



Kementerian PPN/
Bappenas



Australian Government

Progress Report and Implementation Plan

January – June 2023

Executive Summary







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Executive Summary



Overall Summary

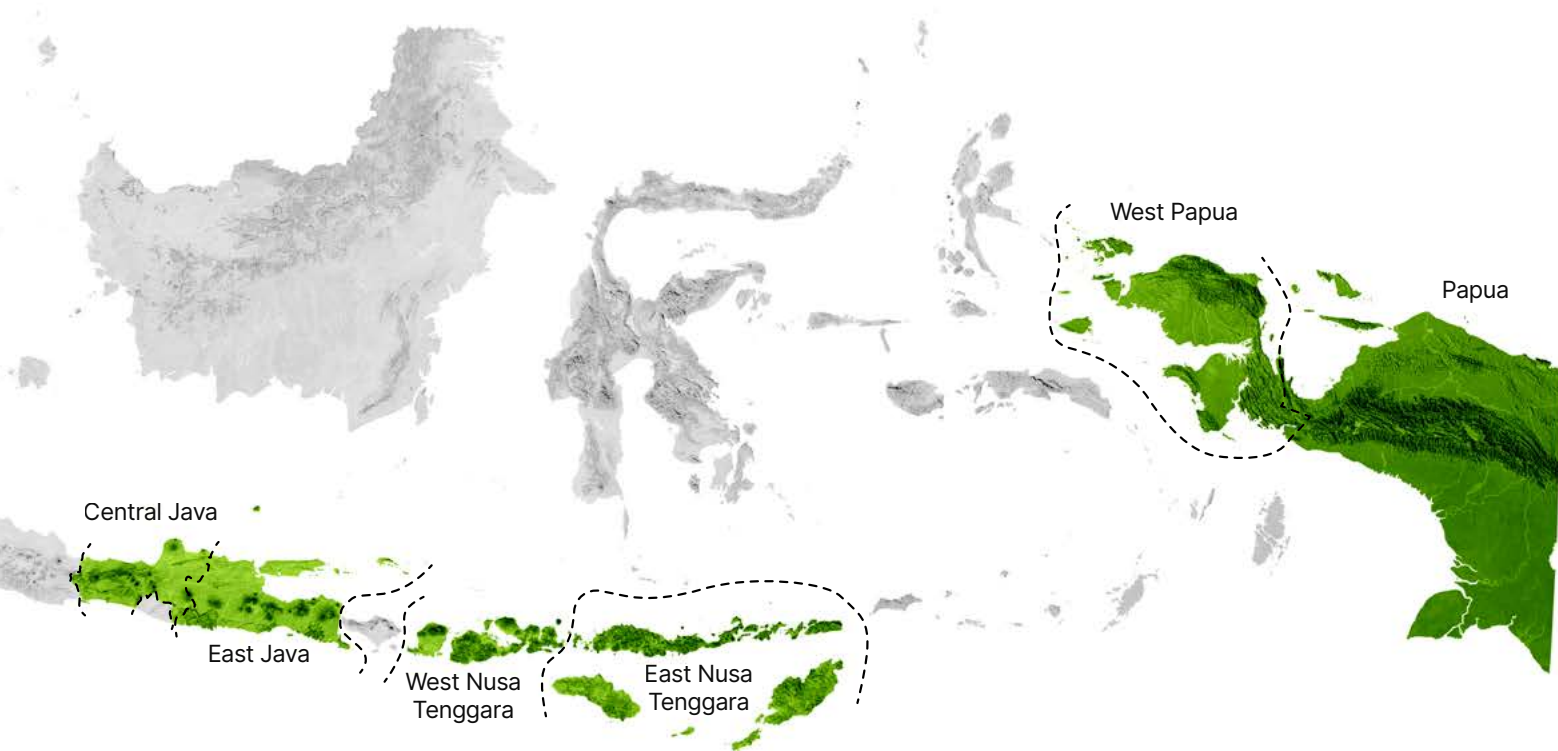
PRISMA is a market systems development (MSD) program working in 12 agricultural sectors across 6 provinces in eastern Indonesia: Central Java, East Java, East Nusa Tenggara (NTT), West Nusa Tenggara (NTB), Papua and West Papua.¹ The Australian government (GOA) funds PRISMA through the Department of Foreign Affairs and Trade (DFAT) in cooperation with the Government of Indonesia (GOI) through the National Development Planning Agency (Bappenas).

PRISMA's investments seek to change how the private sector does business in rural Indonesia so that poor smallholder farmers can increase farm productivity.² 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.

¹ Since PRISMA commenced Tanah Papua (the 'Land of Papua') has split provinces. In the main body of the report, Papua and West Papua are still used, but the vegetable progress report refers to the new provinces.

² The majority (62%) of smallholder farming households reached by PRISMA are under the USD5.50 PPP poverty line. In fact, a large cohort (37%) of smallholder farming households reached by PRISMA face extreme poverty with less than USD2.50 purchasing power parity per day





PRISMA provincial intervention areas

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 (EPO) is to **increase the income of one million smallholder farming households by 30 percent.**



Program relevance

PRISMA is aligned with the GOI's National Medium Term Development Plan (RPJMN) for 2020-2024 and is contributing to the development of Indonesia's next 5-year plan through its policy engagement work. PRISMA is supporting Bappenas in developing a background paper on modernisation of agriculture, which will inform the 2025-2029 RPJMN. The background paper will be informed by desk study and 2 provincial level multistakeholder consultation workshops and validated through a national level workshop in Jakarta in semester 2. Bappenas supports the program's efforts to ensure smallholder farmers have access to agri-inputs in line with the

Ministry of Agriculture's (MoA) strategic plan for 2020-2024.

PRISMA is aligned with the GOI and GOA's post-COVID-19 recovery strategies. PRISMA supports DFAT's development strategy by contributing to Indonesia's stability and economic recovery 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 rural development.

Delivery context

PRISMA has shown that working through the private sector in agriculture is an effective model to alleviate rural poverty by increasing farmer productivity sustainably (see progress towards systemic change graph in section 2.4.1). Supporting the private sector to change its behaviour to more inclusive business models ensures farmers have continual access to critical inputs and services that lead to increased productivity.

PRISMA is coming towards the final year of the program, and ensuring the sustainability of the innovations and the sector changes becomes even more important. This semester all sectors were evaluated to determine what more is needed in specific market functions to ensure that high-level change in each market system is sustained.

Market system strategy explained

Market System

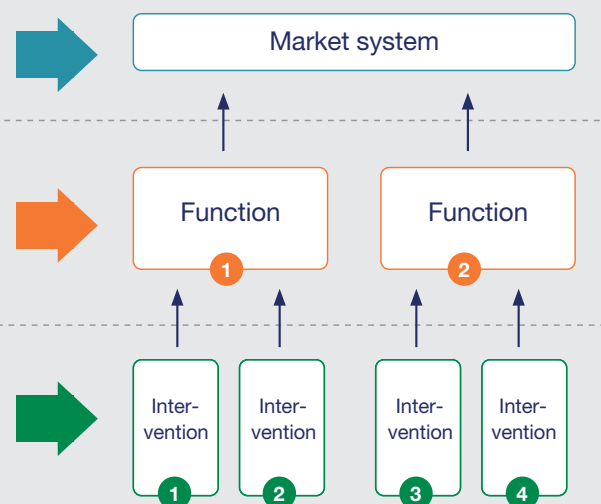
The expected high-level change in each market system

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 continues to progress towards systemic change in each of the sectors. Every semester PRISMA reviews 3-4 sectors and rotates sectors each semester. During this reporting period, the 6-monthly sector reviews were undertaken for the information and communications technology (ICT) and finance sectors, which show the least progress towards systemic change compared to the more mature sectors. Sectors reviews were also repeated for the beef and soil treatment sectors, showing significant and adequate progress towards systemic change, respectively.

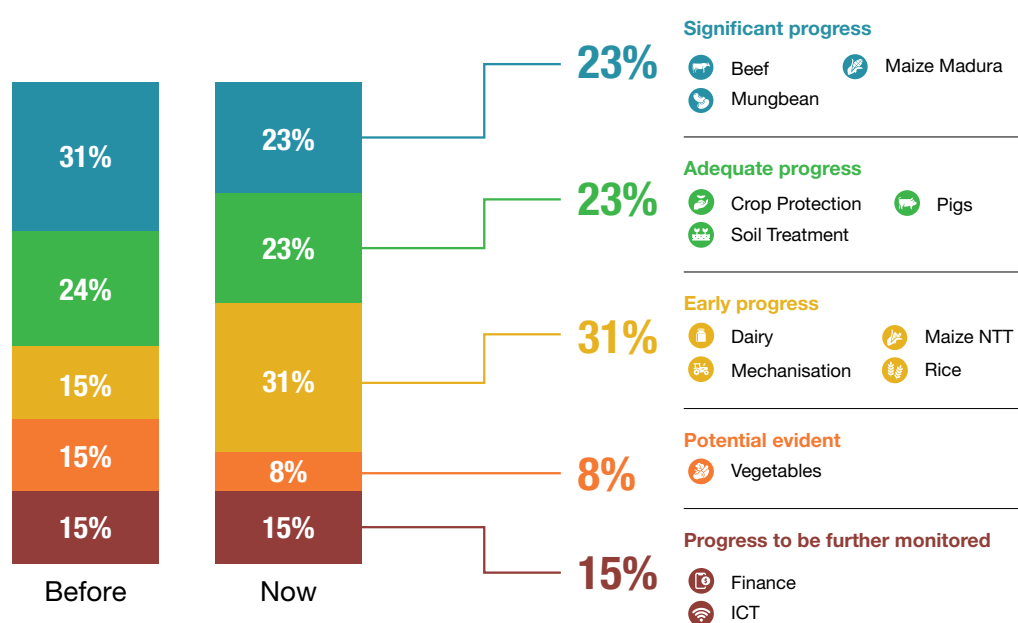
This semester exit strategies were developed for each of the sectors, resulting in changes to some market system strategies (MSS). These include phasing out market functions that are performing independently, such as beef, dairy and pig feed, maize seed in Madura, and product marketing for mechanisation in East and Central Java. Some market functions have been dropped due to a lack of progress, including small and medium enterprise (SME) financing consulting services, SME financial services, and digital agricultural ecosystem functions related to animal health services. However, these dropped functions will not affect the market system change significantly.

Progress towards systemic change

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

The Progress Report and Implementation Plan (PRIP) highlights the progress towards systemic change in 4 sectors: finance, ICT, beef, and soil treatment. The selected sectors for this semester's PRIP have experienced varied levels of systemic change. Beef has made significant progress, soil treatment made adequate progress, and finance and ICT are to be further monitored. Meanwhile, PRISMA downgraded

the progress towards systemic change of Maize NTT from significant to early progress (details in annex 7.1.5). The growth of the maize sector in NTT is constrained by the limited availability of parent seeds, private sector capacity and large-scale off-takers. In addition, the fluctuation in the subsidy allocation pushed back the behaviour changes of market actors in the last 2 years, and the progress towards systemic change has reduced. A summary of the progress can be found below, with a more complete explanation in Chapter 4.



Portfolio progress towards systemic change



Beef

Significant progress

Significant progress has been made in the beef sector. PRISMA's support to the GOI to change the national feed standards (announced by the GOI in December 2022) has the potential to trigger transformational change for all livestock feed in Indonesia. As a result of interventions in the livestock feed sector, more than 641,316 farmers are now continuously using concentrate feed with an income increase of 145 per cent.

This semester, PRISMA looked at expanding distribution channels for livestock feed to the thinner markets in eastern Indonesia, with some light touch activities with existing partners. To support youth engagement, PRISMA's partner PT Sreeya Sewu (Sreeya) and PT Cipta Ternak Sehat Indonesia (CTSI), in collaboration with the University of Nahdlatul

Wathan (UNW), launched the Feterna Business Incubator (FBI) program and trained 25 students on business management, digital marketing, feed and animal health practices. The 25 students have started educating farmers on good feeding and animal husbandry practices and run 5 demonstration plots of lead farmers in the village.

PRISMA's pharmaceutical partners continue to promote and expand their product lines for beef animal health.

This semester, the trial of molasses blocks for cattle to reduce methane emissions from livestock continued in 2 districts in Central Java. The results are expected next semester.



Soil treatment

Adequate progress

Adequate progress is being made in the soil treatment sector with an expansion of the commercial fertiliser market and PRISMA partners adopting and implementing education-based marketing and promotion. This semester, PRISMA's partners invested further in marketing training for their core staff using the education-based approach. ATS is exploring a collaboration model with district governments in Sampang, Pamekasan and Sumenep, designing demo plots and embedded good fertilising practices (GFP) promotion activities for mineral-based fertilisers.

With a reduction in fertiliser subsidies, farmers are incentivised to buy from the commercial market. All partners expanded their distribution channels and agents. PT Petrokimia has invested further in the multi-stakeholder Makmur program, which now incorporates a youth apprenticeship program. Makmur hired 38 new 'Taruna Makmur' youth apprenticeship staff in Central, East, and West Java and NTB.

Going forward, PRISMA will try to increase the scale by expanding the existing markets of partners or finding a new scale agent. The aim is to ensure sufficient scale to reach a comfortable 'tipping point' so that farmers will adopt the new practices from neighbours.



Finance

Progress to be monitored

The finance sector strategy was reviewed in September 2021, and the revised strategy was introduced in December 2021. The revised strategy focuses primarily on strengthening agri-kiosks' access to more flexible credit to fit their seasonal capital demands. More flexible working capital will help agri-kiosks better manage their cash flow, stock sufficient products for the agricultural season, and potentially offer flexible payment options to farmers. PRISMA dedicated resources to gain quick traction from the financial market actors. The goal was to introduce new loan products by the second semester of 2022. However, progress in this sector has been slower

than expected. Banks are risk-averse and are still considering flexible loan options. Potential agri-kiosks were mapped, but of the 3 banks signed last semester (Mandiri, Sinarmas and BNI), only Mandiri has commenced any funding activities, with 21 agri-kiosks taking out their first commercial loans. Mandiri is yet to develop a more flexible lending product.

The partner banks now have a deeper understanding of agri-kiosks and improved capacity and information about what works and does not work in financing agri-kiosks. The next semester will focus on developing short-term, revolving loan products for kiosks and other related SMEs.



ICT

Progress to be monitored



PRISMA's ICT and finance sectors share the same overall aim to improve the ecosystem around agri-kiosks so that they become better managed, stocked, and informed. Progress in the ICT sector has also been slower than expected, but PRISMA has progressed the kiosk platform of Semaai, an agricultural technology startup, by embedding more product information and a clinic option for kiosks to better serve smallholder farmers. A similar application with Bayer was delayed. PRISMA has supported 2 companies, EWINDO (through Yayasan Bina Tani Sejahtera [YBTS]) and the agricultural startup PT. Mitra Sejahtera Membangun Bangsa (MSMB) to develop a fertiliser dosage calculation application,






which can be pitched to fertiliser companies.






PRISMA also supported the Indonesia veterinarian association to develop a code of conduct that could be used by any private sector company wishing to develop digital animal health services in the future. To avoid duplication of work, PRISMA will link the veterinarian association with another DFAT program, i.e., the Australia-Indonesia Health Security Partnership (AIHSP), which has a specific mandate to work on animal health issues. Going forward, the ICT sector will focus on the input supply chain and marketing functions.

Table 1. Sector Progress for Semester 1.

For more details on the finance, ICT, beef and soil treatment sectors, see Chapter 4; for the remaining sectors, see Annex 1.

Sectors	Vision	Sector status
 Beef	Small-scale women and men beef producers increase cattle productivity through improved livestock management practices in Central and East Java and NTB.	<p>Around 64 per cent of farmers in East Java and 33 per cent of farmers in Central Java are using high-quality feed. Over 640,000 of these farmers increased their incomes by 145 per cent. From PRISMA's baseline survey, only 2 per cent of farmers in Indonesia used high-quality feed. In East Java, from a baseline of 2 companies, there are now 62 feed companies selling concentrate feed through 1,097 agents. PRISMA's partner companies have invested AUD4.83 million in feed production and distribution systems and continue to expand to new provinces, with activities in NTB increasing in this semester. It is too early to report on results, but the early signs are promising. In response, the government changed the feed national standard (SNI) to enable more companies to enter the feed market and produce good-quality feed at the price point that smallholder farmers can afford. In addition, 5 pharmaceuticals now actively promote pharma products and educate farmers in good livestock management.</p>
 Crop Protection	Smallholder women and men rice and maize farmers in East and Central Java use safer crop protection products in an appropriate way.	<p>After 4 years of PRISMA's engagement, more than 110,000 rice and maize farmers in East and Central Java have reduced harvest loss by 22.5 per cent, equivalent to a saving of IDR1 million per planting season (AUD100). The average income per hectare per planting season is IDR 4.95 million. This result was achieved through working with 5 crop protection companies (FMC, Agricon, UPL, MKD and e-Tong). Cumulatively, these companies continue serving approximately 12 per cent of the total crop protection market and educating smallholder farmers on good crop protection practices. Before PRISMA, 74 per cent of rice farmers and 51 per cent of maize farmers experienced harvest loss even after using pesticides.</p>

Sectors	Vision	Workplan per function
 Dairy	Small-scale women and men dairy farmers have improved milk quality and productivity by adopting good practices in rearing, feeding and health management in East Java and Central Java.	To date, around 6,518 farmers have increased their incomes by 74 per cent, using high-quality feed, good management, and milking practices. Now, 26 companies sell affordable feed to farmers in East Java and Central Java, compared to only 12 feed companies in 2019. PRISMA also induced pharmaceutical companies to target dairy farmers and educate them on disease prevention and treatment. With PRISMA's support, the MoA is developing a roadmap for increasing cattle population and milk production in Indonesia.
 Maize - Madura	Women and men maize farmers in Madura use quality seed and good agricultural practices (GAP) to improve productivity.	More than 126,000 farmers (around 30 per cent of the total farmers) in Madura have increased their income from increased maize yield. Smallholder farmers in Madura use hybrid maize seeds and apply GAP. Now, 8 companies sell hybrid seeds through 95 kiosks and educate farmers on GAP. This is because the local government revised its geographic targets for subsidy distribution. Before PRISMA's intervention, access to hybrid seeds was limited, with only 2 companies struggling to develop seed businesses in Madura.
 Maize - NTT	Smallholder women and men farmers in NTT use certified maize seeds and apply GAP properly.	Over 40,000 smallholder farmers in NTT benefitted from using certified maize seeds and applying GAP. Certified seeds are available in the main maize-producing areas, although the supply fluctuates every year. While only 3 local seed producers actively promote certified seeds, another 5 companies are ready to enter the market. Before PRISMA's work, the availability of certified seeds in the commercial market was negligible, as no seed producers actively promoted and built a distribution network. With PRISMA's support, the provincial government has strengthened the GAP service in its seed assistance programs and improved its seed certification capacity. However, the growth of the maize sector in NTT is still constrained by the limited availability of parent seeds and large-scale off-takers (businesses that purchase produce).
 Mechanisation Rice	Women and men rice farmers increasingly use agriculture machinery (combine harvesters and drone sprayers) services resulting in reduced production cost and harvest loss.	After 3 years, more than 42,000 farmers have used mechanisation services and increased their incomes by 17 per cent. Over 80 service providers now offer mechanisation services to these farmers. This was achieved by working with Rutan, Argo Jaya, Terra Agro Digital, Pillar Putra and Galaxy Partani Mas companies promoting machinery services across 6 provinces. Companies also provide after-sales services for machine owners to ensure the durability and optimum lifetime of the machines. Before PRISMA, companies did not offer after-sales services or marketing strategies, leading to a low penetration rate and low durability of machines.
 Mechanisation Maize	Women and men rice and maize farmers have increased access to and use of agriculture machinery services to reduce labour costs.	In 3 years, more than 1,000 farmers have saved on labour costs and reduced their workload by using maize planters. Two companies in 2 provinces continue improving their capacity to better capture demand. Companies also offer after-sales services to machine owners to ensure the durability and optimum lifetime of the machines.

Sectors	Vision	Workplan per function
 Mungbean	Improved quality, competitiveness, and continuity of local mungbean supply.	After 6 years, more than 48,000 mungbean farming households have used quality seeds. The government research has found 24.8 per cent of planted mungbeans now use quality seeds. Before PRISMA, there was no commercial market for high-yielding seeds. Currently, 6 seed producers have entered the commercial market and sell quality seeds. Government research institutes have commercialised parent seeds to increase seed propagation.
 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.	More than 130,000 smallholder farmers increased their incomes by 405 per cent from pig rearing as a result of PRISMA's partnerships to improve the genetic stocks of pigs, introduce innovations in breeding and increase access to high-quality concentrate feed for faster fattening times. These farmers continue to restock their farms with high-quality piglets, use concentrated feed, and apply biosecurity measures, leading to low mortality and increased productivity of pigs. This is because 13 breeding farms invested in improved breed genetics, farm management, and biosecurity measures. Thirteen feed companies sell affordable pig feed and educate farmers on good rearing practices. Before PRISMA, farmers followed traditional feeding practices, with only 2 feed companies having indirect operations in NTT.
 Rice	Women and men rice farmers in East and Central Java adopt high-yield rice seeds and have increased productivity.	In 4 years, more than 90,000 farming households have adopted high-yielding rice seeds and increased their yield. This was achieved by working with PT Botani, CV JTM, CV Anisa, CV Fiona and PT Agrosid . These seed companies continued to promote high-yielding varieties and have produced over 1,500 tonnes of seeds to date. All 5 companies expanded into new districts in Central and East Java, even to new provinces. All partners have implemented inclusive business models and reached people with minor visual impairments through improved packaging.
 Soil Treatment	Staple, horticulture, and estate crop farmers in Central Java, East Java, and NTB have access to and safely use quality fertiliser.	In 4 years, more than 223,000 farming households have benefitted from using good quality fertilisers and applying GFP. Now, farmers can access commercial fertilisers through 290 kiosks in Central Java, East Java, and NTB. This was achieved by working with 6 companies that invested AUD1.97 million in developing the commercial markets. Now, 9 companies actively promote commercial fertilisers and educate farmers on GFPs. Before PRISMA's work, most companies, including 5 state-owned enterprises (SOE), focused on the government's subsidy market but not on farmers' education.
 Vegetables	Women and men farmers' income increases from producing and selling more vegetables.	From having no direct distribution channel in Tanah Papua, 3 seed companies now sell quality vegetable seeds and provide GAP information. Companies have hired local-based field staff, including indigenous Papuans, modified marketing tools to fit the local context, and continued implementing inclusive business strategies. With a gradual increase in sales through 5 active distributors, more than 7,000 farmers have benefitted from these interventions.

PRISMA

Achievements



1,359,059

Total smallholder farming households (HHs) with increased income (up to June 2023)



Target: 1,000,000

Total smallholder farming HH with increased income Dec 2023

January - June 2023



Realisation (HHs)

134,485

Target (HHs)

117,388

Progress to 1 million HHs by 2023

135.9 percent
(exceeded the target)

Actual

Target



62 percent

of smallholder farming households reached by PRISMA are under the USD5.50 PPP poverty line.



37 percent

of smallholder farming households reached by PRISMA face extreme poverty with less than USD2.50 purchasing power parity per day



IDR8.33 trillion
(AUD833 million)

in additional income for
smallholder farming households
up to June 2023

IDR4.99 million
(AUD499)

in additional income per
smallholder farming households
during semester 1 of 2023
(January to June 2023)



268

Total number
of partners
(up to June 2023)



74
active partners
(as of June 2023)

4

new partners:
0 public sector
4 private sector

68

Crowding-in
businesses/ institutions

1

Responding
businesses/ institutions



Total SME
up to June 2023

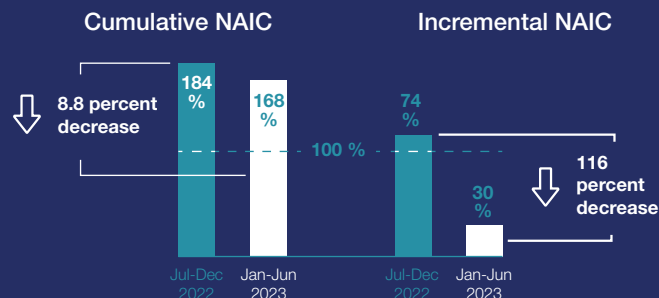
13,494

Total value of additional turnover
for SME up to June 2023

IDR2.02 trillion
(AUD202 million)



Net attributable income
change (NAIC)



Investment per HH from total
intervention cost (VFMINT)

AUD 63.90

Actual Jan-Jun 2023



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

9.59

Actual Jan-Jun 2023



Incremental partner investment
(Jan-Jun 2023):

IDR33.5 billion

↑ or 14.1 percent increase
from the previous semester
at IDR29.3 billion.

Cumulative partner investment
up to Y23S1:

IDR292 billion

↑ or 13 percent increase from
the previous semester at
IDR258 billion.

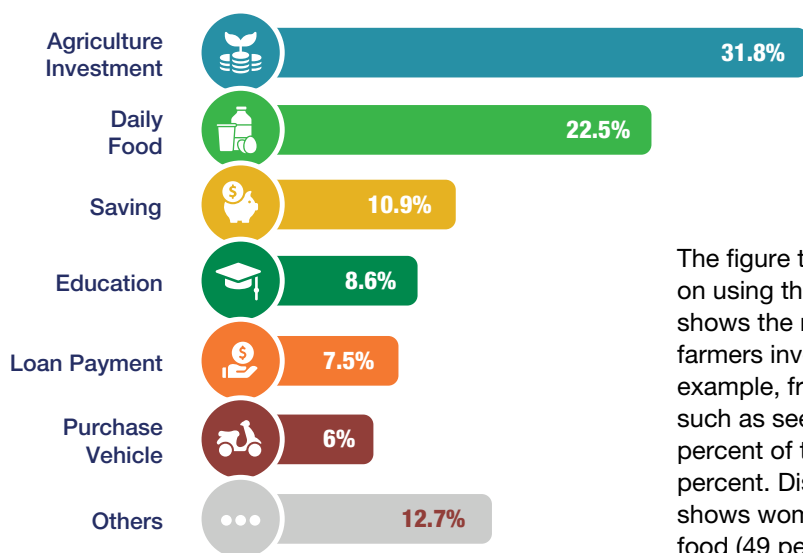
Social Impact

PRISMA surveyed 166 farmers (75 percent male and 25 percent female) from Central and East Java to understand the social impact of income increases. Future surveys will have a more even gender balance. The survey is complemented by other large scale quantitative data collection undertaken routinely by the RML team, such as impact assessments. The farmers interviewed were impacted by interventions in PRISMA's beef, rice, fertiliser and maize sectors.

The survey gathered information on household spending over the year to understand what areas of

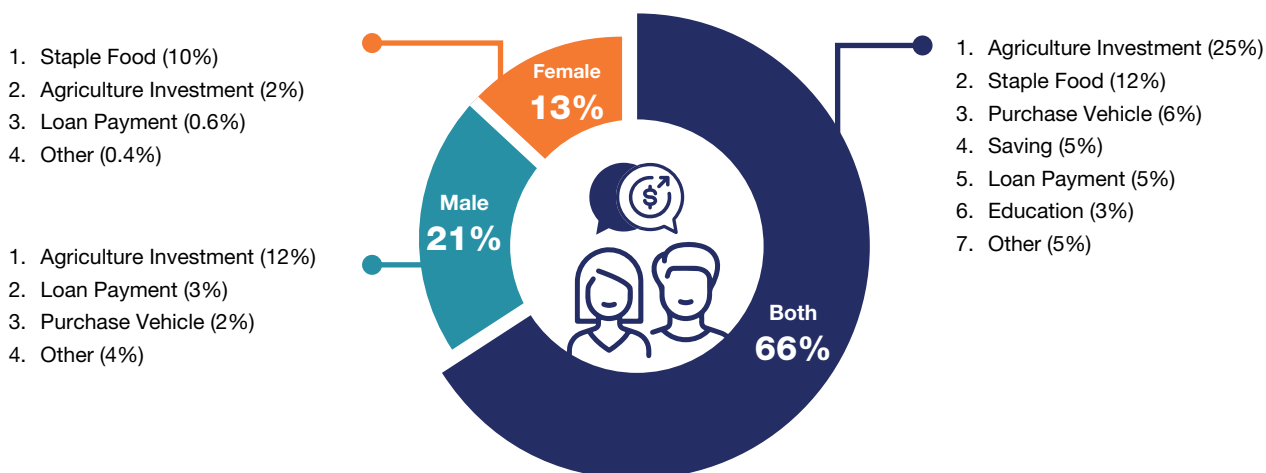
the farmers' lives were impacted and what needs they met first. Figure 3 provides a breakdown list of farmer expenditure frequencies based on their increased income.

Among the respondents, a significant portion of farmers identified investing/reinvesting in economic activities as their highest priority. This finding underscores the crucial role income increases can bring to expanding economic activities in the household and improving well-being. The full survey results will be published next semester.



Smallholder farmer additional income spending

The figure to the left outlines farmers' responses on using the additional income. The percentage shows the most frequently mentioned areas where farmers invest or spend their additional incomes. For example, from all responses, agriculture investment, such as seeds and fertiliser, was mentioned 31.8 percent of the time, and staple food was cited 22.5 percent. Disaggregated data (in the figure below) shows women prioritised spending money on daily food (49 per cent) compared to men (14 percent) and men prioritised agriculture investment (44 percent) compared to women (22 percent).



Spending habits of women and men for additional income (from PRISMA's social impact study)

Progress in Cross-cutting Areas

Good progress was made in the cross-cutting areas this semester, as outlined below.



Policy engagement

Policy engagement continued to gain momentum this reporting period, with further progress in improving the business enabling environment in the beef, dairy and maize sectors. At the national level, PRISMA supported the MoA in revising the overarching feed standards for all livestock animals, which will enable more businesses to enter the feed sector and produce quality feed at 3 different price points.

PRISMA continues to support the MoA in determining the efficacy of the Jersey breed for smallholder farmers and expand the dairy industry to the lowlands. The 2 studies commissioned last semester on a repopulation study and a Jersey roadmap were presented to MoA this semester.

At the sub-national level, PRISMA concluded its work in cost benefit analysis (CBA) training for the Central Java provincial government. This training enables the government to better plan budgeting for animal disease prevention in the future. PRISMA also supported sub-national level work in soil treatment

in East Java to educate farmers on mineral-based fertilisers, and in NTT supported the government in developing plans managing and in NTT supported the government in developing plans managing and maintaining the African swine fever (ASF) diagnostic tools. The loop-mediated isothermal amplification (LAMP) is placed on three islands (i.e., Timor, Sumba, Flores). Farmers and market actors in these areas now have access to quick, reliable and cost-effective testing facilities. Currently, PRISMA is supporting the provincial government in developing standard operating procedures and establishing a reagent supply chain for operating the LAMP.

PRISMA continued its influencing work with Bappenas by developing 4 learning case studies on maize, finance, tree crops and seaweed, for the national government. PRISMA also progressed in developing a background paper on agricultural modernisation to influence the GOI's 5-year development plan (RPJMN).





Strategic communication

This semester, PRISMA finalised the exit strategy and the supporting communications strategy. The strategic aims are crowding in, knowledge sharing and expanding PRISMA's contribution to the national discussion on agriculture and rural development. PRISMA is now planning events to support the sustainability and legacy of the program.

The strategy includes **harvesting and sharing knowledge** through events and activities, a new **media strategy** to disseminate inclusive business models, practices and innovations, a **Q&A series** with private sector partners to share insights on what and how impact has been sustained, the continuation of the **learning series** for the development community, the gathering hand distribution of **market intelligence** through Indonesia Market Watch for market actors and government counterparts, and continuing to raise the **visibility** of the program and program outcomes through systemic change

films and contributions to webinars, national and international media, and forums.

The strategy builds on the foundations from last semester when PRISMA opened the program to wider audiences. The result was a 1200 per cent increase in website traffic and a reach of 2.7 million people through the Economist Impact web portal and social media campaign.

Early achievements for the new strategy include an increase in **media coverage** (64 media mentions), 2 PRISMA-led webinars on the Building Effective and Accessible Markets (BEAM) Exchange, the finalisation of 3 learning papers, 2 Indonesia Market Watches, a film on PRISMA's work growing vegetable markets in Papua, a PRISMA brief on climate-smart agriculture and continued growth across PRISMA's **digital channel**. Support for sector teams on communications behaviour change messaging continued throughout the semester.



Digital engagement

1200 per cent increase in website traffic

2.7 million people through the Economist Impact web portal and social media campaign



Media & events

64 media mentions

2 PRISMA-led webinars on the Building Effective and Accessible Markets (BEAM) Exchange



Publications & video

1 film on PRISMA's work growing vegetable markets in Papua

3 learning papers

2 Indonesia Market Watches

1 PRISMA brief on climate-smart agriculture



Gender equality disability and social inclusion

PRISMA continues to yield positive results in **women's economic empowerment (WEE)** advancement with a positive impact across all 6 WEE dimensions that PRISMA measures. Of 1600 women surveyed 56 per cent of women are receiving an economic advantage from the interventions supported by PRISMA, and 44 per cent are getting access to better services and products to enable them to increase agricultural productivity.

There has been further progress in mainstreaming WEE in PRISMA partners with 17 new interventions incorporating gender-specific activities. As of this semester, 81 out of 124 (or 65 percent) of ongoing interventions have progressed toward WEE mainstreaming.

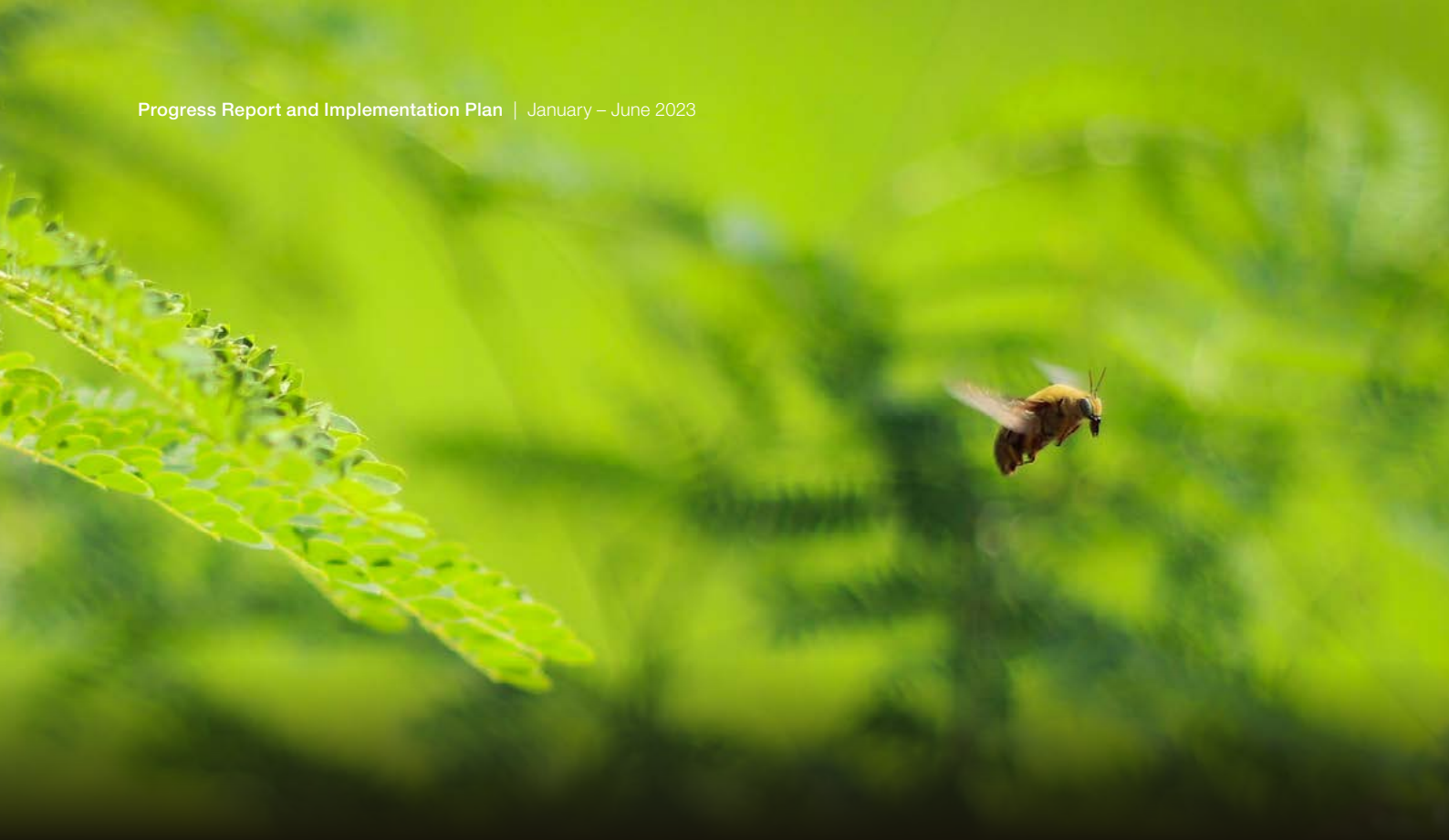
PRISMA continues to target farmers living with **disabilities**. This semester, 105 beneficiaries were identified as having a disability, comprising primarily of visual impairment and then mobility, hearing and

cognitive impairment. This semester, 3 partners adopted universal design (UD) principles in the crop protection and mechanisation sectors, bringing a total of 6 private sector companies adopting UD principles in packaging and information.

This semester, PRISMA conducted a stock-take of its partnerships to assess opportunities for engaging **youth** as agricultural entrepreneurs. PRISMA helped identify youth opportunities with a feed partner and a rice partner by establishing agri-preneur opportunities through a youth business incubator in NTB for beef feed and an apprenticeship program for rice seed nurseries. Both youth initiatives started this semester.

In **indigenous inclusion**, PRISMA continues supporting vegetable seed partners in Papua to recruit local field staff and engage with tribal heads to increase the number of indigenous farmers accessing innovations in the vegetable sector.





Environment and climate change

In **environment and climate change**, PRISMA conducted 15 environmental desk assessments (EDAs) with only moderate environmental risks being identified. Standard risk mitigation measures are already in place as part of the intervention design in these sectors.

This semester, PRISMA began to measure its climate-smart agriculture impact with



98,391 tonnes of carbon dioxide equivalent (CO₂e) attributable **emission reduction**



At least **802,325 farming households** benefited through **climate-smart agriculture** practices

Climate impact graphic

These figures come from the reduced and efficient use of nitrogen-based fertiliser in maize, rice, and other crops and improved feeding practices in the beef sector. The emission reduction in farming activities comes from farmers who have adopted innovations introduced by PRISMA’s partners relative to emissions emitted from farmers who have not adopted better farming practices.

Lessons Learned



Maize Madura

PRISMA chose to work in the maize sector because maize is one of Indonesia's primary food crops, and demand far exceeds the domestic supply. Adoption of hybrid seed and good agricultural practices (GAP) are two key approaches in increasing maize supply. PRISMA has supported private seed companies

- More effective and wider uptake of public sector innovations requires engagement at the national level.
- Government subsidies can be an entry point for developing a commercial market for seeds but may still pose a threat to commercial growth.

to enter the commercial market, which has led to increased productivity.

The key lessons PRISMA learned in this process are as follows:

- Demonstrating that the government and the private sector have a common vision is critical for successful public-private collaboration, and a neutral facilitator can be key to bridging the views of both sides.



Mungbeans

PRISMA chose to work in the mungbean sector because domestic production cannot meet the increasing demand, and mungbeans can provide additional income for smallholder farmers. The adoption of high-yielding seed and GAP are essential strategies in increasing low domestic productivity. PRISMA has supported seed producers to enter

- The value addition of a Market System Development program to a large company is often less about the funds that the program brings to the table and more about the market insights and technical support it can provide.
- Although the quickest route to scale is often through a large market actor, it is important not to rule out diversifying with medium-sized players.

the commercial market and made linkages between relevant mungbean market players, leading to improved productivity.

The key lessons PRISMA learned in this process are as follows:

- Even after entering a partnership, it is important to continuously and proactively identify the risks and constraints that may arise for partners, particularly when developing a market for a new product.
- Policy advocacy is not the only way to solve government-related bottlenecks. In some instances, private solutions may be equally or more effective in alleviating a bottleneck.



Pigs

PRISMA chose to work in the pig sector in NTT because the market is underdeveloped despite being one of Indonesia's largest producers and consumers of pork. Pig rearing is a culturally significant tradition in NTT, and women are very involved in the sector. Adoption of good animal husbandry practices and pig health products are key approaches in building sector resilience in preventing and recovering from the ongoing African swine fever outbreaks. PRISMA

- Thin markets may require a more hands-on approach initially, but an exit strategy and upfront and clear boundaries on how far the program is willing to go with its support are necessary.
- It is important to identify a network of interested agents when trying to attract companies to enter the market, especially in thin markets like NTT.

has supported feed companies to enter the NTT market, leading to improved breed genetics, farm management and biosecurity measures. PRISMA also supported a disease prevention, detection, and surveillance strategy implemented by the NTT Provincial Animal Husbandry Office.


The key lessons PRISMA learned in this process are as follows:

- Despite having a common national language, customised and contextualised materials and influencing strategies are important for more effective information and marketing campaigns.
- When there is a health emergency that needs urgent action, local media coverage can be used to kick-start a government response.



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