



LIFT Agri-food Value Chain Development in Myanmar Project: An Overview

LIFT Fund Board meeting, Yangon, Dec 11, 2018



What is the AVCD project and what does it do?

- **Implemented by** MSU and IFPRI with local partner CESD
 - 3 in-country international staff and 11 national graduate researchers
 - 2015 – 2019; jointly funded with USAID (FSPP)
- **Objectives and activities**
 - **Generate empirical evidence on agriculture and rural economy:** surveys on agricultural production systems, value chains, non-farm economy and rural livelihoods in different regions
 - **Support agricultural policy change and capacity:** policy analysis, advising and capacity building

What is the AVCD project and what does it do?

- **Outputs and Outcomes**

- Research reports and briefs, presented at workshops nationally and internationally
- Improved policies and investment strategies
 - public sector
 - donor sector
 - private sector
- Increased analytical capacity
 - MOALI
 - Yezin Agricultural University (YAU)
 - Civil society

Survey Locations



- **2015: Mon State Survey**
- **2016: Delta Region Survey (with aquaculture VC)**
- **2017: Dry Zone Survey (with pulses and oilseed VCs)**
- **2018: Dry Zone Variety Adoption and Seed Demand**
- **2018: Southern Shan State (with maize and pigeonpea VCs)**

Research Topics

Rural Livelihoods

- Land access
- Crop profitability
- Farm technology & irrigation
- Credit access
- Farm and non-farm employment
- Migration
- Gender

Value chains

- Aquaculture
- Pulses
- Oilseeds
- Maize
- Rubber

	Mon	Delta	Dry Zone	Shan
Scoping	1 week	3 months (fish VC)	1 month (mostly government) + 1 month (enterprises)	1 month (farmers; government; enterprises)
Household Survey	1600 HH	1100 HH	1600 HH Seed 1400 HH	1600 HH
Community Survey	137 villages	73 villages	300 villages	323 villages
Non-farm surveys	0	Machine & spare parts suppliers (49)	Machinery Dealerships (60) Service providers (123) Oil Mills (182) Traders (376) Total = 742	25 Dealerships 200 Input shops 350 Traders

Ag and rural transformation in the Delta and Dry Zone

- 1) Agriculture is the largest source of rural employment and, with growing urban demand for high quality and diversified food, a key potential driver of sustained growth in the rural economy.
- 2) Migration out of rural areas is accelerating, driving up rural wage rates and injecting liquidity into migrant households in the form of remittances.
- 3) Increasing wage rates, combined with bank finance for machinery rental services, is driving extremely rapid mechanization.
- 4) Access to a wide range of goods and services, especially transport and communications, has improved rapidly in rural areas.

Ag and rural transformation summary (2)

- 5) Agriculture is under-performing relative to potential due to:
 - poor water control (irrigation and drainage)
 - Limited access to improved varieties / quality seed
 - inefficient use of fertilizer and pesticides
 - lack of diversification into high value farm enterprises (aquaculture, livestock, fruit and vegetables)
- 6) Increased provision of public goods (research, extension, irrigation management, food safety) is needed to enable farmers to respond to emerging market opportunities.

Policy and strategy outcomes to date

- Increased support for diversification away from rice
 - Freedom of seasonal crop choice included in MOALI agricultural policy
 - Amendment to land law to allow permanent conversion of paddy land under consideration by parliament
 - Increased MADB loan amounts for non-paddy crops
 - Increased donor investments in aquaculture and higher value crops
 - Diversification into higher value enterprises an important objective of ADS
- Establishment of an Agricultural Policy Unit in MOALI
- Pilot agricultural research decentralization and strengthened research-extension linkages initiative in Sagaing
- Agricultural Development Strategy provides the framework for public sector reform but MOALI faces major organizational and human capacity constraints.

Policy and strategy outcomes looking forward:

- Agricultural Development Strategy provides the framework for public sector reform but MOALI faces major organizational and human capacity constraints.
 - Fragmented policy agenda with limited private sector engagement
 - Critical shortage of agricultural economists
- Extremely weak agricultural research system despite large potential returns to investment (1% increase in ag growth = \$200 million)
 - Limited capacity in crops production
 - Almost no capacity in animal husbandry or fisheries/aquaculture

Training on the go.....



