

Document: EB 2014/LOT/G.4
Date: 13 August 2014
Distribution: Public
Original: English

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Investing in rural people

**President's report on a proposed grant
under the global/regional grants window
to a non-CGIAR-supported international
centre**

**Natural Resources Institute of the University
of Greenwich**

Note to Executive Board representatives

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Abbreviations and acronyms

CGIAR	Consultative Group on International Agricultural Research
IPCI	Increasing Performance of the Cassava Industry in West and Central Africa
NRI	Natural Resources Institute, University of Greenwich
R&T	Roots and Tubers (IFAD-supported projects)
RCPMI	Regional Cassava Processing and Marketing Initiative
SNV	SNV Netherlands Development Organisation
WCA	West and Central Africa

Recommendation for approval

The Executive Board is invited to approve the recommendation for a grant under the global/regional grants window to a non-CGIAR-supported international centre, as contained in paragraph 6.

President's report on a proposed grant under the global/regional grants window to a non-CGIAR-supported international centre: Natural Resources Institute of the University of Greenwich

I submit the following report and recommendation on a proposed grant for agricultural research and training to a non-Consultative Group on International Agricultural Research (CGIAR)-supported international centre in the amount of US\$1,582,978.

Part I – Introduction

1. This report recommends the provision of IFAD support to a research and training programme of the Natural Resources Institute (NRI) of the University of Greenwich. The document of the grant for approval by the Executive Board is contained in the annex to this report:

Natural Resources Institute of the University of Greenwich: Increasing Performance of the Cassava Industry in West and Central Africa (IPCI)
2. The objectives and content of this applied research programme are in line with the evolving strategic objectives of IFAD and the Fund's policy for grant financing.
3. The overarching strategic goal that drives the Revised IFAD Policy for Grant Financing, which was approved by the Executive Board in December 2009, is to promote successful and/or innovative approaches and technologies, together with enabling policies and institutions, that will support agricultural and rural development, empowering poor rural women and men in developing countries to achieve higher incomes and improved food security.
4. The policy aims to achieve the following outputs: (a) innovative activities promoted and innovative technologies and approaches developed in support of IFAD's target group; (b) awareness, advocacy and policy dialogue on issues of importance to poor rural people promoted by, and on behalf of, this target group; (c) capacity of partner institutions strengthened to deliver a range of services in support of poor rural people; and (d) lesson learning, knowledge management and dissemination of information on issues related to rural poverty reduction promoted among stakeholders within and across regions.
5. The proposed programme is fully in line with the goal and outputs of the revised IFAD grant policy. Indeed, the programme's overarching objective fits well within the WCA grant strategy and IFAD's overall grant policy goal of promoting successful and/or innovative approaches and technologies, together with enabling policies and institutions that support agricultural and rural development – thereby contributing to the achievement of IFAD's primary goal of empowering poor rural people (women, men and young people) to improve their food security and nutrition, raise their incomes and strengthen their resilience.

Part II – Recommendation

6. I recommend that the Executive Board approve the proposed grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the programme Increasing Performance of the Cassava Industry in West and Central Africa (IPCI), shall provide a grant not exceeding one million five hundred eighty-two thousand nine hundred and seventy-eight United States dollars (US\$1,582,978) to the Natural Resources Institute of the University of Greenwich for a three-year programme upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Kanayo F. Nwanze
President

Natural Resources Institute of the University of Greenwich: Increasing Performance of the Cassava Industry in West and Central Africa (IPCI)

I. Background

1. About 75 per cent of African cassava production (135 million tons) comes from West and Central Africa (WCA) – Nigeria alone produces 54 million tons. Cassava is a significant contributor to national GDPs (e.g. 4.1 per cent in Ghana, 3.4 per cent in Nigeria and 2.5 per cent in Cameroon) and supports the livelihoods of several million people in WCA, often rural women and youth.
2. Production and use of processing technology have significantly expanded in WCA over the last decades, also thanks to the support of IFAD and other donors.
3. Development of markets for cassava derivatives (new and traditional) and expanded use of more-advanced post-harvest technology can still work as effective drivers in establishing viable businesses and generating additional incomes and employment opportunities, thus contributing to reducing rural poverty in WCA.
4. To this end, from 2007 to 2013, IFAD ran the Regional Cassava Processing and Marketing Initiative (RCPMI), financed with Italian and Swiss supplementary funds. This initiative successfully supported national IFAD-funded Roots and Tubers (R&T) projects throughout WCA by providing ad hoc technical assistance, facilitating know-how and technology exchange, circulating best practices and stimulating private-sector investment.
5. The main lessons learned from the RCPMI can be summarized as follows:
 - The opportunity to benefit from external technical support (as compared with that available from national R&T projects only), revealed itself to be quite inspirational, and thus useful, to the work of national R&T teams. The possibility of: (i) constantly confronting the sometimes quite divergent views of RCPMI specialists; (ii) comparing national initiatives with similar ones within or outside WCA (Asia and Latin America); and (iii) making use of good practices unknown or not so advanced within WCA has allowed faster implementation and higher performance of national R&T interventions.
 - Introduction at the country level of innovative technological solutions, along with good practices, was greatly facilitated by having the RCPMI in place. If it is well known that replacement/improvement of traditional technology follows a very thorny path – also due to the level of risk that accompanies it – the RCPMI, by making use of its own financial resources or procuring additional ones, has proved to be a very effective tool in addressing and accelerating such a process. The RCPMI search, introduction and testing of prototypes and good practices worked, in fact, as an effective leverage to speed up the "adoption" process, as it significantly lowered single countries' risks (and costs) in experimenting/ introducing new technological solutions within their national boundaries.
 - Long-term frameworks remain necessary, however, to fully test and ensure beneficiary ownership of technology and practices of recent introduction. Although the RCPMI managed to successfully introduce technological solutions completely new to the region (in terms of equipment, practices, know-how), their testing is often ongoing, as is the full assessment of their impact on local communities and smallholders. These aspects call for longer time frames to complete and scale up the RCPMI's past work – also because the new interventions to develop national cassava value chains are unceasingly promoted by IFAD, as cassava remains a priority area of its work in WCA.

6. In order to scale up and consolidate RCPMI achievements in the region, a new three-year grant programme has been envisioned – Increase Performance of the Cassava Industry in WCA (IPCI) – to be funded by IFAD at an estimated US\$1.6 million. As in the case of the RCPMI, the main IPCI task will be to contribute to enhancing the performance of national cassava value chains and to strengthen the regional cassava industry overall.
7. A call for proposals was launched in January 2014 to select the implementer of the IPCI grant. Ten private entities were invited to bid (NGOs and research institutes) and to present a technical and financial proposal based on the terms of reference circulated by IFAD.
8. The Natural Resources Institute (NRI) of the University of Greenwich – working in partnership with other not-for-profit organizations, such as the SNV Netherlands Development Organisation (SNV), the Federal University of Agriculture of Abeokuta (FUNAAB, in Nigeria), the Brazilian Enterprise for Agricultural Research (EMBRAPA) and other local partners – was awarded the bid in May 2014.

II. Rationale and relevance to IFAD

9. The proposed grant forms part of the thematic priorities of the Divisional Grant Investment Strategy (2013-2015) in terms of piloting/scaling up pro-poor solutions to fight rural poverty and increase rural food security. The IPCI grant is fully aligned with IFAD's corporate agenda and contributes to meeting the objectives of the IFAD Strategic Framework 2011-2015, reinforced in the Ninth Replenishment of IFAD's Resources commitments to reduce rural poverty. It also intends to promote successful and/or innovative approaches and technologies, while enabling policies and institutions that support agricultural and rural development, thus contributing to the achievement of IFAD's overarching goal of empowering poor rural people to strengthen their resilience.

III. The proposed programme

10. **Overall goal.** To enable poor rural people in WCA (especially women and youth) to develop viable cassava-based farm operations and non-farm business opportunities.
11. **Objectives.** (i) Increase rural food security and overall business profitability for cassava value-chain operators; (ii) add value to IFAD-supported R&T projects in root processing, proper use of technology, derivatives marketing and waste utilization; (iii) enhance smallholder market access by increasing the quality of their final cassava derivatives and establishing partnerships between chain operators – thus better structuring target value chains as well; (iv) develop spaces for learning and knowledge-sharing on cassava-related new technologies, good practices and know-how generated within and outside WCA; and (v) support ongoing and new innovative pilots.
12. **Target groups.** (i) Poor smallholders; (ii) their processing and marketing organizations; and (iii) semi-industrial and industrial processors, traders, service providers, etc. Where appropriate, the grant will also target rural institutions that, directly or indirectly, provide technical/commercial/logistic support to cassava operators in the selected countries (the Congo, Democratic Republic of the Congo, Gabon, Ghana and Nigeria), and other countries based on demand. Given the high involvement of women and youth in cassava processing and trade, issues of gender and diversity will be a primary IPCI concern.
13. It is expected that the grant will directly benefit a total of some 150,000 smallholders (through Work Package 2) and up to 200 enterprises (through Work Package 3) (see Key Activities in the appendix). There will also be a significant number of indirect beneficiaries as a consequence of Work Package 1 activities – although this number will depend on the scope and size of the IFAD-funded projects that the grant will manage to support.

14. The three-year programme will have five main components:

- **Component 1: Feeding IFAD-funded national Roots and Tubers initiatives in WCA with "public goods" having a regional/international dimension**

This will be pursued by:

1.1 Undertaking market studies/surveys/feasibility studies whose coverage goes beyond countrywide boundaries, thus overcoming the reluctance of governments to commit national projects' resources to outputs that can benefit countries other than the one that generated them;

1.2 Sharing technical know-how, evidence, good practices and lessons learned – which have been generated in any country of the region or outside the region – with whichever WCA cassava-producing country might need them; and

1.3 Implementing educational work related to cassava post-harvest practices, innovative technological solutions, adequate plants/layouts, etc. and whose contents will be drawn from knowledge/experience built up in regional/international contexts similar to the one in which they are expected to be applied.

- **Component 2: Create a knowledge base of successful technologies and best practice interventions**

This will be delivered by:

2.1 Undertaking at least five case studies of innovative technological solutions and/or practices/experiences;

2.2 Completing ongoing or starting pilot activities (such as those linked to the use of noxious cassava waste);

2.3 Establishing at least three public-/private-sector partnerships (PPPs) in areas of strategic relevance to the cassava industry. To this end, additional technical and financial assistance will be sought from the facility that IFAD's Policy and Technical Advisory Division is establishing to support the creation and operation of PPPs; and

2.4 Evaluating initiatives described above to derive lessons and to disseminate outcomes to support replication.

- **Component 3: Support to the private sector in creating demand for smallholder cassava outputs**

This will be achieved by:

3.1 Developing a regional cassava processors' and equipment manufacturers' forum to share best practices and innovations on cassava processing and value addition. While this will be private-sector led, linkages to sources of research and innovation will be secured; and

3.2 Developing/completing (updating if existing) a database of equipment fabricators located within and (if relevant to WCA needs) outside WCA. By promoting database contents through a "knowledge management hub", participation of equipment fabricators to the funding of the database will be stimulated and justified, thus increasing long-term sustainability of the instrument.

- **Component 4: Establish a knowledge management hub**

This will be delivered by:

4.1 Establishing a knowledge management hub for WCA capable of acting as a source of knowledge and a mechanism for actors within the region to share information; and

4.2 Hosting cassava innovation fairs.

- **Component 5: Programme management, monitoring and evaluation**

This will be undertaken in order to:

5.1 Effectively manage the grant;

5.2 Hold inception and completion workshops; and

5.3 Undertake monitoring and evaluation activities.

IV. Expected outputs and benefits

15. The expected outputs and benefits of the programme include:

- Access to effective technology, good practices, business models, market information, advisory services for cassava stakeholders and national R&T project staff is improved and demonstrated through pilot activities;
- Actors of national cassava value chains are better integrated and, as a result, value added is more evenly distributed;
- Capacities of cassava operators (producers/processors/traders) are strengthened, and cassava-related approaches/businesses more effectively established and managed;
- Private-sector involvement in the development of the cassava industry (in terms of provision of required know-how, business skills and investment) is enhanced as a necessary condition to successfully and sustainably developing this sector;
- New technological opportunities and market opportunities are identified (at national, regional and pan-African levels);
- Policy dialogue at regional and national levels is enhanced, based on experiences implemented through – or independently – from national projects (R&T and others), so as to strengthen overall industry performance and stakeholders' linkages and to properly voice cassava-sector development needs.

V. Implementation arrangements

16. IFAD will provide the grant to the University of Greenwich, of which NRI is a part. NRI will act as grant administrator and leader of the consortium created for IPCI grant implementation. Members of the consortium include NRI, SNV and FUNAAB. In order to increase final beneficiary ownership of the grant's outputs and to enhance its long-term impact, involvement in grant activities is expected from a number of other international (e.g. the Brazilian Enterprise for Agricultural Research) and national institutions. This will be facilitated through existing linkages that the grantees currently enjoy with the research community, civil society and the private sector in Africa, such as: Council for Scientific and Industrial Research (CSIR); Food Research in Ghana, the Forum for Agricultural Research in Africa (FARA), West and Central African Council for Agricultural Research and Development (CORAF/WECARD) and Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA) networks, agribusiness NGOs such as Agricultural Cooperative Development International – Volunteers in

Overseas Cooperative Assistance (ACDI-VOCA) and Technoserve, and the Bill & Melinda Gates Foundation (through the Cassava: Adding Value for Africa project [C:AVA]). In fact, the grantee was selected in part on the basis of its extensive network and demonstrated ability to engage meaningfully with diverse stakeholders active in the African cassava industry.

17. NRI will act as programme manager, with overall responsibility to IFAD for IPCI delivery. Consortium members' relationships/responsibilities (including payment for work done) will be articulated in a memorandum of understanding that all members will sign and that will be submitted to IFAD prior to signature of the grant agreement. A steering group will informally oversee and advise on the grant's implementation.
18. Financial management and fiduciary arrangements have been reviewed and assessed to be adequate. Audited consolidated financial statements will be provided annually in accordance with the grant agreement.

VI. Indicative programme costs and financing

19. The following tables show IPCI grant implementation total costs based on the NRI-led consortium's technical/financial proposal. Costs shown include both the value of the IFAD grant (US\$1.583 million) and consortium members' cofunding: US\$226,009, of which US\$153,713 is from NRI and US\$72,297 from SNV.

Table 1

Project costs by component and financier: consolidated

(Thousands of United States dollars)

<i>Components</i>	<i>IFAD grant</i>		<i>Other cofinanciers</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
Support to IFAD projects in WCA region	339 073	88	45 682	12	384 755
Create a knowledge base of successful technologies and best practice interventions	715 305	93	51 729	7	767 034
Support to private sector creating demand for small-holder cassava	135 236	81	31 993	19	167 229
Knowledge management hub	103 735	82	22 506	18	126 241
Monitoring and Evaluation	289 629	80	74 100	20	363 729
Total	1 582 978	88	226 009	12	1 808 987

Table 2

Project costs by category and financier: consolidated

(Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD grant</i>		<i>Other cofinanciers</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
Salaries and allowances	760 960	81	177 529	19	938 490
Consultancies	175 840	93	12 480	7	188 320
Travel and allowances	341 000	94	20 000	6	361 000
Equipment and materials	6 000	100	-	0	6 000
Operating costs	60 000	100	-	0	60 000
Workshops	91 920	90	10 000	10	101 920
Training	30 000		6 000		36 000
Administrative overhead	117 258	100	-	0	117 258
Total	1 582 978	88	226 009	12	1 808 987

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	To enable rural poor people in WCA to develop sustainable cassava-based farm and non-farm business opportunities.	Increases in incomes from baseline Employment opportunities created..	Monitoring and evaluation reports	Update of research results by IFAD National Projects.
Objectives	Add-value and enhanced performance of IFAD-funded cassava national interventions To develop spaces at a national and regional level for learning. To contribute to enhance food security and business opportunities in rural areas.	At least 4 IFAD national projects adopted advice from this grant. At least 4 non-IFAD cassava interventions make use of IPCI outputs Number of enterprises (at least 25) adopting innovations developed through grant.	IFAD national projects reports and their evaluations. Reports of other donor programs and National projects' reports. Data and information available on private sectors operations.	National and regional policies that change food purchases of food items. Levels of pests and disease and their control. Availability of finance schemes to promote investment. Supportive nature of policies towards agro-enterprises.
Outputs	1) Improved access to effective technology good practices, business models, market information, advisory services; 2) Better integrated cassava (derivatives) value-chains; 3) Strengthened business capacities of cassava operators; 4) Enhanced private sector involvement in the development of the cassava industry; 5) Increased identification of technological opportunities; 6) Enhancement of policy dialogue at regional and national level.	At least 5 case studies achieve quantifiable impact. At least 3 PPPs deliver benefits to small-holder farmers as measured by M&E by end of IPCI grant. At least 6 technologies successfully identified and tested by 2017. At least 3 project outputs used in policy dialogues. Cassava Forum established and operational. At least 5 fabricators and 25 processors using data hub.	Grant reports. Evaluation and lesson learning reports from pilot studies. Knowledge hub utilization statistics. Membership list of cassava processors and fabricators forum. Reports of cassava processors/ fabricators forum. Reports on regional policy dialogues.	Willingness of IFAD national projects to collaborate. Openness of private sector. General economic situation and enabling environment. Effectiveness of "additional funding" arrangements.

Key Activities	Work Package 1	1.1 Number of IFAD Country programmes using advice in their R&T projects.	1.1 IFAD country reports.	1.1, 1.2, 1.3 Demand expressed from IFAD Country Offices.
	1.1 Provide advisory support to IFAD.	1.2 Number of market studies completed (at least 5) by 2017.	1.2 Market study reports.	
	1.2 Undertake market studies.	1.3 Number of trainings undertaken by 2017.	1.3 Training reports.	
	1.3 Undertake training .			
	Work Package 2	2.1 Number of on-pilot studies completed (2) by end 2015.	2.1 Pilot study reports.	2.1 No pre-conditions because on-going, but co-operation with existing partners essential.
2.1 Completion of on-going pilot activities	2.2 Number of case studies completed (5) by 2017.	2.2 Case study reports.	2.2/2.3. For co-financed pilot studies – no pre-conditions; for grant – its scoping studies.	
2.2 Undertake at least five case studies of innovative technological solutions and/or practices/experiences.	2.3 Number of PPPs established (3) by 2017	2.3 Case study reports.		
2.3 Establish at least three Public Private Sector Partnerships (PPPs).				
	Work Package 3	3.1 Existence of forum by end of 2015.	3.1 Grant Reports.	3.1 First step will be buy-in of country based fora.
3.1 Develop a Regional Cassava Processors and Equipment Manufacturers Forum.	3,2 Existence of fabricators database by end of 2015	3.2 Database available through Forum.	3,2 Access to existing database.	
3.2 Develop database of equipment fabricators.				
	Work Package 4	4.1 Existence of accessible management hub by end 2015.	4.1 Knowledge management hub online.	4.1 Access to key information
4.1 Establish knowledge management hub.	4.2 Innovation fairs held (number).	4.2 Grant Reports.	4.3 Grant Reports.	
4.2 Host cassava innovation fairs.				
	Work Package 5	5.1 Submission of annual reports.	5.1 Grant Reports.	5.3 Undertaking of project activities.
5.1 Effectively manage project.	5.2 Workshops completed.	5.2 Workshop Reports.		
5.2 Hold inception and completion workshops.	5.3 Number of M&E reports.	5.3 M&E Reports.		
5.3 Undertake monitoring and evaluation activities				