

## EU-GIZ CONCEPT NOTE

Country:	Palau
Location within the Country:	East and West Coast States

### Concept Focus:

X	Climate Change adaptation
	Sustainable energy [minor: replacement of petroleum based fertilizers with compost]
	Both

### Project Type:

	Type 1	200,000 Euro maximum budget
X	Type 2	Maximum budget is the country allocation

Total Requested Budget:	\$EU 368000
Duration of project:	48 months

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### Support for PDD development:

X	Yes, consultant(s) or organisation(s) to be engaged – Secretariat of the Pacific Community and POETCom to assist with consultations in detail project activity identification.
	No
	Undecided

<b>1. Project title:</b>	<i>Enhancing Sustainable Livelihoods through Demonstration of Environmentally Friendly Integrated Food Production Systems in Palau for Sustainable Land Management and Climate Change/El Nino Mitigation</i>
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### 2. Background and rationale (max ¾ page)

Palau is losing its battle in enhancing sustainable livelihoods and strengthening its capacities to adapt to the adverse effects of climate change. National food security, food sovereignty and sustainable and sustaining livelihoods are in jeopardy. Agricultural production, over the past years, has declined and has

been crippled by typhoons. This has resulted in decreased access to high value local food sources and increased dependency low quality imported food. 80-90% of the food is imported. As a consequence, non-communicable diseases (NCDs): diabetes, heart disease, and certain cancers are epidemic. Palau declared a “State of Emergency” due to NCD’s. NCDs cause the vast majority of deaths and are the leading cause of work absence, hospital utilization, off-island referral, and disability. Increasing agriculture production through the integration of livestock is a prerequisite to reduce NCDs and improve food security. This should be complemented with robust promotion and marketing of local foods and cuisine. Two relevant studies 1] *Linking farmers to markets: Realizing opportunities for locally produced food on domestic and tourist markets in Palau*, FAO, June 2014 and 2] *An Assessment of Non-Communicable Diseases, Diabetes, and Related Risk Factors in the Republic of Palau: A Systems Perspective*. Hawaii J Med Public Health, May 2013, supports this and the proposed project.

Land degradation issues coupled with food safety and water concerns are serious constraints to the integration of livestock into existing agricultural systems to improve livelihoods. The conventional system of raising livestock particularly pigs involved heavy uses of water for cooling the pigs and nourishment, cleaning the pens and pigs and waste removal. This system a] no longer meets environmental and health safety standards, b] pollutes land and water sources and occasionally is a disease vector e.g. leptospirosis; and c] is not climate change ‘smart’ nor adaptable to the upcoming El Nino. A dry litter system of raising livestock was developed to address these weaknesses while at the same time supporting *sustainable land management* through *sustainable agriculture* based on soil and water conservation and improved management of agricultural waste.

Sustainable land management in Palau is crippled as our most predominant soils are weather battered, highly acidic, aluminium saturated, poor porosity, slow draining, run off susceptible and plant nutrient deficient. Mulch and compost from the dry litter system would provide a buffer from extreme weather conditions, lessen acidity, ‘neutralize’ aluminium, improve porosity, speed drainage, reduce and slow run off and provide plant nutrients. Other benefits would be the provision of food and a micro-climate for soil building creatures and act as a sponge to better hold water, air and plant nutrients. The Rodale Institute’s Farming Systems Trial Study demonstrated organic soils trap atmospheric carbon dioxide, a major greenhouse gas, and organic crops have an increased ability to withstand drought-year stress. This project addresses goals and activities identified in The Medium Term Development Strategy 2009-2014: Actions for Palau’s Future and Republic of Palau Non-communicable Disease Prevention and Control Strategic Plan of Action 2015-2020.

The project will involve multi-sectoral partnership to evaluate and promote resilient farming systems by establishing demonstration farming systems in selected easily accessible sites. The project will focus on three strategic broad activities including, (1) Establishment and promotion of demonstration farming system and disaster resilient nursery; (2) promote typhoon resilience, climate smart agriculture, El Nino mitigation and ecosystem based management and (3) strengthening adaptation capacity at national, states and community levels.

**3. Objective (s) (two to three sentences )**

The aim of the Project is an operating and viable integrated farming system that will enhance sustainable livelihoods and strengthen capacities to adapt to the adverse effects of climate change by demonstrating how farmers a] may raise their livestock in a way which actually enhances rather than deteriorates the environment and b] protect nurseries and plants from typhoons. Since local livestock production is much less than demand modelling a system which demonstrates how to raise livestock in an environmentally friendly manner may lead to an increase of local production by 20%. The communities will be empowered by enabling it to meet its own needs for local produce for home consumption and custom obligation from within.

**4. Expected project outcomes (max ¼ page)**

<ul style="list-style-type: none"> <li>a) Improved food security and livelihoods.</li> <li>b) Increased adoption and adaptation of sustainable land management techniques especially organic resulting in less land degradation and better food and water safety/security.</li> <li>c) Strengthened national and community adaptation capacity to impacts of typhoons, climate change and El Nino.</li> <li>d) Gain in food sovereignty through increased production and consumption of food.</li> </ul>	
<b>5. Targeted outputs (max ½ page)</b>	
<ol style="list-style-type: none"> <li>1. Natural Resources assessment conducted at the 7 sites and plan developed &amp; identification, documentation and trialing of relevant traditional practices and adaptation methods.</li> <li>2. Integrated farming system established, evaluated, refined and modelled at selected sites including government stations, farmers associations and communities.</li> <li>3. Disaster resilient nursery coupled with disaster mitigation containers established, evaluated, refined and modelled at selected sites including a government station and a farmers association.</li> <li>4. Training on the integrated farming system including Farmer Field Schools where appropriate.</li> <li>5. “Reusable Training Objectives” and ‘schematic’ on the integrated farming system.</li> <li>6. Field days of the demonstrations.</li> <li>7. Trial of “Action Learning Groups” with early adopters/adapters.</li> </ol>	
<b>6. Beneficiaries (max ½ page)</b>	
<p>The project will directly benefit 7 communities through provision of improved/resilient crop varieties and livestock plus an integrated farming system. In addition, through information, knowledge sharing and up scaling of activities, the project is expected to benefit majority of farming communities. The project will engage vulnerable groups including men, women and youth to ensure equity and benefit for all. Since women are the main provider of food from the land the project will promote greater gender equality. The community at large will benefit through the increase production of crops and livestock and improve food security and disaster risk management and disaster rapid response measures. An open door training policy addressing those politically and socially excluded plus donations of produce from the project to at risk families will promote social inclusion.</p>	
<b>7. Indicative budget (max ½ page)</b>	
<b>Item</b>	<b>Indicative Budget</b>
Natural Resources assessment conducted at the 7 sites and plan developed & identification, documentation and trialing of relevant traditional practices and adaptation methods.	20000
Integrated model farms (crop [including vegetable, fruits, spices, roots and cultural] and livestock) established at each project site'	70000
Disaster resilient nursery coupled with disaster mitigation containers established, evaluated, refined and modelled at selected sites	70000
Seven community gene-banks for resilient crop varieties established	30000
Capacity building provided on disaster risk management, ‘organics’, climate change and food security to national, state and communities	20000
Project management costs	65000
Extension, Monitoring and Evaluation	24000
Communication and visibility	4000
Supplies	10000
Consultant engagement: SPC & POETCom	30000
Contingency reserve	25000
Co-financing/In-kind contribution (optional)	
<b>Total Euro:</b>	<b>368000</b>

**8. Project management (max ½ page)**

The Bureau of Agriculture has been the lead implementing agency for agriculture and food security projects supported by USDA, FAO, SPC, etc. BoA implemented the FAO Regional Food Security Program activities in Palau, plus the FAO Value Adding Project. As such, it will be the lead national implementing agency. Implementing partners will be State Governments and farmers associations and the Palau Community College – Cooperative Research & Extension, Taiwan Technical Mission, PACC Project, and Natural Resources Conservation Service. In addition, other relevant sectors and stakeholders will be engaged in the implementation process. The UAK and Children Healthy Living Project and the NCD Project and PVA will be also engaged to promote local food production and consumption as part of the awareness and capacity building under the project. Technical staff working on the project will be BoA’s extensionists. Technical reporting will be by the Director and Chief of Extension of BoA. Technical backstopping will be provided by SPC, GIZ, UOG, UOH and POETCOM throughout the implementation of the project

The steering structure of the project will be by quarterly meetings of the Project Team, the Director of BoA and the Director of Bureau of Trade and Technical Assistance.

The BOA will coordinate with project participants and collaborators on accurate and quarterly progress report submission for subsequent submission to GIZ. Division of Finance and Accounting will be responsible for financial management, accounting and reporting.

**9. Complementarities and replicability (max ¼ page)**

This project complements ongoing projects on climate change adaptation, food and nutrition security in Palau. The project will evaluate recommended resilient crop varieties from the Centre for Pacific Crops and Trees (CePaCT) housed within the Land Resource Division of SPC. The project will provide a viable vehicle for POETCom to provide technical assistance on ‘organics’. The project will build upon the following previous projects: DSAP, Farm Management, Value adding and Farmer Chef Alliance. The project will complement the ongoing FAO project on ‘organics’, the policy paper: *Linking farmers to markets: Realizing opportunities for locally produced food on domestic and tourist markets in Palau* and the pipeline project of IPM and fruit trees. Successful models from ongoing climate change and food security projects around the region will be used to guide the project activities. Lessons learnt from the project will be replicated to other communities. The potential for farmers to replicate the demonstration has been enhanced by a new low interest loan program.

**10. Sustainability and risks (max ¼ page)**

Long-term food security, water security and disaster risk management requires reprioritization of government activities, active government support and ownership by communities and farmers. The project will sensitize decision makers and adopt participatory learning and action approach at all levels from project formulation to implementation to move forward ownership and continuity of project activities. The bridge for crossing from ‘demo’ to real life and real farmers will be through “Action Learning Groups” with early adopters/adapters to ensure sustainability as farmers learn best from farmers. One major risk is a typhoon may hit before the project is typhoon resilient. El Nino has been predicted for this year.

**11. Timeline for planned measures (max ¼ page)**

Activity	2015		2016				2017	
	3	4	1	2	3	4	1	2
Project Management Establishment and Activity Planning and engagement of project stakeholders								
Selection of project sites using approved selection process								
Assessment of natural resources and plan developed &								

identification, documentation and trialing of relevant traditional practices and adaptation methods.	■								
Implementation of plan and demonstrations		■	■	■	■	■	■	■	
Extension, Monitoring and Evaluation	■	■	■	■	■	■	■	■	■
Project Continuation strategy developed								■	■
Project continues.									■

**12. Stakeholder engagement in concept note development (maximum three sentences)**

The formulation of the concept note is based on recent need assessments, training evaluations, focus group sessions, and sector/policy reports. The following entities were consulted: National Emergency Management Office; Office of Environmental Response and Coordination; Bureau of Trade and Technical Assistance; Bureau of Domestic Affairs; Ministry of Resources and Development; UAK [NGO promoting healthy lifestyle]; NCD Working Group; Children Healthy Living Project; Palau Visitors Authority; Palau Community College – Cooperative Research & Extension; Palau Taiwan Farmers Association; PACC Project; Natural Resources Conservation Service; UN Joint Presence Office, GEF SGS Office, Secretariat of the Pacific Community; POETCom; FAO; University of Guam and University of Hawaii.