

Strategic Sector Cooperation in the Food Sector Between Denmark and China, Phase II

Key results:

1) Improvement of food safety focusing on the area of food safety systems and control and; 2) Mitigation of food loss and food waste.

Justification for support:

Food safety and the elimination of food loss and food waste are important contributions to the sustainable development in China:

- Improved food safety systems are important to ensure sufficient and safe foods for the population and decrease the risk of spread of contaminants in food within and across borders
- Elimination of food loss and food waste in the entire value chain will contribute to lower greenhouse gas emissions and increase efficiency in use of land and water

Food safety

This cooperation will work to improve implementation of food regulation, which is a prerequisite for sufficient food safety.

Food safety is a priority for the Chinese government, and a comprehensive food safety law came into force in China in 2015. However, the implementation of the law and compliance of producers are still lacking behind. Phase 1 of the cooperation focused on capacity building related to food safety, risk management, risk communication and emergency response in order to strengthen the implementation of the law.

During phase 2 the focus will be on shifting the Chinese approach to food safety from a focus on end products to a food chain approach controlling products at different stages of production.

Food loss and food waste

Moreover, the cooperation will focus on resource efficiency, food loss and waste in a new cooperation with China. This part of the cooperation will seek to eliminate food loss and food waste in the whole value chain and ensure efficient use of resources. This may include efforts in relation to primary and processed food production using food technology such as water reduction and food ingredients.

Major risks and challenges:

The results will depend on the Danish and Chinese stakeholder cooperation, political will, access to information and availability of relevant experts. Regular Steering Committee meetings will mitigate these risks.

Strategic objectives:

The main objective is to improve food safety and resource efficiency, and contribute to elimination of food loss and waste in China

Justification for choice of partner:

The Danish partner was identified through a strategic match-making process in 2014 where Danish public competencies were matched with local demand. Under the SSC projects, the Danish partner typically works with its "sister organization". In China, this is the State Administration of Market Regulation in relation to food safety, while the relevant partner authority for the Resource Efficiency, food loss and waste will be identified as a part of the proposed phase II project development period in 2020.

Summary:

This project addresses the need for improved food safety and resource efficiency in China focusing on food safety systems as well as food loss and food waste. The increasing awareness of consumers as well as food safety incidents in China has made food safety a significant priority for the Chinese government. The work stream on food safety will draw on a Danish stronghold in food inspection systems with a focus on control of food products at early stages of production contrary to current Chinese practice. A possibility for collaboration with Chinese authorities on food loss and food waste will be explored during 2020 and the content of the work stream will be submitted no later than December 2020.

Budget:

Personnel – Danish Authority	3,768,766
Reimbursable Costs for Danish Authority Staff	655,515
Activities, Including Capacity Development	1,700,000
Consultancies (max. 30% of grand total)	350,000
Unallocated funds (max 20% of grand total)	400,000
Total DKK	6,874,281*

* Of which DKK 2,080,605 is contingent of the approval by the Ministry of Foreign Affairs of a full project description for the work stream on food loss and food waste by ultimo December 2020

File No.	2017-39186			
Country	China			
Responsible Unit	GDI			
Sector	31110 - Agricultural policy and administrative management			
Partner	Danish Veterinary and Food Administration			
	<i>DKK mill.</i>	2020	2021	2022
Commitment	6.9			Tot. 6.9
Projected ann. disb.	2.6	2.8	1.5	6.9
Duration	2020-2022			
Previous grants	DKK 995,654 (Inception Phase); DKK 4,998,501 (Phase I)			
Finance Act code	§06.38.02.14			
Head of unit	Rasmus Abildgaard Kristensen			
Desk officer	Signe Refstrup Skov/Tilde Hellsten			
Reviewed by CFO	YES: Christina Hedegård Hyttel			

Relevant SDGs *[Maximum 1 – highlight with grey]*

 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Project Document

Strategic Sector Cooperation in the Food Safety and Agricultural Sector

**between
Denmark and China**

Cover document

General information	MFA File no. 2018-38544
Project Title	<p>Strategic Sector Cooperation project in the Food Safety and Agricultural Sector between Denmark and China 2019-2022</p> <p>(Note that two project tracks are running):</p> <p>Project A on “Improvement of food safety in China”, and</p> <p>Project B on “Improving the efficient use of resources in China and reducing food loss and waste in the whole value chain from food production to consumption”.</p>
Partner Country	China
Project duration	Starting June 2020 – December 2022
Total budget (DKK)	<p>6.874.281 mio. DKK (Project A, 3.699.784 mio, Project B, 3.147.497 mio). In relation to Project A, then the allocated budget is higher than estimated in the signed project document signed by the parties due to subsequent adjustment of salary rates.</p> <p>Please be aware that Project B contains Time in Denmark 2021 and 2022 that exceeds 50% of the allocated funds to salary to project manager, 82,5 weekdays in 2021 and 60,5 weekdays in 2022. When the final project workplan for project B is drafted by the end of December 2020 these weekdays will be shared by different key experts and will not entirely belong to the project manager and will be distributed so at least 50% will be TWP.</p>
Thematic focus	<p>Within the area of food safety and agriculture the thematic focus is two-folded:</p> <p>i) Improvement of food safety in China, and</p> <p>ii) Ressource Efficiency, food loss and waste.</p>
Responsible Danish Public Authority Contact person	<p>Danish Veterinary and Food Administration</p> <p>Ministry of Environment and Food of Denmark</p> <p>Ms Nina Hvid Enevoldsen, Senior Project Manager</p> <p>e-mail: nita@fvst.dk</p>

<p>Danish Embassy</p> <p>Head of Representation</p> <p>Sector Counsellor</p>	<p>The Royal Danish Embassy in China, Beijing</p> <p>A. Carsten Damsgaard, Danish Ambassador to China</p> <p>Jeppe Juul Petersen, Sector Counsellor</p>
<p>Background</p>	<p>The two SSC projects A and B are suggested to continue in a renewed phase II period as a follow up on phase I- Phase I had two tracks: one on food safety – to be continued in phase II, project A and a track on improving emissions from the agricultural sector, originally project B. However, due to changes in the Chinese Central Administration and MARA being responsible for the agricultural sector, it is not possible to continue the original project B in the near future. However, instead it is proposed to work with relevant Chinese counterparts on improving the efficient use of resources in China and reducing food loss and waste in the whole value chain from food production to consumption. In order to develop specific outputs from such a new project track and to identify relevant Chinese partners it is proposed to start an initial “inception phase” on this matter running until the end of 2020.</p>
<p>Formal request approval and release of funds</p>	<p>Against this background, the formal approval by MFA of Project A is hereby requested by the Danish Veterinary and Food Administration.</p>
<p>Main objective of SSC project</p>	<p>The main objective of the Strategic Sector Cooperation within the Food Safety and Resource Efficiency, Food Loss and Waste Sector is to contribute to Sustainable Development Goals 2 and to work on actual implementation measures on food safety and sustainable agriculture</p> <p>In Sub-Project A, focusing on the area of food safety system and control, in particular with a focus on infant milk formula.</p> <p>In Sub-Project B the main objective is to focus on resource efficiency, food loss and waste looking at five work-streams within the primary production (sustainable feedstuff usage), Ingredients (storage, longer lifetime etc.), Usage of raw-materials and water, Smarter usage of new technologies and consumer habits.</p>
<p>Documents enclosed</p>	<p>Annex 2B: FINAL Inception project Resource Efficiency, Food Loss and Waste.</p> <p>Annex 3A: FINAL SSC-applications for Project A</p> <p>Annex 4A: FINAL Work plan for Project A</p> <p>Annex 5A: FINAL Budget Project A</p> <p>Annex 5B: FINAL Budget Project B</p> <p>Annex 5AB: FINAL Budget Project AB</p> <p>Annex 6A: FINAL Background Study Project A</p> <p>Annex 15A: FINAL Steering Committee Project A</p>

Annex 9 - Quality Assurance checklist for appraisal of programmes and projects¹

File number/F2 reference:	2017-39186
Programme/Project name:	Strategic Sector Cooperation in the Food Safety and Agricultural Sector Between Denmark and China, Phase II
Programme/Project period:	Three years
Budget:	6,900,000 DKK

Presentation of quality assurance process:

The preparation of Phase II projects under the Strategic Sector Cooperation Facility follows the SSC guidelines. The preparation and decision making process consists of three steps:

- 1) A concept note, which entails an assessment of lessons learned during phase I and strategic choices for phase II – followed by dialogue between the Secretariat for Strategic Sector Cooperation, the concerned embassy and the Danish authority;
- 2) Preparation of the required project document, annual work plans, budget and an updated background study, which includes a context analysis and a basic base line assessment. Prior to the official submission of the signed project document, a quality assessment dialogue takes place between the Secretariat for Strategic Sector Cooperation and the Danish authority,
- 3) Approval of the project document, which is signed by the local and Danish partner. The Secretariat for Strategic Sector Cooperation validates that the required information and analysis is included as per the SSC guidelines. Projects with a total value of 10 million DKK or above are approved by the Under-Secretary for Development Policy.

The design of the programme/project has been appraised by someone independent who has not been involved in the development of the programme/project.

The SSC guidelines don't include an independent appraisal. However, there was a review of the overall Strategic Sector Cooperation Facility Initiative in 2017 and an evaluation is ongoing (2019-2020).

¹ This Quality Assurance Checklist should be used by the responsible MFA unit to document the quality assurance process of appropriations where TQS is not involved. The checklist does not replace an appraisal, but aims to help the responsible MFA unit ensure that key questions regarding the quality of the programme/project are asked and that the answers to these questions are properly documented and communicated to the approving authority.

Two persons in the Secretariat assess the draft project documents. Subsequently, the project manager in the Danish authority makes the necessary adjustments.

☒ The recommendations of the appraisal has been reflected upon in the final design of the programme/project.

N/a (see above).

☒ The programme/project complies with Danida policies and Aid Management Guidelines.

The SSC project complies with the SSC guidelines and Danida policies. The SSC guidelines draw on the overall principles and concepts of the Aid Management Guidelines.

☒ The programme/project addresses relevant challenges and provides adequate responses.

Yes.

☒ Issues related to HRBA/Gender, Green Growth and Environment have been addressed sufficiently.

The SSC guidelines don't include issues related to HRBA and gender directly. Green Growth and environment issues are often covered by the SSC projects.

☒ Comments from the Danida Programme Committee have been addressed (if applicable).

N/a.

☒ The programme/project outcome(s) are found to be sustainable and is in line with the partner's development policies and strategies. Implementation modalities are well described and justified.

The focus areas are defined and the project document is elaborated in collaboration between the Danish authority and its key partner, and finally agreed at management level before submission to the SSC Secretariat. Basic project outcomes are described in the project document.

☒ The results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.

Considering the nature of the partnership between Danish and local authorities the results framework in the project document is considered adequate.

☒ The programme/project is found sound budget-wise.

Yes. The SSC project budget follows the SSC guidelines and budget templates complying with the budget guidelines issued by the Ministry of Finance (budgetvejledningen) and the principles for the calculation of overhead for state agencies (vejledning om prisfastsættelse) from the Agency for Modernisation.

☒ The programme/project is found realistic in its time-schedule.

Flexibility in the design and implementation modalities are important features of the SSC projects, and is one of the prerequisites of the SSC approach for relevance and results. Hence, changes in the actual implementation are frequent.

☒ Other donors involved in the same programme/project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.

No other donors are directly involved in the SSC project.

☒ Key programme/project stakeholders have been identified, the choice of partner has been justified and criteria for selection have been documented.

The background study includes a stakeholder analysis. On this basis the local partner is identified. For most phase II projects the (main) partners continue from phase I. In some cases change of one of the partners takes place.

☒ The executing partner(s) is/are found to have the capacity to properly manage, implement and report on the funds for the programme/project and lines of management responsibility are clear.

The SSC projects are implemented directly by the Danish partner.

☒ Risks involved have been considered and risk management integrated in the programme/project document.

Yes

☒ In conclusion, the programme/project can be recommended for approval: yes /

Date and signature of desk officer: 2020 Signe Refstrup Skov

Date and signature of management: 2020 Ole Thonke