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Investing in rural people

President's report on a proposed grant under the global/regional grants window to McGill University for Strengthening Capacity of Local Actors on Nutrition-Sensitive Agrifood Value Chains in Zambia and Malawi

Note to Executive Board representatives

Focal points:

Technical questions:

Marian Amaka Odenigbo
Special Adviser on Nutrition
Tel.: +39 06 5459 2826
e-mail: m.odenigbo@ifad.org

Dispatch of documentation:

Alessandra Zusi Bergés
Officer-in-Charge
Governing Bodies Office
Tel.: +39 06 5459 2092
e-mail: gb_office@ifad.org

For: Approval

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Abbreviations and acronyms

A4NH	Agriculture for Nutrition and Health
CGIAR	Consultative Group for International Agricultural Research
CRP	CGIAR Research Program
SRF	Strategic Results Framework (CGIAR)
SUN	Scaling Up Nutrition
WFP	World Food Programme

Recommendation for approval

The Executive Board is invited to approve the recommendation for a proposed grant under the global/regional grants window to McGill University for Strengthening Capacity of Local Actors on Nutrition-Sensitive Agrifood Value Chains in Zambia and Malawi as contained in paragraph 5

President's report on a proposed grant under the global/regional grants window to McGill University for the Strengthening Capacity of Local Actors on Nutrition-Sensitive Agrifood Value Chains in Zambia and Malawi

Part I – Introduction

1. This report recommends the provision of an IFAD grant in the amount of US\$2 million under the global/regional grants window to McGill University for the Strengthening Capacity of Local Actors on Nutrition-Sensitive Agrifood Value chain in Zambia and Malawi. 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 adhere to three basic principles: (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, as stated in the IFAD grant policy. By maximizing the reach, use and effectiveness of key agricultural information, this proposal directly responds to the strategic direction for IFAD grants to facilitate "stronger linkages between smallholder farmers/rural producers with value chains". It is also a strategic fit with the IFAD grant policy through its focus on innovation, knowledge management and dissemination of information.

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 Strengthening Capacity of Local Actors in Nutrition-Sensitive Agrifood Value Chains in Zambia and Malawi, shall provide a grant not exceeding two million United States dollars (US\$2 000 000) to McGill University for a period of 36 months 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

Strengthening Capacity of Local Actors in Nutrition-Sensitive Agrifood Value Chains in Zambia and Malawi

I. Background

1. The food crisis in Malawi and Zambia has worsened over the last few years. A recent comprehensive food security and vulnerability analysis conducted by the World Food Programme in Malawi revealed a severe lack of food diversity and countrywide dependency on maize for dietary energy. One in four households (3.1 million people) in Malawi has an inadequate food consumption pattern. The situation is similar in Zambia where the number of people at risk of food insecurity has increased from about 63,000 in 2012, to 209,000 in 2013. This food crisis, along with the high national HIV/AIDS prevalence of 12.7 per cent – the seventh highest globally – and chronic malnutrition estimated at 45 per cent have placed considerable stress on the most vulnerable sectors of the population. Vitamin A and Iron deficiency is estimated to affect 53 per cent and 46 per cent of Zambian children respectively, compromising their long-term development and performance. High child stunting rates have persisted over the past two decades, impeding human development, productivity and economic growth, and extending the cycle of poverty in both Malawi and Zambia. Strong dependency on a single plant-source food – maize – creates vulnerability to food insecurity, particularly in light of climate change and large fluctuations in food prices. In addition, limited agricultural production diversity and poor nutrition education contribute to the low dietary diversity associated with malnutrition.
2. Agriculture, together with health-based interventions, nutrition education and behavioural change are critical for enhancing the diversity and quality of foods that are consumed among rural poor households. Further, nutrition-sensitive agrifood value chain interventions have the potential to improve production and income, while integrating nutritional benefits along the value chain. The manner in which food products are handled throughout the chain influences their nutritional quality and food safety, prices and acceptability, which in turn shape consumers' choices, dietary patterns and nutritional outcomes. Previous work has shown that opportunities exist at each node in the chain to deliver more diverse and nutritious foods, using improved and appropriate technologies and management practices and by promoting nutrition education.
3. There is the political will in Malawi and Zambia to improve food and nutrition security through agricultural development. The Governments of Malawi and Zambia have endorsed the Scaling Up Nutrition (SUN) movement. However, progress has been impeded by lack of resources and capacity in nutrition-sensitive agriculture. Other compelling reasons for targeting these countries stem from the extensive experience and in-country networks that have been developed over the last decade by the grant recipient, McGill University and project partners, Bioversity International and WorldFish Centre.
4. McGill University has a deep commitment to the African continent and has been actively contributing at various levels to its development, particularly food, nutrition and health security. Through its Institute for Global Food Security, the university focuses on strategies for sustainable food and nutrition security in Africa. It has worked very closely with local universities, government departments and non-governmental organizations (NGOs) on different development and training projects in Africa, including Malawi and Zambia. Bioversity and WorldFish are actively working in Zambia on agriculture and nutrition linkages, documenting locally available nutrient-rich foods by season, and organizing cooking demonstrations and food fairs. Strong partnerships have been established with government agencies – the Ministry of Agriculture and Livestock, Ministry of Community Development and Mother and Child Health, and the Namshakende

Agricultural Training Centre – and with the NGOs Caritas Internationalis and Catholic Relief Services (CRS).

II. Rationale and relevance to IFAD

5. This project will contribute to IFAD's initiatives on nutrition-sensitive agriculture and specifically the ongoing retrofitting of nutrition into the Malawi and Zambia portfolios. Some of the anticipated contributions are as follows: (a) tracking the contributions of projects to food and nutrition security in Malawi (Sustainable Agricultural Production Programme, Rural Livelihoods and Economic Enhancement Programme [RLEEP], Programme for Rural Irrigation Development), and developing an improved food and nutrition security monitoring system in Zambia (Smallholder Agribusiness Promotion Programme [SAPP], Smallholder Productivity Promotion Programme, and the Enhanced Smallholder Livestock Investment Programme); (b) facilitating increased access and consumption of nutritious and safe food products through value chain development in RLEEP (Malawi) and SAPP (Zambia); and (c) strengthening skills of extension workers and front-line staff on nutrition through collaboration with government nutrition officers, local NGOs and other implementing partners in the IFAD portfolios in Malawi and Zambia.
6. The project will link with two ongoing CGIAR Research Programs (CRPs): Agriculture for Nutrition and Health (A4NH) and Aquatic Agricultural Systems (AAS). A4NH contributes to understanding and operationalizing the concept of nutrition-sensitive agriculture and to maximizing nutrition and health outcomes, while AAS seeks to reduce poverty and improve food security for small-scale fishers and farmers depending on aquatic agriculture systems, by partnering with local, national and international partners to achieve large-scale development impact. Bioversity and WorldFish are actively engaged in both CRPs and well linked to their resource networks.
7. The project is aligned with the new IFAD grant policy: it seeks to significantly broaden and add value to the support provided to smallholder farming and rural transformation, thus contributing to rural poverty eradication, sustainable agricultural development, and global food security and nutrition. The grant will contribute to a global, regional or national public good related to IFAD's mandate; will have a comparative advantage over regular loans; and will not be used as a substitute for resources from IFAD's administrative budget.

III. The proposed project

8. The overall goal of the project is to improve the nutritional status of the farming households in the target countries. The project's objective is to promote availability, accessibility and consumption of diverse, safe nutritious foods for improved household nutrition and health.
9. The target group will be composed of at least 2,400 smallholder value chain actors, including small-scale farmers and processors, caretakers of children and decision makers, with a minimum of 40 per cent participation by women. The secondary target groups consist of 50 members of farmers' groups from the nutrition-sensitive value chain interventions and 100 extension workers and front-line staff, both at district and at village levels. The project will indirectly benefit over 40,000 households through strengthened value chain activities and production of high-quality and nutritious products.
10. The project will be of a 36-month duration and will comprise four components: (i) food and nutrition assessments; (ii) nutrition-sensitive agrifood value chain; (iii) capacity-building; and (iv) advocacy and knowledge-sharing. It is anticipated that the project inception workshop will be used to meet with the IFAD country programme team to discuss the details of these components, particularly the

capacity-building aspects that will be integrated into the ongoing IFAD loan programmes in the countries.

IV. Expected outputs

11. The project is expected to have the following outputs:
 - At least 50 per cent of smallholder households report improved food practices and consumption patterns;
 - Nutrient profile of up to 50 per cent of the target value chain established;
 - At least 100 extension workers trained on nutrition-sensitive value chains (data differentiated by gender);
 - Minimum of one food-processing training centre established at community level in each country; and
 - At least one policy brief developed and scientific papers published. IFAD visibility will be ensured through acknowledgement and emphasis of its funding and support in the publications and reports emanating from the project.

V. Implementation arrangements

12. McGill University as the grant recipient will be fully accountable to IFAD and remain ultimately responsible for funds management. The project implementation will be collaborative, based on contractual agreements between McGill University and the partners (Bioversity and WorldFish) in which specific roles and responsibilities are clearly defined.
13. The project will be implemented mainly through two local NGOs: Self-Help Africa in Zambia and the Small Producers' Development and Transporters Association (SPRODETA) in Malawi. More technically advanced research and development, training and capacity-building activities will involve the Lilongwe University of Agriculture and Natural Resources (LUANAR) in Malawi and the University of Zambia, and support from national agricultural research systems (Misamfu Regional Research Station, Zambia and Chitedze Research Station, Malawi), and Ministries of Agriculture in both Malawi and Zambia.
14. Project implementation readiness will be enhanced by scheduled pre-project teleconferences and discussions with the various on-the-ground local partners as well as the IFAD loan programme teams in Malawi and Zambia on implementation strategies and project activities.
15. McGill University shall maintain separate records and financial accounts prepared in accordance with internationally recognized standards in respect of the grant; and shall ensure that the entire project implementation period is covered by audit. The audited financial statements will include all the transactions, including transactions with sub recipients. McGill University shall have its institutional accounts audited every year by independent auditors acceptable to IFAD in accordance with the International Standards on Auditing. It shall deliver to IFAD a copy of its audited financial statements which shall include specific reference to the grant, within six months from the end of its fiscal year. McGill University shall ensure that within its audited financial statements, or separately, an audit opinion letter on the statement(s) of expenditure submitted to IFAD during the fiscal year is duly completed by its independent auditor.

VI. Indicative project costs and financing

16. The total project budget is US\$2,654,000 with an IFAD grant of US\$2,000,000 for the duration of 36 months. McGill University and the two project partners, Bioversity and WorldFish, will cofinance the project up to US\$654,000. Detailed project costs by category and activity are presented in the following tables.

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

<i>Components</i>	<i>IFAD</i>	<i>Cofinancier</i>	<i>Total</i>
1. Food and nutrition assessment	607	240	847
2. Nutrition-sensitive agrifood value chain	729	200	928
3. Capacity-building	624	185	809
4. Advocacy and knowledge-sharing	40	29	69
Total	2 000	654	2 654

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

<i>Expenditure category</i>	<i>IFAD</i>	<i>Cofinancier</i>	<i>Total</i>
1. Training	203	74	277
2. Consultancies	90	0	90
3. Travel and allowances	298	26	324
4. Goods, services and inputs	576	60	636
5. Operating costs	160	73	233
6. Salaries and allowances	395	329	724
7. Workshops	130	14	144
8. Management fees/overhead	148	78	226
Total	2 000	654	2 654

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Improved nutritional status of farming households in target locations in Malawi and Zambia	<ul style="list-style-type: none"> At least 50 per cent increase in number of male and female headed farming households consume nutritious and safe food and food products 	Baseline and endline household surveys	Communities are willing to participate in the surveys and engage in project activities
Objective	Increased availability, accessibility and consumption of diverse, safe nutritious foods for improved household nutrition and health.	<ul style="list-style-type: none"> At least 50 per cent target smallholder households receive project services (data differentiated by gender) At least 50 per cent of smallholder households report increased dietary diversity, measured by household dietary diversity and women dietary diversity scores 	<ul style="list-style-type: none"> Community-based monitoring system that measures consumption of nutrient-rich food groups Implementation Progress Reports 	Communities are willing to participate in the monitoring system throughout the project
Outputs	1. Food and nutrition status assessed	<ul style="list-style-type: none"> At least 50 per cent of smallholder households report improved food practices and consumption pattern At least 50 per cent increase in nutrition knowledge and positive attitude on food and nutrition 	<ul style="list-style-type: none"> Baseline, periodic and endline survey reports Implementation Progress Reports 	<ul style="list-style-type: none"> Active participation of community members and local partners
	2. Nutrition-sensitive agrifood value chains influenced	<ul style="list-style-type: none"> At least one new nutrient-rich food product is developed in each value chain Nutrient profile of up to 50 per cent of the target value chain is established Up to 2 food processing technologies developed is operating effectively by project completion 	<ul style="list-style-type: none"> Monitoring of activities in project areas Progress reports 	<ul style="list-style-type: none"> Farmers have adequate capacity and supervision from value chain actors There is no conflict between farmers and processors who participate and those who do not
	3. Capacity of key stakeholders enhanced	<ul style="list-style-type: none"> 2 model community based processing centers and innovation platform constructed At least 50 farmer groups are accessing new knowledge and improved technologies Up to 100 extension workers are trained on nutrition-sensitive value chain (data differentiated by gender) 	<ul style="list-style-type: none"> Implementation Progress Reports Field visit documentation 	<ul style="list-style-type: none"> Target groups are effectively engaged in knowledge-sharing
	4. Advocacy and knowledge-sharing platforms developed	<ul style="list-style-type: none"> At least one policy brief is developed Number of scientific publications Up to 2 agricultural nutrition linkages interventions initiated 	<ul style="list-style-type: none"> Implementation Progress Reports 	<ul style="list-style-type: none"> Participating countries continue to enjoy political stability