The China-IFAD

South-South and Triangular Cooperation (SSTC) Facility
FACILITY OVERVIEW

Established in 2018, with a contribution of US$10 million in supplementary funds from the People’s Republic of China.

FIRST FACILITY IN IFAD DEDICATED TO SOUTH-SOUTH AND TRIANGULAR COOPERATION.

PREFERENCES
1) Promote innovations in strengthening the productive, managerial, financial and marketing capacities of rural people;
2) Pilot inclusive production and business models which generate higher incomes for rural people in agricultural and non-agricultural rural activities;
3) Promote investments and trade between developing countries that provide services or markets to rural people.

TYPES OF INSTRUMENTS
- Grants: implemented by recipients external to IFAD, such as government organizations, non-profit organizations, business entities, UN and other multilateral organizations.
- Direct disbursements: implemented by IFAD divisions

TYPES OF COOPERATION PROMOTED:
- Knowledge Exchange (sharing of policies, technologies, and practices)
- Technical training and capacity building
- Joint research and development of sector development strategies and programs
- Smallholder farmer centred rural development projects
- Business-to-business linkages and private-public partnerships
- Catalyse South-South trade and investments

COVERAGE
5 Regions: Asia and the Pacific (APR), East and Southern Africa (ESA), Latin America and Caribbean (LAC), Near East, North Africa and Europe (NEN), West and Central Africa (WCA)
42 countries: Algeria, Argentina, Bangladesh, Bolivia (Plurinational State of), Brazil, Cambodia, Cameroon, Chile, China, Colombia, Congo, Costa Rica, Dominican Republic, Ecuador, El Salvador, Ethiopia, Ghana, Guatemala, Haiti, Honduras, Hungary, Kenya, Kyrgyzstan, Lao People’s Democratic Republic, Madagascar, Mexico, Morocco, Nicaragua, Nigeria, Pakistan, Panama, Paraguay, Peru, Sudan, Trinidad and Tobago, Tunisia, Turkey, United Republic of Tanzania, Uruguay, Uzbekistan, Venezuela (Bolivarian Republic of), Viet Nam.

FACILITY PORTFOLIO

The Facility has placed three calls for proposals since its establishment with a total of 17 approved projects amounting to a portfolio of US$ 7.7 million.

Thematic areas:
2018 call for proposals Number of projects: 8 Total amount: US$3.6 million
Geographic coverage: All regions

2019 call for proposals Number of projects: 5 Total amount: US$2.2 million
Geographic coverage: APR, ESA, and WCA

2020 call for proposals Number of projects: 4 Total amount: US$1.9 million
Geographic coverage: APR, ESA, LAC and NEN

a. Value chain development, Youth innovation, Green economy, Water conservation and irrigation and Policy and institutional support.
b. Productivity improvement, Technology transfer and Digital technology application.
c. The Facility has designated funds under the third call to support the generation and exchange of innovative solutions, approaches and methodologies that can be of value in the post-COVID-19 recovery period, and that can be subsequently scaled up and adapted to similar crises to benefit a wider population of poor rural people.
RESULTS FROM SOME FACILITY-FUNDED PROJECTS

Inclusive Agro-Industrial Value Chain Development as an Enabler of Poverty Reduction in Bangladesh

This project aims to strengthen the dairy and beef value chains in Bangladesh by introducing innovative business models in the livestock sector for the benefit of rural smallholder farmers, producer groups and traditional processors. During implementation, dozens of producer groups, companies, research institutes and development agencies from Bangladesh and China were connected to enhance capacity building and facilitate policy change to ensure a sound enabling environment. Knowledge products such as case studies on beef cattle production, dairy production and marketing, manuals on corn and alfalfa silage production, policies for the reform of beef and dairy sector were developed to support the exchange of experience and practices.

South-South Cooperation for Scaling up Climate Resilient Value Chain Initiatives

Implemented in Cambodia, China, Laos and Vietnam, this project aims to build capacity and develop knowledge on successful climate-resilient value chains (CRVC). A series of Training of Trainers has been organized with the attendance of over 50 participants. In Vietnam, 12 videos of best agricultural practices utilizing CRVC were developed and uploaded on YouTube, and a Climate Smart Agricultural handbook with more than 30 case studies from participating countries has been published. Over 4000 smallholder farmers have been reached across the four countries, a Facebook page (SSCVCPROJECT) created to disseminate the documented CRVC models and multiple stakeholders such as research institutes and international NGOs engaged to replicate the results in neighbouring countries such as Thailand.

Local Production of Fortified Cassava Flour in Bouenza Department in the Republic of Congo

In the Republic of Congo, the Facility is supporting the establishment of a framework and evidence-based business plan for the production of and sale of cassava products. For this initiative, the three RBAs are pooling their expertise: FAO leads the development and adoption of policy standards for cassava. IFAD focuses on strengthening farmers’ organizations, setting up mutually beneficial partnerships, and generating funds for the expansion of small-scale producers’ capacities. WFP coordinates the various partners and facilitates better market access for the cassava producers.

Promoting Sustainable Cage Aquaculture in West Africa (ProSCAWA)

In Ghana and Nigeria, ProSCAWA seeks to empower and transform livelihoods of smallholder farmers in West Africa through enhanced application of sustainable technologies and expertise in cage aquaculture. Linkages between Chinese and West African aquaculture entrepreneurs will be established for transfer of knowledge and development of viable business partnerships. As part of this project, six units of floating cages will be installed on demonstration sites in Ghana and Nigeria, 1,000 farmers will be trained on new cage culture technologies and 20 business plans will be developed.

Rural Youth Innovation Award

The Award was launched in January 2020 to strengthen the capacities of the youth and disseminate sustainable rural solutions in Latin America and the Caribbean. 19 youth-led initiatives were selected and rewarded. Through the establishment of 44 institutional partnerships across the LAC region, the Award winners benefited from an Immersion programme of mentoring and summer schools that improved their entrepreneurial skills and competitiveness to access national and international markets.
WAY FORWARD

Building on the lessons learned from three years of operation, and moving forward with an expanded portfolio, the Facility will continue to leverage SSTC through its funded projects, looking to provide ‘the last mile’ of development to the rural poor through increased productivity, enhanced livelihoods and improved nutrition.

“China and IFAD share the common goal of a world free of poverty and hunger and we both believe that SSTC provides innovative solutions to development challenges, such as poverty reduction.”

Gilbert F. Houngbo, President of IFAD

“South-South cooperation provides an important complement to North-South cooperation. China attaches great importance to SSTC and encourages IFAD to play a leading role in the process of mainstreaming SSTC as a development tool.”

Zhou Qiangwu, Former Deputy Director-General of the Department of International Economic and Financial Cooperation of MOF