

Guide to the German Food Partnership



The Guide to the German Food Partnership serves as reference for all GFP projects planned and implemented as of March 1st 2014.

Germany | March 2014

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

On behalf of

BMZ



Federal Ministry
for Economic Cooperation
and Development

Published by
Coordination Office of the German Food Partnership
Kathrin Fochtmann, Matthias Radek
gfp@giz.de

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH
Dag-Hammarskjöld-Weg 1-5
65726 Eschborn
Germany

On behalf of
German Federal Ministry for Economic Cooperation and Development (BMZ)
Division: Rural Development, Agriculture and Food Security

This document is based on research and contributions of:

Kerstin Linne

Green Line Consulting

www.greenlinne.com

&

Kathleen Schepp

Climate Change and Development

www.kathleen-schepp.de

Contents

- Part 1: The German Food Partnership..... 4**
 - 1.1 What is the GFP? 4
 - 1.2 How did the GFP come about? 4
 - 1.3 What is the GFP’s mission?..... 5
 - 1.4 What is the GFP’s approach?..... 5
 - 1.5 What benefits does the GFP expect to create?..... 7
- Part 2: GFP principles and criteria 7**
 - 2.1 General criteria for GFP participation 7
 - 2.2 GFP project criteria 8
 - 2.2.1 *Helping assert the right to food* 8
 - 2.2.2 *Agricultural and food inputs* 10
 - 2.2.3 *Compliance with internationally accepted principles for responsible business*..... 11
 - 2.2.4 *Compliance with the BMZ criteria for private sector cooperation* 12
- Part 3: GFP projects13**
 - 3.1 How do GFP projects work? 13
 - 3.2 How are GFP project ideas developed?..... 13
 - 3.3 How are GFP projects designed? 14
 - 3.4 How are GFP projects implemented?..... 16
 - 3.4.1 *Implementation structure* 16
 - 3.4.2 *Training* 16
 - 3.4.3 *Participation by farmers and local stakeholders* 17
 - 3.4.4 *Monitoring and reporting* 18
- Part 4: GFP understanding of partnership.....19**
 - 4.1 What are the roles and responsibilities of GFP participants? 19
 - 4.2 How does communication about and within the GFP work?..... 20
 - 4.3 What happens in the case of non-compliance? 20
- ANNEX.....22**

Part 1: The German Food Partnership

1.1 What is the GFP?

The German Food Partnership (GFP) is a network that enables German and international businesses from the agriculture and food industry to work together with German development agencies and other organisations from the field of science, civil society and the public sector to promote food and nutrition security in developing and emerging countries. It was launched by the German Federal Ministry for Economic Cooperation and Development (BMZ) and a group of leading German businesses and associations on 6 June 2012. GFP participants¹ aim at jointly implementing development projects in the food and agriculture sector in emerging economies and developing countries.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH hosts the GFP Coordination Office on behalf of BMZ and supports the platform with technical and regional expertise in the framework of individual projects.

1.2 How did the GFP come about?

There are several reasons why the GFP was set up. Here are some of the main ones:

1. **Food markets** in developing and emerging countries **are changing**. Rising demand for food, along with challenges such as climate change-induced water shortages, influence market needs and structures. However, they also present opportunities for all of the actors along the food value chain. The GFP supports and empowers stakeholders in developing and emerging markets to take advantage of these opportunities.
2. Markets have different characteristics, structures and conditions depending on where they are located in the world. Thus, while it makes sense to adopt **regionally specific approaches**, the GFP also maintains strong partnerships at national level.
3. Business relations with international value chain actors can foster and secure strong local structures needed to increase food and nutrition security on a broad scale. Besides German and international companies, the GFP actively involves national companies in its projects. Its rationale here is that by forging **strong partnerships in developing countries and emerging economies**, local business will develop the capacity to identify and take advantage of opportunities that arise.
4. In terms of food and nutrition security, today's challenge is **not only about the amount of food available, but also its quality**. To avoid malnutrition and the health risks that ensue, food production and the use of food needs to be **nutrition-sensitive**. GFP projects thus assess demand for staple foods and their nutrition values (vitamins, micronutrients) and develop customised solutions that target the markets and the consumers, and sometimes even kick in at production level.
5. **Size matters**. But achieving a good scale is only possible by working with strong partners - also and indeed especially the private sector. This is why the GFP is built

¹GFP participants are defined by having signed the statement of participation confirming their compliance with the GFP criteria (cf. part 2) and who have received respective approval from the GFP Coordination Office.

around the concept of **partnership**. Besides its focus on public-private collaboration however, it also encourages non-governmental organisations to team up, when and wherever possible.

6. **Private and public entities** that cooperate within the GFP craft sustainable business relationships. The companies' experience and expertise adds value to GFP projects and allows the globally recognised instrument of public-private partnership to be applied in food-product markets. The GFP is not meant to replace 'conventional' bilateral or multilateral development work, but to complement it.

1.3 What is the GFP's mission?

The GFP aims to improve food and nutrition security in developing countries and emerging economies by increasing the quality or quantity of food. GFP projects focus on market needs or on food and nutrition security bottlenecks, whereby the term food and nutrition security² refers to:

- The availability of food in a given region: i.e. the consistent availability of sufficient quantities of food
- Access to food in a given region: this means having sufficient economic and physical resources to secure a nutritious diet
- The appropriate use of food based on knowledge about nutrition, water and sanitation
- The stability of food and nutrition security: the steadiness of the above three factors over time

GFP projects aim to boost productivity and performance along agricultural value chains in a socially and environmentally sustainable way by facilitating access to production inputs and markets for both male and female farmers. The objective is to raise farm income and improve nutrition for local farmers, and here smallholders especially, as well as for consumers.

1.4 What is the GFP's approach?

Market-oriented: The GFP aims to create efficient value chains for agricultural products that are in growing demand on regional and local markets in developing countries and emerging economies. These are mainly staple foods that help secure people's food and nutritional status.

Value chain-oriented: Farmers, the food industry and consumers are all up against major challenges that include a growing demand for food, energy and agricultural produce, rising prices and harvest losses due to climate change. Global trends like these mean it is essential to enhance processes throughout the length of the agricultural value chain, from production up to consumption. In this way, the GFP aims to promote economic growth and social welfare at one and the same time. The upshot: farmers, providers of agricultural inputs, processing companies, traders, and retailers are connected through an efficient value chain that provides economic and social benefits for all actors involved.

² Based on FAO definition of food security

Ensure access to resources and assets: Stakeholders from the public and private sectors, and from civil society too, collaborate in the GFP in order to ensure that people threatened by food shortages and malnutrition have access to land, water, natural resources, employment, genetic resources for food and agriculture as well as safe food and nutrition. GFP participants ensure compliance with the *FAO Voluntary Guidelines on the Governance of Tenure* as well as with the *BMZ principles concerning the prevention of land grabbing* (see 2.2.1).

Help fulfil the right to food: By adopting a market-oriented value chain approach and ensuring access to resources and assets, GFP projects help fulfil people's right to food. The right to food as a human right was first formally recognised by the United Nations in the 1948 Universal Declaration of Human Rights (UDHR), and is defined as:

'The right to have regular, permanent and unrestricted access, either directly or by means of financial purchases, to quantitatively and qualitatively adequate and sufficient food corresponding to the cultural traditions of the people to which the consumer belongs, and which ensure a physical and mental, individual and collective, fulfilling and dignified life free of fear.'

Dedicated to environmental sustainability: GFP participants work together in order to achieve environmentally sustainable food and nutrition security. They are committed to the responsible management of natural resources and to reducing agriculture's environmental footprint by promoting sustainable production practices in line with BMZ's concept on the 'Promotion of sustainable agriculture' (2013).

Engaged in partnerships: GFP participants intend to create 'shared values' and advocate innovative approaches, such as the World Economic Forum's New Vision for Agriculture, Grow Africa, or the Comprehensive Africa Agriculture Development Programme (CAADP). These strategies aim for increased investment in agriculture to boost food and nutrition security and to spur economic growth. The GFP spotlights innovative models for collaboration that can prompt the necessary changes in agriculture. It highlights the vital contributions the private sector can make to the roll-out of sustainable agricultural systems on a global scale. By cooperating with actors in different sectors and pooling experience and expertise, the GFP can accelerate the development of innovative, inclusive and gender-sensitive business models and scale them up in developing countries and emerging economies. However, this approach will only succeed if smallholders and companies can engage as strategic partners in the food value chain. The GFP thus advocates empowering farmers to make their own, independent decisions about their agricultural production and marketing techniques and also in their capacity as consumers of food. It is for this reason that the special focus of all GFP partners is on strengthening their relationships with farmers, consumers and other agricultural-sector stakeholders and on building up partnerships in developing countries and emerging economies.

1.5 What benefits does the GFP expect to create?

For farmers and consumers: Efficient food value chains improve the availability of safe and healthy food in regional and local markets in developing countries and emerging economies. Inclusive business models ensure the participation of small scale and family farmers in value chains and aim at creating benefits especially for these target groups. Skilled male and female farmers and workers get access to knowledge, resources, and agricultural inputs and increase their productivity. This creates work opportunities that provide sufficient income to allow an adequate standard of living while sustaining self-employment. People who are part of efficient food value chains benefit from growing markets, fair prices as well as new income and employment opportunities. By applying sustainable production and processing practices, they are able to secure their long-term production basis.

For the environment: Applied sustainable production and processing practices facilitate the responsible management of natural resources and protect soil, water and (agro)biodiversity. While an increase in productivity is an explicit GFP objective, it should not be pursued at the expense of the environment. Rather, existing unsustainable practices are to be improved to the benefit of agricultural ecosystems. Soil fertility, for example, is to be improved using a combination of organic and mineral fertilisers, whereby intervention will always be based on actual plant needs and soil analyses. Plant protection will be based on threshold levels, taking into account side-effects e.g. on ground and surface water and climate. Such effects shall be minimised by the adoption of more sustainable production practices.

For the food and agriculture industry: Working with the public sector on food and nutrition security issues GIZ facilitates dialogue between partner companies, farmers' organisations and NGOs. Those can be involved in multi-stakeholder dialogues related to their sectoral interests. Private companies align their long-term sustainability strategies and interests as well as their resources and capacities with development policies and programmes. Together, the GFP partners develop and test innovative and inclusive business models and leverage the effects of their economic and social investments. As a consequence, private companies will be able to better manage the risks associated with entering new markets in developing and emerging economies. In the long run, the food and agriculture industry will be able to direct its agricultural inputs to the growing food markets and build up long-term business relations based on trust.

Part 2: GFP principles and criteria

2.1 General criteria for GFP participation

Private companies, associations, (business) development banks and foundations that are engaged in the food sector, share the goals of the GFP, and are willing to get involved in GFP activities in order to put their core business on a sustainable basis, are welcome to participate in the GFP.

Participants must comply with the following principles:

- ✓ Participants regard their contribution to sustainable development in developing countries and emerging economies as inherent to their long-term strategic business interests.
- ✓ GFP participants engage in developing countries and emerging economies on a long-term basis, and their activities go beyond merely identifying suppliers or customers.
- ✓ The willingness to cooperate with other businesses, institutions and with the public sector is anchored in the policy of the participating company, association or of other participant.
- ✓ Participating actors from the private sector pursue the goal of sustainable agriculture in order to enhance food production (in terms of quantity as well as quality) and distribution and to improve the food and nutrition situation in partner countries in a gender-sensitive way.

2.2 GFP project criteria

By working with the private and public sector in the partner countries, the GFP is aiming at swiftly and efficiently shifting agriculture in emerging economies and developing countries to a sustainable level that enhances food and nutrition security while helping to fulfil the right to food. GFP projects involve small and medium enterprises (SME) and multi-national enterprises. Specific criteria are in place to map out GFP project frameworks and to help ensure that the main goal of enhancing food and nutrition security will be reached.

2.2.1 Helping assert the right to food

One condition that has to be met in order to enhance food and nutrition security is that people threatened by food shortages and malnutrition must be able to assert their right to food. In its projects, GFP is committed to improving the framework conditions listed below, since they help people exert this right and enhance their food and nutrition security.

Every project implemented within the GFP framework must address the following seven issues:

1. Access to land: GFP participants ensure compliance with the *FAO Voluntary Guidelines on the Governance of Tenure* as well as with the *BMZ's principles on the prevention of land grabbing*. Specifically they ensure that:

- Their investments do not cause people to be dispossessed of their tenure rights.
- Should they intend to acquire tenure rights to land, fisheries and forests, they ensure that the local population and all relevant people are informed and engaged in the negotiations. Land can only be sold or leased with the free, prior and informed consent of the people affected.
- Existing land and water rights, including traditional and collective rights, as well as those recognised under common law, are acknowledged and laid down in purchase and lease contracts. These rights must be accepted by the competent institutions and the population involved and safeguarded by means of corresponding mechanisms.

- Resettlement may only be undertaken if the investment is expected to have relevant development impacts, and if it can be demonstrated that such measures are unavoidable in order to ensure the feasibility of the investment, and if compensation is ensured.
- All GFP activities and projects respect the core principles of the guidelines on responsible governance of tenure:
 - ✓ RECOGNISE AND RESPECT all legitimate tenure rights and the people who hold them
 - ✓ SAFEGUARD legitimate tenure rights against threats
 - ✓ PROMOTE AND FACILITATE the enjoyment of legitimate tenure rights
 - ✓ PROVIDE access to justice when tenure rights are infringed upon
 - ✓ PREVENT tenure disputes, violent conflicts and opportunities for corruption. Non-state actors (including business enterprises) have a responsibility to respect human rights and legitimate tenure rights.

2. Sustainable investments in agriculture: GFP participants and partners ensure compliance with the *Principles for Responsible Agriculture Investment (PRAI)* which respect rights, livelihoods, and resources.³ GFP partners undertake to ensure that their investments generate desirable social and distributional impacts and do not increase vulnerability. The environmental impacts of a project are quantified and measures are taken to encourage sustainable resource use, while minimising the risk/magnitude of negative impacts and mitigating them.

3. Access to genetic resources for food and agriculture: The GFP ensures that all activities consider the conservation and sustainable use of genetic resources for food and agriculture. GFP projects aim at protecting relevant traditional knowledge and advocate equitable participation in benefit-sharing with respect to the use of genetic resources.

4. Sustainable production and processing: GFP projects ensure ecological sustainability, prevent water and soil pollution and enhance soil fertility. The sustainable management of natural resources is promoted by all GFP projects, essentially via the application of sustainable agricultural practices.

5. Food safety and consumer protection: Food produce promoted by GFP projects is safe and complies with national food security standards. The agricultural products as well as processing for nutritional purposes comply with internationally accepted food standards (Codex Alimentarius) and follow good agricultural, manufacturing and hygiene practices.

6. Food and nutrition security: GFP projects increase production and where possible, promote the consumption of healthy and nutritious foods.

³ UNCTAD, FAO, IFAD, and the World Bank jointly developed this set of principles. Currently, the Committee on Food Security (CFS) is undertaking a consultative process to develop principles for responsible agricultural investments in the context of food security and nutrition (RAI). These RAI principles are scheduled for endorsement at CFS Plenary in October 2014 and will replace the PRAI as a main international reference for responsible investments in agriculture. Once finalised, they shall be the new reference framework that GFP projects have to comply with.

7. Empowerment and participation for farmers and their organisations: Sustainable agricultural value chains will only become properly established if smallholder producers and value chain actors engage in strategic partnerships. GFP participants and local partners are therefore committed to empowering farmers, value chain actors and their respective organisations and to enabling them to make their own, independent decisions with regard to their agricultural production techniques as well as with regard to food consumption. Gender aspects are of great importance in project planning and implementation. When it comes to ensuring food and nutrition security on the household level, women have a central social function and play a decisive role in food production and family welfare. Moreover, women play also an important role as business partners e.g. in terms of trust building and thus help to establish reliable business relations. Consequently, GFP projects aim at further strengthening the role of women in agricultural production and value chain activities. One important approach used to empower people is to transfer knowledge, skills and information that will help them to make informed decisions. GFP projects specifically focus on product-independent training for farmers and their organisations in order to build their capacities.

The following four issues can also be addressed in GFP projects in order to further increase the benefits.

8. Access to water: GFP projects strive to improve access to, and promote the sustainable use of water resources and their allocation among users.

9. Climate change challenges: Since climate change represents a major risk in some project regions, GFP projects can include specific activities focusing on climate change adaptation strategies. However, also climate change mitigation measures can be an integral part of GFP projects.

10. Access to employment: GFP projects create opportunities for work and thus income that provide for an adequate standard of living while also promoting self-employment. Human capital is enhanced through education and capacity-building activities.

11. Access to finance: GFP projects aim to improve access to financing and insurance for smallholders. The availability of finance is a key success factor when it comes to the kind of investments required to enhance productivity and the quality of agricultural production. Pre-financing mechanisms, contract farming solutions or insurance for agricultural production risks are all options that could be integrated into a project, depending on the specific conditions in the respective area. This is also why the GFP encourages cooperation with partners from the finance sector. To give farmers better access to finance, it would in many regions be advisable to strengthen farmers' organisations.

2.2.2 Agricultural and food inputs

GFP participants ensure the responsible use of agricultural and food inputs and commit to the following principles:

1. Freedom of choice: Farmers involved in GFP projects have complete freedom of choice with regard to the selection of inputs for agricultural production, e. g. fertiliser, seedlings, etc. The participating companies advise farmers in a fair manner and do not give recommendations that are limited to the use of their own products. The same applies to the millers involved in nutrition activities.

2. No promotion of GMO: GFP participants are committed solely to the promotion and use of non-genetically modified organisms (seeds) in GFP projects.

3. Hybrids: Hybrids will only be promoted in combination with extensive advisory services; this includes informing smallholders and seed keepers about the risks and potentials involved.

4. Source of origin: GFP participants from the food industry provide exclusive quality, best practices in line with regulatory specifications and a defined source of origin in a bid to address the severe problem of counterfeit agricultural inputs in developing countries and emerging markets.

5. Agrochemical products and veterinary drugs: GFP participants are committed to operate exclusively in line with the *International Code of Conduct on the Distribution and Use of Pesticides* and the *World Bank Guidelines on Integrated Pest Management*. Pesticide use according to threshold levels is promoted, and the feasibility of IPM examined in order to maintain or improve biodiversity and to protect ground/surface water.

6. Fertilisers: Fertilisers are promoted and applied exclusively according to the methods of site-specific and balanced nutrient management, e.g. application of the leaf colour chart. Project partners advocate the application of organic fertilisers and methods of nutrient recycling; additional mineral fertilisers are applied as necessary, in keeping with soil sampling and plant needs. The aim here is to ensure long-term soil fertility.

2.2.3 Compliance with internationally accepted principles for responsible business

GFP participants ensure that all their business activities comply with internationally accepted principles and standards for responsible business, such as the *United Nations Global Compact Principles*. The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption⁴.

1. Human Rights

Businesses should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses.

2. Labour

⁴ The UN Global Compact principles are derived from the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, the UN Convention Against Corruption.

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation.

3. Environment

Businesses should undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.

4. Anti-Corruption: Businesses should work against corruption in all its forms, including extortion and bribery.

5. Anti-trust law: Competing companies undertake to uphold the internationally accepted anti-trust law.

2.2.4 Compliance with the BMZ criteria for private sector cooperation

The Development partnerships which comprise public contributions through the BMZ have to go in line with the BMZ criteria for public contributions by private-sector initiatives. All GFP projects must therefore ensure:

1. Compatibility with development-policy objectives: The project has to be in line with BMZ development-policy guidelines, indicate a clear development outcome and be both environmentally and socially compatible.

2. Complementarity: Public and private contributions must complement each other in such a way that the cooperation enables both partners to achieve their respective objectives more quickly, more efficiently and more cost effectively.

3. Subsidiarity: A public contribution to GFP projects is only made if: the private partner would not otherwise implement the project without the public partner; the project is not required by law; the project generates an appropriate economic development benefit for the developing country that exceeds any commercial benefits to the private partner.

4. Commercial interest: The company must demonstrate a clear commercial interest in the project.

5. Sustainability: The project must be embedded in the long-term sustainable operations of the company in the developing country or emerging economy.

6. A contribution by the private partner: Private sector partners must contribute a substantial financial amount of GFP project costs.

Part 3: GFP projects

3.1 How do GFP projects work?

GFP projects always target development objectives. To this end they are always based on the development goals of Germany's Federal Ministry for Economic Cooperation and Development (BMZ) and on the economic interests of the participating companies. The basic framework for a GFP project is as follows:

Duration: GFP project concepts are geared to long-term engagement of five years and more. This may be divided into sequenced project phases.

Region: No specific countries are prioritised. However, special account is taken of emerging economies and developing countries partnered by BMZ.

GFP projects do not usually focus on one country only, but target a specific region, which means they have a multi-country approach. Projects are in line with national policies and should be linked to existing national strategies. They are also aligned with corresponding regional programmes where possible. The interests of producers, policy-makers, companies and consumers are always taken into account and play an important role in all GFP projects.

Topics: GFP projects are centred on the platform's objective to support and enhance food and nutrition security. Project topics are linked to sustainable intensification, either through conventional or organic agricultural practices. GFP projects can cover a wide range of topics, such as e.g.:

- Increasing production volumes of a specific crop in a certain region
- Linking local food production and processing to suitable markets
- Increasing people's access to financial resources in order to buy food for a nutritious diet
- Building capacities related to nutrition, water and sanitation or building up structures and policies that support the availability of food, and the local population's access to it and / or adequate local-level capacities for nutrition, water and sanitation

Partners: GFP projects are always co-implemented, with one of the implementing organisations of German development policy and at least two different companies covering two distinct steps along a product's value chain. It is expedient to integrate other partners in the value chain in the project planning and implementation phases, whenever possible.

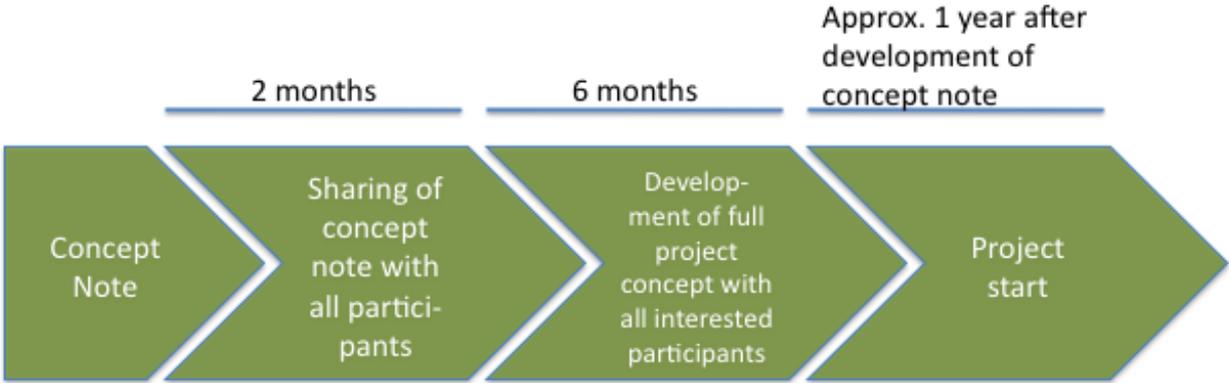
3.2 How are GFP project ideas developed?

Any GFP participant can hand in a concept note for a project using the simple template which is available from the GFP Coordination Office (see Annex). Additionally, BMZ, GIZ or other implementing organisations of German development policy can come up with project

ideas or support the further development of project concepts after receiving a concept note from a participating company. BMZ, GIZ and other implementing organisations of German development policy may also screen for potential value chains, regions and project approaches that might be suitable for GFP projects, thereby stimulating the development of suitable project concept notes. The results of such screening processes are shared with all participating companies via the GFP Coordination Office.

There is no ‘one-size-fits-all’ approach when it comes to developing the project concept. Having said this, GFP project development roughly follows the timeline below:

Timeline for developing a GFP project



3.3 How are GFP projects designed?

The GFP Coordination Office organises strategy or technical meetings with all GFP participants whenever new topics and concrete demands arise. During these meetings, potential topics for GFP projects can be discussed and GFP participants are encouraged to develop suitable project approaches.

The GFP is not a fund with its own financial resources. Instead, GFP projects are funded via several mechanisms, one of which are contributions by the BMZ. Others include co-financing and the funding of smaller-scale screening activities through existing GIZ projects and programmes or BMZ funded projects and programmes of other implementing organisations of German development policy, such as PPP projects of DEG (Deutsche Investitions- und Entwicklungsgesellschaft). Furthermore, GIZ and other implementing organisations of German development policies might approach and potentially leverage further donor inputs through, for example, the European Commission, the Bill and Melinda Gates Foundation or development banks (e.g. the World Bank).

In the course of a year, participants have two opportunities to submit project concept notes, which are the basis for the development of new projects (see lead questions and template below): throughout the months of March (1st to 31st) and June (1st to 30th) respectively. When specific co-financing opportunities arise, project concepts may also be discussed outside of these two timeframes (see Annex for details and specifications).

With regard to the project budget, the first estimate comes from the lead company and is based on inputs gathered from other participating companies. The overall budget covers

financial as well as in-kind contributions. Financial contributions from private partners are always required for monitoring and evaluation activities within the project, for regional project steering, for basic capacity building at farmer level and for an independent financial project audit to verify whether funds have been spent as planned (if applicable in the project context). Should it be necessary to conduct feasibility or fact-finding studies before the project starts, contributions are also split between GIZ/BMZ and the private project partners in keeping with individually discussed arrangements.

The mode of cooperation within the consortium of each project is based on trust. Being part of the consortium entails being aware of the informal commitment implied. This has to be respected in terms of liability among all participating partners, meaning for example to actively contribute to the project planning and defining their role in the process.

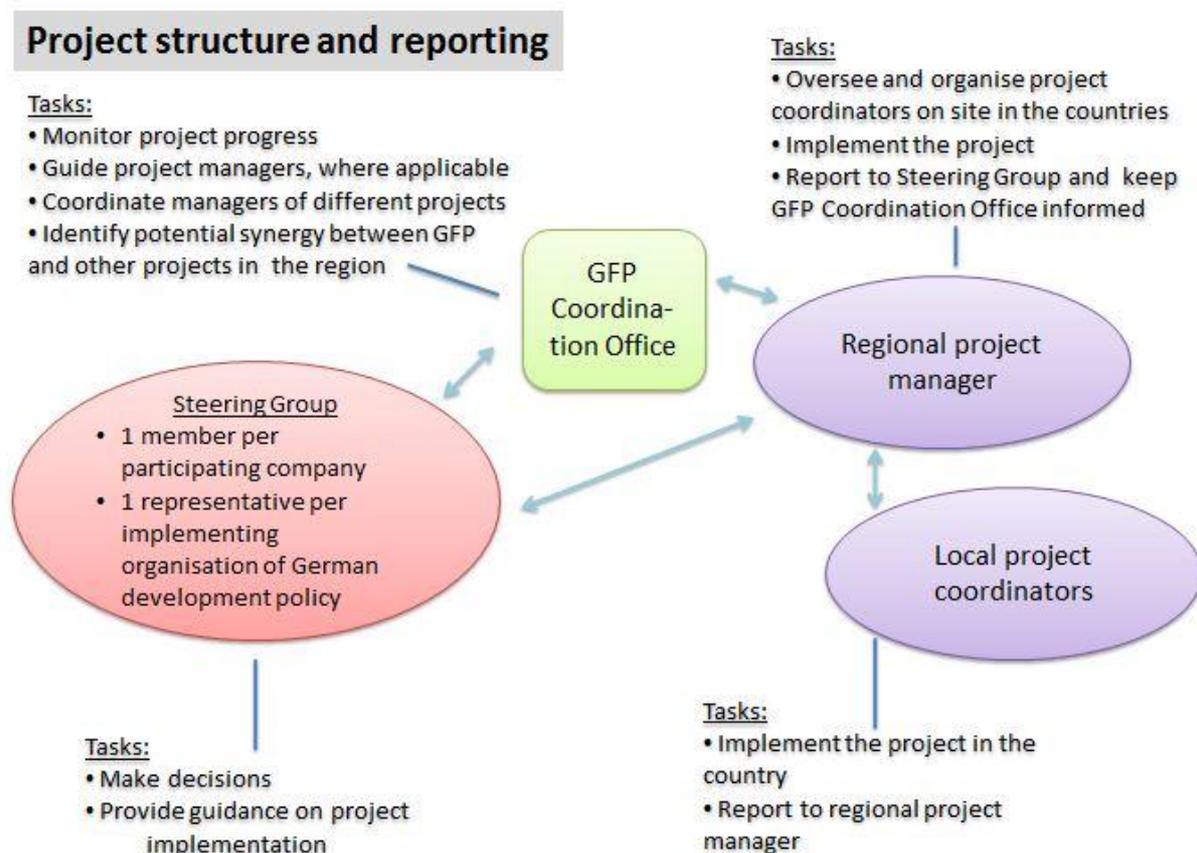
The following table provides an overview of all relevant aspects of project design:

Deadlines	Project concept notes can be handed in throughout the months of January and June of each year (exceptions are permitted for projects with potential co-financing options from other sources). Up to eight weeks after the day on which a project concept note is circulated by the GFP Coordination Office, participating companies can state their interest in participating in the project. However, if a company has developed the project concept, then it has a veto right regarding further GFP participants wishing to join in.
Inclusion of further partners	After the allotted eight-week period, an interested German company can approach the company that has initiated the project AND the GFP Coordination Office (where the project concept was developed by GIZ or another implementing organisation of German development policy only, the GFP Coordination Office is to be approached). All of the partners involved (companies and implementing organizations of German development policy), then decide by consensus whether a given partner is to be included.
Budget	<p>Contributions – in cash or kind – by the private sector depend on the experience of the participating companies in the region, their involvement in former projects and the relevant expertise and capacities they can feed into project implementation.</p> <p>Conditions and contributions are designed in line with the respective companies’ size and outreach, especially with regard to small and medium-sized enterprises (SME). The integration of interested SME into projects involving multi-national enterprises is a GFP principle that was agreed on in strategic meetings prior to the launch of the initiative.</p> <p>The principle underlying all GFP project expenditure is cost effectiveness: i.e. high-quality projects that generate the greatest possible impact within the framework of the project objectives.</p>

3.4 How are GFP projects implemented?

3.4.1 Implementation structure

GFP projects preferably have a regional and thus a multi-country approach. This calls for regional project management as well as local project coordination. While the project implementation structure must be oriented to the specific conditions of each project, every GFP project always has a steering group consisting of representatives of all project partners, a regional project manager (or management team depending on the size of the project) and local project coordinators. The role of final beneficiaries and other stakeholders must always be defined on an individual project basis and is therefore not reflected in this overview of the general project implementation structure for GFP projects. Where applicable, the GFP Coordination Office supports general project management:



3.4.2 Training

Different types of training take place in GFP projects:

1. Training farmers in production techniques and educating them about suitable food varieties in a gender-sensitive way
2. Raising farmers' and the local population's awareness about nutrition, taking into account the specific role of gender
3. Training company staff in processing and related (e.g. hygiene) issues

4. Demonstration plots

In many GFP projects, educating farmers about new products and / or new agricultural practices is essential. Building up local capacities is crucial to enhance and secure food and nutrition security in the target countries. As part of this training, companies participating in GFP contribute their expertise on products, agricultural practices and processing technology.

The following principles apply specifically to farmer training:

- ✓ Training enables farmers to become an active party in agricultural value chains.
- ✓ Training provides the information and skills farmers need to be able to make their own independent decisions ('freedom of choice') with regard to production inputs and practices as well as trade and markets.
- ✓ Training content is in line with all of the above-mentioned guidelines, rules and criteria on sustainable agricultural production, agricultural investments and human rights; this applies especially to access to resources in order to enable people in developing and emerging countries to assert their right to food .

The first step is to strengthen farmers' basic agricultural knowledge. This is done by GIZ or by other non-private sector actors (e.g. local extension and advisory services). In a second step, specific training is provided on good agricultural practices, quality, standards and innovative technologies. This can be based on the expertise of the participating companies. Thus, the company expertise that is fed in via own staff, via products used on demonstration plots or for trials or via processing technology does, of course, constitute a major contribution to GFP projects. Basic and specific farmer training is financed through public and private contributions. Core issues related to training are as follows: Farmer training has to be in line with development-policy objectives and should therefore be conducted on a pre-competitive level and should not be used primarily for sales promotion. Training must be on a neutral base and must cover production alternatives. Thereby, training activities are also eligible for additional funding by other donors. Demonstration plots are important flanking activities to trainings. In accordance with the 'freedom of choice' approach, diverse plots should demonstrate different production systems and allow private-sector partners to demonstrate their quality products. In order to ensure compliance with these standards and to create a common understanding of training among partners, a specific training concept is mapped out that defines the partners' common approach. This concept focuses on the way specific aspects are handled within training sessions, e.g. issues such as training content, development of curricula for defined target groups (e.g. small- or medium-sized farmers and enterprises, women, youth, etc.), training materials, presentation or placement of products, participation by partners etc. The GFP is currently developing detailed guidelines for farmer training which will be annexed to this document once available.

3.4.3 Participation by farmers and local stakeholders

The GFP approach starts at the end of the value chain, i.e. by identifying a market need. From this point on, suitable GFP participants jointly elaborate a sound project concept for

the identified target region. Although the idea for a project may not necessarily be born in the region, it is important to include the local farmers and stakeholders right from the start of the project in order to foster ownership of project activities and the empowerment of existing structures. Therefore, GFP projects foresee an active role for farmers and local stakeholders throughout project implementation, for example by strengthening farmer organisations and facilitating stakeholder dialogue. Local companies in the target region are invited to participate in project activities whenever possible and are free to join in at any point throughout the project lifetime.

3.4.4 Monitoring and reporting

Monitoring and reporting are essential within GFP projects. For each project, the respective partners of the consortium develop sound indicators, which are based on and aligned with national development strategies of the partner countries. These project indicators form a part of the project concept and cover also issues such as progress monitoring and corrective action, where necessary. Moreover, they help satisfying the key performance indicators (KPI)⁵. KPIs will be developed by the GFP in order to form a basis for aggregated reporting on the GFP and will thus also serve as a framework for the previously mentioned project indicators. The KPIs will relate to areas such as:

1. Food markets/marketing and consumers
 - a. Import substitution: domestic, competitive production
 - b. Nutrition: Access, knowledge and policy towards nutritious food
 - c. Food safety
2. Processing and market linkages /inclusive business models
 - a. Cooperation and business models between traders, processors and smallholders
 - b. Modern technology and operational processes for food processing and packaging
 - c. Financing models for companies and farms in the value chain
3. Agricultural production
 - a. Increased productivity in smallholder farms
 - b. Increased income and improvement of nutritional status in smallholder households
 - c. Natural resource management: good agricultural practices

Each project reports on its progress according to the reporting obligations defined by the project funding entity. Apart from that, each project decides on its own monitoring and reporting system. The GFP Coordination Office has access to all project reports and compiles an overall GFP progress report on a yearly basis. This report will be shared with BMZ and possibly with other sponsors. It may also be published on the GFP website. The GFP Coordination office may request additional information from each project.

⁵ The key performance indicators will be developed over the coming years.

Part 4: GFP understanding of partnership

4.1 What are the roles and responsibilities of GFP participants?

The GFP is based on a partnership concept. This means all participants of the GFP, companies as well as GIZ and other implementation organisations of German development policy, are regarded as equal partners. In order to facilitate a friendly and cooperative environment within the platform and GFP projects, it is necessary to define certain general roles and responsibilities:

Role of GFP participants	Within the GFP, all companies are equal. They feed their expertise and products into GFP projects and usually take on part of project implementation. Together, the companies form a specific project fund that generates a significant part of the overall project budget through cash as well as in-kind contributions
Role of the lead company	GFP recommends identifying one lead company as main contact that can function as a mouthpiece for the other companies involved. The lead company takes on the responsibility of acquiring inputs and feedback from all other GFP participants involved in the development of a specific project while keeping these companies informed about the project's development status (this notwithstanding, companies that do not have a lead company function are always welcome to actively join project development discussions directly). The lead company is also responsible for ensuring timely and correct reporting to the GFP Coordination Office. However, not every GFP project has to define a lead company. This depends on the private sector consortium involved.
Role of BMZ	BMZ defines the framework conditions of GFP projects in terms of development policy and decides on their eligibility for financing. Additionally, BMZ assigns tasks to the GFP Coordination Office and commissions other GFP-related activities by GIZ; it provides public funding for GFP projects.
Role of other donors and foundations	Donors and foundations are strategic cooperation partners within GFP projects and support project implementation according to their priorities under commonly defined project objectives. Furthermore, they can facilitate strategic networking.
Role of GIZ and other implementing organisations of German development policy	GIZ and other implementing organisations of German development policy support scaling up of activities and linking GFP projects with the policy level in the target region, where applicable. They also contribute their expertise, e.g. in the form of farmer or extension officer training on specific topics. Additionally, they - through their national offices in partner countries - are involved in regional management, and sometimes also the local management and implementation of GFP projects. GIZ and other implementing organisations of German development policy implement a

	part of the total project budget through cash as well as in-kind contributions and report on project activities and expenditures to the project partners.
Role of the GFP spokespersons	GFP participants nominate two spokespersons from different types of companies (one from a small or medium-sized entity and one from a multinational company) for the period of one year. They represent the GFP vis-à-vis the external media as well as in the context of public events.
Role of the GFP Coordination Office	The GFP Coordination Office coordinates the development of project concepts and facilitates discussion among GFP participants. In case of discrepancies between participants, the Coordination Office acts as arbitrator and initiates and moderates the dialogue process. GIZ hosts the GFP Coordination Office on behalf of BMZ.

4.2 How does communication about and within the GFP work?

Within the GFP, continuous and transparent communication between all participants is the key to successful cooperation.

Outside the platform, every participant is free to report about its GFP activities. The GFP website (www.germanfoodpartnership.org) offers general information in English and German on the GFP itself and on its projects. The GFP spokespersons are responsible for representing the GFP at public events or in the media.

Throughout the project development phase, GFP participants treat the project idea, any related information and the prospective partners confidentially. Once a project is fully designed and a cooperation agreement has been signed, the companies participating are at liberty to report on the project and its progress. However, the GFP's fundamental partnership concept demands that participants inform the GFP Coordination Office and all project partners and allow for discussion about external communication on the project before publishing. Additionally, all relevant logos of the participating partners must be included in all project publications. The GFP plans to develop a communication strategy. Once available, it will offer further guidance on how to communicate information concerning GFP projects and activities.

If there is a certain matter that a GFP participant would like to have treated confidentially by BMZ, GIZ and other implementing organisations of German development policy, the participant must indicate this explicitly; otherwise all information is shared with all GFP participants.

4.3 What happens in the case of non-compliance?

All participants undertake to uphold the GFP principles and criteria stated here and acknowledge the GFP's understanding of partnership. In case of non-compliance, the GFP Coordination Office will prompt a discussion among all concerned GFP participants. In serious cases of non-compliance (e.g. non-compliance with the ILO Declaration on

Fundamental Principles and Rights at Work, use of GMO, etc. cf. part 2) BMZ can decide to temporarily or finally exclude the respective GFP participant from the GFP. In such case the exclusion from the GFP would be executed by the GFP Coordination Office.

Concept Note for GFP Projects

Information on the process on how to develop GFP projects:

Concept notes are handed in to the GFP Coordination Office. Any project concept note the office receives is shared with all GFP participants. Any company can state an interest in participating in the further development of a project. If a company develops a project concept, it has a veto right over other companies that might declare an interest in participating in the particular project. As neutral partners, GIZ or other implementing organisations of German development policy always participate in GFP projects and, in coordination with BMZ, feed in desired development goals and approaches.

GFP participants interested in contributing to further project development and future implementation send an informal email to the GFP Coordination Office AND, if applicable, to the company that handed in the proposal. The allotted period for statements of interest is eight weeks. Any statement of interest concerning participation in the further development of a specific project idea that is received within this period is published on the GFP website (participants' section) to ensure transparency. Once a company that covers a specific step in the value chain for the targeted food states an interest in participation, no other company covering the same step in the chain can declare an interest without approval by the initiating company (veto right). This ensures the involvement of as many different value chain actors as possible; it also showcases the GFP's value chain-oriented approach.

After this eight-week period, the GFP Coordination Office accordingly notifies all companies that have shown an interest in the project idea and a 'lead company' is identified. The lead company serves as the main contact point for the GFP Coordination Office for the project concept's further development. It assigns a specific contact person for this purpose. If a company has developed the project idea, it can volunteer to be the lead company.

Once the eight-week period set aside for statements of interest have passed, it is up to GIZ or a participating implementing organisation of German development policy and the companies that have declared their interest to decide whether any other companies will be included in the project. This decision is taken by consensus and guided by discussion on the added value the interested company can bring to the project. However, the GFP strongly encourages the inclusion of further German or international companies even after this period if they cover a certain step in the respective value chain that no other company in the project deals with. This applies in particular to companies with a focus on processing or to small and medium-sized companies. Local companies (*this does not include subsidiaries of German companies that are already participating*) are welcome to join a GFP project at any time if approved by the project partners.

Please note:

When compiling the project concept note, please follow the lead questions in the description.

Fill in the relevant data for each partner company, including the name of the respective contact person.

Proposals can be handed in German and English.

Proposed project title:	
Main areas of intervention:	What are the main aspects of the proposed project with respect to food and nutrition security?
Submitting company/ies:	
Partner countries:	
Planned starting date:	

1. Company Information

1.1. General Company Data

<i>Should more than 2 companies participate, please add further columns</i>	Company 1	Company 2
Name of company		
Address		
Contact person and position (including phone numbers & email address)		
Website		
Legal status		
Founded in		
Commercial Registry No.		

1.2. Short Description of the Company

(Please add further lines according to number of participating companies)

Company 1 (max. 20 lines):	<ul style="list-style-type: none">■ What is the company's main business and products?■ Does it have any subsidiaries?■ Does it have any experience in the targeted countries and the proposed project activities?
-----------------------------------	---

Company 2 (max. 20 lines):	<ul style="list-style-type: none"> ▪ What is the company’s main business and products? ▪ Does it have any subsidiaries? ▪ Does it have any experience in the targeted countries and the proposed project activities?
-----------------------------------	---

2. Project Information

2.1. Basic Project Data

Project title	
Partner countries	
Duration	
Planned total budget in €	If possible, give an estimate of the total project budget including contributions from private companies. This figure is indicative and may be subject to change in line with further project development.

2.2. Project Background (max. half a page)

Please give a brief description of the underlying problem you intend to address in the project:

- What is the current situation in the countries with regard to the project topic?
- Are there any existing solutions to the identified problem(s)?
- Are there any existing national or international laws or regulations that may be relevant?
- Are the targeted countries already collaborating on the given topic with other partners?

2.3. Short Project Description (max. 2 pages)

Please give a brief description of the project objective and activities:

- In one sentence, what is the objective of the project?
- Which activities do you plan to use to achieve this objective?
- Are there any specific results you can group the activities under?
- How do you plan to involve further supply chain actors?
- What experience do the project partners have with regard to the project activities?
- Are there any local organisations that you plan to link up with? What kind of experience do they have with this topic?

2.4. Expected Impacts (max. half a page)

Please give a brief description of the impacts you expect the project to achieve:

- How many people does the project target and work with directly?
- Do you expect any behaviour change on the part of the target group? To what extent will they be better equipped to address the problem described in 2.2.?
- Will the project facilitate better access e.g. to financial resources or relevant capacity-building

measures?

- Will it be possible to scale up the project approach to accommodate other regions?
- How will the structures and capacities that have been built up be maintained in the region after the project has ended?
- What do you plan to do with used machinery, vehicles etc.?