54 and 57 members, among which the different forms of association are represented<sup>51</sup>. This minor event points at the fact that the management of information on the associates is not yet fully consolidated.

The target for the membership base expansion was 120 new member companies over the course of the 4-year period<sup>52</sup>, which meant a growth of about 300%, but this growth was not achieved. The following three factors were identified as influencing this result: (a) A certain difficulty is acknowledged in terms of reproducing the enthusiasm and engagement that existed at the time InPACTO was being institutionalised, a time when a great deal of companies that had adhered to the Pacto acknowledged institutionalisation as the strategy to be followed, (b) engaging companies with scarce case references and results produced on the issue is very challenging, and (c) the role played by the leadership, who was able to dedicate a restricted part of their time to this purpose.

“Attracting companies to become members of an initiative that does not show a path or a journey that has already been showcased by others is very challenging. They just don't throw themselves into something as immaterial, ephemeral or ethereal. We need to be able to show that we have something that might produce results”. (InPACTO Team)

The current amount of institutional support to be invested by members is R\$ 30,000 (thirty thousand Brazilian reais). At the beginning of the project, this value included the membership fee, but for accounting reasons, the rubrics were broken down. Over the course of 2017-2020, the membership fee represented an average of 15% of the organisation's revenue<sup>53</sup>. Throughout the period evaluated, a number of companies entered and left; the state-owned companies Eletrobrás and Petrobrás, for instance,

<sup>47</sup> **Justification:** By the end of the partnership's cycle, financial sustainability still represents a challenge, and removing the core support resource may represent a risk to the continuity of the organisation's key actions.

The strategies centred around leveraging and/or co-financing have not yet proved effective.

<sup>48</sup> This rubric is dealt with in different sections of the report, nevertheless, on account of its greater prominence at the end of this section, it is located here.

<sup>49</sup> **Justification:** External InPACTO communications brought about a number of limitations over the course of the initiative, and while one-off actions were carried out, their effect were limited to the closest partners. That having been said, InPACTO communicates reasonably well with participating organisations and networks.

<sup>50</sup> The membership fee varies according to the company's billing and is exempt for the lower echelons.

<sup>51</sup> InPACTO\_Contatos\_Move.xls e Planilha Análise financeira InPACTO 2017 2021vf.xls spreadsheet.

<sup>52</sup> Source: Project Logical Framework (LogFrame\_InPACTO Eng\_Final).

<sup>53</sup> A significant variation took place in 2019, when the amount raised via this device was R\$ 270,000 (21% of the total), a fact explained by a supporter having contributed three years in advance.





withdrew to coincide with the change of government administration. There were 11<sup>54</sup> institutional supporters in 2017, and the Logical Framework informed the goal of achieving *"05 new institutional partnerships by year 4"*. The 2019 Annual Report reported some 13 institutional supporters<sup>55</sup>. Strictly speaking, an analysis focused on the aforementioned would reveal that InPACTO reached the goal, since it currently has 5 more supporters. However, by interpreting the new supports as added to the existing ones, the most logical conclusion to arrive at is that the organisation did not achieve its goal.

By adding membership fees and institutional support, an average of 32% of the budget generated by these two rubrics (Annex 7) is arrived at. In an isolated analysis, considering the capacity currently installed in InPACTO, about one third of the budget is covered by membership contributions, that is to say, not linked to projects and of untied use, which is significant and points to an element of consistency in the current situation. However, this analysis does not take into consideration the costs that the association demands from InPACTO, especially in terms of the monitoring process, and therefore, the effective financial contribution towards the organisation is yet to be established.

As far as the relationship with the members is concerned, InPACTO announces 8 association attributes in its website (Appendix 8). Among the 17 organisations that responded to the survey, 10 (59%) stated that "InPACTO adds a great deal of value to the organisation" while 7 (41%) said that it "adds some value". While the data requires being analysed with care due to the reduced sample size<sup>56</sup>, it points at an organisation that has fulfilled a relevant role for a portion of its members. The survey's open answers revealed that the ongoing improvement of the practices, and consequently, the diminishment of risks for the companies is one of the core values InPACTO is able to provide (as mentioned by 7 respondents), which is clearly linked to the monitoring actions carried out by the organisation. It is worth noting, however, that "monitoring" was not directly mentioned by any of the members, which raises the question of the extent to which InPACTO intends to provide this service (the main one in the associative relationship) as something recognised in itself and with its own visibility, or whether the current perception – aimed at recognising advances in action plans and risk reduction – expresses the extent of the current ambition.

Other recognised values were credibility (n=3), strengthening commitments, engagement and awareness throughout the value chain (n=3), dialogue with the productive sector (n=3). Among the aspects that could be improved upon, individualised actions and debates are suggested, whether from a sectoral perspective or even from the perspective of the individual monitoring of companies. Representatives of the food and oil and gas industries have expressed themselves by means of the sectoral analysis. Case studies, increased advocacy and political influence and expectations for the Vulnerability Index are also mentioned. Regarding the membership perspective, all of them stated that they intended to remain in InPACTO for the next two years.

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<sup>54</sup> Institutional supporters: AMAGGI, Cargill, Carrefour, Instituto C&A, Eletronorte, ILO, Pernambucanas, Petrobras, Santista, Suzano, Walmart. Fonte: Core Support Proposal\_InPacto\_VF ENG 20 04 17.

<sup>55</sup> AMMAGI, Casas Pernambucanas, Cargill Agrícola, Carrefour, Grupo BIG, Riachuelo, Vale and Franco Advogados (the latter provided support by lending their services as opposed to financial support), the ILO, the Laudes Foundation, the Instituto Ethos, Repórter Brasil and the Instituto Observatório Social.

<sup>56</sup> In view of the sub-optimal response rate, the theory defending that associates who know less about InPACTO, or who see less value in the work carried out, have chosen not to join the study, brings a positive bias to the data, and therefore cannot be ruled out.



As for the relationship with the members, two aspects are worthy of attention. The first concerns a potential tension, mentioned by some founding members or counsellors. It concerns the posture of combating slave labour and “pressuring companies to find solutions within their value chains”, all while attempting to establish an association and receive an annual contribution from such companies. Another points at the need for being clearer about what constitutes association expenses, an aspect that was expressed by a member and corroborated by a Board representative.

“The model is not clear to members (value proposition). Sometimes something appears as a service when that isn’t really what it is”. (Member of the Council)

“I think InPACTO’s financial engineering needs to improve. The association’s products and expenses are unclear; to commission a specific consultancy, a separate payment is required, etc., the institution itself and its members would greatly benefit from a review”. (Survey of the Members)

Leverage refers to the financial resources raised throughout the initiative’s implementation process. The initiative’s leverage goal was guided by a decrease in the Laudes Foundation’s participation in the total budget of the organisation over the years, from 45-50% in year 1 to 20-25% in year 4<sup>57</sup>. The participation of other supporters via projects in the composition of the InPACTO budget was of around 25% in 2018 and 2019, delivering the projected goal for years 2 and 3 of the partnership. In 2020, while the values had not yet been closed at the time of the evaluation, this participation rose to 34%.

The resources secured from other partners are for projects focused on value chains and are not of an institutional support nature. The set of initiatives linked to the coffee value chain are worthy of mention, as they represent a significant portion of the budget, and whose investment has been present throughout practically every year of the partnership between InPACTO and Laudes Foundation, with a number of international supporters (Catholic Relief Services Verité, British Council). The carnaúba value chain required efforts from the organisation’s leadership, but has as yet not been converted into financial resources, even though R\$ 160,000.00 have been projected for 2021. Likewise, there is an expectation of a significant investments in an agenda dedicated to the cocoa value chain (R\$ 526,396.00). However, while there are expectations of progress by December 2020, none of these contributions are guaranteed. Therefore, the current scenario is one of a certain degree of fragility in InPACTO’s financial sustainability with a focus on 2021.

Fundraising from other sources encountered limitations in the dedication to this agenda and in the perception by the organisation’s leadership of the adequacy of the resource mobilisation plan produced by the external consultant (in 2018)<sup>58</sup>. The 2019 annual report states that “64 *technical hours were dedicated to resource mobilisation*”. While there is no target or baseline number of hours set to be dedicated to the issue, 8 days have been deemed to be insufficient. The diagnostic report produced by an external consultant in the Formative Trail (2018) cycle<sup>59</sup> identified fundraising as one of the institutional challenges.

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<sup>57</sup> The logical framework stipulates: Fundraising target for year 1: 45-50% IC&A, 50-55% other sources; Fundraising target for year 2: 35-40% IC&A, 60-65% other sources; Fundraising target for year 3: 20-25% IC&A, 70-75% other sources; Fundraising target for year 4: 20-25% IC&A, 75-80% other sources.

<sup>58</sup> The mobilisation plan was designed for three stages. Among the material related for the evaluation, only the product of Stage 1 was presented, which is a diagnostic study.

<sup>59</sup> InPACTO. Technical Opinion about Institutional Development.







Financial data indicate that fundraising from international sources was successful, and contributions from companies are either from the association or from the provision of services, specifically a project developed for JBS. For the purposes of this evaluation, the challenge of fundraising was not linked to the adherence to the topic by companies or the proximity to the business sector (this being an important part of their DNA), but to the business model (which focused more on projects than on the sale of services) and strategy (centred around international investors and less on national donors).

Given that specific core support projects are rare in the field of social development, the overhead device (or administrative costs) could enable a set of resources that, while limited, would be leveraged from sector-focused projects. However, InPACTO does not have a solution for project overhead and does not apply this rubric in its proposal budgets. The challenges lie both in understanding this concept and in working it into fundraising proposals. As acknowledged by the leadership, *“we have a great deal of difficulty in applying this to projects”*. Clearly, the absence of a way to solve the overhead in its proposals weakens the revenues destined to maintain and strengthen the organisation.

“We do not avoid paying overhead because we don’t want to, but because InPACTO doesn’t charge us for overhead, and this is because in terms of accounting, they don’t have that type of clarity (...) If you want sustainability with access to discretionary, unrestricted funds, you collect it and do it. It’s the right thing to do, and they need to learn how to do it, with criteria, with technical solidity”. (Supporting partner)

“There is no clear rule about the logic of projects, there is no clear account, there is no point in having just a project, because... is it stamped – and what about the institutional side? There exists an institutional cost that should be embedded in the projects”. (InPACTO Board Member)

As for service provision as a relevant component of InPACTO's financial strategy, the change in its bylaws, whose Article 3 contemplates the possibility of selling products and services, has meant an important achievement. As has already been showcased, in this field, the monitoring of the Pacto's agreements is a service offered by InPACTO to the members that generates considerable added value to the relationship. Nonetheless, this monitoring action does not incur in any additional payments from members.

It is a process led by a team of 2 people and covers data collection from each member, individualised and comparative analysis, the production of a report, a communication meeting and the provision of support in action plan design. A general estimate of the team leader, just as a reference, indicates the consumption of some 20 hours<sup>60</sup> of his or her dedication to this cycle for each company. Considering that some 35 member companies have received this support, this means that 700 hours of external consultancy work have been carried out. The effective financial outcome of monitoring for the sustainability of InPACTO, which should be considered by calculating of expenses incurred and the general revenues produced, was not carried out by this evaluation, but it is clearly a point that needs to be studied. There is a possibility that the demanding dedication towards the process consumes all (or most) of the resources generated from the membership fee, and the value to be allocated to institutional actions of a different nature (monitoring is clearly an institutional action) is therefore just residual.

With regard to financial sustainability, there is the organisation's financial management, which allows for organising and understanding the cashflow status, as well as its patterns and projections. Given that

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<sup>60</sup> Data estimated by the external consultant responsible for monitoring and informed via email.





the position responsible for carrying out this action is still vacant<sup>61</sup>, there exist indications that it is not yet stabilised in the organisation as a consequence of constant changes in the person responsible for the area. The absence of an overhead concerns not only the operation and management of the area, but also the provision of financial logic and intelligence, with would be aided by the creation of dashboards and indicators that may facilitate the interpretation of the financial scenario.

Finally, still linked with sustainability (both political and financial), the communication agenda is briefly observed. InPACTO has taken steps to adapt its communication strategy, from which a new visual identity and website stand out. There is a communication plan in place connected with the Theory of Change<sup>62</sup>, but that being said, the time allocated to this agenda was of just 32 technical hours logged over the course of 2019 (according to the 2019 Annual Report), which is less than a week dedicated to this area over the course of the year. As a consequence, close partners do not perceive the expansion of the organisation's communication capacity or reach.

"We could do more to inform society of InPACTO's role in the field. I think it is necessary to connect media and social networks for this, but also to do more work with journalists directly to address the issue. (InPACTO Board Member)

"I believe we need to explore impact communication, our current communications are too shy. And communication leads to engagement. The various means that are available, assessment, this is a central element in an organisation that aims to mobilise and engage people". (InPACTO Partner)

"Employment issues are broad, complex. One of the things InPACTO could do to improve that is as follows: InPACTO does not yet have a clear agenda on what it wants to communicate". (InPACTO Partner)

## 2.5. Strengthening the field of combat against slave labour and the influence of the external context<sup>63</sup>

### Evaluation statements

**A17.** InPACTO is considered a reference in the field of combating slave labour, recognised for its capacity to coordinate different sectors and organisations in the country and due to its experience and relevance outside it. That having been said, there is still room for greater protagonism, projection and international articulation, in addition to an increased visibility.

**A18.** There is a legitimacy deposited in InPACTO regarding its role within the productive sector, which trusts in the way InPACTO acts, recognises its technical capacity and its role as an articulator with other sectors, besides allowing access to data and exchange of experiences with other companies.

<sup>61</sup> An external consultancy was recently engaged to support this issue.

<sup>62</sup> The Communication Plan states that: "The objectives listed above were inspired by the work developed and idealised by InPACTO in recent years and the strategies pointed out by the Theory of Change (under discussion during the elaboration of this plan) to reduce the incidence of slave labour in value chains". (p. 11)

<sup>63</sup> This section deals directly with evaluative macro question E of the Evaluation Matrix: *To what extent has the initiative strengthened the incidence and coordination of InPACTO in the field of slave labour?* The dimension being dealt with here is Strengthening the field of action.

*It also contemplates the question of How has the external scenario influenced the scope of actions and the structuring of InPACTO as an agent for positive change within the context of slave labour?* The dimension being dealt with here is Influence of the context.



**A19.** In recent years, the country's political and social context has been marked by strong setbacks in the field of addressing slave labour, which has had significant repercussions on the agenda and the organisations that work in it. In this context, InPACTO has lost its capacity for positioning and has turned more towards working with the productive sector.

### Evaluation rubrics

**Rubric D3.** Convening and collaboration in powerful, transformative ways to bring about significant changes in the industry. **Conductive**<sup>64</sup>

**Contextual Difficulty Mini Rubric**<sup>65</sup>:

- Cultural norms: **Moderate challenge**
- Regulatory atmosphere: **Major challenge**
- Political environment: **Major challenge**

The field of combating slave labour is marked by a number of characteristics and actors representing different interests, involving conflicting economic and political aspects, inequalities, vulnerability, power disputes, violence and coercion, in addition to the direct relationship with the country's own history with slavery. Acting in this delicate field requires a great deal of knowledge about these numerous factors and demands skills such as that of being able to work under pressure, to liaise and present proposals to make new arrangements possible and to respond to and coordinate different interests to reach new echelons that walk in the direction of eradicating slave labour.

Generally speaking, nowadays, InPACTO is widely recognised as a reference for the field of combating slave labour, both by the private sector and by other sectors and organisations working in the field<sup>66</sup>. In addition, InPACTO's involvement (with a special mention to its Executive Director) in actions related to the theme is seen as indispensable by actresses/actors in the field.

"Whenever we have a question about a company caught making use of slave labour, we contact InPACTO directly to check information. [...] In 2018, we need to get closer to the coffee production value chain, and management has played an important role in this liaison. [...] Thanks to the proximity, we were able to meet with representatives of producer associations, [InPACTO] already has contact with this network". (InPACTO Partner)

<sup>64</sup> **Justification:** The initiative's most relevant results are in reference to InPACTO's capacity for coordinating different interests and with different organisations; the role played by the organisation in combating slave labour is acknowledged both by the productive sector and sectoral organisations alike.

<sup>65</sup> **Justification: Regulatory framework:** The Labour Reform and the threat posed to judicial devices aimed at guaranteeing decent employment currently represent a huge challenge to the agenda that pretends to address slave labour. Political environment: The **current political climate** (the Temer and Bolsonaro administrations) has brought about a series of setbacks in the agenda aimed at confronting slave labour; these include the closure of the Employment Ministry, the weakening of supervisory bodies, the reduction of their budgets, the dispute surrounding the suspension of the Lista Suja (please see note 69 below), among others. **Cultural norms:** While this scenario, that has brought to light the strength of conservatism in Brazilian society represents a challenge to any human rights agenda, in the case of slave labour, there already exists a more culturally accepted vision of rejection.

<sup>66</sup> The recognition of this leading position was also observed in the important action carried out with the ILO in 2018, when consultants were trained to share InPACTO's experience and background in the field and its accumulation in the mobilisation of the productive sector. Annual Report 2018, p.25.



This capacity and acknowledgement may also be verified by the role as a coordinator InPACTO has been carrying out in the different sectors, and the organisation has a good, and properly acknowledged capacity for identifying and mediating between different interests and is even present in a number of forums of representation and advocacy.

“[InPACTO] creates the right conditions for exerting a heavy influence so that transformations in public policies take place. It influences the private and public sectors, and this is important for the construction of these public policies. [...] InPACTO has a very strong advocacy space; within this political context, InPACTO positions itself, it makes things happen. This is important. It also provides companies with access to information. When the Dirty List went off air too, [there was] protagonism by InPACTO”. (InPACTO Partner)

This is also very true of the productive sector, where InPACTO enjoys a great deal of credibility and recognition, especially due to its capacity for engagement. A delicate subject for the private sector, this capacity attributed to the organisation comes from its deep knowledge of the subject and the value chains, but above all, thanks to being able to establish dialogues and fruitful coordination with the productive sector, presenting proposals for actions that bring efficiency for companies to walk towards the solution to their value chains’ problems and presenting such actions as adding value to the company or brand.

“The power of mobilisation with the private sector and sectoral organisations and visibility of the theme, which is an issue that companies want to escape. InPACTO is a serious organisation whose work is not punitive, but one that favours development. They managed to create a favourable field of dialogue with them [companies], which is very difficult, but they succeeded” (InPACTO Partner)

InPACTO also had an international presence in a broader manner. Identified as positive results of this presence are the acknowledgement and appreciation of the organisation’s experience, both in terms of the innovation and relevance of the actions it carries out and due to its vision about the discussions on the issue. Its participation in events and debates held abroad made it possible to become better known and call attention to the actions carried out in the field of combating slave labour. This brought about several possibilities for the organisation to position itself as a more relevant actor internationally, which in turn would attract new sources of funding.

In conclusion, InPACTO has not yet occupied the space of prominence and protagonism that it could in relation to the agenda of combating slave labour, both within the country and abroad. There is still room for the organisation to consolidate itself more effectively as a reference of even greater weight, improving its image outside Brazil and opening up to other opportunities for action and institutional recognition. However, questions have been raised about whether this place of more visibility by InPACTO on the public debate about the issue (especially within the country) should be the organisation’s role today, which leads us to wonder whether its position in the field is currently as clear or properly laid out.

“Perhaps it was more visible ten years ago, when it launched studies, published them – this attracted the media much more, it was more visible. It is complicated, but at the time when it was more combative, it had more [visibility]. With that being said, InPACTO is not interested in gaining the spotlight, but rather in becoming more relevant in the corporate sector’s engagement and behavioural process. It remains a reference for the business sector”. (InPACTO Partner)





“It still operates moderately within these [international] agendas (not that this is a bad thing), they attend international discussions and events by means of invitations; but it does not look ahead, and it would like to move towards a more active agenda whereby more proposals are made. Because there are several points relating to this issue where Brazil is ahead of many other (legislation, for instance)”. (InPACTO Board Member)

“I do not see InPACTO promoting the responsible recruitment agenda at the international strategic level. (...) I don’t think the organisation enjoys the reputation it deserves outside of Brazil. I would encourage it to think about the networks it could join to move its proposal forward.” (InPACTO Partner)

Returning to the productive sector, InPACTO assumes a greater role, both in terms of the dedication and in recognition of its performance in the sector. According to its 2019 Annual Report, 459 technical staff hours were devoted to supporting the industry<sup>67</sup>, while attention reported to other sectors is half or less. As for the organisation’s reputation, InPACTO is considered a reference that is legitimately qualified to act together with companies and value chains, its technical capacity and management are trusted and there is a feeling of representation in several instances of debate and articulation in different spheres. There is also perceived value in what the organisation is able to contribute, whether it is information and data or guidance about actions to be taken to improve value chains. Even so, this recognition was not necessarily reflected in the adherence of new members (as addressed in the debate about financial sustainability).

“Being associated to InPACTO means belonging to a channel that enables these various types of communication, to be able to learn about what other companies have done [...] to serve as a mirror for other companies, from the perspective of exchanging experiences, being in contact with key people in the discussion of the issue and participating in the formulation of public policies are the main motivations behind being associated to InPACTO”. (InPACTO Partner)

“Over the course of all these years, being a member of InPACTO has allowed us to improve our work and strengthen our commitments towards our suppliers, customers, employees and society”. (Company associated to InPACTO)

“InPACTO is consolidating as an organisation that presents technical results for the producer. This is because one of the great fears of being an ‘NGO’ is that we were going to report, a ‘reportism’ of sorts. They [Brazilian businesspeople] are terrified of this, because they mistake us for the investigative programme *Repórter Brasil*. So all my work over the last 5 years has consisted on showcasing the fact that we have a different approach, that we want them to learn. And it takes time, so now opinion leaders are saying ‘it’s safe, come’.” (InPACTO Team)

In the survey conducted with member companies, when asked what could be improved to further strengthen the relationship with InPACTO, the most indicated factor (n=6) was a greater proximity to the organisation, with “more assertive guidelines” and development and monitoring of action plans, i.e., an even more concrete and directive action. This was also indicated in the interviews as a field where there was still room for improvement:

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<sup>67</sup> 329 hours were dedicated to projects of the different value chain s, monitoring and IVI, and 131 technical hours were dedicated to member relationships. Furthermore, 203 hours were spent on civil society mobilisation (less than half the dedication) and just 123 technical hours on institutional representation and advocacy (about a quarter of the dedication to the private sector).





“It takes more capacity to become closer to the corporate sector – to take companies by the hand, to go practical: perhaps having more heft within the private sector to make the changes happen would help build an infrastructure for combating slave labour. Operationalization could be an interesting niche to be explored further” (InPACTO Board member)

Finally, it is worth highlighting the political and social context and the way these influenced the scope of InPACTO’s actions in the field of slave labour combat. The last four- or five-year period, which coincides with the core support initiative’s development period, was marked by strong setbacks in the country, with conservative and backward agendas very much on the rise, which quickly did away with the progressive policies that had been consolidated up until that time. This scenario exerted a strong impact on the dismantling of public policies, on engagement and on the narrative about the field of slave labour, which lost strength and visibility. Worthy of mention is the labour reform that made several rights previously guaranteed to workers more flexible, the dismantling of the Ministry of Employment and the ‘Mobile Groups’<sup>68</sup>, the impasses over the removal of the ‘Dirty List’<sup>69</sup>, the drastic reduction of the budget for the inspection of slave labour and the federal government having de-prioritised human rights agendas.

For InPACTO, this scenario brings about implications in terms of increasingly the direction of its activities towards the productive sector – by weakening instances and spaces for advocacy, where the expectation of progress is low and the maintenance of achievements a merit. In relation to InPACTO’s ability to position itself more readily in the face of events and setbacks in the field of combating slave labour, there are also challenges to be faced, as the developments and risks for each of the organisations that make up the InPACTO representation bodies are amplified.

“Having more exposure has certain limitations, and the Board ends up having a very different vision of the positioning, of how to position itself – when the political scenario isn’t as turbulent, things are easier, but in this scenario, arriving at what to say it more complex”. (InPACTO Board Member)

“This government is terrible for any organisation working with human rights. It also makes our job more challenging”. (Former InPACTO collaborator).

“At the moment, the objective is not to progress, but to maintain the human rights acquired through blood and sweat, and now we have to monitor slave labour, to avoid taking steps back in the struggle, in supporting the working class... There exists certain progress in companies, but the public sector has retreated. (...) If there is progress, it is in terms of corporate policy, especially because the companies are more at ease to do those things on account of having approval from the current government. [There is] an internal resistance within companies, and that is where InPACTO’s role is important”. (InPACTO Partner)

“[In the 2016-17 scenario up until now, there has been a] both InPACTO and other organisations suffered from negative effects given the context they had to deal with. We were on an upward path where these agendas were concerned, achieving improvements for the living conditions of those most vulnerable. It was a shock, and from then on, it all just started to tumble. If until then, they were working to move forward, from then on, it was all just about damage control. So, you can’t demand that an organisation that works in this field moves forward... Having prevented setbacks is already a big win”. (InPACTO Partner)

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<sup>68</sup> Original: *Grupos Móveis* – Created in 1995 to monitor slave labour.

<sup>69</sup> Original: *Lista Suja* – A government-implemented list of employers that have been caught using slave labour in their value chains.







The outlook about InPACTO's capacity to strengthen the field of slave labour points to many advances and achievements where the initiative was key, because it allowed for a greater structuring as an organisation, its maintenance over time, allied also to a process of autonomy: as an organisation and in its performance. The current moment demands that organisations takes more ownership, seize opportunities and take more risks. There seems to be a demand for InPACTO to take even more of a protagonist stance in the field – both nationally and internationally. There is a need for greater clarity as to where we wish to go and how to get there, which also brings about greater visibility. It would be a call for attention and a turning point that brings with it an opportunity: InPACTO is already a relevant and recognised organisation, and the moment is right to amplify this even more, at the risk of losing the conquered ground.

## 2.6. Influence on the prevention and confrontation of slave labour in value chains<sup>70</sup>

### Evaluation statements

**A20.** Results in value chains produced over the course of the period are concentrated in coffee value chain, although the merits of sustaining the carnaúba agenda in a scenario of scarce resources for this front should be acknowledged. The action with the textile sector was not very relevant and conflicted with the ABVTEX<sup>71</sup> agenda.

**A21.** Having been developed during the partnership period, the InPACTO Vulnerability Index is a significant achievement that presents itself as an innovation with great potential to add value to the issue of slave labour combat. The Pacto's commitment monitoring system having matured may also be considered a legacy of the core support project.

### Evaluation rubrics

**Rubric C2.** Advocacy: Process of influencing decision makers (and informing public opinion) to positively change policies and practices: **Partly conducive**<sup>72</sup>

**Rubric C3.** Innovation. The implementation of creative and imaginative ideas – including technologies – in aid of resolving industry challenges. **Partly conducive**<sup>73</sup>

<sup>70</sup> This section deals directly with evaluative macro question G of the Evaluation Matrix: How has the initiative contributed towards expanding InPACTO's capacity for acting to reduce the incidence of slave labour in productive chains? The dimensions dealt with are Influence on public policies and Social Awareness and change of narrative.

<sup>71</sup> Original: *Associação Brasileira do Varejo Têxtil* – Brazilian Association of Textile Sector Wholesalers

<sup>72</sup> **Justification:** InPACTO's actions influenced public policies for slave labour inspection and with regard to the Dirty List. The actions of the Pacto in terms of influencing public policies are widely acknowledged, however, InPACTO has not yet had the opportunity of expanding its protagonism and propositional role to influence public opinion and foster political changes and practices in the public sphere.

<sup>73</sup> **Justification:** InPACTO's actions within the context of the productive sector have seen a growing potential for innovation, a good example of which is its work with value chains and the development and recent launch of the InPACTO Vulnerability Index (IVI). That having been said, these results are being consolidated, and it is a field that still has space for expanding the actions carried out further still.





**Rubric B1.** Changing the narrative: Influencing mental models, beliefs and assumptions in ways that support the desired change. **Partly conducive**<sup>74</sup>

In line with its origin of coordinating widely with the business sector, of which the CSOs also partook, the main objective declared by InPACTO in its ToC is the “reduction of slave labour in value chains”, with three strategies that stand out, namely supporting the productive sector, advocacy and mobilising civil society. Considering the focus of this evaluation on the institutional capacity of the organisation, its efficiency is comprehensively studied without exhausting the advances or potential sources of information of each initiative undertaken.

The action in conjunction with value chains was the focus of InPACTO’s projects or efforts for conciliation and coordination over the course of the core support’s validity. Three agendas stood out in this period: coffee, carnaúba and the textile sector, in addition to cocoa and ethanol, but the latter two still are in their initial stages.

The coffee value chain is clearly the most consistent in terms of attention and support over the four years. In the period spanning from 2017 to 2020, InPACTO received investments for actions on this front amounting to R\$ 1,120,000<sup>75</sup>, versus the R\$ 13,000 received for the fashion value chain and nothing at all for carnaúba, where actions were carried out without any contributions from partners.

The focus on the coffee value chain is coordinated by the Mesa de Café Brasil Project, which was formally initiated in 2017<sup>76</sup> with support from the Catholic Relief Services, and that continues with support from Verité. The declared result of the efforts in this value chain is the coordination of the Sectoral Pacto for the Sustainability of Coffee, an “initiative to formalise the involvement of the productive sector in combating slave labour and promoting decent working conditions”<sup>77</sup>. The main results highlighted on this front refer to the fact that “InPACTO has become the main organisation of reference in the coffee and human rights sector outside Brazil. There are practically no organisations doing anything with regard to this issue without going through us” (InPACTO Team) – which is a self-reference and indicates little about objective changes in the slave labour agenda. The consolidation of a working group on the subject is seen as an achievement. This group seems to actually manifest a greater impact on changes in its value chain, as an international partner would put it:

“The U.S. Department of Labour publishes a report every two years identifying countries where child and slave labour exists and the sectors in which they do. In this year’s report, Brazil was included as using forced labour in the coffee value chain – appearing on this list represents a step backwards. The only coffee-producing country in this situation is the Ivory Coast, which is not exactly the best reference. Only Brazil is in that situation. [...] When we shared this report (which may have serious trade implications) with key players in the coffee sector, the sector’s conclusion was: “We want you to tell us what we need to do to get off the list. Without the workgroup, agenda, research and everything we have built with InPACTO in the

<sup>74</sup> **Justification:** There have been advances in engagement by the Brazilian corporate sector in terms of addressing slave labour (especially in certain sectors). However, despite this movement having encountered difficulties due to the current conservative scenario, there is still room and potential for it to grow, including by working on efficiently expanding public opinion.

<sup>75</sup> Sum of resources from the organisations Catholic Relief Services (CRS), Rainforest, Verité and PGC.

<sup>76</sup> This is the starting date of the funding, and the discussions and articulations to make the initiative viable started in 2014 and 2015, within the framework of CONATRAE (National Commission for the Eradication of Slave Labour).

<sup>77</sup> Source: InPACTO website: <https://inpacto.org.br/projeto/setor-cafeeiro/>. Accessed on 24 November 2020.







coffee sector, relaying this kind of message would not have been possible. Now they are asking for solutions, asking what needs to change in the practices and forms of communication. That is my impact". (InPACTO Partner)

Where the textile sector is concerned, three initiatives were worked on over the course of the period of partnership with the Laudes Foundation: the *Vozes da Moda*<sup>78</sup> Project, the *Lab da moda*<sup>79</sup> (these two received significant contributions of resources from the Laudes Foundation itself, but driven to other organisations, those that were leading the initiatives) and the establishment of the Textile Working Group to discuss the issue in InPACTO itself, an aspect foreseen in the project supported by the Laudes Foundation. The *Vozes da Moda* (2018) Project, led by the Instituto Ethos, prospered little and ended up being discontinued in its second year of operation. As for the *Lab da Moda* Project, it is led by Reos Partners and involves a coalition of "about 100 leaders and 60 civil society organisations"<sup>80</sup>, and InPACTO is among the collaborators. InPACTO's role in this initiative relates to the conceptual furthering of the debate, but difficulties related to achieving greater involvement limited new contributions.

The Associação Brasileira do Varejo Têxtil<sup>81</sup> (ABVTEX) has existed for over a decade, and by reproducing its functions, the internal committees focused on the textile sector have come to constitute an unhealthy competition that dissipates efforts. **In short**, the collaboration with the textile sector over the course of the period analysed did not amount to much.

"Since the conception of this idea, I questioned why we did not participate in our internal forums that discuss this issue; these forum are part of our governance structure, we have 3 forums that discuss this issue, InPACTO participates in one, which is the Advisory Council [...] InPACTO faces difficulties when it comes to attracting more member companies, and we have already discussed it with ABVTEX; our agendas clash, and while we discuss regularly and monthly, it's hard for InPACTO to maintain an agenda in this situation. (...) We have never been able to make any progress in that respect." (InPACTO Partner)

The carnaúba value chain required institutional efforts due to not having leveraged investor support between 2017 and 2020. The agenda was installed in 2015 by furthering research in collaboration with the ILO to map companies in this value chain purchasing raw materials that employed slave labour in their extraction. Even without any financial support, InPACTO has sustained its participation in debates and committees over the past few years<sup>82</sup>. The plan is to achieve new advances in this value chain in 2021 through resources mobilised via Conduct Adjustment Agreements (TAC), which are being articulated with the ILO and will be destined to the design of action plans to modify the slave labour situation in this value chain. The merit of the carnaúba value chain has been to sustain the agenda itself despite the low availability of resources, which laid the path so we may seek to advance in the near future.

Due to being innovative and transversal to a number of value chains, one of InPACTO's most significant achievements for the period was the construction of the InPACTO Vulnerability Index<sup>83</sup> (IVI), defined as a technology aimed at:

<sup>78</sup> Original: *Vozes da moda* – Voices of fashion

<sup>79</sup> Original: *Lab da moda* – Fashion Lab

<sup>80</sup> Source: Lab Moda Sustentável website: <https://www.labmodasustentavel.org.br/o-lab/>. Accessed on 23 November 2020.

<sup>81</sup> Translation: *Brazilian Association of Textile Sector Wholesalers*.

<sup>82</sup> For instance, the organisation's website states that "5 meetings were held over the course of 2019" within the framework of this initiative.

<sup>83</sup> Translation: *Índice de Vulnerabilidade do InPACTO*.





“[...] so companies and other stakeholders associated with InPACTO may observe the vulnerabilities that need to be urgently addressed, to then be able to develop and execute collective and local action plans to remedy the risks of human rights violations and promote dignity and decent work, with technical support from InPACTO”. (InPACTO’s website)

The IVI summarizes on a scale of between zero and one the degree of vulnerability to slave labour of the municipalities’ populations (according to the risk of incidence). It is a proposal that already existed in the organisation and was paved from a partnership with JBS starting in 2018 – with a focus on learning about the degree of exposure of municipalities in the Amazon region to situations of labour analogous to slavery, which were known as ‘hotspots’. This pilot experience was strengthened by support from the British Embassy (2019), it now focusses on Minas Gerais and its process coordinated some 420 variables and statistical modelling studies. The third stage of development of the Index was an endeavour supported by InPACTO itself without support from the partners, which shows a considerable entrepreneurial inclination by the organisation. Over the course of this final cycle, all 5,570 Brazilian municipalities were entered into the database, the modelling gained solidity and the visualisation was improved (now using Microsoft’s Power BI platform). The IVI was then launched in 2020 for use by InPACTO members. The proposal is that the tool has a public module through which a restricted set of data may be studied, which tends to contribute to the transparency of information in the sector. Potentially, this technological solution may add value to the field, associates and companies interested in developing their value chain. It should be noted, however, that the business model that will guide the pricing and sale of the use of the IVI has not yet been created and is awaiting a proposal to be designed by the organisation’s leadership. Clearly, a proper modelling of the IVI as a source of resources would bring about significant financial results, in addition to more technical and political legitimacy.

In this sense, the consolidation of the monitoring system, which underwent adjustments in its processes related to data collection, analysis, and development of a proposal of action plan orientated towards companies, should also be acknowledged. As a key InPACTO service, its constant improvement is necessary, as it has guided the organisation’s efforts over the course of the last few years.

Furthermore, the influence in the change of narrative, one of the levers of systemic change advocated by the Laudes Foundation, is a result that could eventually be observed by proxy of the actions that the organisation has generated in the last 4 years. However, this variable is highly dependent on the context and the federal government’s stance, and given the above-mentioned dismantling that has taken place in this field in recent years, it has become harder to collaborate with significant changes. One of the partners has also recognised that the topic is no longer so present in the media, which has contributed towards diminishing the attention by society and the corporate sector towards this agenda. In this sense, advances in these mental models with regard to slave labour cannot be considered as one of the results achieved from this partnership.





### 3. Final considerations

Supporting an newly created organisation is like supporting a body that begins its development process. It involves creating an environment that offers the necessary conditions for an autonomous development, on a path that might move towards maturity. It also implies intense interaction with the environment around it and with its own impasses in terms of growth, non-linear paths and experiences that often cannot be anticipated. It is a constant interaction between the internal environment, that brings about its own characteristics, and the external, both of which are influenced in different ways and at different speeds and intensities. This allegorical image expresses the challenge of supporting the creation and support of a new organisation that aims to generate a positive social impact. Reflecting upon this partnership over its four-year period allows for suggesting a number of relevant lessons.

**Core support is core support, that is all there is to it.** Supporting institutional strengthening for organisations in their early stages of development and with hardly any human resources, as was the case with InPACTO, has become something of a challenge. Inserting another action focused on the agenda of the funder's interest – and with the intention of facilitating its internal approval procedures – generates inefficiency in the quest to achieve the partnership's main objective. This additional activity behaves as a “cyst”, by being a specific and isolated body within the emerging organism. Therefore, it may be concluded that the institutional support experience needs to carry focus, activities and agenda focused on organisational aspects in the stricter sense of the word.

**The strength of an almost complete core support approach.** In a way that is not systematised or guided by defined conceptual references, the Laudes Foundation was able to coordinate a robust core support model comprising variables that sought to give freedom and autonomy to the construction of a new organisation, especially with regard to the way it structures the use of resources. In order to achieve a model that aims to be complete, that is to say, one that coordinates the main variables for supporting organisational development, the only issue that remains open is the proposal of an exit strategy, a relevant device to achieve partner sustainability.

**The dilemma of need and capacity.** Supporting a recently created organisation was met with the challenging dilemma of having a great deal of organisational demands to strengthen InPACTO. This was due to its reduced capacity for implementing solutions to these demands – especially because of the lack of experience and knowledge available and the restricted size of the team, which became more acute on account of the high turnover the team experienced in the period. Defining what is in fact needed and what may be achieved with the conditions available has revealed itself as a dilemma for which InPACTO has not yet found an adequate solution. Reflecting on this balance and any solutions to address it is an important issue in the design and implementation of initiatives for strengthening young organisations.

**The false solution of external consultants that create plans.** The partnership with InPACTO had support from external consultants that produced plans (theory of change, institutional, communication, fundraising diagnostics and even the design of the core support itself, which was presented to the Laudes Foundation), all of which pointed at important paths to follow, however, their feasibility was restricted by





the organisation's low capacity for implementation. Attributing this responsibility to external agents who go as far as suggesting paths to follow, but who do not follow up on the implementation of their proposals has revealed itself to be a false solution for cases such as that of InPACTO. This is imposing new responsibilities that are not satisfied or achieved derives in a feeling of institutional anxiety.

**The triple role of institutional leadership.** InPACTO's experience suggests that the institutional leadership needs to possess three key capabilities: (i) *political coordination*, which refers to the capacity to liaise with different sectors and actors, create compositions and influence segments, (ii) *technical grasp of the issue at hand*, which refers to the knowledge about the agenda being dealt with, allowing to envisage and improve solutions to the challenges, inspire and guide teams and offer ways to efficiently deal with the issues handled by the organisation, (iii) *organisational management*, which references the care and development of the vital functions of an organisation, which will allow for building capacities to deliver results and create a social impact. These three roles do not need to be represented by only one person, but rather may be constituted in a group, just as they are in several other collectives. Observing these three roles, acknowledging their shortcomings and developing them is important to leverage organisations that are in the initial stages of their journeys. In the case of InPACTO, the management gap continues to represent a challenge for the future of the organisation.

**Race and gender matter, always.** The influence of the race and gender issues in InPACTO's development process is one of the hypotheses raised by this evaluation, and while it deserves a more in-depth look, there are indications that they permeated relationships and decisions. These are structural issues of society that are occasionally visible, but sometimes not so clearly. However, obviously dynamics involving women and black people in power relationships are worthy of study, in order to understand and come up with strategies so they may be dealt with efficiently and in a conscious manner to allow for an honest development of the CSOs.

Lastly, the conclusion arrived at will be optimistic. InPACTO's recent actions indicate a scenario where a new cycle might emerge, one that features a more structured governance, a team that is engaged and competent in its functions, with innovations being developed that allow for the possibility of gaining market share and scale and negotiations with potential new partners. While these last four years were challenging, they were also important, and allowed for a newly created organisation to achieve a new stage of development, which will come with its very own needs and demands, but confronting them will be the next necessary step. This scenario will be marked by the feasibility of securing financial resources in the short term. The conclusion of the core support and the ongoing definition of new partnerships require attention in order to ensure immediate resources to maintain the day-to-day operations of the organisation.

## Recommendations

The recommendations of the evaluation are addressed directly at each of the partner organisations, the Laudes Foundation and InPACTO. Presenting and valuing only recommendations of a higher level and





strategic nature was sought, concentrating the suggestions and avoiding becoming dispersed when it came to matters of an operational nature.

## Recommendations for the Laudes Foundation

1. To develop carefully considered processes of initiative design, especially with regard to core support projects, where the absence or fragile nature of the institutional capacities available to the organisations receiving backing might demand special attention in terms of the relationships and support offered during this stage. It is essential that the organisation being financed has the time and resources to clearly identify its effective institutional demands, so with the necessary backing, it may map the path to be able to tackle them. The main message to be conveyed here is that the design of an institutional strengthening process is already part of this process in and of itself. In this way, the focus on institutional issues (not having to dispute with other agendas or projects), the flexibility of the use of resources, the autonomy of the organisation supported in terms of proposing initiative strategies, transparent dialogue between the parties and the creation of spaces for pausing and reflecting at an institutional level, all proved elements that need to be guaranteed as early as the design stage.
2. To consider a logic of monitoring that is different for core support processes in which an intermediary evaluation (internal between the parties involved, without the need for a third-party evaluator) is carried out half-way along the partnership's implementation period (2 years, in this case), and based on this analysis, come up with two referrals: (a) the definition of the objectives, strategies and amounts to be invested are reviewed and adjusted, and (b) an exit strategy – with this, the concept of designing this strategy is defended at a time when there is already some maturity in the initiative, and not when it is at the initial stages, as already proposed by the external evaluation results through which the Laudes Foundation itself passed<sup>84</sup>. The hypothesis is that there will be a greater repertoire of experiences to guide more assertive decisions about the exit.
3. To carry out an in-depth study about the challenges and opportunities that organisations led by women and black people face over the course of their institutional development, taking into consideration the fact that Brazil (although not exclusively) has sexism and racism embedded into its culture, and this reveals itself in any relationship, which makes it a complex issue to understand and deal with. Dedicating attention to this fact, whether through research, studies or by expanding on questions of this nature over the course of the evaluations carried out, may help to understand and leverage organisational processes in the future. It is worth keeping in mind that observing these aspects goes beyond simply drawing indicators, but rather it is to do with other aspects that anti-racist or anti-sexist approaches may contribute towards in terms of expanding the outlook and the way its analytical forms are dealt with.

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<sup>84</sup> Kiryttopoulou, Natalia. Exit with learning. Lessons from C&A Foundation's exit process from the Education programme in Brazil. 2019.





4. For the objective relationship with InPACTO, an exit strategy must be considered. The immediate interruption of funding would present a clear risk to the institutional capacity of the organisation. However, as the current model of support has not worked to leverage new supporters, a possible continuity should change its focus. The support should have a much more restricted duration, with an initial injection of capital, and another part made available on a matchfunding regime, which may be guided by the following institutional results: (a) definition of InPACTO's Vulnerability Index business model and the definition of a number of sales to be defined for the service, (b) attraction of other investor partners with focus on core support, and with special attention to the international agenda, (c) feasibility of the overhead in partnerships with focus on the development of value chains, representing projects easier to attract than those whose focus is core support. This implies the design of this model, its application in budgets, and the investor's acceptance. The duration of this exit strategy may be from 2021 to the end of 2022, with an initial contribution next year and a second contribution at the beginning of 2022, which will vary depending the results delivered, as suggested here.

## Recommendations for InPACTO

1. To seriously reflect about the organisational model that better adapts to its reality and assume it in a consistent manner, which will demand a change of position and for the entire team to work outside of its comfort zone. As has been seen, InPACTO was born to mirror the organisation that incubated it, the Instituto Ethos, adopting its institutional architecture as a reference for its own design, which proved to be clearly inadequate considering the difference in size and needs of each one. The classic organisational form that allocates technical and management attributions to its executive leadership did not prove very efficient for InPACTO, as showcased by the constant internal management challenges faced. One of the attempts involved hiring a person to fill this position, but it was unsuccessful. In this sense, this evaluation considers that what is needed is an analysis in conjunction with the organisation's team and participation by the Board about the institutional form (design) that must represent a healthy proposal for the next few years, which also implies an assertive vision of the specific goals that need to be achieved. The field of civil society organisations has devoted attention to this agenda, with debates on organisational formats having progressed. The reinvention of organisations, regenerative forms, circular and holocratic proposals, sociocratic models, agile dynamics, among others, are approaches that already circulate in practices and studies of sectoral and peer organisations. Walking in this direction will require participation and strength from the leaderships, since there is no model ready to be imported, only guidelines to be tested. This will only be possible if the organisation's executive leadership has the willingness and a real interest to sustain such a journey, since it will deal directly with positions of power, leadership styles and organisational culture.
2. To undertake a careful process of strengthening the team, improving their technical and relational functions, engaging them with the long-term vision of the organisation, creating working conditions and career security. These aspects may collaborate towards expanding the







support that the executive leadership will have and InPACTO's capacity for delivering with more quality and scale.

3. InPACTO should prioritise its strategy of mobilising resources for projects among international sources, which present more availability and are more interested in human rights agendas. Several peers working with this theme will be able to offer a healthy repertoire of potential supporters. It is further suggested that Brazilian companies should focus on the provision of services, with IVI being an opportunity to start relationships with corporations that seek to reduce the risk of their exposure to the use of slave labour in their value chains. Other services may also be added to this one. To this end, it is imperative that InPACTO has a clear design of this business model, which means understanding the effective financial result it aims to achieve. At the same time, the financial structure of the monitoring system is worth reviewing in order to understand its real contribution to institutional resources, and a minimum price that every company must pay to have this monitoring performed should also be considered. Assuming that companies that are exempt are entitled to this service means shifting the burden to InPACTO, which in the current structure is unfeasible. Also significant in the context of this review of financial strategies, is the definition of a calculation to insert overhead in the projects. All these proposals depend on sound financial assessment, which needs to be considered quickly.
4. Reviewing its strategy and communication in terms of relationship with members, clarifying what the organisation offers and presenting the objectives and costs of each action, all in aid of increasing understanding about the benefits of the association.





## Evaluation team

**Daniel Brandão** - General Coordination

**Gabriela Brettas** - Evaluation Leader

**Bruno Novelli** - Researcher

**Patrícia Carla** - Quantitative analysis

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## Annex 1. Evaluation design

The evaluation was guided by an Evaluation Matrix (Annex 4) structured from the definition of a set of evaluation questions<sup>1</sup> that are linked to a series of proposed indicators. Furthermore, this Matrix sought to bring to light the relationship with the selected dimensions and evaluation rubrics (Annex 6).

In line with the expectations for this work, it is worth highlighting that the Evaluation Matrix contemplates analysis focuses related to the initiative's entire cycle, that is to say, its design, implementation, scope of results and impact. In addition, it is directly related to and guided by the initiative's Theory of Change. The dimensions proposed are linked to the evaluation questions. These are as follows:

- Alignment
- Communication and relationship between partners
- Gender and race
- Monitoring
- Institutional strengthening
- Core support model
- Strengthening of the field of action
- Influence of the context
- Influence on public policies
- Social awareness and change of narrative

From a transversal viewpoint, this evaluation process also looked into the *factors that contributed towards or limited the implementation and scope of the results*. This guideline addresses one of the general expectations of the evaluation and contributes towards the analytical production of the findings and recommendations for the initiative. The Evaluation Matrix was validated by the parties involved in the initiative, bringing transparency to the actions carried out over the course of this evaluation process.

### Approach: Inductive evaluation perspective

Within the framework of InPACTO's institutional strengthening initiative, a project was designed between the parties that lacked a structured conceptual basis to guide the premises, criteria, dimensions and fields of results that should be expected from initiatives of this nature. At the time, the then C&A Institute was clear about the agenda's relevance, which was worked on in initiatives such as the *Programa de Desenvolvimento Institucional* (Institutional Development Programme - PDI) and the *Redes e Alianças* (Networks and Alliances), among others, but had not yet matured into a conception, approach or tools capable of provoking the development of this agenda among its partners.

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<sup>1</sup> The set of evaluation questions that guide our evaluation stems from a meticulous process that is based on 17 questions prepared by the Laudes Foundation in a constant dialogue with InPACTO, presented in the Term of Reference. After review by the evaluation team, a set of 7 macro questions were arrived at, from which a further 13 evaluation questions stem.





The initiative carried out with InPACTO was therefore a pioneering experience of structured investment in core support, providing relevant value that was aimed specifically at building a new organisation. Without a conceptual framework, the project stimulated different actions, approaches, processes and products. Within this context, establishing a theoretical framework to guide the analysis of this evaluation beforehand could have resulted in being biased.

Over the course of this evaluation, we opted for reconstructing the initiative's trajectory in order to offer a clear vision of the events that were relevant and to bring about a perception of their results, all whilst acting in compliance with institutional patterns. In this sense, the interpretation of the premises that guided the process of strengthening InPACTO and the different conceptual approaches that were empirically present in the actions carried out were analysed and presented in the report.

The interest in this structuring lies in knowing the facts that occurred (efforts), the timeframes in which they took place (historical perspective), the resulting products, the utility or perceived results of such events and situations, the perpetuity of these results, as well as the aspects that facilitated or hindered the installation and continuity of such advances. It is also worth mentioning that in order to properly understand this trajectory, relevant events that occurred before the partnership between the Laudes Foundation and InPACTO were also taken into consideration. In this way, a comprehensive view was offered in order to carry out a contextualised and rigorous analysis of the aspects of interest expressed in the evaluation questions that guided this work.

## Methodology

In general terms, this evaluation adopted a qualitative technical approach based on two general stages, namely an *exploratory* phase – aimed at expanding knowledge about the initiative and identifying inputs to structure the design of the evaluation – and a *survey and analysis of evidence* phase.

The main concern involved combining strategies that would allow for coming into contact with the different perspectives and outlooks in such a way that the information obtained could be triangulated in order to generate consistent analyses that would allow for bringing about effective contributions towards the learning and development process. In total, 32 people were heard, some of whom partook of more than one listening session.

The main steps taken were:

- **Exploratory study:** Including a documentary analysis<sup>2</sup>, 3 exploratory interviews and a bibliographic review.
- **Creation of the initiative's ToC:** Stemming from InPACTO's ToC, which was created in 2017 and whose aim was the organisation's bottom-line intervention (but did not include institutional strengthening, which is the object of this initiative). Starting from the documentary analysis, Move proposed a new ToC image for the initiative that included an institutional result layer, to which end, it organised a workshop with the InPACTO team for promoting dialogue and to validate it.
- **Creation of the Evaluation Matrix:** It involved the refinement of the evaluation questions, the selection of applicable evaluation rubrics and adjustments to fall in line with the initiative, as well as

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<sup>2</sup> A list of the documents studied in this evaluation may be found in Annex 3.





the creation of indicators and the definition of strategies for gathering data. The Matrix is presented in Annex 4.

- **Data collection:** It stemmed from the preparation of a protocol that was guided by the Matrix's indicators, split into specific, adapted scripts for each of the group of actors researched. The data collection methods were as follows:
  - **Documentary Analysis** – acknowledging the materials produced by the initiative, which brought to light important evidence to subsidise the analyses. The materials were analysed, and the data systematised. A full list of the documents that were analysed may be found in Annex 3.
  - **Interviews and focus group** – 27 new interviews were held (in addition to the 3 carried out over the course of the exploratory stage) and 1 focus group, involving some 32 people in total related to 8 different groups: (i) InPACTO's team and management, (ii) InPACTO's board, (iii) InPACTO supporters and consultants, (iv) professionals who worked at InPACTO, (v) external partners (national scenario), (vi) external partners (international scenario), (vii) government, and (viii) the Laudes Foundation team. The list of the different actors who were interviewed may be found in Annex 2.<sup>3</sup>
  - **InPACTO associates survey** – a questionnaire was put forward for associations and companies linked to InPACTO. The invitation to participate was extended to the whole base (within this profile of companies and associations) – some 60 organisations. The Evaluation Plan had already alerted about the difficulty of gaining access to these interlocutors (since it is often C Level leaders who are responsible for the association). In fact, despite having been given two extensions, in the end, just 17 responses to the survey were obtained (about 30% of the total). The focus of this approach lay in the perception about InPACTO's relevance and the value it adds to the associates. The instrument combined open and closed questions, and the data collected were used for identifying information that would support the final analyses.

As for the analysis of data, the evaluation process made use of the following procedures:

- **Systematisation of evidence and data analysis:** All the information gathered were systematised into a unified tool that allowed for the analysis and identification of the findings for each of the Evaluation Matrix's dimensions. The analyses present in this report were produced from the discussion and reflection prompted by these findings.
- **Application of the evaluation rubrics:** Stemming from the analyses and conclusions of the evaluation, the selected rubrics were applied and integrated in the preliminary report so they may be discussed and validated at the learning workshop, and the final conclusions arrived at presented in the final version of the evaluation report. The detail of the process for applying the rubrics and each of their attributions may be found in Annex 6.

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<sup>3</sup> Safety note: The current scenario of social isolation resulting from the Covid-19 pandemic has called for introducing adjustments in the operation and data collection strategies, with emphasis on the use of virtual techniques. Within this context, Move has been forced to adapt its modus operandi by introducing online data collection tools such as platforms Zoom, Google Meetings and Whereby.





## Annex 2. List of actors consulted

Names	Organisation
Alexandre Kavati	JBS
Andres Montenegro	Verité (Ex-CRS)
Caio Luiz Carneiro Magri	Instituto Ethos
Daniele Martins	InPACTO
Danilo Torini	Consultor InPACTO
Denis Roberto	InPACTO
Domingos Armani	Consultor
Edmundo Lima	ABVTEX
Fernanda Carvalho	Organização Internacional do Trabalho (OIT)
Giuliana Ortega	Laudes Foundation / Conselho InPACTO
John Morison	Institute for Human Rights and Business
José Alberto Tozzi	Tozzi Consultoria
Juliana Lopes	AMaggi / Conselho do InPACTO
Leonardo Sakamoto	ONG Repórter Brasil
Luciana Campello	Laudes Foundation
Lucilene Binsfeld (Tudi)	Instituto Observatório Social / Conselho do InPACTO
Lucilene Danciguer	Lab MODA / REOS
Mari Siffoni	Tozzi Consultoria
Maria Gabriela Eiras de Almeida	ONU Pacto Global
Mariana Miranda	Ex-membro da equipe InPACTO
Mariana Xavier	Laudes Foundation
Maurício Krepsky Fagundes	Divisão de Fiscalização para Erradicação do Trabalho Escravo (DETRAE)
Mércia Silva	InPACTO
Milena Zellaury	InPACTO
Milene Veiga Almeida	InPACTO
Nina Best	Ex-Laudes Foundation
Pilar Cunha	Consultora Instituto Fonte
Roniel Lopes	Consultor
Tatiana Rodrigues Mischon	Ex-vice presidente, associada
Tulio Dias Brito	Ex-Presidente InPACTO
Vânia de Oliveira Schoemberner	Ex-membro da equipe InPACTO
Willian Almeida	Laudes Foundation







## Annex 3. List of documents consulted

Type		Document	Nome do arquivo
Partnership documents_ InPACTO support by Laudes	1	Initial proposal for Laudes Foundation support to InPACTO	Core Support Proposal_InPacto_VF ENG 20 04 17
	2	Project budget (support over the course of 4 years)	Orçamento InPacto 4 anos ENG V16.11.2016
	3	Product and disbursements schedule	Cronograma de Entregas e Desembolsos ICEA - Versao Final
	4	Due diligence (IC&A analysis about the partnership)	Due Diligence InPacto_VF ENG
	5	Logical framework (or Plan of Action) for projects over the course of 4 years (including the relationship between Activities, Products, Results, Premises, Risk factors, Result Indicators and Base Line)	LogFrame_InPACTO Eng_Final
	6	Contract for Laudes Foundation donation to InPACTO_May 2017	InPacto_Contrato_Doacao
ID Cycle 2018	7	Institutional Development Technical Opinion carried out by Domingos Armani (including recommendations for C&A)_2018	Parecer T,cnico IC&A DI INPACTO. Armani
	8	<i>Evaluation of the experience of DI support (Armani)</i>	PF DI 2018 e 19. IC&A. Sistematização Armani-convertido
	9	Institutional Development Action Plan InPACTO_2018	Plano DI InPACTO FINAL
Institutional documents InPACTO_ PARTNERSHIP PRODUCTS	10	Minutes of the 2020 Ordinary General Meeting	Ata-Assembleia geral ordinária_Abril 2020.pdf
	11	InPACTO Accountability Diagnosis Report – Domingos Armani	Diagnostico InPacto v2.pdf
	12	Fundraising consultancy report – stage 1	Inpacto_Etapal.pdf
	13	InPACTO bylaws 2018_2022	Estatuto InPACTO 2019 19fev20
	14	InPACTO Theory of Systemic Change	Teoria da Mudanca InPacto versao 3
	15	Administrative Routine Manual_June 2017	Manual Administrativo_Revisado
	16	InPACTO Annual Report 2019	InPACTO-Relatorio-Anual-2019-1.pdf
	17	Activities Report 2017	Relatório de Atividades InPACTO 2017
	18	Methodology for Monitoring the Commitments of the National Pact for the Eradication of Slave Labour	Metodologia_Monitoramento_Compromissos Associados
	19	Methodology for Monitoring the Commitments of the National Pact for the Eradication of Slave Labour 2018	Relatorio Monitoramento Compromisso dos Associados





<b>Diagnostics and Institutional Plans InPACTO _ PARTNERSHIP PRODUCTS</b>	20	InPACTO Five-Year Plan 2018_2022 and Action Plan 2018	Plan Quinquenal e InPacto Plano Ação 2018_ComentariosLuciana
	21	Communication Plan InPACTO 2018-2021	Plano de Comunicação VF - 08.01.2018
	22	Diagnosis of Fundraising and Implementation of Actions Aligned with Institutional Development	Diagnostico Captacao de Recursos
	23	Strategy for the Mobilization and Relationship with New Members	Estratégia de Mobilização e Relacionamento Final
	24	Intermediate Strategic Planning Analysis 2018-2021 InPACTO	Relatorio Monitoramento Plano Estrategico
	25	Action Plan 2020	InPACTO_Plano de Ação 2020 17fev20
<b>Monitoring of the partnership</b>	26	Schedule of activities 2020	Planejamento Atividades 2020 versão avaliação LF
	27	Activity planning 2020 – LF evaluation version	Planejamento Atividades 2020 versão avaliação LF.xlsx
	28	InPACTO Action Plan 2020	InPACTO_Plano de Ação 2020 17fev20.xls
	29	InPACTO accountability 2017-2020	ICeA Prestação de contas InPACTO_OrçamentoRealizado 2017_2020_ano_2020_20dez19.xlsx
	30	Technical Report Year 1 (Apr/2017 - Feb/2018)	Core Support ICA Relatorio Final Ano 1 VF_ComentariosLuciana
	31	Financial Report Year 1 (Apr/2017 - Mar/2018)	IC&A Financeiro Ano1
	32	Partial Technical Report Year 2 (Apr-Aug/2018)	Relatorio Intermediario Atividades Ano 2
	33	Technical Report Year 2 (Jan-Dec/2018)	Relatorio Anual Ano 2_2018_Core Support InPACTO_vfinal
	34	Partial Technical Report Year 2 (Apr-Aug/2018)	Relatorio Intermediario Financeiro Ano 2
<b>Financial</b>	35	Partial Technical Report Year 3 (Jan-Jul/2019)	ICA Relatório Meio Período InPACTO_ Ano 3_setembro2019 v1 v1marina
	36	Analysis of InPACTO financial data	Análise financeira InPACTO 2017 2021vf.xlsx
<b>Conception of Laudes ID</b>	37	Core Support Definition	Definições de Core Support Grants_Laudes
	38	ID Tool	Organizational Development Assessment Tool_ENG.pdf
	39	Grant Decision support tree	DecisionTree_GrantTypes.jpg
	40	Laudes Core Support Guidelines	CAGFoundation_Core_Support_Guidelines.docx





## Annex 4. Evaluation Matrix

MACRO DIMENSIONS	MACRO QUESTIONS	QUESTIONS	DIMENSIONS	INDICATORS	RUBRICS	
DESIGN	(A) To what extent was the initiative's design relevant and adequate for achieving institutional strengthening and improving InPACTO's actions?	1. To what extent is the initiative aligned both with the mission and vision of the Laudes Foundation and the priorities and with InPACTO's institutional challenges?	Alignment	_Degree of alignment and coherence of the initiative with the strategic directions of the Laudes Foundation* and InPACTO [*The strategic direction of the C&A Institute in 2016/2017 will be taken into account]  _ Degree of connection of the initiative's design with the diagnostic of the most relevant institutional challenges  _Use of internal and external lessons/experiences for the design of the initiative	A2. Alignment with the Laudes Foundation's strategies and strong suits  A1. Correct design to address important issues/needs, to strengthen organisations and networks alike and to influence the sector's policies, legislation and narratives	
IMPLEMENTATION	(B) How did the initiative make use of strategies to include, empower and strengthen the groups and individuals that comprise InPACTO's institutional environment?	2. How did the communication and relationship between the Laudes Foundation and InPACTO allow for exchanging knowledge and influence decisions over the course of the initiative's implementation?	Communication and relationship between partners	_Perception about the quality of the communication between the Laudes Foundation and InPACTO  _Influence of the perceptions and experiences of partner organisations in decisions related to the initiative's implementation	A5. Good communication to promote internal and external collective learning	A3. Inclusive, capacitating, empowering – an approach that improves skills
		3. To what extent did the issues of gender and race influence the implementation of the initiative?	Gender and race	_ Situations in which the issues of race and/or gender were present in the implementation	D2. Gender Justice and Social Inclusion: Diversity, equality and inclusion	
		4. What monitoring mechanisms were put in place, and to what extent did they support an adaptative management and lessons learnt internally and externally?	Monitoring	_Type and frequency of the monitoring activities/tools  _Use of data to carry out adjustments to the initiative and decision-making  _Relevance of the monitoring as a tool for management and learning	A4. Adequate monitoring to arrive at solid, adaptive management	



RESULTS	(C) To what extent has the initiative been able to strengthen InPACTO's institutional capacity?	5. How has the initiative favoured the expansion of the InPACTO team's capacity for carrying out its social action?	Institutional strengthening	<ul style="list-style-type: none"><li>_ Team composition (adequacy of numbers, profiles and roles)</li><li>_ Perception about the decentralisation of the roles and division of responsibilities within the team</li><li>- The team's level of satisfaction with regard to the atmosphere (environment and relationships) at work over the course of the initiative's cycle</li><li>_ The existence and type of spaces/tools for ongoing institutional learning</li></ul>		D1. Organisational and network efficiency: Organisations and networks with the right skills and capacity to produce relevant results
		6. How has the initiative been able to ensure InPACTO's financial sustainability?		<ul style="list-style-type: none"><li>_ Expansion of the member base (absolute number and %) from the start of the initiative</li><li>_ % participation of Laudes Foundation donation to the InPACTO annual budget (year-on-year evolution over the partnership period, comparison between budgeted and spent)</li><li>_ Diversification of funding sources</li><li>_ Existence and efficiency of a strategy to mobilise co-financing and leveraged investments</li><li>_ Proportion of co-financing and/or leveraged investment resources in the annual budget (year-on-year evolution)</li><li>_ Lessons learnt and strategies for expanding financing from companies linked to pressure for introducing changes in their practices</li></ul>	E4. Financial sustainability	
		7. To what extent has the initiative contributed towards improving InPACTO's governance?		<ul style="list-style-type: none"><li>_ Relevance and role of the governance council</li><li>_ Value allocated to the new statute for the improvement of management and governance</li></ul> <p>Perception about the capacity for institutional management developed (governance, management tools, scope of the results)</p>		



		8. How has the initiative contributed towards InPACTO having mid to long term strategic directions that are defined and aligned with the team?		<ul style="list-style-type: none"><li>_ Existence of a strategic plan or guidelines in the mid to long term that are clear and aligned with the team</li><li>_ Perception about the presence of a strategic plan or guidelines within the organisational plan, by way of guidance for actions and decisions</li><li>_ Perception about InPACTO's capacity for responding to new contexts/fields of action</li></ul>		
	<b>(D) To what extent is core support capable of supporting InPACTO in order to achieve the desired results?</b>	9. What are the main lessons learnt about the design and implementation of core support?	<i>Core support model</i>	<ul style="list-style-type: none"><li>_ Value given to the core support model with regard to other kinds of support taking into consideration challenges and contributions</li><li>_ Perception about the adequacy of the duration of the partnership in terms of consolidating sustainable/enduring results</li><li>_ Evolution of the ID/core support concept/proposal within the Laudes Foundation over time</li></ul>		
	<b>(E) To what extent has the initiative strengthened the incidence and coordination of InPACTO in the field of slave labour?</b>	10. How has the initiative been able to connect and promote collaborations between different organisations and actors to build and strengthen the field of slave labour combat?	<i>Strengthening of the field of action</i>	<ul style="list-style-type: none"><li>_ Acknowledgement of InPACTO as a relevant actor in the field, both nationally and internationally</li><li>_ Intensity and relevance of the connections established by InPACTO in collaborative and/or participative actions in networks/forums in the field of slave labour combat</li><li>_ Perception about InPACTO's capacity for mobilising actors to combat slave labour in the different sectors of the economy in Brazil and throughout the world</li><li>_ Degree of InPACTO dedication to international agendas</li></ul>	D3. Convening and Collaboration	
	<b>(F) How has the external scenario influenced the scope of actions and the structuring of InPACTO as an agent for positive change within the context of slave labour?</b>	11. How has the external context contributed towards or limited the scope of the results expected of the initiative?	<i>Influence of the context</i>	<ul style="list-style-type: none"><li>_ Factors connected to the Brazilian political/social/economic scenario and the pandemic that influenced the implementation and scope of the results</li></ul>	Contextual Difficulty Mini Rubric	



IMPACT	(G) How has the initiative contributed towards expanding InPACTO's capacity for acting to reduce the incidence of slave labour in productive chains?	12. To what extent has the initiative been able to influence decision-makers (and inform the public opinion) in order to positively change policies and practices?	<i>Influence on public policies</i>	<ul style="list-style-type: none"><li>_ Degree of initiative contribution for the insertion and improvement of the issue of slave labour in public policies</li><li>_ Capacity and scope in terms of promoting transparency and divulging data for combatting slave labour</li></ul>	C2. Advocacy: Process of influencing decision makers (and informing public opinion) to positively change policies and practices  C3. Innovation: The implementation of creative, imaginative ideas – including technologies – to solve industry challenges
		13. To what extent has the initiative been able to influence mental models, beliefs and premises in such a way that they might promote a systemic change?	<i>Social awareness and change of narrative</i>	<ul style="list-style-type: none"><li>_ Perception about the reach of the communication actions related to slave labour in the media and social networks</li><li>_ Partner perception about changes of narrative regarding slave labour in different sectors of the economy in Brazil</li><li>_ Perception about increased involvement by entrepreneurs of the Brazilian productive sector in the agenda for combatting slave labour</li></ul>	B1. Changing the narrative: Influencing mental models, beliefs and assumptions in ways that support the desired change





## Annex 5. Evaluation statements

### Relevance and Design

**A1.** The relevance of core support was aligned with the Laudes Foundation's programmatic agenda and InPACTO's need to expand its capabilities, as well as with the opportunity for collaborating towards the advancement of human rights in Brazil.

**A2.** The design of the initiative was exceedingly dependent upon support from third parties, whether from the Laudes Foundation or from specialised consultants hired for this purpose, an aspect that is perceived as contradictory to the strengthening of organisations.

**A3.** Moving away from its original scope, to facilitate the Laudes Foundation's internal approval process, the proposal incorporated actions focused on the fashion industry, which proved inadequate, as they ended up dispersing the main objective of the initiative and generating a potential for inefficiencies.

**A4.** While without a conceptual reference instituted by the Laudes Foundation, the core support model for InPACTO was accurate to keep paying attention to key organisational capacity building premises, such as medium-term duration of the partnership, financial support for a significant part of the budget, untied use resources, requirement to leverage third-party funding, non-material support, budgetary down scaling, among others.

**A5.** The concentration of product deliveries, especially plans drawn up with the support of external consultants, proved to be scarcely effective in building capacities because it disregarded the feasibility of implementing proposals designed by external experts.

**A6.** The dynamic of the relationship established between both partner organisations was positive, as it represented a necessary support for InPACTO management and the possibility of identifying and addressing other actions not foreseen in the initiative. This relationship was marked by a great deal of proximity and frequent communication, beyond even what had been predicted in the initiative monitoring dynamics.

### Strengthening of InPACTO's institutional capacity

**A7.** The strengthening of the InPACTO team was a sensitive issue permeated by gaps in people management capabilities throughout the entire cycle of the initiative, where the following must be highlighted: challenges of high turnover, an incomplete and overloaded team and an absence of development and learning spaces. That being said, during the last year of the initiative, there was an initial movement to constitute a more appropriate, integrated team.

**A8.** The search for the decentralisation of roles and responsibilities previously converging on the Executive Director was met with the challenge of having to consolidate the team, as well as the contradiction regarding moves aimed at expanding the powers attributed to her that marked the period.





**A9.** InPACTO's leadership has acknowledged capacity for acting in the field of combating slave labour, especially on account of the liaison and relationship skills and the technical knowledge accumulated.

**A10.** InPACTO adopted a governance model inspired by the institutional model of the organisation that incubated it, which proved inadequate for its reality in terms of size and proposal for action. This arrangement was not able to support the development of leadership and enhance its capabilities.

**A11.** The presence of the Laudes Foundation in the InPACTO Board brought about challenges related to the communication, independence and autonomy dynamics between the parties, in addition to the position on the Board being smaller than expected.

**A12.** There has been a recent movement aimed at structuring InPACTO management, with emerging advances being noticed in different areas. The revision of the statute has contributed towards this, although as it is an ongoing process, the results generated have thus far proved impossible to assess.

**A13.** The plans and documents developed, which received a great deal of attention over the course of the initiative, fulfilled their role of guiding InPACTO at the tactical-operational level, however, this role was limited to expressing an intention for social intervention, given that the expanse of the strategies and focuses proposed failed to make InPACTO's intention of addressing slave labour clear.

**A14.** The plans and guidelines were drawn up in line with the commitments made in core support, however, these were not necessarily institutionalised by InPACTO. While some plans were more present in the day-to-day activities of the organisation, documents of a more strategic nature were restricted to leadership and scarcely incorporated by the team.

## **Financial sustainability**

**A15.** InPACTO clearly provides added value to its members, however, the organisation was unable to capture new members and meet with the commitments entered into over the course of the partnership established with the Laudes Foundation.

**A16.** The organisation succeeded in terms of international fundraising, all focused on value chains rather than core support. However, the Laudes Foundation remains a significant contributor to InPACTO's budget, and the organisation's prospect of financial sustainability in the short term is fragile.

## **Influence in the field**

**A17.** InPACTO is considered a reference in the field of combating slave labour, recognised for its capacity to coordinate different sectors and organisations in the country and due to its experience and relevance outside it. That having been said, there is still room for greater protagonism, projection and international articulation, in addition to an increased visibility.

**A18.** Há uma legitimidade depositada no InPACTO quanto ao seu papel junto ao setor produtivo, que confia na maneira como o InPACTO atua, reconhece sua capacidade técnica e seu papel de articulador com outros setores, além de possibilitar acesso a dados e troca de experiências com outras empresas.





**A19.** In recent years, the country's political and social context has been marked by strong setbacks in the field of addressing slave labour, which has had significant repercussions on the agenda and the organisations that work in it. In this context, InPACTO has lost its capacity for positioning and has turned more towards working with the productive sector.

### **Influence in value chains**

**A20.** Results in value chains produced over the course of the period are concentrated in coffee value chain, although the merits of sustaining the carnaúba agenda in a scenario of scarce resources for this front should be acknowledged. The action with the textile sector was not very relevant and conflicted with the ABVTEX agenda.

**A21.** Having been developed during the partnership period, the InPACTO Vulnerability Index is a significant achievement that presents itself as an innovation with great potential to add value to the issue of slave labour combat. The Pacto's commitment monitoring system having matured may also be considered a legacy of the core support project.





## Annex 6. Evaluation Rubrics

The Laudes Foundation produced a new system for monitoring and evaluating its initiatives based on a methodological approach centred around evaluation rubrics. This endeavour stems from the acknowledgement of the limitations quantitative metrics presents, and its objective is that of improving the organisation's capacity for grasping and quantifying what matters to them the most in terms of the performance of the supported projects. The approach also allows for the different programme areas to contextualise and construe what the most adequate evidence is to express the results and the paths to follow in order to achieve them from a same reference point.

The production of this methodological approach is recent (2019), and prompted the production of material comprising guidelines<sup>1</sup> to be tested out in the field, which is the one used in this evaluation process. Nevertheless, in general terms, the Laudes Foundation has not yet officialised a protocol to guide the application of the approach in its initiatives. The contributions brought forward below seek to contribute towards this future production.

### Steps for the application of the evaluation rubrics

Specifically within the context of this evaluation process, the steps related to the use of the rubrics were as follows:

- study of the document *C&A Foundation's Evaluation Rubric & Rating System (ERS) for Evaluating Initiatives: A Guideline for Field Testing*.
- selection of the rubrics that may be relevant and adaptable to be applied in this evaluation.
- application of the instrument by the evaluation team as part of the preliminary report.
- dialogue about the team's application of the evaluation during the workshop.
- revising and defining the final classification (delivered together with the final report).

The analysis on the adequacy and relevance of the 21 rubrics as a whole resulted in the selection of 12 of them, in addition to a minirubric that is linked to the initiative's context. To this end, the criteria that established coherence between the initiative's ToC, the evaluation questions posed and the possibilities and limitations of the evidences brought forward over the course of the process were selected.

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<sup>1</sup> *C&A Foundation's Evaluation Rubric & Rating System (ERS) for Evaluating Initiatives: A Guideline for Field Testing* (2019).





## Relevant considerations for the Laudes Foundation

The evaluation team has brought to light certain considerations stemming from the learnings drawn from the experience in the application of evaluation rubrics over the course of this process that have been considered relevant and to be taken into consideration by the Laudes Foundation:

- The partners involved in the evaluation should ideally dialogue with and make the application of the rubrics theirs by being in contact with and validating the work carried out by the evaluation team. To this end, the application of the rubrics as part of the preliminary report is key so that the reflection about them may take place in the workshop for discussing the results of the evaluation – as a device for learning and bringing about increased transparency to this attribution.
- Certain guiding premises are seen as relevant within the rubrics' process of application:
  - **Learning perspective:** An invitation for all involved to consider the time they plan to allocate to the document as an exercise for the development of an evaluative viewpoint.
  - **Exercise in rationality:** However well devised, a general scale will be unable to express the specificities of an experience, therefore, faced with the options presented, the one that is best suited needs to be pondered upon. There are no other alternatives apart from the existing ones.
  - **Idea of progress:** The rubrics aim to carry out the evaluation from the perspective of progressing towards a more promising scenario, and these advances walk hand in hand with the initiative's maturity.
  - **Connection with the evidence:** The evaluation reports present the pieces of evidence that constitute the basis for the application of the rubrics. The invitation extended to those involved must be that of returning to the reports if so prompted by a classification.

Please find below the evaluation rubrics selected and applied over the course of this evaluation process. In general terms, the scenario was formed by 3 criteria considered PARTLY CONDUCIVE, 7 CONDUCIVE and 2 UNCONDUCIVE.





**(A) To what extent was the initiative's design relevant and adequate for achieving InPACTO's institutional strengthening and improving its actions?**

<p><b>A2. Alignment with the Laudes Foundation's strategies and strong suits</b></p>	<p><b>HARMFUL</b> A highly problematic misalignment exists between the initiative and the partners' strengths, creating a situation where the partners have to perform in a way that is likely to threaten their organisational survival in the mid- to long-term.</p>	<p><b>UNCONDUCTIVE</b> The initiative is at least partly aligned with the priorities and interests of the C&amp;A Foundation but clearly lacks alignment with the strengths, capacity or priorities of the partner organisations – or the reverse.  This misalignment is substantial enough that it is likely to significantly affect the likely success of the initiative.</p>	<p><b>PARTLY CONDUCTIVE</b> The initiative is mostly aligned with mission, priorities and main strategies of the C&amp;A Foundation and the strengths of the partner organisation(s).  Although not crucial, the misalignments are significant enough that they affect (or are likely to affect) the effectiveness of the initiative, although not severely.  DELETE SEGMENT</p>	<p><b>CONDUCTIVE</b> The initiative's level of alignment with the mission and priorities of both the C&amp;A Foundation and the partners is generally good, although there are some places where a minor improvement in partner capacity and/or a better alignment with the C&amp;AF's strategies would improve the likelihood of effective impact.</p>	<p><b>THRIVABLE</b> The initiative is closely aligned to the C&amp;A Foundation's ultimate outcomes, mission, and strategies expressed in the organisation-wide theory of change. It also fully takes into account the partners' strengths, capacity and priorities</p>
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**JUSTIFICATION:** The design stems from the effort made and the dialogues held with partnering organisations, including having made a consultancy available to this end, and the existence of a preliminary support of the initiative centred around its preparation (Learning Grant). The alignment with the mission and priorities of the Laudes Foundation is a reflection of the directions of that given moment, when there was no consolidated 'pro-core support' strategy yet.

<p><b>A1. Correct design to address important issues/needs, to strengthen organisations and networks alike and to influence the sector's policies, legislation and narratives</b></p>	<p><b>HARMFUL</b> Despite having a design concept promising enough to win funding initially, the issues faced in practice are very different from what was anticipated. The initiative's current design, even with adaptations, seems likely to exacerbate rather than improve the status quo.</p>	<p><b>UNCONDUCTIVE</b> The initiative's design, although conceptually strong enough to obtain funding initially, has turned out not to be as well suited to some of the unanticipated challenges and conditions in the implementation environment. Although it may address some issues, the current design does not adequately address some of the root causes or hidden needs that are key to producing systemic impact that will lead to genuine industry change in this setting.</p>	<p><b>PARTLY CONDUCTIVE</b> The initiative's design is relatively strong, but some important opportunities were missed to develop, adapt and/or refine it in light of the particular contextual challenges or issues encountered. Its potential to produce systemic impact is not strong and it is unclear whether it builds on past lessons. The resulting limitations are compromising the initiative's effectiveness in this setting.</p>	<p><b>CONDUCTIVE</b> The initiative has on the whole been well designed, developed, adapted and/or refined to address most of the important issues/needs in this setting to produce systemic impact by making a worthwhile contribution to the fairness and sustainability of the fashion industry. It builds on past lessons and contributes to advance the C&amp;AF's broader strategy. Some minor limitations, however, are evident as opportunities for strengthening the design, e.g., by enhancing the emphasis on industry responsibility rather than relying on consumer or employee vigilance; strengthening the capacity of participating organisations; fostering better networking or collaborative work among key stakeholders;</p>	<p><b>THRIVABLE</b> The initiative has been very well designed, developed, adapted and/or refined to address the most important issues/needs in this setting to produce systemic impact by making a strong and effective contribution to the fairness and sustainability of the fashion industry. It clearly builds on past lessons and contributes to advance the C&amp;AF's broader strategy. The emphasis is on industry responsibility to create a market that promotes lifestyle and societal change and fosters the dignity of every person rather than relying on consumer or employee vigilance.</p>
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				influencing relevant policies and legislation; or changing the narratives that may be holding back this part of the industry.	
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**JUSTIFICATION:** The implicit conception of core support coupled to the design brings positive characteristics, such as a flexibility in the use of resources, the timeframe of the initiative (mid-term), and even the regressive participation logic of the Laudes Foundation's support to the InPACTO annual budgets. Having supported products and plans by way of a strategy for organisational development is seen as a limitation in the design, as is the fact it does not deal with the issue of governance (main organisational challenge at that time).

## (B) How did the initiative make use of strategies to include, empower and strengthen the groups and individuals that comprise InPACTO's institutional environment?

<b>A3. Inclusive, capacitating, empowering – an approach that improves skills</b>	<b>HARMFUL</b> The initiative is being/was implemented in a way that produced negative, harmful consequences to organisations, groups or individuals, especially the ones already historically excluded, discriminated against and disempowered.	<b>UNCONDUCTIVE</b> Several major limitations are evident in the implementation of the initiative, especially in terms of efficiency. Other relevant ethical, professional, cultural appropriateness and consistency issues are also observed.  However, those serious limitations are not clearly harmful to organisations, groups or individuals participating or affected by the initiative.	<b>PARTLY CONDUCTIVE</b> Overall, the initiative is implemented reasonably well. While some inefficiencies and inconsistencies may take place, none of them are too serious.	<b>CONDUCTIVE</b> At this level, the initiative is implemented efficiently, thoroughly, professionally, ethically, culturally appropriately, and consistently with relevant legal and professional standards.  Certain minor limitations may occur.	<b>THRIVABLE</b> The initiative is not only implemented efficiently, thoroughly, professionally, ethically, culturally appropriately, consistently with relevant legal and professional standards, but also uses strategies that include, enable, empower, and enhance the capacity of participating organisations, groups and individuals, especially the ones with a long history of exclusion, discrimination and disempowerment.
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**JUSTIFICATION:** There were sensitive factors that caused an impact on the implementation: On the one hand, internal InPACTO tensions and conflicts (management and governance), and on the other, frequent team member turnover both in InPACTO and the Laudes Foundation. This caused the implementation to be less efficient than expected, with more efficient results having been seen the previous year.

## (B) 2. How did the communication and relationship between the Laudes Foundation and InPACTO allow for the exchange of knowledge and influence decisions over the course of the initiative's implementation?





A5. Good communication to promote internal and external collective learning	<b>HARMFUL</b> The initiative has a communication system that has actually produced negative, harmful consequences to organisations, groups or individuals, especially the ones already historically excluded, discriminated and disempowered.	<b>UNCONDUCTIVE</b> The initiative has a bad communication system with its participating individuals, organisations and networks, and it does not communicate at all with external audiences.  No information about the initiative is made publicly available and the publicity about the initiative is only done for reasons other than helping to improve its impact and effectiveness.	<b>PARTLY CONDUCTIVE</b> The initiative communicates just reasonably well with participating individuals, organisations and networks. Communication with external audiences is challenging and mutual learning occurs only at a minimum level.  The information made publicly available about the initiative's design, methods, strategies, outputs, outcomes, learning etc, after properly anonymised, are mostly about successes; only rarely, failures are shared.  Often the way the initiative's work is publicised does not necessarily help improve its impact and effectiveness.	<b>CONDUCTIVE</b> The initiative has a good and transparent communication system with participating individuals, organisations and networks facilitating, internal learning.  It communicates reasonably well with external audiences (potential partners in the causes that the initiative serves), but with some challenges that limit to some extent mutual learning.  Most, but not all, relevant information about successes and failures in the initiative's design, methods, strategies, outputs, outcomes, learning etc, after properly anonymised, are made publicly available.  Publicity of the initiative's work is, most of the time, done wisely and purposefully to help improve its impact and effectiveness.	<b>THRIVABLE</b> The initiative communicates openly, transparently and effectively with participating individuals, organisations and networks as well as with external audiences (potential partners in the causes that the initiative serves) facilitating mutual learning where possible.  All relevant information about successes and failures in the initiative's design, methods, strategies, outputs, outcomes, learning etc, after properly anonymised, are made available so that others may benefit and share as well, building a learning culture.  Publicity of the initiative's work is always done wisely and purposefully to help improve its impact and effectiveness.
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**JUSTIFICATION:** External InPACTO communications brought about a number of limitations over the course of the initiative, and while one-off actions were carried out, their effect were limited to the closest partners. That having been said, InPACTO communicates reasonably well with participating organisations and networks alike.

(B) 3. To what extent did the issues of gender and race influence the design and implementation of the initiative?





<b>D2. Gender Justice and Social Inclusion: Diversity, equality and inclusion</b>	<b>HARMFUL</b> (Note: This will most often be a 'baseline' situation - the reason why a gender- and social inclusion-focused intervention was implemented in the first place.)	<b>UNCONDUCTIVE</b> 'Gender-Blind & Socially Tolerant': A situation or set of practices that ignores and fails to address the economic, social, and political roles, rights, entitlements, responsibilities, and obligations associated with masculinity and femininity, and/or the power dynamics between and among people of different genders, ethnicities, sexual orientations, and other historically marginalised groups.  By "treating everyone the same", inequalities in access to power and resources remain problematic.	<b>PARTLY CONDUCTIVE</b> 'Gender & Socially Accommodating': Equitable policies, laws, and/or rules are in place and effectively enforced to protect against discrimination and exploitation based on gender, ethnicity, sexual orientation, and other affected identities.  This has helped achieve a somewhat more equal distribution of benefits, resources, status, and/or rights than is typically seen in such settings.  However, the focus is on formal rules rather than the deeper elements that undergird inequalities, injustices, and social exclusion.  The changes implemented, although worthwhile, tend to work existing power dynamics, gender roles, norms, stereotypes, and other root causes of inequality rather than addressing them directly.	<b>CONDUCTIVE</b> 'Gender & Socially Responsive & Inclusive': People who had experienced inequality, marginalisation, or exclusion are empowered and engaged with in ways that work for them to help achieve a substantially more equal distribution of benefits, resources, status, and/or rights than is typically seen in such settings.  The approach taken directly addresses at least some of the existing power dynamics, gender roles, norms, stereotypes, and other root causes of inequality.  It also includes effective efforts to engage and influence men and other groups that have historically held power and privilege to change their beliefs, attitudes, and behaviours.	<b>THRIVABLE</b> 'Gender & Socially Transformative': A situation or environment where critical examination of norms, stereotypes, and judgements associated with masculinity/femininity and other characteristics of marginalised/privileged groups is proactively fostered and is now deeply embedded in the system and culture.  The evidence shows deep, permanent change in the norms, cultural values, and power structures that previously created social exclusion or marginalisation, gender and other inequalities, and injustices and allowed them to persist.  As a result, the distribution of resources, benefits, status, and rights is very even; the dignity of all people is fostered and those who were previously marginalised are much more able to thrive in this setting.
	<b>JUSTIFICATION:</b> The initiative did not intentionally take into consideration issues such as gender (and race) in any of its strategies or expected results, despite the issue being present both internally (considering the profile of the leader), and externally (considering the theme and the characteristics of the victims of slave labour).				

(B) 4. What monitoring mechanisms were put in place, and to what extent did they support an adaptive management and lessons learnt internally and externally?





<b>A4. Adequate monitoring to arrive at solid, adaptive management</b>	<b>HARMFUL</b> The initiative's monitoring system is poorly designed. The quality of the data collected is poor and/or the analyses and reporting is misleading. Managers end up making wrong decisions based on the monitoring data which compromised the quality of the initiative's implementation, generating poor outputs and negative early outcomes.	<b>UNCONDUCTIVE</b> Several major limitations are evident in the initiative's monitoring system, especially in terms of relevance and usefulness of the information generated.  Typically, the monitoring system collects a lot of data that is not really focused on the real important questions managers need answers for in order to adapt and improve the initiative.  However, those serious limitations are not clearly harmful to the initiative or the people or organisations involved.	<b>PARTLY CONDUCTIVE</b> Overall, the initiative's monitoring system is reasonably good. Some inefficiencies and inconsistencies may take place, but none of them are very serious.	<b>CONDUCTIVE</b> At this level, the initiative's monitoring system is quite helpful to inform managers how to adapt the initiative in order to improve its implementation, outputs and early outcomes.  Some minor limitations may occur, such as reports a little less focused, too long or bad data viz, or sensemaking meetings not so regular and/or productive.	<b>THRIVABLE</b> The initiative has adopted clear, well-designed and effective monitoring strategies to collect and report key information about the quality of its implementation, key outputs and early outcomes. Sensemaking meetings to discuss monitoring findings are held regularly and involve all key people within the initiative. The monitoring reports are short, reader-friendly, engaging and straight to the point, making good use of data visualisation. Based on the monitoring report and sensemaking meetings, managers make decisions to adapt and improve the initiative so it will remain relevant, efficient and effective over its lifespan.

**JUSTIFICATION:** The monitoring remained close and transparent throughout the cycle, in such a way that the challenges identified could be resolved over the course of the implementation. The monitoring system proposed was partially sufficient – despite the fact that the reports fulfilled their role, the initiative as a whole demanded more dedication by the Laudes Foundation in terms of monitoring (verified by the intense relationships and communication established between the organisations) in order to guarantee all the data and information, as well as the necessary support demanded by InPACTO.

**(C) To what extent has the initiative been able to strengthen InPACTO's institutional capacity?**





<b>D1. Organisational and network efficiency: Organisations and networks with the right skills and capacity to produce relevant results</b>	<p><b>HARMFUL</b> The initiative was designed and/or implemented in a way that actually caused harm to the organisation(s) and/or network(s) involved, confusing their initial knowledge with wrong information and introducing misleading methods that diminished their capacity to effectively produce the key outcomes they were set up to produce.</p> <p>Also, several of their values may be incompatible with C&amp;AF's values.</p>	<p><b>UNCONDUCTIVE</b> The organisation(s) involved in the initiative and possible network(s) connected to it lack the knowledge and capacity to design, influence, promote and implement results-focused changes.</p> <p>The organisation(s) and/or network(s) are unable to achieve any of the relevant outcomes they were supposed to produce.</p> <p>Also, some of their values may be incompatible with C&amp;AF's values.</p>	<p><b>PARTLY CONDUCTIVE</b> The organisation(s) and/or network(s) have the knowledge, skills and capacity, but are seriously struggling to achieve some of the outcomes they were set up to produce.</p> <p>They are missing several outcomes, but not the ones that are considered essential - that would make them a failure. Not all their values are fully aligned with C&amp;AF's, but none are incompatible.</p>	<p><b>CONDUCTIVE</b> The organisation(s) and/or network(s) have most of the knowledge, skills and capacity, but are struggling to achieve some of the outcomes they were set up to produce.</p> <p>The few that they are not being able to achieve will limit in a meaningful way their ability to contribute to systemic impacts. Their values are fully aligned with the values of the C&amp;A Foundation.</p>	<p><b>THRIVABLE</b> The organisation(s) involved in the initiative and the essential network(s) connected to it have the right knowledge, skills and capacity (including strong leadership, governance, innovation, strategy, entrepreneurship, planning, execution and catalytic) to design, influence, promote and implement results-focused changes. They are managing to fully achieve all relevant outcomes they were set up to produce. Their values are fully aligned with the values of the C&amp;A Foundation.</p>
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**JUSTIFICATION:** The institutional challenges related to governance and management were present over the course of the majority of the initiative and produced negative effects with regard to what had been expected. Preliminary results linked to strengthening InPACTO's institutional capacities were observed only over the course of the partnership's final year.

#### (C) 6. How has the initiative been able to ensure InPACTO's financial sustainability?

<b>E4. Financial sustainability</b>	<p><b>HARMFUL</b> Financially unsustainable, as evidenced by one or more of the following:</p> <ul style="list-style-type: none"> <li>• The initiative is becoming increasingly expensive over time with fast- diminishing returns (e.g., because it has addressed the relatively straightforward issues to achieve quick wins but will be far too costly for the more complex and challenging issues ahead)</li> <li>• There are serious diseconomies of scale that make this initiative prohibitively expensive to expand</li> </ul>	<p><b>UNCONDUCTIVE</b> Low financial sustainability, typically evidenced by two or more of the following:</p> <ul style="list-style-type: none"> <li>• There is very little availability of funding and support from other sources; the initiative cannot survive without C&amp;AF support.</li> <li>• The initiative has only small potential to produce savings or benefits, with limited contribution to making it partially self-sustaining.</li> <li>• A scaled-up version could potentially produce some</li> </ul>	<p><b>PARTLY CONDUCTIVE</b> Partial financial sustainability, typically evidenced by one or more of the following:</p> <ul style="list-style-type: none"> <li>• Funding and support from other sources are potentially available, but unlikely to be sufficient in amount and/or duration.</li> <li>• The initiative has potential to produce savings or benefits that will make it partly self-sustaining and/or attractive to funders, but not enough to eliminate the need for ongoing support.</li> </ul>	<p><b>CONDUCTIVE</b> Good financial sustainability, typically evidenced by two or more of the following (or one, very strongly):</p> <ul style="list-style-type: none"> <li>• Funding and support are available from other sources, although there is not yet a commitment or strong indication that they will be forthcoming.</li> <li>• The initiative has definite potential to start paying for itself or producing significant savings that will make it attractive to funders, although this is more likely in the medium than the short term.</li> </ul>	<p><b>THRIVABLE</b> Highly financially sustainable, typically evidenced by two or more of the following (or one, very strongly):</p> <ul style="list-style-type: none"> <li>• Ongoing funding and support (or strong indications that they will be forthcoming) have been secured from other sources.</li> <li>• The initiative is well positioned to quickly start paying for itself or producing significant savings that will make it highly attractive to funders.</li> </ul>
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	where it needs to	economies of scale, but not enough to eliminate the need for ongoing support or to attract sufficiently more support from funders.	• A scaled-up version could potentially produce some economies of scale, but not enough to eliminate the need for ongoing support.	• A scaled-up version will produce worthwhile economies of scale that will make this initiative largely self-supporting and/or attractive to funders.	• A scaled-up version will produce economies of scale that sufficiently reduce effort and/or cost relative to outputs, impacts, revenue, etc to be self-supporting and/or very attractive to funders.
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**JUSTIFICATION:** By the end of the partnership's cycle, financial sustainability still represents a challenge, and removing the core support resource may represent a risk to the continuity of the organisation's key actions. The strategies centred around leveraging and/or co-financing have not yet proved effective.

### (D) To what extent is core support capable of supporting InPACTO in order to achieve the desired results?

No rubrics apply.

### (E) To what extent has the initiative strengthened the incidence and coordination of InPACTO in the field of slave labour?

<b>D3. Convening and Collaboration</b>	<b>HARMFUL</b> (Note: This will most often be a 'baseline' situation - the reason why a Convening & Collaboration approach was chosen in the first place.)  The initiative has yet to make significant inroads into convening the relevant parties or getting them to collaborate. As a result, the current situation is segmented, fragmented, or siloed; the key players are clearly not on the same page in terms of their vision and may even be working at cross-purposes.	<b>UNCONDUCTIVE</b> The initiative has had limited success so far in connecting and enabling collaboration among different organisations and stakeholders with different knowledge and diffuse interests.  As a result, few important players, usually without representation from the most vulnerable and/or marginalised groups, are starting to share their expertise and work together towards achieving industry change.  However, there is still a significant way to go before this collaboration becomes productive.	<b>PARTLY CONDUCTIVE</b> The initiative has had some success so far in connecting and enabling collaboration among several organisations and stakeholders with different knowledge and diffuse interests.  As a result, some (but not yet most) of the key players, including at least some (but not yet substantial) representation from vulnerable and/or marginalised groups, are sharing their expertise and working together towards achieving meaningful industry change.	<b>CONDUCTIVE</b> The initiative has had good success so far in connecting and enabling collaboration among a wide range of different organisations and stakeholders with different knowledge and diffuse interests.  As a result, most (but not yet all) of the key players, including substantial (but not yet strong) representation from vulnerable and/or marginalised groups, are sharing their expertise and working together towards achieving meaningful industry change.	<b>THRIVABLE</b> The initiative has been highly successful so far in connecting and enabling collaboration among a wide range of different organisations and stakeholders with different knowledge and diffuse interests.  As a result, all key players, including strong representation from vulnerable and/or marginalised groups, productively share their expertise and work together in powerful and transformative ways towards achieving meaningful industry change.
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**JUSTIFICATION:** The initiative's most relevant results are in reference to InPACTO's capacity for coordinating different interests and with different organisations, and the role played by the organisation in combating slave labour is acknowledged both by the productive sector and sectoral organisations alike.







**(F) How has the external scenario influenced the scope of actions and the structuring of InPACTO as an agent for positive change within the context of slave labour?**

Contextual Difficulty Mini Rubric	<b>Regulatory atmosphere: MAJOR CHALLENGE</b>  <b>Political environment: MAJOR CHALLENGE</b>	<b>Cultural norms: MODERATE CHALLENGE</b>			
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**JUSTIFICATION:** **Regulatory framework:** The Labour Reform and the threat posed to judicial devices aimed at guaranteeing decent employment currently represent a huge challenge to the agenda that pretends to address slave labour. **Political environment:** The current political climate (the Temer and Bolsonaro administrations) has brought about a series of setbacks in the agenda aimed at confronting slave labour; these include the closure of the Employment Ministry, the weakening of supervisory bodies and budgetary cuts, the dispute surrounding the suspension of the Lista Suja, among others. **Cultural norms:** While this scenario, that has brought to light the strength of conservatism in Brazilian society represents a challenge to any human rights agenda, in the case of slave labour, there already exists a more culturally accepted vision of rejection linked to the issue.

**(G) How has the initiative contributed towards expanding InPACTO's capacity for acting to reduce the incidence of slave labour in productive chains?**

**(G) 12. To what extent has the initiative been able to influence decision-makers (and inform the public opinion) in order to positively change policies and practices?**

<b>C2. Advocacy: Process of influencing decision makers (and informing public opinion) to positively change policies and practices</b>	<b>HARMFUL</b> The initiative has made some attempts to influence decision makers to make positive changes in policies and/or practices but has not yet seen much progress. The current situation continues to reinforce, perpetuate, or even exacerbate the status quo, e.g., they enable and implicitly encourage the continued exploitation of workers and their communities, and/or harming natural environments for the purpose of profit maximisation.	<b>UNCONDUCTIVE</b> The initiative has made some progress in influencing decision makers to make positive changes in policies and/or practices, but only in limited areas and still not addressing the most important issues. Depending on the details, this may represent important progress on a very significant and complex challenge, but the current situation is not yet conducive to support the shift to an inclusive and regenerative fashion industry.	<b>PARTLY CONDUCTIVE</b> The initiative has made clear progress toward influencing decision makers to make some important positive changes in policies and/or practices, which are now somewhat supportive of an inclusive and regenerative fashion industry. However, these policies and practices have some important gaps, have yet to be implemented and/or are not being well enforced. There is significant work to be done in the policy change arena.	<b>CONDUCTIVE</b> The initiative has succeeded in influencing decision makers to make important positive changes in policies and practices, which now provide reasonably good support to an inclusive and regenerative fashion industry. The enforcement of the new policies and practices is good; however, there are some minor gaps and areas for improvement; policy change work is ongoing.	<b>THRIVABLE</b> The initiative has been highly successful in influencing decision makers to positively change the most important policies and practices needed to support, enable, and compel shifts toward an inclusive and regenerative fashion industry. These policies and practices are fully enforced (not just symbolic); public awareness is high; and there is strong evidence that key players are committing resources to making things right.
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**JUSTIFICATION:** InPACTO's actions have influenced public policies for slave labour inspection and with regard to the Lista Suja. While the actions carried out by the Pact in terms of influencing public policies are widely acknowledged, InPACTO has not yet had the opportunity of expanding its protagonism and propositional role to influence public opinion and foster political changes and practices in the public sphere.

<b>C3. Innovation: The implementation of creative, imaginative ideas – including technologies – to solve industry challenges</b>	<b>HARMFUL</b> The innovations emerging from this initiative tend to be efficiencies within current technologies rather than genuine innovations that solve industry challenges.  As such, they implicitly reinforce, perpetuate, and may even	<b>UNCONDUCTIVE</b> This initiative has so far had only a few minor successes in generating and/or implementing worthwhile, relevant and innovative ideas and/or technologies that contribute to solving industry challenges.	<b>PARTLY CONDUCTIVE</b> The initiative has had some success in generating and implementing worthwhile, relevant, creative, imaginative ideas and/or technologies that solve industry challenges and have potential to change “business as usual”.	<b>CONDUCTIVE</b> The initiative has had good success in generating and implementing worthwhile, relevant, creative, imaginative ideas and/or technologies that help solve important industry challenges and have the potential to change “business as usual”. Initiatives at this	<b>THRIVABLE</b> The initiative has been highly successful in generating and implementing high-quality and relevant creative, imaginative ideas and/or technologies that are (or will be) breakthroughs for solving important industry challenges and changing “business as usual.”
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	exacerbate the status quo, i.e., they enable or allow the continued exploitation of workers and their communities, and/or the harm of natural environments for the purpose of profit maximisation.	Initiatives at this level have significant weaknesses in several of the above four characteristics and need to work on strengthening these to allow good innovation to emerge.	Initiatives at this level are reasonably strong on at least two of the above four characteristics and will definitely benefit from strengthening these to enhance the quality and value of their innovation.	level are strong on at least three of the above four characteristics, with some minor room for improvement.	Initiatives at this level are extremely strong on all four of the following characteristics: (i) an organisational or network environment that is a thriving “marketplace for ideas”; (ii) strong support for risk-taking and an understanding that innovation without failures is not true innovation at all; (iii) experimentation and tinkering with multiple versions and ideas rather than finalizing concepts early on; and (iv) highly effective real-time concept/market testing to learn from successes and failures.
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**JUSTIFICATION:** InPACTO’s actions within the context of the productive sector have seen a growing potential for innovation, a good example of which is its work with production chains and the development and recent launch of the InPACTO Vulnerability Index (IVI). That having been said, these results are being consolidated, and it is a field where there is still space to grow.

### (G) 13. To what extent has the initiative been able to influence mental models, beliefs and premises in such a way that they might promote a systemic change?

<b>B1. Changing the narrative: Influencing mental models, beliefs and assumptions in ways that support the desired change</b>	<b>HARMFUL</b> This is a typical ‘baseline’ situation; it is why initiatives are implemented in the first place. Most initiatives will face this as their starting point and will be looking to shift the situation up towards yellow, then green. The dominant narratives reinforce, perpetuate, and may even exacerbate the status quo, e.g., they support the continued exploitation of workers and their communities,	<b>UNCONDUCTIVE</b> Changing the narrative is still in the early stages, with only minor progress so far. Some stakeholders now accept that there is a problem and there is some use of new narratives that support a sustainable fashion industry where people can thrive. However, buy-in is still low; these new narratives are taking hold only in pockets.	<b>PARTLY CONDUCTIVE</b> Clear progress is evident in getting new narratives accepted, although there is still a significant way to go. Problematic narratives do persist in several areas, so change is still a work in progress. To avoid slipping back, it is important to keep actively reinforcing the new ways of thinking and challenging the old narratives when they appear.	<b>CONDUCTIVE</b> Definite narrative change, but not yet embedded to last. Problematic narratives have been significantly weakened across this setting. Tipping points have been reached, so that new narratives are now widely accepted, typically at all three levels (individual, cultural, and political). They are not quite deeply embedded enough to have become “business as usual,” but are well on the way.	<b>THRIVABLE</b> Lasting narrative change. Problematic narratives (i.e., those that perpetuate exploitation of people and/or the environment, or unsustainable levels of consumption) are no longer influential in this setting. New narratives are now deeply embedded at the individual, cultural, and political levels. They are the new “business as usual.”
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	<p>and/or harming natural environments for the purpose of profit maximisation. There is a general acceptance that “this is the way things are” and no real belief that the fashion industry can or should be changed.</p> <p>The exact nature of the narratives that need to change will vary depending on focus, but examples include:</p> <p>“If we pay workers more or treat the environment better, it will cost more, and our competitors will then be at an advantage (because they won’t change).”</p> <p>“It is better for these workers to have a job and be exploited rather than not to have a job at all.”</p> <p>“It’s a zero-sum game; in order to win, others have to lose.”</p> <p>“Wealthy Westerners have the right to exploit whatever in order to get what they want.”</p> <p>“Those who are exploited were weaker anyway.”</p> <p>“Only poor people and students buy clothing second hand.”</p>				
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**JUSTIFICATION:** There have been advances in engagement by the Brazilian corporate sector in terms of addressing slave labour (especially in certain sectors). Despite this movement having encountered difficulties due to the current conservative scenario, there is still room and potential for it to grow, including by working on efficiently raising public awareness.





## Annex 7. Distribution of InPACTO's sources of resources for the 2017 to 2021 period

<i>Financial evolutionary analysis of InPACTO</i>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020* (until November, 27<sup>th</sup>)</b>	<b>2021 - Projections</b>	<b>Total</b>
Contribuição Associativa - Taxa	R\$ 77.400,00	R\$ 286.000,00	R\$ 267.795,34	R\$ 189.784,40	R\$ 306.000,00	R\$ 1.126.979,74
Apoio Intitucional	R\$ 89.800,00	R\$ 156.000,00	R\$ 270.000,00	R\$ 160.470,00	R\$ 273.500,00	R\$ 949.770,00
Doação	R\$ 10.000,00					R\$ 10.000,00
Patrocínio	R\$ 10.000,00					R\$ 10.000,00
<b>Fortalecimento Institucional - Laudes Foundation</b>	R\$ 482.248,00	R\$ 397.254,00	R\$ 310.998,00	R\$ 340.587,12	R\$ 98.623,20	R\$ 1.629.710,32

<i>Projects</i>						
JBS (SGI)		R\$ 124.176,00				R\$ 124.176,00
Vozes da Moda - Agreste 2030 (Ethos e IC&A)		R\$ 13.000,00				R\$ 13.000,00
Coffe Table I (CRS)		R\$ 98.279,95				R\$ 98.279,95
Pré PPP (CRS)		R\$ 247.374,00				R\$ 247.374,00
Coffe Table II (CRS)	R\$ 70.000,00	R\$ 204.000,00	R\$ 326.845,00			R\$ 600.845,00
UK			R\$ 44.138,05	R\$ 1.769,65		R\$ 45.907,70
Laudes Foundation Emergencial				R\$ 231.668,11		R\$ 231.668,11
Verité Café			R\$ 90.060,45	R\$ 40.574,98	R\$ 112.450,00	R\$ 243.085,43
Rain Forest				R\$ 42.800,00	R\$ 20.500,00	R\$ 63.300,00
PGC - Café					R\$ 118.080,00	R\$ 118.080,00
OIT Carnaúba					R\$ 160.000,00	R\$ 160.000,00
Iniciativa Setorial do IVI - Cacau					R\$ 526.396,49	R\$ 526.396,49

<i>Specific donations communication and brand</i>						
Brazil Foundation		R\$ 30.000,00				R\$ 30.000,00
<b>Total Geral</b>	<b>739.448,00</b>	<b>1.556.083,95</b>	<b>1.309.836,84</b>	<b>1.007.654,26</b>	<b>1.615.549,69</b>	<b>6.228.572,74</b>



## Annex 8. Benefits of being associated to InPACTO

Partaking of InPACTO activities presents numerous advantages, such as:

1. Fostering dialogue and coordination of corporate actions with other economic sectors, civil society and governments;
2. Holding sectoral meetings focussed on collective challenges and strategies to arrive at solutions;
3. Sharing obstacles and successful experiences;
4. Establishing common challenges and more effective and efficient strategies to resolve these;
5. By adhering to the InPACTO commitments, companies are able to participate of the monitoring, by incorporating the issue of risk management, efficiency and innovation;
6. Engaging, developing and improving its value chain with technical support from InPACTO;
7. Contributing towards devising public policies;
8. Participating in face-to-face or virtual seminars and workshops.

Source: InPACTO website, accessed on 05 November 2020

