

PROJECT DOCUMENT
11TH TRANCHE OF THE DEVELOPMENT ACCOUNT

EXECUTIVE SUMMARY

Project Code and Title :	1819 1819AD. Increased policy coherence and sustainability of national production and consumption patterns in North-South and South-South agriculture trade
Start date:	January 2018
End date:	December 2021
Budget:	\$500,000
UMOJA cost centre(s):	<i>13827</i>
UMOJA functional area(s):	<i>20AC0006</i>
Target countries:	Uzbekistan, Ukraine, Kenya, Brazil, Thailand, Nepal
Executing Entity/Entities:	UNECE
Co-operating Entities within the UN Secretariat and System:	ESCAP and ECA ECLAC in advisory and dissemination capacity

Brief description:

The world's population is expected to exceed 9 billion people by 2050 years, while billions of tonnes of food are wasted every year across the entire supply chain. This can be attributed to both systemic and structural reasons such as poor production, storage and transport techniques as well as stringent export requirements causing production and postharvest loss, degradation, or discarding. In many countries, particularly those with an export oriented production fruit and vegetables that do not meet export and trade requirements often imposed by buyers abroad, are simply lost. They are often not even harvested and discarded even with small imperfections particularly in the absence of a domestic demand for these crops. As a consequence, and even in insecure food situations, perfectly edible food is wasted in markets that, owing to various reasons, do not absorb this food domestically. No matter why and where food loss occurs, it results in serious income losses for the producers, a reduction of food availability and, hence, food security, increased prices and has serious environmental impacts. Therefore, food loss needs to be addressed with a global view and increased policy coherence on the local level. The project will analyze the impact of trade requirements in the area of quality on export-oriented production in developing and transition countries and help develop policy coherent measures both in the target countries and at the international standardization level. The project is designed with the intention to reduce food loss in the supply chain, particularly in the pre-shipment phase, expedite the clearance of perishable goods and reinforce multi-laterally agreed quality levels for agrifood trade and domestic markets.

The project is built around two key expected accomplishments:

EA1. Increased capacity of national stakeholders to analyse and address the impact of trade requirements on export oriented production and food loss; and

EA2. Enhanced understanding of national stakeholders on international standard setting of sustainable production patterns and food supply chains

The combination of analytical components with practical training together with mitigating measures will help decision makers and practitioners increase export opportunities and improve domestic market conditions through better governance, the development of sustainable policy and business practices, sound regulatory compliance and maximize the value of what is produced for human consumption. The early involvement of all parties and their collaboration and engagement in the development of best practice based on evidence-rooted studies will help enhance national stakeholders' awareness of sustainable production patterns and food supply chains to encourage their use on domestic levels. The project will develop new material for developed and developing economies and include both traditional peer-to-peer training and workshops but also study tours and visuals to disseminate results as widely as possible. The involvement of national stakeholders (policy-makers; the private sector, academia and civil society) as well as international parties such as UNECE and ESCAP experts, other international organizations, non-governmental organizations, the private sector and international alliances, will help build an ongoing dialogue, coherent support and sustainability beyond its life cycle.

BACKGROUND

2.1 Context

Food produced for human consumption is lost at all stages with estimates of approximately one third lost or wasted between primary production and end consumption. Over the years and in parallel to an ever more performing agriculture and an open trading environment, tremendous inefficiencies have built up along the entire supply chain with a huge environmental and economic impact affecting the income of often the most vulnerable producers: small-holders, small traders and particularly women. A recent report by the Champions 12.3 found that global food waste causes economic losses of US\$940 billion— higher than the GDPs of all but the world's largest 16 countries (*The Business Case for Reducing Food Loss and Waste*, March 2017). While food loss might not be at the origin of malnutrition or food insecurity, it does not improve the situation. Similarly, while food loss is not at the origin of greenhouse gas emissions, producing resources that are ultimately removed from the human nutrition cycle, does not help improve the situation either. Reducing food loss is, therefore, a win-win situation for all.

There are several sources of food loss that will be addressed by this project:

a) Technical requirements and standards: One source of food loss, in the North-South and the South-South trade of agricultural produce, is the requirements and/or trade standards (particularly quality) set by buyers (i.e. market dominating huge buyers and retail chains) to describe the condition of the fruit and vegetables they source on international markets or even the absence of such requirements, particularly, on domestic markets. While many of the requirements or technical specifications are based on internationally negotiated norms and reflect trading practice, they also include components defined by the buyer to satisfy consumer demands in importing countries. In recent years, these technical requirements have become one of the potential sources of food loss particularly in source markets in developing and transition countries. Buyers seem to define requirements that appear difficult to meet by some of the local producers.

b) Slow border inspection and clearance procedures: In addition, slow and cumbersome procedures and processes at export control stage hinder the fast clearance of perishable agricultural produce thus increasing the risk of food loss even more. The latter was recognized for the first time in WTO's Trade Facilitation Agreement which entered into force on 22 February 2017.

c) Absence of local demand for export-oriented production and value chain approaches to maximize the value of the food produced. Currently, in developing and developed markets alike, scarce resources are used also to produce food that will never be consumed. Moreover, in many cases, there is no local market and domestic demand for export crops and currently, much of it is removed from the human consumption chain. Even if the domestic market would be willing to take in excess production or redistribute the latter, logistics and control mechanisms are not sufficiently developed to ensure that consumers receive safe, nutritious and quality food. In many cases, food produced for export is not part of the producing country's diet and will not be consumed even in food-insecure countries.

Improving the capacities to analyze where food is lost and the inclusiveness of multilateral mechanisms, introducing basic quality regimes also in domestic markets and strengthening mitigating measures to help countries absorb food lost otherwise can have an important impact on the livelihood and survival of people and the environment. Developing viable measures that help mitigate losses and lead eventually to the absorption of available food is integral part of this approach. This is a new and innovative approach pioneered by UNECE and will be done through assistance to develop (with the help of NGOs and local government) educational material and including visuals as well as strategies to maximize the value of what is produced.

SDG 12, and particularly target 12.3 on halving food loss by 2030, provide an excellent platform to spearhead new developments in this area and drive progress with all national and international stakeholders: public, private, and civil society.

2.2 Mandates, comparative advantage and link to the Programme Budget

Executing entity: UNECE

The project is directly linked to the Expected Accomplishment (c) Increased consensus on and strengthened implementation of ECE recommendations, norms, standards, guidelines and tools for agricultural quality standards of the Subprogramme 6 “Trade” of the UNECE Strategic Framework 2018-2019.

Cooperating entities: ESCAP and ECA

- The project contributes to the Expected Accomplishment (a) “Enhanced knowledge among ESCAP member States of trends, emerging issues and evidence-based policy options in the area of trade and investment and related fields of enterprise development, innovation and technology development and transfer, for inclusive and sustainable development” of the Subprogramme 2 “Trade, investment and innovation of the ESCAP Strategic Framework 2018-2019.
- The project contributes to the Expected Accomplishment (a) “Enhanced capacity of member States and regional economic communities to develop and implement policies and programmes to accelerate industrialization, with a focus on regional infrastructure, energy, regional value chains, food security and agriculture” of Subprogramme 2 “Regional integration and trade” of the ECA Strategic Framework 2019.

Other RCs (ECLAC):

- The project contributes to the Expected Accomplishment (a) Strengthened capacity of Latin American and Caribbean Governments to formulate policies and strategies to transform the production structure through innovation and the diffusion of technology in the production matrix, and the creation of linkages among activities, firms and sectors” of the Subprogramme 2 “Production and innovation” of the ECLAC Strategic Framework 2018-2019.

The safeguard of food quality, fair trade and its safe consumption is at the core of UNECE’s work on agricultural quality standards and its Working Party on Agricultural Quality Standards (WP.7 and 4 Specialized Sections - Fresh Fruit and Vegetables, Dry and Dried Produce; Seed Potatoes and Meat). Their normative and analytical work focuses on standardization and international cooperation as well as since 2013 on pre-shipment food loss (at the request of UNECE countries, as one of the major importing markets worldwide as well as developing and transition countries, which export year-round to this region. This includes food loss and food waste linked to the application of standards and technical requirements. In 2015, the Working Party broadened the work in this area in light of the adoption of the agenda 2030 Sustainable Development Goals (SDGs) and, particularly, Goal 12 on sustainable production and consumption (ECE/TRADE/C/WP.7/2015/2). The 2014 and the 2015 reports of the WP.7 were endorsed by the Steering Committee on Trade Capacity and Standards (see ECE/CTCS/2015/2 and ECE/CTCS/2016/2). In November 2016, the WP.7 together with FAO organized an international conference on food loss linked to the production processes and the use of standards and requirements. This resulted in the establishment of a group on food loss, the decision to initiate work on a Code of Good Practice to avoid food loss and the first analysis of food lost owing to pre-shipment produce quality requirements in Kenya, a large exporter to the UNECE region.

Comparative Advantage

Together with its many years of work on the sustainable use of agricultural resources to foster trade and peaceful coexistence, UNECE experience in agricultural quality standards provides UNECE with an important comparative advantage in this area. The project is a coherent continuation of the work already started in UNECE

and will build on the results achieved in linking quality standards, safe nutritious and good quality food on one side and sustainable production in exporting countries and food security on the other. In addition from 2008 to 2012, and from 2014 to 2018, UNECE was the project leader of agriculture-focused UNDA projects (6th and 9th tranche) which led to tangible, lasting result, and the involvement of all relevant stakeholders in the follow-up. In addition, the projects mobilized additional funds and in-kind contributions for a sustainable continuation of the work undertaken after the projects' life cycles.

The cooperating entities ECA and ESCAP contribute extensive years of expertise and experience in the analysis of cross-border agricultural trade, value chains and regulatory procedures and processes at pre-shipment level. Their wide-ranging initiatives and their work on cross-border value chains as well as paperless trade and electronic data submission to improve the efficiency of procedures will be a major component to help define strategies and action items to expedite the clearance of agricultural exports. This will help reduce food loss which occurs because of administrative and regulatory delays before the good leave the country. UNECE and ESCAP have track records of successful UNDA projects and the collaboration and partnership to advance SGD-12 will build on the results of the aforementioned 9th tranche agricultural supply chain project.

As this topic is an emerging topic, the work will be steered and organized by UNECE as the Regional Commission with this specific agricultural mandate. In addition to the cooperating entities ESCAP and ECA, ECE will be partnering with other regional commissions (to involve them in capacity-building activities and further dissemination), and relevant agencies, particularly FAO, UNEP, UNDP and WTO. These entities will be involved in the analytical work, training activities, expert meetings and the development and dissemination of training material and results. The project will build partnerships with the private sector in the target countries and the importing countries, NGOs, civil society and the Champions 12.3 with a view to building lasting public-private partnerships and sustainability in this area.

ECLAC has done some initial research into food loss issues and identified its impact on food security and poverty reduction. While these analyses did not focus on the particular angle which is the topic of this project, ECLAC's research capacities and analyses, as well as their in-depth knowledge of their region, will help them advance the core outcomes of the project.

2.3 Country demand and target countries

Pre-shipment food loss in developing and transition markets are high compared to developed markets. In order to reduce the related income losses and environmental impact, demand for training and analysis on food loss reduction measures and mitigating actions has grown over the past several years.

Under the project, activities will be focused on the UNECE, ESCAP and ECA regions as well as their main trading partners. The project will ensure dissemination of the results among all regions. The project will provide specific national support for the preparation of analyses, workshops and study tours, and action plans to help the countries implement measures leading to food loss reductions. The target countries are 6 pilot countries in different sub regions (Uzbekistan, Ukraine, Kenya, , Brazil, Thailand and Nepal). If activities in the listed countries cannot be carried out despite initial demand, replacements will be selected based on already received requests from e.g. Lao PDR in Asia and Cote d'Ivoire in Africa. Additional countries will be included in dissemination and workshop activities as well as others based upon availability of funds and in the regional workshop. As trade flows and cross-regional trade of agricultural produce have grown substantially over the past years, so did the impact of export requirements which is no longer confined to one region. Imports from around the world throughout the year means that trade and buyers' demands also impact food loss in other regions. All selected countries will be either established exporters of fruit and vegetables and trade extensively with the UNECE or ESCAP region or be in the process of increasing their export potential. Target groups will be the policy makers, traders and producers from beneficiary countries with a particular emphasis on the inclusion of women farmers. This will ensure the direct impact of the measures and their implementation at country and inter-regional level

The selection of the 6 pilot countries is demand-driven and based on the following criteria: 1) project topic is

identified as a priority of the country or region; 2) strong commitment of the national government to the project topic; and 3) geographical balance. On request and depending on availability of resources (also from other donors), additional follow-up and support activities will be held on a national level.

A list of countries which have indicated their interest at the time of writing includes Ukraine and Uzbekistan as well as Kenya, Côte d'Ivoire and Brazil. Other countries that have expressed interest in further streamlining procedures to facilitate food trade and avoid food losses include for example Thailand, Lao PDR, Pakistan, Nepal, Timor-Leste. In addition, and upon availability of funds, these and other beneficiary countries may be involved in the project's activities, events and the dissemination of the project's results. The management team is confident that the project will deliver impact to all 6 beneficiary countries.

2.4 Link to the SDGs:

The project is linked to Sustainable Development Goal (SDG) 12 which focuses on “Ensuring sustainable production and consumption patterns”, and Target 12.3 which provides a clear mandate to reduce per capita global food waste by half at retail and consumer levels by 2030.

In addition, using currently lost production support SDG 2 “End hunger, achieve food security and improved nutrition, and promote sustainable agriculture“, and Target 2.3 which aims at improving food security and raise income levels particularly of small-scale producers and women.

ANALYSIS

3.1 Situation analysis

While many developing and transition economies are exporters of agricultural products, their food loss share particularly pre-shipment is very high compared to other developed markets. In addition, their capacity and willingness to absorb non-exported production is low. The principle underlying causes for this food loss are manifold and include poor production practices, inappropriate post-harvest techniques, lack of adequate storage facilities, poor transportation, domestic market deficiencies or stringent export requirements. Food loss very often equals food removed from the human food chain. With a world population expected to reach 9 billion people by 2050, food production and availability will have to increase by approximately 60 per cent worldwide but also in many of the beneficiary countries. While the current situation requires regional and inter-regional approaches, holistic individual, national and local value chain solutions need to be found to cater to the particular situations of the target countries. This said, the project cannot tackle the full range of issues but it can focus on some of them, namely:

- Many of the beneficiary countries produce large quantities of food for export alone without a real domestic market for these crops. Therefore, many of the perfectly edible fruit and vegetables that do not meet the technical export requirements are not consumed domestically and leave the food chain to end up not even harvested or discarded. The value of the food produced is not fully exploited.
- The beneficiary countries all face difficulties keeping quality throughout the supply chain.
- Most of the beneficiary countries continue to impose cumbersome documentary and regulatory requirements during the export process (pre-shipment). This leads to delays and losses at a very late stage of the export process.
- As most of the project countries are not actively engaged in the work on international standards and criteria, they have not had the possibility to learn from other countries in this respect.
- In most of the target countries, the primary takers of trade requirements are small-holders and particularly women farmers and traders who, in many regions, constitute the majority of agricultural work force as well the majority of the vulnerable groups.

- Many of the target countries are struggling to integrate the aforementioned vulnerable groups into more sustainable production systems. In addition, youth employment particularly in rural areas has not yet been addressed in ways that would ensure the latter with the possibility to create sustainable income possibilities through micro-enterprises for the sale of e.g. discarded export produce on local markets.

Learning how to assure consistent quality, create local demand through adequate mitigating measures and awareness raising, streamline processes and establish a dialogue between those developing the requirements and those taking them, can help change current consumption and production patterns. Cooperation and consensus between the requirements and standards set by public and private sectors is therefore a crucial component to changing the current situation and reducing food loss.

3.2 Country level situation analysis

Table 1 – Country analysis

Country	Status of affairs	Realistic outcomes
Thailand	Large agricultural exporter with an agriculture production becoming increasingly diversified and commercialized. Avoiding food loss at all stages of the export supply chain has become a an important target to improve export performance particularly in the area of fresh fruit and vegetables and the more diversified agricultural export structure. Thailand is committed to developing procedures for the speedy clearance of perishable goods under the WTO Trade Facilitation Agreement (TFA)	Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss.
Nepal	Agriculture provides livelihood of over 65% of the population of Nepal, an LDC but its export sector needs to be further developed. Nepal is committed to developing procedures for the speedy clearance of perishable goods under the WTO Trade Facilitation Agreement (TFA)	Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss.
Ukraine	Large agricultural producer (mostly small-hold farming) with the potential of becoming an important food supplier. A major hurdle for large-scale export of agri food products is meeting the food quality and food safety standards for export; thus avoiding food losses at the beginning of the supply chain. Ukraine is currently attempting to upgrade and modernize its farming practices, along with the policies, laws, and value chains that affect producers and consumers.	Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss.

Uzbekistan	<p>Large agricultural producer (with mostly small-hold farming) with the potential of becoming a larger food exporter. A major hurdle for large-scale export of agri food products is meeting the food quality and food safety standards for export and avoiding food loss at the beginning of the supply chain. Uzbekistan is aiming at diversifying its export structure and entering new international agri markets. It is currently attempting to upgrade and improve quality early in the supply chain.</p>	<p>Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss.</p>
Kenya	<p>Kenya is an important trading partner for the ECE region and supplies all year round fruits and vegetables. The EU market, for example, is Kenya's second largest market after COMESA with Kenya's exports to this market growing significantly since the 1990s, due to the immense growth in the horticultural sub-sector. Kenya's production in cash-crops (mainly for the ECE markets) has resulted in Kenya adopting ECE standards but also being at the receiving end of trade requirements. Food loss in the pre-shipment processes of two export produce has been analyzed in a recent ECE study and indicated the need for intervention owing to a high occurrence of loss.</p> <p>With agricultural productivity stagnating in recent years in Kenya, reducing food loss becomes critical in facing the growing challenges to food security in the country where currently two to four million people receive food aid annually.</p>	<p>Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss. Kenya's achievements in this area will also serve as a driver for change among the countries in the East African region.</p>
Brazil	<p>Brazil is the single biggest exporter of agricultural products to the ECE region and at the receiving end of the trade and quality requirements. Food loss in the pre-shipment export process has never been analyzed yet. With the country also facing a food security issue, reducing food loss problem can improve the current situation.</p>	<p>Officials in the country have increased capacity to analyze how the trade requirements impact export-and food loss and have initiated implementation of measures, on sustainable production patterns developed within this project, to avoid food loss.</p>

3.3 Stakeholder analysis and capacity assessment

Table 2 – Stakeholder Analysis

Non UN Stakeholders	Type and level of involvement in the project	Capacity assets	Capacity Gaps	Desired future outcomes	Incentives
Ministry of Agriculture or Ministry of Foreign Trade (or equivalent)	Target audience as they are responsible for the development of relevant regulations and their implementation	Development of agricultural trade is high on most development agendas of Ministries of Agriculture and Foreign Trade as well as related national agencies.	Lack of understanding of link between food loss and trade requirements; lack of awareness on possible measures, mitigating policies and sustainable quality production to avoid food loss	Better understand the importance of the link between food loss and food security, trade and food prices. Able to define action plans and policies that mitigate consequences and implement technical and quality requirements	Increase capacity to analyze, measure and mitigate and reduce food loss and participate in international processes. Improve food security situation. Improve quality with higher nutritious value on domestic markets.
National Standardization agencies	Target audience as they are responsible for the development of relevant regulations and their implementation	Development of agricultural trade through rules and regulations is one of their primary mission and they are well equipped to provide expertise and implementation guidance.	Lack of understanding and access to multilateral mechanisms to define quality requirements and sustainable quality production to avoid food loss.	Better understand the importance of the link between food loss and food security, trade and food prices. Able to set up more controls that are efficient to safeguard quality throughout the supply chain. Able to define action plans and policies that mitigate consequences and implement technical and	Increase capacity to participate in international processes, use and implement quality requirements on national levels to reduce food loss and improve food security situation.

				quality requirements.	
Producers', Growers', Traders', Packers', exporters' associations of agricultural produce (particularly women)	Target audience as they are responsible for the implementation and use of mitigating measures	These are the primary users and "takers" of technical specifications and are therefore at the source of information on their impact. They are also at the source of food loss and primary sources of information for measuring impact.	Do not have concrete possibilities to access policy levels and reach out to stakeholders abroad to influence sustainable production and quality requirements.	Increased awareness, implementation of quality criteria and use of mitigating measures to reduce food loss and use non-exported food for domestic markets. Improvement of their income basis, more reliable trade relations and improved livelihoods and food security, particularly for women farmers and traders.	Strengthen capacity to trade and sell better quality produce on international and domestic markets. Use food "lost" for alternative purposes and keep it in the food supply chain. More visibility and understanding of their needs and their importance for the provision of safe, nutritious food and the reduction of food loss. Recognition of the private sector as one of the important factors for economic and social development, food security and reduction of food loss.
NGOs and civil society (including consumer organizations)	Target audience as they contribute to the dissemination, the implementation and use of mitigating measures	NGOs and civil society has done a lot of research and is close to the stakeholders and the private sector. In addition NGOs and civil society hold the potential to drive the development and implementation of mitigating measures.	Do not have concrete possibilities to access policy levels and reach out to stakeholders abroad to influence sustainable production and quality requirements.	Concrete tools provided by the development of analyses and mitigating measures. Stronger involvement of local NGOs through an increased dialogue with public stakeholders.	Possibility to engage actively in food loss reduction through targeted mitigation measures and increased dialogue with national and international partners supporting progress towards SDG targets.

PROJECT STRATEGY: OBJECTIVE, EXPECTED ACCOMPLISHMENTS, INDICATORS, MAIN ACTIVITIES

4.1 Project Strategy

The project objective is to increase policy coherence and sustainability of national production and consumption patterns in agriculture trade in up to six selected countries.

1. As a first step, the project will assist national governments in the beneficiary countries by analyzing their particular situation in order to assess the impact of trade requirements on export-oriented production and the related food loss (6 studies – A. 1.1). Data will be collected via a preliminary desk research and through interviews with producers, traders and buyers at the farm gate and in packing houses over a defined period. The analyses in all target countries will all be based on the same methodology and the findings will, therefore, ensure a certain degree of comparability across regions.

2. All results will be fed into the identification of the related root causes for food loss and will be validated in 6 national workshops (A.1.3) with public and private sector participation, NGOs and civil society, small holder representatives including women farmers and traders. This is done with the aim to foster a multi-stakeholder approach and promote ownership of the process and their buy-in to reforms and mitigating measures.

3. The outcome of the reviews and discussions will serve as the basis for the development of 6 action plans (or roadmaps – A1.2) as well as mitigating measures and follow-up. The latter that will look into the development of domestic demand and re-use of discarded export produce for local consumption through stringent quality controls. In addition, they will identify ways to improve the efficiency of the documentary and regulatory procedures, pre-shipment and at the border, in order to increase the speed of all border clearance procedures in a coherent way. The national workshops (A1.3) will serve as a prime forum for dialogue among all stakeholders and the establishment of working groups to help the action plans' acceptance and implementation. Working groups will include primary stakeholders (public and private) as well as international organizations, donor agencies, and civil society.

4. The 3 regional workshops (A1.4) will disseminate results and findings and serve as important vehicles of inter-regional knowledge transfer on the results of the studies, action plans, study tours, and follow-up at the regional level. Whenever possible, regional working groups on food loss will be established to ensure sustainability and continuation of results achieved. Working groups will include primary stakeholders (public and private) as well as international organizations, donor agencies, and civil society. These working groups will also build on already existing networks such as UNNExT or the Central Asian working group.

5. The project's success will also build on knowledge and capacity transfer during the 6 study tours (A2.1) in importing countries to increase awareness of the sustainable best practice and ensure the broadest possible adoption of quality products and quality assurance measures in target countries based on international best practice to reduce food loss early in the supply chain. The study tours will be organized jointly with national inspection agencies and the private sector to increase continuous dialogue possibilities, impact and sustainability. Meetings with authorities and buyers in importing will develop negotiation skills and strengthen the role of producing countries to avoid further food loss. In addition, the study tours will strengthen awareness of quality production and its importance for food loss reduction further up the food supply chain.

6. The result of the studies and the workshops will also serve as the basis for the preparation of training and promotional material (A2.2) as well as the development of simple mitigating actions on the

domestic markets. Emphasis will be placed on their use at national but also regional level. The foremost aim is to produce and disseminate a code of good practice to avoid food loss along the supply chain as well as visuals and film(s) on food loss. The drafting process of the Code of Good Practice will involve pro-bono experts from the UNECE Working Party and its food loss group. This will allow a broad involvement and ensure coherence and use. The Code of Good Practice, as well as the visuals, will help increase knowledge transfer in all target countries and regions and ensure sustainability beyond the project cycle. Target groups are primary stakeholders (public and private) as well as domestic consumers and their representatives.

7. In order to involve the beneficiary countries in multilateral standardization and give them a stronger voice early in the quality definition phase, four expert workshops in parallel to the other activities (A2.3) and back-to-back with regular intergovernmental meetings will increase their capacities to understand and participate in the development of international best practice and foster inter-regional dialogue. They will help improve their understanding of the link between international standards, best practices, quality production and the reduction of food loss and an increase of sustainable agricultural food supply.

8. Previous projects have shown that for capacity-building to be more effective, it might require targeted interventions by experts ready to coach and guide countries through certain reforms. Therefore, during the course of the project international experts and the secretariat will assist target countries through 6 advisory missions (A 2.4). They will provide follow-up to the local implementation of quality requirements and mitigating measures, procedural changes and use of electronic data submission and transfer to foster sustainable quality production, efficient border clearance procedures and avoid food loss during the entire project duration and in parallel with other activities. This will also serve to disseminate the training material and codes of good practice, enhance the dialogue between the regions, with importing countries and particularly the private sector .

As many of the producers in transition and developing countries are small-scale farmers, care will be given to including them in all phases of the project. Particular attention will be given to women farmers and traders who in many regions constitute the largest portion of the agricultural work force and whose sole livelihood often depends on income generated from their farms and trade. In addition, in order to foster progress and new development, youth entrepreneurs and enterprises at micro levels will receive particular attention. In the case of export-oriented production, the latter is particularly vulnerable to last minute order cancellations based e.g. on quality criteria. Giving these groups a voice and including them in any kind of reform process is of particular importance and will be a centre point of this project. Due consideration will also be given to possible institutional arrangements hedging small holder farmers and particularly women farmers from the negative consequences of food loss based on quality. Including discarded export-produce in domestic consumption can provide them with new sources of income, increase their income and food security.

4.2 Logical Framework

Table 3 – Logical Framework

<u>Intervention logic</u>	<u>Indicators</u>	<u>Means of verification</u>
Objective: Improving policy coherence of transition and developing countries for increased sustainability of national production and consumption patterns in North-South and South-South agriculture trade		
EA1 Increased capacity of national stakeholders to analyse and address the impact of trade requirements on export oriented production and food loss	IA 1.1 6 national mitigation action plans on the implementation of technical and quality requirements developed	Progress reports from each country’s working group leader will verify the status of development and adoption of food loss measures and report to project manager. Advisory missions to the target countries will also serve as verification sources. Reports from regional and national workshops and advisory missions will ensure the availability of necessary information.
	IA 1.2 At least 3 target countries, adopted mitigation action plans on food loss reduction	Progress reports from each country’s working group leader will verify the status of development and adoption of food loss measures and report to project manager. Advisory missions to the target countries will also serve as verification sources on local implementation. Reports from regional and national workshops and advisory missions will ensure the availability of necessary information.
A1.1 Conduct six analytical studies in each beneficiary country based on a common methodology to assess and quantify the impact of trade requirements on export oriented production and food loss. The studies will consist of a short desk analysis as well as original data collection at the farm gate, packinghouses, and interviews with producers, traders and buyers over a defined period. The studies will focus on 1 or 2 priority food export items. The study will identify root causes and first possible interventions to reduce food losses.		
A1.2 Develop six national action plans (one for each target country by national consultants with input from international experts) on the possible implementation of technical and quality requirements and mitigating actions (to improve domestic market’s absorption of produce and development of quality control) primarily based on the findings of the analytical studies, and including optimization of pre-shipment documentary requirements and border crossing-procedures. The national action plans will serve as a roadmap, include benchmarks, action items and recommendations on targets (key achievements), key performance indicators and possible organizational structure to manage the process. Please elaborate a bit more on the essence of the NAPs, overall structure, whether they include recommendations etc. as it will be one of the key achievements of the project		

<p>A1.3 Organize six national capacity building/ validation workshops in the target countries for policy makers, traders, producers and civil society, on standards and best practice to improve quality production and avoid food loss. The workshops will serve to validate the results of the studies and national action plans and achieve ownership by all stakeholders. They will include discussion and planning of follow-up the finding. They will serve as a prime forum for dialogue among all stakeholders and the establishment of working groups to help the plan’s implementation and acceptance. Working groups could include primary stakeholders (public and private) as well as international organizations, donor agencies, and civil society.</p>		
<p>A1.4 Organize three regional workshops in the target regions (including e.g. Eastern Europe and Central Asia; and one in East Asia) to disseminate results of the studies, action plans, study tours, and follow-up on regional levels to foster knowledge transfer and increase their impact in the current tight links between regional and cross-regional trade, production and consumption. To ensure policy coherence on national and global levels, these workshops serve as multipliers and reform accelerators. The most important results of these workshops are enhanced cooperation between all stakeholders and intensified commitment to reduce food loss to face the growing sustainability challenges. Whenever possible, regional working groups on food loss will be established to ensure sustainability and continuation of results achieved. Working groups could include primary stakeholders (public and private) as well as international organizations, donor agencies, and civil society.</p>		
<p>EA 2 Enhanced understanding by national stakeholders on international standard setting of sustainable production patterns and food supply chains</p>	<p>IA 2.1 75 per cent of the trained beneficiaries confirmed increased capacity to develop and implement measures to improve sustainable production patterns and food supply chains</p>	<p>An evaluation form at the end of each project workshop will measure results.</p>
	<p>IA 2.2 At least 2 international measures on sustainable production patterns and/or mitigation of food loss developed and adopted¹</p>	<p>Progress reports from each country’s working group leader will verify the status of development and adoption of food loss measures and report to project manager. Advisory missions to the target countries will also serve as verification sources on local implementation of quality requirements and sustainable quality production to avoid food loss. Reports from regional and national workshops and advisory missions will ensure the availability of relevant information.</p>
<p>A 2.1 Organize six study tours in importing countries for 5-6 stakeholders from each of the 6 different target countries to present sustainable international best practice and offer them a possibility to dialogue directly with international buyers. The aim of the study tour is to ensure the broadest possible adoption of quality production and quality assurance measures in target countries based on international best practice to reduce food loss early in the supply chain. The study tours also serve as a unique opportunity to engage with authorities and buyers in importing countries and engage in continuous dialogues.</p>		

¹International measures will be developed and adopted as part of international and multilateral process with the input from the target countries (see A.2.3)

<p>A 2.2 Prepare training materials including a code of good practice to avoid food loss along the supply chain as well as visuals and films on food loss and mitigating actions for developing and transition countries based on the findings and proposed actions identified in the studies and during the workshops for use at national and regional capacity-building workshops. This will help increase knowledge transfer and dissemination in all target countries and regions through the multilateral standardization meetings (see A.2.3.) and ensure sustainability beyond the project cycle. Target groups are primary stakeholders (public and private) as well as domestic traders, consumers and their representatives.</p>
<p>A2.3 Organize four international expert workshops on standardization back-to-back with regular intergovernmental meetings as part of existing multilateral mechanisms to define export requirements and improve the understanding of national stakeholders from target countries of the link between international standards, best practices, and quality production and for the increase of sustainable agricultural food supply. This will serve as a cost-efficient way to enhance the interregional dialogue, with importing countries and particularly the private sector.</p>
<p>A2.4 Organize six advisory missions by international experts and Secretariat to target countries to train assist and provide follow-up on local implementation of quality requirements and mitigating measures and disseminate the training material and codes of good practice, to foster effective sustainable quality production and avoid food loss, including the optimization of pre-shipment documentary requirements and border crossing-procedures.</p>

4.3 Risks and mitigation actions

Table 4 – Risks and mitigation actions

Risks	Mitigating Actions
Slow or insufficient participation of relevant stakeholders from target countries or difficulties identifying the right partners	Strong focus on communication also through already existing channels and the Working Party’s experts. Collaborating early on with UN agencies, donor agencies and civil society on the ground to identify the right partners and build on already established connections to reach out in the country.
Slower as scheduled uptake and implementation of activities, particularly mitigating actions owing to the low capacity of national governments and private sector in some of the target countries	Establishment of multi-stakeholder working groups to increase involvement and dedication to result-oriented approaches and implementation of results.
Poor coordination of international activities at national level.	Strong focus on communication and outreach activities for targeted partners in the region and building on existing networks. The project manager will focus on continuous communication and outreach activities within the target countries, especially at the beginning of the project, and well in advance before the national workshops in order to engage other donors and international project that may have synergies with this project.

4.4 Sustainability

Sustainability is particularly important for this project as it feeds into SDG-2 and SDG-12 and aims at permanently changing production and consumption patterns to improve food security and quality

production. The capacity of national governments and other stakeholders, which will be developed within the project, are an important factor for the long-term sustainability of the project outcomes. The project will be a coherent continuation of the work that has already started in UNECE through its Working party on Agricultural Quality Standards (WP.7) and build on the experience made during two previous UNDA projects particularly in the area of local and international partnerships for sustainability. Similar to these two projects, the present one as well will strive to strengthen and build new partnerships to increase local ownership and sustainability beyond the project's life cycle. National and regional working groups with a mixed participation (public, private, local agencies and civil society) will be a pillar in this respect. The aim is to lead the activities under this project towards national and regional follow-up as well as the implementations of suggested improvements. This would ensure sustainable changes for the years to come.

The project will build on already established partnerships with other international organizations, donor agencies and experts of WP.7 to ensure sustainable relations, substantial and financial support. The solid foundation that has been built with the support of UNECE, ESCAP and the previous Development Account projects is expected to have a long-term and lasting effect the sustainability of the project results.

Given the importance of the subject to all regions of the world and the strong trade linkages, efforts will be made to establish a mechanism among the regional commissions (global partnership) as well as other development partners such as UNDP to endure the continuation of support to this cause. In addition, as much of the trade flows as well as the food loss occur in South-South trade, attention will be given to increased South-South cooperation and partnerships.

MONITORING AND EVALUATION

The UNECE project manager will be responsible for regular monitoring of the project implementation. The progress of the project will be reported each year by annual progress reports, and the material and information related to the project will be shared on the web site. In addition, a questionnaire will be developed by the project manager to evaluate the impact, effectiveness and long-term sustainability of the project activities. The questionnaire will be circulated regularly, after each workshop in the beneficiary countries among participants in the workshops. The evaluation of the project will be conducted by an external evaluator during the last six months of the project (2021). The evaluator will have access to project progress reports, workshop reports, as well as evaluation forms, which include a basic set of workshop evaluation questions in UNECE and, are completed by all participants in the workshops. The evaluator will also conduct interviews with key project stakeholders from target countries and partner organizations, conduct desk research and prepare the evaluation report. The evaluation will be completed in line with the UNECE Evaluation Policy.

MANAGEMENT, PARTNERSHIP AND COORDINATION AGREEMENTS

The project will be implemented jointly by UNECE (executing entity) and ESCAP and ECA (cooperating entities). UNECE with the input from ESCAP and ECA will carry out administrative and reporting responsibilities. Moreover, the responsibilities of the UNECE will include coordination of activities with the governments and another stakeholder on the topics related to UNECE expertise, the organization of workshops and provision of trainers for these workshops, as well as support the development of evidence based policies. ESCAP will organize the implementing activities in the two South and/or East Asian target countries, expert missions and the related regional workshop. ECA will organize the implementing activities in the two African target countries, including the studies, expert missions and the related regional workshop. ECA and ESCAP will also help develop material related to reducing food loss including through better and paperless trade and border procedures.

Within UNECE, the Economic Cooperation and Trade Division will be responsible for leading, coordinating and monitoring the project and provide expertise on the topics covered by the capacity building activities included in this proposal. ECE will be also fully managing funds under the project. Within ESCAP, the project will be carried out by the ESCAP's Trade, Investment and Innovation Division. Under this Network. ESCAP, in particular, will use UNNExT's sub-working group for agriculture trade facilitation as an advisory board to help focus project activities and ensure maximum absorption of deliverables in the countries. Within ECA the project will be supported by the Regional Integration and Trade Division (Food Security Agriculture and Land Section).

ECLAC indicated their strong interest in the project and its high relevance and usefulness for their region, including their largest exporting country, Brazil both in South-North and South-South trade. Given their existing commitments and constraints ECLAC expressed their willingness to support the project in an advisory, resource and dissemination function, whenever possible. In ECLAC support will be provided, on ad-hoc basis, by the Production, Productivity and Management Division (Agricultural Development Unit) as well as their relevant sub-regional offices.

In addition, the services of national and international consultants will be used to support the analytical process and ground work in the countries and the conducting of capacity building workshops.

The project will build on existing relationships with other international organizations both within and without the UN system, including other regional commissions, UNEP, UNDP, FAO, OECD, EU, WTO and ADB, as well as donor agencies (e.g. GIZ, Hilfswerk Austria etc.). It will draw on the existing regional networks established by previous UNDA projects, including UNNExT and the Central Asian working group.

ANNEXES

ANNEX 1: RESULT-BASED WORK PLAN AND BUDGET DETAILS

Table A1. – Results based work plan and budget

EA	Activity #	Timeframe by activity		Budget class and Code <i>(Please use the budget classes listed in the table above.)</i>		Amount (USD)
		Year <i>(Y1,</i>	Quarter <i>(Q1, Q2, Q3,</i>			
EA 1	A1.1: Conduct six analytical studies (1 for each beneficiary country)	Y1	Q1 - Q4	Consultants and Experts	105	\$12,000 int'l \$18,000 nat'l \$8,000 (travel)
		Y2	Q1 – Q3			
				Contractual Services	120	\$12,000
			General Operating Expenses	125	\$900	
	A1.2 Develop six national action plans on implementation of technical and quality requirements and mitigating actions;	Y1	Q3- Q4	Consultants and Experts	105	\$12,000 int'l \$9,000 nat'l \$8,000 travel
		Y2	Q1-Q4			
Y3		Q1	General Operating Expenses	125	\$500	
A1.3 Organize six national capacity building/ validation	Y1	Q3- Q4	Travel of Staff	115	\$15,000 plus	
	Y2	Q1-Q4	General Operating Expenses	125	\$10,000 (other UN) \$7,000	
	Y3	Q1				Grants and Contributions
A1.4 Organize three regional workshops in the target regions to disseminate results	Y2	Q4	Travel of Staff	115	\$7,500 plus	
	Y3	Q3	General Operating Expenses	125	\$7,500 (other UN) \$7,000	
	Y4	Q1				Grants and Contributions (Workshops/ Study Tours)
EA 2	A2.1 Organize six study tours in importing countries for 5-6 stakeholders	Y1	Q4	Travel of Staff	115	\$15,000
		Y2	Q3 – Q4	General Operating Expenses	125	\$2,500
		Y3	Q1- Q4	Grants and Contributions (Workshops/ Study Tours)	145	\$90,000
		Y4	Q1			
A2.2 Prepare training materials on food loss and mitigating actions	Y1	Q3- Q4	Consultants and Experts	105	\$9,000	
	Y2	Q1- Q4	Contractual Services	120	\$24,000	
	Y3	Q2				
	Y4	Q1				
A2.3 Organize four expert workshops on standardization	Y1	Q2	Grants and Contributions (Workshops/ Study Tours)	145	\$57,600	
	Y2	Q2				
	Y3	Q2				
	Y4	Q2				
A2.4 Organize six advisory missions to target countries to train and provide follow-up on local implementation of quality requirements and sustainable quality production	Y1	Q3-4	Consultants and Experts	105	\$12,000 int'l \$8,000 (travel)	
	Y2	Q2-4	Travel of Staff	115	\$15,000 plus \$7,500 (other UN)	
	Y3	Q1-4				
	Y4	Q1	General Operating Expenses	125	\$1,000	
External Evaluation				Consultants	105	\$10,000

ANNEX 2: DETAILED JUSTIFICATION BY CODE

1. **Consultants and Experts (105): \$106,000 (Total)**

(a) *International consultants*

International consultants for the task(s) of preparing analytical studies and advising on follow-up, in support of activities: A1.1, A.1.2; A.2.4 (1 consultant per country) x (1 month) x (\$6,000 per month) x (6 countries) = \$36,000 plus Evaluation Consultant (2% of project amount) = \$10,000. Total: \$46,000. (Allocation: ECE \$ 23,000; ECA \$ 10,000; ESCAP: \$ 13,000)

(b) *National / Regional consultants*

National consultants for the task(s) of providing inputs to the analytical studies, developing national action plans and developing training materials in support of activities A 1.1 (1 month), A1.2 (1/2 months) and A2.2. (1/2 month) x (\$3000 per month) x (6 countries) = \$36,000. (Allocation: ECE \$ 10,000; ECA \$ 8,000; ESCAP \$ 18,000)

(c) *Consultant travel*

12 missions by local and international consultants for preparing the studies, providing advice and follow-up in target countries, in support of activities A1.1, A2.4, A1.2 (\$2,000 average mission cost) x (12) = \$24,000. (Allocation: ECE: \$ 8,000; ECA: \$ 8,000; ESCAP: \$ 8,000)

2. **Travel of Staff (115): \$ 77 500 (Total)**

(a) *UN Staff from the implementing entity*

UN Staff from the implementing entity:

21 missions for organizing and leading study tours; training at regional and national workshops, and carrying out advisory missions in the 6 target countries, in support of activities A1.3 (6 missions), A1.4 (3 missions), A2.1 (6 missions) and A2.4 (6 missions). (\$2,500 average mission cost) x (21 missions) = \$52,500.

(b) *Staff from other UN entities collaborating in project*

10 missions for the purpose of providing expertise at national and regional capacity-building workshops and during advisory missions in the target countries and their regions, in support of activities A1.3 (4 missions), A.1.4 (3 missions), and A.2.4 (3 missions) (\$2,500 average mission cost) x (10 missions) = \$25,000 (Allocation ECA: \$ 7,500; ESCAP: \$ 17,500)

3. **Contractual services (120): \$36 000 (Total)**

A provision of \$ 24,000 is required for services in support of activities A2.2: production of training materials (including visuals). Production of training materials = \$17,000, Layout and editing of online training material = estimated costs = \$7,000. Total: \$24,000. (Allocation: ECE: \$17,000; ESCAP: \$7,000)

A provision of \$12,000 is required for services in support of activities A1.1: Translation of studies into Russian, French or Spanish (depending on region) for presentation at national and international fora and capacity-building events and further dissemination via the ECE web site. Average translation cost per page (\$50) x 240 pages (40 pages per study) = \$12,000.

4. **General operating expenses (125): \$ 18,900 (Total)**

Other general operating expenses

In support of A1.1; A1.2; A1.3, A1.4; A2.1, and A2.4 and including conference room hire, rented equipment and interpretation = \$18,900.

5. Grants and Contributions (145): \$ 261, 600 (Total)

(a) Workshops & seminars

6 National workshops on best practice to improve quality production and avoid food loss, develop a mitigating measure, actions and programmes and validate follow-up of study tours; in support of A1.3. Duration of workshop: 3 days; (\$500 for travel and accommodation) x (20 local participants) x (6 workshops) = \$60,000. (Allocation: ECE \$25,000; ECA: \$ 15,000; ESCAP \$ 20,000)

3 regional workshops on food loss to disseminate national results on regional levels and increase their impact, in support of A1.4 Duration of workshop: 3 days; (\$ 1500 per participant) x (12 participants) x (3 workshops) = \$54,000. (Allocation: ECE \$ 20, 000; ECA: \$ 16,000; ESCAP 18,000)

4 workshops on standardization in support of activities A2.3. (\$1,800 per participant) x (8 participants) x (4 events) = \$57,600.

(b) Study Tours

6 Study tours in importing countries for the purpose of presenting sustainable international best practice to ensure quality production and avoid food loss in importing countries, in support of A2.1 Study tour duration: 3 days; (\$15,000 per study tour including travel expenses for 6 participants) = \$90,000.