



**RESEARCH  
PROGRAM ON  
Policies,  
Institutions  
and Markets**

LED BY **IFPRI**

## **Consultation with Partners and Donors**

**June 17-18, 2013**

**Montpellier, France**

**INTERNATIONAL FOOD POLICY  
RESEARCH INSTITUTE**

**WITH BIOVERSITY, CIAT, CIMMYT, CIP,  
ICARDA, ICRAF, ICRISAT, IITA, ILRI,  
WORLDFISH**



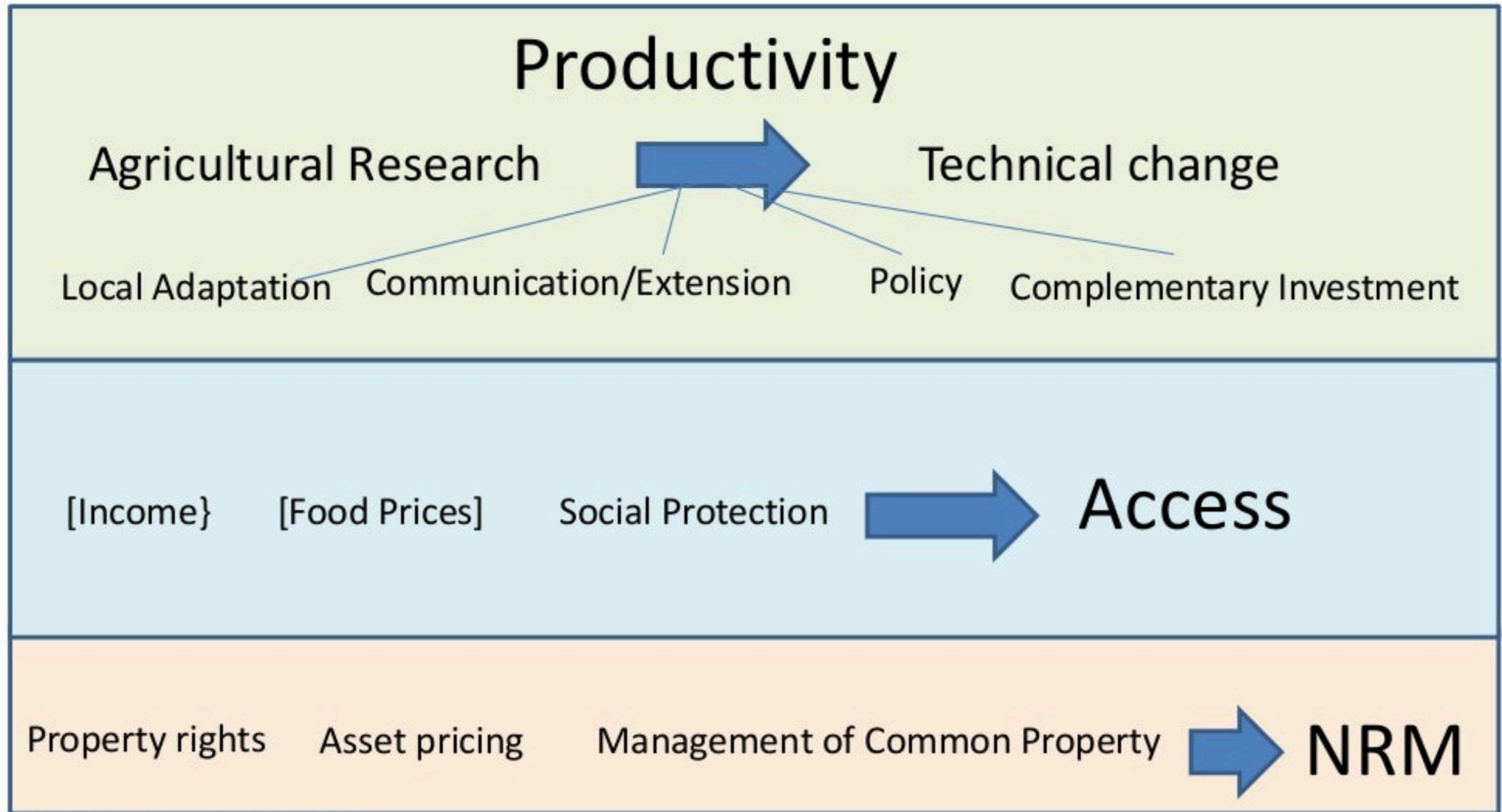
# Topics

- Impact pathways and present work
  - Gender
  - Productivity
  - Access
  - Value Chains
- Proposed evolution of PIM1 to PIM2
- Partnership
- Capacity building/mentoring





# Impact Pathways



CGIAR

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# PIM Gender Strategy

1. Strategic Gender Research
2. Deepening Current Gender Work  
e.g. Value Chains
3. Exploring New Possibilities  
e.g. Macro and Foresight work



# Strategic Gender Research

- Workshop on Methods and Standards for Research on Gender in Agriculture
- Collaboration with FAO on sex disaggregated data
- Women's Empowerment in Agriculture Index
- Women's Empowerment in South Asia
- In Africa, what share of land do women own?

# The Productivity Theme: Unpacking the relationship between agricultural research and productivity

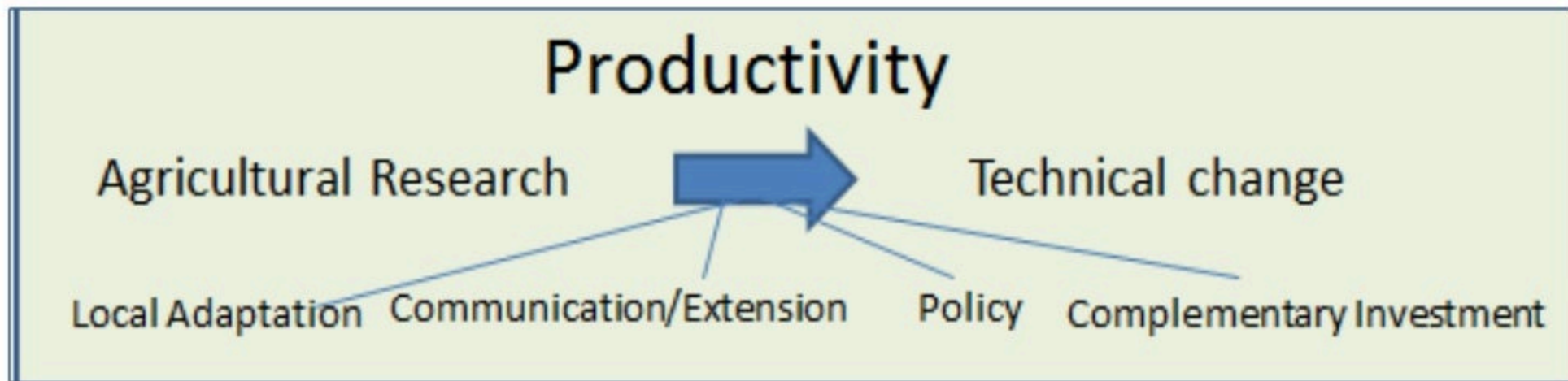
Mean values of output-R&D elasticities for developing regions

Region	Mean
Asia	0.142
China	0.170
Latin America	0.103
Africa	0.093

Source: Nin Pratt (2013) using information from Evenson (2001).



# Constituent elements of relationship



- Agricultural Research: Science Policy , Organizations, Incentives, Foresight modeling, Public and private
- Local Adaptation: Structure and organization of NARS; linkage of NARS, SROS, Global Centers, Private; technology tracking
- Extension: Organization and dimensioning of extension systems; ICT
- Policy: Trade, subsidy, value chains
- Investment: Public expenditure, geospatial coordination of infrastructure

# Measuring Agricultural Incentives

## The need to go from Distortions to Incentives

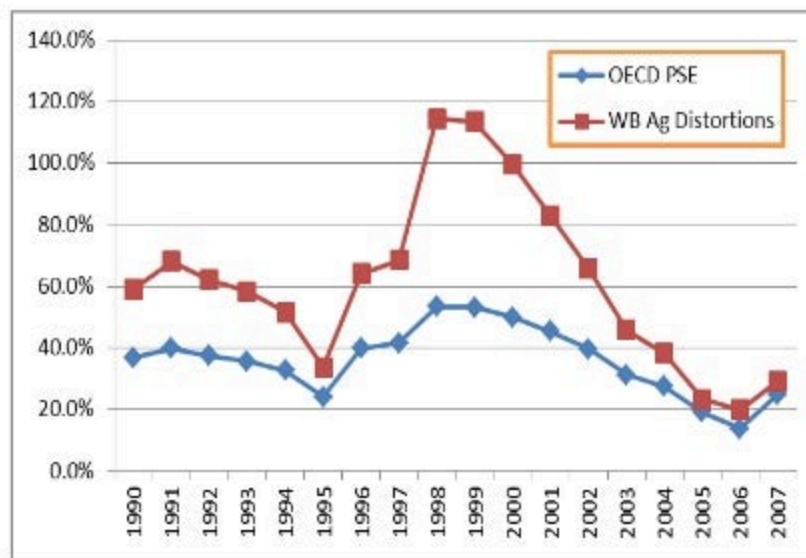
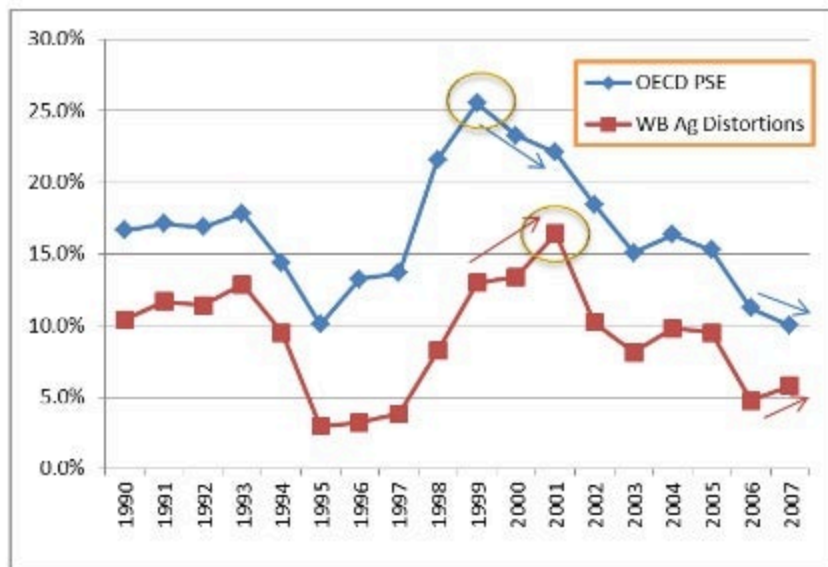
- Agricultural policies (domestic support and trade) are complex, various and change over time and countries;
- Few initiatives aim to monitor **policy distortions** :  
OECD (PSE/CSE), World Bank (Ag. Distortions), IADB, MAFAP-FAO, WTO, but they differ:
  - In country coverage
  - Time coverage (eg. OECD PSE-CSE last updates for 2011, World Bank 2007)
  - Methodologies, leading to contrasted pictures, even for very well documented countries:



# Measuring Agricultural Incentives

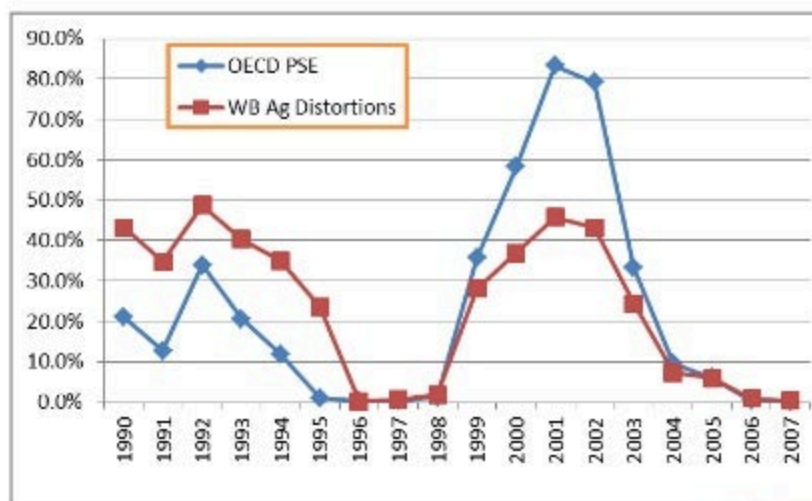
## Differences: Example USA

"All Goods"



Milk

Rice



# Why the need to improve the measuring Ag. Policies?

- Need to measure the policies and their effects to discriminate between:
  - Well-designed policies aimed to target market failures: externalities, public good
  - Vs Distortive policies leading to new distortions, unfair competition, inefficiencies and international retaliations ;
- Good measurement will help to:
  - Provide transparency and information;
  - Identify effective policies;
  - Favor international dialogues and International cooperation (G20, WTO, CAADP);
  - Public goods for policy makers and researchers (important need for quantitative information in all modeling exercises: policy reform, foresight).

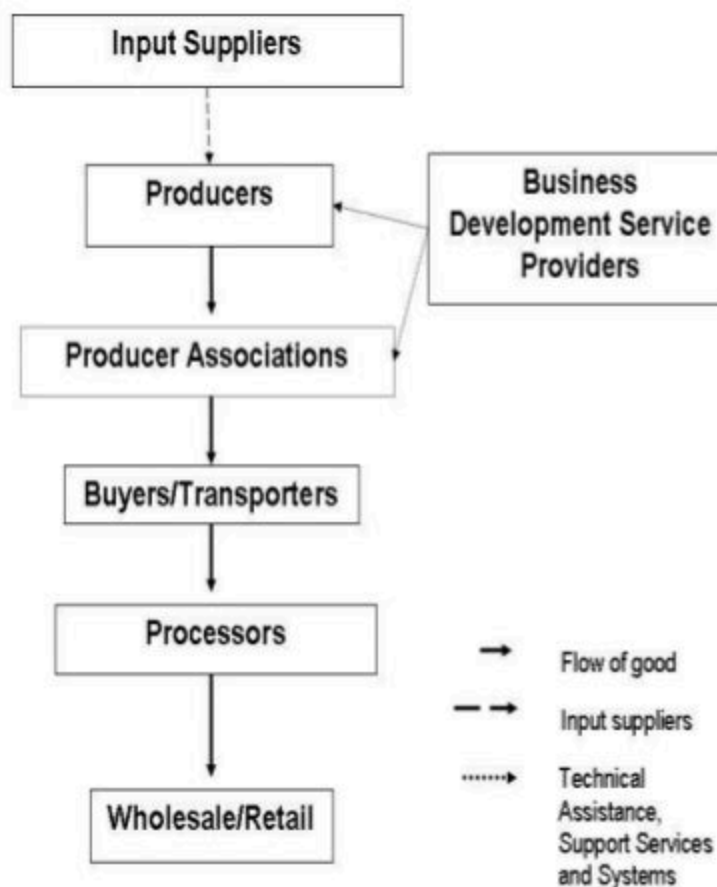
# Proposed work for next phase

- Coordination and extension in data collection;
- Important methodological work by a research team/institution needed, beyond existing work:
  - Explain existing methodologies and their differences and limitations
  - Methodological improvements so that price distortions can be translated directly into “incentives” or “disincentives”.
  - Need to move from an accounting approach to a behavioral/modeling approach
- It will rely on economic models (eg. CGE like MIRAGE to build Policy Index), well informed (link with research on value chains)



# Value chain overview

## Simple Map of a Value Chain



- Value chains are a linked set of activities\* that are required to bring a product from conception, through the different phases of production to delivery to final consumers to its disposal.
- The study of value chains is useful to identify critical issues and bottlenecks that limit growth and in this way, support poverty reduction.

\* Also can be called nodes or segments.

# How?

**Sub-Theme 3.1:** Innovations across the value chain for:

- reducing transaction costs;
- managing risk;
- building social capital;
- enabling collective action; and
- redressing missing markets

**Sub-Theme 3.2:** Impact of upgrading value chains

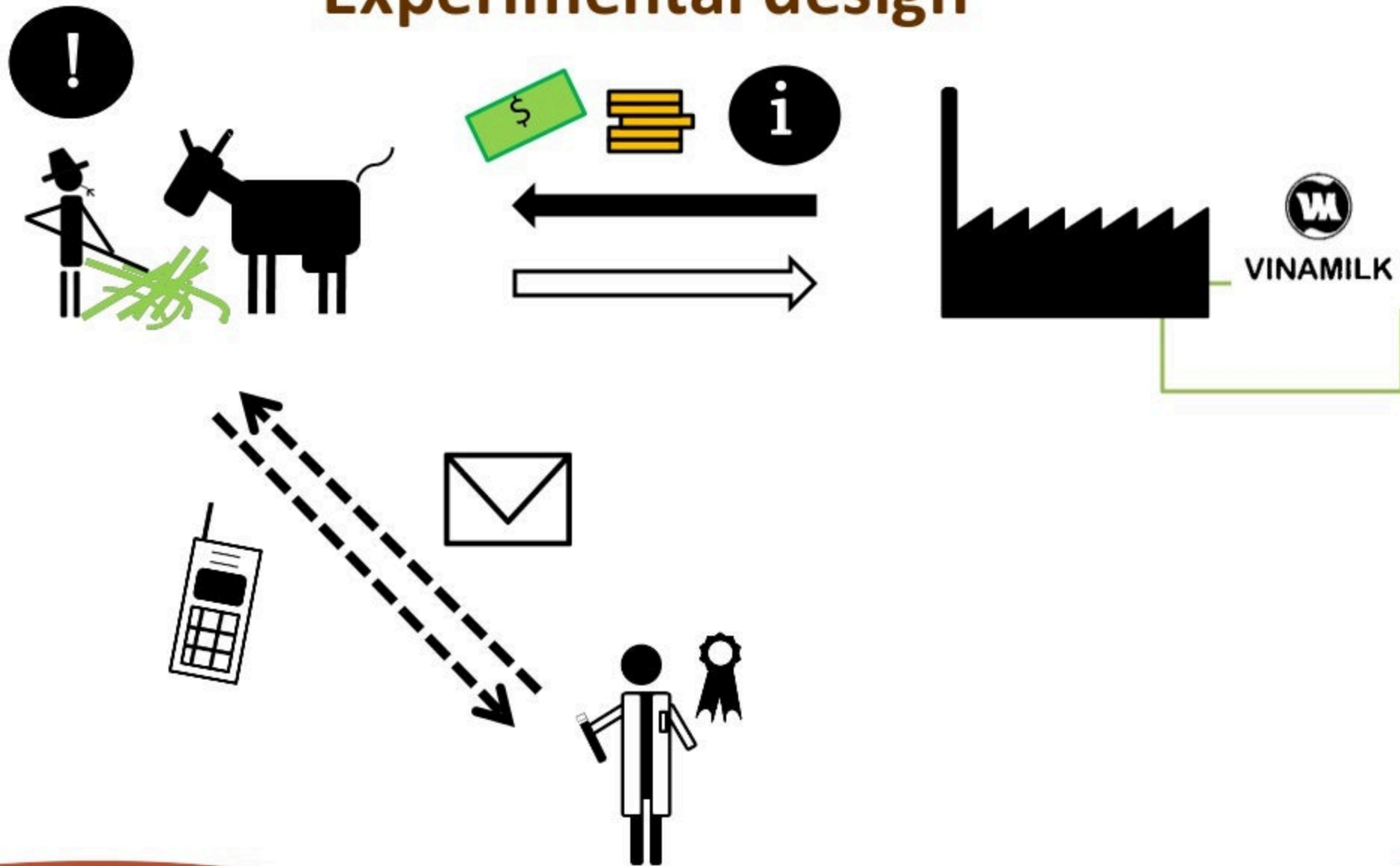
- Tools, methods
- Comprehensive strategy for evaluating and assessing the impact of different interventions



**Web-based clearing house with tools, data and a network as an input for CRP2 and all other commodity CRP's**

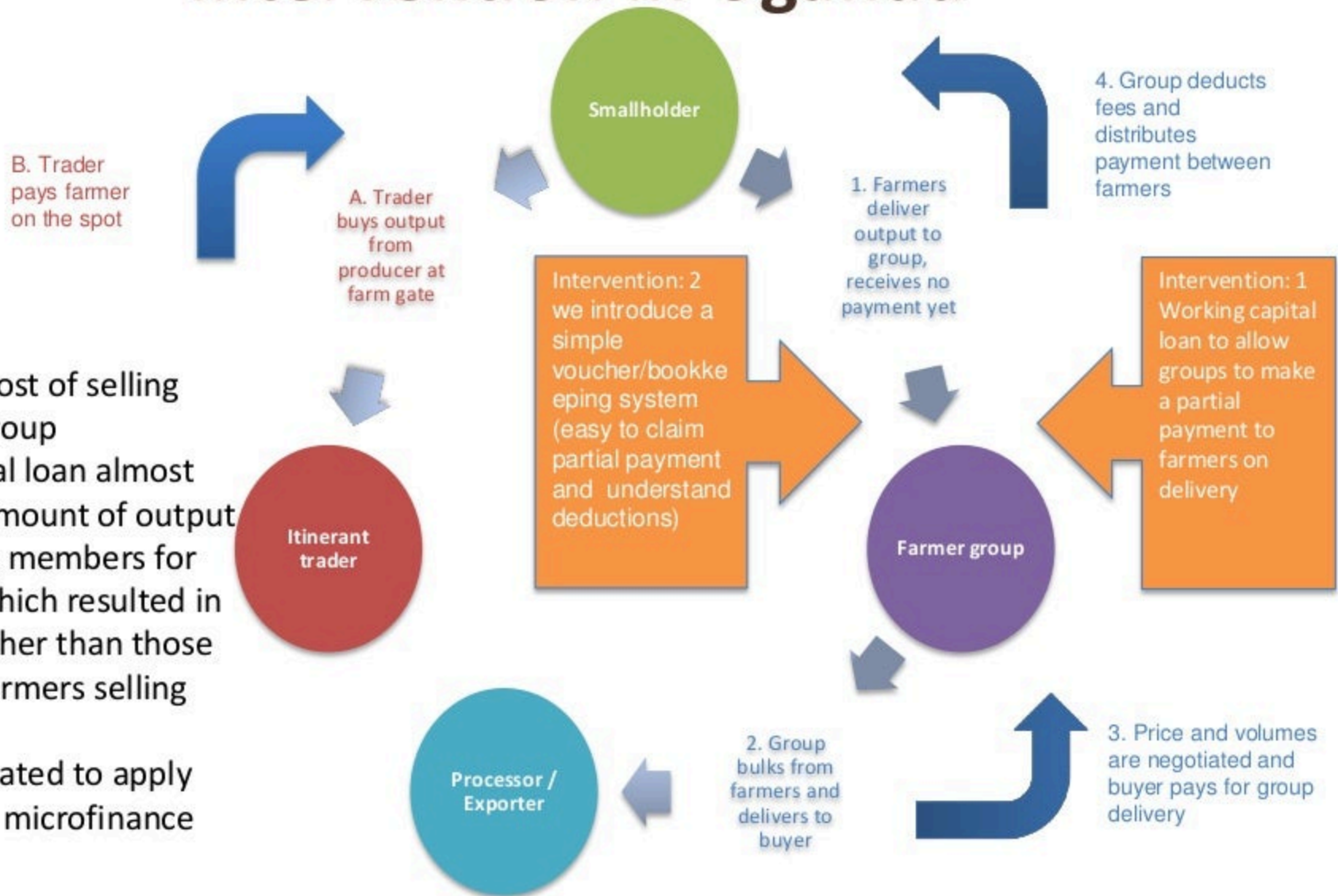


# Example 1 : On Dairy in Vietnam: Experimental design





# Example 2: Working capital loan intervention in Uganda

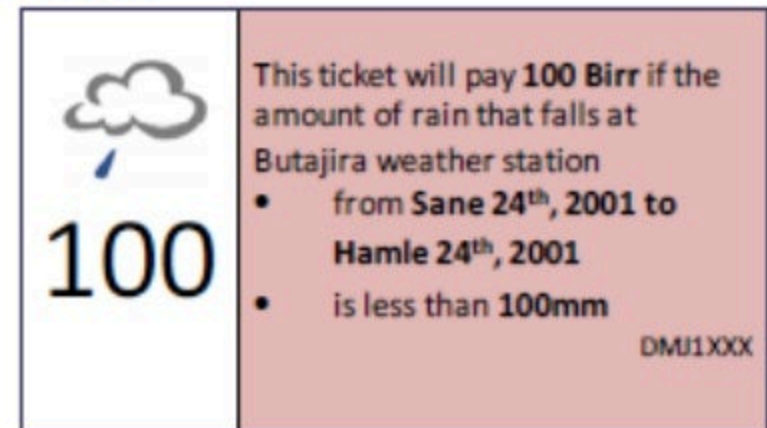


# Example 3: Simple Weather Securities

Can we improve the design indexed products so that:

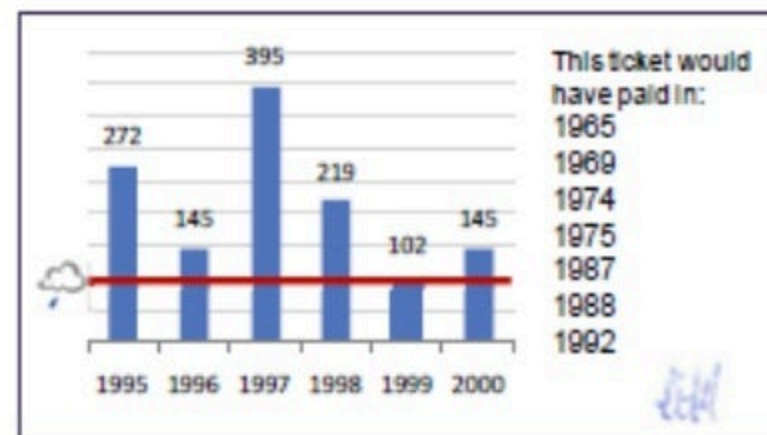
- (i) Smallholder farmers want?
- (ii) Protect farmers in bad years and that allowing them to increase agricultural investment

Front



Weather Ticket

Back





# Lessons: demand for insurance

High quality  
index  
insurance

- **Weather securities:** simple and flexible drought insurance products
- **Gap insurance:** protects against basis risk

Financial  
products to  
complement

- **Group saving and lending:** protects farmers against individual agricultural risk

- Demand is strong when farmers are offered high quality insurance products (Ethiopia, Bangladesh)
- Complementary financial products are also important (Dercon, Hill, Clarke, Outes-Leon and Seyoum Taffesse 2012):
  - In Ethiopia: demand was 50% higher when insurance sold to groups encouraged to share non-insured risk



# Improving the quality of insurance for next phase: innovating with gap insurance

- Farmers' concern: index insurance will not pay them when they need it, what if they had a bad year, but the index is good?
- Gap insurance addresses this concern: if the year has been bad, but the index does not pay, a crop cut is requested. If average yield is low, a payout will be made.
- Experience:
  - Once gap insurance was introduced in Ethiopia, demand increased: In 2012, 1500+ policies issued with 48% of targeted farmers purchasing in some districts (compared to about 500 policies in the previous year)
  - Strong demand in Bangladesh for a similar product.



# Value Chain Knowledge Clearinghouse

**ValueChains**  
Knowledge Clearinghouse

Home Tools Data Resources Capacity Building News Events About

**Tools**  
**Gender Toolkit**

This Tool Kit seeks to motivate specialist/practitioners researchers integrating a gender perspective in agricultural value chains. It aims to provide quantitative survey-based tools to gain understanding about gender constraints, opportunities and strategies to value chain development.

read more >>

**FEATURED TOOL**  
**Duncan Index**

**Research Question:** How does participation by occupation/node/value chain differ between men and women?

This tool estimates occupational/node/value chain gender segregation. It could be extended to capture hierarchical segregation by occupation, tasks (skilled-non-skilled) depending on data available. It could be extended to capture hierarchical segregation by occupation, tasks (skilled-non-skilled) depending on data available.

**FEATURED RESOURCE**  
**Making The Strongest Links: A Practical Guide To Mainstreaming Gender Analysis In Value Chain Development**

**Objective:**

Purpose of the guide is increase women entrepreneurs' capacity to access markets and build sustainable enterprises that create decent work. The main goal is the effective and ongoing implementation of gender equitable and pro-poor Value Chain Development (VCD) strategies as a sustainable development process.

**RECENT ACTIVITY**

**Basic page**  
**About**  
6 days 7 hours ago

**Basic page**  
**Capacity Building**  
6 days 7 hours ago

**Basic page**  
**Events**  
6 days 7 hours ago

**Basic page**  
**News**  
6 days 7 hours ago

**COVERAGE MAP**

- It is an initiative led by PIM CGIAR Research Program [IFPRI, CIAT, ILRI, IITA, World Agroforestry Centre, ICRISAT, Bioversity, and CIP].
- The purpose is to provide a comprehensive, easily accessible repository of research methods and best practices surrounding value chain performance that can be used by all the consortium research programs and partners.



# Value Chain Knowledge

## Clearinghouse: Main components

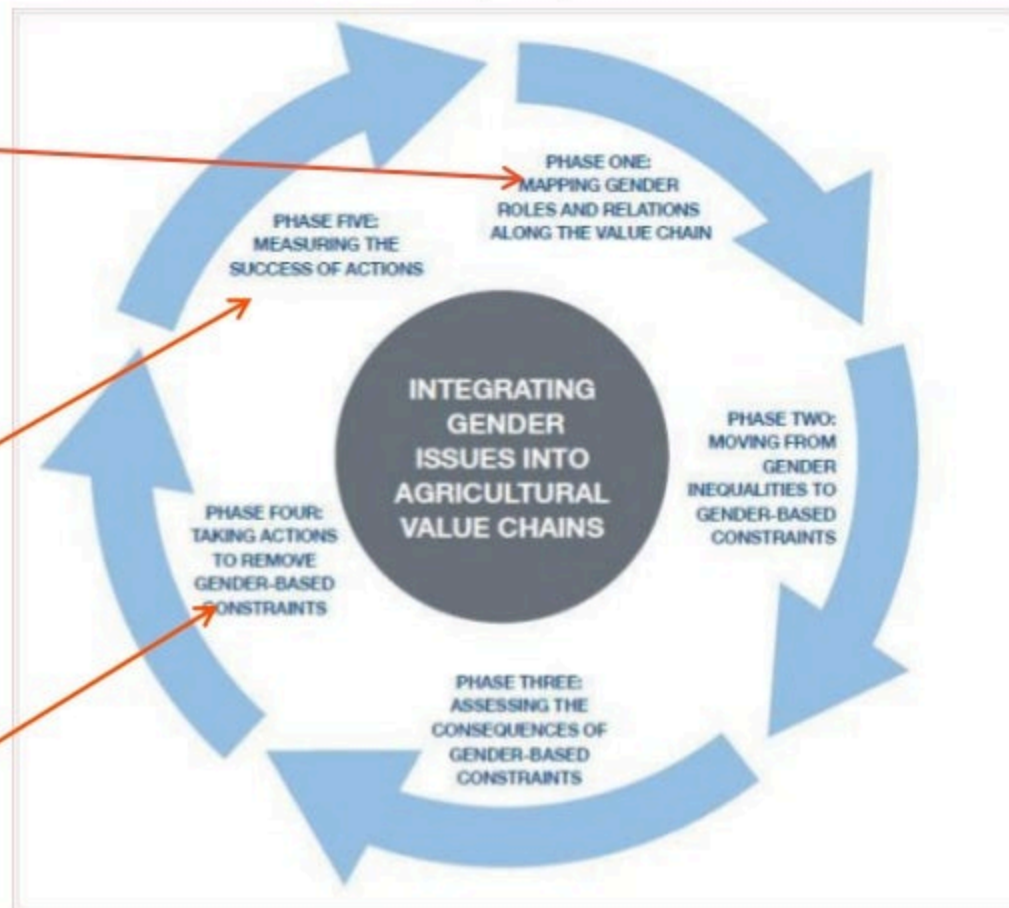
- **Tools:** Toolbox with guidelines for specific applications; best practices for evaluation; and gender-specific analysis to integrate gender into agricultural value chains;
- **Data:** Existing datasets evaluated by participating CGIAR institutions and partners. The data will be directly linked to the portal's tools and best practices and will include questionnaires and a detailed description of the sampling strategies;
- **A Network of Practice:** This will bring all value chain experts in the CGIAR together in a common platform and will facilitate collaboration among leading value chain scientists, ultimately creating a dynamic research community;
- **Community and Learning:** Learning materials, e-courses, and workshop series on the tools included in the clearinghouse.



# Tool's applications

Value chain analysis phases

- Indicators that could be used as a first step in the process to strengthen value chains (e.g. mapping gender roles)
- Also to track changes and performance, for example women's and men's shares in chain employment and income
- Upgrade or create new opportunities for farmers



# Major activities on gender in value chains

- Map the participation in the value chain (occupations by gender), identify gender wage gap, time use analysis, discrimination, occupational segregation, working conditions and access to work equality.
- Identify the gender-based constraints and opportunities
- Design solutions to remove gender-based constraints and do impact evaluation of them
- Construct indicators to measure success of action
- Scale up solutions
- Organize workshops/training
- Value Chain Knowledge Clearinghouse development

# Next phase for value chains

- Focus on bringing solutions to bottlenecks and tools developed to focus on farmer associations
- Design interventions with the different tools and solutions to generate better collective action on farmer groups
- Main outcome is to generate the necessary economies of scale



# Work on access to food

- Continued work on social protection and safety nets
  - Matching instruments to circumstances
    - Evaluations of programs in Brazil (Bolsa Familia) and South Africa (child protection grant)
    - Vouchers, cash, food for work, conditional cash transfers
  - Tradeoffs or complementarity between social protection and growth?
    - Ethiopia household asset-building component
- Demographic change and demand for food
  - Youth bulge in Africa, Central Asia
  - Aging elsewhere



# Work on NRM

- Management of common property resources
  - Water: modeling of demand and pressures (joint with WLE)
  - Biodiversity: value chains now; moving toward metrics and management
  - Drylands in Africa: pastoral livelihoods, management of pasture
  - Agroforestry now; discussion on forests (joint with Forests, Trees, and Agroforestry)



**Table 1. Results Framework, CRP Policies, Institutions and Markets**

Work stream	Primary Outcome of SRF <sup>1</sup>	CRP IDO <sup>2</sup>	Potential Policy action <sup>3</sup>	Research Output <sup>4</sup>	Indicator <sup>5</sup>	Progress <sup>6</sup>				
						Baseline	End 2014	End 2016	End 2018	End of Program (2020)
1. Foresight modeling	1,2,4	Higher returns to agricultural research	Allocation of funds to research							
2. Science policy and incentives for innovation	1,2,3,4	Higher returns to agricultural research	Change in regulations and legislation							
3. Adoption of technology	1,2,3,4	Higher returns to agricultural research	Change in program design; regulations							
4. Policy distortions and value chains	1,2,3	Faster growth in productivity	Change in policy, program design, public investment							
5. Public expenditure	1,2	Faster growth in productivity	Change in level, allocation							
6. Insurance and safety nets	2,3	Reduced vulnerability	Change in program design, regulations							
7. Demographic change and access to food	2,3	Reduced vulnerability, faster productivity growth	Change in program design, regulations, legislation							
8. Common property regimes	4	Reduced stress on resources	Change in regulations, customary rules							
9. Agro-biodiversity	4	Reduced stress on	TBD							



# Research Areas Addressing Productivity, Access, and NRM; PIM Now and Proposed

## Research Areas

- ✓ Science policy
- ✓ Sectoral policy and management of public spending
- ✓ Social protection
- ✓ Sustainable intensification and technology adoption
- ✓ Asset accumulation by the poor and women
- ✓ Value chains

## Proposed areas of focus for next CRP phase *2015-2020; preliminary*

- Strengthening the innovation continuum
  - Foresight modeling; link with household data, geospatial, gender
  - Clarifying roles of the public and private sectors in agricultural research, identifying new spillovers
  - Adoption of technology, dispersion of innovation, and metrics to assess impact; Technology Platform; gender roles
  - Identifying and addressing distortions in the incentive environment
  - Strengthening value chains
  - Tracking public spending on agriculture
- Increasing access to food of the poor and vulnerable
  - Ensuring food access for the rural poor: insurance and safety nets
  - Demographic change and access to food
- Policy foundations of natural resource management for resilient landscapes
  - Managing common property, including biodiversity

# Key Partnerships

- Three types: Implementation partners, research partners, outreach/communication
- Key implementation partners: CAADP, ASARECA, CORAF, ICAR, FARA, multilateral development agencies, bilateral programs, WFP, FAO and private sector

# Capacity Building and Mentoring

- Foundation of IFPRI's programs already in place; PIM co-finances
  - IFPRI country knowledge support programs
  - Regional Strategic Analysis and Knowledge Support System (ReSAKSS); SAKSS
  - AGRODEP African modeling network
- Foresight modeling
- Junior researchers



Major episodes of recent rapid agricultural growth linked to policies, institutions, and markets.

- China post 1978
- Africa 2000's after reforms of 1990s
- Latin American after removal of import substitution policies.
- Green Revolution: technology+policy
- Global: greater openness to trade

Still much to be done, and CGIAR should be active and present.

- Synergy with commodity and systems research
- Partnership with developing countries



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Thank You

