

A. Agricultural Productivity and Market Access

Session Title: Transforming the Agriculture Sector toward Increased Productivity, Sustainability, and Resilience


Enhancing agricultural innovations through creative partnerships and investments: *Experience from Agrinnovation Fund in ASEAN (AIF)*

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Driving Transformative Change in the GMS,
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P.R. China

Outline

- **GIZ's Work & Agriculture and Food**
 - **Agriculture in ASEAN and GMS**
 - **Experience from the Agrinnovation Fund in ASEAN (AIF)**
 - **Why ? and What is it about?**
 - **Lessons Learned - Key Success Factors**
 - **Conclusion & Recommendations for Scalability and Replication in the GMS**
 - **What's next from AIF?**
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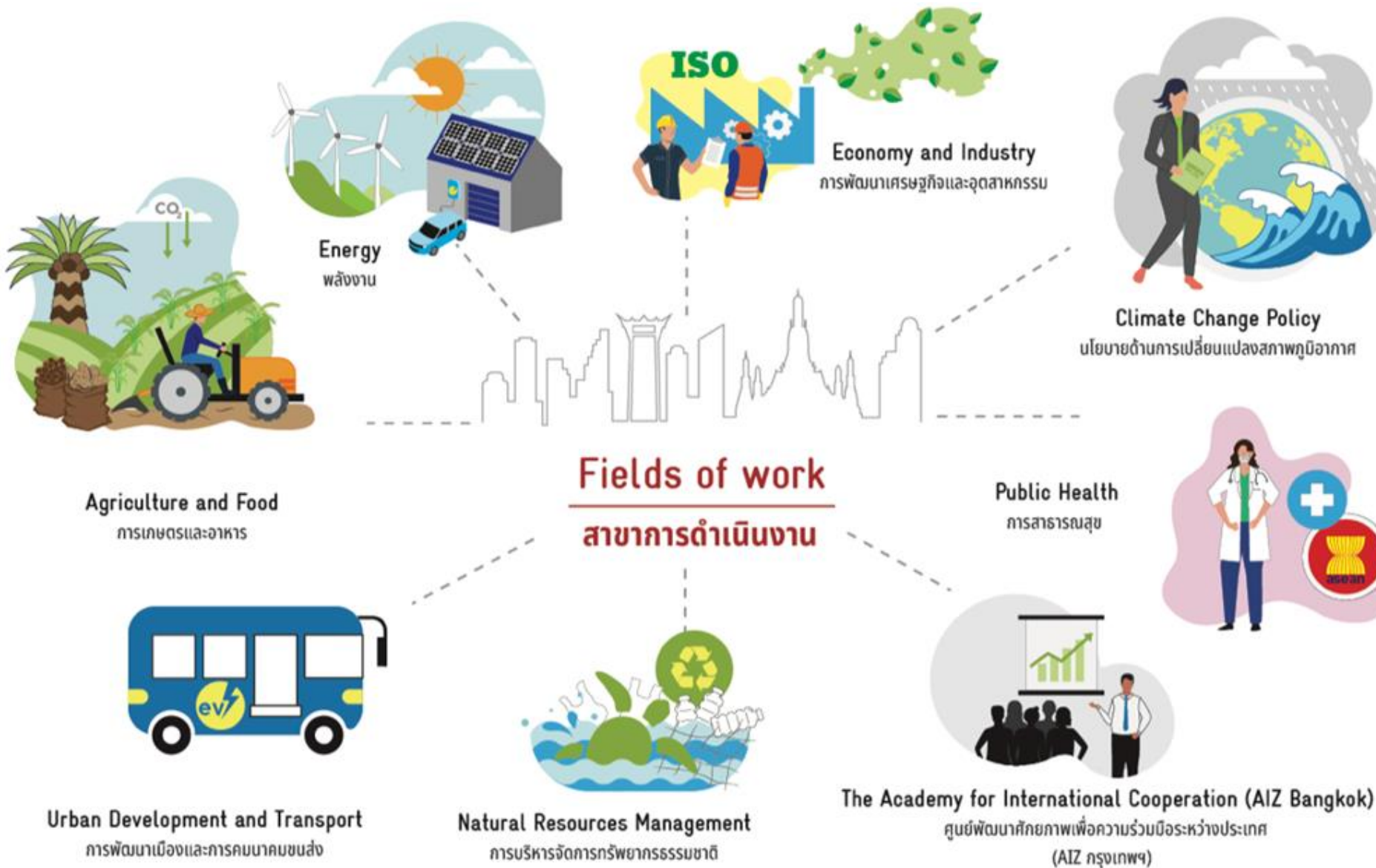
As well as commissions, GIZ also receives grants

120

We operate in more than 120 countries worldwide



GIZ FIELDS OF WORK in Thailand



<p>1 NO POVERTY</p>	<p>2 ZERO HUNGER</p>
<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>5 GENDER EQUALITY</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>10 REDUCED INEQUALITIES</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>13 CLIMATE ACTION</p>
<p>15 LIFE ON LAND</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>

GIZ PARTNERS AND Commissioning Parties



THAI PUBLIC SECTOR



Working on Behalf of



PRIVATE SECTOR and Research

GIZ APPROACH



Sustainable
Agricultural
Supply Chains

Agriculture in ASEAN & the GMS

Agriculture in ASEAN & the GMS

Issues and Challenges

- The agriculture sector contributes significantly to the economy and livelihood of the ASEAN Member States and is important for regional integration.
- Agriculture occupies almost 40% of the overall workforce in Southeast Asia, but the sector only contributes to 15% to the ASEAN GDP. GIZ works towards enabling farmers to be competitive, inclusive and resilient, while producing local and global ecosystem services.
- GMS - Agriculture sector is essential contributor to the region's economy, providing food security and livelihood opportunities for millions of people with more than 60% of the population rely on it for their livelihood.
- To contribute towards achieving SDG and other commitments, emerging challenges, etc., and post- pandemic recovery should be considered.



Technology and innovative solutions

- The innovative solutions that look towards the long term and that build productivity, sustainability and resilience need to be explored.
- This task of modernizing agriculture in the GMS invites us to consider opportunity pathways. My part is about exploring diverse and creative streams of bolstering agriculture investments and public-private partnerships to support agricultural innovations and services.
- Importance of scaling up adoption of technology and innovation to meet the evolving demand of markets/consumers through various agriculture and food standards.
- Technology and innovation will help farmers and SMEs in improving their productivity and enhancing their competitiveness.
- GIZ will share key lessons learned and recommendations from AIF projects as well as what could be taken up in GMS in the future.

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Experience from the Agrinnovation Fund in ASEAN (AIF)

Background | Why did we initiate the Fund?

Context

- Regional policy framework promoting public private partnership and cooperation in the agriculture sector
- Building on experience in development partnership with private sector (e.g. Coffee Innovation Fund (CIF), etc.)



ASEAN AgriTrade Project

- Commissioned by: German Federal Ministry for Economic Cooperation and Development (BMZ)
- Duration: 01/2020 – 12/2023
- Countries: ASEAN level, national level in CLMV
- Approaches include:
 - Improving cooperation with private sector actors
 - Compiling lessons learned from public private partnership for policy makers
 - Knowledge exchange

Agriinnovation Fund in ASEAN (AIF)

- Objective: to support innovative practices and solutions to improve safety, quality and sustainability in agricultural value chains
- Countries: Cambodia, Lao PDR, Myanmar, Viet Nam
- Period: 2021 - 2023
- Support: capacity building, knowledge transfer from experts, peer-to-peer exchange, network, supported technologies

At a glance | Agrinnovation Fund in ASEAN (AIF)

AIF approach

- Support innovation and development
- Mutual-cooperation, matching contribution-monetary or in-kind
- Benefits for all – contribute to business performance, policy goals of public partner, empower youth and women in the value chain

- 29 partnership projects have been supported



The Fund targeted private partners specifically

- Smallholder producer organisations
- Processors and exporters.
- Retailers
- Input and service providers

Cambodia

- 13* projects
(7 under ASEAN AgriTrade Project: 4 completed)
- chili, mango, cashew, vegetable
- digital solutions, organic fertiliser, compost, solar-powered cold storage room, solar dryer domes, cover crop, climate-smart agriculture

Lao PDR

- 6 projects *(on-going)*
- watermelon, butterfly pea, banana, organic vegetable, ginger
- solar dryer dome, organic fertiliser, mobile-web application, organic production, GAP, GHP HACCP

Viet Nam

- 4 projects *(completed)*
- mango and lychee in Son La & Bac Giang provinces
- improve quality, safety standards, traceability, solar dryer dome, GAP, women empowerment

Myanmar

- 6 projects *(5 completed)*
- chili, ginger, pomelo, mushroom
- value-added products, Sloping Agriculture Land Technology, climate-smart agriculture, contract farming, intercropping, micro-irrigation, GAP

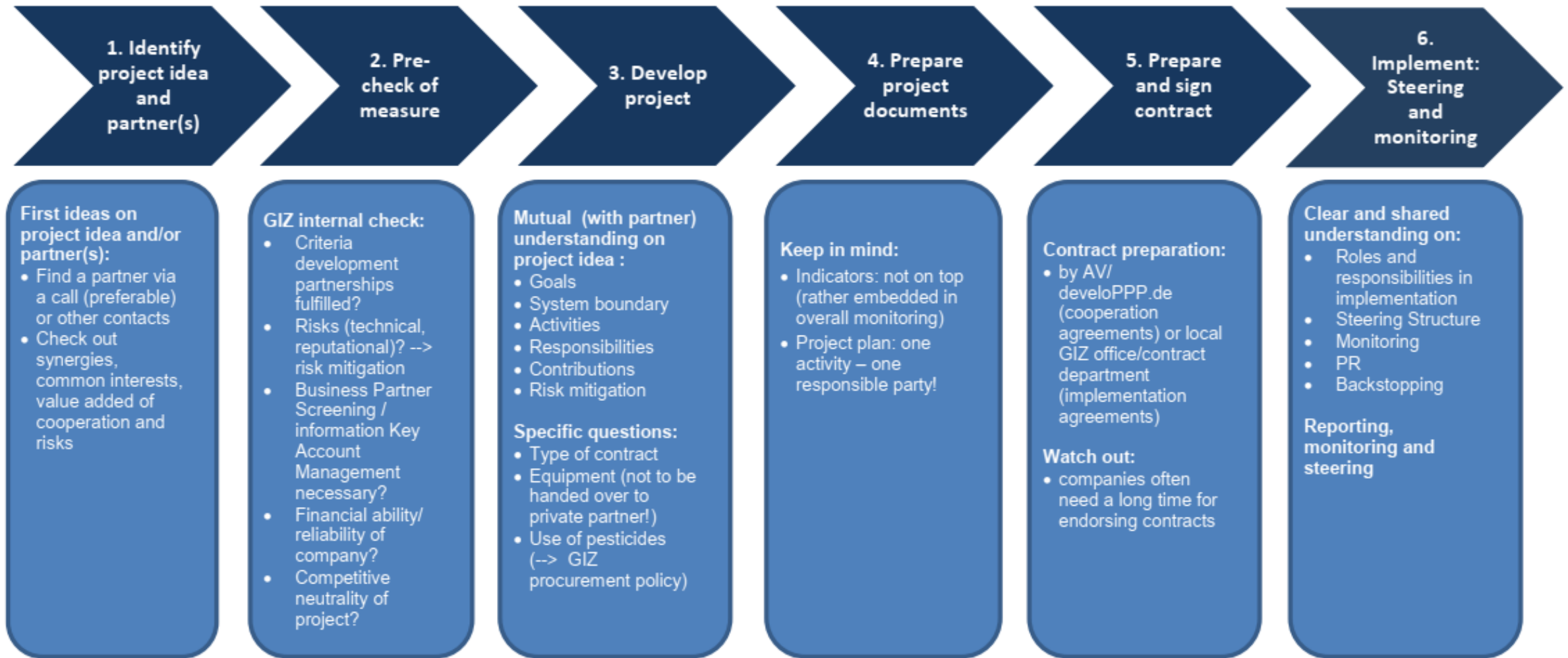
*6 projects in Cambodia are supported under the Climate Resilience of Agricultural Systems in Cambodia and Viet Nam (CRAS) Project implemented by GIZ

The final selection criteria :

- **Potential for impact** – proposals should document how it can positively impact (directly or indirectly) resilience and sustainability in the value chain in one or more countries of focus.
- **Innovation** - proposals should put forward new innovative ideas for systems and products that are yet to be implemented in the area, country or region.
- **Inclusiveness** – proposals preferably demonstrate how it can engage and benefit youth and women in the community.
- **Replicability** – proposals preferably provide sufficient level of replicability in other areas, country or region
- **Scalability** – proposals preferably provide a vision for future scaling of products and systems developed within the Fund

Collaborations for agricultural innovations – insights from the AIF implementation

- Preparation process of iDPPs (GIZ, 2020)



Some activities under AIF

Trainings for farmers to comply with standards



Farmer Field School training sessions for mango farmers according to VietGAP Standard

Value-added products



Solar dryer dome for value-added dried mango for cooperatives in Viet Nam



Solar dryer dome to improve dried butterfly peas for farmer group in Lao PDR

Digital solutions



Web application to improve production planning, and selling of organic product was launched in Lao PDR



Installing sensor stations to improve quality of lychee and productivity in Viet Nam

AIF Knowledge-sharing & networking events



Participants from CLMV at the AIF 3rd Knowledge-sharing and Networking event, 13 – 14 December 2023, Bangkok



AIF partners actively engaged in group work session at the 3rd AIF knowledge-sharing event

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Lessons Learned - key success factors from the AIF implementation

Lessons Learned - Key Success Factors | AIF

Fund's Inception

- Close consultation process
 - identifying needs (value chain/ interest)
 - jointly defining objective, scope, selection criteria etc. of the Fund with partners
 - Steering structure defined (working committee – public and private sector)

Call for proposals, selection, concluding cooperation agreement

- Network and outreach – engaging existing network
- Communication adapted to suit local context and target audience
- Co-creating process (elaborating idea proposals, area of intervention, clarify contribution and roles with partners)

Activities implementation

- Clear guideline/working process /support provided via AIF
- Foster knowledge exchange, peer-to-peer learning, network (e.g., through AIF knowledge sharing events, in-country activities)
- Good engagement and interest from partners (despite limitation from AIF - support period + fund)

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Conclusion, Recommendations for Scalability and Replication in the GMS & What's next from AIF?

Conclusion

- **The lack of support for advancing agricultural innovations within the smallholder, small and medium sized enterprises (SMEs) and agri-cooperative sector** provides a strong impetus for exploring diverse and creative ways of encouraging agricultural investments.
- **Cooperation agreements such as the Agrinnovation Fund in ASEAN (AIF)** is a form of public-private partnership that offers a viable, transparent and impactful model for harnessing private sector capacities to explore agricultural innovation projects.
- **The design of a partnership framework such as the AIF entails a close consultative process where the objectives and aims of the partnership, as well as mutually agreed-upon roles, responsibilities, and expectations are made clear.** Critical to its viable implementation are a comprehensive communication and knowledge management strategy, as well as a sound monitoring and evaluation plan.
- **A public-private partnership designed as a cooperation agreement such as the AIF offers strong opportunities not only for harnessing respective partners' expertise but also encouraging wider knowledge exchange and peer learning** among SMEs, cooperatives, smallholders, and public institutions.

Five (5) key recommendations for potential scalability and future replication for similar initiatives, including the GMS

1 Strengthen partnership framework

- **Participatory process** in the design of the partnership must be pursued

2 Emphasize the nature of the partnership as a cooperation agreement

- Cooperation agreements are **strategic opportunities for shifting the mindsets** of private partners from traditional notions of development assistance

3 Develop a comprehensive monitoring and evaluation plan

- Attention should also be given to the monitoring of the **partnership framework and design itself** not only to track partner activities and expected outcomes and outputs

4

4 Strengthen communication and knowledge management strategy

- **Comprehensive communications plan must be developed** for large-scale and region-wide multi-sectoral collaborative initiatives

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5 Highlight opportunities for knowledge exchange and peer learning

- Provide a **mechanism for generating and testing agricultural innovations**, while offering private sector partners valuable opportunities to learn from others, tap into their own technical and business expertise, and expand their network and market opportunities.

What's next from AIF ?

Key take aways:

- Partners ready to contribute and engage in knowledge exchange activities (esp. with cross-country exchanges)
- High interest to continue this mode of support (initiatives like AIF)
- Interests to engage with policy makers
- Interest for B2B matching/exchange from SMEs

Way forward

- Documentation of experiences, lessons learned, and recommendations developed for policy makers, stakeholders wishing to initiate similar fund initiatives (through development of Policy Brief, and Guidebook) (on-going)
- Disseminate experience and lessons from AIF (e.g. such as through knowledge-exchange events)



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