

FOOD SECURITY POLICY PROJECT

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Submitted by

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Project Overview

The USAID Burma Food Security Policy Project (FSPP) was signed September 23, 2014. The project is implemented by Michigan State University (MSU). Implementing partners are the Myanmar Centre for Economic and Social Development (CESD) in Burma and the International Food Policy Research Institute (IFPRI). The overall goal of the Project is to promote inclusive agricultural productivity growth, improved nutritional outcomes, and enhanced livelihood resilience for men and women through an improved policy enabling environment. Taking a broad view of agriculture, including the farm and off-farm parts of the food system, this goal will be achieved through increased capacity to generate policy-relevant evidence and gender-sensitive analysis that is used by stakeholders throughout the food system to improve policy formulation and implementation. This goal is to be achieved by two integrated objectives:

Objective 1: To address critical evidence gaps for informed policy debate and formulation. The Project will generate, synthesize, and disseminate new knowledge on targeted policy issues for which the current evidence base is insufficient, and thus facilitate and encourage reforms.

Objective 2: To foster credible, inclusive, transparent, and sustainable policy processes in Burma. The Project will strengthen the building blocks for Burmese national and state/region policy systems, promote inclusion of and dialogue among all stakeholders around critical policy issues, and disseminate globally sourced examples of successful innovation and best practice in policy system capacity building.

The project is comprised of an integrated set of four components that feed into these two objectives:

Component 1: Policy/strategy advising. This component is responsible for consulting with stakeholders and getting a sense of policy issues, doing outreach from research results to policy audiences, and conducting policy analysis.

Component 2: Agrifood value chains (AFVCs). This component is responsible learning about AFVCs and the specific issues faced by each one in terms of the field research and analysis, outreach of the study results, policy advising from the results, and capacity building for doing similar work.

Component 3: Household and communities livelihoods. This has the same set of responsibilities as the second component, but for its study area.

Component 4: Capacity and network building. This component funnels, cross-fertilizes, documents, and organizes the capacity building actions of the other three components. This is so other institutions interface with the project in a continuous way and builds to a body of imparted method and approach.

Introduction

This report provides a summary of activities conducted by FSPP during its the quarter of operation from October-December 2016, including activity development and progress achieved during the period. This summary is organized with reference to the four project components. The quarter saw active dissemination of findings from the Myanmar Aquaculture-Agriculture Survey (MAAS) through briefing notes and presentations, and preparations for a major survey in the Myanmar's Dry Zone. On the policy side, the project delivered an intensive two week course on cost-benefit analysis for staff of the Department of Planning, and prepared draft TORs for the initiation of an agricultural policy unit within MOALI.

Component 1: Policy/strategy advising.

This quarter saw FSPP host a 2.5 week Cost-Benefit Analysis course for staff of the Ministry of Agriculture, Livestock and Irrigation (MOALI), Yezin Agriculture University Department of Agricultural Economics, and CESD from November 29 to December 15. The course was hosted by YAU and delivered by Professor Eric Crawford, and attended by 31 participants (of which 23 were female).

Draft terms of reference for the establishment of an agricultural policy unit (APU) in MOALI were completed. The TOR is currently under consideration by MOALI. The mission of the APU has internal and external dimensions, namely, 1) to assist MOALI leadership in the formulation and implementation of specific policies and agricultural public investments consistent with the objectives and principles of the new agricultural policy and agricultural development strategy, and 2) to assist MOALI leadership to coordinate agricultural policies and public investments with other ministries and government bodies as well as with the private sector and civil society.

The agricultural policy unit will be comprised of a small group of approximately 12 national policy analysts and international advisers. The policy unit head reports to the Director of Planning who reports to MOALI leadership. Staff of the APU will collaborate with identified technical focal points in other MOALI Departments and regional governments. The appointment of Duncan Boughton as International Advisor on agriculture has already been approved.

A rice market model and draft paper was developed by IFPRI and used in the preparation of policy advice to the government on how to respond to low harvest paddy prices. The steeper than usual fall in paddy prices was due to a clampdown on border trade in rice with China and late monsoon rains that deterred buyers seeking to avoid paddy with high moisture content. The project advised deferral of farm seasonal loan repayment to allow more time for paddy drying and orderly

marketing, and encouragement of diversification into pulses for the post-monsoon cropping season.

IFPRI researcher Suresh Babu and MSU COP Duncan Boughton participated in a workshop on agricultural strategy for Mandalay region where Babu made a presentation on the role of regional governments in agricultural policy making.

Component 2: Agrifood value chains.

The main output under this component during the quarter was the publication of a research highlight detailing key findings from the Yangon Mechanization Cluster Survey 2016, titled [Supply Side Evidence of Myanmar's Growing Agricultural Mechanization Market](#). The research highlight provides evidence for extremely rapid growth in sale of agricultural machinery supply businesses and the quality and value of sales of agricultural machinery, supported by recent improvements in access to finance from commercial banks.

Analysis of farm productivity, profitability, cost structures, and management practices in aquaculture and crop farming from the MAAS dataset made good progress during this quarter. Outputs are expected in the first quarter of 2017.

Component 3: Household and communities livelihoods.

Five research highlights detailing results from MAAS were published during this quarter. These included an overview of the survey methodology, and results on migration, agricultural mechanization, credit and off-farm employment and the rural economy. Together, these results paint a picture of extremely rapid structural change beginning to take place in townships close to Yangon. The full set of briefs can be accessed from the links below:

- [The Myanmar Aquaculture-Agriculture Survey 2016](#)
- [Rural-Urban Migration around Yangon City, Myanmar](#)
- [Agricultural Mechanization and Structural Transformation in Myanmar's Ayeyarwady Delta](#)
- [Credit Access and Utilization in Agriculture and Aquaculture In The Ayeyarwady Delta](#)
- [Off-Farm Employment and the Transforming Rural Non-Farm Economy Around Yangon](#)

Preparations began for the launch of the project's next major household survey in the Dry Zone in 2017. Research objectives were developed and scoping visits made to townships throughout Mandalay, Magway and Sagaing regions in order to collect information on the cropping patterns and

irrigation systems present there. This process led to the purposive selection of 4 townships for survey implementation (Magway and Pwintbyu – Magway region; Butalin – Sagaing region, and Myittha – Mandalay region), based on the predominance of oil crop (principally peanut and sesame) and pulses (particularly green gram and pigeon pea) cultivation, and the presence of a variety of irrigation sources (rainfed, dams, public & private tube wells, river pumping schemes).

Draft survey questionnaires were completed by December 2016, for pretesting and finalization during the following quarter. The questionnaire is comprised of two parts, the first covering household characteristics including migration, ownership of agricultural machinery, off farm-employment, and consumption. The second section of the survey covers the characteristics of crop production (e.g. input use, irrigation, yields, revenues, marketing behaviors). A community questionnaire was also completed.

Component 4: Capacity and network building.

Capacity building and networking activities are reported below in sequence. These included a number of presentations disseminating policy relevant research findings

October 21 – Ben Belton served as a panelist at a one day workshop on “Food security, nutrition and livelihoods in transition in rural Myanmar”, organized by the University of Public Health (Yangon) and University of Sydney.

November 11 - Andrew Kirkwood (LIFT fund manager) and Ben Belton attended a DFID livelihoods advisors conference, in Woking (UK) to provide overview presentations on the characteristics of rural development in Myanmar. Ben Belton gave an overview of key findings on rural transformation from MAAS.

December 2 – Ben Belton presented on “Aquaculture in Myanmar: preliminary findings from a representative farm survey” at a meeting of the Myanmar Fisheries Partnership.

December 12 – Duncan Boughton presented on [The Central Role of Agriculture in Myanmar's Economic Development](#). in a seminar held at Yezin Agricultural University.

December 14 – Ben Belton and Duncan Boughton made presentation to staff of the US Embassy titled [Myanmar's Rural Transformation: Evidence from Ayeyarwady & Yangon](#).

Other Issues

Management and personnel changes

One CESD research assistant (Aye Mya Thinza) left the project at the end of December to pursue further education. Two new research assistants were recruited. Three current research assistants are submitting applications for graduate study.

Deliverables completed

The project made good progress towards preparing for timely implementation of the 2017 Dry Zone survey during this quarter.

Priorities for programming during the next reporting period

Component 1: Policy/strategy advising:

COP Boughton will begin making regular visits to NayPyiTaw to work with the Department of Planning at MOALI.

Component 2: Agrifood value chains:

Completion of analysis of MAAS aquaculture and crop farm budgets etc.

Component 3: Household and communities livelihoods:

Questionnaire pre-test and finalization, enumerator recruitment, preparation of training materials, survey rollout in the Dry Zone.

Component 4: Capacity and network building:

Participation at the Asian Society of Agricultural Economist meetings, Bangkok, January 11-13.

Participation in the Myanmar Update conference at Australian National University, Canberra, February 17-18.

Participation in a meeting of Feed The Future Innovation Lab for Food Security Policy researchers and policy advisers in late March (venue in southern or eastern Africa).