



**Food Security and the Rome-based Agencies
Washington DC Meeting, 03/21/2012
Meeting Minutes**

NOTE: To maintain confidentiality, Working Group member names are not recorded and discussion points are noted by bullet points. More information on this working group can be found here: http://www.cgdev.org/section/topics/food_and_agriculture/food_security

Session 1: Introductions and Opening Comments

The meeting moderator opened the meeting with a brief background on the goals of the Working Group and general timeline of the process. The Working Group looks to provide input to the three Rome-based agencies with regard to the big questions about collaboration, along with examining models of scorecards, to promote more accountability and enhance global food security. The first meeting will be a frank and open general discussion. CGD will then take that input and turn it into a draft by the end of summer that will be circulated to all members for comments before the second meetings. There was a brief discussion about success of past CGD Working Groups and a clarification that the audience for this work is both the agencies themselves and donors.

A discussion followed about the role of the Gates Foundation in food security and agriculture. They have been working in this field for many years, with a focus on Sub-Saharan Africa and South Asia. The Foundation is continuing to work with the Rome-based agencies, including R&D in the CGIAR system, the Purchase for Progress (P4P) program with WFP, data improvement with FAO, and is beginning a strategic partnership with IFAD. The goal is to see effective international food and agriculture agencies that can interface with national governments and other local partners. There is quite a bit of dysfunction with the agencies today. There are a number of reasons for this state of affairs, one being their history, for example the FAO was created in the 1940s and has not been able to transform itself to reflect the realities today. The goal of this group, however, is not to analyze each agency minutely but look at the broader questions of collaboration and coordination of the global food and agriculture system..

The issue of scorecards should also be a key point of discussion. The basic idea is for the global community to agree on a set of goals and then figure out how all the players fit-in and what the role of each agency is to achieve these goals.

One thing to note is that all members of this group are participating as individuals, not representing institutions. The group is an independent body examining these public institutions and follows the CGD model from Working Groups in global health and other areas.

A brief discussion followed these comments.

- This endeavor is extremely important, especially because collaboration is against the DNA of the agencies.
- This is an invitation to look at an ideal world; how might we design this from scratch today? How might we connect long-term goals with donor capacities?
- The issue of measurement is crucial, especially in designing scorecards.

- There is a lack of internal coordination because there is a lack of consolidated internal vision. Even P4P is not such a beautiful picture; great concept yet still doesn't coordinate well. The system is constrained by so many rigidities. The question is given these rigidities, how can we improve?
- Bill Gates' speech at IFAD received considerable traction in the agencies, in the media and among civil society groups. The media picked up on two key messages: the call for scorecards for agencies to measure their own performance and the call for a digital revolution in food and agriculture data. After the speech, Mr. Gates met with the heads of all three agencies. They all understood the need for reform and the challenge that entailed.
- We need to have a clear role for each agency before we can begin to talk about collaboration. Political economy and turf issues must be considered.
- We are operating in a very different world today with emerging and non-traditional donors.
- The issue of capacity building is important, even critical
- The danger is that so much work can go into scorecards which will be useless if we don't consider the politics with donors and agencies.
- People are in a different mindset today and are more aware of the challenges of food, fuel, and finance. The issue around governance is also important (i.e. in FAO one country one vote, in the WFP donors, particularly the US, have more say). Issue of incentives also central.
- What are the goals of the scorecards? Most current scorecards are produced by NGOs (i.e. Transparency International, Corruption Perspectives Index, etc) and the legitimacy may be debated. Others are used for policy like the Millennium Challenge Corporation.
- Ideally there are three types of scorecards: country level, agency level, and donors. There is a working group of the Committee on Food Security also meeting this week in Rome whose focus will be monitoring and how to decide country performance scorecards.
- Have to also consider what it actually looks like inside developing countries – who are the main players on the ground?

A member led a brief discussion about why we should focus on food security now. The majority of the action we're looking for is going to be implemented and designed at the country level. International agencies and even donors may not have that much influence. What many countries need are better data, modern technologies for data on crop production. Trade is also a key linkage; how do the Rome-based Agencies collaborate with the WTO? There is also the question of objectives on a country level as countries may prioritize self-sufficiency. For instance, the Indonesian Parliament is on the verge of passing a law that the country can only import food in case of emergency (as declared by Parliament). There is also a problem of capacity as we have lost a generation of agriculture researchers and we need well trained people to reform these agencies.

- CODEX is distinctly about trade but there is no collaboration with the WTO/Geneva.
- Human capacity issue is core to our discussion. These agencies face a huge aging problem.
- But because of the political nature of these agencies, they will try to hire based on geographic balancing which means the quality of the people that join these agencies may not be as good.
- Perhaps the talent from emerging donors will take their rightful place?
- Comparison to the World Bank – they have been better at managing quality and geographic disbursement of staff. The Bank doesn't have national quotas. There are favored nationalities and efforts to hire underrepresented populations; however nationality is never a determining factor in hiring.
- Trilateral cooperation is a very promising area to technology innovation, training, and capacity building.
- Why are there so few people at the World Bank who know agriculture? Because in the mid-1990s the Bank shifted from heavily centrally driven to country driven. Instead of very strong

technical departments the Bank shifted to country partners. It became essentially a demand-driven phenomenon as countries weren't interested to push agriculture.

- Demand perspective is exactly right; even students could tell that they wouldn't have a job in that area. Now there is a demand but no supply.
- FAO does run Junior Professionals Programs, but the reality is it will never have the desired capacity and the agency needs to become comfortable with contracting.
- There are other issues we have overlooked in discussing food security in the future. The reduction in greenhouse gas emissions and use of fuel means the cost of production increases. Agriculture in Asia will see a decreasing competitive advantage and small farms won't be able to compete if the cost of production is too high.
- Challenges that farmers in Asia face are not the same as challenges for small farmers in Africa.
- Mr. Gates' speech focused on productivity of small farmers. What does this mean for large scale commercial agriculture? Much of large-scale agriculture is non-food crops (rubber, cocoa, coffee, etc.). Food crops (rice, corn, cassava) tend to be small scale operations. Small farmers are very dependent on the market for food security; they will sell it all on harvest and then buy food back throughout the year. There is a limit to farm size-productivity limit.
- Issue with Mr. Gates' speech: how can we use satellites to determine the production of a small field in Java often under cloud cover?
- Organization of agriculture production: there is a limit to farm size-productivity limit. Can either protect farmers or look to see how small farms create a bigger structure – corporate farm, etc. Management can be separated from ownership.
- There is confusion about the need to target small farmers with policies to move them from small to medium to large production. That's the critical bottleneck of human capital.
- Managerial quality is very crucial to firm survival and growth and can have large impacts on productivity.

Session 2: Measuring Success - Scorecards and Goals (CGD staff)

This section was structured around brief presentations by staff at CGD on various types of indicators and scorecards.

CGD Senior Fellow David Roodman opened with a presentation of CGD's Commitment to Development Index. (more info: <http://www.cgdev.org/cdi>). The goal of this index is to rate and rank wealthy nations and show that helping developing countries is about more than foreign aid. It is a broad index like HDI and the goal is not to change policy but provide a view on the issue. The main audience is college students, people in development ministries or aid agencies, the media, and the general public. There are several lessons he has taken away from the process. Public learning is not be fatal and it helps to refine the Index. The device of ranking is what draws attention, although this Index is too broad to see many policy changes. It is crucial to have clarity about the purpose of the index. There will always be a tension between wanting to do things that reflect reality vs creating an index that is easy to understand. But at the top level of structure, things need to be simple and clear.

- Any changes in donor behavior as a result? Very few, although it has been part of the larger movement on aid quality.
- Focus is important – something like CGD's QuODA might have more potential for policy impacts? (http://www.cgdev.org/section/topics/aid_effectiveness/quoda)
- There is a nice contrast between Doing Business and the CDI. With Doing Business, Ministers can look at very specific policies that can be changed and they will see the impact on their score every year. Whereas the purpose of the CDI is to educate and serve as a public good.

- Gates Foundation has been funding a Doing Business in Agriculture pilot targeted toward policy people. Starting with 10 countries and doing all the data collection (which means it is expensive and intensive). Potentially this is something that FAO should be doing?

Casey Dunning and Owen McCarthy then presented on the Millennium Challenge Corporation (<http://www.mcc.gov/>), a US foreign aid agency that has an eligibility process based on performance across policy indicators. There are 20 indicators in three groups: governance, health and education, and economic regulation (all based on publically available data sources). Each indicator has a threshold, for most it is the median. To be eligible for a MCC compact, a country must pass 10 indicators and at least 1 in each category. There are two hard hurdles that every country has to pass: democratic rights (civil liberties or political rights indicator) and control of corruption. The MCC board then uses these scorecards to allocate aid. Individual countries do use their scores as a tool for policy reform because all indicators can be impacted by policy. Yet the median moves so the pass/fail threshold may not always reflect individual country policy changes.

- Political nature? Yes, money is allocated based on politics as well as a nebulous “potential for growth” indicator when the board is deciding which countries that pass will get a compact.
- Quality of data is still a concern as many are subjective and there is plenty of room for error.
- MCC is a great indicator of how hard it is to allocate money based on data and scorecards. Yet it does do a better job of allocation than USAID.
- MCC takes developing countries in blocs and many indicators are income sensitive within the blocs. Scores are thus endogenous to income and will penalize fragile states.

Ross Thuotte then presented on CGD’s Millennium Development Goals (MDGs) Progress Index. (http://www.cgdev.org/section/topics/poverty/mdg_scorecards) developed by Ben Leo. The goal of these scorecards is to write a more complete narrative on MDG progress. They include every country and calculate progress on 8 core MDG targets. The methodology is simple: there are only two data points (earliest and most recent) and they calculate the rate of change needed to reach the MDG target. They are then color coded based on whether the country is on track to meet the goal (Green), potentially able to meet the goal (Yellow), or far from meeting the goal (Red). Main messages are the benefit in simplicity, the value in comprehensive coverage (all countries are included), and it is easily updatable for a very low cost.

- All data is from the World Bank’s World Development Indicators – why didn’t you just go straight to the data source? There were inconsistencies on a range of different sources and data revisions. They chose to use just one consolidated source.
- Benefit is how easily understandable it is – could be understood by a US senator.
- They didn’t want to focus on overall rankings, scorecards are more useful
- Quality of data is still an issue. And there was no discussion of goal posts or how to measure global poverty data (ie change from \$1 to \$1.25 per day).
- Do you do aggregates, for example how is Africa as a whole? Or what is global progress? Might be some benefit to use this methodology to calculate broader regional aggregates.

Session 3: Matching Core Competence to Country Demand Across the Rome-Based Agencies

The issue of collaboration across the agencies continued to be discussed

- There are two policy committees where there is some example of collaboration. In 2007/8 the High Level Task Force on Global Food Security was created and continues to meet at the chief

executive board level. The Committee on Food Security is an active group that meets annually and has expanded representation to include NGOs, civil society, Foundations.

- Several suggestions for reform efforts include: participate in collaborative procurement, improve efficiencies and effectiveness in the basics of doing business (i.e. issues like HR policy), or joint evaluations between WFP and FAO Donors are looking for leverage to force reform. Have regular IFAD replenishments been used to promote collaboration?

Ideas for scorecards at the country, agency, and donor level were also further discussed.

- Several initial ideas of value chain mapping and scorecards were presented at both the agency and ministries of agriculture level.
- Scorecards should have two components – focus and efficiency. There should be productivity targets to hold agencies accountable to. Could compare to IDA performance results measurement framework?

This session concluded with a brief discussion about managing large and small countries and the overlap with trade. The strength of FAO is providing global public goods and standard setting (CODEX). With trade, a main issue is the size of regional markets. One of the core functions of WTO is to protect small countries from the large and powerful.

Session 4: Productivity Goals

A member led a discussion about productivity goals. How does one measure productivity? It is relatively simple in a mono-crop situation when all you're concerned about is increasing yields, but becomes much more complicated in a multi-crop, multi-yield environment. We have to think very specifically about what we want to measure and must be aware of unintended consequences or policy implications (teachers will teach to the test). Maybe improving poverty doesn't mean increasing agriculture yields? Maybe it means getting jobs for farmers in the non-agricultural sector? We shouldn't focus scorecards too narrowly on agriculture productivity targets per country.

A member briefly reflected on the Millennium Development Goals (MDGs) and what we can learn from those global targets. They have been very successful at focusing the spotlight on development and have framed the discussion. They are simple and straightforward – one sentence and a number. The downside is how they have been applied. No concrete starting point to measure progress; 1990s was randomly picked. Africa started out at a much more difficult place to meet the MDGs. They may be making progress but it's from \$0.60 a day, not \$1.20. If there is a second set of MDGs, middle income countries may just ignore the entire process.

- Main lessons are that MDGs are simple, understandable, and numerical.
- Also were hugely beneficial because governments took notice of them and there was a large press focus.
- In developing a set of goals in this group, we must think about what agriculture's ultimate purpose in society is. It serves many purposes: trade, nutrition, economic growth, etc. Can't just use a goal like 10% of value of budget devoted to agriculture because that's more of an indicator, not an ultimate goal.
- The question of rating agricultural ministries is very difficult because there are so many process questions. Same issues that one sees in the World Bank's CPIA scores. Just looking at the trends in yields may not tell you much about the agriculture ministries. Perhaps the main targets are the ministries of finance and parliament; scorecards can be a point of leverage for the ministries of agriculture?

- The MDGs gave developing countries an idea of how to prioritize, which is certainly an issue with the Rome-based Agencies and agriculture ministries. Perhaps this exercise can help them prioritize? Huge benefit to making scorecards empowering, rather than judgmental and only critical.
- It would be useful for this group to set broad principles for scorecards. Focusing on agencies and donor country scorecards may be especially useful.

The meeting concluded with a brief discussion about how to move forward. The technical team at CGD will work to catalogue the available data and develop some potential models for scorecards along with drafting the report. Several smaller meetings or teleconferences may be scheduled with the members of the group before the meeting in Italy in September.