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ACTION FICHE FOR ASIA

1. IDENTIFICATION

Title/Number	Technology Transfer for Food Security in Asia 2010/ 021-996		
Total cost	Total costs of the programme: 24 250 585 € EU contribution: 22 000 000 € Other donors/ Grantee contribution: 2 250 585 €(indicative)		
Aid method / Method of implementation	Project approach – Direct centralised		
DAC-code	52010	Sector	Food aid/Food security programmes

2. RATIONALE

2.1. Sector context

Despite dramatic increases in food production, developing countries in Asia still account for a majority of the world's poor and the highest proportion of the undernourished. The recent food price crisis further aggravated the problem. According to the International Assessment of Agricultural Knowledge, Science and Technology for Development, South Asia alone is expected to account for over 48% of the malnourished children in the world by 2020. South and South East Asia include the countries with the highest food insecurity in Asia. For several countries¹ food security situation is categorised as 'Alarming' in the Global Hunger Index of the International Food Policy Research Institute. A major food security challenge is to link sufficient production with access by the poor.

Agricultural development has been held back by (1) structural constraints, such as inequality in land ownership; (2) policy constraints, including anti-agricultural macroeconomic policies, limited agricultural credit, and declining investment in R&D and extension services; and (3) external factors, such as limited progress in liberalizing agricultural trade, agricultural price instability, and declining official development assistance for the sector. Furthermore, the size of landholdings is declining, production resources are shrinking and the agricultural work force is, in some countries, becoming increasingly feminized and older. At the same time, the labour force in agriculture often lacks basic services, education and health care. Their limited access to productive assets and essential services further worsens their situation, which is characterised by high levels of child labour as unpaid family workers.

Input-intensive cultivation in various agricultural sub-sectors has led to environmental challenges in Asia. Many of the current patterns of agricultural development increase pollution and environmental degradation, including the loss of biodiversity, and pose major threats for agricultural production and poverty reduction in the long run. Despite the existence of resource-conserving technologies the region is likely to continue to invest in technologies

¹ Afghanistan, Bangladesh, Cambodia, Laos, Nepal and Pakistan and certain states in India

that continue or increase natural resource degradation. In addition, climate change related disturbances may lead to decreases in production and worsening poverty in affected areas. Climate change coupled with increasing population threatens availability of irrigation and safe drinking water. Changing rainfall patterns also intensify drought and flood conditions leading to low production and increased poverty.

These concerns require a shift from a focus on maximising production to technologies that recognise the trade-offs between production enhancement and conservation of natural resources. This also entails acknowledging the role of farmers as critical managers of ecosystems. There is a need to transfer the existing technological advances to farmers and thus to increase the efficiency of resource use on practice.

The objective of the FSTP strategy is to improve food security in favour of the poorest and the most vulnerable and contribute to achieving the first MDG. One of the Strategic Priorities of the FSTP is: "Supporting the delivery of international public goods contributing to food security: research and technology". This component aims to support pro-poor and demand-driven agricultural research and technology and improve its outreach and dissemination.

2.2. Lessons learnt

The recent mid-term review of the FSTP made the following relevant conclusions which have been taken into account in this programme:

- The policy of encouraging south-south partnership is seen as very positive. Direct support to regional research groups through the regional and continental sub-component maintains EU contact and visibility with these groups and should continue.
- The recent emphasis on delivery strategies is essential to improving the impact of these programmes. Capacity building at partner organisations should be encouraged together with linkages between southern research organisations.

A recent scoping study on South Asia Regional Agricultural Research for the UK Government concluded that:

- The region is rich in pro-poor institutional innovations, especially those promoted by civil society organisations, that have helped embed research in wider development practice and made research responsive to a range of societal needs.
- The general similarity of the institutional setting in many Asian developing countries suggests that there is an opportunity for multiplying these experiences for impact by joining together practitioners and researchers across the region. This would help diffuse lessons into general practice and help leverage these lessons for policy and institutional changes in the framework conditions for research and innovation. This requires strong National Agricultural Research Systems (NARS) that despite the donors' support are still in infancy. Some blame the absence/weak local policies while some others add the dominance of the CGIAR Centres that do not allow for local/national initiatives.

2.3. Complementary actions

- The only regional EU Country Strategy Paper which focuses on food security is Bangladesh. However there are also European Commission funded programmes for food security operating through the FSTP and the Food Facility in several countries of the region. There are also rural livelihoods programmes which are closely linked to food security. The regional programme under this action will share knowledge and experiences

with the national programmes and other regional projects to ensure complementarity and to maximise synergies.

- The Commission has a major research linkage with India and also the SEA-EU-NET² project *supported by EU Framework Programme 7* for Research and Development to foster linkages between advanced institutions in Europe and ASEAN. These programmes have agricultural biotechnology as part of their activities. However, the results are unlikely to be of immediate value to the current programme as the research results have not yet been adapted to on-farm conditions.
- There are several other regional programmes. These include: DFID³'s "Research Into Use" programme, the ADB/SAARC⁴ "Regional Strategies and Programme for Food Security in the SAARC Member States" (not yet launched) and two programmes from IFAD/FAO⁵. Complementarity will be achieved with these programmes by sharing technology, knowledge and lessons learned.
- CGIAR institutes and other major agricultural research centres have regional research programmes, including the Rice Wheat Consortium and programmes on forage, vegetable production and fish. However, these centres have limited resources to disseminate their technological output and normally rely on (often weak) national systems. The current programme presents an opportunity to complete the chain from high level research to resource-poor farmer. Each CGIAR project is accompanied by a "delivery strategy", to identify ways and means to make the products of research accessible to the final users.
- Prolinnova⁶ is an NGO-initiated programme to build a global learning network to promote local innovation in ecologically-oriented agriculture and natural resource management. Asian programmes are active in Nepal and Cambodia. Programmes working in these countries will benefit from the experience of the Prolinnova methodology and this programme gives the opportunity for an expansion of Prolinnova activities to more countries of the region.
- The World Bank Regional Programme on Food Security and Nutrition and the US Global Hunger and Food Security Initiative and the "Feed the Future" program recently launched by the USAID are complementary to the current programme.

It is expected that some of the projects submitted in a call for proposals will involve these complementary donor-funded programmes. This will maximise complementarity as their geographical scope is extended and a new emphasis on the poorest smallholders is developed.

2.4. Donor coordination

During the identification stage, the relevant government policy and strategy documents were studied and during the field mission meetings were held with government representatives in five of the most food insecure countries⁷ of the region. The national agricultural, food security, nutrition and technology transfer policies are at least consistent with the themes identified in this programme, and in many cases the themes are explicitly underscored in

² <http://www.sea-eu.net/>

³ Department for International Development - UK

⁴ Asian Development Bank /South Asian Association for Regional Co-operation

⁵ International Fund For Agricultural Development (IFAD)/Food and Agricultural Organisation of the United Nations (FAO) – "The Medium Term Co-operation Programme with Farmers' Organisations in Asia and the Pacific" and "The Small Farmer's Productivity Enhancement Project"

⁶ <http://www.prolinnova.net/>

⁷ India, Bangladesh, Nepal, Laos and Cambodia.

policy documents. The national policies place a strong emphasis on inclusion of those who have previously been excluded or disadvantaged in terms of access to agricultural technology.

Consultations were also held with international organisations, civil society organisations and donor projects sponsored by EU member states and others in each of the five countries. Existing national and regional programmes will be encouraged to participate in the action through the call for proposals.

In order to avoid any overlapping and to facilitate the mainstreaming of the results of the programme, participation in existing national donor coordination fora is considered essential.

Other donors, international organisations and EU member states will be integrated into the networking process organised by Implementing Organisation at the regional level as part of Component Two.

3. DESCRIPTION

3.1. Objectives

The overall objective of the Programme is to contribute to improving the food security and nutrition of the poorest and most vulnerable in South and South-East Asia.

The Programme has the following specific objective: to improve the food security and nutrition of smallholder households by introducing and facilitating the adoption of productive and environmentally sustainable agricultural technologies which improve beneficiaries' livelihoods; to contribute to creating/ improving market linkages to improve food and nutritional security of both rural producers and urban consumers in S and SE Asia.

3.2. Expected results and main activities

The overall results of the programme will be:

- 1) Productivity of beneficiaries increased through improved access to profitable and environmentally sustainable technologies.
- 2) The food security and nutrition of rural and urban poor improved through market linkages for technology, inputs, services and produce.
- 3) Grass roots institutions for technology transfer and the marketing of surplus production developed, nurtured and sustained.
- 4) Agricultural technologies, knowledge and best practices are widely shared among countries of South and South East Asia through stronger regional linkages.

The programme will use a two-pronged approach. This is reflected in the two main components of the programme:

Component 1: Sustainably raising agricultural productivity and promoting effective market linkages (linked to results 1-2-3)

Activities for technology transfer, technology adaptation and sharing will focus on the following areas: soil health and fertility, improved varieties and new crops, control of crop pests and diseases, improved crop storage, irrigation and water management, seasonality of food production and consumption, improved animal breeds/species, animal health and improved food access. They will include initiatives for the transfer and dissemination of intangible technology for the improvement and development of appropriate market linkages, in order to reduce the transaction costs of getting technology and inputs to the farm and produce to the market.

Activities will involve normally-excluded groups, who will be so brought into the mainstream of technology transfer. Technologies will come from existing research centres, universities, extension (also through the private sector) services, but also from existing projects that might be duplicated or local best practices identified by the target groups. Their choice will take in due account nutritional security by giving preference to those which widen the range of available macro- and micronutrients.

The adoption of ‘opportunity-led’ approach, rather than a ‘problem-led’ approach will be encouraged. At the same time, grassroots-level institutions for the transfer of technology to the farm and produce to the consumer will be promoted, while ensuring that normally-excluded groups have full and equitable access to membership.

The project activities will be focused on the countries and states with the highest food insecurity in Asia, which showed a value of 19.0 or higher in the 2009 Global Hunger Index of the International Food Policy Research Institute⁸. Considering the regional nature of the programme, the activities of each project should take place in minimum two countries in Asia⁹, from which at least one is the programme's focus country.

Component 2: South-South dialogue and intra-regional learning (linked to result 4)

The second component will focus on strengthening South-South linkages within the region to improve access to technology. It is expected that a regional level organisation will become the lead organization for this component. It will be responsible for forming a regional network of the institutions involved in technology transfer, and will be tasked with arranging regional experience-sharing, promotion and dissemination of the programme results, and workshops between network members.

These cross-learning exercises will concentrate on identifying good practice, and the underlying reasons why particular paradigms have emerged as successful, identifying the roles of key stakeholders, technical aspects, success factors, and lessons learned.

Component 2 will work in close conjunction with actions taking place under Component 1. The organisation will be responsible for including the organisations implementing projects under Component 1 into the above-mentioned regional network. The Component 2 will facilitate their regional collaboration, information exchange and training in order to maximise the value of Component 1 actions. Such South-South dialogue and mutual learning will go beyond workshops and include visits by staff of Component 1 implementing organisations to countries in the region where conditions are sufficiently similar, so that there are real prospects of successfully transferring technologies and approaches between countries. Farmers will also be included in intra-regional visits sponsored under the programme.

Another important area in which the regional-level organization would contribute to this programme would be targeted, pro-poor market research commissioned as part of the ‘opportunity-led’ approach. This can improve the trade relations and opportunities within the regional countries and provide easy access to the neighbouring markets in the region.

⁸ Afghanistan, Bangladesh, Burma/Myanmar, Cambodia, Laos, Nepal and Pakistan and several states in India (Andhra Pradesh, Assam, Haryana, Madhya Pradesh, Tamil Nadu, Rajasthan, West Bengal, Uttar Pradesh, Maharashtra, Karnataka, Orissa, Gujarat, Chhattisgarh, Bihar and Jharkhand)

⁹ DCI Asia (19 countries)

In order to ensure the sustainability of the programme after the project is finished, a provision for technical assistance will be foreseen under the Component 2 for strengthening the organisation and the network.

Component 3: Programme Support Activities

This component will complement the previous two, providing for effective information and visibility, training for the project applicants and appropriate support for the management of the programme. Activities will include the following:

- Information and training sessions, and project assessment;
- Communication and visibility activities.

3.3. Risks and assumptions

The main risks associated with the programme arise from the fact that smallholders tend to be highly risk-averse, lack capital to invest in even the smallest equipment and inputs, lack access to markets, are often illiterate and innumerate, and often do not speak the national language. Mitigation measures can be put in place to minimise such risks. These may include 1) Provision of start-up capital either directly by the implementing agency, or in partnership with micro-finance institutions; 2) developing grassroots institutions in order to bring the necessary scale economies to smallholders, while simultaneously strengthening their bargaining power vis-à-vis market intermediaries. 3) Establishing machinery pool and bulk marketing through a workable community cooperative mechanism with help of implementing partners for better produce pricing and reducing marketing expenses of small producers and poor farm house holds.

It is assumed that appropriate technologies are available and can be transferred within and between countries. From the evidence of the field missions it is clear that many appropriate, simple technologies are available and that owners (where they exist) are willing to share them within the region. Technologies can even be shared between regions, as in the System of Rice Intensification, originally developed in Madagascar and now being adopted in many Asian countries.

It is assumed that state and non-state organisations involved in food security are willing to participate in the programme. All state and non-state organisations contacted during the field mission were willing, in principle, to participate or interact with the proposed programme.

It is assumed that no insuperable political, economic and cultural barriers to regional cooperation. This cannot be predicted with 100% confidence, but at present, except for Afghanistan and Pakistan there is relative stability in the region and even though governments may be unwilling to work directly with some neighbouring countries, there is a good record of technical co-operation through Asian Pacific Association of Agricultural Research Institutions (APAARI) and other regional initiatives.

3.4. Crosscutting Issues

A key requirement of the technologies introduced through this programme will be that they should be environmentally sustainable. They must neither pollute nor degrade the natural resource base upon which agriculture depends, including downstream effects, such as water pollution that may not damage the resources of the user, but damage other parts of the natural resource base.

Diversification of production technology will help increase the resilience of small farmers to shocks due to climate change or other environmental and economic events.

The activities of Component 1 will largely focus on the poorest, excluded groups in society. Techniques to improve the participation of women in decision-making, to reduce the drudgery of manual farm-work and to improve food access will be vital to achieving the overall goals of the programme. Technological needs deriving from factors such as gender division of labour and female seclusion will be taken into account wherever applicable.

Strengthening of grassroots organisations will empower smallholder farmers both financially and vis-a-vis government organisations.

3.5. Stakeholders

The main target group of the programme are smallholder farmers who have a minimum of assets, little or no access to livelihood-enhancing technology and who are normally excluded from the development process on such grounds as poverty, gender, ethnicity and remote location. Increasing their productivity and market access will enhance their livelihoods, and improve their food and nutritional security. While the programme is largely focussed on the rural poor/smallholder farmer, an important side effect will be to increase the supply of food to urban areas via improved market linkages, so that the urban poor will benefit from increased food supply and correspondingly lower food prices. The final beneficiaries will be the wider food insecure population. This group will benefit from the programme through access to increased and more diverse food and better access to new locally adapted agricultural technologies.

It is envisaged that much of the implementation of the programme will be carried out by the non-state actors (NSA)_as these organisations have most experience with implementing technology transfer work with smallholder farmers, however the call will not be restricted to NSA. In some countries of the region there are strong national as well as international non-state actors working on food security, while in others there are few nationalNSA. NGOs interviewed in the field visits supported the aims of the programme and were ready to participate. Due to their weakness and inflexibility, traditional government-run extension services are unlikely to be the major project partners. However, in order to ensure sustainability and upscaling of successful outcomes, government departments at all levels (ministry, research, extension and locally) must be involved in these actions from the outset. A high level of commitment to the programme ideas was found among government organisations visited. Other stakeholders include (international) agricultural research centres (IARCs). Discussions were held with six of the IARCs during the mission. IARCs are discussed further under complementary actions.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

Direct centralised management.

The programme will be implemented as follows:

Component 1:

Grants for Technology Transfer for Food Security projects will be managed by EU Delegations offices through the signature of grant contracts following a call for proposals launched at Headquarters. Projects should establish Steering Committees and invite the European Commission to participate.

Component 2:

A grant for this regional component focusing on strengthening South-South linkages within the region to improve access to technology will be managed by Headquarters following a call for proposals. A Steering Committee will be set up in order to oversee and guide the implementation of the project under the Component 2. Members of the Committee will be the European Commission, representatives of the Organisation implementing the Component 2 and of the projects of the Component 1. Representatives of similar regional initiatives might be invited as observers.

Component 3:

Services for the organization of information and training sessions as well as for the project assessment, and communication and visibility activities will be managed by the European Commission Headquarters through the signature of service contracts following Framework contract procedure (or Competitive Negotiated Procedure).

Information sessions and dissemination actions will be organized and managed directly by the European Commission Headquarters and the local Delegation.

4.2. Procurement and grant award procedures

1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by DCI Regulation.

2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget.

- For the Component 1, the maximum possible rate of co-financing for the grant is 90%. This is justified by a limited contribution capacity of the South-Asian applicants as well as by the fact that the actions are meant to protect health (via addressing malnutrition) and to ensure fundamental rights of people to have access to food. A lower rate of co-financing could prevent South-Asian applicants to participate in the call for proposals.

- For the Component 2, the maximum possible rate of co-financing for the grant is 95%. This is justified by a very limited contribution capacity of the South-Asian NGOs. A lower rate of co-financing could prevent South-Asian NGOs (which are the best appropriate candidates to implement this Component) to participate in the call for proposals.

4.3. Budget and calendar

Category breakdown (EUR)	EU Contribution	Grantees Contribution (indicative)	Total (indicative)	Contracting Authority/ Paying Authority
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1. Grants				
1.1. Call for Proposals (Component 1)	19 000 000	2 111 111	21 111 111	EU
1.2. Call for Proposals (Component 2)	2 650 000	139 474	2 789 474	EU
2. Services				
2.1 Support services (Component 3)	350 000		350 000	EU
TOTAL	22 000 000	2 250 585	24 250 585	

Expected Number of Projects:

Component 1: 5-6 grant projects (Min. €1 500 000 – Max €4 000 000)

Component 2: 1 grant contract

Component 3: three services contracts (projects assessment, information and training sessions, communication and visibility)

The Operational duration is 48 months as from the date of the budgetary commitment.

The provisional date for the launch of the Calls for Proposals is October 2010.

4.4. Performance monitoring

Regular monitoring will be a continuous process as part of the Commission's responsibilities.

Key indicators for projects both components one and two will be defined in the proposals. They will be based on the key indicators for measuring progress of the overall Action that are included in the logframe for the action, which in particular include the following: percentage of beneficiary smallholders that adopt new technologies and continue using them; increase of the productivity of beneficiary smallholdings; reduction of the prevalence of underweight among under-5s in beneficiary households; reduction of prevalence of failure to meet minimum dietary energy consumption in beneficiary households; fall in real food prices in urban areas; creation and development of smallholder grassroots organisations (SGOs) in all areas where projects operate; conclusion of formal or informal agreements between SGOs and market intermediaries; establishing new partnership networks for improved technology transfer for smallholders in S and SE Asia.

Projects will carry out monitoring of their progress including an initial baseline survey. Projects will also be subject to ROM monitoring.

4.5. Evaluation and audit

Standard external Mid-Term and Final evaluations will be conducted at programme and project level by independent consultants recruited directly by the Commission in accordance with EC rules and procedures on specifically established terms of reference. It is expected that given the relatively low number of projects, on average all projects will be included in the Result Oriented Monitoring (ROM). Evaluation and audit arrangements are integral part of the contractual arrangements with the selected grantees.

4.6. Communication and visibility

The communication and visibility activities will be done on the level of individual grant projects (Component 1), on the level of the region (Component 2) and on the level of the overall programme that will primary target the EU audience (Component 3).

All projects (both Component 1 and 2) will ensure EU visibility including acknowledgment of EU support in all public presentations. An appropriate allocation will be made in the project budget for communication, visibility and awareness activities.

A communication plan ensuring high profile of the EU project activities will be developed and implemented by each project. Communication activities in the plan will comply with the EU Communication and Visibility Guidelines for External Actions. This communication plan will be targeted at promoting EU activities in geographical areas covered by projects for the Component 1 and at wider regional level for the Component 2.

Projects under the Component 1 will regularly liaise with the respective EU Delegations and the Organisation implementing the Component 2 with a view to share and disseminate information about the project implementation and expected results. This Organisation will coordinate and collate all communication in order to ensure all stakeholders are appropriately updated with all necessary information.