



a U.S. Government initiative

SEE ^{THE} FEED CHANGE **FUTURE**

A photograph of a lush green cornfield with tall stalks and golden tassels, set against a clear blue sky with light clouds.

REGIONAL DEVELOPMENT MISSION FOR ASIA

FY 2011–2015 Multi-Year Strategy

U.S. Government Document

The Feed the Future (FTF) Multi-Year Strategies outline the five-year strategic planning for the U.S. Government's global hunger and food security initiative. These documents represent coordinated, whole-of-government approaches to address food security that align in support of partner country priorities. The strategies reflect analysis and strategic choices made at the time of writing and while interagency teams have formally approved these documents, they may be modified as appropriate.

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ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
ADVANCE	ASEAN Development Vision to Advance National Cooperation and Economic Integration
AIFS	ASEAN Integrated Food Security framework
AFTA	ASEAN Free Trade Agreement
AMS	ASEAN Member States
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ASW	ASEAN Single Window project
ATIGA	ASEAN Trade in Goods Agreement
BFS	Bureau for Food Security (USAID)
CASP	Core Agriculture Support Program (ADB)
CCFS	Climate Change-Food Security Assistance Coordination Team
CDCS	Country Development Cooperation Strategy
CGIAR	Consultative Group on International Agricultural Research
COTR	Contracting Officer Technical Representative
CSO	Civil Society Organization
ERIA	Economic Research Institute for ASEAN and East Asia
FAO	United Nations Food and Agriculture Organization
FAS	Foreign Agriculture Service (USDA)
FEWS-NET	Famine Early Warning Systems Network
FSIS	Food Security Information System
FTF	Feed the Future
FY	Fiscal Year
GDO	General Development Office (RDMA)
HARVEST	Helping Address Rural Vulnerabilities and Ecosystem Stability
IRRI	International Rice Research Institute
IQC	Indefinite Quantity Contract
JICA	Japan International Cooperation Agency
LUNA	Laos-U.S. International and ASEAN Integration project
MRL	Maximum Residue Limits
MSME2/BEE	Micro, Small, and Medium Enterprise/Business Enabling Environment project
NGO	Non-Governmental Organization
OFDA	Office of Foreign Disaster Assistance
RDMA	Regional Development Mission for Asia
REO	Regional Environment Office (USAID)
SME	Small and Medium Enterprises
SOM/AMAF	ASEAN Ministers of Agriculture and Forestry
SPA-FS	Strategic Plan of Action for Food Security (ASEAN)
SPS	Sanitary and Phyto-Sanitary
ST	Strategic Thrust
TATF	Technical Assistance and Training Facility (ASEAN)
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
VALUE	Valuing ASEAN Linkages Under Economic Integration program

WTO
WFP

World Trade Organization
United Nations World Food Program

1 DEVELOPMENT CHALLENGES AND OPPORTUNITIES

1.1 INTRODUCTION

Food security emerged as a priority issue following sudden spikes in the prices of food commodities over 2007-2008. Asia was the epicenter of this worldwide crisis, and the severity in this region was primarily due to a lack of a sophisticated and open market for regional trade in food commodities.

The price fluctuations, influenced by a variety of factors, exposed the fragility of Asia regional commodity trade markets. With the size of imbalances between food surplus countries and food deficit countries in the region growing, and the lack of coordinated action between surplus and deficit countries, there are concerns over the functioning of regional food markets. Strong regional markets allow food to flow quickly, efficiently and in just the right quantities, from countries that have surplus food to countries with a deficit, increasing food availability and reducing the volatility of food prices.

The private sector also plays a key role in effective marketing and trade, in addition to bringing in new knowledge and technologies. In formulating policies, governments need to give attention to the impact of policy on the functioning of the private sector and on the ability of that sector to provide efficient, long-term services both for farmers and consumers. Development efforts need to be coordinated through strengthening institutions that facilitate coordination, that establish market rules, and that disseminate market information.

The Feed the Future (FTF) Initiative focuses on a limited number of priority countries: in Asia, these include Bangladesh, Cambodia and Nepal. Regional FTF programs are designed to support the investments of country programs; thus, the proposed U.S. Government (USG) Regional Development Mission for Asia (RDMA) program will complement the activities of these focus countries, particularly as they relate to increasing trade and information exchange.

In addition, one of the United States Administration's approaches for achieving regional development and integration goals is building the capacity of regional and sub-regional institutions. Hence, RDMA proposes to work through existing regional organizations – two of the most important regional government bodies in South and Southeast Asia – the South Asia Association for Regional Cooperation (SAARC) and the Association of Southeast Asian Nations (ASEAN).

RDMA's proposed program, with its overall objective of expanding intra-regional food commodity trade in South and Southeast Asia, will support Strategic Thrusts 2 and 5 of ASEAN's Strategic Plan of Action for Food Security (SPA-FS), which focus respectively on trade and private sector engagement. Efforts will concentrate on two core outcomes that also directly support the goals of the FTF Initiative:

1. Strengthened Institutional Platforms for Improving Regional Food Security
2. Increased Partnerships and Private Sector Engagement in Regional Agriculture

RDMA will assume a regional coordinating role and work through a "regionally-led" strategy by providing quality technical assistance to the ASEAN Secretariat to support the implementation, coordination, monitoring and evaluation of the SPA-FS, in addition to supporting Bangladesh, Cambodia and Nepal in the implementation of their FTF Strategies. In addition, RDMA will work with ASEAN and will explore collaboration with SAARC to improve the enabling environment for trade in the wider Asia region through a focus on policy and regulatory reform, and with the private sector to increase access to information and new technologies.

The ultimate purpose of the five-year program is to contribute to regional poverty reduction and food security. The expected outcomes include an increase in food trade through harmonized regional policies, improved capacity to comply with standards and strengthened regional collaboration. These components will combine to achieve an increase in intra-regional food trade in Asia and as such to decrease the risk of another food price crisis, with a direct impact on the poorest segments of the population whose precarious food security makes them most vulnerable to price increases.

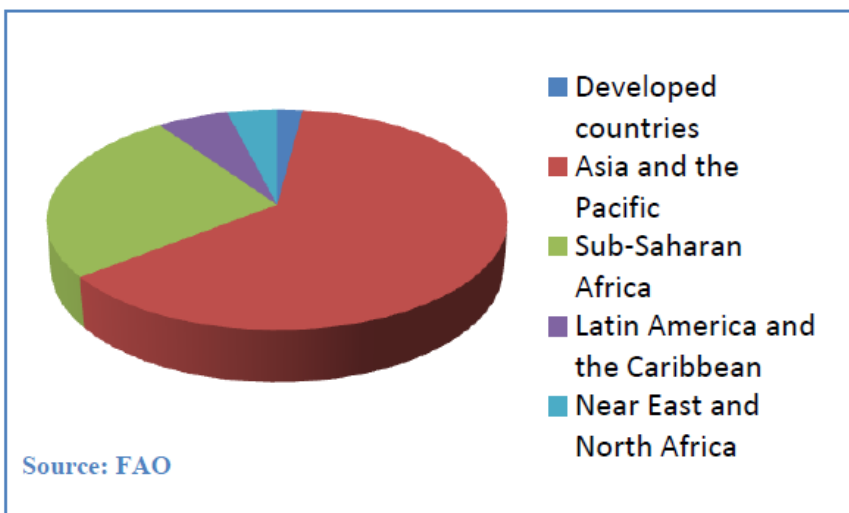
1.2 FOOD SECURITY IN THE ASIAN REGION

Despite the historical gains from the Green Revolution and the dynamic macro-economies in the region, nearly two-thirds of the world's 1.4 billion poor live in Asia, including 84 million in Southeast Asia alone.

Food security emerged as a priority issue following sudden spikes in the prices of food commodities over 2007-2008. Asia was the epicenter of this worldwide crisis, and the severity in this region was primarily due to a lack of a sophisticated and open market for regional trade in food commodities, including sudden changes in certain countries' trade policies.

The price increases exposed the vulnerability of the poorest segments of the population – half of whose household income on average goes to buying food – and the precarious nature of their food security. The relatively better-off households cut back on medical care, limited meat consumption and eventually took children out of school, while the most vulnerable members of society resorted to selling their animals, their tools, their houses – making recovery much harder. The effects of the crisis rippled far beyond the region, causing food riots in 30 countries globally and exposing latent long-run threats to food security world-wide.

Figure 1. Undernourished in 2010, by Region



1.3 THE IMPORTANCE OF REGIONAL TRADE

The price fluctuations, influenced by a variety of factors, exposed the fragility of Asia regional commodity trade markets. With the size of imbalances between food surplus countries and food deficit countries in the region growing, and the lack of coordinated action between surplus and deficit countries,

there are concerns over the functioning of regional food markets. Strong regional markets allow food to flow quickly, efficiently and in just the right quantities, from countries that have surplus food to countries with a deficit, increasing food availability and reducing the volatility of food prices.

In general, international trade – and agricultural trade in particular – (1) increases economic growth, creates employment prospects and increases the income earning capacity of the poor; (2) increases domestic food supplies to meet consumption needs; (3) reduces overall food supply variability; (4) makes more efficient use of world resources; and (5) permits global production to take place in those regions more economically suited to it. Wide and open trade can be the best guarantor of regional food security.

However, if appropriate policies are not in place, reliance on trade may also bring some risks. These include uncertainty of supplies, world market price instability, increasing environmental stress, and deteriorating terms of exchange on world markets (e.g., falling prices for agricultural exports and higher prices for food imports). In addition, inadequate productivity gains, an inefficient supply chain, and lack of access to markets are among the key factors driving a lack of trust in trade and sustaining misguided policies that promote self-sufficiency in food production as a goal in and of itself. While many governments still believe in self-sufficiency, at a regional level, it makes sense for countries, based on their individual comparative advantages, to focus on their ability to generate foreign exchange earnings to import whatever food they consume over and above what they can afford to produce efficiently.

A top priority in the Asia region is to prevent counterproductive policy responses to price movements in the future and deepen intra-regional markets for agricultural commodity trade. In addition, regional integration increases market access for agricultural inputs and outputs which in turn enhances producers' incentives to make sustained investment in agricultural technologies. Finally, economic integration through regional agreements can also reduce the risk of reversion towards protectionism, locking in reforms already made and encouraging further structural adjustment.

1.4 THE ROLE OF THE PRIVATE SECTOR

The most certain way to assure well-organized marketing and low cost trade within Asia is to strengthen the private sector and to encourage the sector to apply its supply chain management “know how” and marketing “know who.” Everywhere in the global economy, both in the developed and the developing worlds, successful market developments are the result of decisions made by individual entrepreneurs to invest in new business models and thus to improve the efficiency with which markets are able to serve consumers. Therefore, when formulating food security policies, governments need to give greater attention to the incentives they create for the private sector to invest in initiatives which involve risk. In the long run, efficient marketing and trade can only be guaranteed by having a strong private sector.

Private sector actors in the Asia region see binding constraints prohibiting their further investment in efficient supply chains, competitive markets and improved sector productivity. Significantly, these constraints also correspond to areas where the private sector lacks capacity to act in its own interest or to implement changes without outside assistance.

There is a need to coordinate development efforts through strengthening institutions that facilitate coordination, that establish market rules, and that disseminate market information. Policy interventions may have unintended impacts on the ability of the private sector to operate profitably, including the inadvertent creation of rent-seeking opportunities and the encouragement of corruption both within public and private sectors.

Transformation in policy begins with discussions with private sector companies regarding what is broken within existing chains and how best to go about fixing specific management problems, with public, private or combined public private resources. Next it entails the creation of institutions and the training of a human resources base, which can help to structure trade which is ad hoc, to invest in weak infrastructure links in existing chains and to disseminate accurate market information quickly and effectively. What is needed is a shift away from traditional government policies which over time have become more dogmatic and less pragmatic, and toward policies which focus on practical problems and which enlist for their solution the specialized competencies which only the private sector possesses.

1.5 FOCUS ON ASIA FEED THE FUTURE COUNTRIES AND THE SOUTH AND SOUTHEAST ASIA REGION

Figure 2. Map of South and Southeast Asia Region



Food insecurity in South and Southeast Asia is full of surprising juxtapositions: the region is home both to the world’s three biggest rice exporters (Thailand, Vietnam and India) and to the biggest importer (the Philippines; and, historically, Indonesia), as well one of the two giants of global food production and consumption (India; the other being China). More importantly, the region includes just one country ranking “low” in severity on the 2010 Global Hunger Index¹ (Malaysia) but five “seriously” vulnerable countries (Vietnam, Indonesia, Philippines, Laos, Burma) and five with an “alarming” nutritional situation (Bangladesh, Cambodia, India, Nepal, Timor-Leste). These highly vulnerable countries will be the primary focus of this program.²

¹ The Global Hunger Index (GHI) is a multidimensional statistical tool used to describe the state of countries’ hunger situation by combining three equally weighted indicators: 1) the proportion of the undernourished as a percentage of the population; 2) the prevalence of underweight children under the age of five; and 3) the mortality rate of children under the age of five. The Index ranks countries on a 100 point scale, with 0 being the best score (“no hunger”) and 100 being the worst. Values of less than 4.9 reflect “low hunger”, 5 to 9.9 “moderate”, 10 to 19.9 “serious”, 20 to 29.9 “alarming”, and above 30 an “extremely alarming” hunger problem.

² With the exception of Burma: although one of the most food insecure countries in the ASEAN region, assistance for Burma is prohibited by statute. Brunei and Singapore are also not eligible for assistance, due to their wealth. Also note that while the absolute numbers of people suffering from food insecurity in the Asia region are greatest in India and parts of China, support to China is constrained at this time by limited resources, political sensitivities, and legal and policy restrictions, while India has its own bilateral programs in addition to being a FTF Strategic Partner country (it will use its FTF funds to support other countries to address their food security problems).

Regional FTF programs are designed to maximize the impact of FTF programs in focus countries. A key assumption underlying bilateral FTF efforts is that growing cross-border trade will help spur and sustain demand for the commodities countries produce. Clearly, demand growth solely from domestic sources will be insufficient; opening up regional markets, especially for staple crops, is essential. The RDMA FTF program will directly support and complement FTF investments in Bangladesh, Nepal and Cambodia, leveraging existing regional mechanisms and platforms as appropriate to ensure the highest possible returns.

Furthermore, a Food Security Assessment,³ commissioned by RDMA in early 2010, recommended “partnering with key regional multilateral organizations, Non-Governmental Organizations (NGOs) and the private sector to jointly implement food security projects throughout the region.” Therefore, pilot activities under this program will focus on countries with high instances of food insecurity and poverty such as Bangladesh, Nepal and Cambodia.

1.6 STRATEGIC PARTNERS: THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS AND THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

Development assistance at a regional level focuses on constraints and challenges that are transnational in scope and that require multiple country consensus, coordination, and cooperation. One of the Administration’s approaches for achieving regional development and integration goals is building the capacity of regional and sub-regional institutions. Multilateral institutions can help generate awareness and can effectively create pressure to reform policies, liberalize markets, and improve public and private sector efficiency, thereby having a systemic impact across a broad area or sub-region. Hence, RDMA’s proposed engagement is through existing regional organizations – in fact *the most important* regional government bodies in Southeast and South Asia, ASEAN⁴ and SAARC⁵.

During her visit to Southeast Asia in July 2009, Secretary Clinton signaled that further engagement with ASEAN and, particularly, the Lower Mekong sub-region, is a top Administration priority for U.S. development assistance:

*When it comes to sub-regional institutions, we really believe that ASEAN is an important success story. It has made a bold decision to integrate across the economic, socio-cultural, and political-security spheres... and so we will continue to support ASEAN and we will continue to emphasize capacity-building activities under the U.S.-ASEAN Enhanced Partnership and the economic-focused U.S.-ASEAN Trade and Investment Framework Agreement.*⁶

ASEAN addresses transnational issues throughout a high priority sub-set of countries covered by RDMA. Furthermore, through support to the organization under the ASEAN Development Vision to Advance National Cooperation and Economic Integration (ADVANCE) Program, which supports the U.S.-ASEAN Enhanced Partnership, RDMA has existing relationships and significant experience

³ USAID/RDMA, “Food Security Assessment in the Lower Mekong Sub-Region.” RAISE PLUS Limited Scope of Work Final Report, February, 2010.

⁴ ASEAN is a geopolitical and economic organization of 10 countries of Southeast Asia, formed in August 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand. Since then, membership has expanded to include Brunei, Burma, Cambodia, Laos and Vietnam. The organization aims to accelerate economic growth, social progress and cultural development among its members, to protect peace and stability in the region, and to provide opportunities for member countries to discuss differences peacefully.

⁵ SAARC was founded in 1985 and dedicated to economic, technological, social, and cultural development emphasizing collective self-reliance among member countries. Its seven founding members are Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka. Afghanistan joined the organization in 2005.

⁶ Remarks on Regional Architecture in Asia: Principles and Priorities - Hillary Rodham Clinton, Secretary of State, at the Imin Center-Jefferson Hall Honolulu, Hawaii - January 12, 2010

working within the ASEAN Secretariat. The existing partnership will be deepened and expanded through FTF activities.

Although the U.S. is an observer member of SAARC, U.S. Government direct involvement with SAARC has been less active than with ASEAN. RDMA has had some engagement with SAARC and will continue to explore opportunities for partnership on regional matters. Given its experience working with regional bodies such as ASEAN and APEC, RDMA is in a unique position to develop a working relationship with SAARC within the context of FTF.

ASEAN and SAARC Engagement on Food Security

Following the commodity price spikes in the spring of 2008, an ad-hoc Taskforce on Food Security was formed to develop a detailed work plan in the ASEAN region, which was adopted during the 14th ASEAN Summit in February 2009 as the ASEAN Integrated Food Security (AIFS) framework and the Strategic Plan of Action for Food Security (SPA-FS). Leaders at the summit pledged to embrace food security as a matter of permanent and high priority policy. At the 1st ASEAN-U.S. Leaders Meeting on November 15, 2009, President Obama likewise confirmed food security as a priority issue for U.S. engagement in Southeast Asia:

We agreed to strengthen cooperation on food security, in particular to promote investment, capacity building, sharing of experience and best practices, research and development as well as infrastructure development in the agricultural sector.

Broad and extensive regional consultations preceded the development of the 2009-2013 SPA-FS; as such, the six “Strategic Thrusts” (see Table 1) are widely recognized as representing the greatest food security needs of the region.

Table 1. Association of Southeast Asian Nations Strategic Plan of Action for Food Security “Strategic Thrusts”

Strategic Thrust 1:	Strengthen Food Security Arrangements
Strategic Thrust 2:	Promote Conducive Food Market and Trade
Strategic Thrust 3:	Strengthen Integrated Food Security Information Systems to Effectively Forecast, Plan and Monitor Supplies and Utilization for Basic Food Commodities
Strategic Thrust 4:	Promote Sustainable Food Production
Strategic Thrust 5:	Encourage Greater Investment in Food and Agro-based Industry to Enhance Food Security
Strategic Thrust 6:	Identify and Address Emerging Issues Related to Food Security

In light of limited resources, RDMA proposes to focus on support to Strategic Thrusts 2 and 5, with efforts concentrated on two core outcomes that will support the goals of the FTF Initiative as well as those identified in the SPA-FS. These outcomes are the following:

1. Strengthened Institutional Platforms for Improving Regional Food Security
2. Increased Partnerships and Private Sector Engagement in Regional Agriculture

Towards this end, RDMA will assume a regional coordinating role and work through a “country-led” strategy by providing quality technical assistance to the ASEAN Secretariat to support the implementation, coordination, monitoring and evaluation of the SPA-FS.⁷ In addition, RDMA will work with ASEAN to improve the enabling environment for trade in the region through a focus on policy and regulatory reform, and with the private sector to increase access to information and new technologies.

In 2008, SAARC countries launched the USD \$25 million South Asia Food Security Program, to improve crop production and nutrition in the region by pooling together scientific and natural resources. At the 16th SAARC summit in April 2010, Assistant Secretary for South and Central Asian Affairs Robert Blake, Jr. encouraged greater regional cooperation within SAARC on agriculture research and development, and collaboration on forecasting weather and climate for agricultural needs to enhance food security in South Asia. In order to support these efforts, RDMA proposes to engage in initial dialogue with SAARC in years 1 and 2 of the program, to explore opportunities for partnership in areas of mutual interest related to food security. Formal partnership with SAARC will begin in year 3 of the program based upon mutually agreed upon objectives and level of engagement, and applying lessons learned from the partnership with the ASEAN Secretariat on food security.

1.7 BUILDING ON CURRENT PROGRAMS AT RDMA AND IN THE REGION

RDMA will deepen its engagement, alliances and partnerships with the regional donor community, NGOs, host-country governments, other U.S. Government (USG) agencies and the private sector towards achieving the priorities of USG food security objectives. Engagement with the private sector in the realm of agri-business is already underway through on-going programs, as are consultations with relevant USG entities and a wide array of stakeholders, including Asian regional economic leaders, civil society, other donors, and prominent regional and local institutions.

Linkage to the Whole-of-Government Approach

The success of RDMA’s proposed FTF Program rests on a coordinated approach with the rest of the USG towards common goals and outcomes in the region. Several actors are especially important:

1. *Asia USAID bilateral Missions:* As the proposed programs are highly political and require addressing sensitive policy areas, RDMA will coordinate with other Missions in the region to ensure there is buy-in and constructive high-level dialogue on the proposed areas of programming. Proposed areas of potential overlap identified in dialogue with Cambodia include policies governing access to agricultural inputs and agriculture insurance, as well as harmonizing standards and quality control; with Bangladesh, tendering mechanisms for public food stock procurement, especially wheat; with Nepal, cell phone market pricing (access to market information).
2. *U.S. State Department:* The U.S. Mission to ASEAN, located in Jakarta, is the key State Department linkage for coordinating ASEAN support. Under the first resident, full-time Ambassador to ASEAN, the Mission engages ASEAN as an active, consistent, and reliable partner in the region. RDMA will support our common interests in U.S. foreign policy priorities

⁷ Per the recommendations of the USAID/RDMA, “Food Security Assessment in the Lower Mekong Sub-Region.”

in response to ASEAN's goal of regional integration and support ASEAN's central role in the emerging regional political and economic architecture that safeguards critical U.S. economic and security interests.

3. *U.S. Department of Agriculture (USDA)*: There is significant opportunity to leverage USDA capabilities and capacity. RDMA is currently working closely with the world-class crop production analysis services of the Foreign Agriculture Service (FAS) at USDA. Likewise, FAS offers several databases on international agricultural trade. RDMA also plans to leverage USDA's extensive research/extension network to supplement prospective USAID-funded research and outreach programs and, when relevant, to bring in USDA experts and expertise from U.S. universities.
4. *U.S. Department of Commerce - Food Safety*: The ASEAN Secretariat has proposed a workshop in Thailand in mid-2011, to develop terms of reference for ASEAN Food Reference Laboratories in line with Codex Alimentarius standards. The International Trade Commission at the Department of Commerce houses technical expertise to build stronger food safety systems to facilitate trade by harmonizing standards and reduce the potential for incidence. In addition, the National Oceanic and Atmospheric Association (NOAA) is active in Asia on fisheries management and climate change adaptation, and has several formal agreements with governments in the region.

RDMA is also considering extending the services of the Famine Early Warning Systems Network (FEWS-NET) to Southeast Asia, as well as building upon SERVIR-Himalaya's data collection work to assist with food security program planning in the region. A partnership with the International Trade Administration's Food Safety project is also under consideration.

Links to Other Donors and Multilaterals

The World Bank, the Asian Development Bank (ADB) and other major United Nations (UN) organizations such as the Children's Fund (UNICEF), Food and Agriculture Organization (FAO), World Food Program (WFP), and United Nations Development Program (UNDP), as well as the Consultative Group on International Agricultural Research (CGIAR), have a long history of operations, research and analysis in the region. Donor coordination of food security issues and related sector activities takes place on a quarterly basis through the UN Thematic working group on Poverty Alleviation and Food Security. In addition, as part of its Asia-Pacific Economic Cooperation (APEC) Technical Assistance and Training Facility (TATF) program, RDMA facilitates the use of agricultural biotechnology including improved agricultural data collection and dissemination by APEC member economies. APEC is currently establishing a government-private sector group to address food security issues, a process which mirrors that taking place in the ASEAN region through RDMA programs and may provide important insight.

Table 2. Key Food Security and Related Programs at RDMA and in the Region

Donor	Program	Focus including Areas of Overlap with RDMA Strategy
USAID/ RDMA	<p>ASEAN Development Vision to Advance National Cooperation and Economic Integration (ADVANCE):</p> <p>Technical Assistance and Training Facility (TATF)</p> <p>ASEAN Single Window (ASW)</p> <p>Valuing ASEAN Linkages Under Economic Integration (VALUE)</p> <p>Laos-U.S. International and ASEAN Integration Project (LUNA/Laos)</p> <p>Global Climate Change Program</p> <p>Office of Foreign Disaster Assistance (OFDA) activities</p>	<p>ASEAN capacity building, through several different projects (below).</p> <p>Regional economic growth, trade & integration, disaster & pandemic preparedness, environment and health programs</p> <p>Regional trade and access to markets through streamlining customs procedures across the region. RDMA will build on this project and focus on facilitating the exchange and marketing of agricultural commodities</p> <p>Productivity of the region’s textile and apparel supply chains, removing constraints in the business environment that affect ASEAN’s competitiveness and integration</p> <p>World Trade Organization (WTO) accession, including international standards for agricultural policy harmonization and food safety regulations</p> <p>Agricultural adaptation and sustainable landscapes, to leverage ASEAN to provide information, policy inputs, and technology to member countries on adaptive measures for major food crops</p> <p>Food security issues in Southeast Asia with a focus on grain and seed storage, and losses due to pests</p>
USAID/ Cambodia	<p>Micro, Small, and Medium Enterprise 2/Business Enabling Environment (MSME2/BEE)</p> <p>Helping Address Rural Vulnerabilities and Ecosystem Stability (HARVEST)</p>	<p>Developing and stimulating agricultural value chains that improve the productivity and competitiveness of businesses</p> <p>Cambodia’s FTF Program aims to increase food availability and access by bolstering productivity of agriculture, fisheries and forestry; strengthen value chains; and create private-sector led rural employment</p>
USAID/ Bangladesh	Feed the Future	Increase competitiveness of value chains for staple crops (rice, maize, fish); improve food policy development and implementation; promote agricultural biotechnology to improve crop productivity and environment
USAID/ Nepal	Feed the Future	Develop commercially-driven agriculture, focusing on high-value vegetables, rice, maize and pulses,

	<p>Nepal Economic, Agriculture and Trade (NEAT) Activity</p> <p>Haryio Ban</p>	<p>including small-scale irrigation and improved farming practices</p> <p>Promote economic growth, reduce poverty and increase food security through: fostering a conducive business environment, encouraging competitiveness and exports in agricultural commodities or services, improving trade and fiscal policies and practices</p> <p>Reduce threats to biodiversity and climate change vulnerabilities through site-based interventions in biodiverse landscapes and national level policy</p>
USAID/ Indonesia	<p>Agribusiness Market and Support Activity (AMARTA), and Agricultural Diversification and Growth Program (ADGP)</p>	<p>Improve efficiency, productivity and product quality in value chains such as high-value export commodities, hypermarket-quality horticulture products, cocoa, and coffee. Support agriculture technology development, policy and regulatory reform for food security</p>
USAID/ Philippines	<p>Agricultural Biotechnology Project</p> <p>Growth with Equity in Mindanao</p> <p>Fisheries Improved for Sustainable Harvest (FISH)</p>	<p>Improve farm productivity, facilitate trade, stimulate investment in science and technology through enhanced capacities of institutions and public acceptance of biotechnology</p> <p>Infrastructure rehabilitation and construction; farmer capacity development, agribusiness cooperatives & trade associations; agriculture & fisheries production, processing, value chain technology promotion; market-matching between producers, processors, exporters</p> <p>Coastal resource management and improved fisheries management. Results include 10-30% increase in fisheries biomass in target areas.</p>
USAID/ Timor Leste	<p>Economic Growth project</p>	<p>Expanding markets beyond the region for high-value products (not commodities)</p>
USAID, ADB, AUSAid	<p>Coral Triangle Initiative (CTI)</p>	<p>Regional fisheries/marine trade and policy</p>
ADB	<p>Core Agriculture Support Program II (CASP II)</p>	<p>Improvements in agricultural productivity, connectivity within inclusive food and agricultural value chains, and improved resilience at farm and household level</p>
JICA	<p>Economic Research Institute for ASEAN and East Asia (ERIA)</p>	<p>Economic integration in trade, investment, enterprise and human resource development, infrastructure, energy. Policy research to strengthen regional food trade arrangements (e.g. limiting protectionist responses to price fluctuations; promoting private investment in food supply chains; promoting “rule-based” and structured trade over ad-hoc and negotiated trade; investigating public procurement)</p>

Links to NGOs and the Private Sector

RDMA has been engaging with several NGOs and private sector actors in areas of new technology and market access. These relationships will be further deepened and expanded within the context of FTF. On-going USG work on supply chain integration and enhancement will be leveraged and expanded to focus on increasing private investment in regional agricultural/food supply chains.

Regularly scheduled interactions under the recently established Climate Change-Food Security Assistance Coordination Team (CCFS)⁸ will facilitate an integrated approach to program design and implementation across RDMA technical offices, including the climate change-food security portfolio. The team includes representatives from each technical office, and all support offices are encouraged to participate. The team will collaborate with the Asia Bureau, the Bureau for Food Security (BFS), Global Health, the Washington Food Security Inter-agency Working Group, and the Policy, Planning, and Learning Bureau.

1.8 CROSS-CUTTING THEMES

The RDMA proposed engagement will mainstream the following cross-cutting themes⁹:

- ***Natural Resources and Climate Change:*** Southeast Asia is one of the regions of the world most vulnerable to climate change, due to its long coastlines, high concentration of population and economic activity in coastal areas, and heavy reliance on agriculture, fisheries, forestry, and other natural resources.¹⁰ Moreover, climate change is one of the largest threats to agriculture and food security. Indeed, worldwide, agriculture accounts for 70 percent of fresh water use. In Asia, it is estimated that water needs will exceed current accessible, reliable supplies by 2030.¹¹ Climatic shifts, including glacial melt and seasonal changes could have devastating impacts on cropping systems and ecosystems upon which humans rely.

However, there are opportunities for increasing environmental sustainability, reducing greenhouse gas emissions, and investing in adaption through the RDMA FTF approach. Consumer demand for more sustainable production of food has spurred the private sector to change production practices. This is evident in the increasing number of private standards and certifications related to environmentally responsible production; the fisheries sector stands out as an example where, despite the recent economic downturn, certified sustainable fish consumption has increased.¹² In the past five years, the Marine Stewardship Council certification program increased involvement from 17 fisheries to 200 or about 12 percent of the wild global annual harvest for direct human consumption.¹³ Increasing knowledge of environmental impacts can change the behavior of producers, processors, and distributors to see that the long-term profits will be undermined by environmentally destructive practices. The FTF program will focus on encouraging more responsible trade through knowledge sharing and capacity building and will specifically target sectors and policies where positive impacts in sustainability can be demonstrated.

⁸ Mission Notice Number 2010-055, Establishment of the RDMA Climate Change and Food Security Program Coordination team, June 14, 2010.

⁹ Given scarce resources and the need to focus interventions, a determination was made to leave out nutrition from the cross-cutting themes, as it is being addressed at the bilateral level by each of the FTF focus countries in the region. Nonetheless, the RDMA program will include nutrition considerations whenever possible in its activities, including for example those revolving around access to new technologies with improved nutritional properties.

¹⁰ The Economics of Climate Change in SE Asia: A Regional Review. ADB, Manila, April 2009.

¹¹ Charting Our Water Future, 2030 Water Resources Group, 2009

http://www.2030waterresourcesgroup.com/water_full/Charting_Our_Water_Future_Final.pdf

¹² <http://www.seafoodsource.com/newsarticledetail.aspx?id=9493>, accessed July 2011. Another interesting example is from McDonald's in Europe where only Marine Stewardship Council certified fish will be served starting in October 2011.

¹³ http://whatmatters.mckinseydigital.com/social_entrepreneurs/building-a-market-for-sustainable-fisheries, accessed August 9, 2011.

This approach will build on the already successful USG Responsible Asia Forestry and Trade program, using the lessons to build responsible food trade. Additionally, RDMA will work with the private sector to leverage new technologies to help reduce greenhouse gas emissions and adapt to the effects of climate change, thereby supporting long term food security.

- **Gender:** In Southeast Asia, 90 percent of the rice cultivation is done by women. Yet, women’s access to productive resources—land, knowledge, and capital—is consistently less than men’s.¹⁴ Also, because they are underrepresented in political and administrative structures, women often have a limited voice in decision-making organizations and cannot participate equally in agricultural training programs and producer organizations. RDMA also recognizes that trade reform and liberalization is not gender neutral. Unfortunately, changes in a trade regime often can further marginalize already marginal groups, but trade reform can also serve as a catalyst for greater equality.

RDMA, in its engagement with regional organizations, will use the opportunity to engage on gender issues in each organization’s food security strategy (see Section 1.6). RDMA plans to develop gender best practice guidelines with ASEAN (including specific engagement to support ASEAN’s Committee on Women and Children) within the first year of implementation, and will plan to do the same with all other partners. These guidelines will inform how policies, sectors, and partner organizations are selected for FTF focus and how reforms are crafted and implemented. RDMA will follow closely the guidance of the Automated Directives System (ADS) sections 201.3.9.3 on gender analysis and 201.3.11.6 on project/activity planning, and other relevant sections.

1.9 KEY SUSTAINABILITY CHALLENGES

Certain conditions must be in place once FTF investments have concluded to ensure that regional trade and food security gains are sustained:

1. *Capable and engaged ASEAN and SAARC Secretariats.* The key hypothesis underpinning USG/RDMA support to ASEAN and SAARC is that these organizations are committed to addressing the challenges to food security in their respective regions and that they have the structure and capacity to utilize USAID assistance effectively. By the end of the program, it will be crucial for the ASEAN and SAARC Secretariats to have sufficient capacity to follow through on promoting a favorable enabling environment for commodity trade. Annex A includes more detail on the capacity of ASEAN in the realm of food security. An evaluation of SAARC capacity will be carried out during years 1 and 2 of the program.
2. *Consistent policy environment and continued coordination.* Close collaboration between USAID/RDMA, ASEAN, SAARC, and country governments, as well as strategic engagement of the country governments is essential to program success (they are the ones who are in a position to change policies). ASEAN and SAARC will play the role of coordinator / focal point and facilitator; individual countries as reform counsels; agribusiness, academia, etc. as ancillary service providers.
3. *Stable social, political, environmental conditions.* The socio-political climate in the region, as well as overall environmental circumstances, must remain favorable.

¹⁴ United Nations Food and Agriculture Organization FAO, “Gender and Agriculture,” FAO Gender and Food Security/Agriculture website <<http://www.fao.org/Gender/en/agri-e.htm>>

4. *Careful management of political sensitivities surrounding rice, ASEAN, SAARC, GMOs, etc.* These sensitivities will require tactful handling throughout implementation of the program, and thereafter.
5. *Profits for the private sector.* The private sector will only remain engaged if their activities are profitable.
6. *Budget considerations.* The technical direction of the proposed program is largely built upon the momentum generated from on-going programs with ASEAN, which have achieved substantial results (see Section 3.4). To ensure continued success in promoting the U.S. foreign policy agenda and achieving impact on the development agenda, an adequate budget is essential.

ASEAN's recent gains towards economic integration provide compelling evidence that focusing resources on commodity trade liberalization and greater private sector engagement is likely to offer a high rate of return, even taking into account the risks and challenges associated with program implementation. Food insecurity could threaten regional stability and U.S. interests. Tackling the root causes of the food crisis will help to ensure regional and global stability, and a robust regional food security program, based on an adequate budget, will be essential to fulfilling both U.S. foreign policy mandates and development needs in the region. Further discussion of budget considerations is covered in Section 4.

2 PROGRAM OBJECTIVE, STRUCTURE, AND IMPLEMENTATION

2.1 PROGRAM OBJECTIVE

The overall objective of the RDMA FTF Program is to “Expand intra-regional food commodity trade in South and Southeast Asia.” The Program aims to achieve this objective through a complementary two-pronged approach focused on improving the enabling environment for trade through the ASEAN and SAARC Secretariats and increasing access to information and new technologies through increased partnerships and private sector involvement in the regional food trade regime. In addition, the program will include direct demand-driven technical support to bilateral Asia FTF countries in the implementation of their Strategies.

2.2 METHODOLOGY

Based on stakeholder consultations, extensive analyses and the regional food security action plans of ASEAN and SAARC, it has been determined that RDMA FTF resources would generate the highest rate of return through the following components:

1. A regional trade policy and coordination program, providing focused and embedded technical assistance to the ASEAN Secretariat to support the implementation, coordination, monitoring and evaluation of the SPA-FS, expanded, as appropriate, to partner with SAARC; and
2. Partnerships with agribusiness firms and regional and local organizations to support investment in regional commodity supply chains and improve information exchange and access to technology.

Through support to ASEAN and SAARC, the project will focus on improving the macro-level enabling environment for export and trade – the demand side—, while the private sector and other partnerships will focus on improving the availability of food for export at the country and regional level through supply side considerations. This will be done with a parallel focus on complementing bilateral missions (primarily Bangladesh, Cambodia and Nepal), other USG, and other donor efforts to ensure policy coherence, ultimately contributing to poverty reduction and bolstering regional stability.

2.3 PROGRAM STRUCTURE

Focus areas of investment for the RDMA FTF Program are the following:

1. Strengthen Institutional Platforms for Improving Regional Food Security

The Program will strive to enhance the regional enabling environment for commodity trade through the following activities:

- a. Formulate recommendations on policy and regulatory constraints and mainstream these into relevant regional and national policy frameworks and action programs.
- b. Harmonize agriculture product standards and certification procedures to improve trade efficiency.
- c. Improve and harmonize the regulatory framework for customs documentation and clearance, to ensure consistent market access and mutual recognition across countries.
- d. Identify performance indicators for each Strategic Thrust within the SPA-FS and for each member country; establish performance targets; provide ongoing technical assistance and program support towards achievement of those targets.
- e. Monitor the progress of implementation of the AIFS Framework and the SPA-FS to ensure synergies and complementary efforts among the various organizations involved.

The ASEAN region through the ASEAN Secretariat will be a primary beneficiary of RDMA-managed technical assistance during the first three years of the program. ASEAN and SAARC will both benefit from RDMA assistance after year 2 of the program. The ultimate end users will be the ASEAN and SAARC Member States and local institutions involved with the various aspects of improving food security in the region. This focus is consistent with USG FTF policy, which calls for supporting the achievement of a “country-led plan” – but in this case, regionally-led – and officials in the region have stressed that such a project would be valuable.¹⁵

The issues that, based on literature review and stakeholder consultations, have been identified at the regional level as likely to provide the most opportunity for transformational change revolve primarily around coordination (e.g., applying supply chain management methods to the flow of food). When formulating food security policies, governments need to give adequate attention to the incentives they create for private sector initiative, including the price signals that are passed to value chain actors for meeting quality standards. Market failures that adversely affect food staple markets need to be overcome, so as to match supply capacity with expected future demand and thus to stabilize prices (supermarket chains and grain trading companies have been particularly adept at this). Methods for improving coordination include:

- Establishing agricultural product standards and certification procedures;
- Providing chain integration services to connect local farmers with domestic and foreign agribusiness investors;

¹⁵ In an October 19, 2010 meeting with the RDMA Mission Director, ASEAN Secretary General Surin Pitsuwan stated that “U.S. support to the ASEAN region in food security is essential to our success.” ASEAN has also expressed the need for USG assistance with activities that would target *inter alia* policy elements, coordination with bilateral and multilateral donors, a food security information system, monitoring of rice reserves, production data tracking, information exchange, and climate change adaptation.

- Harmonizing customs documentation and clearance process region-wide; and
- Incorporating modern supply chain methods in regional food systems (e.g., ASEAN Efficient Consumer Response program).

Within these parameters for policy involvement, the specific policies to be tackled through the program will be defined at the work-plan level, in close consultation with the ASEAN Secretariat, the private sector and the FTF bilateral missions. In 2011, RDMA will organize two regional conferences on the role of the private sector in ensuring food security, looking in the first at opportunities and challenges to increasing productivity, reducing post-harvest loss and improving rural-market linkages, and in the second to improving regional trade. Outputs of the conferences will include action items to put on the agenda for discussion at the first-ever ASEAN Private Sector Consultation with the ASEAN Ministers of Agriculture and Forestry, October 3-8, 2011 in Jakarta. This Consultation will be key in defining the exact regional needs with regards to food security policy. RDMA has thus designed a strong framework for collecting the input of a variety of key stakeholders into the specific policy needs of the region.

Throughout the first couple of years, the program will ensure close coordination with SAARC, to facilitate the engagement of Bangladesh and Nepal in regional trade. Growing cross-border trade will help spur and sustain demand for the commodities these countries produce. Leveraging lessons learned from RDMA's strong existing relationship with ASEAN as well as from the trade policy work during years 1 and 2 of the program, RDMA will work over that time to establish rapport with SAARC with a view to extending the ASEAN regional trade policy program to SAARC and to increase ASEAN-SAARC trade. RDMA recognizes the possible difficulties in working with SAARC countries, given the political tensions and economic imbalances within region. However, the RDMA approach will first focus on issues of consensus, which is the approach that other donors and organizations are using on agricultural productivity.¹⁶ These initial policy dialogue may center on already agreed upon subjects, as identified in the SAARC Regional Strategy and Regional Program for food security, that mirror work with ASEAN. The main parallel, as identified by SAARC is "development and upgrading of national food standards in line with regional and international standards; and a mutually recognized SAARC accredited laboratory system."¹⁷ This approach also builds on the expressed need of Nepal and Bangladesh's FTF programs, which is to focus on regional trade and issues of national capacity to test commodities to meet those standards.

If regional consultations indicate the demand for increased ASEAN-SAARC trade is low, or if the challenges to implementation are too great, RDMA proposes to focus instead on working directly with Bangladesh and Nepal on the trade policy issues that are of highest priority to them (Annex D provides a listing of current policy issues in FTF countries in the Asia region).

2. Increased Partnerships and Private Sector Engagement in Regional Agriculture

Improved private sector engagement is critical for small-scale producers to become integrated with agribusiness and regional supply chains that have the capacity to export. Solving farm-level regional problems will require the expertise of leading private sector agribusinesses with the scale, technology, and resources to make a real difference in outcomes, along with the know-how of smaller regional players who are the key direct link to the farmers on the ground. The challenge is identifying these ideal partners and selecting the most innovative, high-return, and scalable activities for USG investment.

¹⁶ See FAO and IRRI's proposal on "Increasing Rice Productivity in Under-exploited Areas of SAARC Countries," as presented at a regional forum held in Bangkok in March 2011.

¹⁷ See http://www.saarc-sec.org/areaofcooperation/cat-detail.php?cat_id=44, accessed in July 2011.

The Program will strive to increase private sector investment in the regional food trade regime and to enhance regional collaboration on food commodity trade through the following activities:

- Establish a regional framework and work plan for private sector engagement leading to investment in key commodity supply chains and adoption of new technologies;
- Support a regional platform for South-South cooperation to increase exchanges of information and technology;
- Strengthen integrated food security information systems and early warning systems;
- Support incorporation of modern supply chain methods, such as those employed by supermarket chains and grain trading companies.

The specific private sector engagement activities that are selected will be those that are more appropriately carried out at a regional level rather than a country level. Building upon its experience with the 2011 conferences on the role of the private sector in regional food security, as well as on initial discussions with various private sector entities, RDMA will establish a platform for regular interaction and dialogue among key stakeholders, namely public sector, private sector, civil society organizations (CSOs), international/regional organizations and development partners in the promotion of food security in the Asia region. Partnering with the private sector as well as local organizations will be an especially important aspect of this approach.¹⁸ Such a mechanism will allow RDMA to leverage the private capital, technical expertise, and localized knowledge that these organizations hold for improving food security. Partnerships and plans facilitated by RDMA at a regional level, revolving around trade policy and information exchange, can then be implemented at a country level. RDMA will thus serve to facilitate the first step of a process that will be carried forth by private sector partners in collaboration with governments and other partners at the country level. While discussions and planning on these issues is most efficiently done regionally, implementation will require buy-in and collaboration from country-level partners.

2.4 LINK TO FEED THE FUTURE GUIDANCE AND THE RESULTS FRAMEWORK

The FTF Initiative is predicated on an overarching goal, to sustainably reduce global poverty and hunger. Based on the regional needs identified over the program design phase (see Section 1), the proposed focus of the RDMA Program is on improving the economic performance of the agriculture sector (IR1 of FTF Results Framework), specifically through improved access to well-functioning markets (sub-IR2) and increased private investments in agriculture-related activities (sub-IR3), as outlined in Figure 4. In accordance with the FTF guidance, RDMA will focus its investments on inherently regional concerns, as depicted in Table 3.

¹⁸ According to the FTF Guidance for Regional Programs: “Regional research organizations can contribute to developing improved technologies that can be used throughout a region. Investing in regional private sector organizations will help provide the coordination required to upgrade the value chain – including private sector investors, traders, transporters, warehouse operators, banks and other lending institutions – and empower advocates for better regional policies and more stable investment environments.”

Figure 3. Program Structure

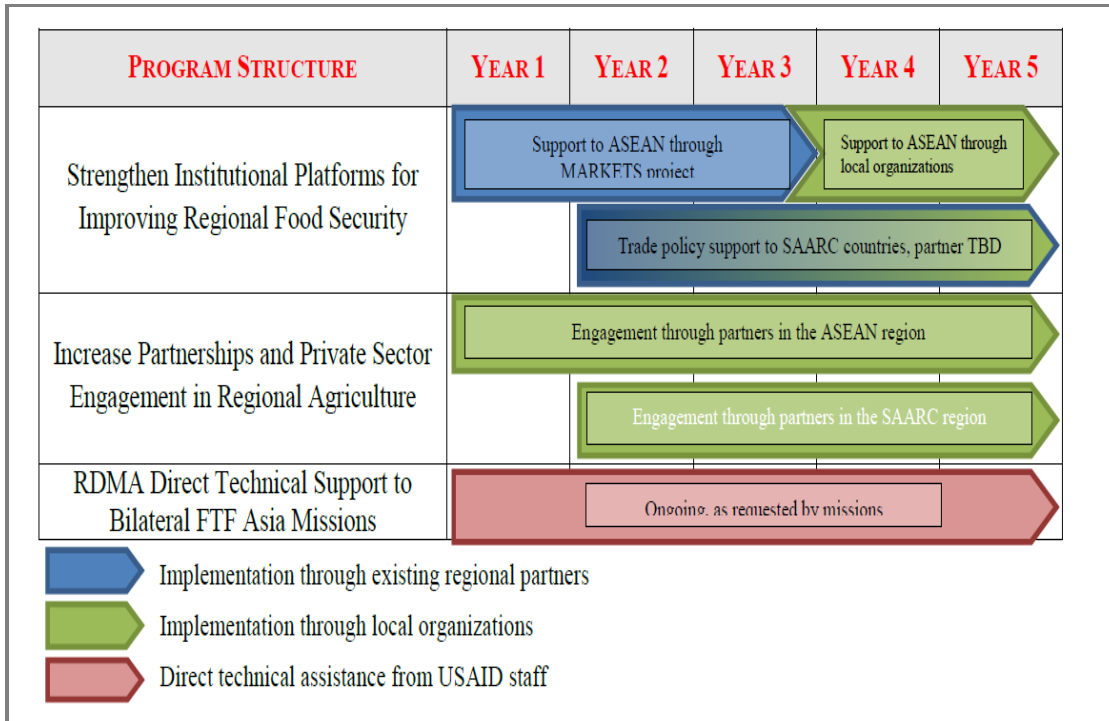


Figure 4. Link to the Feed the Future Results Framework

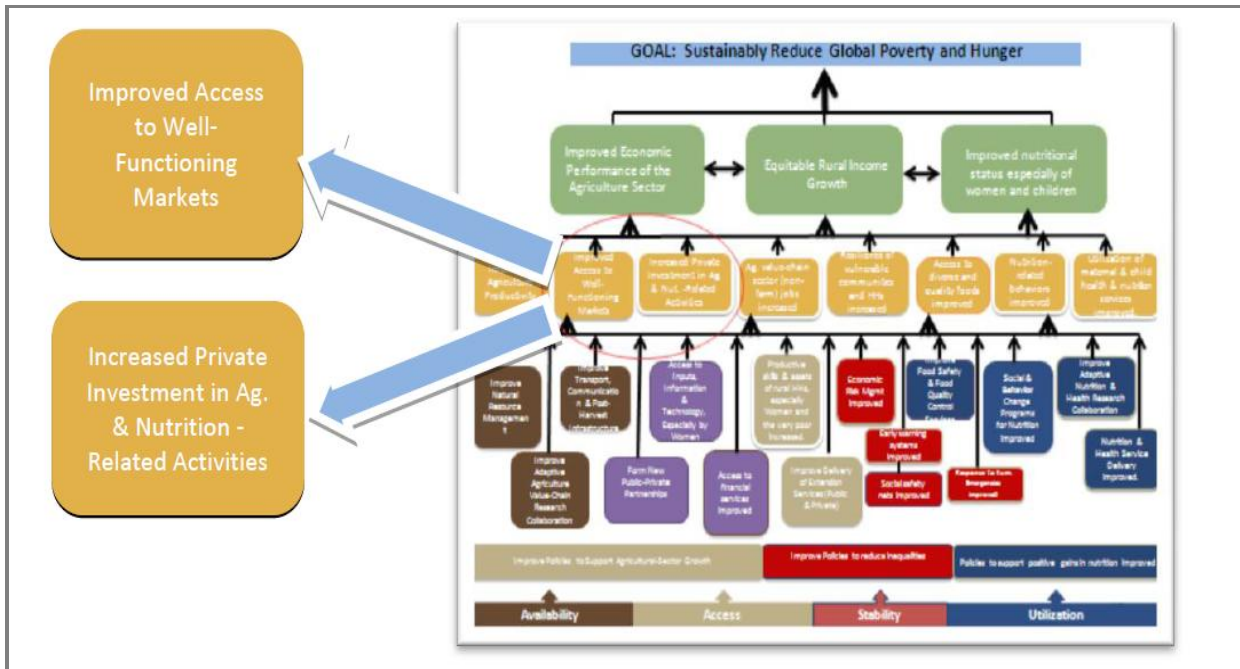


Table 3. RDMA Program Components as Compared to the Feed the Future Guidance

FTF Guidance for Regional Missions	RDMA Program Components
<ul style="list-style-type: none"> Strengthening technical and management capacities of Regional Economic Communities and related regional institutions supporting trade and managing food security 	<ul style="list-style-type: none"> Embedded technical assistance for the ASEAN Secretariat to play a regional coordinating role to monitor, coordinate and evaluate its SPA-FS, leading to better integrated economies and an improved regional enabling environment for food trade Collaboration with SAARC to improve regional trade with ASEAN countries
<ul style="list-style-type: none"> Support harmonization of policy, regulatory and administrative reforms to improve trade efficiencies 	<ul style="list-style-type: none"> Support research on policy and regulatory constraints to strengthen regional trade arrangement Harmonize agriculture product standards and certification procedures towards regional integration
<ul style="list-style-type: none"> Development of key trade corridors to expand trade opportunities 	<ul style="list-style-type: none"> Partnership with ADB’s CASP for increased cross border trade in the Greater Mekong Sub-region Collaboration with SAARC to improve regional trade
<ul style="list-style-type: none"> Investment in regional research collaboration 	<ul style="list-style-type: none"> Strengthened networks for agricultural research, development and extension leading to improved dissemination of new agricultural technologies
<ul style="list-style-type: none"> Development of regional information sharing and monitoring networks for market information and food vulnerability tracking 	<ul style="list-style-type: none"> Knowledge-sharing on modern supply chain methods FEWS-NET information-sharing platform South-South cooperation between South Asia and ASEAN member states

2.5 AGGREGATED IMPACT FOR THE OBJECTIVE AND CONTRIBUTION TO THE OVERALL MISSION DEVELOPMENT PLAN

The aggregated impact of the Program will be an increase in food trade through harmonized regional policies, improved capacity to comply with standards and strengthened regional collaboration. The Objective and IRs all contribute to regional poverty reduction and stability.

The RDMA FTF Program will contribute to the overall Mission development cooperation goals. Since RDMA has not yet designed a Country Development Cooperation Strategy (CDCS), the Program will align closely with the Mission Strategic Resource Plan (MSRP). The food security strategy is designed to fit into the eventual RDMA CDCS. As a regional mission, and given the regional design of this program, coordination with other USG entities will take place throughout Asia.

3 CORE INVESTMENT AREAS

3.1 OVERVIEW OF THE PROPOSED RDMA CORE INVESTMENT AREAS

Success toward the overall objective, “Expand Intra-regional Food Commodity Trade in South and Southeast Asia,” will be measured through the following indicators: change in the number of days required to trade goods across borders as a result of U.S. assistance, and value of intra-regional trade in key agricultural commodities. Affected commodities will likely include horticulture products, livestock and fish.

Two robust and interrelated Intermediate Results (IRs) form the foundation for the program objective:

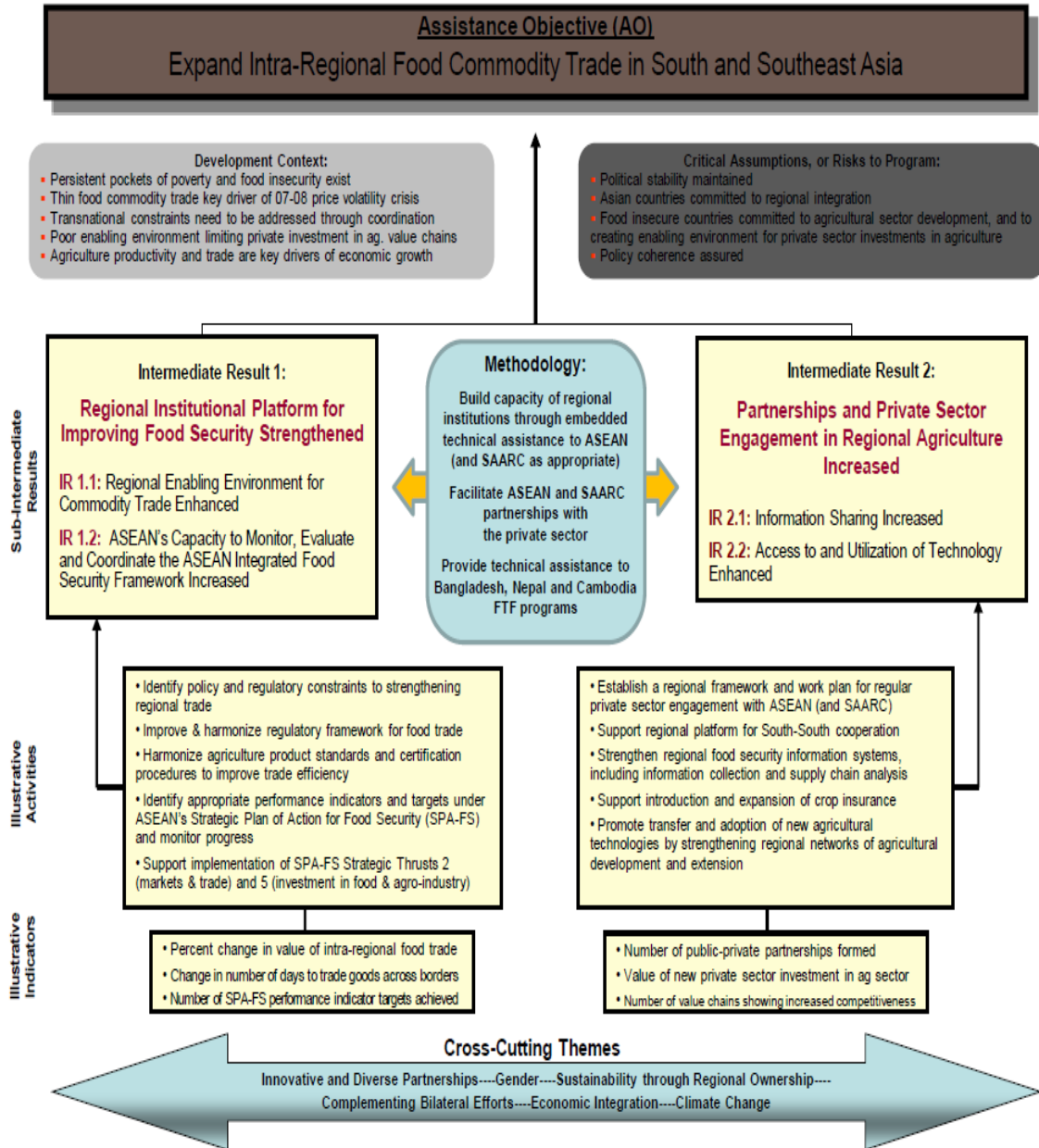
1. Institutional Platforms for Improving Regional Food Security Strengthened
2. Partnerships and Private Sector Engagement in Regional Agriculture Increased

The RDMA FTF program will work directly to support the regionally-designed goals outlined in the SPA-FS (specifically, Strategic Thrusts 2 and 5) and pertaining to improving the enabling environment for trade and increasing private sector investment in food security. RDMA plans to use this regional organization led approach for engagement with SAARC. In addition, RDMA will provide direct, demand-driven technical assistance to the FTF focus countries in Asia.

Throughout the implementation of the program, a management plan integrating cross-cutting issues of gender, natural resources and climate change, and complementary programming to support bilateral FTF work will be used. Criteria will be established to select specific areas for policy engagement and to determine the ability of sectoral investments to contribute to addressing these cross-cutting issues. RDMA will draw on the expertise of BFS staff, as needed, to ensure the criteria and the implementation of the program meet appropriate requirements.

3.2 RDMA FEED THE FUTURE PROGRAM RESULTS FRAMEWORK

Figure 5. Results Framework for RDMA Food Security Objective



3.3 DETAILED DESCRIPTION OF ACTIVITIES, OUTCOMES AND INDICATORS

IR1: Strengthened Institutional Platform for Improving Regional Food Security

Illustrative Indicators: Change in the number of days required to trade goods across borders (4.5.1-18); Value of intra-regional trade in key agricultural commodities (4.5.2-35); Percent change in value of intra-regional exports of targeted commodities; Number of agricultural value chains showing increased competitiveness and integration.

Sub-IR 1.1: Regional Enabling Environment for Commodity Trade Enhanced

Activity 1.1.1: Support ASEAN (and SAARC, as appropriate) to harmonize regulatory environment for agriculture.

Description:

- Conduct an inventory of the major policy constraints to international trade, through individual consultations as well as an ASEAN agricultural trade and regulatory forum bringing together private sector, donors, government officials; identify politically realistic solutions;
- In accordance with international standards/guidelines, implement identified solutions, which could include some or all of the following:
 - Technical regulations to facilitate food trade and agricultural inputs (e.g. seeds, fertilizers, etc., including biotechnology);
 - Safety and quality standards (e.g. sanitary and phyto-sanitary standards, maximum residue limits) for agricultural and food products with significant trade potential.
- Coordinate with the ASEAN Free Trade Agreement (AFTA); the ASEAN Trade in Goods Agreement (ATIGA); the ASEAN Single Window (ASW) project and other existing mechanisms for enhancing regional trade.
- *Expected outcome:* Improved public-private dialogue and understanding with regards to agricultural trade and regulation; harmonized regulatory environment for agriculture in ASEAN to meet international standards.

The ASEAN Single Window (ASW) project, under the joint USAID/RDMA – State Department ADVANCE program, supports ASEAN’s efforts to establish a single electronic border clearance process for the region, which will dramatically simplify submission, processing, and decision-making for international trade.

Along similar lines, RDMA consultations with a number of stakeholders have revealed a need to streamline market access requirements for new agricultural products and technologies throughout the region. Such is one example of the type of regulatory reform RDMA proposes to engage in the context of the FTF program.

Indicators: Number of policies /regulations/ administrative procedures in each of the following stages of development:

- Stage 1: Analyzed (4.5.1-9)
- Stage 2: Drafted and presented for public/stakeholder consultation (4.5.1-10)

- Stage 3: Presented for legislation/decreed (4.5.1-13)
- Stage 4: Passed/approved (4.5.1-12)
- Stage 5: Passed for which implementation has begun (4.5.1-11);4.5.1-18 Change in the number of days required to trade goods across borders.

Activity 1.1.2: Support improved food quality and safety standards.¹⁹

Description:

- Support public outreach to disseminate the latest requirements with regards to safety and quality assurances, compliance and certification systems for food and agriculture products;
- Work with governments in the region to establish appropriate standards in accordance with regional requirements;
- Support public-private partnerships, engaging with the private sector to provide certification to – or above – government standards;
- Provide guidance to governments to arrange for technical assistance to local and regional producers and traders to adopt these international standards.

Expected outcome: Improved knowledge of safety and quality standards among governments and regional producers and traders – leading to increased capacity to comply with standards, and access to new regional markets. Note that the prioritization of the sectors for standardization will address the cross-cutting concerns of environment sustainability, gender, and impact on FTF focus countries.

Indicators: Number of producers and traders (women and men) able to access new markets through higher standards for safety and quality, or certification; Number of new commercial relationships established as a result of harmonized regional agricultural products standards and certification.

Sub-IR 1.2: ASEAN Capacity to Monitor, Evaluate and Coordinate the ASEAN Integrated Food Security Framework Increased

Activity 1.2.1: Assist ASEAN to coordinate, monitor and evaluate the SPA-FS.

Description:

- Identify existing and/or appropriate performance indicators for each action program within the SPA-FS and for each member country that participates in the ASEAN Food Security Initiative;
- Facilitate the compilation from various sources of existing baseline information for each indicator against which to measure progress;

¹⁹ Concerns have been raised regarding the potential for improved quality and safety standards to generate competition with U.S. exports, or to cause sensitivities in that arena. Prior to the beginning of program implementation, RDMA plans to have quantitative and qualitative analysis conducted on the impact of the program on trade of key commodities in the region, to allow USAID to make informed decisions on specific interventions, considering political as well as legal factors. Each activity will be reviewed in this light prior to the beginning of implementation, and appropriate action taken to ensure these concerns are properly addressed.

- Establish performance targets over the period of time the food security strategy is being carried out, and continuing monitoring and support toward the achievement of those targets;
- Provide guidance as needed to ASEAN Member State (AMS) governments toward meeting performance indicators and targets and strengthening their monitoring and evaluation systems.

Expected outcome: Improved implementation, monitoring and evaluation of the SPA-FS.

Indicator: 4.5.1-8 Number of institutions/organizations undertaking capacity competency strengthening; Number of targets for performance indicators achieved under each Strategic Thrust within the SPA-FS.

IR 2: Increased Partnerships and Private Sector Engagement in Regional Agriculture

Illustrative Indicators: 4.5.2-38 Value of new private sector investment in the agriculture sector or food chain leveraged; Number of new public-private sector partnerships established.

Sub-IR 2.1: Information Sharing Increased

Activity 2.1.1: Facilitate ASEAN and SAARC engagement with the private sector.

Description:

- Establish a framework and workplan for private sector engagement leading to investment in key commodity supply chains and adoption of new technologies. For instance, consider the creation of a pan-ASEAN agribusiness association to meet regularly with senior ASEAN agriculture and forestry officials to discuss issues of common interest (the same could be done for SAARC).
- Provide opportunities (forums, trade fairs, conferences, grants) to stimulate public-private and other food and agro-based industry linkages.

Expected outcome: ASEAN (and SAARC, as appropriate) framework and work plan for increasing private sector engagement in regional food security; increased investment in food and agro-based industries.

Indicator: 4.5.2-12 Number of public-private partnerships formed; 4.5.2-38 Value of new private sector investment in the agriculture sector or food chain leveraged; Number of private sector firms attending regional forums, workshops or conferences.

Activity 2.1.2: Support South-South Cooperation.

Description:

- Support a regional platform for South-South cooperation, particularly between FTF focus countries; establish a collaborative arena for governments of FTF and ASEAN/SAARC countries facing similar challenges to share their experiences and propose innovative solutions, including new technology, to enhance their capacity to shape their development according to their own vision and needs; facilitate exchange visits and workshops (include at least 50 percent women); document best practices.

- For instance, support “horticulture crop productivity” exchange visits between Bangladesh and Vietnam, or “value chain development” study trips from Bangladesh to Cambodia (using USAID MSME2 program as a model). RDMA’s nascent relationship with SAARC can be used as a platform parallel to that of ASEAN for identifying the most pertinent and worthwhile exchanges and best practices.

Expected outcome: New partnerships established between Asian countries to exchange agricultural and food security advice, technologies and best practices.

Indicator: Number of participants (women and men) taking part in exchange visits; research and activity output emanating from visits; number of collaborations still ongoing one year later.

Activity 2.1.3: Support a regional information system and/or expand institutional capacity for food security information collection and analysis of broader supply chain considerations among target countries in the region.

Description:

- Assess need and comparative advantage of USG engagement in an existing regional food security information system, and of ASEAN’s request for expanded institutional capacity for food security information collection and analysis;
- Explore possibility of extending FEWSNET to Asia, and implement accordingly;
- As appropriate, develop analytic and policymaking capacity of FTF focus countries and assistance-eligible countries in the region to collect and share information on production, markets prices, and trade; support the ASEAN Food Security Information System (AFSIS) toward becoming a long-term mechanism for providing quality information, possibly by linking with the USDA-FAS program for surveying production and crop forecasting worldwide and by adopting data collection methods of the USDA Agriculture Marketing Service.

Expected outcome: Increased access to food security information (e.g. supply and demand, prices, weather forecasts – per needs identified in initial assessment phase).

Indicators: Functioning FSIS established and used as a tool for predicting food supplies and sharing price information at timely and regular intervals with U.S. assistance together with significant outside financial support.

Sub-IR 2.2: Access to and Utilization of Technology Increased

Activity 2.2.1: Promote access to new agricultural technologies.

Description:

- In partnership with the private sector and/or local organizations, promote accelerated transfer and adoption of new agricultural technologies by strengthening regional and local networks of agricultural development, and extension.
- In this area, RDMA has already made significant headway, having held several promising meetings with key private sector actors and other stakeholders in the Asia region: agricultural

technology companies such as Arcadia Biosciences; international agri-businesses such as Syngenta; as well as representational consortia of the plant sciences industries such as CropLife Asia. Each of these consultations revealed significant interest in partnerships to support increased regional food commodity trade as well as access to new technologies in Asian countries. The details of these agreements will be fine-tuned during the first year of program implementation, to meet mutual interests and with a view toward maximizing support to regional agricultural networks and organizations that provide access to inputs.

Expected outcome: Strengthened networks for agricultural development and extension leading to improved dissemination of new agricultural technologies; New technologies adopted by farmers in FTF focus and ASEAN/SAARC countries.

Indicators: 4.5.2-8 Number of new technologies or management practices made available for transfer/ 4.5.2-9 under field testing; 4.5.2-28 Number of private enterprises, producers organizations, water users associations, trade and business associations and community-based organizations (CBOs) that applied new technologies or management practices; Number of local agricultural development and extension organizations undergoing capacity building; Value of financial resources leveraged from partnerships that promote effective and scalable approaches to agricultural development.

3.4 IMPLEMENTATION TIMEFRAME AND SCHEDULE

The timeframe covered by this Strategy – activity start-up in FY 2011 and implementation ending in the fourth quarter of FY 2015—is particularly important for ASEAN as it has set a goal of establishing an “ASEAN Community” by 2015 through specified goals in political-security, economic, and socio-cultural integration. Progress and outputs at the activity level and at the higher program levels will be monitored, assessed, and reported on during implementation based on the activity level custom indicators identified above. Some adjustment to indicators may be necessary to accommodate changes in circumstances on the ground.

The first component of the program, focusing on trade policy in the ASEAN region (activities 1.1.1 and 1.1.2, as well as 1.2.1); will be launched before the end of the fiscal year 2011, as a three-year project. By year 4, implementation of this portion of the program will transition to a local organization (to be identified in year 1). Collaboration with SAARC will also gain strong footing starting in year 3 of the program.

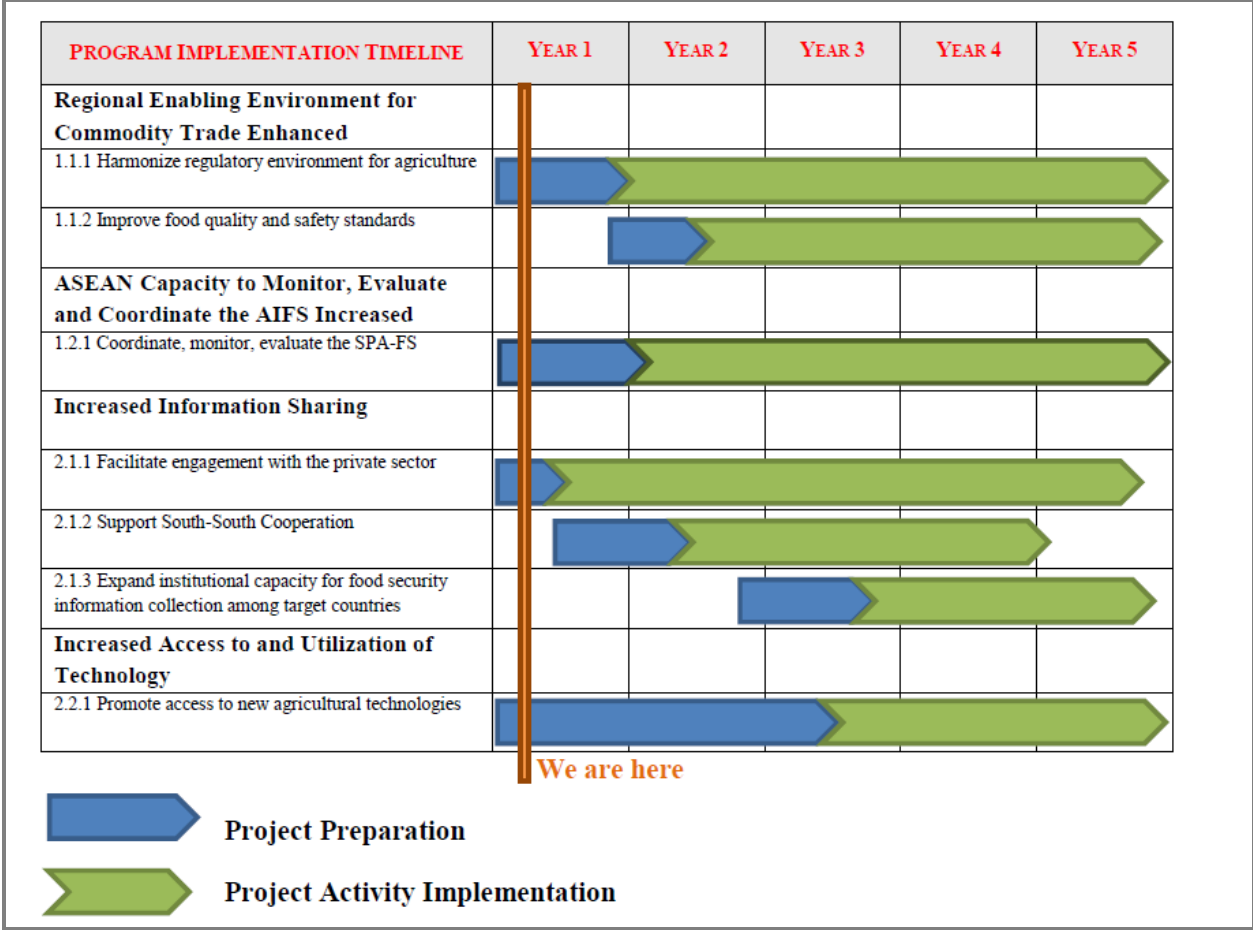
Private sector engagement activities will begin in year 1, along with planning for South-South Cooperation and food security information systems activities. Design and launch of these activities will be staggered over the first couple of years of the program, with every activity under way by year 3.

4 MONITORING AND EVALUATION

An important element of the FTF Multi-Year Strategy is monitoring and evaluation, which is an iterative learning process that operationalizes the principle of a sustained and accountable approach. Following closely the guidance of the January 2011 USAID Evaluation Policy, program activities will be monitored in a number of ways, including periodic field visits by RDMA staff and quarterly performance reports submitted by the implementing partners, and will be evaluated at the end of each phase to ensure accountability to stakeholders as well as learning to improve effectiveness. A detailed Performance Management Plan (PMP) including current plans will be prepared by all contractors as part of the initial contract deliverables.

The PMPs will outline in detail how targeted outcomes will be attributable to specific activities. Baselines and targets will be established for all the indicators and will be measured periodically as program investments are made over the timeframe of the strategy. The implementing partners will define the data to be collected, the method of collection, and a method for ensuring the quality of the data. All data will be disaggregated by sex. Collecting, analyzing, and reporting information about program progress and impact will facilitate learning from successes and mistakes and sharing of best practices.

Figure 6. Program Implementation Timeline



The RDMA FTF program results framework, as it appears in Figure 5, outlines how the RDMA FTF objective to “expand intra-regional food commodity trade in South and Southeast Asia” will contribute to overall FTF Initiative goal to “sustainably reduce poverty and hunger.” It will do so by contributing to the Initiative’s objective of inclusive agricultural sector growth. The framework also shows how the RDMA IRs addresses this objective.

The project aims to achieve a transformative impact by significantly improving the agricultural trade regime of the Southeast region and supporting private sector engagement in agriculture to improve access to information and science-based productive technologies. Ultimately, the program seeks a significant increase in the real dollar value of intraregional trade of targeted food commodities as well as

a significant reduction in the regional average number of days required to trade agricultural goods across borders. Specific performance indicators are outlined in Section 3 under each activity area.

Under Component A, strengthened institutional platform for improving regional food security, key policies will be reformed and key transnational constraints to trade will be addressed through regional coordination with USG assistance, leading to an improvement in the enabling environment for trade and agricultural production. The proposed USG activities will directly advise and build capacity in the areas where ASEAN needs it most: technical expertise, program management, monitoring, and coordination across sectors and among partners, and through engagement with other key players in the private sector and civil society. RDMA's role as a regional coordinator will also raise the profile of the USG as well as of USAID bilateral missions.

Under Component B, increased partnerships and private sector engagement in regional agriculture, successful initiatives sponsored through the private sector will reveal scalable technologies, improve business practices, and increase investment in regional supply chains, generating the additional food surpluses necessary for increased trade to take place. Ultimately, the project seeks to leverage one-to-one USAID resources through private sector and other partnerships, which in turn will lead, initially, to a significant number of farmers and regional organizations adopting a new technology or management practice by project close-out.

RDMA, through its main contractor, will collect and evaluate verifiable data to learn from experience. Indeed, a robust system to measure progress and ensure accountability is central to improving aid effectiveness. Using systematic qualitative and quantitative methods, efforts will be made to better understand the contribution of our investments to broader changes and trends. Evaluation questions will be tailored to the programs and regional priorities, and may focus on: the efficiency of the USG implementation approach (with attention to program costs); the development hypothesis underlying the programs; and program impact to which USG resources are contributing.

This will improve RDMA's ability to learn from implementation experiences, use knowledge to improve future decisions about program design, implementation and scale, and make informed decisions about food security resources. RDMA also plans to conduct a thorough mid-term program evaluation and an end-of-project evaluation at close-out, anticipated in FY2015. An impact evaluation is being considered, to help ensure efficacy in the event the program were to be scaled-up after 2015, and to provide lessons for future program design.

6 ANNEXES

ANNEX A. SUMMARY TABLE OF RDMA FOOD SECURITY STRATEGY ACTIVITIES

Objective	Intermediate Results	Sub-Intermediate Results	Activities	Description	Expected Outcomes	Indicators (all “as a result of USG assistance”)
Expand Intra-Regional Food Commodity Trade in South and Southeast Asia	IR 1: Strengthened Institutional Platform for Improving Regional Food Security	Sub-IR 1.1: Enhanced Regional Enabling Environment for Commodity Trade	1.1.1 Support harmonized regulatory environment for agriculture	<ul style="list-style-type: none"> Organize an agricultural trade and regulatory forum bringing together private sector, donors, government officials to discuss policy constraints they face and identify politically realistic solutions. In accordance with international standards/guidelines, implement identified solutions, which are likely to include some or all of the following: <ul style="list-style-type: none"> Technical regulations to facilitate food trade and agricultural inputs (e.g. seeds, fertilizers, etc., including biotechnology); Safety and quality standards (e.g. sanitary and phyto-sanitary standards, maximum residue limits) for agricultural and food products with significant trade potential. Coordinate with: ASEAN Free Trade Agreement (AFTA); ASEAN Trade in Goods Agreement (ATIGA); ASEAN Single Window (ASW) and other existing mechanisms for enhancing regional trade. 	Improved public-private dialogue and understanding with regards to agricultural trade and regulation; Harmonized regulatory environment for agriculture in ASEAN to meet international standards.	Number of policies /regulations/ administrative procedures in each of the following stages of development: Stage 1: Analyzed (4.5.1-9) Stage 2: Drafted and presented for public/stakeholder consultation (4.5.1-10) Stage 3: Presented for legislation/decreed (4.5.1-13) Stage 4: Passed/approved (4.5.1-12) Stage 5: Passed for which implementation has begun (4.5.1-11);4.5.1-18 Change in the number of days required to trade goods across borders.
			1.1.2 Support ASEAN to improve food quality and safety	<ul style="list-style-type: none"> Support ASEAN public outreach to disseminate the latest requirements with regards to safety and quality assurances, compliance and certification systems for food and agriculture products; Provide guidance to ASEAN Member State (AMS) governments to provide technical 	Improved knowledge of safety and quality standards among ASEAN	Number of producers and traders able to access new markets through higher standards for safety and quality, or certification; Number of new commercial

		standards	assistance to local and regional producers and traders to adopt these international standards.	governments and regional producers and traders – leading to increased capacity to comply with standards, and access to new regional markets.	relationships established as a result of harmonized regional agricultural products standards and certification.
	Sub-IR 1.2: Increased ASEAN Capacity to Coordinate, Monitor and Evaluate the AIFS Framework	1.2.1 Assist ASEAN to coordinate, monitor and evaluate the SPA-FS	<ul style="list-style-type: none"> • Identify existing and/or appropriate performance indicators for each action program within the SPA-FS and for each member country that participates in the ASEAN Food Security Initiative; • Facilitate the compilation from various sources of existing baseline information for each indicator; • Establish performance targets over the period of time the food security strategy is being carried out, and provide continuing monitoring and support toward the achievement of those targets; • Provide guidance as needed to AMS governments toward meeting performance indicators and targets and strengthening their monitoring and evaluation systems. 	Improved implementation, monitoring and evaluation of the SPA-FS.	Number of targets for performance indicators achieved under each Strategic Thrust within the SPA-FS.

IR 2: Increased Partnerships and Private Sector Engagement in Regional Agriculture	Sub-IR 2.1: Increased Information Sharing	2.1.1 Facilitate ASEAN (and SAARC, as appropriate) engagement with the private sector	<ul style="list-style-type: none"> Establish a framework and work plan for private sector engagement leading to investment in key commodity supply chains and adoption of new technologies. Provide opportunities (forums, trade fairs, conferences, grants) to stimulate public-private and other food and agro-based industry linkages. 	ASEAN framework and work plan for increasing private sector engagement in regional food security; increased investment in food and agro-based industries.	4.5.2-12 Number of public-private partnerships formed; 4.5.2-38 Value of new private sector investment in the agriculture sector or food chain leveraged; Number of private sector firms attending regional forums, workshops or conferences.
		2.1.2 Support South-South Cooperation	<ul style="list-style-type: none"> Support a regional platform for South-South cooperation, particularly between FTF focus countries; establish a collaborative arena for governments facing similar challenges to share their experiences and propose innovative solutions, to enhance their capacity to shape their development according to their own vision and needs; facilitate exchange visits, workshops; document best practices. 	New partnerships established between countries to exchange agricultural and food security advice and best practices.	Number of participants taking part in exchange visits; research and activity output emanating from visits; number of collaborations ongoing one year later.
		2.1.3 Support a regional information system and/or expand institutional capacity for food security information collection and supply chain	<ul style="list-style-type: none"> Assess need and comparative advantage of USAID engagement in an existing regional food security information system, and of ASEAN's request for expanded institutional capacity for food security information collection and analysis As appropriate, develop analytic and policymaking capacity of FTF focus countries and AMS to collect and share information on production, markets prices, and trade; support the ASEAN Food Security Information System (AFSIS) toward becoming a long-term mechanism for providing quality information, possibly by linking with the USDA-FAS 	Increased access to food security information (e.g. supply and demand, prices, weather forecasts – per needs identified in initial assessment phase).	FSIS established as a tool for predicting food supplies and sharing price information at timely and regular intervals with U.S. assistance together with significant outside financial support.

		analysis among FTF focus countries and AMS	program for surveying production and crop forecasting worldwide.		
	Sub-IR 2.2: Increased Access to and Utilization of Technology	2.2.1 Promote access to new agricultural technologies or seed varieties	<ul style="list-style-type: none"> In partnership with the private sector and/or local or regional organizations (e.g. SAARC, IRRI, ASEAN), promote transfer and adoption of new agricultural technologies and/or seed varieties (for instance with greater water efficiency and higher nutritional content) by strengthening regional networks of agricultural development and extension. 	Strengthened networks for agricultural development and extension leading to improved dissemination of new agricultural technologies; New crop varieties adopted in FTF focus and ASEAN countries.	4.5.2-8 Number of new technologies or management practices made available for transfer; 4.5.2-28 Number of private enterprises, producer, trade and community-based organizations that applied new technologies or management practices; Value of financial resources leveraged from partnerships that promote effective and scalable approaches to agricultural development.