



LAO PEOPLE'S DEMOCRATIC REPUBLIC

Peace Independence Democracy Unity Prosperity



Global Agriculture & Food Security Program

AGRICULTURE FOR NUTRITION - PHASE 2 (AFN II)

Funding Proposal prepared by the Ministry of Agriculture and Forestry
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Acronyms

AFN	Agriculture for Nutrition Project
APG	Agriculture Production Group
ANRCB	Applied Nutrition Research Capacity Building (USAID)
ASAP	Adaptation for Smallholders Agriculture Programme (trust fund, IFAD)
BALI	Business Action Learning for Innovation
CBO	Community-Based Organizations
CBPP	Community Based Participatory Planning
CC(A)	Climate Change (Adaptation)
CDE	Center for Development and Environment, University of Bern, Switzerland
CINE	Centre for Indigenous Peoples' Nutrition and Environment at McGill University, Montreal, Canada
CMO	Community Mobilization Officer
COVID-19	Coronavirus disease 2019 (SARS-CoV-2 virus)
CSA	Climate Smart Agriculture
CSO	Civil Society Organizations
CTA	Chief Technical Advisor
CU2-5	Children Under 2-5 years of age
DAFO	District Agriculture and Forestry Office
DHO	District Health Office
DICO	District Industry and Commerce Office
DNC	District Nutrition Committee
DoPF	Department of Planning and Finance
DPWTO	District Public Works and Transport Office
DTEAP	Department of Technical Extension and Agro-Processing
F2F	Farmer-to-Farmer Extension
FAO	UN- Food and Agriculture Organization
FIES	Food Insecurity Experience Scale
FNML	Southern Laos Food and Nutrition Security and Market Linkages Programme
FNS	Farmer Nutrition School
FPIC	Free Prior Informed Consent
GAFSP	Global Agriculture and Food Security Programme
GALS	Gender Action Learning System
GoL	Government of Lao People's Democratic Republic
HH	Household
ICT	Information and Communication Technologies
IEC	Information, Education, and Communication
IFAD	International Fund for Agricultural Development
IYCF	Infant and Young Child Feeding
KAP	Knowledge, Attitudes and Practices
KM	Knowledge Management
LACSA	Laos Climate Services for Agriculture
LAK	Lao Kip
LANI	Lao American Nutrition Institute
LANN	Linking Agriculture, Natural resource management and Nutrition approach
LARReC	Living Aquatic Resources Research Centre
LFN	Lao Farmers' Network
LWU	Lao Women's Union
M&E	Monitoring and Evaluation
MAF	Ministry of Agriculture and Forestry

MDD-W	Minimum Dietary Diversity for Women
MIS	Management Information System
MoES	Ministry of Education and Sports
MoF	Ministry of Finance
MoH	Ministry of Health
MoIC	Ministry of Industry and Commerce
MoNRE	Ministry of Natural Resources and Environment
MPI	Ministry of Planning and Investment
MSME	Micro, Small and Medium Enterprise
MSP	Multi Stakeholder Platforms
MUS	Multiple-Use Water Systems
NAFRI	National Agriculture and Forestry Research Institute
NNSPA	National Nutrition Strategy to 2025 and Plan of Action 2021-2025
NSEDP	National Socio-Economic Development Plan
NUoL	National University of Lao PDR
NUS	Neglected and Under-utilized Species
O&M	Operations and Management
ODA	Overseas Development Assistance
OPD	Organizations for Persons with Disabilities
PAFO	Province Agriculture and Forestry Office
PICO	Provincial Industry and Commerce Office
PLW/G	Pregnant and Lactating Women and Girls
PMU	Project Management Unit
PNC	Provincial Nutrition Committee
ProMIS	Project Management Information System (MAF)
PwD	Persons with Disabilities
RTM	Round Table Meetings
SBCC	Social and Behavior Change Communication
SBN	SUN Business Network
SCOPE	WFP's beneficiary identity and benefit management system
SDG	UN Sustainable Development Goals
SECAP	Social, Environmental and Climate Assessment Procedures (IFAD)
SSFSNP	Strategic Support for Food Security and Nutrition Project
SUN	Scaling Up Nutrition
SWG ARD	Sector Working Group on Agriculture and Rural Development
ToT	Training of Trainers
TSC	Technical Service Centre
USAID	U.S. Agency for International Development
VAT	Village Agriculture Technician
VDP	Village Development Plan
VNC	Village Nutrition Center
VNF	Village Nutrition Facilitator
WASH	Water, Sanitation, and Hygiene
WFDF	Women and Family Development Fund (LWU)
WFP	UN-World Food Programme
WRA	Women of Reproductive Age
WUG	Water User Group

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GAFSP - Country Proposal: Lao PDR Agriculture for Nutrition Phase 2 (AFN II)

Section 1: Basic Data

a. Project Name	Agriculture for Nutrition Phase 2 (AFN II) Project
b. Submitting Country	Lao People’s Democratic Republic (LAO PDR)
c. Ministry responsible for implementation	Ministry of Agriculture and Forestry (MAF)
d. Primary Country Contact	Dr. Phommy Inthichack Deputy Director General (DDG) Department of Planning and Finance (DoPF) Ministry of Agriculture and Forestry (MAF) Lao PDR phommyinthichack@gmail.com
e. Total GAFSP Grant Funding Requested (refer to Annex 1 – Project Budget Table)	Amount Requested: US\$ 20 million Minimum Amount Needed: US\$ 12 million
f. Estimated project start and end date:	December/2022 - December/2027 (5 years)
g. Preferred Supervising Entity	
Supervising Entities for Investments and Technical Assistance (Select only one)	
<input type="checkbox"/> African Development Bank (AfDB) <input type="checkbox"/> Asian Development Bank (ADB) <input checked="" type="checkbox"/> International Fund for Agricultural Development (IFAD) <input type="checkbox"/> Inter-American Development Bank (IDB) <input type="checkbox"/> World Bank (WB)	
Supervising Entities for Technical Assistance only (optional)	
<input type="checkbox"/> Food and Agriculture Organization (FAO) <input checked="" type="checkbox"/> World Food Programme (WFP)	
<p>If more than one Supervising Entity is selected, provide the anticipated cost share between them. 60 % of the grant will be implemented through IFAD as the investment Supervising Entity 40 % of the grant will be implemented through WFP as the Technical Assistance Supervising Entity</p>	
h. Has the country previously received a GAFSP grant?	
<input checked="" type="checkbox"/> Yes, see Annex 4 <input type="checkbox"/> No	

Section 2: Project Description

2.1 Project Development Objective

The project's development objective is to enable 28,000 vulnerable¹ households living in the project area to improve their food and nutrition security by 2027.

The objective will be achieved through gender-transformative activities aimed at improving dietary intake, increasing resilient and diversified agricultural production and income, enhancing livelihoods' resilience including recovery from COVID-19 impacts, management of natural resources and access to services related to agriculture, nutrition, and markets.

2.2. Provide a clear description of the proposed project

Rationale and approach. Despite being a least developed country (LDC), Lao PDR has made significant progress in poverty alleviation over the past decade with poverty rates declining from 24.6% in 2012/2013 to 18.3% in 2018/2019. Although economic growth has also remained strong at around 7% over the last decade, inequalities have increased. Wide gaps persist between the poor and the rich, such as stunting rates: In 2018, in the poorest population quintile stunting incidence was 48% while it was 14% in the wealthiest quintile² (UN, 2021).

Rural areas are still home to the overwhelming share of the poor and the incidence of poverty is typically higher among agricultural households. Food insecurity remains a serious issue among low-income households in rural areas, with affordability impacting households' access to a nutritious diet. In Lao PDR, 83.3% of the population are unable to afford a healthy diet, compared to an average of 41.5% in the Asia-Pacific region.³ Other threats to food access and affordability include seasonal floods, droughts, land degradation, deforestation, relocation and migration.⁴

The triple burden of malnutrition remains a key challenge in Lao PDR. One-third of children under 5 remain stunted, rating very high according to the World Health Organization (WHO) benchmark⁵, and in some provinces, stunting impacts over 54% of children under 5. Concurrently, anemia affects 44.1% of children under 5 and 39% of women of reproductive age (15-49 years), which is considered a severe public health problem.⁶ Overweight and obesity is increasing, with 15.7% of children and adolescents aged 5-19 years classified as overweight.⁷

The COVID-19 pandemic brought the national economy to a virtual halt: the [GDP growth](#) was 0.5% in 2020, down from 4.7% in 2019, highlighting the importance of a resilient economy and local food systems while at the same time providing an opportunity to 'build back better' with resilience and inclusion as core principles.

Lao PDR is vulnerable to climate related events and communities face significant climate-related hazards (storms, floods, droughts, heat waves etc.) that exacerbate poverty, food and nutrition insecurity. Poor and marginalized communities are particularly affected by these impacts.

In addition, several studies show that forest areas provide crucial ecosystem services to nearby communities, both increasing resilience to climate change (mitigating erosion, protecting water sources etc.) but also

¹ Poor, women, children and youth, elderly, disabled persons (Disaster Management Reference [Handbook](#), 2021)

² [Voluntary National Review](#) on the implementation of the 2030 Agenda

³ FAO, UNICEF, WFP and WHO. 2021. *Asia and the Pacific Regional Overview of Food Security and Nutrition 2020*

⁴ WFP. 2017. *Fill the Nutrient Gap Lao PDR*

⁵ de Onis, M., et al. 2018. *Prevalence thresholds for wasting, overweight and stunting in children under 5 years*. Public health nutrition, 22(1), 175-179

⁶ de Benoist, B., et al. 2008. *Worldwide prevalence of anaemia 1993-2005*. WHO Global Database on Anaemia.

⁷ WHO, 2017. [Global Health Observatory data repository](#)

providing essential source of food, medicine, and livelihoods⁸ ⁹. Collection of non-timber forest products and fish provide an important complement to agricultural incomes and nutrition¹⁰. The report also highlights that, during the COVID-19 crisis, households were able to cope with decreased access and availability of other food by collecting food from the wild, including fish, forest products and edible insects. Nutrition, sustainable natural resource management and resilience are strongly interlinked.

While adequate nutrition is an outcome as well as an essential input into social and economic development, Lao PDR remains below the regional averages in terms of stunting (33% nationally and up to 54% in some northern provinces vs 22% regionally). Between 2013 and 2018, stunting rates of children under 5 years of age have been decreasing from nearly one in every two children being stunted to about one in every three. (GoL, 2021).

Food insecurity and nutrition issues have also seasonal patterns as post-harvest infrastructure, seasonal cash constrains and practices limit food conservation and access to food during the lean season. Limited farmers aggregating capacities, market infrastructure and market failure also constrain farmers' capacities to access market and earn remunerative and stable incomes.

Gender inequalities due to socio-economic and cultural drivers hamper development, in particular among ethnic groups in upland areas. Limited women's empowerment and adverse social norms still hamper development and nutrition.

Agriculture, and in particular, food systems, have a foundational role in nutrition. Investing in women and nutrition through agriculture is sound development policy and good economics. Adequate nutrition increases learning and cognitive abilities, overall wellbeing, as well as labour productivity, increasing rural farm income as well as overall economic and agricultural growth. To make a difference in rural Lao PDR, a comprehensive approach that simultaneously tackles both the immediate and underlying causes of all forms of malnutrition is needed.

Households must have solid knowledge about food, infant and young child feeding practices, care, and health as well as access to adequate amounts of diverse and nutritious food and to safe water and sanitation services. The project will focus particularly on nutrition and women-led activities, with improved dietary diversity along the life cycle as an indicator.

The approach is to address all causes of malnutrition: immediate, underlying and basic causes through nutrition-specific and nutrition-sensitive interventions. These include: (i) improve availability and accessibility to nutritious foods through agriculture development and nutrition sensitive activities, (ii) Social Behavior Change Communication (SBCC) to promote age-appropriate Infant and Young Child Feeding (IYCF), dietary diversity/healthy diets and raise nutrition awareness, (iii) link activities with school-based programmes, including school feeding, (iv) involvement of reliable investors in food supply chains through business linkages with rural communities and (v) ensuring an enabling environment by enhancing multisector planning and coordination capacity.

The proposed project directly contributes to the UN framework to 2030 and the Sustainable Development Goals: SDG1 no poverty, SDG2 zero hunger, SDG5 gender equality, SDG6 clean water and sanitation, SDG8 decent work and economic growth, and SDG13 climate action. The target provinces have been selected along these criteria.

Food systems, in particularly agricultural production, supply chain, food environments and markets, have a foundational role in nutrition. Adequate nutrition increases learning and cognitive abilities in childhood, overall

⁸ various studies show that upland populations notably ethnic minority in more remote areas, rely strongly on wildlife, including animals, plants and fungi for their nutrition intake. (Mofa, 2011, Understanding Food Security in Northern Laos An analysis of household food security strategies in upland production systems.

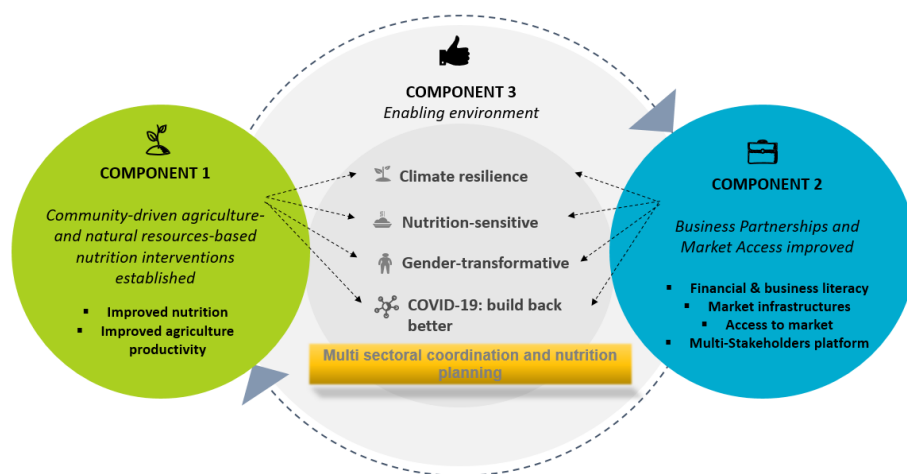
⁹ USAID - TRANSLINKS, 2010, Case Study, Finding the Linkages between Wildlife Management and Household Food Consumption in the Uplands of Lao People's Democratic Republic: A Case Study from the Nam Et-Phou Louey National Protected Area

¹⁰ WFP, 2020, Rapid Assessment of Food Security and Agriculture in Lao PDR

wellbeing, as well as labour productivity, increasing rural farm income as well as overall economic and agricultural growth. . The project will focus particularly on nutrition and women-led activities, with improved dietary diversity along the life cycle as an indicator.

The AFN-II builds on the lessons learned and achievement of the first phase. AFN-II project interventions will continue to focus on the implementation of the four nutrition-sensitive agricultural activities within the 23 priority interventions under the new “National Plan of Action on Nutrition” (NPAN) 2021-2025. The project will specifically empower women to sustainably achieve better household nutrition outcomes, particularly for pregnant women and lactating mothers and children up to the age of 5 years, through implementation of nutrition-sensitive agriculture interventions and sustainable management of the available natural resources in the communities. This will be achieved through the implementation of three interlinked project components.

Figure 1: Linkages between components



Project components and activities. The project will have three interlinked components aimed at addressing the sustainable, inclusive, and resilient recovery of the country’s agriculture and food systems in the context of the ongoing COVID-19 pandemic, namely: (1) Community-driven agriculture and nutrition interventions promoting the use of natural resources; (2) Business Partnerships and Market Access improvement; and (3) Enabling environment. The detailed description of components and activities is in Appendix 5.

Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment (WFP and IFAD)

Component 1 will have two main outcomes. The first outcome is to improve the nutrition Knowledge, Attitudes and Practices (KAP) of the targeted poor and near poor smallholder farmers households more at risk of food and nutrition insecurity amid the COVID-19 pandemic. This outcome will be achieved through Sub-component 1a: Improved nutritional status of women, children, girls, and other vulnerable groups, which is supervised and implemented by WFP in close cooperation with the Ministry of Agriculture and Forestry (MAF) and the Provincial Agriculture and Forestry Office (PAFO) and the District of Agriculture and Forestry Office (DAFO) and provincial and district convergence agencies (education and sports, health and LWU).

The second outcome of Component 1 is to enable the aforementioned households to adopt environmentally sustainable and climate-resilient technologies and practices in order to increase and diversify their agricultural production, manage their natural resources more sustainably, increase their income, and enhance their resilience to climate threats and COVID-19 pandemic impacts. This outcome will be achieved through Sub-Component 1b: Improved agriculture productivity of selected commodities, which will be supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO)

Sub-component 1a: Improved nutritional status of women, children, girls, and other vulnerable groups (WFP and IFAD). This subcomponent will mainly be implemented by WFP and consist of the following activities:

Activity 1: Farmer Nutrition School and Women Empowerment: The project will establish Farmer Nutrition Schools (FNS) in all project villages. FNS are semi-structured interactive gatherings in villages, focused on nutrition and food security. FNS conveys SBCC in the form of practical learning sessions to communities about household nutrition, food security, basic hygiene, food preservation and processing, and dietary diversity. Technical support will be provided by LWU.

Activity 2: Integrated Home Garden establishment. Women that successfully participate in the FNS will be eligible for diversified Home Garden Grants of 1.2 million LAK (about US\$ 120). Priority will be given to pregnant and lactating women and mothers with children under 5 years of age. The project targets to distribute 15,000 Home Garden Grants, which will be used for small investment purposes linked to home garden development, such as seeds, planting material, small equipment, drip-irrigation, fencing materials, small livestock, animal shed construction materials, etc. Technical support will be provided by DAFO.

Activity 3: Domestic food processing and conservation. During the FNS implementation, sessions will cover post-harvest management, safe food storage and preparations, with attention to food safety. To ensure access to food all year round, 250 new or existing community village rice-banks will be supported, and small grants will be provided to women groups specifically for small scale food processing activities, both for domestic purpose and local market.

Activity 4: Local food sources, wild foods management. The project will assist the communities in each agroecological zone in identifying and documenting wild food species of particularly high importance in their local diet and ways to manage these sources in the wild or domesticate within the communities. AFN II will also support protection and management of community fish spawning areas (Fish Conservation Zones) and the promotion of living aquatic resources as part of the local diets in rural communities.

Activity 5: Community nutrition and gender SBCC activities. A comprehensive SBCC strategy and learning package will be developed and implemented in the target communities, based on the successful AFN I project. Along with the Gender Action Learning System methodology (GALS)¹¹, this approach will address social and cultural bottlenecks to adequate nutrition and gender practices (dietary diversity, optimal child feeding and care practices, WASH, early marriage). As more than 70% of the project beneficiaries belong to non-Lao/Tai ethnic groups, many of them with their own languages, the project will develop SBCC materials in these languages (Hmong, Khamu) to ensure messages are culturally and linguistically appropriate. This activity will link with ongoing WFP efforts on school-based nutrition interventions such as the planned home-grown school feeding programme.

Sub-Component 1b: Improved agriculture productivity of selected commodities (IFAD). This sub-component aims at promoting the adoption of environmentally sustainable and climate-resilient technologies and practices by smallholders. This Sub-component will be technically supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO).

Activity 6: Community-Based Organizations (CBOs) Strengthening: building on AFN I achievements and lessons learned, the project will support the establishment of new or existing Agricultural Production Groups (APG) in all project villages. APGs are small self-help groups of smallholder farmers, men and women, engaged in mixed subsistence / commercial production of nutritious commodities such as vegetables, rice, mushrooms, small animals and domesticated wild species. Around 1,000 APG will be

¹¹ See methodology and case studies: IFAD AgTalk by Clare Bishop-Sambook "The power of a dream"
https://youtu.be/z6bUkLy-m_A ; www.oxfamnovib.nl/weman

supported to develop business proposals for co-investment in production and post-harvest processing of agricultural products supported by block grants.

Activity 7: Agriculture/Rural Advisory Service improved: The village authorities and community-based organisations will participate in consultations to define gaps and priorities in terms of advisory services. This activity further develops the approach adopted by AFN I in the framework of the current Lao Extension for Agriculture policy. The project will continue to focus on community-based organisations and lead-farmers as key channels to deliver services to smallholders, women, and men. The planning process and extension approach will build on lessons from AFN I and the Southern Laos Food and Nutrition Security and Market Linkages Programme (FNML)¹². The extension services will also include linkages with emerging climate information systems in Lao PDR, such as the Lao Climate Service for Agriculture ([LACSA](#)).

Activity 8: Climate Change adaptation infrastructures (irrigation /MUS) built and upgraded. To mitigate climate risks and water constraints, the project will support three main types of investments in water-related infrastructures depending on the existing systems and the communities' priorities: (i) Small scale irrigation systems of less than 50 ha, (ii) Multiple Use water Systems (MUS) to ensure a regular supply of water for home consumption, hygiene, schools and nearby agriculture production: home garden, livestock raising, nurseries, upland fields, agroforestry gardens, etc. (iii) Rain harvesting and water storage ponds. A strong focus will be on establishing O&M structures and procedures.

Component 2: Business Partnerships and Market Access improvement (IFAD)

This component will be technically supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO) in collaboration with Industry and Commerce Offices at provincial and district levels (PICO, DICO) and in partnership with the SUN BN and MSMEs in the food supply chain.

Activity 1: Support to MSME in food supply chains. The project will contribute to identifying existing and newly registered private entities to expand the [SUN Business Network](#)¹³ membership and crowd-in the private-sector participation in national efforts to improve nutrition and food security. The project will provide business literacy and management training and matching grant facilities of up to US\$ 10,000 in the start-up phase of these businesses. They will have access to regular product supply through partnerships with Agricultural Production Groups (APG) supported under component 1.b of the project.

Activity 2: Business Multi-Stakeholder Platforms. The multi stakeholder platforms (MSP) provides the adequate forum for forming business relationships between producers' organisations (such as APG) as well as several private entities upstream and downstream of food value chains. The MSP will be facilitated by line agencies (agriculture, industry and commerce, finance, public works and transport) with technical support from the SUN BN. The project will facilitate the preparation of business plans and will support co-investments in around 50 business clusters with a matching grant facility of up to US\$ 35,000 per partnership agreement between APGs and MSMEs, applying due diligence principles.

Activity 3: Market related infrastructures. The Multi-Stakeholder Platforms under Activity 2 will directly inform and guide investments in market-related infrastructures: access tracks and post-harvest / processing facilities with the aim of mitigating market risks and generating value addition within the rural communities. The facilities eligible for investment include drying floors, solar dryers, threshers,

¹² The FNML project focused on community-based planning (Participatory Local Adaptation Investment Plans) and Climate Change Adaptation.

¹³ Lao PDR joined the Scaling Up Nutrition Movement in 2011. The Lao "scaling up nutrition business network" initiative was pre-launched in 2016 and its [strategy for 2018 – 2022](#) was jointly endorsed in 2019 by the National Nutrition Committee Secretariat and WFP, aiming at "engaging the private sector in improving nutrition in Lao PDR". The SUN Business Network now counts 35 members, including 16 food production / processing companies.

sorters, cooling systems, improved milling and processing equipment, packing units, weighing stations, collection centers, etc. Post-harvest and storage facilities will contribute to reduce food waste.

Component 3: Enabling environment (IFAD and WFP)

This component aims at improving the enabling environment in the areas of multi-sectoral planning for nutrition (WFP), coordination and partnerships (MAF / IFAD).

Activity 1: Multisector planning and coordination (WFP). The new National Plan of Action for Nutrition for 2021-2025 identifies 23 priority measures, of which 9 are multisector. The project will support multi-sectoral planning activities by providing hands-on technical assistance to the nutrition committees at provincial and district levels to improve coordination and efficiency. Specifically, the project will actively support nutrition planning at village level. The village nutrition plans will form the basis of intersectoral planning processes by District and Provincial Nutrition Committees.

Activity 2: Partnerships. Several strategic partnerships have been identified: Oxfam (GALS), research institutes (NAFRI, LaRECC, WorldFish, CDE) and academia institutions (National University of Lao PDR, University of Bern, Mc Gill University), that have a proven track record in the promotion of wild foods and aquatic species in South-East Asia and in Lao PDR. The partnership with SUN BN will allow to strengthen the outreach and business development capacity of MSME along food supply chains.

A Challenge Fund will support Civil Society Organizations (for example the Lao Farmers Network) in providing diversified services in Climate Smart Agriculture (CSA) for instance and ensure youth involvement at local level. Organizations for Persons with Disabilities (OPD) will also be involved.

Activity 3: Project management. The project will be managed by a Project Management Unit (PMU), established within the Department of Planning and Finance (DoPF) of MAF, headed by a National Project Coordinator to manage planning, implementation and reporting of the project activities to central level steering committee. Key project team (finance, M&E, procurement and technical areas) will be recruited to support project implementation and an international CTA for the project will be provided by WFP.

Geographic focus. The project area comprises five out of eighteen provinces of Lao PDR, namely Oudomxay and Phongsaly in the North and Saravane, Sekong and Attapeu in the South of Laos. The area is mostly rugged and mountainous and has a population of 1.13 million people or about two hundred thousand households¹⁴.

The five provinces were selected based on the following criteria: a) level of poverty; b) level of food insecurity; c) prevalence of stunting of children under 5 years of age; d) access to water and sanitation; e) climate change vulnerability; f) COVID-19 impacts¹⁵ (see the Selection Matrix in Appendix 2). The same criteria, combined with subnational government priorities and potential complementarities / overlaps with ongoing development initiatives in agriculture and nutrition sectors, were used to select twenty out of thirty-one districts in the five provinces. The result of the targeting process was validated through consultations with national and subnational stakeholders and is shown in Table 1 below and the project target map in Appendix 3.

Table 1: Geographic targeting: Selected provinces and districts

Provinces	Convergence districts	Non-convergence districts	Target districts
Phongsaly	Boun tai, Samphanh, May, Khua	BounNeua, Phongsaly, Nhot Ou	7
Oudomxay	Muang La, Namor	Beng, Nga, Hoon, Pakbeng	6
Saravane		Samuoi, Ta-Oi, Toomlarn	3
Sekong		Dak Cheung, Kaleum,	2
Attapeu		Sanxay, Sanamxay	2
5 Provinces	6 Districts	14 Districts	20

¹⁴ National household average size is 5.6 (PHC, 2015). For the purpose of this proposal, the average HH size is rounded to 6.

¹⁵ COVID-19 impacts criteria included reduced agricultural activity, restricted access to market, negative impacts on livelihoods, and restricted access to food at province level. See: *Rapid Assessment of Food Security and Agriculture in Lao PDR* (WFP, FAO, Government of Lao PDR, 2020)

According to recent nationwide surveys¹⁶, as well as the context-specific knowledge of provincial officers, the targeted districts are where direct support is needed most at present:

- **The fourteen non-convergence districts** have the highest needs in terms of poverty reduction and nutrition. They currently lack support from specific COVID-19 response and recovery programs and will therefore benefit from the direct support of AFN II interventions throughout all three components.
- **The remaining six districts are priority convergence districts.** As such they receive support from several on-going agriculture and nutrition projects and the immediate need for further investment is less acute than in non-convergence districts. Therefore, AFN II will focus its support on multisector planning, partnerships (including challenge fund for CSOs), and coordination activities through component 3 only.

The final selection of target villages for AFN II interventions will be completed during the startup phase of the project. It is intended that AFN II will reach at least 500 villages.

Target population. The project intends to reach at least 168 000 persons as beneficiaries (equivalent to about 28,000 rural households), who depend on agriculture for their economic livelihoods and are at risk of food insecurity and malnutrition.

2.3. Elaborate on the target population(s) and the targeting strategy for the project

The intended target population includes 168 000 poor and near poor smallholder farmers at risk of food insecurity and malnutrition living in the twenty target districts (29% of total project area population). Specifically, the target population will include: (a) Children Under 5 years of age (CU5); (b) adolescent girls (age 10-19); (c) women of reproductive age (WRA age 15-49 years, including PLW/G); (d) youth (age 15-35); and (e) others (ensuring 50% female).

Vulnerable households and individuals most likely to be left behind, such as women-headed households (2%), persons with disability (2%), migrants returning to rural areas due to COVID-19 impacts (5%), ethnic groups other than Lao/Tai (at least 70%) and others identified through consultative and participatory community consultation processes during the start-up phase, will be prioritized among the aforementioned target groups.

Table 2: Direct targeting: Expected number of AFN II beneficiaries by target groups

	Estimated number	in % of total
Female: WRA, incl. PLW/G (age 15-49), adolescent girls (age 10-19)	84,000	At least 50%
Male	84,000	Up to 50%
Total number of direct beneficiaries	168,000 people	
Of Which:		
Youth (age 15-35)	42,000	Minimum 25%
Children under 5 years of age (CU5)	16,800	Estimated 10%
Ethnic groups members (non-Lao/Tai)	117,600	Minimum 70%
Persons with disabilities (PwD)	3,360	Minimum 2%
COVID-19 migrants	8,400	Estimated 5%

People belonging to ethnic groups in the project area¹⁷ are usually the poorest and most affected by food security and nutrition issues due to various factors related to different access to education, healthcare, poverty gaps and dietary social norms. For instance, about 20% of Hmong-Mien households have less than acceptable

¹⁶ 2017 Lao Social Indicator Survey II (Lao Statistics Bureau, 2018); Poverty Profile in Lao PDR Poverty Report for the Lao Expenditure and Consumption Survey 2018-2019 (Lao Statistics Bureau, 2020); Rapid Assessment of Food Security and Agriculture in Lao PDR (Government of Lao PDR, WFP and FAO, 2020)

¹⁷ Across the 20 target districts, ethnic groups represent 89% of the total population, including Mon-Khmer (62%), Sino-Tibetan (62%) and Hmong-Mien (6%). See details in Appendix 2, table 15.

dietary diversity compared to less than 10% among other ethnic groups. Poverty rates are 10.6% for Lao-Tai ethnic groups compared to 18.1% for the Sino-Tibetans and 32.7% for the Mon-Khmer¹⁸.

Therefore, all ethnic groups will be included in all consultation processes and their aspirations and needs for livelihood improvements will be identified and addressed within their cultural context and rights. Due diligence and Free Prior Informed Consent (FPIC) will be applied when engaging with members of ethnic groups and other marginalized people (including Persons with Disabilities, PwD) in the project communities.

The project will include at least 70 Micro, Small and Medium Enterprises (MSMEs) and producer organizations such as Agriculture Production Groups (APGs) and Water User Groups (WUGs) participating in project supported activities. AFN II will include specific measures to ensure the participation of women (at least 50%) and youth (at least 25%) in relevant activities. These measures will be detailed in a targeting/gender action plan. The project team at both village level and households' level will seek FPIC before initiating planning and implementation of activities. Direct beneficiaries will be identified during the initial community consultation process, which will be conducted with all stakeholders, including potential beneficiaries.

AFN II will actively seek to transform gender power dynamics by addressing social norms, practices, attitudes, beliefs, and value systems that represent structural barriers to women's and girls' inclusion and empowerment. Activities will be implemented with an explicit gender focus, engaging women and young people fully as participants and beneficiaries by establishing membership and/or leadership quotas (50% women and minimum 25% youth) in project activities (FNS, APGs, WUGs) as well as by adopting enabling measures including training approaches that increase their participation.

Moreover, potentially labor-saving practices in production and post-harvest operations (through use of adequate technologies and equipment: pumps, threshers, solar driers, etc.) and improving water management will aim to reduce women's workload. The project will conduct gender awareness trainings at community and district level to increase general understanding about the importance of including women in rural development opportunities and use the community-led methodology as the GALS or SBCC to be applied to FNS with emphasis on generating benefits particularly relevant for women and youth.

Finally, in line with the new IFAD policy on stakeholder engagement, the project will reinforce grassroot institutions and participation of beneficiaries in various groups to strengthen their social capital, networking and voice. Through Community Based Participatory Planning (CBPP), the project will design mechanisms to ensure meaningful participation of the various beneficiaries to project decisions and develop feedback and grievance mechanisms to further strengthen inclusion and mitigate elite capture risks.

2.4 What supply and market failures will be addressed through the proposed project activities?

The project seeks to respond to the current market trends and failures affecting smallholder resilience and natural resources, thereby affecting food security and nutrition. In the context of the COVID-19 pandemic, international borders checkpoints were intermittently closed in early 2020 and still ongoing as of mid-2021, directly affecting cross-border trade of agricultural commodities. Restrictions on movement of people and goods between remote villages and district centers have also exacerbated difficulties faced by rural communities to access markets. Selling fresh agricultural products and buying processed foods for home consumption have become more difficult thereby increasing their reliance on local food production and collection of wild foods¹⁹.

¹⁸ World Bank. 2019. "Lao People's Democratic Republic Poverty Assessment 2020: Catching Up and Falling Behind." World Bank, Washington, DC. License: Creative Commons Attribution CC BY 3.0 IGO

¹⁹ [Rapid Assessment of Food Security and Agriculture in Lao PDR](#), May 2020

With increased transport network connectivity, more agricultural producers are accessing regional markets. Besides paddy rice, the main export-oriented commodities are animal feed maize, job's tears, cassava, rubber, banana, citrus, and watermelon as well as livestock. Significant negative environmental and social impacts have been documented in the form of forestland conversion (encouraged by concessions, land rental arrangements, contract farming), which increases fragility to erosion and reduces access of households to NTFPs which play a crucial role in income and nutrition.

The agricultural value chain sector is characterized by the “missing middle” and dominated by informal actors and unregulated trade practices. Because of the broadly unregulated business environment, traders and producers alike are generally wary of engaging in formal contracts that they might not be able to fulfil. Moreover, village and district authorities are generally not in a position to mediate business disagreements or enforce terms of contracts, even when they have been endorsed by the same authorities.

In addition, limited post-harvest infrastructure constrain food conservation and value addition. From the viewpoint of remote rural households, market failures affect the sale of agricultural products but also food purchases from the market for household consumption.

2.5 Does the project enable any private sector solutions or opportunities to address identified market failures and/or does it have any intention to promote private investments?

The project will address the various constraints described above through interlinked production and market-based interventions. Through component 1, the project will aim at reducing transaction costs and risks for private actors to deal with remote smallholder farmers. It will support capacities of farmers to produce along market needs and develop market groups which can better interface with market players. Investments in post-harvest practices and market infrastructure (roads, processing, storage etc.) will also contribute to decrease transaction risks and link to market, thereby decreasing transactions costs. Finally, investment in climate smart practices, advisory services, local service provision and water will contribute to decrease agricultural production risks highlighted under the commercial crop specialization, forest conversation and resilience challenges above.

Component 2 will engage private sector entities through three main market-driven strategic interventions: (i) crowding-in responsible and reliable private sector entities by supporting new and existing MSME at provincial and district levels. (ii) strengthen the business development support function of the SUN BN to provide services to MSME to develop and improve their business planning, business literacy and management skills, and access specialized expertise in processing technologies and finance; (iii) encouraging and facilitating co-investment between clusters of APGs and private companies involved in food supply chains. These interventions will contribute to build back better and make food supply chains more resilient to future shocks.

2.6 Describe results and how they will be measured at output, outcome, and impact levels.

Progress towards improved food security will be measured by comparing household-level baseline data of the Food Insecurity Experience Scale (FIES) against raw score data collected at the mid-term and endline surveys. The project aims to achieve a 20% decrease of food insecurity for 16,800 households. The Minimum Dietary Diversity score for Women (MDD-W) indicator will measure the progress of women and girls aged 15 to 49 years in diversifying their diet, i.e., in consuming at least 5 out of 10 defined food groups. In line with GAFSP's global target, the project aims to increase household-level incomes by 20%. Additionally, the IFAD Resilience Scorecard and the IFAD Empowerment Index will measure project beneficiaries' increase in resilience and empowerment, respectively.

All end-of-project targets were calculated based on the experience of MAF, IFAD and WFP in implementing similar projects in Lao PDR. In line with GAFSP M&E requirements, progress on project level indicators will be measured through independent baseline survey, mid-term review, final evaluation, and an impact evaluation.

The project's M&E system will capture outreach of project activities and disaggregate all data by gender, age, ethnic group, and geographic area. All project beneficiaries will be registered through SCOPE, the WFP's beneficiary and transfer management platform. Where required, the M&E system will disaggregate data by climate resilience and climate-smart agriculture. In accordance with the project's bottom-up approach, the project will promote the use of data collection to ensure results-based, adaptive management at various levels as well as active involvement of beneficiaries. Review of gender empowerment, food security and nutrition-related data will be discussed within communities for feedback. Analysis of such data will also provide crucial information for nutrition committees and project units to adjust activities.

The proposed project's M&E system will be established and managed by the PMU under MAF's Department of Planning and Finance (DoPF). Two M&E Advisors supported by IFAD and WFP, based at the PMU, will guide M&E Assistants at province and district levels on effective monitoring of program outputs, outcomes, and impacts. The project will provide extensive capacity strengthening support to government staff at all levels in participatory M&E and management information system (MIS) implementation.

Knowledge management functions will continue documentation and stock taking processes of AFN I such as: (i) a compendium of case studies²⁰, (ii) a KM product titled "Women as change makers for nutrition in the Hills of Lao PDR" and (iii) a Story Map²¹ developed jointly by AFN and the GAFSP GIS expert.

2.7 What evidence is there that the proposed approach and activities will successfully address the issues identified?

AFN II is a scaling up of the GAFSP funded Strategic Support for Food Security and Nutrition (SSFSN) Project, which was later renamed into the Agriculture for Nutrition Project (AFN I: afn.gov.la/). AFN II will scale-up in two current target provinces (Oudomxay and Phongsaly) and in three other provinces in the South (Saravane, Sekong, Attapeu).

As such, the proposed project builds on lessons learned from the AFN I project which has demonstrated that promoting small and medium-scale agriculture development, including home gardens, concurrently with intensive nutrition and hygiene related activities have led to positive changes in nutritional outcomes, particularly stunting prevalence but also in increasing incomes across target groups.

The positive impacts of AFN I interventions were measured by the 2021 Annual Outcome Survey that showed that: (i) household income increased by 56% on average, (ii) The percentage of households with a per capita income of less than USD 270 decreased from 70% at baseline in 2017 to 49.7% in 2021. (iii) 83.4 % of women in surveyed HHs consume at least 5 out of 10 major food-groups; (iv) incidence of underweight children under 5 y.o decreased from 23.9% at baseline to 18.4% in 2021 (v) incidence of stunting in children under 5 y.o. decreased from 47% to 44%

With the shocks of the COVID-19 pandemic disrupting existing market systems, the proposed project will support a network of local service providers and seek to develop use of ICT to ensure continuity of services in times of mobility constrains. It will also ensure that market access is improved and that knowledge and improved technologies in food processing are available, such as solar drying.

In addition, the proposed project will focus even more on the strengthening of resilient local food systems and specifically considering the nutritional aspects that can be further reinforced by the use and management of locally available wild foods and food crops which played a crucial role in mitigating the impacts of the COVID-19 pandemic in food security and nutrition.

To strengthen the resilience of the local systems in times of food insecurity and market disruptions, the proposed project will invest in post-harvest technologies and infrastructure which can improve food

²⁰ The case studies KM product is titled "AFN Stories from Lao PDR | 2021". It has been identified as best KM practice with potential for wide dissemination through global events (annual forum).

²¹ The story Map is an on-line interactive interface combining GIS data with pictures, video and text information mapped down at village level

conservation. It will scale-out the proven concepts of “[rice-banks](#)” developed successfully in Lao PDR by WFP, specifically to address periods of food shortages. Rice banks specifically benefit the very poor and rice deficient households, by bridging the hunger months and avoid indebtedness. This will be supported for the “Food for Assets” programme of WFP.

The private sector linkages, that were first explored successfully under AFN I through Public-Private-Community-Partnerships, will be further strengthened by leveraging the SUN Business Network private sector partners and facilitating Multi-Stakeholder Platform to promote business linkages along food supply chains facilitated and supported by the SUN Business Network. This will assure that only nutrition sensitive Value Chains will be supported at the district- and village-level. Such approaches will build on similar successful approaches by IFAD in other countries as well as from the SUN BN. Further support to SUN BN is also included in the upcoming WFP Country Strategic Plan for 2022-2026.

2.8 In summary, why should GAFSP provide grant funding to the proposed project?

The proposed project is a scale-up of the proven approach and implementation arrangements of the GAFSP funded [AFN I](#). GAFSP grant funding will directly address the basic needs of the most vulnerable and disadvantaged rural communities in Lao PDR with an added gender lens. The target provinces and districts have been selected based on 9 criteria focusing on poverty, malnutrition (stunting, underweight ratio), access to clean water and sanitation as well as climate vulnerability and COVID-19 impacts. Moreover, the project directly contributes to socio-economic development priorities and the national nutrition policy. In addition, the project team is already established at national level, has excellent relationships with provincial and district government officials, and has many SBCC materials and training guidelines that have been developed ([FNS](#), [PAR modules](#), etc.).

The joint Supervision Mission conducted in April 2021 by MAF, IFAD and WFP concluded that the overall AFN I project performance and the likelihood of reaching its Development Objective are both rated satisfactory (5/6). AFN I was rated highest (rate 1) by the GAFSP portfolio review in 2021. Carbon balance (Green House Gas Emissions) of AFN I was ranked third best out of all GAFSP funded projects worldwide.

The project will build on the successful WFP-IFAD partnership in Lao PDR and the available in-country expertise. The GAFSP funds will leverage additional finance including the IFAD12 funds (budget allocation to be confirmed by the end of 2021), public resources (GoL contribution) and private sector investments showcasing that government and private actors are ready to invest further in the current approach.

While the IFAD loan may support further investment in infrastructure and scaling of proven activities, this proposed grant is however particularly required to i) further invest in institutional capacities of village institutions and local pluralistic extension services as well as new multi-stakeholders platform ; ii) develop and pilot additional innovations related to gender empowerment and social norms change (such as GALS), investment in wild food and natural resource management iii) support specific interventions to mitigate COVID-19 impacts ; iv) piloting of market-based arrangement of component 2; v) investment in knowledge management and policy engagement required to strengthening the scaling of successful approaches.

Section 3: Context and Policy Environment for the Proposed

3.1 Describe the state of the country’s agriculture and food system, including any current and future pressures on the sector (e.g., climate risks).

Approximately 76% of households rely on agriculture activities for their livelihood. The agriculture sector in 2020 grew by 3.2% ([World Bank Data](#), 2021) while the economy as a whole stagnated. The agriculture sector has shown resilience in the context of the pandemic, after having been affected by floods, droughts, pests and disease outbreaks in recent years.

In a [joint statement](#) on nutrition in the context of the COVID-19 pandemic in Asia and the Pacific UN agencies stated that the COVID-19 pandemic is having worrying impacts on household incomes, food

supply chains, health services and schools. The Asia United Nations Network on Nutrition, comprising FAO, WFP, WHO and UNICEF, is concerned about the impacts of the COVID-19 pandemic on the nutrition status of those most affected, particularly women, and the poor and vulnerable. Identified impacts on women include: (i) reduced financial independence, (ii) loss of income sources, (iii) increasing care giving responsibilities, (iv) deteriorating of family and community structures, etc. ([UNICEF](#), 2011)

The socio-economic impacts of COVID-19 are expected to be particularly serious for the poor in lower-income countries with weak healthcare systems. In Lao PDR, as of August 2021, relatively few (13,909) cases of COVID-19 have been confirmed with eleven fatalities. The country is currently going through the second wave of the pandemic and more than 95% of the cases have occurred in the past four months. Nevertheless, the country is being affected by socio-economic impacts as a result of safety measures including travel restrictions within the country and closed international borders, implemented over the last 16 months to prevent the spread of the virus.

A rapid assessment²² by WFP found that COVID-19 and restriction measures (including restriction of movement, lockdowns, border closure) are affecting cash crops and horticulture (reduced sales), threatening availability and prices of certain commodities in provinces such as Luang Namtha and Bokeo and reducing the overall income of farmer households and access to food. In such context, many households coped by increasing reliance on wild food and NTFP.

The World Bank estimates that due to the impacts of COVID-19, poverty in Laos is increased by 1.7% in 2020 pushing many people back into poverty. This increase in people living in poverty would have a devastating impact on the food security situation in Lao PDR. Prior to COVID-19, about 659,222 people (9.4% of the total population) already experienced severe food insecurity, especially in the northern provinces where the AFN-I project is active. A recent (May 2021) survey from the Ministry of Labour and Social Welfare shows that more than 84,000 people were driven into poverty due to the pandemic.

33% of Lao PDR's GDP depends on exports, much of its agricultural products such as coffee, cardamom, cassava, banana, livestock, fresh vegetables, and fruits. 10% of all family businesses in the country were found to be temporarily or permanently closed and 43.1% of businesses reported a revenue decline compared with pre-COVID times.

On overall household income, 31% of households reported an income reduction compared to pre-COVID times and 35.1% of households reported a reduction in farm income. The largest reported reduction came in the form of decreased remittances, with 46.1% of households reporting a decrease in remittances from abroad and 37.7% of households reporting a decrease in domestic remittances.

Another sector heavily impacted by COVID-19 is the tourism industry, contributing 4.6% to Lao PDR's GDP. Tourism, which employs around 54,000 workers, 63% of them women, has come to a sudden stop and will take years to come back to its pre-COVID-19 level. Presently around 38% of workers have already been laid off.

3.2 How will the proposed project address medium-to long-term COVID-19 response and recovery of the agriculture and food sectors in a changing climate and support the principle of 'building back better'?

The government response to COVID-19 is set out in the [Prime Minister Order 6 dated](#) 29 March 2019, and in 2020 MAF prepared a response plan for ensuring food security and nutrition. According to [OECD policy response guidelines](#), the economic recovery packages should be designed to "build back better" including practices that are relevant to the AFN II interventions, namely: (i) Enhancing biodiversity while ensuring a resilient supply of food, (ii) Improving resilience of supply chains while accelerating the shift towards circular economy principles

AFN II combines (i) community based participatory planning (CBPP) for rural development and notably for nutrition and for nutrition sensitive value chain partnership, (ii) training on nutrition, women

²² [Rapid Assessment of Food Security and Agriculture in Lao PDR](#), May 2020

empowerment, and resilient food systems practices with (iii) investments in home gardens, agricultural production and supportive small infrastructure (irrigation, transport, water supply). This approach aims to build local capacities, strengthen local institutions and delivery of services and thus addressing concerns of sustainability. In the COVID-19 situation, for example, through the provision of grants to Agriculture Production Groups, the AFN I project is helping to mitigate reduced cash flow caused by market access restrictions, increased unemployment, and reduced remittances. Thus, it supported farmers to continue investing in production.

In addition, building on various successful experiences in IFAD portfolio and in the sub-region, the project will invest in ICT options to empower such “last mile” service provision and maintain access to services and market in case of reduced mobility. Among others, the project will seek to develop digital e-learning modules to ensure training of trainers and regular upgrading of project facilitators.

Furthermore, the training and extension support are equipping farmers to adjust their production and post-harvest practices to maintain their harvests and farm income against COVID-19 and climate threats. Due to enhancing local capacities and services, households are well-equipped to shift production away from cash crops where exports have fallen and diversify their agriculture production system. By securing their production, food systems and sources of income, households will not revert to negative coping strategies such as slash and burn agriculture that could cause long-term damage to their livelihoods and the project’s development objectives.

To ‘build back better’, limit environmental degradation, promote climate resilience and social wellbeing, and ensuring future preparedness, the project interventions will follow a sequenced approach to supporting rural households to increase their anticipation and adaptive capacity to various shocks: (i) community and **group strengthening** to better plan for local conditions and needs and be able to request and influence access to services and increase households social capital (ii) **link with climate-information services** such as LACSA to pilot weather-based crop planning (iii) **crop diversification** through investments in both home garden and smallholder farms, and access to **last-mile technical advisory** services to mitigate risks related to pests, diseases and extreme weather events (flash floods, droughts), (iv) **agro-forestry** and forest conservation measures to preserve forest ecosystem services and NFTP contributions to diversified livelihoods and nutrition; (v) **flexible water systems**, storage and irrigation systems to develop production while mitigating climate constraints (dry spell in wet season for instance) (vi) **climate proofing** of infrastructures such as irrigation systems and access tracks, (vii) improved food conservation practices and **value addition** through post-harvest, processing and storage facilities and rice banks, (viii) enhanced market and business linkages to generate **diversified income streams**. (See matrix in section 4.2).

Women empowerment, household approaches and social changes will play a cross cutting role in enhancing households’ resilience by diversifying households’ income, improving joint planning including increased saving and attention to nutrition.

3.3 Beyond COVID-19, provide additional national, regional and/or local context for the proposed project.

The project approach and targeting strategy are aligned with the national nutrition convergence strategy. The project target areas have taken in account the number of on-going development initiatives to ensure synergies with other projects in convergence districts (See section 5.5 below).

In recent years Lao PDR has been affected extreme weather events (flood, storms, droughts) as well as localized disasters: dam breach in Sanamxay district in Attapeu province (one of the AFN II target districts), flash floods, earthquakes, etc.

Moreover, disease outbreaks have affected agricultural production such as cassava mosaic disease, Maize Fall Army Worm, African swine fever, and locust outbreaks. Considering low access of such remote villages to extension and veterinary services, the project will pay attention to develop local service provision in such areas.

Lao PDR is shifting from being a “land-locked country” to becoming a “land linked-country”. New roads and highways are being built and the Vientiane – Boten (China border) railway (planned for completion in December 2021), will increasingly generate business opportunities for communities along these new economic corridors. For remote rural communities however, the trickle benefits of these investments on the local economy will take time. Additional efforts are needed to ensure their inclusion and integration.

3.4 Is the proposed project aligned with the country’s agriculture and food security strategies, the national COVID-19 Response Plan, or other approved development plans?

The project directly contributes to the 9th Five-Year National Socio-Economic Development Plan (2021-2025) and its first 4 expected outcomes in particular:

- (i) Outcome 1: Continuous quality, stable and sustainable economic growth;
- (ii) Outcome 2: Improved qualities of human resources with enhanced research capacities, and abilities to meet development needs and utilized science and technologies to improve efficiency and add values to productions and services;
- (iii) Outcome 3: Gradually enhanced people’s material and mental well-beings as per the direction of food and income security;
- (iv) Outcome 4: Environmental Protection and Natural Disaster Risk Reduction.

In addition, the AFN II component 1 directly contributes to the national [agriculture development strategy to 2025](#) and vision to 2030: “Ensuring food security, producing comparative and competitive potential agricultural commodities, developing clean, safe and sustainable agriculture and shift gradually to the modernization of a resilient and productive agriculture economy, linking with rural development contributing to the national economic basis”.

The [National Nutrition Strategy to 2030](#) and the National Plan of Action for Nutrition (NNSPA) for 2021-2025 are the guiding elements for the nutrition interventions and the multisectoral planning at district and provincial levels that will be supported under component 3.

At recent [Food System Summit report](#) for Lao PDR, the technical groups of the Member State Dialogue in Lao PDR identified four key thematic areas: (i) ensuring safe and nutritious food for all, (ii) boosting nature-positive food production at sufficient scales; (iii) advancing equitable livelihoods and value distribution; and (iv) building resilience to vulnerabilities, shocks and stresses. AFN II will support sustainable food systems across these four priority areas.

In terms of addressing the COVID-19 pandemic impact and the ‘build back better’ approach, the project interventions are informed by the COVID assessments, and they contribute to the response plans (MAF) and government interventions.

The project is also aligned to the IFAD [Country Strategy Opportunity Programme](#) (2018-2024) and the WFP Country Strategic Plan for 2022-2026 under finalization at the time of writing. UN frameworks relevant to the project are: (i) Call for Action of the UN Sustainable Development Goals (SDGs) Framework and (ii) UN-Lao PDR [Sustainable Development Cooperation Framework](#) for 2022-2026.

Section 4: Cross-cutting Themes

4.1 Does the proposed project address any of the GAFSP priority cross-cutting themes?

The cross-cutting themes that AFN II will directly address, and for which it will measure and report on impacts/outcomes in the project monitoring framework, are:

- Gender and empowerment of women and girls
- Climate resilience
- Improved nutritional outcomes

4.2 Describe how the project will address the identified thematic focus area(s).

Gender and empowerment of women and girls. The project intends to be gender transformative with a minimum 50% target of women and specific gender activities. To promote gender transformation, the project will address existing social and cultural and policy level barriers to ensure increased control and access to resources by women, reduce their workload and empower them to make decisions and make better choices related to the health, nutrition and well-being of themselves and their families. Gender awareness will be mainstreamed in all project activities including through extension services and household methodologies. Empowerment measures such as basic literacy and numeracy and entrepreneurial skills, grants will address some of the barriers that prevent women’s effective engagement in project activities and leadership positions. In doing so, AFN II will use IFAD’s Household Methodologies (HHMs) like the Gender Action Learning System (GALS) and will pilot the [Business Action Learning for Innovation](#) (BALI)²³.

The project will seek to increase women agency in rural institutions and planning: women leadership and voices within women groups (FNS groups), mixed farmer groups and multi-stakeholder platforms. Women will participate in villages committees to ensure that women priorities are well addressed. Decisions on project investments will take women needs in account, for instance in water supply systems, value chains or processing stages, etc.

Climate resilience. Lao PDR’s Second National Communication to UNFCC ([NC2](#)) reports a transition in the country’s precipitation regime over the 20th century towards more intense precipitation periods, with the frequency of months of experiencing more than 600 mm rainfall increasing. Patterns of precipitation remain influenced by the complex relationship between Southeast Asian climate and The El Niño-Southern Oscillation.

Two Representative Concentration Pathways (i.e., RCP4.5, and RCP8.5) affecting the Lower Mekong region show a trend of consistent warming and an increase in the intensity of heavy precipitation periods and extreme events.²⁴ The agricultural sector in Lao PDR remains critically vulnerable to extreme weather events, pest attacks and other shocks which regularly threaten farmers and their livelihoods.

All eight elements contributing to enhancing climate resilience of rural households are supported by the integrated and participatory interventions of the AFN II project and their progress will be measured along a dedicated resilience score cards which is part of project log frame:

Table 3: Elements of rural households’ resilience across project interventions

Element of rural HH resilience	Intervention	Component / activities
Knowledge, information	climate Links with LACSA climate service platform Support to translate climate information into actionable decisions Training and SBCC FNS	Component 1a and 1b
Participatory social planning	climate & LANN at village level GALS at Household level Infrastructure planning Group level production and business planning	Component 1a Activity 1 Component 1b
Enhancing social capital, capacity building	Support women representation in committee and enhanced role in community level decision making processes Nutrition SBCC Establishment and strengthening of Community based organisations: village administration committee, village nutrition committee and planning, APG, WUG, village infrastructures O&M committees	Component 1a, 1b
Enhanced access to natural resource	Conservation and promotion of wild food and aquatic species	Component 1a

²³ The Business Action Learning for Innovation (BALI) methodology is the sequential branch of GALS (Gender Action Learning System) developed in Nov 2018 to develop business capacity and financial management skills of men and women.

²⁴ [Climate Risk Country Profile](#): Lao PDR (2021): The World Bank Group and the Asian Development Bank.

Element of rural HH resilience	Intervention	Component / activities
Climate proofed infrastructures, Climate risk mitigation (drought, floods, extreme events)	Climate proofing of infrastructures Water related infrastructures: irrigation, MUS, water storage Rural access track Productive infrastructure (post-harvest, storage)	Component 1b Component 2
Climate smart agriculture, extension	Strengthening of public extension services Private service providers at village level (village agriculture technicians, paravets) Lead farmers producers of inputs Conservation and Promotion of wild food and aquatic species Village nurseries and seed banks, ANR, agroforestry	Component 1a and 1b
Diversified livelihood and income streams	Home gardens grants, APG grants, wild foods, aquatic species: highly diversified production systems Value addition: food preparation and conservation practices, food processing, storage	Component 1a and 1b
Access to climate resilient inputs, market, finance through bundled services delivery	Lead farmers: producers of inputs also providing technical advice to customers (agricultural producers in the area) Access to market through Multistakeholder platforms	Component 1b and component 2

Improved nutritional outcomes. The project aims to be nutrition sensitive and intends to improve dietary diversity and diet quality and women’s empowerment in ways that improves their -as well as their households’- nutrition and health status. The project targets the nutritionally vulnerable groups – non-Lao/Tai ethnic groups, women and girls of reproductive age, PLW/G of children under 5 years, adolescent girls and children (girls and boys) in school. The main impact pathways are by improving availability and accessibility of nutritious foods through own production via integrated home gardens (crops, small animals and fish) and farm diversified production and nutritious foods from the local food systems biodiversity (wild and domesticated varieties).

Investments in nutrition along all segments of the food value chains through promotion of access to markets, food processing reduced post-harvest loss and increased food preservation will increase consumption of diversified diets throughout the year. In addition, it will also be a source of income notably for women who will invest in procuring nutritious foods from markets and other nutrition and health services. This will be complemented by FNS and SBCC activities that aim to raise awareness and create demand for nutritious foods, ensuring equitable household food allocation so vulnerable household members have the food quantity and quality needed during key life stages. Multi-sectoral coordination and planning at provincial and district levels, including at the village level will be strengthened to ensure convergence of nutrition interventions at the household and individual levels.

Multi-sectoral coordination and planning at all levels, including at the village level will be strengthened to promote shared understanding of nutrition challenges and ensure convergence of nutrition interventions at the household and individual level. Finally, women’s empowerment in households, communities and planning will play a cross cutting role to ensure that promoted changes can be implemented.

4.3 How are the proposed activities informed by and how do they respond to the country’s policies and strategies related to the selected cross-cutting themes?

Key policies and strategies that have informed proposed activities along the three cross-cutting themes are:

- 9th Five-Year National Socio-Economic Development Plan (2021-2025);
- National Nutrition Strategy to 2030 and National Plan of Action for Nutrition (NPAN): final draft for 2021-2025
- Lao PDR Women's Development Plan (2016–2020)
- Draft National Strategy on Climate Change of the Lao PDR, Vision to the year 2050, Strategy and Programs of Actions to the year 2030.

- Draft National Strategy on Disaster Risk Reduction 2021-2030
- National Green Growth Strategy of the Lao PDR till 2030
- Lao People's Democratic Republic: Voluntary National Review on the Implementation of the 2030 Agenda for Sustainable Development

By taking these strategies in account at early design stage and within nutrition multi-stakeholders committee throughout project implementation, the project objectives, expected outcome and approach are aligned and the project's interventions directly contributes to achieving the national targets in terms of gender mainstreaming, climate resilience and improved nutritional outcomes.

4.4 Describe the role and involvement of women and girls in the project.

Women, girls and women of reproductive age are a specific focus and priority target group of the IFAD COSOP 2018-2024 and the upcoming WFP Country Strategic Plan for 2022-2026. Adolescence is a time of significant growth and development, and adolescents play a key role in their families' health and nutrition. They often have significant influence over a household's diet, buying and preparing food, cultivating the family land, and contributing financial resources.

Addressing the nutritional needs of adolescents, particularly adolescent girls, is key to achieving the SDG of ending malnutrition by 2030. The unique role of adolescents means they can be effective agents of change to improve the health and nutrition of their families, peers, and communities. Such roles will be further leveraged by involving adolescents in households' approach, promoting youth theatre and targeted trainings in communities, working with, and promoting youth along social media campaigns and developing collaborations with nearby schools to further build awareness on nutrition and health.

Labour saving technologies and approaches for women will also be integrated: Project activities will (i) improve water availability and thereby reduce time in water collection, (ii) make cooking quicker and easier with improved cooking stoves as an investment option- (iii) decrease labor intensive operations (production and post-harvest equipment), (iv) improve access to services and markets (access tracks and digital tools), and (v) increase food availability through domestication of wild crops and home-garden establishment. Finally, household approaches (GALS and BALI) and women logbook will also contribute to document and raise awareness on women work and contribution to food security²⁵ and will promote household level discussions to better share labor chores across the households.

Traditionally, women have had a strong agricultural role in Lao PDR communities, and that role should be enhanced. Increased inclusion of women in agricultural decision making and training activities increases the effectiveness of the community's agricultural system as a whole. The GALS approach will include financial literacy training for women to ensure they have a voice in managing their household's finance with a focus on saving.

Equal representation of women at key roles in the committees of community-based organizations (village nutrition committee, APG, WUG, etc.) will provide them with a platform to effectively influence decisions and thereby address their constraints and needs. To ensure their voice is heard, trainings will increase women leadership capacities meanwhile women will also further build their confidence and collective priorities within their own women groups.

Section 5: Project Implementation, Sustainability and Budget

5.1 What are the risks to achieving the proposed project's objectives and what are the potential negative externalities or spillovers that could result from the proposed project activities and targeting?

²⁵ As demonstrated in IFAD, 2021, Agroecological Logbooks and women from the semiarid holding hands and strengthening agroecology: results of the use of logbooks in the projects supported by IFAD in Brazil from August 2019 to February 2020.

The risks have been identified and discussed with a wide range of stakeholders at national and subnational levels and be assessed in detail during design through “Integrated Project Risk Management plan” required by IFAD. They will also be regularly reviewed during project implementation along development of exit and sustainability plans early in project phase.

Risks associated with the coordination of several donor projects in convergence districts in particular (4 World Bank funded projects and other ODA projects) are mitigated by the decentralized implementation structure and by support to multisector planning and coordination at central, provincial, district and village levels. Risks associated to delay and limited outreach when implementing various activities including nontraditional ones will be mitigated by i) developing a well-articulated phased and modular process owned by communities; ii) having a strong community interface including motivated facilitators and groups at the grassroot and developing strong training and supervision modalities, including quality training material, training of trainers process and digital tools to facilitate distance mentoring, queries and refresher digital trainings.

Social, environmental and climate risks will be further identified and mitigated through IFAD’s social, environmental and climate assessment procedures (SECAP) and grievance mechanisms²⁶. At local levels, other risks include elite capture and insufficient targeting which shall be mitigated by strong initial community targeting processes, baseline, free and prior consent process, and grievance system.

Risks of distorted market dynamics due to the project subsidized interventions and support will be mitigated through the development of multi-stakeholder platform and engagement with private sector which may raise and seek to address issues. See detailed assessment under Annex3, Tables E and F.

5.2 What are specific design measures that will be incorporated to increase the likelihood of sustainability of the project outcomes?

To ensure sustainability of investment and replicability of approaches, exit strategy options have been embedded at this concept note stage and will be further developed at design stage. The exit strategy will also be reviewed during initiation and implementation of the project to ensure ownership, from community to project level. As done in other IFAD projects, AFN II may encourage the development of signed agreements with strategic partners and line agencies at different levels to ensure sustainability beyond the project time frame.

Local planning, Free Prior and Informed Consent (FPIC) of target beneficiaries and full participation of women and men in planning and investment decisions will ensure ownership and adherence to local conditions, cultural practices and needs.

AFN II will support existing government structures at central, provincial, district and village levels in planning, implementing and managing project activities. Local capacities will be strengthened by training of Community Based Organizations in planning, implementation and participation in monitoring and feedback. Rural advisory services to the last mile will be channeled by local village technicians. Access to inputs will be improved by establishing lead farmers, who are micro rural enterprises specialized in input production (chicks, fingerlings, tree saplings, seed, etc.). Selling of inputs generates a stable source of income for the lead farmers, who also provide embedded technical advisory services to their customers

All infrastructures investments will be combined from the onset with establishment and/or strengthening of O&M committee, technically supported by the relevant line agencies at district level. For example, access tracks O&M committees will be recognized and supported by the district public works and transport office; Water User Groups in charge of operation and maintenance of irrigation systems will be recognized and supported by DAFO. Climate proofing measures of infrastructures at design will ensure that irrigation systems, access tracks and processing / storage facilities are resilient to extreme weather events. Capacity

²⁶ WFP Safeguards (Module 3: Environmental and Social Risk Screening and Risk Management of Programme Activities) will also be complied with using the screening tool in complement to IFAD screening in SECAP

to ensure long term O&M will be integrated in the exit strategy and reviewed after infrastructure are completed and regularly through project life.

Involvement of Civil Society Organizations and linkage to farmer and women networks that are active at local level will ensure that services are available to the rural communities on the long run. The “Challenge Fund” under component 3 will support CSO to invest in activities that support provision of quality services to the target villages in terms of CSA, business and financial literacy, youth involvement.

The project will work closely with policy and existing institutions and seek to identify policy constrains and opportunities to further strengthen the sustainability of interventions and scale relevant interventions.

5.3 Who has been involved or consulted in the development of the Proposal?

The proposal development process involved a wide range of stakeholders at national and subnational levels through a series of consultations workshops (see details of the workshops, meetings and attendance records in Appendix 4). Due to ongoing COVID-19 lockdowns during the proposal development process, field visits to the provinces and districts could not be carried out.

The consultations involved nutrition committee members at central and provincial levels (MAF, MoH, MoES and LWU) as well as other line agencies MPI, MoF, MOIC, Lao Front for National Development, etc. National research institution in agriculture and forestry (NAFRI) as well as international research-oriented organizations were involved and identified as strategic partners: CDE, Worldfish. In addition, the consultations involved multi-lateral partners (FAO, UNDP, UNICEF, ILO, etc.), bilateral development partners (EU, Switzerland, Germany, etc.) and International Financial Institutions.

Civil Society Organizations and international NGOs were also involved to share their experience and lessons learned in the areas of nutrition, agricultural extension and Climate Smart Agriculture, gender mainstreaming, participatory planning and the Gender Action Learning System (GALS), financial literacy, access to finance (WFDF), market linkages, youth involvement, gender, etc. Private companies which are members of the SUN Business Network also participated in the consultations such as Lao Farmers Products and Mai Savanh Lao. Further consultations will continue during design, including with Organization for People with Disabilities (OPD).

5.4 Describe the proposed project implementation arrangements

The project implementation arrangements²⁷ will follow the same structure as AFN I. Steering committees will be established at national, provincial and district levels and will involve representative of MAF as chair and MoH, MoES, LWU, National Nutrition Center as well as MoIC and MPI. Beneficiary and CSO representation in the steering committees will also be considered.

MAF will be the lead implementing agency in cooperation with the line-agencies in the national nutrition committee (MoH, MoES, LWU) as well as MOIC and MPI. NAFRI and its research centers (LaRREC) will be involved in partnerships with international organizations (Worldfish, CDE of the University of Bern, Mc Gill University in Montreal).

The Project Management Unit (PMU) established for AFN I will be maintained at the Department of Planning and Finance (DoPF) of MAF supported by a full-time technical assistance team for project management, M&E/KM, inclusion / gender, procurement, financial management, as well as short term specialized expertise. WFP will provide an international Chief Technical Advisor (CTA) to support the PMU, the CTA will be positioned at the PMU office in MAF. WFP will also provide technical staff on nutrition and community development at provincial and district levels.

²⁷ See Appendix 6 : implementation structure

Provincial and District Agriculture and Forestry offices (PAFO/DAFO) will be in charge of the implementation of the project's interventions, in collaboration with line-agencies (Health, Education and Sport, LWU and Industry and Commerce). Focal points from the line-agencies will be appointed to coordinate project interventions in line with their respective institutional mandates.

Key technical assistants will be recruited and based at provincial and district levels to support the decentralized approach of the GoL through the government decentralization "Sam Sang" policy.

At village cluster level, the project will recruit Community Mobilization Officers (CMO) to ensure the day-to-day link between target groups and the project teams at district, provincial, and central levels. The CMO will be recruited from within the target communities, and they will ensure the sustainability of approach and capacities at local level on the long term. In addition, the project will build capacities and backstop local technical service providers to implement technical training (paravets, input suppliers, service providers, nutrition facilitators etc.). Building on the lessons learned during the COVID-19 pandemic restrictions, project implementation will incorporate digital tools to facilitate remote communication and backstopping.

The Challenge Fund will support Civil Society Organizations in providing diversified services (in CSA area for instance) and ensure youth involvement at local level. Strategic Partners will support the implementation of the project as outlined in activity 2, component 3 above.

During detailed design, a project implementation manual will be developed and revised during inception of project to facilitate implementation along phased and modular approach.

5.5 How will the implementation of this activity be coordinated with other partners active in the same sector/geographic area(s) to maximize effectiveness, create synergies, and avoid duplication/overlap of activities?

Through the Sector Working Group on Agriculture and Rural Development and MAF, the project coordinates its activities with other donors and projects in the sector to avoid duplication and overlaps. At provincial and district levels, the nutrition committees ensure effectiveness and synergies between on-going development initiatives, including Government programmes.

The proposal development process reviewed and mapped the on-going ODA projects in the agriculture and nutrition sectors. In the convergence districts, the project will only focus on coordination and synergies with nutrition interventions funded by World Bank, ADB, EU, and other donors. The project will also link with on-going WFP school feeding activities and ensure synergies with nutrition-sensitive interventions such as the homegrown school feeding.

The cooperation between AFN I and the Sector Working Group on Agriculture and Rural Development (SWG ARD) will continue and be intensified during the AFN II (see appendix 7). Two key areas for SWG ARD support are: (i) coordination between donors' funded interventions in nutrition-sensitive agriculture in the 12 convergence districts (ii) evidence-based policy dialogue on effective interventions to promote good agriculture practices, nutrition, and food security outcomes in the context of the pandemic and beyond through a "build -back better" approach

5.6 Present the overall project budget using the Tables A, B and C in Annex 1.

The overall budget is US\$ 50,000,000 including contribution from the Government of Lao PDR, beneficiaries, and private sector. GAFSP grant for technical assistance managed by WFP will be mobilized in Component 1a and 3. GAFSP grant for investment will be managed by IFAD / MAF and mobilized in all 3 components.

The IFAD12 Loan (expected to be \$20 millions) will be invested in physical investments: APG grants, infrastructures, MSP grants, and project management. See Annex 1

Annexes

Annex 1	Project Budget Tables
Annex 2	Proposal Stage Results Monitoring Matrix
Annex 3	Risks and Negative Externalities
Annex 4	Prior GAFSP Grants
Annex 5	Proposal Preparation Team

Annex 1 – Project Budget Tables

Provide comprehensive budget information for the proposed project. All figures should be in US\$ and rounded to the nearest '000.

Table 4: **Table A-** Summary of overall Project funding

Funding Source	Amount	Has this funding been secured? (Yes/No)
GAFSP grant amount requested	20,000,000	tbc
- Investment	12,000,000	
- Technical Assistance	8,000,000	
Government co-financing	6,500,000	Yes
Other Funding Sources (SE, ODA, private sector, etc.)	23,500,000	No
- IFAD12 Loan	20,000,000	
- Beneficiaries	3,000,000	
- Private Sector	500,000	
Total Project Funding	50,000,000	

Table 5: **Table B-** Detailed Budget for Investment Project (GAFSP IFAD grant and IFAD12 Loan

Components	Activities	GAFSP Funding Amount Requested (US\$)	Other Funding Sources Amount (US\$) IFAD 12
Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment			
Sub-component 1a	Activity 2: Integrated Home Garden establishment	\$ 2,000,000	
	Activity 4: Local food sources, wild foods management	\$ 2,300,000	
Sub-component 1b	Activity 6: CBOs Strengthening (APG, WUG, etc.)	-	\$ 6,350,000
	Activity 7: Agriculture/Rural Advisory Service improved	\$ 2,090,000	
	Activity 8: Climate Change adaptation infrastructures (irrigation /MUS) built and upgraded	\$ 3,600,000	2,575,000
Component 2: Business Partnerships and Market Access improvement	Activity 1: Support to MSME in food supply chains	\$ 630,000	
	Activity 2: Business Multi-Stakeholder Platforms		1,900,000
	Activity 3: Market related infrastructures		\$ 4,620,000
Component 3: Enabling environment	Activity 2: Partnerships	\$ 1,380,000	
	Activity 3: Project management		\$ 4,555,000
TOTAL BUDGET FOR ALL COMPONENTS		\$ 12,000,000	\$ 20,000,000

Note: Contingencies are factored into component costs.

B.1 For the investment project, briefly discuss the impact on the proposed project design if full requested amount is not awarded.

The requested amount is US\$ 20 million from GAFSP, and it is foreseen that IFAD will provide additional funding amounting to US\$ 20 million, therefore **the total amount available is expected to US\$ 40 million**. The project outreach is 168,000 persons. The investment per capita is US\$ 238. This level of investment covers a very wide range of services and support to ensure that poverty and malnutrition are effectively reduced in target areas.

A reduced award from GAFSP will translate in a reduced number of people reached and served by the project in order to keep the level of investment at around US\$ 238 per capita. The number of provinces (5) will remain the same, but the number of districts will be reduced. At detailed design stage, a ranking of priority districts will be carried out by MAF and the design team for approval by stakeholders at national and subnational level. The activities will remain the same in the remained selected districts.

B.2. Clarify the underlying assumptions for the proposed budget.

Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment

Component 1a: Improved nutritional status of women, children, girls, and other vulnerable groups

Activity 2: Integrated Home Garden establishment

- 15,000 garden grants @ US\$ 120

Activity 4: Local food sources, wild foods management (GAFSP grant IFAD)

- 300 FCZ and aquatic species: 300 villages @ US\$ 2,000
- Aquatic species: support by partners (LaRECC, Worldfish): US\$ 200,000
- 400 ANR / agroforestry gardens, nurseries: 400 villages @ US\$ 2,500
- Edible wild species: Research, Pha Khao Lao KB (NAFRI / CDE): US\$ 500,000

Component 1b: Improved agriculture productivity of selected commodities

Activity 6: CBOs (APG, WUG, etc) (IFAD12 Loan)

- APG grants: 1,000 @ US\$ 6,000
- Extension Management System (DAFO in 14 non-convergence districts, 5 years): 70 @ US\$ 5,000

Activity 7: Agriculture/Rural Advisory Service (GAFSP grant IFAD)

- Demo, input production unit by lead farmers: 500 @ US\$ 2,000
- Advisory services specialist at district level (14 districts, 840 mmth): US\$ 1,070,000
- Farmers' exchange visits: 200 @ US\$ 100

Activity 8: CC adaptation infrastructures

- 400 Multi Use water Systems @ US\$ 9,000 (GAFSP grant IFAD)
- 100 small scale irrigation systems @ US\$ 20,000 (IFAD12 Loan)
- Water infra O&M specialist at provincial level: 300 mmth @ US\$ 1,500 (IFAD12 Loan)
- Technical support, O&M training (DHO, DAFO) : 500 systems @ US\$ 250 (IFAD12 Loan)

Component 2: Business Partnerships and Market Access improved (IFAD)

Activity 1: Support to MSME in food supply chains (GAFSP grant IFAD)

- Support to 20 existing MSME (business planning, market dev): 20 @ US\$ 4,000
- Creation of 50 new MSME (registration, seed fund): 50 @ US\$ 6,000
- Food processing and food safety specialists (short term international TA): 15 mmth @ US\$ 15,000

Activity 2: Business Multi-Stakeholder Platforms (IFAD12 Loan)

- MSP facilitator (1 TA / province): 360 mmth @US\$ 2,000
- MSP sessions, Fairs / market events: 90 @ US\$ 300
- Matching grants for co-investment in MSP (2 /district): 30 matching grants @ US\$ 30,000
- Technical support and follow-up (PICO/DICO): 60 month @ US\$ 500

Activity 3: Market related infrastructures (IFAD12 Loan)

- Food processing and storage facilities: 450 @ US\$ 6,000
- Food processing (short term National TA): 30 mmth @ US\$ 4,000

- Access tracks (incl. survey, design with climate proofing): 300 km @ US\$ 6,000

Component 3: Enabling environment

Activity 2: Partnerships (GAFSP grant IFAD)

- Challenge Fund in each district: 40 funds @ US\$ 30,000
- CSO partnerships coordinator: 60 mmth @ US\$ 2,500
- Challenge fund events: 10 @ US\$ 3,000

Activity 3: Project Management: (IFAD12 Loan)

Management TA				\$2,640,000
Financial management specialist		60	\$3,000	\$180,000
Assistants FM PMU		60	\$2,000	\$120,000
Accountants Province (5)		300	\$800	\$240,000
Accountants at district level (14)		840	\$800	\$672,000
Procurement specialist		60	\$3,000	\$180,000
M&E specialist PMU level		60	\$3,000	\$180,000
M&E specialist at district level (14)		840	\$800	\$672,000
PMU drivers (2)		120	\$500	\$60,000
District Drivers (14)		840	\$400	\$336,000
Equipment				\$1,170,000
Office equipment PMU	lumpsum	1	\$5,000	\$5,000
Accounting software and trainings, closing	lumpsum	1	\$40,000	\$40,000
FWD vehicles (14 non conv + 2 PMU)	vehicles	22	\$40,000	\$880,000
Motorbikes for DAFO in 14 non-convergence districts	motorbikes	20	\$2,500	\$50,000
Office equipment DAFO in 14 non-convergence districts	lumpsum	20	\$10,000	\$200,000
Operating costs				\$-
DAFO in 14 non-convergence districts	month	840	\$500	\$420,000
Vehicles O&M	year	5	\$15,000	\$75,000
Trainings and Workshops	lumpsum	1	\$100,000	\$100,000
KM products	set	5	\$5,000	\$25,000
Audits and Supervisions				\$745,000
Audits	year	5	\$20,000	\$100,000
Supervision	year	5	\$30,000	\$150,000
Management other costs - PMU, PAFO and DAFO (after MAF)		5	\$99,000	\$495,000
Total activity 3: Project management				\$4,555,000

Table 6: **Table C-** Detailed budget for Technical Assistance project (WFP)

Components	Activities	GAFSP Funding Amount Requested (US\$)	Other Funding Sources Amount (US\$)
Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment	Activity 1: Farmer Nutrition School and Women Empowerment	\$ 2,500,000	
	Activity 2: Integrated Home Garden establishment	\$ 950,000	
	Activity 3: Domestic food processing and conservation	\$ 1,300,000	
	Activity 5: Community nutrition and gender SBCC activities	\$ 2,400,000	
Component 3: Enabling environment	Activity 1: Multisector planning and coordination	\$ 850,000	
TOTAL BUDGET FOR ALL COMPONENTS		\$ 8,000,000	

Note: Contingencies are factored into component costs.

C.1 For a Technical Assistance project, briefly discuss the impact on the proposed project design if the full requested amount is not awarded.

The requested amount is US\$ 20 million from GAFSP, and it is foreseen that IFAD will provide additional funding amounting to US\$ 20 million, therefore the total amount available is expected to US\$ 40 million. The project outreach is 168,000 persons. The investment per capita is US\$ 238. This level of investment covers a very wide range of services and support to ensure that poverty and malnutrition are effectively reduced in target areas.

A reduced award from GAFSP will translate in a reduced number of people reached and served by the project in order to keep the level of investment at around US\$ 238 per capita. The number of provinces (5) will remain the same, but the number of districts will be reduced. At detailed design stage, a ranking of priority districts will be carried out by MAF and the design team for approval by stakeholders at national and subnational levels. The activities will remain the same in the remained selected districts.

C.2. Clarify the underlying assumptions for the proposed budget.

Component 1a: *Improved nutritional status of women, children, girls, and other vulnerable groups*

- International CTA position, 45 months
- 3 national TA, 6 months/year
- 10 Provincial based TA, full-time
- 20 District based TA, full-time
- 42 Community mobilizers, full-time
- 500 Farmer Nutrition Schools @ US\$ 2,500
- 500 Village Nutrition Centers rehabilitated @ US\$ 600
- 1,500 Village Nutrition Facilitators trained and supported @ US\$ 515
- 500 domestic food processing grants (including training) @ US\$ 1,800
- 250 rice banks supported @ US\$ 1,500
- KAP related surveys @ US\$50,000
- Community nutrition and gender SBCC activities: 500 villages @ US\$ 3,000
- New training modules development, local languages translation and printing @ US\$ 280,000
- Technical support from MAF, PAFO, DAFO, LWU: 500 villages @ US\$ 600

Component 3: Enabling environment

- 500 Village Nutrition Plans @ US\$ 600
- 20 district multi-sectoral planning support @ US\$ 20,000

Table 7: Combined summary budget (IFAD and WFP)

Components	Activities	GAFSP Funding Amount Requested for WFP(US\$)	GAFSP Funding Amount Requested for IFAD (US\$)	Other Funding Sources Amount (US\$) IFAD 12
Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment				
Sub-component 1a: Improved nutritional status of women, children, girls, and other vulnerable groups	Activity 1: Farmer Nutrition School and Women Empowerment	US\$ 2,500,000		
	Activity 2: Integrated Home Garden establishment	US\$ 950,000	US\$ 2,000,000	
	Activity 3: Domestic food processing and conservation	US\$ 1,300,000		
	Activity 4: Local food sources, wild foods management		US\$ 2,300,000	
	Activity 5: Community nutrition and gender SBCC activities	US\$ 2,400,000		
Sub-component 1b: Improved agriculture productivity of selected commodities	Activity 6: CBOs Strengthening (APG, WUG, etc.)			US\$ 6,350,000
	Activity 7: Agriculture/Rural Advisory Service improved		US\$ 2,090,000	
	Activity 8: Climate Change adaptation infrastructures (irrigation /MUS) built and upgraded		US\$ 3,600,000	US\$ 2,575,000
Component 2: Business Partnerships and Market Access improvement	Activity 1: Support to MSME in food supply chains		US\$ 630,000	
	Activity 2: Business Multi-Stakeholder Platforms			US\$ 1,900,000
	Activity 3: Market related infrastructures			US\$ 4,620,000
Component 3: Enabling environment	Activity 1: Multisector planning and coordination	US\$ 850,000		
	Activity 2: Partnerships		US\$ 1,380,000	
	Activity 3: Project management			US\$ 4,555,000
TOTAL BUDGET FOR ALL COMPONENTS		US\$ 8,000,000	US\$ 12,000,000	US\$ 20,000,000

Annex 2 – Proposal Stage Results Monitoring Matrix

Table 8: **Table D-** GAFSP Tier 1 and Tier 2 Core Indicators

#	Tier 1 impact indicators for all GAFSP projects	Check if Yes
1	Food and nutrition security Mandatory Food Insecurity Experience Scale (FIES) indicator and optional indicators are Food Consumption Score (FCS), Minimum Dietary Diversity-Woman (MDD-W) and Minimum Dietary Diversity - Children (MDD- C)	<input checked="" type="checkbox"/>
2	Household income	<input checked="" type="checkbox"/>
3	Crop yield (apply only to those projects with explicit productivity gain goals)	<input type="checkbox"/>
#	Tier 2 indicators for all GAFSP projects, Mandatory Breakdowns† (unit) Indicator notes	
1	Number of beneficiaries reached, gender disaggregated, percentage who have been helped to cope with impact of climate change†† People receiving benefits from the project. Disaggregation for gender and those receiving Climate-Smart Agriculture (CSA)-specific support.	<input checked="" type="checkbox"/>
2	Land area receiving improved production support, percentage of these that are climate smart (ha) Area that adopted new inputs/practices, new/rehabilitated irrigation services, land registration, etc. Disaggregation for climate-smart interventions.	<input checked="" type="checkbox"/>
3	Number of smallholders receiving productivity enhancement support, gender disaggregated, climate-smart agriculture support Number of end-users who directly participated in project activities. Includes technology/technique adoptees, water users with improved services, those who had land rights clarified, people offered new financing/risk management services. Using CSA approaches.	<input checked="" type="checkbox"/>
4	Number of producer-based organizations supported (number) Relevant associations established or strengthened by project.	<input checked="" type="checkbox"/>
5	Volume of agriculture loans that are outstanding. Volume of outstanding loans for agriculture and agribusiness in a financial institution	<input type="checkbox"/>
6	Percentage of beneficiaries with secure rights to land, property, and natural resources (percent of total beneficiaries) ††† Measured as those with legal documentation or recognized evidence of tenure and those who perceive their rights are recognized and protected.	<input type="checkbox"/>
7	Roads constructed or rehabilitated; percentage resilient to climate risks (km) All-weather roads built, reopened, rehabilitated, or upgraded by project. Percentage that are designed to withstand changes in climate.	<input type="checkbox"/>
8	Number of post-harvest facilities constructed and/or rehabilitated (number) Includes markets, agro-processing/storage/quality control facilities.	<input checked="" type="checkbox"/>
9	Volume of agricultural production processed by post-harvest facilities established with GAFSP support, by food group (tons) Tons of total produce processed sorted by 10 major FAO food groups.	<input type="checkbox"/>
10	People benefiting from cash or food-based transfers, gender disaggregated (number of people) Number of people who benefited from cash or food transfer interventions.	<input checked="" type="checkbox"/>

#	Tier 1 impact indicators for all GAFSP projects	Check if Yes
11	<p>People receiving improved nutrition services and products, gender disaggregated, age disaggregated (number of people)</p> <p>Number of people who received nutrition counseling/education, recipients of Ready-to-use-Therapeutic Foods, bio-fortified foods, and Vitamin A and micronutrient supplements.</p> <p>Number of people receiving extension support for nutrition-relevant techniques (e.g., homestead gardens, Farmer Field School support, etc.).</p>	<input checked="" type="checkbox"/>
12	<p>Direct employment provided; gender disaggregated (full-time equivalent)</p> <p>Number of direct employees in a client company.</p> <p>Part time jobs aggregated to full-time equivalent.</p>	<input type="checkbox"/>
13	<p>Persons receiving capacity development, gender disaggregated, organization type (number of people)</p> <p>Agricultural and non-agricultural rural training and capacity building support provided.</p> <p>Distinguishes between individual producers/household members, civil society organization staff, and government officials.</p>	<input checked="" type="checkbox"/>
14	<p>Number of substantive deliverables on food security processes completed (number)</p> <p>Measures “soft support” for institutional development provided through discrete deliverables.</p> <p>Deliverables include policy studies, strategies and plans, best practices, and lessons learned, among others.</p>	<input checked="" type="checkbox"/>

Indicators Note: The definitions for the Tier 2 indicators can be found on pgs. 24-27 of the GAFSP M&E Plan.

† Reporting on the indicator requires reporting all mandatory breakdowns for the indicator.

†† Climate-related language is included for indicators 1, 2, 3, and 7. In view of discussion and some concerns expressed by the GAFSP Steering Committee, it is noted that the experience of gathering such data at the SE/project level will be tracked and reviewed to assess the ease/feasibility of application and resulting “meaningfulness” of the data that are gathered. Please also see earlier footnote #6 on the use of the term ‘climate-smart’ in the GAFSP M&E Plan.

‡‡ GAFSP projects have not traditionally supported land-ownership reform, although both the TAC and most SE project preparation processes currently evaluate project readiness against a criterion that includes land access and land user rights, and they typically verify such aspects through their respective “safeguards” and appraisal policies. There was demand from SC members to see a standalone indicator, however, that can capture a focus on land use rights.

Table 9: **Table E- Proposal Stage Results Monitoring Matrix**²⁸

Indicators ¹⁹	Unit of measurement	Baseline ²⁰	End-of-project target	Data sources (Data collection instruments)
Project level indicators				
Project's highest-level indicator 1: 16,800 households with decreased food insecurity by 20%	Number, percentage of households with decreased food insecurity (measured by FIES)	TBD	Decrease of food insecurity by 20% of: Households (number): 16,800 Households (percentage): 60%	Baseline MTR Final evaluation Impact evaluation
Project's highest-level indicator 2: 33,600 women reporting MDD-W	Number percentage of women (15-49 years) reporting MDD-W	TBD	Women (number): 33,600 Women (percentage): 40%	Baseline MTR Final evaluation Impact evaluation
Project's highest-level indicator 3: 16,800 households with increased incomes by 20%	Number, percentage of households with increased incomes (measured in USD)	TBD	Increase of household incomes by 20% of: Households (number): 16,800 Households (percentage): 60%	Baseline MTR Final evaluation Impact evaluation
Project's highest-level indicator 4: 16,800 households with increased climate change resilience by 30%	Number, percentage of households with increased climate change resilience score (measured by IFAD Resilience Scorecard)	TBD	Increase of climate change resilience by 30% of: Households (number): 16,800 Households (percentage): 60%	Baseline MTR Final evaluation Impact evaluation
Project's highest-level indicator 5: 58,800 individuals, specifically women, with improved empowerment	Number, percentage of beneficiaries demonstrating improvement in empowerment (measured according to IFAD Empowerment Index): total (number), total (percentage), males (number), males (percentage), females (number), females (percentage)	TBD	Total (number): 58,800 Total (percentage): 35% Males (number): 25,200 Males (percentage): 30% Females (number): 33,600 Females (percentage): 40%	Baseline MTR Final evaluation Impact evaluation
Component level indicators²¹				
Component 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment				
Outcome Indicator 1: Households with improved nutrition KAP	Number, percentage of households with improved nutrition KAP	TBD	Households (number): 20,000 Households (percentage): 70%	Baseline MTR Final evaluation Impact evaluation

²⁸ Outreach indicators are not included in Table E, which provides a high-level overview, but will be included in the project's M&E system. The M&E system will measure outreach through GAFSP's Tier 2 indicator 1 (Number of beneficiaries reached, gender disaggregated, percentage who have been helped to cope with impact of climate change). In line with IFAD requirements, outreach will additionally capture number, percentage of households reached as well as estimated corresponding total number of household members.

Indicators ¹⁹	Unit of measurement	Baseline ²⁰	End-of-project target	Data sources (Data collection instruments)
Output Indicator 1.1: People receiving improved nutrition services and products	Number of beneficiaries receiving improved nutrition services: total, males, females, young, members of ethnic groups, households, household members benefitted	TBD	Total: 108,000 Males: 54,000 Females: 54,000 Young: 37,800 Members of ethnic groups: 75,600 Households: 18,000 Household members benefitted: 108,000	Baseline Ongoing project M&E MTR Final evaluation
Output Indicator 1.2: People benefiting from cash or food-based transfers	Number of people benefiting total, males, females	TBD	Total: 15,000 Males: 0 Females: 15,000	Baseline Ongoing project M&E MTR Final evaluation
Output Indicator 1.3: People receiving capacity development	Number of people receiving capacity development, gender disaggregated, organization type	TBD	Total: 45,000 Males: 20,000 Females: 25,000	Baseline Ongoing project M&E MTR Final evaluation
Outcome Indicator 2: Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	Number, percentage of households reporting adoption of practices	TBD	Households (number): 15,000 Households (percentage): 54%	Baseline MTR Final evaluation Impact evaluation
Output Indicator 2.1: Smallholders receiving productivity enhancement support	Number of smallholders: total, males, females, percentage of smallholders receiving climate-smart agriculture support	TBD	Total: 25,000 Males: 12,500 Females: 12,500 Percentage of smallholders receiving CSA support: 80%	Baseline Ongoing project M&E MTR Final evaluation
Output Indicator 2.2: Land-area receiving improved production support	Land-area in hectares, percentage of hectares receiving climate-smart interventions	TBD	Land-area: 68,000ha Percentage of hectares receiving climate-smart interventions: 80%	Baseline Ongoing project M&E MTR Final evaluation
Output Indicator 2.3: Number of producer-based organizations supported	Number, percentage of producers' organizations, percentage of members who are female	TBD	Producers' organizations (number): 1,100 Producers' organizations (percentage): 100% Female members (percentage): 50%	Baseline Ongoing project M&E MTR Final evaluation
Component 2: Business Partnerships and Market Access Improvement				
Outcome Indicator 3: Households reporting improved physical access to markets, processing, and storage	Number, percentage of households reporting improved access	TBD	Households (number): 15,000 Households (percentage): 54%	Baseline MTR Final evaluation Impact evaluation
Output Indicator 3: Number of post-harvest facilities constructed and/or rehabilitated	Number of facilities	TBD	500	Baseline MTR Final evaluation

Indicators ¹⁹	Unit of measurement	Baseline ²⁰	End-of-project target	Data sources (Data collection instruments)
Outcome Indicator 4: Rural producers' organizations engaged in formal partnerships / agreements or contracts with public or private entities	Number, percentage of rural producers' organizations, percentage of members who are female	TBD	Producers' organizations (number): 600 Producers' organizations (percentage): 55% Female members (percentage): 50%	Baseline MTR Final evaluation Impact evaluation
Output Indicator 4: Number of SMEs joining the SUN Business Network as new members	Number of SMEs	0	50	MTR Final Evaluation
Component 3: Enabling environment				
Outcome Indicator 5: District Nutrition Committees endorsing village nutrition plans as a demonstration of improved inter-level coordination	Number of districts	0	20	MTR Final evaluation Impact evaluation
Output Indicator 5: Number of substantive deliverables on food security processes completed	Number of deliverables	0	30	MTR Final evaluation

Table notes:

¹⁹ If any cross-cutting themes were selected in Section 3.1, this table must include some indicators that correspond to the selected theme(s).

²⁰ If this is unknown, write TBD (to be determined).

²¹ Please identify indicators that can clearly represent the causal links in the results chain that bridge the gap between the current status and the objectives (desired high-level indicator). Ideally, under each component, there is at least one outcome indicator and correspondent output indicator(s).

Annex 3 - Risks and Negative Externalities

Table 10: **Table F-** Project Risk Assessment

Risk	Likelihood (L, M, H)	Risk rating (L, M, H)	Risk description	Proposed mitigation measures
Technical design: Risk that technical design could affect the project from reaching its objectives	L	M	Project implementation arrangements are inadequate. Approaches are new and / or unproven: no uptake by target groups	Stock take of lessons learned from previous phases and other projects, partnerships
Institutional capacity for implementation: Risk that there is insufficient capacity to implement the project	M	M	Cross sectoral coordination	Intensive support to nutrition committees at all levels

For Likelihood: L (low probability), M (moderate probability), or H (high probability).

For Risk rating: L (low risk or impact), M (moderate risk or impact), or H (high risk or impact).

Table G: Evaluation of Negative Externalities

Table 11: **Table G-** Evaluation of Negative Externalities

Potential Negative Externalities	Interventions	Likelihood (L, M, H)	Risk rating (L, M, H)	Description of potential negative externalities	Proposed mitigation measures
Environmental	All physical interventions under components 1 and 2	H	H	Natural calamities including flood and drought lower output of farm production.	Resilience building approach across components
Economy and market risks	Component 2	M	H	External shocks to macro-economy, COVID-19 impacts, increased input prices, reduced producer prices, reduced market demand	Diversification, value addition, local production of inputs, reliance on local materials
Institutional	Component 3	M	M	Changes to provincial and district administrative systems, staff turnover Poor cross-sectoral coordination	Direct support to nutrition committees to prepare nutrition plan and coordinate ODA projects
Social	Components 1 and 2: FNS, APG, WUGs	M	M	Elite capture/ disadvantaged groups not able to participate effectively, Insufficient cohesion within farmer groups / communities	FPIC, participatory planning, group strengthening facilitated by CMOs, GALS to address individual constraints, needs and aspirations within HH
Gender	All components	M	M	Unconducive environment for women participation in decision, voice	GALS, threshold of number of women at key positions in committees
Climate: Flood / inundation	Access tracks	L	M	Access tracks damaged by flash floods / inundations	No investments in slopes > 25% Climate proofing measures and cross drainage O&M committees and district support
	Irrigation / MUS	L	M	Irrigation systems / MUS damaged by flash floods / inundations	No investments in intakes, flexible MUS, early warning (LACSA), WUG O&M role
	Crops	L	M	Crops destroyed by floods / inundations	No high value crop in flood risk areas, vegetable production in uplands in wet season

Potential Negative Externalities	Interventions	Likelihood (L, M, H)	Risk rating (L, M, H)	Description of potential negative externalities	Proposed mitigation measures
Climate: Landslides and erosion	Infrastructures: access tracks, irrigation canals, processing facilities	M	H	Infrastructures damaged by landslides and erosion	No investments in slopes > 25%, CSA and Sustainable Land Management practices Agriculture Intensification reduces pressure on high-risk areas
Climate: Drought	Crops and livestock, household's consumption	M	L	Loss of agricultural productivity, lack of water for home consumption	No support to water systems with inadequate water resources; water storage supported, efficient irrigation systems
Extreme hot spells	Crops and livestock, households' members	M	H	Loss of agricultural productivity, farmers unable to perform agricultural operations due to extreme temperatures	Agroforestry gardens, integrated systems to mitigate risks, water supply and storage

For Likelihood: L (low probability), M (moderate probability), or H (high probability).

For Risk rating: L (low risk or impact), M (moderate risk or impact), or H (high risk or impact).

Annex 4 - Prior GAFSP Grant(s)

Strategic Support for Food Security and Nutrition – SSFSN (AFN-1)

Project Name	Strategic Support for Food Security and Nutrition – SSFSN (AFN-1)
Country	Lao PDR
GAFSP Grant Amount and Amount Disbursed	Total Grant: US\$ 30,000,000 Amount Disbursed: US\$ 27,391,441 (as of 30 June 2021)
Grant Approval Date	2 May 2016
Project Status	Ongoing
Project Closing Date	Completion date:31 December 2022; Closing date 30 June 2023
Project Implementation Update (<i>implementation progress, results, challenges, etc.</i>)	<p>In spite of the COVID-19 outbreak, the project has delivered consistent and adequate services to close to 28,000 households. Women and members of ethnic groups represent respectively 72% and 70% of the 200,000 rural people served and the project is on track to reach its development objectives.</p> <p>Project expenditures have reached 92.8% and 78.5% of the Global Agriculture and Food Security Programme (GAFSP) funds managed by IFAD and the World Food Programme (WFP) respectively. At 112%, beneficiary contributions have exceeded the target, while the Government contribution has reached 71% thereof. The project achieved considerable disbursement in 2020, indicating strong delivery capacity and effectiveness.</p> <p>The results from the Annual Outcome Survey in January 2021 showed that: (i) household income increased by 56% on average among the interviewed households, increasing from US\$ 281 at baseline in 2017 to US\$ 437 in 2020. (ii) The percentage of households with a per capita income of less than US\$ 270 (adjusted for inflation) decreased from 70% at baseline in 2017 to 49.7% in 2020. (iii) 83.4 % of women in surveyed HHs consume at least 5 out of 10 major food-groups; (iv) incidence of underweight children under 5 y.o decreased from 23.4% at baseline to 18.9% in 2020 (v) incidence of stunting in children under 5 y.o. decreased from 47% to 44% (vi) incidence of wasting in children under 5 y.o. decreased from 5% to 3.4%.</p>
Most recent/last Supervising Entity Implementation Rating for (i) achieving project objectives and (ii) implementation progress.	<p>The last Joint Supervision Mission of IFAD and WFP was conducted in March/ April 2021.</p> <p>The following ratings are from the Supervision Report</p> <p>The project is on track to reach or exceed most of the quantitative targets and the likelihood of reaching its Development Objective is rated satisfactory (5 / 6).</p> <p>The overall implementation performance of AFN has continued to improve and is rated satisfactory (5 / 6).</p>
Will the project proposed under this proposal build on or be linked to this prior GAFSP grant? If so, in what way?	Yes, the proposed project will build upon the successes of AFN I / SSFSN such as the Nutrition sensitive agriculture activities, farmer-to-farmer (F2F) approach, support to agriculture production groups and involvement of the private sector. Lessons learned

	during AFN I / SSFSN will be integrated in the project proposal, specifically targeting a larger beneficiary group, and a stronger linkage between nutrition and natural resources. Lessons learned from the additional COVID-19 response funds will be integrated in the new proposal, specifically activities leading to more resilient food systems on the local level.
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Strategic Support for Food Security and Nutrition - SSFSN - Additional Funding for COVID 19 Response

Project Name	Strategic Support for Food Security and Nutrition - SSFSN - Additional Funding for COVID 19 Response
Country	Lao PDR
GAFSP Grant Amount and Amount Disbursed	Total Grant: US\$ 3,800,000 Amount Disbursed: US\$
Grant Approval Date	24 September 2020
Project Status	Ongoing
Project Closing Date	Completion date:31 December 2022; Closing date 30 June 2023
Project Implementation Update (<i>implementation progress, results, challenges, etc.</i>)	First activities under the Additional Funding have started in April 2021. The main field activities are planned for the period July 2021 - December 2022.
Most recent/last Supervising Entity Implementation Rating for (i) achieving project objectives and (ii) implementation progress.	No ratings have been given yet and implementation has started in April 2021.
Will the project proposed under this proposal build on or be linked to this prior GAFSP grant? If so, in what way?	The Additional Funding is fully integrated into the original SSFSN project by scaling up the successful activities of this project, specifically to combat the impacts of the COVID-19 pandemic in Lao PDR.

Annex 5 - Proposal Preparation Team

Assigned Technical Team and Focal Points from Ministry of Agriculture and Forestry (MAF), Ministry of Finance (MOF) and Ministry of Planning and Investment (MPI) and Ministry of Industry and Commerce (MOIC) - June – Aug 2021, AFN 2 Proposal Development

Table 12: Focal points appointed by Ministries for GAFSP proposal

Name	Title	Department / Agency
Dr. Phommy Inthichack	Deputy Director General	Department of Planning and Finance, MAF
Mr. Sisovath Phandanouvong	National Coordinator, AFN	Dept. of Planning and Finance, MAF
Mr. Krungsivilay Malaythong	Deputy National Coordinator, AFN	Dept. of Planning and Finance, MAF
Mr. Somphathai Linesone	Director of Division	Department of Planning and Finance, MAF
Mr. Phanisone Samonty	Deputy-Director of Division	Dept. of Planning and Finance, MAF
Mr. Bouavan Chanthavichit	Deputy-Director of Division	Dept. of Planning and Finance, MAF
Ms. Sengkeo Chitthavong	Deputy-Director of Division	Dept. of Planning and Finance, MAF
Mr. Viengsavai Sengsoulivong	Deputy Director General	Department of Technical Extension and Agro-Processing, MAF
Mr. Somxay Sihalath	AFN Technical Coordinator	Department of Technical Extension and Agro-Processing, MAF
Dr. Kaviphone Phouthavong	Deputy Director General	Dept of Livestocks and Fishery, MAF
Mr. Vannapha Thammachaydy	Deputy-Director of Division	Dept of Livestocks and Fishery, MAF
Dr. Soulapphone Inthavong	Deputy Director General	Dept of Agronomy, MAF
Mr. Vanthieng Phommasoulin	Director of Division	Dept of Agronomy, MAF
Dr. Khamphachan Vongsana	Deputy Director General	Department of Irrigation, MAF
Mr. Saththateth Thammachuck	Deputy Director of Division	Department of Irrigation, MAF
Mr. Phonesavanh Manivong	Deputy Director General	Dept. of Forestry MAF
Mr. Bounchanh Kommasith	Deputy Director General	Dept. of Rural Dvelopment and Cooperatives, MAF
Mr. Tosak Siluangsoth	Deputy Director of Division	Dept. of Rural Dvelopment and Cooperatives, MAF
Mr. Kongkeo Phachomphonh	Deputy Director General	Dept. of Agriculture Land Management, MAF
Mr. Somphet Phengboupha	Deputy Director of Division	Dept. of Agriculture Land Management, MAF
Mr. Soulivong Xayavong	Deputy Director General	National Agriculture and Foresry Research Institute, MAF
Mr. Oulaythame Lassamima	AFN Technical Coordinator	National Agriculture and Foresry Research Institute, MAF
Ms. Phengkhiem Xayakeo	Deputy Director General	Dept. of External Finance and Debt Management, MOF
Mr. Bounpasuert Sisouvanh	Deputy Director of Division	Dept. of External Finance and Debt Management, MOF
Mr. Santisouk Khaikhamphitoun	Technical staff	Dept. of External Finance and Debt Management, MOF
Ms. Saymonekham Mangnokmek	Deputy Director General	Dept. of International Cooperation, MPI
Mr. Sisangvone Sengmaniphone	Technical Officer	Dept. of International Cooperation, MPI
Mr. Gavin Xayyavong	Deputy Director of Division	Department of Planning and Cooperation

IFAD / WFP proposal preparation team members

Table 13: IFAD / WFP proposal preparation team

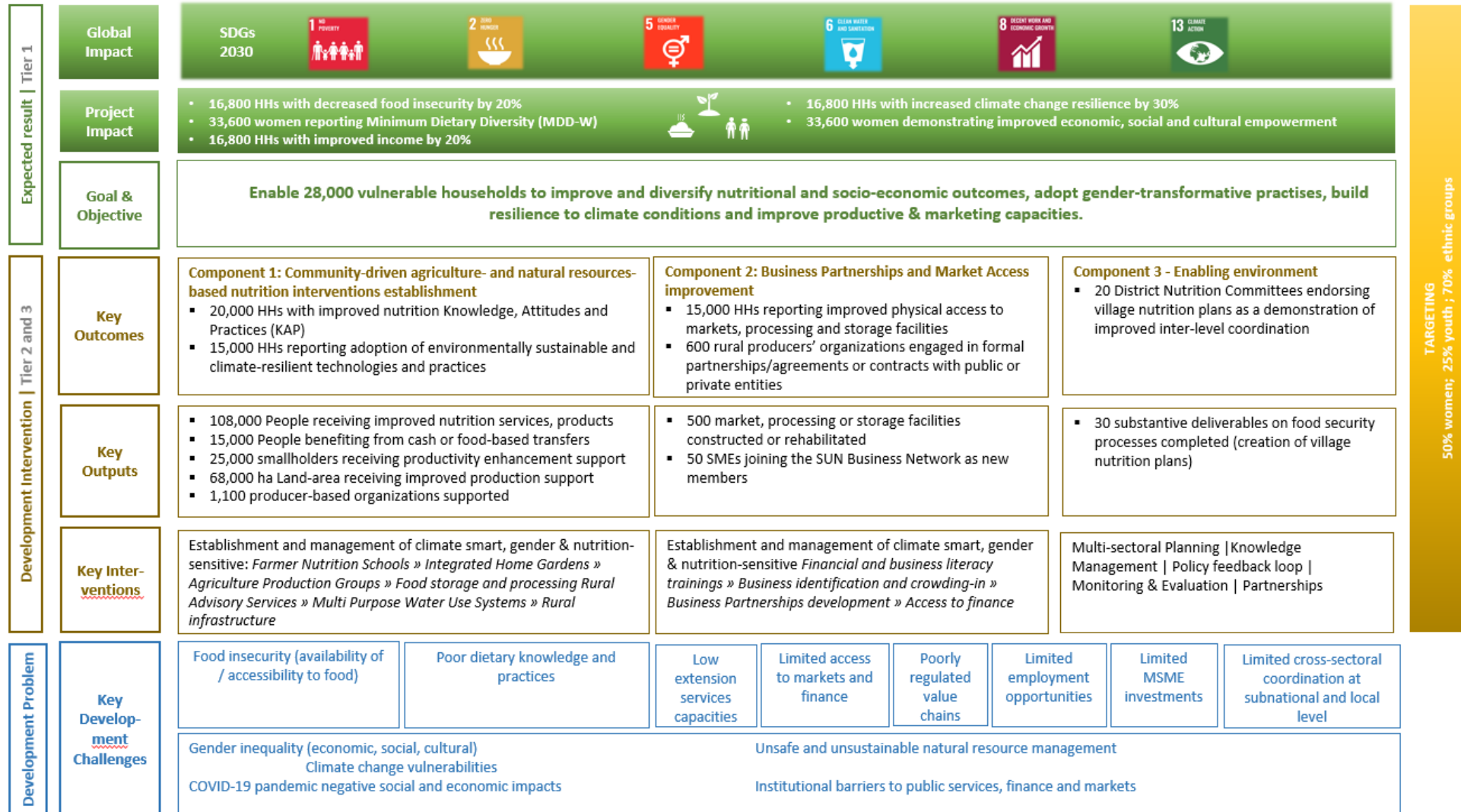
Name	Title	Organization	Email
Mr Edwin de Korte	Chief Technical Advisor for AFN	WFP	edwin.dekorte@wfp.org
Mr Emmanuel Jouve	Agriculture and Value Chain Specialist / Team Leader	IFAD	ejouve@ifad.org
Mr Hisham Zehni	Senior Technical Specialist - Climate & Environment	IFAD	h.zehni@ifad.org
Mr Jan Delbaere	Country Director	WFP	jan.delbaere@wfp.org
Mr Kaushik Barua	Country Director	IFAD	k.barua@ifad.org
Mr Outhai Sihalath	Deputy Program Director	WFP	outhai.sihalath@wfp.org
Mr Sakphouseth Meng	Economist	IFAD	m.sakphouseth@ifad.org
Mr Soulivanh Pattivong	Country Programme Officer	IFAD	p.soulivanh@ifad.org
Ms Ashley Anne Davidson	Partnership Building Specialist	IFAD	a.davidson@ifad.org
Ms Jacqueline de Groot	Deputy Country director	WFP	jacqueline.degroot@wfp.org
Ms Joyce Njoro	Nutrition and Social Inclusion Specialist	IFAD	j.njoro@ifad.org
Ms Maree Bouterakos	Head of Nutrition	WFP	maree.bouterakos@wfp.org
Ms Marie-Aude Even	Agriculture Economist, Senior Technical Specialist in Agronomy	IFAD	m.even@ifad.org
Ms Rachele Arcese	Programme officer, Gender and targeting specialist	IFAD	r.arcese@ifad.org
Ms Raphaela Hess	M&E Specialist	IFAD	hess.rafaela@gmail.com

Appendices

Appendix 1:	Theory of Change
Appendix 2:	Targeting
Appendix 3:	Maps of target areas
Appendix 4:	Consultations workshops and Meetings: Attendance lists
Appendix 5	Detailed description of Components and Activities
Appendix 6:	Implementation structure

Appendix1 - Theory of Change

Figure 2: Theory of Change



TARGETING
50% women; 25% youth ; 70% ethnic groups

Appendix 2 - Targeting

Table 14: Province selection criteria

Indicator	description	Data source	Ref document title	Published by	Publication date
Multidimensional Poverty Headcount Rate 2019	Multidimensional poverty encompasses various deprivations experienced by the poor in their daily lives by capturing the non-monetary dimensions of well-being (consumption, education, and living standards) alongside the monetary measure	LECS 6	"Poverty Profile in Lao PDR: Poverty Report for the Lao Expenditure and Consumption Survey 2018-2019."	Lao Statistics Bureau and World Bank	2020
Poverty Headcount Rate 2019	The national poverty headcount rate in 2018/19, estimated using the revised poverty methodology, which reflects living conditions and spending patterns in 2018/2019	LECS 6			
Access to Basic Drinking Water	Percent of population using basic drinking water services	LSIS II	Lao Social Indicator Survey II 2017, Survey Findings Report. Vientiane, Lao PDR: Lao Statistics Bureau and UNICEF	Lao Statistics Bureau and UNICEF	2018
Access to Basic Sanitation	Percent of population using basic sanitation services	LSIS II			
Minimum Diet Diversity Children	Per cent of children aged 6-23 months that were fed food from at least 5 out of 8 food groups	LSIS II			
Stunting CU5	The prevalence of children under 5 years of age with stunted growth (low height for age)	LSIS II			
Underweight CU5	Percentage children under-5 who are underweight	LSIS II			
COVID-19 impacts	Identification of province which faced : Reduced agricultural activity, Restricted access to market, Negative impacts on livelihoods, Restricted access to food	RAFSA, 2019	Rapid Assessment of Food Security and Agriculture in Lao PDR	WFP	May 2020
Flood / Drought events in 2019	Identification of provinces affected by drought and/or flood events in 2019	CFSAM FAO/WFP, 2019	Special Report - 2019 FAO/WFP Crop and Food Security Assessment Mission to the Lao People's Democratic Republic. Rome.	FAO / WFP	9 April 2020

Table 15: Province ranking based on poverty and nutrition selection criteria

Province	Multi-dimensional poverty	National poverty	MDD-C	Stunting	Children Under weight	Access to drinking water	Access to sanitation	COVID-19 impacts	Flood & Drought in 2019	Province ranking
Vientiane capital	1	2	1	1	1	1	1	1	0	9
Xayaboury	7	10	2	3	3	7	3	0	1	36
Borikhamxay	6	9	5	7	2	6	2	1	0	38
Vientiane prov.	2	3	14	8	6	2	5	0	0	40
Luangnamtha	5	6	6	9	4	4	6	4	1	45
Champasack	4	5	10	2	9	5	11	0	1	47
Xaysomboun	3	1	3	15	8	13	12	1	0	56
Xiengkhuang	11	13	4	16	10	3	4	0	0	61
Bokeo	9	7	8	10	5	18	8	3	1	69
Huaphanh	12	14	12	11	13	10	7	0	0	79
Luangprabang	8	8	13	12	14	16	10	0	0	81
Khammuane	13	12	16	6	11	11	13	0	0	82
Savannakhet	15	15	11	4	7	12	16	3	1	84
Phongsaly	10	4	7	18	16	14	17	0	0	86
Odomxay	16	17	18	13	12	8	9	0	1	94
Attapeu	17	16	15	5	15	9	15	2	1	95
Saravane	14	11	9	14	17	15	18	0	1	99
Sekong	18	18	17	17	18	17	14	0	1	120

Table 16: Ethno-linguistic families in target district (in percent of district population)

Target provinces and districts	Ethno-linguistic families (in % of total district population)			
	Lao Tai	Mon Khmer	Hmong Mien	Sino-Tibetan
Attapeu	13%	87%	0%	0%
Sanamxay	26%	74%	0%	0%
Sanxay	1%	99%	0%	0%
Oudomxay	14%	67%	13%	5%
Beng	30%	60%	11%	0%
Hoon	12%	72%	16%	1%
La	7%	72%	2%	18%
Namor	14%	51%	22%	13%
Nga	17%	61%	22%	0%
Pakbeng	6%	89%	5%	0%
Phongsaly	15%	24%	7%	54%
May	34%	40%	2%	24%
Boon neua	12%	3%	4%	81%
Boontai	11%	9%	7%	73%
Khua	10%	71%	0%	19%
Nhot ou	25%	0%	27%	48%
Phongsaly	4%	1%	2%	92%
Samphanh	5%	44%	6%	45%
Saravane	1%	99%	0%	0%
Samuoi	1%	99%	0%	0%
Ta oi	1%	99%	0%	0%
Toomlarn	2%	98%	0%	0%
Sekong	0%	100%	0%	0%
Dakcheung	0%	100%	0%	0%
Kaleum	0%	100%	0%	0%
Grand Total	11%	62%	6%	21%

Source: Housing and Population Census, 2015 (Lao Decide database: <http://www.decide.la/en/>)

Figure 3: Map of province ranking as per selection criteria

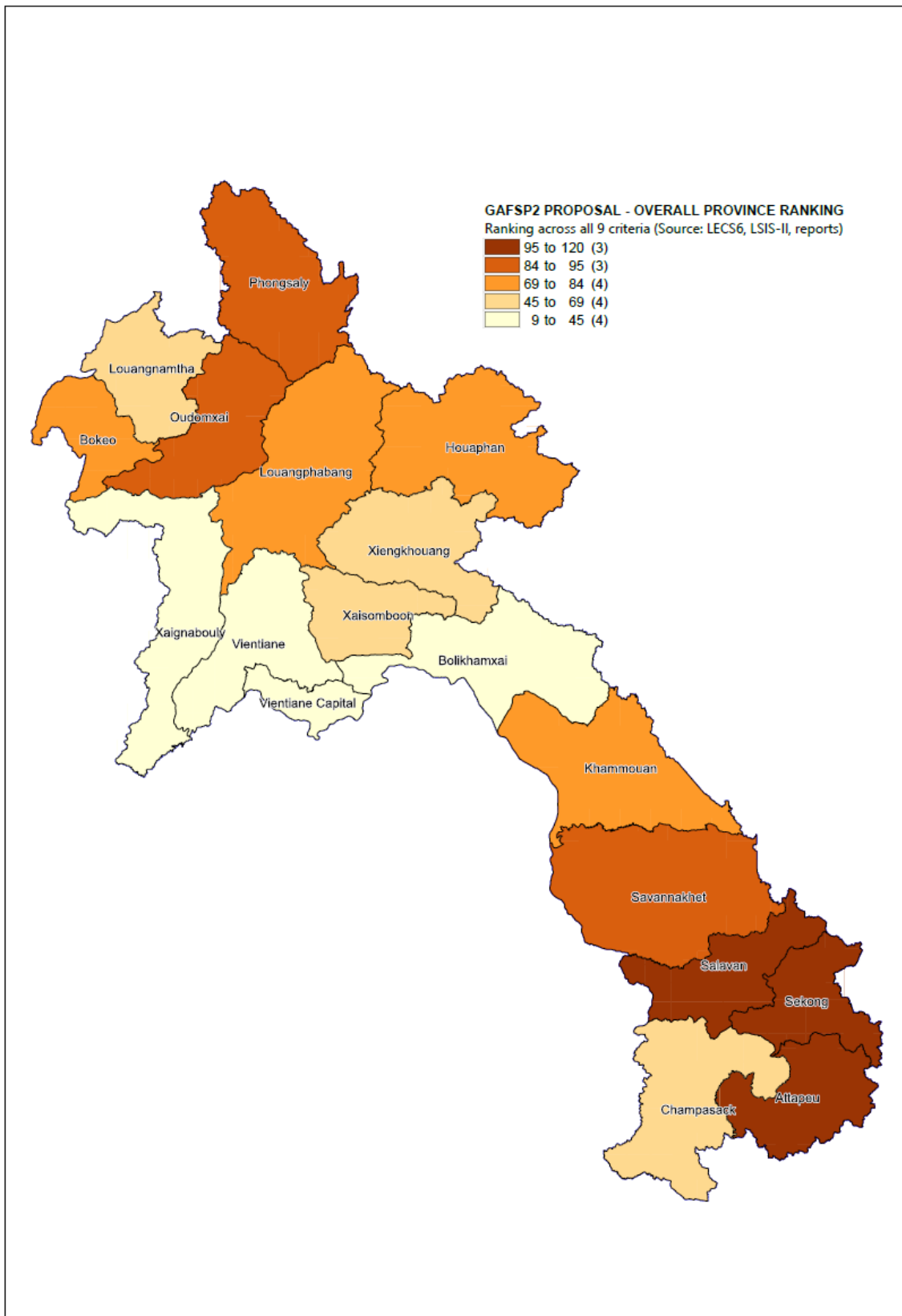
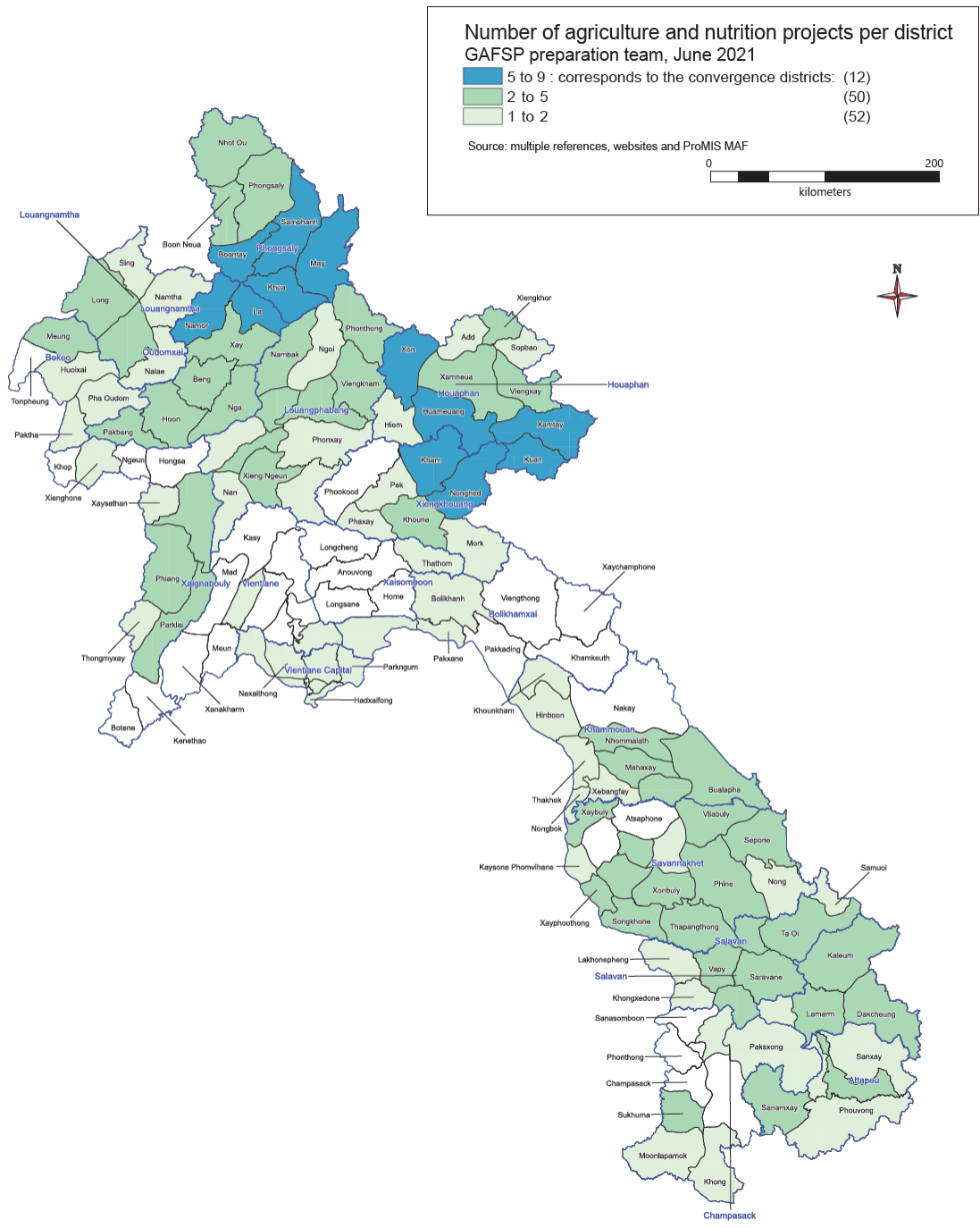


Figure 4: Map of on-going project in agriculture and nutrition projects per district



Source: GAFSP proposal preparation team based on projects documents, websites and MAF Project Management Information System (ProMIS)

Appendix 3 – Map of target areas

Figure 5: Map of the proposed AFN II target districts



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 16-07-2021

Appendix 4 - Consultations

- Kick off meeting on the 4 June 2021 with key government line-agencies (MAF, MoF, MPI) and members of the national nutrition committee (MAF, MoH, MoES, LWU), as well as MoIC, Lao Front for National Development, the Lao Farmer Network, etc. The purpose was to introduce the proposal development approach and schedule and identify common areas of priorities based on the lessons learned from AFN I;
- On 23 June 2021: Central level consultation workshop with all central level organisations and members of the national nutrition committee (MAF, MoH, MoES, LWU), as well as MPI, MoF, MOIC, Lao Front for National Development, NAFRI, the Lao Farmers Network;
- On 24 June 2021: Subnational consultation workshop with representatives of line agencies of the four northern provinces involved in AFN-1 implementation: Phongsaly, Oudomxay, Houaphan and Xiengkhouang. All technical agencies from the provinces attended: agriculture, education, health, LWU, Lao Front for National Development, Planning and Investment and Industry and Commerce.
- On 25 June 2021: Subnational consultation workshop with representatives of line agencies of the three southern provinces identified as priority areas in terms of poverty incidence and malnutrition: Saravane, Sekong and Attapeu provinces. All technical agencies from the provinces attended: agriculture, education, health, LWU, Lao Front for National Development, Planning and Investment and Industry and Commerce;
- On 2nd of July: consultation workshop with Civil Society Organisations (Lao farmers network, Gender development association, etc.) and International NGO (Oxfam, Helvetas, etc.) to introduce the AFN II concept, receive comments to improve the approach and identify areas for partnerships. The challenge fund initiative under component 3 has been proposed by LFN during this meeting and integrated in the project concept;
- On 6th of July: consultation workshop with key Ministries (MAF, MPI, MoF) on result of the poverty and nutrition data analysis and the targeting approach for selection of provinces. At that workshop, the participants agreed on the 5 selected provinces: Saravane, Sekong, Attapeu, Oudomxay and Phongsaly;
- On the 8th of July: consultation workshop with bilateral Development Partners (Lux-Dev, EU, SDC, KfW, GiZ, USAID, etc.) and representatives of members of the GAFSP steering committee members (Germany, Canada, etc.);
- On the 7th of July: participated in the technical level meeting on Food & Nutrition Security Development Partners Group, organized by the EU Delegation to Lao PDR and UNICEF. The GAFSP proposal development process was briefly introduced to the participants;
- On the 9th of July: consultation workshop with multi-lateral partners and International Financial Institutions (UNDP, UNICEF, ILO, UNIDO, UNAIDS, WFP, FAO, World Bank, Asian Development Bank, etc.);
- Individual meetings with identified strategic partners: Oxfam (GALS approach, SD=HS initiative), Worldfish, NAFRI and the Center for Development and Environment (CDE) at University of Bern, Switzerland
- Consultation with the SUN BN coordinator for Lao PDR and visits to private companies who are members of the SUN BN: Lao Farmers Products and Mai Savanh Lao;
- On 29th July: visit to the Lao American Nutrition Institute (LANI) supported by the Applied Nutrition Research Capacity Building project (ANRCB) under the umbrella of USAID's support to the MoH Center of Nutrition.

[See attendance lists below]

Consultations: List of Persons Met
GAFSP Proposal Development for Agriculture for Nutrition Project 2 (AFN-II)
June – August 2021, Vientiane, Lao PDR

Table 17: List of persons who participated in consultations

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26.	Dr. Sounthone Nanthavongduangsy	SBCC Project Coordinator	MOH
Ministry of Education and Sports			
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138.	Mr. Thome Xaisongkham	Climate Change Specialist	UNDP
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139.	Mr. Avi Sarkar	Regional Senior Advisor	UN-Habitat
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140.	Mr. Thongdeng SILAKOUNE	Country Manager	UNAIDS
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144.	Mr. Sengpaseuth Simmanivong	Programme Officer	LUX-DEV
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146.	Ms. Chitlatda Keomuongchanh,	National Program Officer	SDC
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147.	Mr. Chansom Bouachanh	Programme Officer	GIZ
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Appendix 5 - Detailed description of components and activities

Project components and activities. The project will have three interlinked components aimed at addressing the sustainable, inclusive, and resilient recovery of the country's agriculture and food systems in the context of the ongoing COVID-19 pandemic, namely: (1) Community-driven agriculture and nutrition interventions promoting the use of natural resources; (2) Business Partnerships and Market Access improvement; and (3) Enabling environment.

COMPONENT 1: Community-driven agriculture- and natural resources-based nutrition interventions establishment (WFP and IFAD).

The component 1 will have two main outcomes. The first outcome is to improve the nutrition Knowledge, Attitudes and Practices (KAP) of the targeted poor and near poor smallholder farmers households more at risk of food and nutrition insecurity amid the COVID-19 pandemic. This outcome will be achieved through Sub-component 1a: Improved nutritional status of women, children, girls, and vulnerable groups, which is supervised and implemented by WFP in close cooperation with the Ministry of Agriculture and Forestry (MAF) and the Provincial Agriculture and Forestry Office (PAFO) and the District of Agriculture and Forestry Office (DAFO) and provincial and district convergence agencies (education and sport, health and LWU).

The second outcome of Component 1 is to enable the aforementioned households to adopt environmentally sustainable and climate-resilient technologies and practices in order to increase and diversify their agricultural production, manage more sustainably their natural resources, increase their income, and enhance their resilience to climate threats and COVID-19 pandemic impacts. This outcome will be achieved through Sub-Component 1b: Improved agriculture productivity of selected commodities, which will be supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO)

Sub-component 1a: Improved nutritional status of women, children, girls, and vulnerable groups (WFP). This subcomponent will be mainly implemented by WFP.

Activity 1: Farmer Nutrition School and Women Empowerment. The project will establish Farmer Nutrition Schools (FNS) in all project villages. FNS are semi-structured interactive gatherings in villages, focused on nutrition and food security. FNS convey SBCC in the form of practical learning sessions to communities about household nutrition, food security, basic hygiene, food preservation and processing, diet diversity, and menu planning with nutritious foods including crops grown in gardens and collected from the wild, raising fish and keeping small animals. The FNS sessions will target women of reproductive age, prioritizing pregnant women and mothers with children under 5 years of age. As early marriage is prevalent in Laos, adolescent girls who are out of school may also be involved in the sessions. They also address issues of household nutrition, food preservation and processing and basic agriculture techniques. FNS sessions are also open to caretakers and men, although they will not be eligible to receive any Home Garden Grants (see activity 2). Together with activity 5 of age, these interventions will contribute to change social norms and beliefs that are detrimental to nutrition and health.

Up to three mainly female Village Nutrition Facilitators (VNFs) will be selected per village in a participatory way and receive an intensive three-week Training of Trainers (ToT) from the project. ToT trainings as well as refresher trainings, are conducted by WFP with technical support from DAFO, Lao Women's Union (LWU) and District Health Office (DHO). The VNFs facilitate all the FNS sessions, which are typically convened monthly in Village Nutrition Centers (VNC). In villages where no VNC is available, the project will co-finance the construction or rehabilitation of such VNC's, which will be used for training sessions, meetings, cooking demonstrations and other nutrition activities. The VNC's are multi-purpose and are open to the village to use for other training events, as necessary.

Activity 2: Integrated Home Garden establishment. Women who successfully participate in the FNS will be eligible for diversified Home Garden Grants of 1.2 million LAK (about US\$ 120). Priority will be given to pregnant and lactating women, particularly those with children under 5 years of age, with each eligible household benefiting once in the life of the project. The project targets to distribute 15,000 Home Garden Grants, which will be used for small investment purposes linked to home garden development, such as seeds, planting material, small equipment, drip-irrigation, fencing materials, small livestock, animal shed construction materials, etc. Technical support will be provided by project staff (Community Mobilization Officers, WFP assigned staff and designated DAFO technical staff) but also by local Village Technicians and Lead Farmers, who will be selected and trained in parallel under sub-component 1b. In addition, the project will assure that at least one VNF will be trained in basic agriculture technologies to be able to provide continuous support to the FNS groups. These training courses are presently being taught at provincial training centers affiliated with MAF. DAFO will provide additional technical support to home garden beneficiaries.

Activity 3: Domestic food processing and conservation. Food storage and processing is a sustainable way to achieve more resilient local food systems, reduce food wastage in times of food abundance, conserve the food times of food scarcity and reduce food safety risks related to poor conservation and processing. It also enables additional income generation and can making value chains nutrition-sensitive and development of niche-markets, such as bamboo shoots, wild honey, medicinal cardamom, wild tea, herbs, and medicinal plants.

During the FNS implementation, sessions will cover post-harvest management, safe food storage and preparations. In addition, the potential for food processing and nutrition sensitive value chains, pro-poor niche products will be established. Training will also include food safety measures. Small grants will be available for women or small women groups to further develop such possibilities. Small equipment that can be provided as part of the grant may include solar dryers and packaging machines. Private enterprises under the SUN Business Network (SBN), which under direct technical supervision of the Ministry of Health and WFP, will be involved to provide hands-on training and where feasible, business linkages will be established, supported by the project.

Activity 3.1: Rice Banks. To ensure access to food all year round, community village rice-bank will be supported. They function as both a secure storage of rice as well as a source of rice during times of food insecurity, normally occurring in the months before the main rice harvest. WFP has developed well-functioning rice bank models in Lao PDR and will be able to provide initial rice deposits. Rice banks function as social protection mechanisms by giving out loans in the form of milled rice during lean months, which they are given back after harvest, increased by a pre-set interest rate. Rice banks will target specifically the poorest households in the village. The project will support 250 new and existing rice banks.

Activity 4: Local food sources, wild foods management. The linkage between agriculture, nutrition, and natural resources management (LANN approach) is extremely important in most Lao PDR communities as almost 80% of the population in rural areas still source a large part (25-40%) of their daily diets from the wild, including forests, rivers and ponds (Krahn J., 2005; MoH & WFP, 2017) and such products played a key role to mitigate impacts of the on-going COVID-19 crisis on food security and nutrition (WFP, 2020). AFN II will work together with the local communities, and specifically with women, through participatory research, building on their local knowledge, to identify these wild foods, their management practices within their ecosystems and their potential for domestication on farm and home gardens and use in household diets. Specific attention will be given to nutrient-dense Neglected and Underutilized Species (NUS). In a recent [policy paper](#), key elements²⁹ to ensure seasonal food availability in transitioning shifting agriculture systems were identified: (i) mapping/identifying sources of the wild edible resources (ii) ensuring a clear distinction is made during assessment of (i) between regenerating fallows and mature

²⁹ ICIMOD (2021). Ensuring seasonal food availability and dietary diversity during and after transition of shifting cultivation systems to settled agriculture. Policy brief. International Centre for Integrated Mountain Development.

forests (iii) policy feedback on land use planning approaches to revisit the Forest and Agriculture Land Allocation policy.

The project will assist the communities in each agroecological zones in identifying and documenting selected wild food species of particularly high importance in their local diet. Botanical identification will be carried out in collaboration with the National Agriculture and Forest Research Institute ([NAFRI](#)). An analysis of their nutritional value will be outsourced to a specialized laboratory in the region to inform knowledge management publications.

To promote these wild foods and raise awareness in terms of nutritional value and their vital role in the local food systems, existing databases of wild foods and communication products (such as IFAD [Recipes for Change](#) videos series) will be further developed in collaboration with technical partners such as the Phakhao lao [knowledge base](#) developed in partnership by NAFRI and Centre for Development and Environment ([CDE](#)) at Bern University, and the Centre for Indigenous Peoples' Nutrition and Environment ([CINE](#)) at McGill University in Montreal, Canada.

Fish and other aquatic animal species forms an integral part of the diet of the target beneficiaries, with most of the fish and aquatic species caught in the wild: amphibians, batrachians, mollusks, and freshwater crustaceans. The project will support a strategic partnership between [WorldFish](#) and the Living Aquatic Resources Research Centre (LARReC) under NAFRI. The initiative will focus on research and knowledge management activities on the protection and management of community fish spawning areas (Fish Conservation Zones) and the promotion of living aquatic resources as part of the local diets in rural communities.

Activity 5: Community nutrition and gender SBCC activities. An SBCC strategy based on existing knowledge of targeted communities, and data collected for this study (knowledge, attitudes, and behavior survey) will be developed to guide SBCC activities and ensure that messages are tailored to community needs and include “behavioural science tools to address identified “last mile gap” *in capability, motivation or opportunity and cognitive bias that prevents individuals and groups from changing behaviour which is otherwise (privately or publicly) beneficial*”.

Specialized expertise will be recruited to develop such strategic approach, building on latest insight in behavior science which identify drivers of individual behaviour along three interrelated factors: capabilities, opportunity, and motivation which can be addressed through appropriate nudges, mental model, reflective learning, social exchange etc. ³⁰.

This activity will also include SBCC outreach activities to the broader community based on prevalent knowledge practices and attitudes that may hinder good nutrition and gender empowerment. These activities will build on the national nutrition SBCC strategy and will be disseminated through various channels, such as farmer nutrition schools, community radios, community theatres, village nutrition days, village loudspeakers, etc. More than 70% of the project beneficiaries belong to ethnic groups, many of them with their own languages. The project will develop SBCC materials in these languages to ensure messages are culturally and linguistically appropriate.

More tailored FNS modules will be established that target adolescent girls to empower them with relevant knowledge on food and nutrition, intergenerational cycle of malnutrition, and life skills. Some modules will also be focused on infant and young child feeding, as many of these adolescent girls are also soon to be mothers. Education and messages will be aligned with the school curriculum being finalized by the Ministry of Education and Sports (MoES). Through school gardens, and classroom training, all children (girls and boys) in primary school will be trained on food production and nutrition

³⁰ Krüger, Cornelius, Jyotsna Puri (2020). Going the last mile: Behavioural science and investments in climate change mitigation and adaptation. IEU learning paper, November 2020. Independent Evaluation Unit, Green Climate Fund. Songdo, South Korea.

and making healthy dietary and lifestyle choices. This activity will be linked to ongoing WFP school-feeding activities.

Given the project aims to improve agricultural productivity of selected commodities and support small-holder farmers, this share of produce by small-holder farmers could be channeled into ongoing primary school feeding programmes, including those that are supported by WFP or have transitioned back to the MoES. Through the school platform, the project will work closely with representatives from MoES and targeted villages who are responsible for school menus and procurement of commodities for school meals, to ensure that they are trained on school nutrition and the importance of diversifying school meals. Project supported producer groups will be linked to ongoing school-based activities (home-grown school feeding programme).

Through SBCC and the Gender Action Learning System methodology ([GALS](#))³¹, the project will address social and cultural bottlenecks to adequate nutrition and gender practices (dietary diversity, optimal child feeding and care practices, WASH, early marriage). It will also address women and adolescent girls' empowerment such as ownership and control of resources, women workload, and give them a voice and decision making on issues that affect their own health and well-being, as well as household health and nutrition. These activities will target both female and male beneficiaries in the project area.

Specific SBCC activities on household nutrition will also be developed and implemented for the APG members and be part of the regular APG trainings. In this way, nutrition messaging will reach all stakeholders in the community and lead to maximum impact.

Sub-Component 1b: Improved agriculture productivity of selected commodities (IFAD). This sub-component aims at promoting the adoption of environmentally sustainable and climate-resilient technologies and practices by smallholders. This Sub-component will be technically supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO).

Activity 6: Community-Based Organizations (CBOs) Strengthening. The first phase of the AFN project has demonstrated that supporting Agricultural Production Groups (APG) and Water Users Groups (WUG) has a direct positive impact on agricultural productivity. APGs are small self-help groups of smallholder farmers, men and women, engaged in mixed subsistence / commercial production of nutritious commodities such as vegetables, rice, mushrooms, small animals (goats, pigs, poultry, frogs, insects) and domesticated forest products (cardamom, galangal, bamboo shoots, wild foods species, etc). Crop and livestock production surplus has generated diversified income for APG members and the number of households living under the poverty line decreased by 20% over 5 years.

The second phase of AFN will build on these achievements by scaling up the APG network in target areas. Depending on the specific needs of each community at village level, the project will strengthen the capacity of existing groups and / or will facilitate the establishment and development of new groups.

Around 1,000 APG will be supported to develop business proposals for co-investment in production and post-harvest processing of agricultural products supported by block grants of US\$ 6,000 per group. Cost benefit analysis and impact assessment will be conducted in accordance with IFAD Social, Environmental and Climate Assessment Procedure ([SECAP](#)).

Technical training, business literacy and market linkages are an integral part of the APG capacity strengthening process. APGs are the main participants in the Multi-Stakeholder Platforms under component 2 of the project.

Activity 7: Agriculture/Rural Advisory Service improved. Agriculture/rural advisory services encompass a broad range of aspects contributing to making farming more productive, more profitable, and more resilient, while ensuring positive social, economic and environmental benefits.

³¹ See methodology and case studies: IFAD AgTalk by Clare Bishop-Sambrook "The power of a dream"
https://youtu.be/z6bUkLy-m_A ; www.oxfamnovib.nl/weman

The village authorities and community-based organisations will participate in consultations to define gaps and priorities in terms of advisory services. The planning process will build on lessons from the recently closed Southern Laos Food and Nutrition Security and Market Linkages Programme (FNML)³² such as the strong focus on community-based planning (Participatory Local Adaptation Investment Plans), as well as the lessons regarding CCA.

This activity further develops the approach adopted by AFN I in the framework of the current Lao Extension for Agriculture policy. The project will continue to focus on community-based organisations and lead-farmers as key channels to deliver services to smallholders, women, and men. This farmer-to-farmer (F2F) extension approach has proven effective and efficient in ensuring that information and advice is adapted to the specific agro-ecological characteristics and ethnic composition of each village. To enhance the climate resilience of agriculture production systems in the target areas, the extension services will also include linkages with emerging climate information systems in Lao PDR, such as the Lao Climate Service for Agriculture (LACSA) established by the Department of Meteorology and Hydrology (DMH) of the Ministry of Natural Resources and Environment (MONRE) and supported by FAO [SAMIS project](#).

The project will also support district-level agriculture officers to provide relevant technical advice and facilitate linkages with service providers, inputs and equipment suppliers and buyers of agricultural products. The Extension Management System (EMS) developed by the Department of Technical Extension and Agro-Processing will be adopted to ensure District-wide orientation, evidence-based decision-making, and Management for Results. The district agriculture offices are responsible for facilitating farmers' learning, organising, and marketing functions. They are also in charge of assessing the technical and organisational skills of lead farmers and certify Village Agriculture Technicians (VAT) as the last-mile element in the service delivery channel. This certification process ensures that VATs are recognised and supported as an integral part of the extension system.

VATs who engage in commercial production of inputs (vaccinated chicks, ducklings, froglets, etc.) have demonstrated their capacity to generate a regular income stream from selling inputs, while providing sound technical advice to their customers: broiler producers, frog, fish producers, etc. Paraveterinary workers (or village veterinary workers) will also be supported to provide fee-based vaccination services and technical advice on animal husbandry. At the local level, these village technicians play a catalytic role in emerging value chains. They enjoy local recognition and trust from fellow farmers and can facilitate market linkages for their network of customers (input buyers). The project will support the emergence of such village technicians as input producers cum service providers.

Activity 8: Climate Change adaptation infrastructures (irrigation /MUS) built and upgraded. Under current climate change scenarios, the agriculture sector will face increased climate variability, risks of floods and droughts and heat waves. On the other hand, access to safe fresh water throughout the year is crucial to implement home gardens, agro-forestry, fishery, and agricultural production activities. To mitigate these climate risks and water constraints, the project will support three main types of investments in water-related infrastructures depending on the existing systems and the communities' priorities: (i) Small scale irrigation systems of less than 100 ha, (ii) Multiple Use water Systems (MUS) to ensure a regular supply of water for home consumption, hygiene, schools and nearby agriculture production: home garden, livestock raising, nurseries, upland fields, agroforestry gardens, etc. (iii) Rain harvesting and water storage ponds.

The feasibility studies will be undertaken by DAFO and DoH with technical support from the provincial and district project teams. The studies will include a water resource assessment and Social, Environmental and Climate risks assessment and management plans, including climate-proofing

³² FNML was implemented between 2013 and 2020 in the three target provinces in Southern Laos. It was funded by IFAD and the Adaptation for Smallholders Agriculture Programme (ASAP), with co-financing by the Asian Development Bank

measures to ensure resilience and sustainability of investment against extreme climate events (flash floods, landslides).

The village authorities will also fulfill the role of governance for a fair and transparent allocation of water resources with a particular focus on the most vulnerable households and women's needs. O&M committees will be established and women, as the primary users, will be encouraged to take a lead role in the decision-making processes. The project will provide capacity building support to the O&M committees to ensure effective and sustainable O&M arrangements.

These water-related investments will be linked with extension services such as weather-based crop planning to mitigate climate risk and encourage water saving techniques in areas affected by risks of frequent droughts.

COMPONENT 2: Business Partnerships and Market Access improvement (IFAD)

This component will be technically supervised by IFAD and implemented by MAF and its decentralized offices at provincial and district levels (PAFO and DAFO) in collaboration with Industry and Commerce offices at provincial and district levels (PICO, DICO) and in partnership with the SUN BN and MSME in the food supply chain.

Activity 1: Support to MSME in food supply chains. To address structural constraints in the current business environment mentioned in Section 2.4 below, the project will promote responsible investments to support nutrition-sensitive business partnerships between the public sector, community-based organizations, and private entities. The proposed activities aim to crowd-in reliable private sector entities, by encouraging co-investment from community organizations and private companies involved in food value / supply chains.

The project will contribute to identifying existing and newly registered private entities to expand the [SUN Business Network](#)³³ membership and crowd-in the private-sector participation in national efforts to improve nutrition and food security. The SUN BN members will be priority business partners for Producers Organizations (APGs, WUGs) and village nutrition committees to develop business linkages and market outlets for nutritious food products.

The project intends to support the establishment of approximately 50 new MSMEs in the target districts and provinces and will apply due diligence to ensure that businesses have demonstrated commitment to the SUN BN principles. These MSME registered at district level will become members as a subgroup of the national SUN BN.

The selected businesses (mainly women and youth in the target areas) will receive support from registration in collaboration with the Departments of Finance, Planning & Investment, and Industry & Commerce at the relevant levels. The project will provide business literacy and management training and matching grant facilities in the start-up phase of these businesses. They will have access to regular product supply through partnerships with Agricultural Production Groups (APG) supported under component 1.b of the project. In their development phase, the SUN BN members (new and pre-existing MSME) will also receive assistance to access financial services.

Activity 2: Business Multi-Stakeholder Platforms.

To address market failures described in Section 2.4 below, the project will follow the business cluster approach that aims at encouraging “many-to-many” relationships, involving a large number of farmers organized in producers’ organisations (such as APG) as well as several private entities upstream and

³³ Lao PDR joined the Scaling Up Nutrition Movement in 2011. The Lao “scaling up nutrition business network” initiative was pre-launched in 2016 and its [strategy for 2018 – 2022](#) was jointly endorsed in 2019 by the National Nutrition Committee Secretariat and WFP, aiming at “engaging the private sector in improving nutrition in Lao PDR”. The SUN Business Network now counts 35 members, including 16 food production / processing companies.

downstream of value chains. This approach ensures that both producers and buyers participate in a competitive process where business relationships are established on a preference basis by both parties³⁴.

The multi stakeholders' platform provides the adequate arena for these relationships to form. They will be facilitated by local facilitators hired by the project in collaboration with public line agencies: agriculture and forestry jointly with industry and commerce. The project will facilitate the preparation of business plans and will support co-investments in the business clusters with a matching grant facility. The grants will serve the purpose of offsetting risks associated with doing business in remote areas with newly established business ventures or producer organisations. The project will encourage auto-financing by business entities and will mobilize matching grants only to fill investment gaps within business clusters.

The project will also engage in strategic partnerships with existing organizations (LWU's Women and Family Development Fund (WFDF)) with a proven track record in providing business and literacy training to rural households and women in particular, including members of ethnic groups. In doing so, the project will pilot the new IFAD's household methodology "Business Action Learning for Innovation" (BALI), which is the sequential branch of GALS aimed at developing business capacity and financial management skills while encouraging gender-sensitive change at the household level (for more details, see section 4.1). Several partnerships could be complementary to ensure geographic coverage across the project target districts and villages.

The project will also link the APG with existing or emerging micro-finance services such as WDFD and village banks, where available, to support sustainability of APG investments in production, post-harvest, and marketing.

Activity 3: Market related infrastructures. The Multi-Stakeholder Platforms under Activity 2 will directly inform investments in market-related infrastructures: access tracks and post-harvest / processing facilities. While food systems in Laos are in their nascent stage, increasing added value to locally-grown produce through industrial in-country processing could improve food security, nutrition, employment and reduce reliance on imported products.

Access tracks will only be improved where physical access is a critical constraint to market linkages. The project will assist the village authorities in identifying existing alignments of less than 10 km length that could ensure year-round access to the main road and district centers. The expected outcome will be improved access to public services (health, education, etc.) and to markets (selling of agricultural products and buying of nutritious foods by rural households).

The survey and design will be carried out with support from DAFO and District Public Works and Transport Offices (DPWTO). Climate proofing measures will be included to ensure the infrastructure stays functional year-round and that climate risks such as bank erosion, landslides, flash floods, etc. are identified and mitigated in the design process.

The village authorities, with support of District Project Team and DPWTO will be responsible for recruiting local contractors through a force account procurement mechanism. The village authorities will also establish an O&M committee responsible for operational rules (rain gates) and maintenance and repairs.

In parallel, the project will co-invest in other market-oriented infrastructure such as post-harvest, processing and storage facilities with the aim of mitigating market risks and generating value addition within the rural communities. The facilities eligible for investment include drying floors, solar dryers, threshers, sorters, cooling systems, packing units, weighing stations, collection centers, etc. These

³⁴ This approach is promoted in IFAD funded projects in [Nepal](#) and [Cambodia](#) and the [PICSA project](#) in Laos has also started to implement this approach in four northern provinces in Laos in a similar context.

investments will be part of the business plans prepared by business clusters in the multi stakeholder platform process under activity 3 above.

COMPONENT 3: Enabling environment (IFAD and WFP)

Activity 1: Multisector planning and coordination (WFP). In the framework of the National Nutrition Strategy and the convergence approach, the Government of Lao PDR, through the National Nutrition Committee under the Ministry of Health (MoH) is establishing nutrition committees at all district and province levels. The committee members are appointed from their respective line agencies: Health, Agriculture and Forestry, Education and Sport, Lao Women Union, etc. Together these four key agencies are responsible for jointly planning nutrition-related interventions.

The new National Plan of Action for Nutrition for 2020-2025 identifies 23 priority measures, of which 9 are multisector, involving other ministries and line agencies such as Planning and Investment and Finance.

The project will support these multi-sectoral planning activities by providing hands-on technical assistance to the nutrition committees at provincial and district levels to improve coordination and efficiency. Specifically, the project will actively link activities in the target villages with the District and Provincial Nutrition Committees.

The project will draw on lessons learned by the current AFN I project in support of village nutrition committees in their planning process. In turn, village nutrition plans inform the district-level committees planning process to support the village nutrition committees. Similarly, the provincial level nutrition committees plan priority interventions to support the district nutrition plans.

The project will mobilize a full-time facilitator at district and provincial levels to support the Provincial and District Nutrition Committees. The project will also support the public planning process to integrate the Nutrition planning into the National Socio-Economic Development plans. (Village Development Planning, District Multi-sectoral Nutrition Convergence Planning).

Activity 2: Partnerships. Partnerships are a key feature of the project. During preparation of this concept note, several strategic partnerships have been identified: Oxfam has implemented the GALS approach in Lao PDR similar contexts as AFN II target areas (for more details on GALS, see section 4.1).

Strategic partnerships will also be developed with research institutes (NAFRI, LaRECC, Worldfish, CDE) and academia institutions (National University of Lao, University of Bern, Mc Gill University, WorldFish) that have a proven track record in the promotion of wild foods and aquatic species in South-East Asia and in Lao PDR. Options to collaborate with the National University of Lao PDR (NUoL) for curriculum development in novel areas will be explored. These areas include climate resilient agriculture, importance of wild foods to improve nutrition status and participatory approaches such as the use of the GALS approach. The current USAID funded Applied Nutrition Research Capacity Building (USAID) supported the Lao American Nutrition Institute, is a potential partner in this area. The Hand-in-Hand Initiative supported by FAO might also be a partner in the project.

Thirdly, the partnership with SUN BN will allow to strengthen the outreach and business development capacity of MSME along food supply chains.

In addition, this component includes a “Challenge Fund” to support local NGOs and Civil Society Organisations which provide service to vulnerable rural households in the project target areas. The NGOs/CSO will be eligible to submit proposals to request funds. The proposal will be selected on a competitive basis by the project steering committee.

Table 18: Strategic partnerships across project components

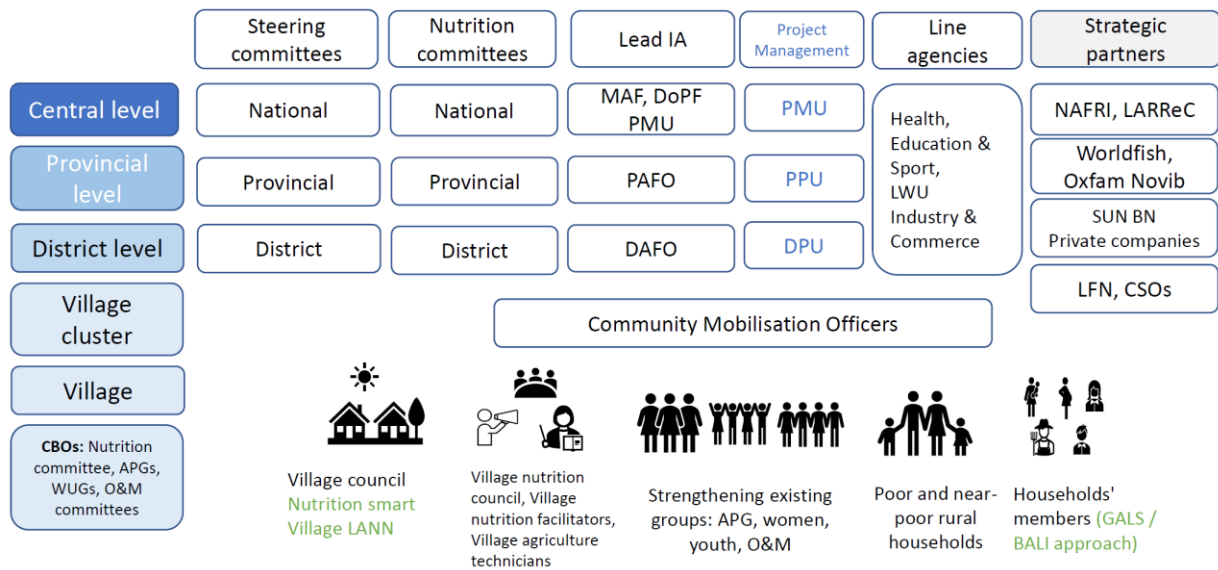
	Partnership area	Identified partner	Partnership objective
1.a: Nutrition	Planning with individual household members	LWU's training center, Oxfam Novib	ToT, coaching, impact evaluation for GALS and financial literacy, focusing on women

Partnership area	Identified partner	Partnership objective
School environment/school-based nutrition	WFP	Awareness raising, nutrition education / SBCC
Wild food species	NAFRI, Oxfam Novib	Promotion of local edible species
Aquaculture, aquatic species conservation	Living Aquatic Resources Research center (LARReC) under NAFRI and WorldFish	Fish conservation zones; promotion and conservation of aquatic species for nutrition
1b: Agriculture/Rural Service	Advisory Private Co, Service providers, Lead farmers, Civil Society organisations (CSO)	Last mile service delivery, long-term continuity of support to rural households
2	Market access for rural households PICO/DICO, SUN Business network, MSME	Due diligence with nutrition focus, Facilitation of Multi-stakeholder platforms, MSME Access to finance
3	Youth participation, CSA, etc. Local interventions, including in convergence districts Civil Society organisations (CSO)	Civil society participation, youth involvement. Diversified channels of services, sustainability of interventions (exit strategy)

Activity 3: Project management. The project will be managed by a Project Management Unit (PMU), established within the Department of Planning and Finance (DoPF) of MAF, headed by a National Project Coordinator to manage planning and implementation and reporting of the project to the central level steering committee. An appropriate number of full-time officials of relevant line agencies (including members of the nutrition committee) at provincial and district levels will be responsible for various activities and all District Offices will be directly responsible for facilitating delivery of project activities in their respective district. The project will recruit Social Mobilisation Officers in the target areas as facilitators. An international CTA for the project will be provided by WFP to support the PMU in overall project management. The PMU will be supported by key project team members in the areas of financial management, procurement, M&E/KM, gender, etc. Further details provided under the section 5.4.

Appendix 6 – AFN II implementation structure

Figure 6: AFN II implementation structure



PMU: Project Management Unit, Includes financial management, procurement and M&E functions as well as KM, gender. Province and district project Unit (PPU /DPU) cover technical support functions and implementation coordination.

Appendix 7 – Sector Working Group on Agriculture and Rural Development and AFN

Brief note on GAFSP-funded the Agriculture for Nutrition (AFN) project and the Sector Working Group on Agriculture and Rural Development (SWG ARD)

The Sector Working Group on Agriculture and Rural Development (SWG ARD)

In the framework of the [Paris Declaration](#) (2005) and the subsequent [Vientiane Declaration](#) (2006), the Government of Lao PDR efforts to improve aid effectiveness has been supported by Development Partners. A National Round Table Process (RTP), coordinated by Ministry of Planning and Investment, is held to bring governments and national development agencies, United Nations bodies, civil society organizations and the private sector together to ensure funds, time and knowledge bringing maximum impact in development across the country. A National Round Table Process Meeting is held every fifth year, in line with national socio-economic development plan cycle, with mid-term review and the Round Table Implementation Meeting (RTIM) is held on a yearly basis to review progress and plan programs implementation for consecutive years.

The Round Table Process includes 10 [Sector Working Groups](#) to coordinate actions among various stakeholders by theme. The Groups serve as key links between local progress and national plans and policies. They cover health, education, governance infrastructure, macroeconomics, trade and the private sector, mine action, illicit drug control, agriculture and rural development and natural resource management and the environment. Several Sub-Sector Working Groups provide additional platforms for coordination around specific priorities within these.

The Ministry of Agriculture and Forestry (MAF) is Chair with French Embassy and FAO as Co-Chairs of the Sector Working Group on Agriculture and Rural Development with relevant Government Ministries and Development Partners as members. The Chair and Co-Chairs meet two or three times a year as needed to discuss and update development policy, progress, issues, and plan for joint actions in the Sector. As scheduled, the next SWG is planned on 15 September 2021.

Under the SWG ARD, there are Four Sub-sector Working Groups (SSWGs): Agri-business, Forestry, Irrigation, Agro-Biodiversity and Rural Development. Similarly, the SSWGs Chair and Co-Chairs meet two or three times a year as needed to discuss and update achievements and development issues in the Sector. The latest meeting was organized on 1st July 2021 with presentations of studies on tea, cassava, and the Lao Farmers Network restructuring.

Agriculture for Nutrition Project

The [Agriculture for Nutrition](#) Project³⁵ is financed by GAFSP and executed by the Ministry of Agriculture and Forestry (MAF) of Lao PDR. The project became effective on 28 April 2016 and the initial completion date is 30 June 2022 as per project design. The original cost of the project is USD 38.8 million, which consists of a GAFSP grant of USD 24 million to IFAD, a GAFSP grant of USD 6 million to the World Food Programme (WFP), the Government of Lao PDR (GoL) contribution of about USD 4 million and contributions from beneficiary groups and local private sector estimated at USD 3.3 million. Under the GAFSP COVID-19 response for the Public Sector Window, additional financing of USD 3.8 million was approved by the GAFSP Steering Committee in September 2020, consisting of USD 1.5 million for IFAD and USD 2.3 million for WFP. The revised total project cost is estimated at USD 42.6 million. The project implementation timeframe is being extended to December 2022.

The SWG ARD endorsed the MAF proposal for GAFSP public sector window funding in March 2013. Besides, the SWG ARD, the AFN project has actively participated in GoL/DP forum of concertation such

³⁵ The AFN I Goal is to “contribute to reduced extreme poverty and malnutrition in poorest communities”. The Development Objective is “improved and diversified agricultural production and household nutrition enhance life prospects”. The project is implemented in 400 villages of the 12 nutrition convergence districts in four Northern Provinces: Oudomxay, Phongsaly, Xieng Khouang and Houaphan.

as the Round Table Meetings, the National Food Systems Summit Dialogues 2021, and key government meetings of the National Nutrition Committee, National Poverty Eradication Meeting and also Key Forums held by Development Partners – World Food Day, National Farmer Forum, etc., . The AFN project also contributed to the formulation of the new National Plan of Action on Nutrition (NPAN) 2021-2025 in the broad framework of the National Nutrition Strategy to 2025.

The joint Supervision Mission conducted in April 2021 by MAF, IFAD and WFP concluded that the overall AFN I project performance and the likelihood of reaching its Development Objective are both rated satisfactory (5/6). AFN I was rated highest (rate 1) by the GAFSP portfolio review in 2021. Carbon balance (Green House Gas Emissions) of AFN I was ranked third best out of all GAFSP funded projects worldwide.

Building on the strong MAF/IFAD/WFP partnership and the lessons learned from the first phase of AFN, the Government of Lao PDR decided to respond to the [GAFSP 2021 Call for Proposal](#) through its public sector window. Consequently, the funding proposal for the second phase of AFN (AFN II) has been prepared in close collaboration with multiple stakeholders from the public and private sectors, multilateral and bilateral development partners as well as NGOs and CSOs.

The AFN II project's development objective is to enable 28,000 vulnerable households living in the project area to improve their food and nutrition security by 2027. The objective will be achieved through gender-transformative activities aimed at improving dietary intake, increasing resilient and diversified agricultural production and income, enhancing livelihoods' resilience including recovery from COVID-19 impacts, management of natural resources and access to services related to agriculture, nutrition, and markets.

The project will be implemented in at least 500 villages in 20 districts (including 6 nutrition convergence districts) in 5 provinces: Phongsaly, Oudomxay, Salavan, Sekong and Attapeu.

The proposal is to be submitted by the Ministry of Finance to GAFSP no later than the 8th of September 2021. It is to be endorsed by MAF, the SWG ARD co-chairs (French embassy and FAO), the supervising entity (IFAD), and the technical assistance entity (WFP).

To maximize the potential complementary impact of AFN II, all stakeholders should remain engaged with existing government-managed working groups and other development partners. The MAF DoPF and the AFN II Project Management Division Team remain committed to report on the progress and lessons learned of the AFN II during the implementation timeframe. Two key areas for SWG ARD support are: (i) coordination between donors' funded interventions in nutrition-sensitive agriculture in the 12 convergence districts in Phongsaly, Oudomxay, Xieng Khouang and Houaphan province (ii) evidence-based policy dialogue on effective interventions to promote good agriculture practices, nutrition and food security outcomes in the context of the pandemic and beyond through a "build -back better" approach.