

TA 5944 – REG: REGIONAL INITIATIVE TO ELIMINATE MICRONUTRIENT MALNUTRITION IN ASIA THROUGH PUBLIC-PRIVATE PARTNERSHIP

Change in Scope and Increase in Technical Assistance Amount Supplementary Grant from the Technical Assistance Special Fund

I. INTRODUCTION

1. The Asian Development Bank (ADB), with cofinanciers Danish International Development Assistance (Danida) and International Life Sciences Institute, have been carrying out a regional study¹ with six developing member countries (DMCs)—People’s Republic of China, India, Indonesia, Pakistan, Thailand, and Viet Nam—on building capacity to fortify essential foods that will benefit human health and nutrition, especially among the poor. The study has focused on building partnerships between the public and private sectors to enrich nutrition by improving consumer choice in the marketplace. The objective is to improve human nutrition by strengthening industrial policy and the role of the private sector in enhancing an affordable and high quality diet for the poor.

II. BACKGROUND

2. The technical assistance (TA) aims to (i) identify regional issues and actions required to accelerate production of micronutrient-fortified foods; (ii) support regional dialogue on issues related to food standards, regulations, trade, and surveillance; (iii) create a framework for regional fortification of certain essential staples (salt, wheat flour, cooking oil, and complementary foods); (iv) develop a comprehensive social marketing and communications plan for (iii); (v) link fortification policies and programs to poverty reduction and human development in the region; and (vi) develop country investment plans (CIPs) for the participating DMCs. Fortification of staple foods directly supports poverty reduction and raises the quality of human capital, both key ADB objectives.

3. The project has proceeded along two directions: first, regional workshops on food fortification technology for the four food vehicles, and designing of structural reforms in regulation, trade, quality assurance systems, and nutrition surveillance, all necessary to ensure that domestically and internationally traded food products will be safe and efficacious; second, training of contracted DMC country research institutes to prepare their CIPs based on guidelines and spreadsheets that will guide resource mobilization once the plans are accepted by governments. The DMCs were carefully chosen because they had demonstrated the need and capacity for reform and to absorb appropriate levels of investment.

III. CHANGES IN SCOPE AND AMOUNT

A. Change in Scope

4. As the study has proceeded, the DMCs, ADB, and the cofinanciers have reached two conclusions that will require expansion of the TA scope. First, the country research institutes under contract to prepare the CIPs have requested ADB to support additional consultants’ inputs (from already contracted consultants) to strengthen the quality and credibility of the plans,

¹ ADB. 2000. *Technical Assistance for a Regional Initiative to Eliminate Micronutrient Malnutrition through Public-Private Partnership (TA 5944-REG)*. Manila.

and to collect and analyze data related to food consumption patterns of the poor targeted in the CIPs. The additional consultant time, amounting to 20 person-days, will be advisory support to country research institutions, and will not involve additional travel and per diem. Additional data collection on the consumption patterns of the at-risk group will add resources to each CIP subcontract. Second, ADB and the DMCs believe the project has created a strong opportunity to link the CIPs to regional resource mobilization for nutrition improvement of the poor. Private philanthropies, like the Gates Foundation, have expressed interest in working with ADB to cofinance CIPs and to manage the implementation of the donors' financing contribution to the CIPs. Accordingly, an investors' roundtable (at ADB headquarters) will be supported under the supplementary grant to attract stakeholders in the financial community (multilaterals, bilaterals, international nongovernmental organizations, and philanthropic foundations). A key stakeholder will be the Global Alliance to Improve Nutrition, a coalition of funders led by the Gates Foundation but including bilaterals like the Canadian International Development Agency and the United States Agency for International Development. The roundtable will assemble resource commitments from donor clusters willing to work in partnership with each country, and will agree on planning for 2003–2005. Third, prior to the investors' roundtable, an intensive CIP review meeting will be scheduled in Beijing, hosted by the Government of the People's Republic of China, to ensure the plans meet ADB guidelines and standards of excellence for referral to the international financial community. These three activities will elevate the regional study to a high-profile event accentuating the public-private donor partnerships to meet the Millennium Development Goals regarding mortality and hunger reduction, and enhanced educability.

B. Change in Amount

5. The TA amount is increased by \$200,000, from \$1.3 million to \$1.5 million, to be provided on a grant basis from the ADB-funded TA Special Fund. ADB's Knowledge Management Committee endorsed this proposal on 14 June 2002. A cost estimate and financing plan for the additional TA activities is included in the Appendix.

6. The Keystone Center (TKC-USA), the firm contracted under the TA, will provide consultant assistance for the regional workshops and CIP preparation and review, and will manage the additional resources. TKC-USA will execute subcontract variations with each country research institution to add funds for collecting and analyzing food consumption data. TA implementation will be completed by 31 March 2003.

IV. THE PRESIDENT'S DECISION

7. The President, acting under the authority delegated by the Board, has approved (i) the change in scope of the technical assistance for the Regional Initiative to Eliminate Micronutrient Malnutrition in Asia through Public-Private Partnership, as described in para. 5; and (ii) the provision of additional technical assistance, on a grant basis, in an amount not exceeding the equivalent of \$200,000 for the Regional Initiative to Eliminate Micronutrient Malnutrition in Asia through Public-Private Partnership, and hereby reports this action to the Board.

COST ESTIMATES AND FINANCING PLAN
(\$)

Item	Original Cost Estimate	Supplementary Financing	Total Cost
A. Asian Development Bank	(JSF)	(TASF)	
1. International Consultants			
a. Remuneration	368,000	13,800	381,800
b. Travel	115,000		115,000
c. Per Diem	52,000		52,000
2. Domestic Consultants' Remuneration	30,000		30,000
3. Studies, Surveys, and Reports	150,000	13,200	163,200
4. Miscellaneous TA Administration and Support Costs	10,000		10,000
5. CIP Review Meeting – Beijing		30,000	30,000
6. Investors' Roundtable		140,500	140,500
7. Contingencies	75,000	2,500	77,500
Subtotal (A)	800,000	200,000	1,000,000
B. Government of Denmark			
1. Private Sector Studies	60,000		60,000
2. Report Publication and Dissemination (including electronic version)	40,000		40,000
3. Regional Communications Network	25,000		25,000
4. DMCs' Participation in Regional Salt Iodization Meeting (Beijing)	36,000		36,000
5. Workshops	139,000		139,000
Subtotal (B)	300,000		300,000
C. International Life Sciences Institute			
Workshops	50,000		50,000
Subtotal (C)	50,000		50,000
D. Participating DMC Governments			
1. Office and Meeting Accommodation	60,000		60,000
2. Translation/Interpreter Services	35,000		35,000
3. Counterpart Staff	30,000		30,000
4. Local Transport	10,000		10,000
Subtotal (D)	135,000		135,000
Total	1,285,000	200,000	1,485,000

DMC = developing member country, JSF = Japan Special Fund, TA = technical assistance, TASF = Technical Assistance Special Fund.

Source: Asian Development Bank estimates.