

PREPARATION GRANT APPLICATION FORM

1. Prospective project title	Development of regional initiative to assist initially Malawian and Zambian exporters overcome post harvest management and quality control issues in the paprika and groundnut sectors, notably aflatoxin contamination.
2. Requesting government/agency or private body	WTO/FAO
3. Collaborating government(s)/agency	Relevant government ministries, trade associations and other stakeholders in Malawi and Zambia.
4. Project objectives Describe the objectives of the proposed project in general terms. <u>Attach</u> description of project background and rationale.	<p>To develop a project which will address post-harvest management problems in the paprika and groundnut sector, in particular with respect to aflatoxin contamination. Demonstration project activities would initially be concentrated on Malawi and Zambia.</p> <p>The Integrated Framework Diagnostic Trade Integration Study (DTIS) of Malawi (finalized in February 2004) highlights the need for agricultural diversification and identifies the groundnut and paprika sectors as a priority. However, the DTIS highlights that expansion in these sectors is constrained by basic food safety and quality issues, in particular with regard to aflatoxin contamination.</p> <p>The Framework Diagnostic Trade Integration Study (DTIS) of Zambia (finalized in June 2005) reports that paprika production in Zambia started in the early 1990's and accelerated very quickly - increasing five fold during 1997-2001.</p> <p>The major markets for bulk and processed paprika, and paprika derivatives such as oleoresin, include Spain and other members of the EU, the US, Japan and South Africa. Spain is the main destination of Zambia's paprika products while, Zimbabwe alone accounts for more than 10 percent of world production. Many of the processing plants are located in South Africa.</p> <p>In the project preparation activities, particular attention would be given to ensuring complementarities with existing donor projects (in particular FAO) on aflatoxin contamination and other post harvest issues.</p>
5. Preparation activities Describe the means by which the project proposal is to be prepared e.g. in-house activity, consultant study, etc	<p>The project preparation grant activities would be undertaken in the following steps:</p> <p><i>(a) Recruitment of consultant</i></p> <p>A suitably qualified and knowledgeable expert would be selected from a short list of names provided by partner institutions. The consultant will have to be an expert in agribusiness and post harvest activities.</p>

	<p><i>(b) Preparatory work</i></p> <p>The expert would review relevant literature (World Bank data, FAO information, project specific documents from previous in-country TA etc) and dialogue with STDF partners (World Bank, FAO, OIE, UNDP, WHO) on country or product specific topics. Through contacts with the local Integrated Framework contact point, the World Bank, UNDP, FAO offices, and donor technical assistance projects (FAO, EU, USAid etc) the consultant would identify key stakeholders in paprika and groundnut production, in both the public and private sector and establish a programme of in-country contacts with these stakeholders and identify other stakeholders in Malawi and Zambia.</p> <p><i>(c) Fieldwork in country</i></p> <p>In conjunction with stakeholders in Malawi and Zambia, the consultant should prepare a technical assistance project which corresponds to priority needs identified by stakeholders with respect to aflatoxin contamination problems in the paprika and groundnut sectors in these two countries. The project should command broad-based national support in both the public and private sector - as well among donors active in the country. Care should be taken to ensure that the project complements existing or planned technical assistance.</p> <p>Outputs</p> <ul style="list-style-type: none"> ➤ <i>Report of contact with stakeholders; and</i> ➤ <i>Project proposal to STDF.</i>
6. Private/public sector co-operation Detail the role, if any, that will be played by the private sector in the preparation of the project	The DTIS for Malawi mentions two non-governmental organizations operating in the groundnut and paprika sectors: Legume Tech International and the Paprika Association of Malawi. Similar references are to be found in the DTIS for Zambia.
7. Partner institutions involved If appropriate, identify STDF partner institutions who will be involved and describe the nature of that involvement.	FAO – provision of expert on aflatoxin Codex Alimentarius Commission – provision of relevant information on aflatoxin and other related standards
8. Preparation project inputs Specify total cost of preparing project proposal (maximum US\$20,000). <u>Attach</u> breakdown of proposed uses of preparation grant funds.	As the project preparation activities have been expanded beyond just one country, i.e. Malawi, a total of budget of \$30,000 is requested for the project preparation grant activities. Actual expenditure is not expected to attain this figure, although it may surpass \$20,000. Final project preparation expenditure will be based on consultant fees (if necessary) and actual travel expenditure.
9. Non-STDF contributions If appropriate specify any financial contributions expected from sources other than STDF.	Not applicable.
10. Timetable Show proposed commencement and conclusion dates	Project should be finished in time for 2006 project cycle.