

PRISMA

Progress Report and
Implementation Plan (PRIP)
and Annual Plan

July - December 2022

Executive Summary



Kementerian PPN/
Bappenas



Australian Government





Executive Summary

Executive Summary

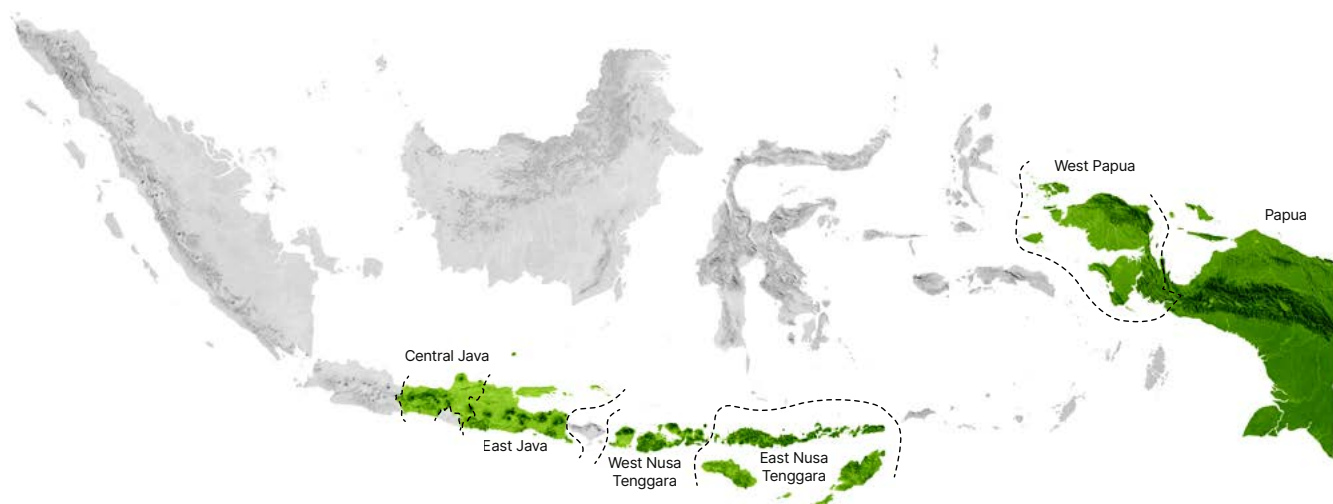


Figure 1. PRISMA provincial intervention areas

PRISMA is a market systems development (MSD) program working in 12 agricultural sectors across 6 provinces in Eastern Indonesia¹. The Australian Government (GOA) funds PRISMA through the Department of Foreign Affairs and Trade (DFAT) in cooperation with the Government of Indonesia (GOI) through the National Development Planning Agency (Bappenas). PRISMA is an AUD 88 million investment that began in 2013.

Achieving rural growth through the private sector will alleviate poverty for smallholder farmers and put Indonesia in a better position to improve its food security. The program's investments seek to change how the private sector does business in rural Indonesia so that smallholder farmers can increase their farm productivity.

PRISMA does this by:



Identifying business opportunities to improve agricultural sector performance.



Leveraging the private sector to produce and sell innovative products and services to rural men and women farmers.



Influencing the public sector to spur economic growth by improving the business-enabling environment.

PRISMA's end of program outcomes (EOPO) is to **increase the income of one million smallholder farming households by 30 percent**.

¹ Central Java, East Java, East Nusa Tenggara (NTT), West Nusa Tenggara (NTB), Papua and West Papua

Semester achievements



PRISMA has already exceeded the EOPO, reaching 1,224,574 smallholder farming households and increasing incomes by 184 percent.



PRISMA has supported the Government of Indonesia in changing the National Feed Standards for cattle and dairy feed. As a result, small and medium companies can enter the feed sector to provide affordable quality feed to smallholder farmers throughout Indonesia.



PRISMA has achieved systemic change in the cattle sector, particularly for commercial feed. The private sector is now independently serving the market with quality feed for smallholder farmers.



PRISMA has succeeded in triggering market rebound in the pig sector after 2 years of African Swine Fever (ASF). The private sector has increased sales of piglets, feed and animal health products, and farmers are beginning to restock and invest in commercial feed.



Private sector partners have invested AUD 220 million in more inclusive business models, and they intend to continue delivering these goods and services once co-financing has been withdrawn.



PRISMA has become a trusted source of field-level information for GOI and GOA on livestock disease in Eastern Indonesia for market impacts of external shocks. These include african swine fever in NTT and foot and mouth disease in East and Central Java.



Fifty-seven percent of private sector partner interventions are mainstreaming Women's Economic Empowerment (WEE) in their business models by including services and products directed at women farmers.



PRISMA is influencing farmers to reduce greenhouse gas emissions through smart agricultural practices and will now begin to measure these impacts formally.



PRISMA's strategic communications adjustments resulted in a reach of 2.7 million people via the Economist Impact campaign, a 1,200 percent increase in monthly visitors to the PRISMA website and more engagement with PRISMA stakeholders via a new LinkedIn page.

Program relevance

PRISMA is aligned with the GOI's National Medium-Term Development Plan for 2020-2024. Bappenas openly supports the program's efforts to ensure smallholder farmers have access to critical inputs in line with the Ministry of Agriculture's (MoA) strategic plan for 2020-2024. The program's strategies are well aligned with Indonesia's long-term national development plan for 2005-2025, which prioritises rural development, agricultural reform, food security, enhancing equity, and rural economic growth.

PRISMA is aligned with the GOI and GOA's post-COVID-19 recovery strategies. PRISMA contributes to the stability and economic recovery pillars of DFAT's strategy by strengthening agricultural markets and food security while safeguarding poor farmers' livelihoods. PRISMA remains well-placed to help reduce economic hardship and ensure that women and vulnerable groups play a critical role in Indonesia's recovery.

Delivery context

PRISMA has been operating for 9 years and has proven that a market systems approach is effective in delivering development aid effectively and efficiently. PRISMA has a high rate of social return, and represents excellent value for money. See our Key Achievements on pages 10-11 for more detail.

PRISMA has shown it is possible to permanently change the private sector's behaviour to ensure more inclusive business models that can lead to increased productivity for smallholder farmers and more resilient markets. Significant progress has been made towards systemic change in 4 sectors, beef, mung bean, maize madura and maize NTT and adequate

progress in an additional 3 sectors. See page 7 for the breakdown of the portfolio for systemic change.

The independent strategic review (ISR) commissioned by DFAT this semester highlighted the breadth and depth of the program's interventions and its contribution to rural development in the 6 target provinces.

In the program's final year, PRISMA will focus on building market resilience by inducing crowding-in and copying by other market players. PRISMA aims to make further progress in systemic change within key market systems.

Market system strategy explained

Market System

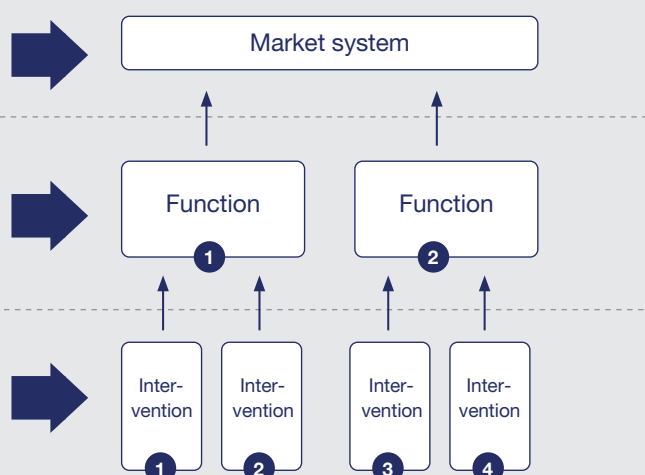
The expected high-level change in each market system

Function

Underperforming market functions that are critical and feasible to improve the market system

Intervention area

A suite of activities supported by the program to improve a specific market function



Portfolio progress





PRISMA has made excellent progress against the market system strategies (MSS) this semester (refer to Table 1 for a summary of all sectors, Chapter 2 for detail on the dairy, pigs and vegetable sectors and Annex 1 for the remaining 9 sectors). Not all sectors are progressing at the same rate. The 2-year COVID-19 pandemic and other external shocks, such as livestock disease and the war in Ukraine, have delayed progress in the newer sectors such as

finance and ICT, where there was an entire strategy reboot. This has led to different pace towards achieving systemic change as noted in Figure 2.

Significant progress has been made in influencing policy change at the national level in the beef and dairy sectors, which has contributed in no small part to PRISMA changing the face of the cattle feed market in Indonesia.

Table 1. Summary of Sector Progress for Semester 2.

For more detail on the dairy, pigs and vegetable sectors see Chapter 2 and for the remaining sectors see Annex 1.

 <p>Beef</p>	<p>There is evidence to show that more than 641,316 households have experienced an income increase of 145% as a result of PRISMA's interventions in the beef sector up to December 2022.</p> <p>The foot-and-mouth disease (FMD) outbreak significantly impeded sector growth. PRISMA supported its partners in developing adaptive strategies to minimise the impact. PRISMA facilitated collaboration between private companies (feed and pharmaceutical companies) and local governments and supported the national and provincial governments with research and an ongoing study to tackle FMD.</p> <p>Significant progress was made in changing the national feed standard policy with PRISMA succeeding in prompting the National Standardisation Agency (BSN) to issue the new standard for cattle feed in December 2022. The new feed standard allows small and medium companies to enter the market with legal status. For more detail on the steps taken to influence the policy change and the result, see infographic on pages 80-81.</p>
 <p>Crop Protection</p>	<p>PRISMA partners with crop protection companies to promote safer, cost-effective crop protection methods and products. An existing partner launched a new environment-friendly product, and another company partnered with PRISMA to enter the market for safer crop protection products. PRISMA supported the local government in Bojonegoro, East Java, to collaborate with 2 PRISMA partners to address the soil degradation problem.</p>
 <p>Innovative Finance</p>	<p>This semester, PRISMA's partner, Bank Mandiri showed increased ownership of the business model to target agricultural kiosks with loan products by expanding to 3 new provinces. Two new financial institutes, Bank Sinar Mas and Bank Negara Indonesia, have partnered with PRISMA to target small and medium enterprise (SME) financing. PRISMA also engaged with the Institute for Development of Economics and Finance to develop an evidence-based case for SME financing.</p>
 <p>ICT</p>	<p>This semester, PRISMA supported an agricultural start-up, PT Semaai, and an input company, PT Bayer, to better engage with agri-kiosks. PT Semaai will integrate an inventory management feature in its kiosk application. PT Bayer and PT Semaai developed a module on good agricultural practices (GAP) for kiosk owners. In addition, PRISMA signed a partnership with the Indonesian Veterinary Association to analyse the demand for digital livestock health services.</p>

 Maize - Central Java	<p>No further work is being done in Central Java for maize except where it supports the broader maize strategy. This semester PRISMA supported 4 local governments in developing the technical capacity of their public extension service workers. PRISMA also supported the provincial government in developing an operational guideline for a more effective subsidy system.</p>
 Maize - Madura	<p>Most seed companies continued promoting hybrid seeds in Madura. Most large seed companies (e.g., Syngenta, PT BISI International) achieved their sales target before the year ended. Smaller companies also experienced increased sales. With one more company, PT Jafran, crowded-in, 7 seed companies are now promoting high yielding hybrid seeds and educating farmers in Madura. To ensure continuity of good practices in Madura, PRISMA is encouraging the district agriculture offices to develop an operational guideline on the smart subsidy.</p>
 Maize - NTT	<p>Ten seed producers partnered with PRISMA to expand their seed business to the commercial market. PRISMA supported them with business coaching and optimising seed producers' networks. PRISMA is supporting the relevant government agencies to collaborate with seed associations to ensure continuous access to parent seed and improved certification. A technical module on GAP and the profitability of commercial maize farming was produced by the government this semester to be used by public extension workers.</p>
 Mechanisation	<p>Partner companies have strengthened their commercial strategies and expanded their operations in East Java, Central Java, and East Nusa Tenggara (NTT). Four new companies developed new distribution networks. At least 2 companies crowded-in, and a financial institution, Bank Mandiri, responded to support the agricultural machinery business. Machinery renting companies grew their fleet and are offering services. Likewise, drone services saw increased demand. Machinery companies have continued to increase after-sales service by adding more outlets and offering attractive schemes to increase the availability of spare parts.</p>
 Mungbean	<p>PRISMA partners have shown increased ownership, adaptation, and resilience this semester in the mungbean seed business. Most companies used alternative locations for seed production due to a prolonged wet season. CV Bunga Tani Sejahtera received accreditation to self-certify its mungbean seeds. All partner companies have increased their investment in the seed business, and a new seed producer has crowded-in. While attempts are ongoing to link upstream and downstream actors, PRISMA is conducting research to further understand the off-taking function.</p>
 Rice	<p>Partner companies continued investing in seed production and marketing. At least 5 seed producers produced and marketed high-yielding rice seeds. Companies have adjusted their marketing strategies, increased seed production capacity, and expanded their businesses in new locations. A seed producer crowded into the market and started selling hybrid seeds. The policy advocacy at the MoA is ongoing. A research firm and a think tank assessed the effectiveness of the government's free seed program and shared the findings with the MoA and other stakeholders.</p>
 Soil Treatment	<p>This semester, fertiliser companies further expanded their operations in non-subsidised markets. Some have invested in building staff capacity, developing the national strategy, and exploring new marketing channels. The state-owned company, PT Petrokimia Gresik, continued implementing the multistakeholder partnerships in new locations. All partner companies used diverse communication channels and organised events to train farmers on good fertiliser use. Companies have also developed new distribution points and hired additional sales staff to reach many farmers. However, increasing fertiliser prices have slowed down the adoption of commercial fertilisers.</p>

Progress against systemic change

There has been good progress towards systemic change this semester, as highlighted in Figure 2.

This PRIP highlights the progress towards systemic change in 3 sectors: dairy, pigs, and vegetables. These sectors are on the lower end of the spectrum regarding progress towards systemic change as previous PRIPs highlighted the sectors with more significant progress toward systemic change. As

agreed with DFAT, PRISMA would report progress toward systemic change for all sectors, even those that have not made much headway. Of the 3 sectors, only pigs has shown adequate progress towards systemic change.

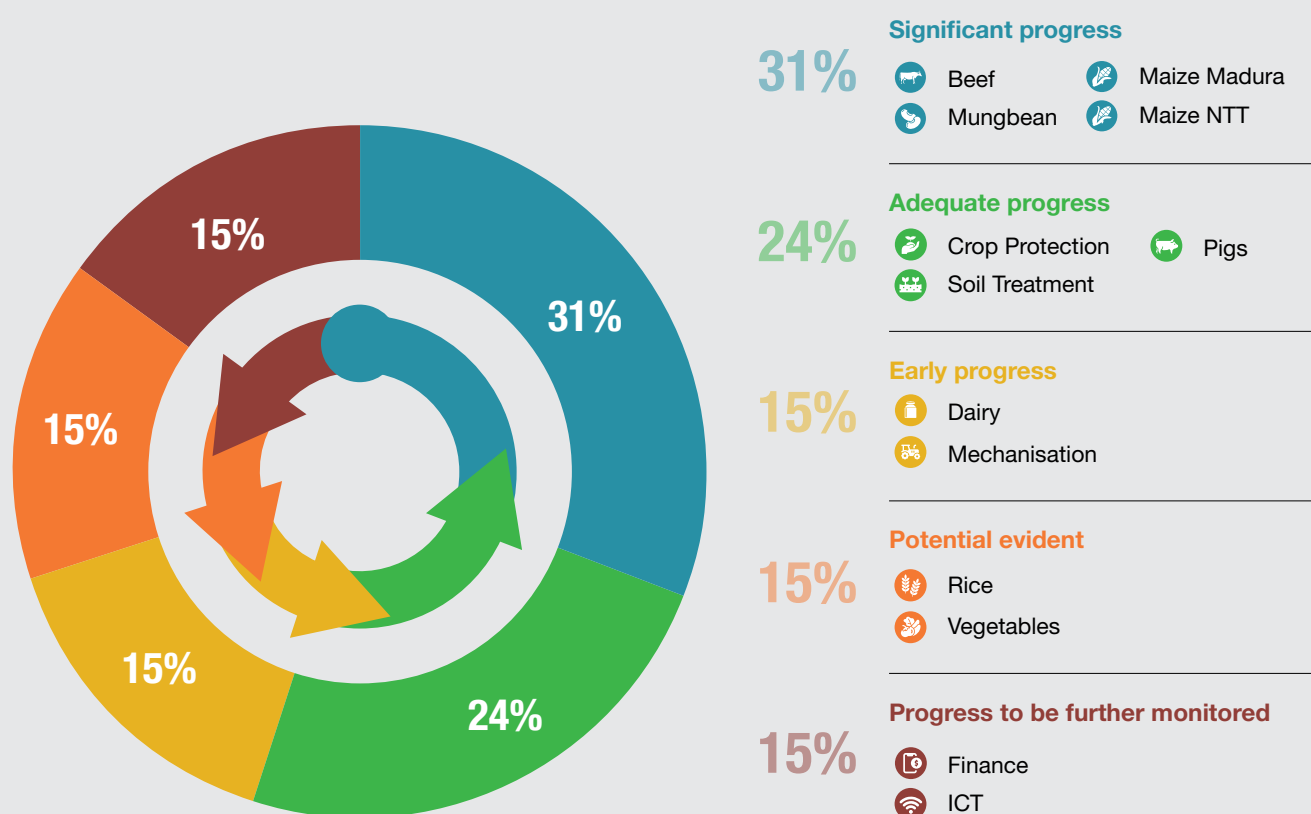


Figure 2. Portfolio progress towards systemic change



Dairy

Dairy is a new sector in East and Central Java with its first partnership in 2020. Progress in the interventions were impacted by COVID-19 and, more recently, by FMD. PRISMA identified opportunities to increase productivity in the dairy sector by focusing initially on feed and animal health functions. Good progress has been made in the feed function, with 18 companies in East and Central Java are providing good quality concentrate feed. The concentrate feed intervention has already contributed to the increase of milk production of 3,947 dairy HHs. The outbreak of FMD also encouraged dairy farmers to increase their

purchase of pharmaceutical products, but it is unclear if this is a permanent behaviour change.

PRISMA has also been working with the MoA to improve dairy breeds, with the import of Jersey cows. PRISMA is supporting the GOI to do this with the development of a Jersey roadmap and associated guidelines for Jersey cow smallholder farmers.

There is early progress toward systemic change, but FMD has slowed progress.



Pigs

Significant progress has been made this semester in the pig sector despite being heavily impacted by the 2-year outbreak of ASF compounded by COVID-19. This progress has been possible because the program built sufficient resilience in the feed sector. In addition, the program adjusted the strategy following the ASF outbreak to focus on re-stocking.

The sector has made adequate progress towards systemic change, which is no small feat given the decimation of the pig population in NTT by more than 50 percent. The private

sector has increased sales of piglets, feed and animal health products, and farmers are beginning to restock and invest in commercial feed. There are more than 15 breeding farms commercialising piglets and beginning commercial artificial insemination (AI).

Feed companies are expanding their distribution networks, and crowding-in has restarted. Collaborations between feed and breed companies and the government are actively preparing NTT for future outbreaks with adequate training for animal health workers and ASF campaigns for farmers.



Vegetables

Like the pig and dairy sectors, the vegetable sector was also impacted by external factors. This included a 3-year travel ban on Lion Air, a 2-year ban on travel to West Papua for security reasons, and then COVID-19. Papua and West Papua provinces were already challenging regions to work in due to their isolation and the difficulty in attracting private sector investments. These challenges are overlaid with political and cultural complexities between the highland and lowland areas.

Vegetables had a good start with East-West Indonesia (EWINDO) seed company in Phase 1, but much of this work ceased when EWINDO withdrew field staff following COVID-19. Following the strategy refresh in 2021, the vegetable team made progress in establishing partnerships with new seed companies that are using ethnographically sensitive approaches in their marketing and promotions. The interventions in Papua and West Papua are at the demonstration plot stage, and more time is needed to determine if the partners will continue the business models.



PRISMA

Achievements



1,224,574

Total smallholder farming HHs
with increased incomes
(up to December 2022)

July - December 2022



Realisation (HHs)

461,519

Target (HHs)

58,910

Progress to 1 million HHs by 2023



Target

Actual

122.4 percent
(exceeded the target)



Jan-Jun
2021

IDR54.9 b
AUD5.49 m

Jul-Dec
2021

IDR461.2 b
AUD46.12 m

Jan-Jun
2022

IDR1.57 t
AUD157 m

Jul-Dec
2022

IDR3.47 t
AUD347 m

IDR7.86 trillion
AUD786 million

Total additional incomes for
smallholder farming HHs up to
December 2022



Jan-Jun
2021

IDR4.48 m
AUD448

Jul-Dec
2021

IDR4.78 m
AUD478

Jan-Jun
2022

IDR5.75 m
AUD575

Jul-Dec
2022

IDR5.25 m
AUD525

IDR5.25 million
AUD525

Additional income per
smallholder farming HH in
July to December 2022



264

Total number of partners
(up to December 2022)

July to December 2022

26 New partners



10 Public sector

16 Private sector

4 Crowding-in businesses/ institutions

6 Responding businesses/ institutions



IDR1.84 trillion

AUD184 Million

Total value of additional
turnover for SME up to
December 2022
(for 13,162 SMEs)



Investment per HH from total
intervention cost (VFMINT)

66.80 Actual
Jul-Dec 2022

101.13 Actual
Jan - June 2022



Decrease 34 percent



PRISMA scored the lowest
Investment per household
to date



This is the average total investment cost per
farming household for every intervention.



In line with MSD, this number should continue
to decrease as the program becomes more
mature. As the private sector and farmers
invest more on their own, PRISMA's
investment decreases. This is an indication of
systemic change.



Social return on investment
(SROI) per HH (VFMSRT)

9.61 Actual
Jul-Dec 2022

5.69 Actual
Jan - June 2022



Increasing 3.92 per HH



This is the value of farming household net
income increase compared to the total
intervention cost per household.



Figure 9.61 means that for every dollar
PRISMA has invested to the farm household,
the beneficiary HH increases their income by
AUD 9.61.



This figure increased by 69 percent
compared to the last semester.



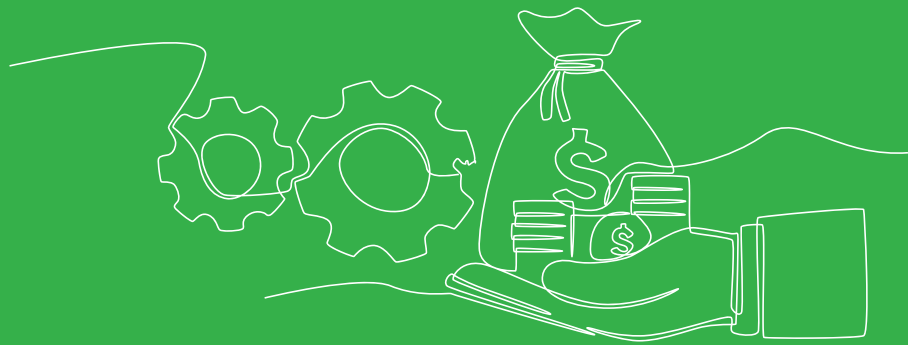
As our investment per household decreases,
our social return on investment increases
because more farmers are experiencing
income increase from market system change.

Operations and finance

Operations and finance continued to provide support for the implementation of the program. A record 29 collaboration agreements were signed with partners during this reporting period. Without mobility restrictions, fieldwork has reached pre-pandemic levels.

PRISMA updated the staff retention plan this semester as retaining staff will become more challenging in the final year of the program.

In 2023, operations will commence handover activities and prepare for program closure in accordance with the updated handover plan expected in July 2023.



Challenges, risks and management response

The high-level challenges and risks facing the program include:

- **Inflation and rising food prices.** This may negatively impact the adoption of innovations promoted by PRISMA's partners. PRISMA will monitor farmer behaviour and adjust strategies accordingly.
- **Uncertain subsidy allocation** continues to challenge the private sector in forecasting demand for inputs, especially for seeds. PRISMA will continue to link private and public entities to share information.
- **Animal disease outbreaks** continue to impact the program's progress in the livestock sectors. PRISMA will continue to support the private sector and assist the GOI in minimising the impact of the outbreaks.
- **Businesses remain risk-averse** and reluctant to invest in Papua and West Papua. The program will address this by finding shared opportunities with the government.
- **Finding suitable experts to conduct research and studies** has been challenging. PRISMA will use proven subcontractors and consider in-house analysis and writing, where needed.
- **Staff retention** remains challenging as the program moves into its final year and personnel start looking for new jobs to secure their future. PRISMA has developed a staff retention policy, which has been submitted to DFAT.
- **A timely decision regarding any program extension** will be necessary for the program to take advantage of any leverage opportunities.

Annual plan

The annual plan for 2023 was prepared in consultation with relevant provincial governments. This will be the program's last year; therefore, time for active implementation will be limited. PRISMA's most important goal is ensuring the sustainability of innovations. This will be done by:








- Ensuring a sharper analysis of the supporting functions and dropping functions where significant progress is unlikely.
- Strengthening strategies to induce crowding-in and copying.
- Not taking the foot off the pedal in terms of innovation and ambition in feasible functions.

- Each team will detail a sector exit strategy outlining the key activities or actions needed to trigger crowding-in and a response from non-competing partners. These exit strategies will be developed in the first quarter of 2023.

A summary of the sector work plans is outlined in Table 2.

Table 2. Summary of the sector work plans

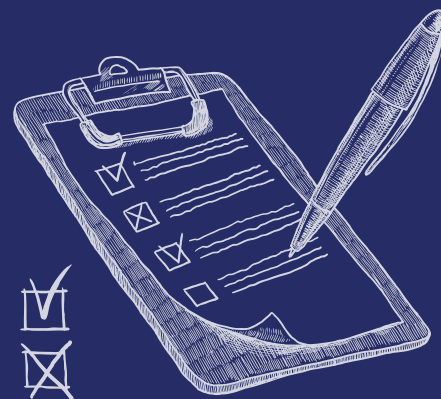
Sectors	Vision	Function	Workplan per function
 Beef	Small-scale women and men beef producers increase cattle productivity through improved livestock management practices in Central and East Java and NTB.	Policy	The beef feed team will progress a multi-stakeholder partnership approach to improve embedded services with feed, including animal health. The team will start exploring cattle trading system in NTT to impact smallholder men and women farmers. Work will support the MoA to launch the new national standards (SNI).
		Animal Health	
		Supply Chain	
 Crop Protection	Smallholder women and men rice and maize farmers in East and Central Java use safer crop protection products in an appropriate way.	Knowledge and information	Continue the work with partners to improve distribution channels and marketing to expand the market.
		Marketing and communication	
 Dairy	Small-scale women and men dairy farmers will be improved milk quality and productivity by adopting good practices in rearing, feeding and health management in East Java and Central Java.	Feed	Enhance distribution channels for feed and animal health; establish a multi-stakeholder partnership approach to improve milk productivity and secure off-taking while supporting recovery from FMD; and continue to support Bitpro in breeding roadmap and guidelines.
		Animal health	
		Policy Advocacy	
		Milk off-taking	
 Innovative Finance	Women and men farmers have access to credit through agri-kiosks and policy makers improve the SME lending environment.	SME financing	Continue with the expansion of agricultural financing through market linkages between input companies and off-takers. Support product design and customer acquisition through research studies.
		SME finance consulting services	
		SME financial services	
		SME policy engagement	
 ICT	Kiosks are better managed and stocked appropriately and able to offer farmers agricultural services through ICT solutions.	Input supply chain	Strengthen kiosk management strategies and develop GAP information for dissemination through agri-kiosks; conduct research to assess demand for digital livestock services; and undertake action research studies.
		Information and marketing	
		Digital Agriculture ecosystem	
 Maize - Central Java	Women and men maize farmers in target districts use quality seed and GAP to improve productivity.	Policy engagement	Light touch activities with existing partners to build additional evidence to convince the government to provide subsidies to areas not serviced by the commercial market. This will be done by developing technical guidelines with the government.
		Hybrid seed promotion	
 Maize - Madura	Women and men maize farmers in Madura use quality seed and GAP to improve productivity.	Hybrid seed promotion	Monitor the market and explore development of technical guidelines for improved subsidy delivery.
		Policy engagement	

Sectors	Vision	Function	Workplan per function
 Maize - NTT	Smallholder women and men farmers in NTT properly use certified maize seeds and have improved access to offtaking services.	Quality certified seed	Strengthen the association of seed producers and support market supporting policy. Support overall market expansion.
		Market supporting policy	
		Information on GAP and GHP	
 Mechanisation Rice and Maize	Women and men rice and maize farmers have increased access to and use agriculture machinery services to reduce labour costs.	Product marketing	Focus on machinery after-sales service and facilitating business-to-business partnerships; promotions and marketing for advanced machinery in rice; and explore opportunities for youth inclusion in drone services.
		Machinery renting services	
		After-sales service	
 Mungbean	Improved quality, competitiveness and continuity of local mungbean supply.	Quality seed	Support partners to understand farmer behaviour; focus on improving subsidy implementation; facilitate linkages between off-takers and processors to upstream actors; and conduct off-taking study.
		Off-taking	
 Pig	Women and men farmers and market players in the pig industry gain benefit from increased availability and appropriate use of quality inputs, use improved husbandry practices and have access to the downstream market supported by a conducive regulatory environment.	Feed	Strengthen feed partner distribution channels; focus on restocking with the introduction of AI services and improving biosecurity of breed farms; continue with a strong ASF campaign and implementation of solid surveillance and improved testing facilities; and improve regulations to allow for the import of pig semen to improve restocking.
		Breed	
		Animal health	
		Policy and regulations	
 Rice	Women and men rice farmers in East and Central Java adopt high yield rice seeds and have increased productivity.	Rice seed	Increase farmer adoption of high yielding varieties and advocate the government to adopt high yielding varieties as part of its procurement policies.
		Policy advocacy	
 Soil Treatment	Staple, horticulture, and estate crop farmers in Central Java, East Java, and NTB have access to and use quality fertiliser in a safe way.	Marketing and promotion	Promote the multi-stakeholder partnership approach; focus on extension information through capacity development and facilitate market expansion.
		Extension information	
		Distribution	
 Vegetables	Women and men farmers' income increases from producing and selling more vegetables.	Seed distribution, & marketing	Focus on seed distribution channels; embed GAP in promotional activities for seed sales; and assess prospects for localised trading.
		GAP information and extension service	
		Off-taker/trader	

Lessons learned

This semester, PRISMA prepared lessons learned documentation for the ISR. This included lessons in most sectors, including closed sectors and cross-cutting areas. These documents will be part of a learning series to be released next semester. The main lessons were:

- Working with the private sector to help deliver development outcomes that benefit the poor in Indonesia works.
- Market system change is complex, and navigating complex markets takes time and experimentation. This complexity needs to be considered by donors when setting indicators of success.
- Working in thin markets like NTT, NTB, Papua, and West Papua requires a different approach, and the regular scale-up strategies do not always apply. A hybrid approach is required in these challenging contexts but can adversely affect value for money, which needs to be recognised.
- Sector strategies need to be built around a vision for systemic change because it is only by knowing the endpoint that the pathway to reach systemic change can be mapped.
- MSD programs should not shy away from policy reform as changes in the business enabling environment can be an effective lever for systemic change. Still, reform agendas must be targeted, realistic, and adequately resourced.
- High-performing management teams can help drive large-scale MSD programs with limited local capacity. Still, the core team needs a range of complementary competencies over and above MSD technical skills.



Progress in cross-cutting areas

Excellent progress was made in the cross-cutting areas during this reporting period.



Policy Engagement gained significant traction over the reporting period with PRISMA's advocacy efforts bearing fruit at the national level. The BSN released a new beef and dairy cattle feed standard in December, which enables feed companies to produce certified, quality feed at an affordable price for smallholder beef and dairy farmers (See infographic on pg 80-81). This opens up the feed market to all smallholder cattle farmers throughout Indonesia and in neighbouring South-East Asian countries and the ability to export certified feed. This semester also marked a fundamental step toward developing a policy for smallholders using Jersey cows. A set of guidelines has been developed and PRISMA will support the government in developing a roadmap.



This semester, PRISMA put the 'D' back into **gender equality, disability and social inclusion**. After limited progress in disability inclusion, PRISMA held a workshop with 11 organisations of people with disabilities to seek feedback on PRISMA's strategy to incorporate universal design principles into private sector business models. While the business case is not always strong for disability inclusion, some of PRISMA's partners have responded positively and are incorporating principles of universal design. PRISMA continues to positively impact **WEE** dimensions, with 46 percent of women surveyed gaining better access to products and services and 58 percent improving

their economic position. In terms of agency, more women are finding opportunities to network and assume leadership positions (27 percent). They also have a greater say in household decisions (35 percent). The private sector is also doing better at mainstreaming gender in their business models, with 78 out of 136 interventions including gender considerations. This semester, PRISMA looked at opportunities to further strengthen the **indigenous inclusion** strategy in the vegetable sector.



Strategic Communications went from strength to strength this semester with a reorientation and refresh of the strategy to better reach and influence audiences, proven with the launch of the PRISMA story in collaboration with the Economist Impact. This publication alone reached 2.7 million people. PRISMA has become a trusted source of credible information on the impact of external shocks on the Indonesian agricultural market. This was due to PRISMA's distribution of numerous Indonesian Market Watch bulletins on FMD, price food inflation, and the impact of the war in Ukraine on fertiliser prices.



This semester, PRISMA developed a comprehensive and insightful series of papers reflecting on lessons learned. The learning series will be published externally in 2023. PRISMA also surveyed its partners this semester (see the box 'tell us what you really think'), which is an essential source of evidence to build PRISMA's strategic communications approach.

Environment and climate change

Results from a review focused on climate change-related risks and opportunities with support from Dr Andrew Ash – a renowned climate change and agriculture expert. The review highlights the existing climate change situation, future outlook, impact on agriculture and rural livelihoods, and how PRISMA may contribute to climate change adaptation and mitigation.

Impact of climate change in Indonesia



Increased flooding, drought, sea level rise and heat stress will have negative impacts, especially on the staple crop, rice, which contributes about half of calories consumed nationally.



Increases in carbon dioxide may have the benefit of increasing plant growth but these are usually offset by increases in temperature and/or declines in rainfall.



Rising temperatures will interact with rainfall to increase vulnerability to pests and diseases.



Climate change can also affect the socio-sphere beyond the geosphere and biosphere. For example reduced agribusiness performance from increased likelihood and intensity of devastating extreme events may trigger GEDSI issues such as domestic violence.



Emissions from agriculture



Indonesia is the world's fourth-largest emitter of greenhouse gases.



Agriculture in Indonesia produces around 200 Million tonnes of CO₂-e per year (Figure 5).



This represents around 11% of total emissions for Indonesia.

? How PRISMA is supporting farmers to adapt



Dairy

- Expanding the use of biogas digestors to reduce methane emissions from manure.



Soil Treatment

- Developing an App for correct fertiliser application and innovations in precision agriculture.



Crop Protection

- GAP recommendations for the use of pesticides and crop and soil health as a preventative measure against increased pest and disease risk from climate change.



Rice

- Improve water management in paddy fields.



Soil Treatment, Maize, Rice



- Demonstrating the financial and environmental benefits from using lower rates of nitrogen fertiliser.
- Promoting slow release, coated urea products.
- Expanding the use of organic fertilisers as a complement to inorganic fertilisers through working with existing partner companies and by seeking new partnering opportunities with organic fertiliser companies.



Beef and Dairy



- Improving forage quality of tethered and stall-fed cattle which improves the efficacy of rumen fermentation per unit of live weight gain or milk production. In areas where forage supply is limited, increased use of concentrates not only improve the rumen fermentation efficacy but also address climate challenge on the availability of natural forage.



Opportunities for PRISMA in adaptation and mitigation

PRISMA is working through private and public sector partners to promote products and services, good agricultural practices and innovations that can assist with adaptation and mitigation. PRISMA has plans to continue this work in 2023, drawing from the opportunities outlined in the climate change review and influenced by the sector exit strategy. The close-out strategy will focus on where PRISMA is best placed to support its partners, given the time left in the program. PRISMA will monitor and report on adaptation and mitigation efforts more closely in 2023 and is setting up the systems to do so through its RML team.

Strategic communications

PRISMA has been steadily re-orienting its communications strategy to be more effective at reaching and influencing its audience. This semester saw the results of this process.

Steps to build our brand and reach



An engaging brand

to be a credible and authoritative source of information



Developing content

that speaks to our diverse group of stakeholders



Increasing visibility

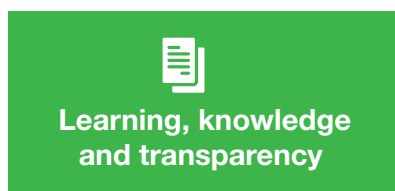
through social media, partnerships and media

Focus areas



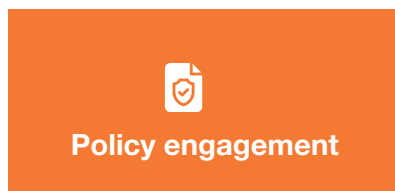
Program impact

- At household level
- With partners



Learning, knowledge and transparency

- With development community
- For Bappenas



Policy engagement

- To support outcomes
- To share the journey



Climate goals

- To support outcomes
- To share the journey

The approach



Informed by evidence

PRISMA's partner survey revealed that partners ranked market knowledge and intelligence above financial support. This is a helpful and encouraging insight. It provides the justification for PRISMA to continue to produce and disseminate market insights and intelligence.

Visually beautiful and engaging communications products

Photography



Film



Social media content



Our impact: Semester 2 2022

Results from the Economist Impact and PRISMA partnership



2.7 million

impressions on social media.
As reported by Economist Impact.



2.41 minutes

the average reading time



45,000 people

received an Economist Impact Perspectives email

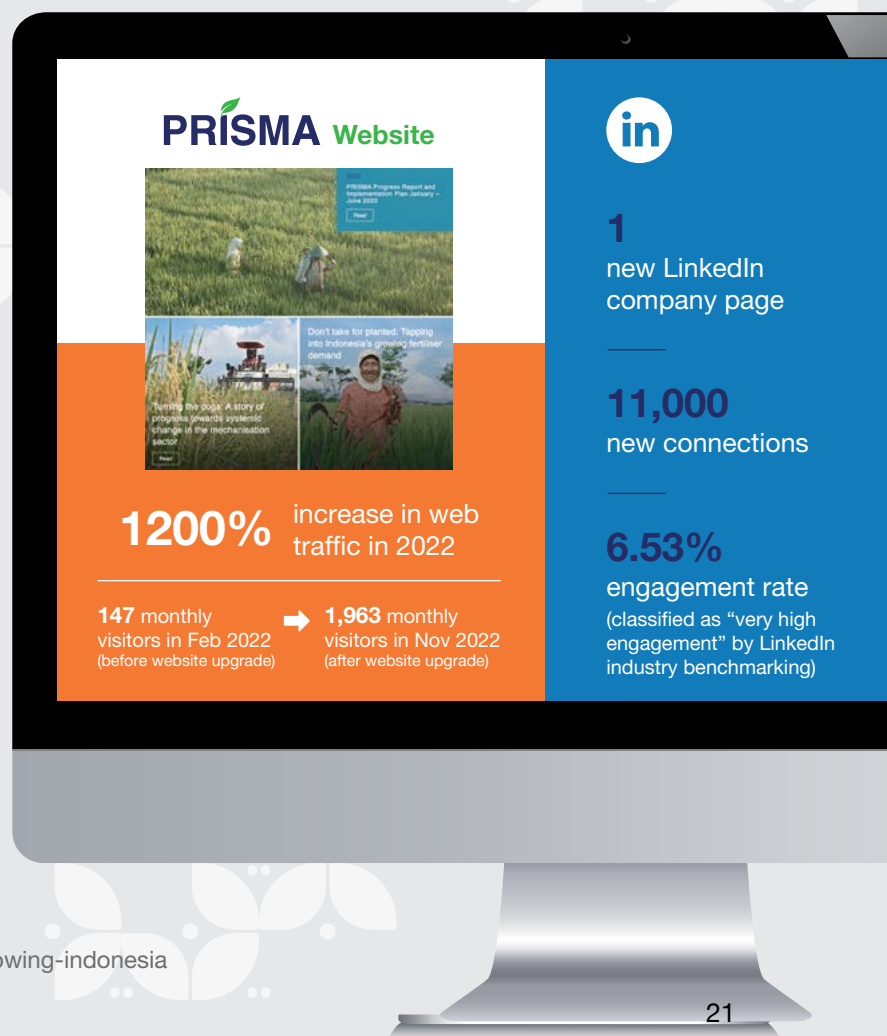


31,000 people

saw the advertisement on
The Economist app



www.impact.economist.com/projects/growing-indonesia





Tell us what you really think

Results of a PRISMA partner survey

September 2022

As part of the ISR commissioned by DFAT, PRISMA sent a simple 10 question survey to partners to understand what they value about the partnership and where PRISMA can improve. In addition, the survey asked partners if they would continue activities beyond the partnership period, which informed an assessment of the commercial viability of the business models.

PRISMA's partners vary in size but have in common that they offer products and services that enable smallholder farmers to improve their productivity and incomes. As of September 2022, when PRISMA sent out the survey, there were 63 active partners in 6 provinces in Indonesia.

The survey was not anonymous or compulsory, although PRISMA had an 81 percent response rate. The majority of questions were multiple choice, but the program gave partners the option to explain their selection in a free-form answer, providing some qualitative data too.

Key findings



Sustainability of innovation is high

100 percent of the partners said if the partnership with PRISMA ends, they will continue the business model. Partners said there are opportunities in an underdeveloped market. Partners value PRISMA's role in identifying business opportunities and see the potential for further growth.



Knowledge and understanding of the market, rather than money, is what the private sector values most. The two most popular responses to the question "what area of support do you most value?" were advice and guidance in business activity and market information, both ranked above financial support.



The PRISMA experience is overwhelmingly positive.

78 percent of the respondents said their experience of the partnership has been "excellent." A follow-up question probed the reasons why and the top three responses were: supportive, well-connected with different stakeholders, and responsive to the needs of the partners.



PRISMA is fulfilling its mission of reaching new and untapped markets.

When asked how the partnership has changed their business, 47 percent said they were now selling into new markets or had changed their product and services to better serve these markets (42 percent).

See Annex 3 for more



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PRISMA is supported by the Governments
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by Palladium, with Technical Assistance from
Swisscontact, Zurich.