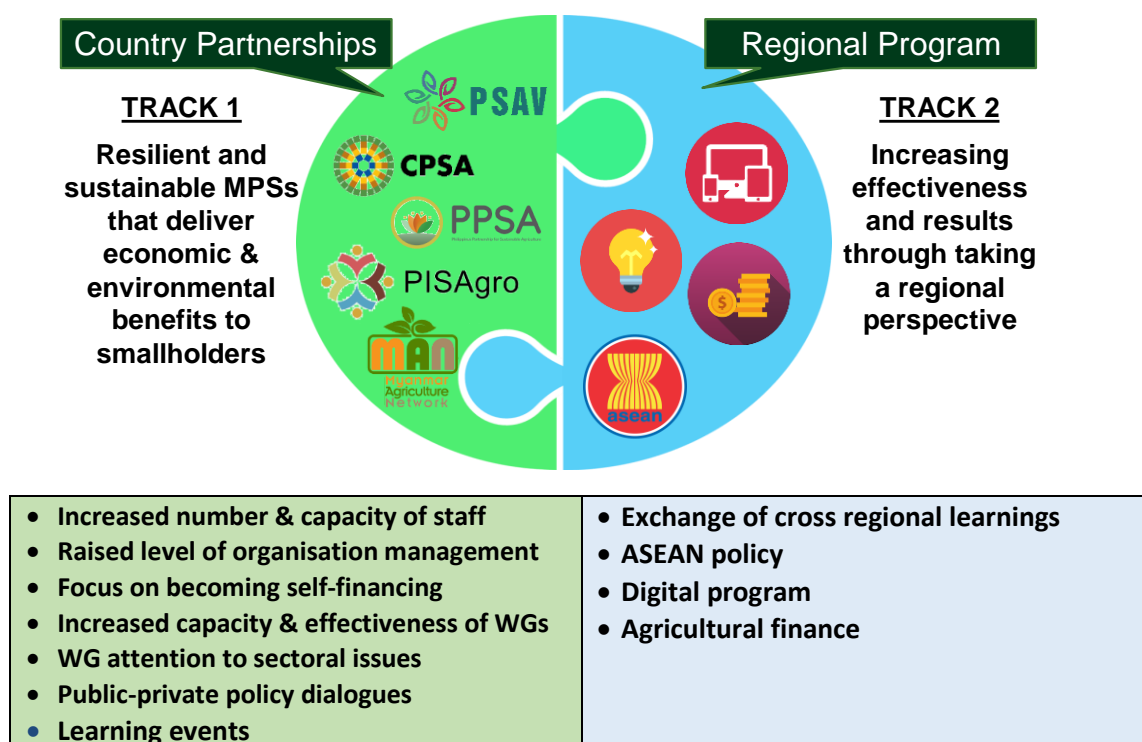


Grow Asia Forum 2018: Pre-Read for Governance Councils

Background and Key Facts

- In response to the world food crisis in 2008, the World Economic Forum at Davos in 2009 articulated a *New Vision for Agriculture* (NVA). The NVA created Grow Asia, with a goal to reach 10 million smallholder farmers, improving their productivity, profitability and environmental sustainability by 20% by 2020 – the “10:20:20” goal.
- Country Partnerships (CP) were initially formed in Vietnam and Indonesia, with oversight from WEF staff in New York. To provide more intensive support and direction, a regional Secretariat was established in Singapore in 2015, with three years of funding from Australia (DFAT) and Canada (GAC). Between 2015 and 2016, Grow Asia established new CPs in Myanmar, the Philippines and Cambodia.
- In Nov 2016, a new Executive Director was appointed, and Grow Asia pivoted from formation to functionality with a focus on results—especially results at scale. In the last round of Governance Council meetings in December 2017, a revised “Twin-Track” strategy was articulated and approved:

Grow Asia’s Twin-Track Strategy

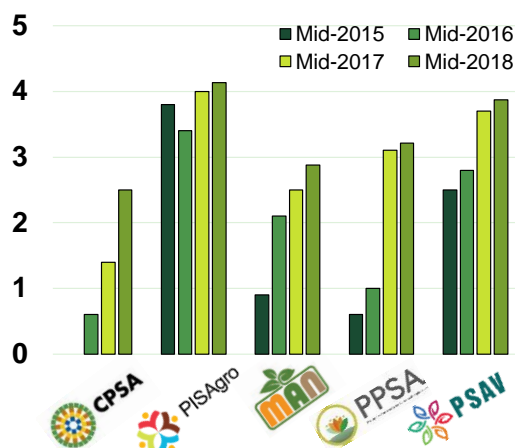


Report on Progress: Country Partnerships

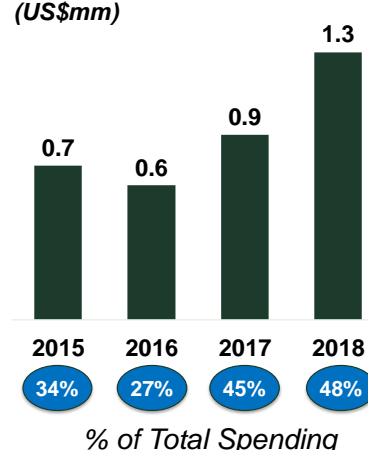
- The CPs have continued to become more effective and better organized to function as an on-going platform (see scorecard results next page). Our support for the CPs has significantly increased, in terms of both spending and the number of staff (which has doubled).

Increased Investments into CPs Yielding Results

Country Scorecards



Direct CP Spending (US\$mm)



- The number of partners has increased from 304 to 480 (+57%) over the last year. There are now 44 Working Groups (WGs), an increase from 37. A greater proportion of their projects are reaching the implementation stage (from 20% of WG projects to 27%).
- In 2017, Grow Asia's survey of the WGs revealed a correlation between WG quality and results. It also revealed significant variation in WG capacities¹. To become more effective, WGs thus need more support and guidance.
 - Grow Asia commissioned a study of WGs to identify success factors and codify good operational processes.
 - In 2018, instead of having just one regional Practitioners' Workshop, Grow Asia is delivering one in each country (4 out of 5 completed) and addressing more directly WG leaders' needs when chairing WGs.
- Grow Asia surveyed our stakeholders, who informed us of their priorities around learning, networking, identifying potential new partners, and influencing policy. Their definitions of the long-term success of Grow Asia's work can be summarised as: having in place strong and effective CPs, measured results and demonstration of success.

What are Partners Looking For?

Rank	Reasons for Joining	Quality of Support
1	Networking opportunities at a national and regional level	78%
2	Identify new project partners to create resilient and sustainable MSPs	74%
3	Influence on government policies and programs	66%
4	Joining communities of practice to support smallholder farmers	73%
5	Participation in country learning events	75%

¹ Marked out of 5, the range was 0.4 to 4.2, with an average of 2.2 out of 5.



Report on progress: Regional Program

- Assisted the ASEAN Secretariat in the development and public consultation of ASEAN Guidelines for Responsible Agricultural Investing. Grow Asia brought a team of global authorities and mobilized funding from SDC and the World Bank. The Guidelines are expected to be adopted by the ASEAN Ministers of Agriculture and Forestry in October
- Grow Asia started its Digital Program in response to consensus of stakeholders that digital technologies offer the distinct possibility of transforming positively the relationship between large-scale agribusiness and smallholders²
- Organized Digital Learning Series to create a regional community of practice. We delivered our first Hackathon in April and will launch an Agtech start up Accelerator (with MUFG and Yara) next month.

DFAT Mid Term Review

- In May, a three-person team from DFAT spent two weeks in the region reviewing the Grow Asia network’s activities. A summary of their recommendations and Grow Asia’s responses are set out below (a more detailed response can be found in Annex 1). Many of their recommendations are aligned with our direction and have encouraged us to be bolder in implementing our strategy.

Recommendations:	Grow Asia Actions:
Increase its support for individual CPs	Grow Asia has progressively increased its investment in the CPs since 2017.
Revise its Monitoring & Evaluation (which mentioned that the initial target of 10 million smallholders by 2020 was unrealistic)	Grow Asia has progressively finetuned its M&E system this since 2017. This includes embedding a CRM into the CPs to enable improved measurements & tracking of program development.
Increase local business composition in Grow Asia Governance councils	Changes to be made once the next round of funding is secured. Public dissemination of Governance Council minutes.
Likely reduced level of support for GA from DFAT and need for other donors	GA actively seeking alternative funding and donors support.

Expansion into Papua New Guinea (PNG)

- Grow Asia met the Prime Minister of PNG and his delegation at Davos 2018. PNG expressed a strong interest having Grow Asia expand to PNG to progress the

² Examples include (1) Traceability solutions to provide greater control over possible contamination of their raw material supplies, (2) Chatbots to facilitate communication on good agricultural practices with large number of smallholders, (3) Uber for famers to facilitate more efficient logistics e.g. reducing post-harvest loses, and better utilization of backhauls, (4) Digital credit scoring solutions to enable banks to better identify smallholders most likely to repay loans, and (5) Paying smallholders individually for quality with e-wallets.



Government's increased support for agricultural sectors. DFAT has supported the idea and indicated an interest in funding a CP. Grow Asia undertook a scoped study and will be prepare a full CP design in November and December.

- If the expansion goes ahead, it is envisaged that the PNG CP would be supported by Grow Asia Secretariat, especially during its start-up phase, with personnel selection and training, governance and operational processes. PNG would also take part in the broader network's regional learning events.

Future Funding

- Through prudent spending Grow Asia has stretched our existing funds from DFAT (Australia) and GAC (Canada) by an additional 12 months to mid-2019.
- Canada (GAC) has stepped back from being able to provide a second tranche of funding because of the political commitments made to support Africa and Womens' development, including taking over the USAID's global Maternal Health Portfolio.
- The priority now is to secure funding for the next three years (2019-2021). Grow Asia has been proactively searching for other donors, plus examining alternative solutions to the ongoing financing of the network.
- At the time of writing (September 2018), Grow Asia has communicated with 21 potential international donor organizations, submitted 4 costed proposals, and reached out to 7 Private Sector Foundations.
- We are exploring the possibilities of securing fees from some of the stakeholders involved in the network. Given that Grow Asia Secretariat's activities include a high measure of Public Goods, this is only likely to be a partial solution.
- We believe that the CPs will be largely self-financing by 2022, provided they can become more service-oriented institutions as exemplified by Track One.
- The intention is to have a donor round table conference in November, which will also be attended by WEF.
- We believe we will know by Jan 2019 the likelihood of future funding from DFAT.



Annex 1: DFAT Mid-Term Review and Grow Asia's Response (September 2018)

Recommendation	Grow Asia's Management Response
<p>The Regional Secretariat should clarify the purpose of the working groups (WG) and provide greater guidance on how to foster inclusive business initiatives.</p>	<p>Agreed and already being enacted through WG scorecards to measure and manage WG progress. GA also completed a study to codify best practices the WG, the learnings of which are a core element in the GA training and capacitating WG leads through country-based Practitioners Workshops, Secretariat staff training & the use of in-country consultants to support key WGs</p>
<p>Country Partnerships should be encouraged to accelerate the process of moving towards financial self-sufficiency.</p>	<p>Agreed, this has been an increasingly important part of GA program since 2017. Training in fund raising was also given at the Secretariat Workshop in early 2018. Indonesia is already self-funding. Programs are in place for raising fees from stakeholders in Philippines, Vietnams and Myanmar. Cambodia CP is too nascent to initiate this process at the present.</p>
<p>To enhance Grow Asia governance structures, the Regional Secretariat should:</p> <ul style="list-style-type: none"> • continue to advocate for representation by local companies and farmer representatives • increased transparency of all governance groups. Posting agendas and records of meeting on the GA website. 	<p>Agreed, immediately following the MTR mission, past minutes of Governance council meetings were posted on the GA Web site. The aim to increase the proportion of local companies and farmer organizations was articulated in the Track One strategy and targets set. Greater involvement of locally headquartered companies and organizations in the GA Business Council and Farmer Organizations in the GA Civil Society Council will become a focus of GA's work at the early phase of the next funding cycle.</p>
<p>Adjust the narrative on results, so that reporting better reflects the actual impact of Grow Asia's activities. For example:</p> <ul style="list-style-type: none"> • Avoid including in results that cannot be attributed to Grow Asia activities, structures or processes; • Report Grow Asia's <u>contribution</u> to results, • Where contribution or attribution cannot be demonstrated, be clear that these are not being claimed. 	<p>Agreed, GA will adjust our narrative on results, so that reporting better reflects the actual impact of Grow Asia's activities. We will track important decision points, actions, and activities. Elements of this refined program are the introduction of Customer Relationship Management (CRM) to enable the CPs to better manage WGs and their stakeholders. It will enable the systematic recording of decisions and actions. This will occur over the next 3 months. GA CP managers are tracking all GA WG and CP activities to be able to identify which evolve into deliver field results.</p>
<p>Grow Asia reporting should de-emphasize quantitative results, instead giving greater prominence to monitoring qualitative factors and partnership processes, over which the GA network have more influence:</p> <ul style="list-style-type: none"> • Building the capacity of country partnerships and working groups • Networking across the region and sharing knowledge; • Brokering and supporting multi-stakeholder partnerships, etc. 	<p>Agreed, GA has already put in place a system of scorecards to measure changes in the capacity of CPs and WGs. GA partner surveys have reflected the importance that they put on networking, learning, partnering and policy impact. This year is the second year that we have measures of the satisfaction level on these topics. More recently, GA has put in place a methodology for tracking the narrative of the multiple initiatives and the actions of WG/CP across the whole GA network.</p>
<p>Commission one or two rigorous evaluations/case studies of projects which have successfully piloted new business models that could be replicated on a commercial basis.</p>	<p>Agree and GA aims take this idea further. We already have completed 5 case studies of GA Value chains and have scheduled 2 more case studies for the last quarter of 2018. The intention is to distil from all 7 studies the key success factors for inclusion in next year's Practitioner & Secretariat trainings. Additionally, the digital program will be testing several technological solutions to promote more inclusive business models. E.g. new avenues for delivering working capital financing, digital solutions for communicating with large numbers of smallholders. The lessons from these pilots will be made public and disseminated to facilitate replication</p>



Should DFAT decide to continue to support Grow Asia beyond 2019, such support should reflect a more modest expectation of the impact of Grow Asia and focus on supporting the network's convening, brokering, knowledge management and capacity building functions. A reduced level of support would be commensurate with this approach.

Agree, GA welcomes DFAT lowering expectations on smallholder impact numbers. GA is taking a very proactive approach to interest other donors in supporting the GA network. At the time of writing (September 2018), GA has communicated with 21 potential international donor organizations, submitted 4 costed proposals, and reached out to 7 Private Sector Foundations. The intention is to have a Donor round table in November attended by WEF.