

# **FOOD SECURITY POLICY PROJECT**

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## **QUARTERLY REPORT: JULY-SEPTEMBER 2015**

### **Submitted by**

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## **Project Overview**

The USAID Burma Food Security Policy Project (FSPP) was signed September 23, 2015 and began operations immediately. The project is implemented by Michigan State University (MSU). Implementing partners are Myanmar Development Resources Institute – Center for Economic and Social Development (MDRI-CESD) in Burma, the International Food Policy Research Institute (IFPRI), and WorldFish. 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.

This report provides a summary of activities conducted by FSPP during its fourth quarter of operation from July-September 2015, including activity development and progress achieved during the period. This summary is organized with reference to the four project components.

## **Introduction**

This quarter saw continued implementation of the January 2015 approved work plan. Work during the quarter focused primarily on entering and cleaning data from the Mon State Rural Household Survey (MSRHS), and on training MDRI researchers in the use of STATA software (the industry standard for analysis of household surveys) to support cleaning and analysis of data obtained from the survey. Members of the project research team also participated in flood recovery activities, following the appointment of MDRI-CESD's executive director, Dr. Zaw Oo, to the position of Special Coordinator of the National Disaster Management Committee.

## **Component 1: Policy/strategy advising.**

The main policy strategy and advising activities of the project during this quarter related to Dr. Zaw Oo's recent appointment to the position of Special Coordinator of the National Disaster Management Committee. FSP research staff were called upon to provide to support to Dr. Zaw Oo in his new role. Activities included: attendance at a workshop in Yangon, organized by the National Disaster Management Committee and UMFCFI (September 8); accompanying the Deputy Minister for Relief and Resettlement and members of the Myanmar Fisheries Federation (MFF) to Nyaungdon Township (Ayeyarwaddy) to support efforts to calculate the value of flood related financial losses to fish producers (September 10-11); accompanying senior official from the Department of Construction, Myanmar Fisheries Federation, and the Myanmar Beans and Pulses Traders Association to Patheingyi Township (Ayeyarwaddy) to support assessment damage to crops and aquaculture, and canvas business association members for their views on appropriate post-disaster responses (September 17-19); Attendance at the Post Floods & Landslide Needs Assessment Workshop, Nay Pyi Taw to provide assistance to breakout groups for data gathering, analysis, and validation of information on economic, social , infrastructure and cross cutting issues relating to flood recovery (September 24).

FSP will support Dr. Zaw Oo to identify economic and policy reforms on agriculture and the rural economy that can help accelerate recovery of the rural economy in affected areas during the short term and make business enterprises and livelihoods more resilient to weather and other economic shocks in the long run.

FSP researchers also spent time over the period July 7-30 conducting an enterprise survey covering 20 fish processing factories in the Yangon area, at the request of Dr. Zaw Oo, in response to opportunities arising from his role in negotiation of the national minimum wage.

## **Component 2: Agrifood value chains.**

### ***Fish Value Chain***

A draft of a comprehensive report summarizing results from field reconnaissance and diagnostic work relating to aquaculture value chains, and analysis of a wide range of secondary data sources on fish consumption, production, prices and trade was completed. Titled "*Aquaculture in Transition: Value Chain Transformation, Fish and Food Security in Myanmar*", the report is undergoing internal review, and will be circulated more widely early in FY Quarter 1, 2016. Among key findings of the diagnostic phase are:

- 1) Fish is the most important animal source food, a major source of essential micronutrients and makes a large contribution to the national diet in rural and urban areas and hence vital to food and nutrition security;
- 2) The aquaculture share of total fish production and consumption is growing rapidly relative to marine and inland capture subsectors;
- 3) There may be considerable potential for further growth of the aquaculture subsector in terms of value of output (through species diversification and productivity) and spatial expansion;
- 4) There are likely important linkage effects in the rural economy that could contribute even further to broad-based growth through a more balanced size distribution of fish farms.

An in depth study of aquaculture is in the planning phase to quantify areas 3) and 4) above with a view to developing more specific policy recommendations to fully exploit aquaculture sector's potential. The study will facilitate comparison of the impacts of large-scale and commercial smallholder-led aquaculture on employment and rural growth linkages, and support analysis of the size of these effects relative to those generated by paddy dominated agriculture. The study will also capture data on ownership/use of agricultural machinery and mechanization services, and paddy seed use. Work on the sample design for the study began in September.

## **Component 3: Household and communities livelihoods.**

Major activities completed under this component related to data entry and cleaning for the Mon State Rural Household Survey, and training MDRI staff on the use of STATA software for household survey data analysis. Data entry was completed in Mawlamyine (Mon State) by mid-August, and preliminary data checks were conducted until the end of August, when questionnaires were transferred to Yangon. Additional data checks were conducted by FSP in Yangon staff during August and September. From July 6-17, Ulrike Nischan and Zara Qureshi (IFPRI) conducted a training course for FSP researchers and other MDRI staff on introduction to statistics, and introduction to quantitative analysis and introduction

to data cleaning and reshaping using STATA software. The course was attended by 13 MDRI researchers. At MDRI's request, a shorter version of the course was held the following week for MDRI staff unable to attend the initial training, and was attended by a further seven participants. Core FSP staff received further practical training on using STATA for data cleaning from August 5-14 in Mawlamyine, led by Ellen Payongayong (MSU). Ellen Payongayong also provided training to Seng Kham (MDRI-CESD) on use of CSPro software for designing data entry interfaces. Seng Kham has applied this skill to the development of a data entry form for the community questionnaire administered as part of the MSRHS.

Initial analysis of the livelihood survey began Sep 30 and will continue through October and November. In addition to descriptive analysis of all survey variables there will be an analysis of household income sources by zone and detailed analysis of economic activities (paddy, rubber, marine fisheries, non-farm income, migration remittances).

The detailed analysis of the livelihood survey, complemented by rapid appraisal of selected value chains (e.g., rubber, horticulture) will feed into a rural development strategy for consideration by the regional government.

#### **Component 4: Capacity and network building.**

From July 27-29, Suresh Babu (IFPRI) led a training workshop organized by the Food Security Working Group (FSWG) on "*Strengthening the Food Policy System through Communications and Advocacy in Myanmar*". In addition to helping participants increase their understanding of the policy process, the training emphasized the systematic development of policy advocacy and communications strategies for the members of the FSWG, and application of the "Kaleidoscope Model" of policy development analysis to the policy process in Myanmar.

Seng Kham, MDRI research associate, presented findings from the pulses value chain rapid reconnaissance study at a conference hosted by the Australia Myanmar Institute, July 10-12, titled "Myanmar and the Sustainable Development Goals: Informed by the Past, Looking to the Future".

MDRI-CESD Research Coordinator Aung Hein attended an international summer school from July 27-August 2 at Beijing University (China), on the New Structural Economics. The course was organized by Beijing University and travel and course fees were funded by a bursary from the same institution.

Seng Kham provided training to participants in MDRI-CESD's sister organization Community Development and Civic Empowerment (CDCE) at Chiang Mai University (Thailand) from August 10-14 on research methods and research design. Twenty nine participants from Myanmar attended the course, including 23 employees from civil society organizations and six junior government officers. Ben Belton (MSU)

provided a one day training on “*Introduction to Value Chain Analysis*” to CDCE students in Chiang Mai on August 17.

Ben Belton held meetings with Clive Murray (Syngenta Foundation). The Syngenta Foundation will implement a project in Myanmar on commercializing small scale agricultural mechanization, in partnership with the International Center for the Improvement of Wheat and Maize (CIMMYT), which will include an initial diagnostic value chain study. Possibilities for coordinating scoping activities on value chains for agricultural mechanization inputs were discussed and will be explored further in Quarter 1 of 2016.

Ben Belton also met with Ventkatesh Salagrama of the International Collective in Support of Fishworkers (an international NGO working on small-scale capture fisheries) to discuss preliminary findings from a value chain analysis of fisheries in Mon State and Bago Region, conducted by Mr. Salagrama for the national NGO Network Action Group (NAG).

## **Other Issues**

### **Management and personnel changes**

All project staff moved office to a new location at 112 Hantarwady Road from August 1. Interviews for additional MDRI-CESD research staff were held during September. Three staff were recruited. Two female research assistants will join the team from October 1. One male research associate will begin work from October 15.

### **Deliverables completed**

Unanticipated demands on the time of FSP staff resulting from the urgent nature of national flood recovery efforts delayed analysis of the Mon State Rural Household Survey but this does not represent a significant setback to the overall research effort.

## **Priorities for programming during the next reporting period**

**Component 1: Policy/strategy advising:** During the next reporting period, the project will be responsive to opportunities presented by Dr Zaw Oo’s involvement in the National Disaster Management Committee, and will produce a policy brief on the contribution of agricultural policy reforms to the recovery process.

**Component 2: Agrifood value chains:** The report summarizing findings and policy recommendations from all fish value chain work to date will be circulated. A sampling design and survey instruments for an in depth study of the aquaculture will be developed, and the latter will be translated and pre-tested in the field. An interface for computer assisted field based data entry will be designed. Preparations will be made for scoping studies of agricultural inputs value chains, rubber and horticulture.

**Component 3: Household and communities livelihoods:** Analysis of the MSRHS dataset will be completed, and a summary report and in-depth livelihoods analysis will be published.

**Component 4: Capacity and network building:** Aung Hein and Kyan Htoo (MDRI-CESD) and Ben Belton (MSU) will travel to the USA from October 9-24. They will present findings from research on the fish value chain at the Global Food Security conference held at Cornell University October 11-14, liaise with MSU faculty to explore new possibilities for collaboration, and present findings from research on the fish value chain as MSU during October 15-20, and meet with IFPRI researchers in Washington DC from October 21-23 to plan research activities and publications.