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Investing in rural people

President's report on a proposed grant under the global and regional grants window to the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for the project Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services

Note to Executive Board representatives

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For: Approval

Contents

Abbreviations and acronyms	i
Recommendation for approval	1
Part I – Introduction	2
Part II – Recommendation	2
Annex	
Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services	3
Appendix	
Results-based logical framework	

Abbreviations and acronyms

AAS	agricultural advisory services
AESA	Agricultural Extension in South Asia
AFAAS	African Forum for Agricultural Advisory Services
APIRAS	Asia Pacific Islands Network for Rural Advisory Services
CF	country forum
GFRAS	Global Forum for Rural Advisory Services
PIRAS	Pacific Islands Rural Advisory Services Network
SEARCA	Southeast Asian Regional Center for Graduate Study and Research in Agriculture

Recommendation for approval

The Executive Board is invited to approve the recommendation for a proposed grant under the global and regional grants window to the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for the project Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services as contained in paragraph 5.

President's report on a proposed grant under the global and regional grants window to the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for the project Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services

Part I – Introduction

1. This report recommends the provision of an IFAD grant totalling US\$1,200,000 under the global and regional grants window to the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services. The grant proposal document is contained in the annex to this report.
2. The goal of IFAD grants is to significantly broaden and add value to the support provided to smallholder farming and rural transformation, thereby contributing to rural poverty eradication, sustainable agricultural development and global food security and nutrition. In order to achieve these goals, IFAD grants should: (i) make a significant contribution to a global, regional or national public good related to IFAD's mandate; (ii) focus on interventions where grant financing has clear added value and a comparative advantage over regular loans; and (iii) not be used as a substitute for resources from IFAD's administrative budget.
3. The objectives of IFAD grant financing are to: (i) promote innovative, pro-poor approaches and technologies with the potential to be scaled up for greater impact; (ii) strengthen partners' institutional and policy capacities; (iii) enhance advocacy and policy engagement; and (iv) generate and share knowledge for development impact. Rural poor people and their organizations should be squarely positioned at the centre of each grant submission to fulfil IFAD's mandate to enable poor rural people to improve their food security and nutrition, raise their incomes and strengthen their resilience.
4. The proposed project is in line with the goal and objectives of IFAD grant financing by: (i) enabling IFAD's public- and private-sector partners at the national and regional levels in Asia and the Pacific to effectively deliver both public and sector-based agricultural advisory services (AAS); (ii) enabling AAS providers to use demand-driven innovative AAS tools to empower poor farmers and indigenous peoples' organizations; (iii) allowing IFAD's partners to engage in high-level policy dialogue on AAS; (iv) creating a knowledge hub for Asia and the Pacific, and other regions in collaboration with the Global Forum for Rural Advisory Services (GFRAS); and (v) responding to the need for organizing national and local-level AAS providers, which has been expressed by several IFAD country programmes in the region.

Part II – Recommendation

5. 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 project Supporting Smallholder Farmers in Asia and Pacific-Islands Region through Strengthened Agricultural Advisory Services, shall provide a grant not exceeding one million two hundred thousand United States dollars (US\$1,200,000) to the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for three years 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

Supporting Smallholder Farmers in Asia and the Pacific Islands Region through Strengthened Agricultural Advisory Services

I. Background

1. There is increasing demand for better-organized AAS in the Asia and Pacific Region. Many IFAD-supported projects have difficulty mobilizing capable agro-technology-based service providers. Since 2010, the Global Forum for Rural Advisory Services (GFRAS), which includes the Asia Pacific Island Network for Rural Advisory Services (APIRAS) has been championing capacity development and organization of AAS providers. The grant will strengthen APIRAS; its sub-regional networks Agricultural Extension in South Asia (AESAs) and Pacific Islands Rural Advisory Services Network (PIRAS) in the Pacific; and country forums (CFs).
2. Activities will include capacity strengthening, policy advocacy and knowledge exchange. Experience from IFAD's support to the African Forum for Agricultural Advisory Services (AFAAS) has shown that pluralistic and demand-driven¹ forums not only provide public goods, but can mobilize resources from public and private investors, and influence policy on AAS delivery. Organizing AAS providers through CFs – a model tested in Africa and now being adapted globally through GFRAS networks – has proven crucial to these efforts. The networks play a central role regarding knowledge management, resource mobilization and policy advocacy for AAS at the national level. The project will be piloted in Bangladesh, Fiji and the Philippines, with links to IFAD projects in these and other countries in the region through APIRAS sub-regional networks. The project will build on lessons learned from the AFAAS model and GFRAS experiences with capacity strengthening, policy dialogue and knowledge management.
3. IFAD is cofinancing the second phase (2013-2017) of the Medium-Term Cooperation Programme with Farmers' Organizations in Asia and the Pacific Region (including Bangladesh, Fiji and the Philippines) through a grant. This project will seek linkages with Phase II of the Medium-Term Cooperation Programme to exchange knowledge on serving smallholder farmers through improved AAS.

II. Rationale and relevance to IFAD

4. The proposed grant will contribute to IFAD's overarching goal of empowering smallholder farmers and indigenous peoples in the Asia and the Pacific region who have limited access to AAS. The project is in line with IFAD's Strategic Framework (2011-2015), especially its contribution to achieving IFAD's strategic objective 2: "Access for poor rural women and men to services to reduce poverty, improve nutrition, raise incomes and build resilience in a changing environment." It will indirectly contribute to other IFAD objectives based on the logic that enhanced access to services is necessary for strengthening the natural resource and economic base; capacities of poor farmers and their organizations; and institutional and policy environments. The project supports priority line of action 3² – empowerment of farmers' and indigenous peoples' organizations – since it includes national AAS platforms comprising public, private civil society and producers' organizations.
5. The model of applying innovative AAS approaches through strengthened national AAS forums, linked to existing IFAD projects ensures sustainability and scaling up.

¹ Lack of buy-in from some partners is recognized as risk. SEARCA and APIRAS will mitigate this risk with a communications strategy that allows for transparent information sharing and by strengthening capacity to demonstrate the benefits of AAS.

² As per the Policy for Grant Financing: Implementing Procedures (EB 2015/114/INF.5), an annual guidance note – aligned with the corporate strategic direction for grants – is prepared by Management, setting forth the priority lines of action for the year in question.

The direct beneficiaries will be AAS service providers in the three countries, who will in turn be mobilized and trained to deliver pro-poor, demand-driven and inclusive AAS to poor smallholder farmers. IFAD projects are among those expected to benefit from better-organized and strengthened AAS.

6. The grant concept was developed in close cooperation with originating IFAD divisions – the Policy and Technical Advisory Division and the Asia and the Pacific Division – following a participatory process involving country programme managers, country programme officers, national staff and AAS providers in the region. The project team will liaise closely with IFAD (headquarters, country and regional levels) throughout implementation.
7. The project will use a tested model in which implementers apply innovative AAS approaches through strengthened national AAS forums to ensure sustainability and scaling up, as demonstrated in Africa through AFAAS. Strengthening AAS provides public and private goods, and working through the regional forum APIRAS, sub-regional and national forums ensures regional knowledge exchange. Supporting national forums and sub-regional networks, and harmonizing AAS throughout the region, will also pave the way for other IFAD projects' sustainability.

III. The proposed project

8. The overall goal of the project is to empower poor smallholder farmers in the Asia-Pacific Region through access to improved, demand-driven AAS. The project's objectives are to: (i) strengthen the capacities of AAS stakeholders in target countries and at the regional and sub-regional levels, which will directly benefit poor farmers, indigenous communities, and producers' organizations; and (ii) facilitate access to up-to-date knowledge and evidence on innovative advisory services from a range of sources in the region (through CFs and APIRAS), and worldwide (through GFRAS).
9. The target stakeholders include AAS providers from the public (including higher education institutions), private, NGO and civil-society sectors that serve poor smallholder farmers (men, women and youth, including indigenous peoples) in the Asia-Pacific region. The project aims to strengthen the exchange of information and services generated through IFAD and other donor-funded projects, and establish mechanisms for sustainability through capacity development. The project will also support local and national AAS institutions and networks as vehicles for a responsive, demand-driven pluralistic extension system within organized CFs in Bangladesh, Fiji and the Philippines.
10. The three-year project will comprise four components: (i) capacity needs assessments and strengthening of CFs and sub-regional networks, and strengthened governance of regional and national AAS institutions; (ii) capacity development of individual AAS providers to more effectively serve poor farmers, indigenous communities and producers' organizations by responding to their demands and ensuring sustainability and scaling up; (iii) development of a regional repository of information, including innovative practices from APIRAS networks worldwide and a knowledge management strategy; and (iv) high-level policy dialogue at the national and regional levels with links to global discussions through GFRAS.
11. Experience from AFAAS has shown that one supervision mission per year and implementation support as needed will add significant value to IFAD's field operations. Implementation support and supervision by the Policy and Technical Advisory Division and the Asia and the Pacific Division will ensure that policy and knowledge products are developed and shared across regions and globally.

IV. Expected outputs

12. The project's outputs will include: (i) strengthened capacity of APIRAS, sub-regional networks and CFs as effective and inclusive brokers and focal points for AAS providers in the region; (ii) a network of AAS providers that is linked to an effective knowledge management system; and (iii) strengthened AAS participation in regional and national policy dialogue on agricultural and rural development.

V. Implementation arrangements

13. The project will be implemented by SEARCA according to the grant agreement between SEARCA and IFAD. SEARCA and APIRAS will sign a memorandum of understanding in which APIRAS shall be primarily responsible for technical coordination of in-country activities. SEARCA will also enter into agreements with national institutions (APIRAS affiliates in Bangladesh, Fiji and the Philippines selected to host CFs) that have legal provisions to receive grants and have proven track records in managing funds from international donors. SEARCA will be responsible for overall project fund management and administration including recruitment, monitoring and evaluation, auditing, and reporting. SEARCA will also convene a steering committee, manage memorandums of understanding with national focal institutions in the three target countries and carry out a policy analysis. A senior SEARCA official will provide oversight and ensure that all obligations deriving from the agreement with IFAD and APIRAS affiliates are met. SEARCA has the human and technical capacity to perform the functions assigned to it and will be accountable for the management of grant funds.
14. SEARCA shall receive the grant from IFAD and sub-contract project activities to APIRAS affiliates in Bangladesh, Fiji and the Philippines with legal capacity to receive grants and proven track records in managing funds from international donors. SEARCA will submit unaudited statements of expenditure to IFAD every six months and ensure that the entire project implementation period is covered by audit through the submission to IFAD of separate audit opinion letters on statements of expenditure completed by independent auditors. Both statements of expenditure and audit reports shall consolidate expenditures incurred by SEARCA and APIRAS affiliates in the three countries.
15. In addition, SEARCA shall have its institutional accounts audited every year by independent auditors in accordance with International Audit Standards and shall deliver a copy of its audited financial statements to IFAD, inclusive of a reference to the IFAD grant, within six months after the end of each fiscal year. SEARCA will be responsible for all fiduciary aspects of the grant as agreed.
16. APIRAS affiliates shall be responsible for in-country project activities; national steering committees will guide implementation and ensure long-term sustainability.

VI. Indicative programme costs and financing

17. Total project cost is US\$1,450,000, of which IFAD's contribution is US\$1,200,000. APIRAS and SEARCA will seek additional funding to strengthen project activities, including from the Asian Development Bank and others. Main activities will include: capacity needs assessment; strengthening of AAS providers and regional and sub-regional AAS networks; establishment of a knowledge management system; and policy dialogue. The project management office based at SEARCA will be staffed by a project coordinator, a project technical assistant and a financial assistant. Overhead and management costs at the rate of 8 per cent will cover financial administration of the project and allow SEARCA to cover the costs of rentals, utilities, bank charges on remittances, janitorial services and publications.

Table 1
Costs by component and financier
 (United States dollars)

<i>Components</i>	<i>IFAD</i>	<i>Cofinancier</i>	<i>Total</i>
1. Establishment and capacity assessment of CFs, sub-regional networks and APIRAS to strengthen governance of AAS institutions	90 000	100 000	190 000
2. Improving individual capacities of AAS providers to effectively serve smallholder farmers and respond to their demands	300 000	65 000	365 000
3. Knowledge management strategy and platform	225 000	35 000	260 000
4. Policy dialogue	100 000	50 000	150 000
5. Secretariat support	396 000	0	396 000
6. Overhead	89 000	0	89 000
Total	1 200 000	250 000	1 450 000

Table 2
Costs by expenditure category and financier
 (United States dollars)

<i>Expenditure categories</i>	<i>IFAD</i>	<i>Cofinancier</i>	<i>Total</i>
1. Salaries and allowances	150 000	0	150 000
2. Operating costs	0	35 000	35 000
3. Consultancies	260 000	50 000	310 000
4. Goods, services and inputs	91 000	0	91 000
5. Workshops	145 000	100 000	245 000
6. Training	465 000	65 000	530 000
7. Management and overhead (8 per cent)	89 000	0	89 000
Total	1 200 000	250 000	1 450 000

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Empower poor smallholder farmers and producer organizations in Asia-Pacific Region (APR) through access to improved, more effective, and demand-driven agricultural advisory services (AAS).	(i) Smallholder farmers (men, women, youth and indigenous people) and producer organizations have better access to improved, more effective, and demand-driven AAS which respond to their needs. (ii) AAS actors know and make use of different tools and opportunities provided by national fora and regional and sub-regional networks to improve and adapt their services to the needs of smallholders.	(i) Interviews and/or surveys with smallholders and their organizations in the project area (ii) Interviews with AAS providers (iii) Operational reports (and referred documents) of AAS providers	Support from SEARCA and capacity of APIRAS, AESA, and PIRAS Improved and more effective AAS will empower poor farmers with new knowledge and better service delivery Interest and demand of AAS providers to exchange and learn
Objectives	1. Strengthen individual and organizational capacities of agricultural advisory services stakeholders in the target countries and at regional and sub-regional level which will directly benefit poor farmers, indigenous communities, and producer organizations 2. Facilitate the availability and accessibility of appropriate and up-to-date knowledge and evidence on innovative advisory services from a range of sources in the APR region (through country fora and through APIRAS) and worldwide (through GFRAS).	(i) Skills and other competency needs of APIRAS, sub-regional networks, and national fora are identified and addressed. (ii) Country fora, are established/strengthened, and together with APIRAS and sub-networks are recognized and serve as effective coordinators, facilitators, and backstoppers of AAS actors. (iii) AAS providers are effectively networked and generate, use, and engage in the exchange of knowledge and experience on AAS at the national, regional, and global level; with an information management platform effectively supporting exchange process. (iv) AAS are engaged in national and regional policy dialogues on agricultural and rural development and on discussions on strategies of education, research, the donor community, producer organizations, and civil society.	(i) Websites, activities and operational documents of CF and regional networks (ii) Interviews with AAS actors in the project area (iii) Operational reports of AAS providers (iv) New Extensionist Learning Kit translated and used (v) At least 5 good practice notes produced and shared (vi) Knowledge management strategy (vii) Policy dialogs held and continued exchange with policy makers	Buy-in from country partners (advisory services and IFAD) Needs assessments take place as planned Demand for learning materials Timing is right as planned Favorable political economy and interest of policy makers Risks include: Government bureaucracy Lack of capacity of AAS actors (individuals and organizations)
Outputs	1. APIRAS, sub-regional networks, and 3 national fora capacitated as effective and inclusive brokers and reference points for capacity development of AAS providers in the region and effective coordinators and backstoppers of AAS actors 2. Effectively networked AAS providers embedded in an effective knowledge management system 3. AAS strengthened in their role in regional and national policy dialogues on agricultural and rural development and engage in these	(i) 3 CF established and operational, APIRAS, and 2 sub-regional networks (PIRAS, AESA) strengthened and serve as influential institutions on AAS-related issues. (ii) Knowledge management strategy available and utilized as repository and exchange for policy and innovation, including knowledge platform, AAS providers exchange relevant information and best fit extension approaches in the region. (iii) Policy dialogues held and policy advocacy champion identified in 3 countries and continued effort to engage with policy makers and education, research, donor community, producer organizations, and civil society.	(i) Meeting reports and operational reports from CF (ii) Websites and other communications from the networks and fora, knowledge management strategy, interviews with AAS actors (iii) Activity reports of networks and fora	Buy-in from country partners (advisory services and IFAD) CF are wanted and needed Overcoming government bureaucracy and inertia Individual and organizational capacities sufficient Support from SEARCA as host
Key Activities	1. Undertake capacity needs assessment and strengthening of country fora and sub-regional networks while strengthening governance of regional and country-level AAS institutions 2. Improve individual capacities of AAS providers to effectively serve poor farmers, indigenous communities, and producer organizations respond to their demands and ensure sustainability of project gains as well as future geographical scaling-up 3. Develop a regional portal/hub as repository of information including innovative practices from APIRAS sister networks, along with a KM strategy. 4. Policy engagement in high level policy dialogues at national and regional levels	(i) Operational documents of CF and (sub-)regional networks in place or refined (ii) At least 4 trainings and 3 exchange visits undertaken, learning material adapted (iii) Knowledge management strategy available, regional AAS event held, 5 GGP notes available	(i) Operational and strategic documents of CF and networks (ii) Reports of exchange visits, and trainings (iii) Knowledge management strategy (iv) Policy dialogue reports	GFRAS learning kit modules finalized AAS providers interested in knowledge sharing and additional GGP notes Overcoming government bureaucracy/ inertia Capacity and support of SEARCA, APIRAS, AESA, PIRAS, is sufficient as well as at least 2 CF are sufficiently prepared and institutionalized