



Together for Nutrition 2014
Working Across Sectors to Improve Nutrition in India



Strategic partnership to strengthen social business model



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BACKGROUND



- Fortified blended foods as take home rations for children 6 to 36 months and PLWs- GoI guidelines for supplementary nutrition under ICDS
- Achieving delivery efficiency- challenging
- Andhra Pradesh Foods
 - Autonomous enterprise under Government of AP, now technically under Telangana
 - Mission: Serve poor and undernourished women and children through production of fortified foods in a viable business model (Annual Report)
- GAIN:
 - Swiss foundation
 - Mission: reduce malnutrition through sustainable strategies through innovations and partnerships



RATIONALE FOR THE PROJECT

Good quality product

Increased production capacity

Improved acceptance and better IYCF

IMPROVED DELIVERY EFFECTIVENESS AND UTILISATION OF SNP



RATIONALE FOR THE PROJECT

ICDS

Government public funded program to address child undernutrition

Administrative approval

AP Foods vision to address malnutrition

Infrastructure/ manpower/ commitment

GAIN focus on 1000 days- MIYCN

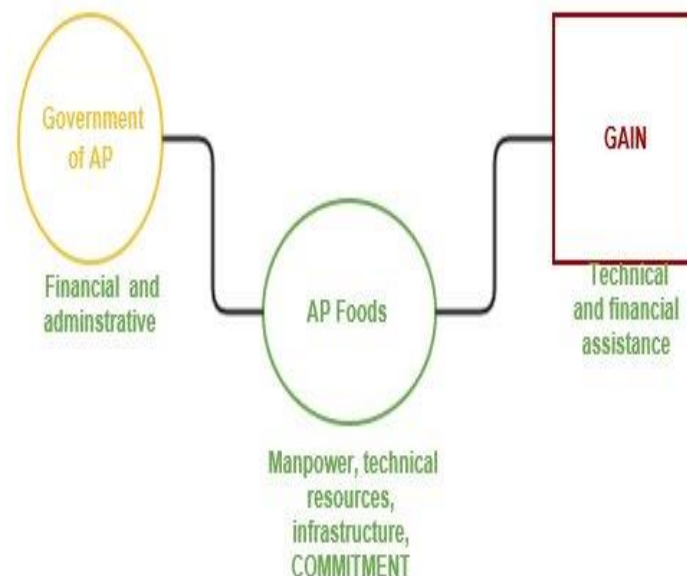
Technical and financial support



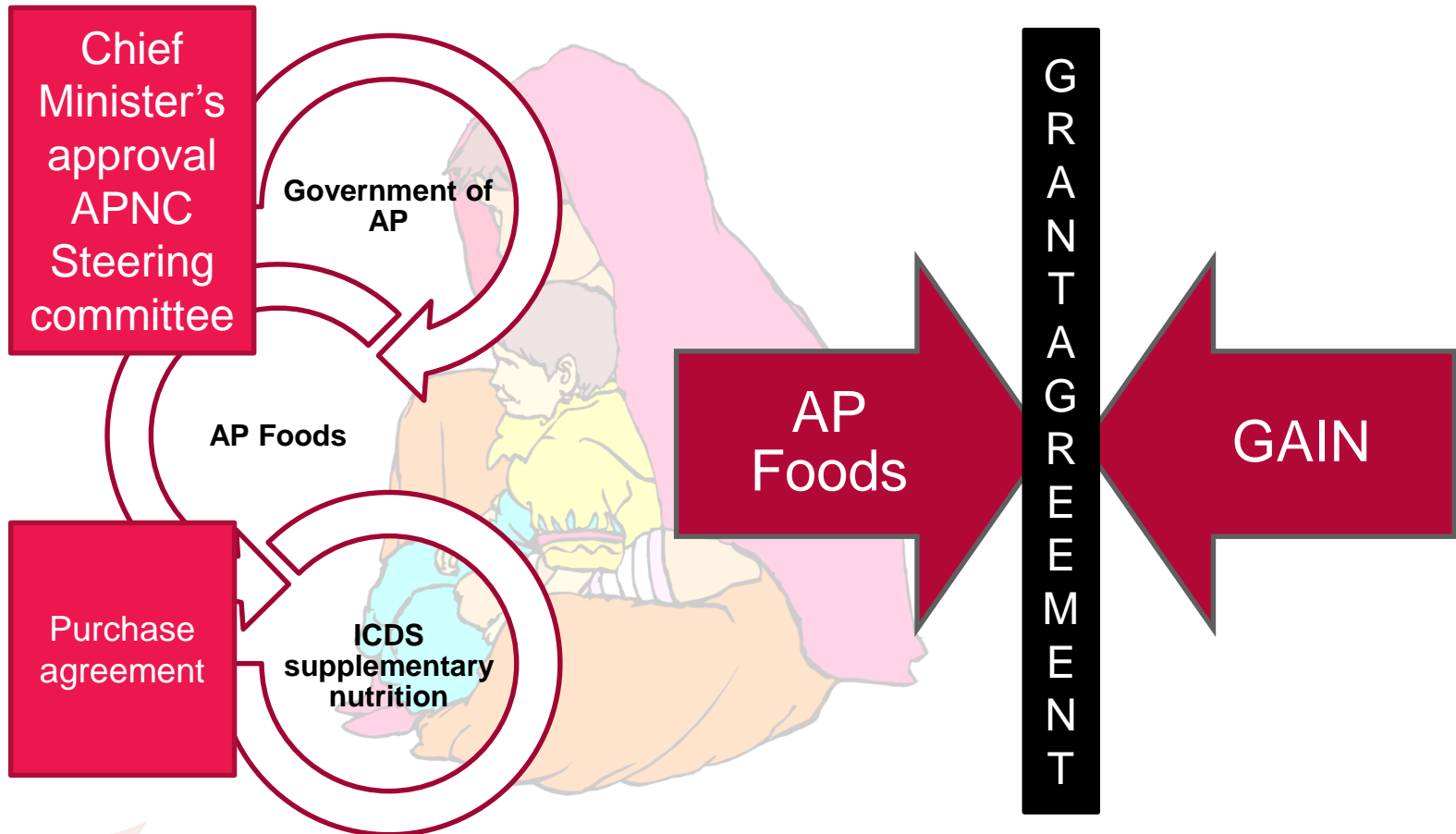


INTERVENTION

- **Social business** is a cause-driven business
- **GAIN** and **AP Foods** work towards the same cause
- **Partnership between GAIN and AP Foods:**
 - **To enhance production capacity of FBF at AP Foods**
 - **To strengthen quality assurance mechanisms for products**
 - **To improve product formulation and packaging**
 - **To improve premix facility**



APPROACHES AND METHODS FOR COLLABORATION





OVERSIGHT

Project Implementation Committee: Representatives from AP Foods

Oversight Committee with representatives from AP Foods, GAIN, Department of Women and Child Development and National Institute of Nutrition

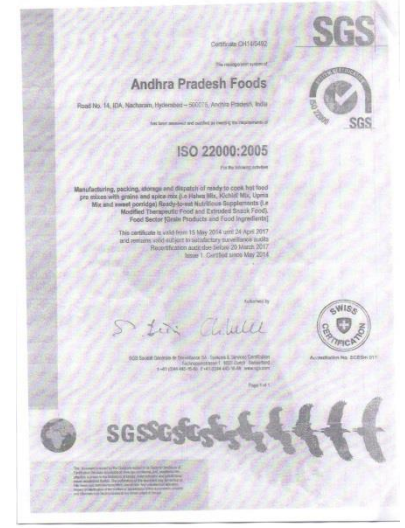
***Purchase and Technical Committee** representation from a wide range of departments including finance, etc. (GAIN as an observer)

***Steering Committee with** representation from AP Foods, DWCD, NIN (GAIN as an observer)

**responsible for transparent and appropriate procurements and stakeholder engagement*



SUCCESSFUL PARTNERSHIP





RESULTS...

GAIN has successfully acted as a **catalyst for dramatic improvement at Andhra Pradesh Foods**

- 9 crores investment has led to 40 crores additional **government investment**
- Production capacity to increase by over 50%
- Product formulation, nutritional component, quality control and packaging improved
- AP Foods is a professional operation with experienced and passionate management

A compelling business case for the centralized model

- New factory, when completed in January 2015, will be a major asset under the government sector
- Attractive Economics : <3 years payback period, 4x replacement cost for SHGs to meet capacity vs. central facility, competitive cost structure

ENABLING FACTORS FOR SUCCESS

Partnership

Product

Production

Distribution

Marketing & Education

Specific enablers

- **Shared vision**
- **Complementary strengths**
- **Strong political will/ government support**
- **Leveraging potential**

- Collaboration with accredited partners (NIN)
- GAIN's expertise

- AP Foods expertise in quality production at scale
- Site and capital availability
- Strong leadership driving progress
- Invested employees

- Reliable, private partners to provide logistics/ transport
- Established network (ICDS) and assured market for AP Foods

- Established, local system (ICDS / Anganwadi centers) for educating consumers
- Government creates demand

Government Support (capital investment, market creation, policy interpretation)

Publicly-run enterprises with accountability to policy initiatives



CONCLUSIONS

- **Strategic partnerships leveraging the unique capabilities of different sectors in the presence of a potentially effective delivery mechanism can contribute to improving nutritional status of children**
- **High level commitment from all partners is the most important element to ensure success.**
- **Support from GAIN acted as the catalyst prompting AP Foods and Government of AP to invest in areas other than the plant and now can boast of one of the most advanced food production units in the country.**
- **Improved product for supplementary nutrition with a better shelf life and palatability leading to increased acceptance by intended beneficiaries resulting in improved nutrient intake.**



ACKNOWLEDGEMENTS

All my friends at AP Foods and GAIN!!!

