



GMS Working Group on Agriculture 13th Annual Meeting

28-29 July 2016
Da Nang, Viet Nam

Summary of Proceedings

Introduction

1. The 13th Annual Meeting of the Greater Mekong Subregion (GMS) Working Group on Agriculture (WGA AM-13), held on 28-29 July 2016 in Da Nang, Viet Nam, was chaired by Mr. Vu Van Minh, Deputy Director General, International Cooperation Department, Ministry of Agriculture and Rural Development (MARD), Viet Nam, in sessions 1 and 2; and by Mr. Pavit Ramachandran, Senior Environment Specialist, Environment, Natural Resources, and Agriculture Division, Southeast Asia Department, Asian Development Bank (ADB) in sessions 3 and 4. The meeting was attended by representatives from the agriculture ministries of Cambodia, the People's Republic of China (PRC), the Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam; the GMS National Secretariats; co-financing and development partners; ADB; experts of NIRAS Finland Oy and Agrifood Consulting International, consulting firm engaged to manage the Core Agriculture Support Program Phase II (CASP2); and other WGA Secretariat staff. The list of participants is in [Appendix 1](#).

2. The meeting (i) reported on the highlights of CASP2 achievements and key results in 2015; (ii) presented the findings of the Midterm Review (MTR) of the regional technical assistance (TA 8163) supporting CASP2 implementation and provided strategic directions from the MTR; (iii) presented the updated work plan and program priorities for 2016-2017; and (iv) updated on upcoming GMS Program events and their implications and links to CASP2 work. The technical working sessions on day 2 (i) presented, discussed, and sought WGA guidance on the development of a Strategy for promoting safe and environment-friendly agro-based value chain investments in the GMS; (ii) validated preliminary diagnostic on the Agriculture Information Network Service (AINS) and identified key service priorities for the WGA information system; and (iii) took stock of the existing monitoring and evaluation (M&E) practice and discussed how to further improve its design and strengthen the indicators in the TA design and monitoring framework (DMF). The program of WGA AM-13 is attached as [Appendix 2](#).

Opening Session

3. In his welcome and opening remarks, Mr. Vu Van Minh welcomed the participants to the beautiful city of Da Nang and expressed his appreciation to the Government of Sweden, the Nordic Development Fund, and Water Financing Partnership Facility for their financial support to TA 8163 and CASP2, and to ADB for its guidance and coordination in the implementation of the program. This meeting was held at an opportune time when the countries are wrapping up the implementation of their first round of letters of agreement (LOAs) and preparations for various GMS events, including the 8th GMS Economic Corridors Forum, 21st GMS Ministerial Conference, and the 6th GMS Leaders' Summit, are being made. The meeting aimed to update on the progress of the TA activities to date, discuss ways forward and how to further integrate CASP2 with the GMS Program and increase collaboration with other sector working groups. Mr. Minh shared that Viet Nam is faced with some serious challenges in the agriculture sector this year as the country was hit by the worst drought in nearly a century. It has been reported that the Mekong River is at its lowest level since 1926. It is the first in a long time that the sector recorded negative growth of 0.18 percent during the first half of the year. Neighboring countries such as

Cambodia, Lao PDR, Myanmar, and Thailand have also been experiencing water shortages as a result of the weather phenomenon. This would affect poverty reduction and other sustainable development goals of the subregion and the countries are truly grateful for the support from the development partners particularly on assistance related to mitigation measures and contribution to the development of the subregion. He is looking forward to two days of productive learning and sharing of experiences to further strengthen GMS regional cooperation in agriculture.

4. Mr. Pavit Ramachandran started off by reminding participants of CASP 2's vision for the GMS to be recognized as the leading producer of safe food, using climate-friendly agricultural practices and integrated into global markets through regional economic corridors. The WGA with support from the development partners is tasked to ensure the realization of this vision by 2020. This is a tall order because it means developing fairly distinctive features for the bedrock of GMS' competitive advantage: (i) a shift from the traditional paradigm of just being competitive in the production of agri-based products to one of producing safe and environment friendly agriculture products (SEAP); and (ii) the supply base of SEAP is not the individual countries but one subregional cluster called the GMS. The structural transformation towards a sustainable and inclusive agro-industrialization requires that the supply base of the GMS will need to be environment friendly and climate resilient, market driven, and inclusive. It was agreed in the last WGA meeting in Bangkok that the best way of supplying GMS' SEAP is to view the production base in the context of an agri-based value chain system with the GMS as the spatial base for these agri-based products. The key topics/issues for discussion during the two-day meeting are the lessons learned from the LOAs and memorandum of understanding (MOUs), the findings and recommendations of the MTR, the handover of TA management to the firm (NIRAS Finland Oy and Agrifood Consulting International), agriculture in the context of the GMS Regional Investment Framework, and the development of a Strategy for promoting safe and environment friendly agro-based value chain investments in GMS as the sector deliverable at the 21st GMS Ministerial Conference in November/December 2016.

5. Country heads of delegation were asked to deliver their opening remarks. H. E. Mr. San Vanty, Under Secretary of State, Ministry of Agriculture, Forestry, and Fisheries (MAFF), Cambodia, thanked the host for their hospitality and the smooth arrangements for the meeting and gave special credit to the donor partners for their continued support to the program. He suggested some changes on the format of the technical working sessions on day 2 and pointed out that though small breakout groups generate a lot of ideas, the topics for discussion are very crucial to the program and its future that a plenary discussion would be more appropriate. The PRC's Mr. Ye Anping, Division Director of the Department of International Cooperation, Ministry of Agriculture (MOA), proposed that the WGA should consider holding an Agriculture Ministers' Meeting next year to seek guidance on the strategy formulation and directions for the next phase of CASP. Mr. Chanthaneth Simahano, Deputy Director General, Department of Planning and Cooperation, Lao PDR's Ministry of Agriculture and Forestry (MAF), shared how various activities under TA 8163 align with the country's Agriculture Development Strategy and National Social and Economic Development Plan. Throughout the decade of GMS cooperation on agriculture, Lao PDR has gained tangible benefits and hope that all development partners, including ADB, would continue their support. Mr. Soe Win, Director of the Department of Agriculture, Ministry of Agriculture, Livestock, and Irrigation (MOALI), Myanmar, expressed his pleasure in meeting the WGA country representatives, the ADB, and other development partners as this is his first participation in the WGA meeting since his recent appointment to lead the implementation of the Green Water Management (GWM) activities under the TA. He is looking forward to more collaboration opportunities with CASP2 stakeholders in Myanmar and in the subregion. Thailand's Dr. Wimolporn Thitisak, Inspector General from the Ministry of Agriculture and Cooperatives (MOAC), thanked the host and development partners and welcomed the new TA management team, NIRAS Finland Oy and Agrifood Consulting International. She highlighted the importance of the agriculture sector in economic growth and survival of the nation. The farmers

face many challenges including irregular rainfall, chronic drought, deforestation and wildfire and they should learn to adapt to sudden changes and utilize advance technologies where available to improve productivity and access to markets. She concluded her statement with a call to the countries to share and learn from each other in order to overcome the challenges more effectively and work together toward the realization of CASP2 vision.

Session 1: Highlights of the GMS CASP2 Implementation Progress

6. Dr. Apichai Thirathon from the WGA Secretariat (WGA-S) gave a brief introduction of CASP2's structure, its vision, and three strategic pillars. As three of the four TAs under CASP2 has already been completed in 2015, the presentation only focused on the remaining TA 8163. He highlighted notable progress in 2015 including successful LOA and MOU activities implemented under the TA. The WGA-S organized a series of regional events; enhanced collaboration with the private sector, government line ministries, other GMS sector working groups such as environment and human resources; and also started collaboration with development partners such as GIZ. Other progress made are the revision of the CASP2 Results Framework, the conduct of the TA 8163 MTR, and the conceptualization of a value chain development strategy for products using climate friendly agriculture practices. Key milestones under each of the three CASP2 pillars included the successful establishment of 162 demonstration farms and 12 participatory guarantee system (PGS) pilot sites in GMS countries through the LOAs, organization of awareness raising and capacity building events reaching over 6,000 persons, among which 35% were women, as well as production of over 32 knowledge products and facilitation for 13 business operators using climate friendly agriculture (CFA) practices to participate in international trade fairs. He mentioned some cross-cutting policy development and advocacy impact in areas such as reducing greenhouse gas (GHG) emission and enhancing cooperation through GMS economic corridors. PGS had been officially recognized as one of the certification methods in Lao PDR and Thailand had incorporated PGS into its 12th National Social and Economic Development Plan. In addition, he reported the financial status of the TA and pointed out the need for fast tracking TA implementation to be able to achieve its intended outcome and impact. His presentation is attached as [Appendix 3](#).

7. All six countries reported on their country highlights in 2015 following these guide questions: (i) What are the major outcomes or outputs arising in 2015 from program implementation? (ii) What are the lessons learned from previous year that are being applied to the current year (program implementation issues)? and (iii) What are your key priorities for 2016?

8. Dr. Prum Somany, Deputy Director of the Department of International Cooperation, MAFF, and National Secretariat Support Unit (NSSU) Manager from Cambodia summarized 5 main outcomes: (i) increased adaptation of CFA practices by farmers and high participation rate of women (around 40%); (ii) farmers' income remarkably increased by around 30%; (iii) reduced usage of chemical fertilizers and pesticide by around 40% among targeted farmers; (iv) enhanced market access for environmental friendly agriculture products through partnership with private sector through the LOA and MOUs; and (v) supported existing policies on GAP, contract farming and new fish paste standard. Some lessons learned: (i) MOA needs to play a full role in monitoring implementation, enhancing technical capacity and market access; (ii) best practice needs to be transferred to farmers through technical demonstration so as to change their behavior; (iii) market linkage is key to sustain demonstration and income generation; (iv) women farmers have been empowered to manage product sales and household assets. As to issues and challenges, he identified delay in fund disbursement, short project life of the LOA, difficulty in engaging the private sector, and weak M&E system. The key priorities for 2016 are: increasing farmers' capacity for using CFA practices and market access, piloting PGS, promoting nitrogen use efficiency (NUE) and efficient use of water, and completing LOA implementation. A copy of the presentation is provided in [Appendix 4](#).

9. Ms. Zhang Bin, Programme Officer, Asian Cooperation Division, Foreign Economic Cooperation Centre from PRC's MOA summarized 4 major outcomes arising in 2015 from TA outputs: (i) increased government ownership as a result of good management by the NSSU, stronger engagement of stakeholders and well established MOA-WGA cooperation mechanism built; (ii) CASP2 aligned more closely with PRC's agriculture policies and regional cooperation strategies as a result of increased adoption of CFA practices and promotion of cross border agricultural trade; (iii) established public private partnership (PPP) in LOA and MOU activities led to more interlinked activities for upscaling and enhancing future sustainability; and (iv) CASP2 contributing to gender responsive poverty reduction in PRC as a result of training of farmers, establishing demonstration farms, and increasing market access. Women participation in field trainings under the LOA and MOU surpassed 60%, and the area of demonstration site reached over 1,000 hectares. Among the key lessons learned in 2015 that are being applied to the current year are: the full engagement of MOA, streamlining of project administration, and increased engagement of the private sector in CASP2 activities. Four priorities in 2016 include: (i) improving GMS dialogue on critical issues such control of cross border livestock movement and animal diseases; (ii) increasing adoption of safe and environment friendly agricultural production practices and integration of TA activities to the GMS Regional Investment Framework (RIF); (iii) promoting PPP and encouraging Chinese agri-businesses to participate in regional agricultural cooperation; and (iv) continue increasing farmers' income through technological transfer and increased market assess. Her full presentation is in [Appendix 5](#).

10. Mr. Inthadom Akkharath, Director of Economic Integration Division, Department of Planning and Cooperation, MAF, delivered the country report on behalf of Lao PDR. He highlighted the successful establishment of the PGS system in the country, training about 50 extension staff in 3 provinces and over 120 farmers on PGS management, regulated PGS farm inspection and assurance standards, and formulated 3 PGS operation groups. The increased adoption of gender-responsive and climate-friendly agriculture practices reduced chemical usage on vegetables by around 40% and increased vegetable yield by 10–15% with the training of 100 farmers, 20 extension staff and 10 village soil doctors and establishment of green houses and organization of farmer groups to produce organic fertilizers. Some of the most notable lessons for Lao PDR are: to continue the NSSU's diligent and prompt implementation of TA activities; enhance capacity building at the central, provincial, and district/village levels; align LOA financial and procurement arrangement with the Ministry of Finance decree; and recognize stronger country ownership of TA activities led by the NSSU for future upscaling and sustainability of the project. Among the issues and challenges encountered are: delays in reporting; lack of M&E and capacity building activities; less established agreements with the private sector; and limited budget for NSSU operation. He suggested conducting consultative meetings with the National Coordinator (NC) and National Focal Point (NFP) to enhance cooperation and urged the WGA-S to give the countries four week notice for event participation to account for approval process and improve organization efficiency. Finally, he identified the priorities for 2016 to include implementation of GWM and NUE activities, training of trainers on CFA practices, continuing support for technical and extension officers and further improvement of NSSU administration. [Appendix 6](#) provides more details on the presentation.

11. Ms. Khin Zar Kyaw, Deputy Staff Officer, Department of Agriculture, MOALI, presented Myanmar's accomplishments during 2015 and shared significant progress on outputs 1,3, and 5. Seventy-five percent of LOA activities have been completed training more than 1,500 farmers and established 115 pilot farms, and reducing the burning of crop residue by around 8,000 metric tons through CFA practices. Overall, CASP2 is very much in line with Myanmar's agriculture sector development and safe food security and nutrition priorities. The key priorities for 2016 are: (i) development of PGS and promotion of SEAP; (ii) enhanced market linkages for smallholders; (iii) increased participation in international trade fairs; and (iv) implementation of GWM activities. More details of her presentation are provided in [Appendix 7](#).

12. Ms. Saowarop Panyacheewin, National Secretariat Specialist (NSS) presented Thailand's achievements in 2015. PGS pilot sites are in 5 provinces and these significantly contributed to the empowerment of farmers and grassroots democracy. Thailand's Land Development Department under MOAC organized training of trainers on CFA practices for GMS countries. The training covered technical knowledge, practical hands-on farm based experience and training techniques for the trainers to bring back knowledge to their respective countries. Ten master trainers from each country participated in the training, totaling 60. Other regional focused activities include the agribusiness model pilot study of Sai Yai Organic Cooperative and the electronic traceability in Thailand with regards to resources and experience sharing. Key lessons learned include: cost reduction, health and environment are cited as motivating factors by farmers adopting PGS. With regard to gender issue, half of PGS members are women and many of them are group leaders. PGS is more than just a certification system, it is a tool for empowerment. As in any successful community development project, leadership and commitment are important ingredients for sustainability. Multisector integration is another key element, for instance, the Ministry of Commerce plays an important role in enhancing market linkages. The main priorities and outlook for 2016 include: the setting up of PGS learning center, market linkage (through MOU) with modern trade operators such as Tops Supermarket. The promotion of PGS is now included in the draft of the National Economic and Social Development Plan under agriculture sector development. The next step is to ensure an action plan is prepared at the operational level. The Agricultural Land Reform Office commended the Sai Yai Organic Agribusiness model with high potential for upscaling in order to cover larger area and groups of farmers. Thailand looks forward to support and play a crucial role in the regional quality assurance and trade of SEAP in the GMS. The full presentation is attached as [Appendix 8](#).

13. Mr. Nguyen Thanh Dam, Head of Multilateral Cooperation Division, International Cooperation Department, MARD highlighted the following achievements: establishment of the NSSU in early 2015 and implementation progress of 8 activities all in line with Viet Nam's development strategies such as the Master Plan for Agricultural Production Development through 2020 with a vision toward 2030 and the Agriculture Restructuring Plan 2016-2020, given the activities' strong focus on CFA, food hygiene and safety, and sustainable development. The country also saw notable progress in the reduction of chemical use, promotion of agricultural residues and biochar; introduction and promotion of ICT traceability for chicken value chain; insecticide pest management training of trainers; and promotion of trade of safe food products using CFA practices. The LOA mechanism fostered high country ownership of the TA activities. From Viet Nam's experience, it is important to link activities with government programs to have higher potential for sustainability beyond completion as this will facilitate solicitation of country buy in and commitment. The challenges arose from the limited use of results from regional level activities and lack of information for technical and financial planning; a more participatory approach is required. Key priorities in 2016 are: extension of the first round of LOA to September 2016; approval and kick off of the GWM proposal in the second round of LOA; and implementation of an M&E system to better monitor delivery of outputs. His presentation is in [Appendix 9](#).

Statement from Co-financing Partners

14. Mr. Kriangkrai Thitimakorn from the Embassy of Sweden in Bangkok delivered a joint statement with the Nordic Development Fund (see [Appendix 10](#) for the full statement). The co-financing partners acknowledged the importance and continued relevance of CASP in the GMS and commended its efforts to promote CFA practices, facilitate agribusiness investment by improving market access and competitiveness, and contribute to the improvement of the environment, poverty alleviation, and gender equality in the subregion. They urged the WGA-S to work closely with the countries and donors in addressing the issues pointed out by the MTR and for the new team to be guided by the MTR recommendations in moving the program forward.

15. A number of key points and specific actions based on the 2015 CASP2 Annual Progress Report and MTR findings were emphasized and/or raised in the statement which requires a written management response within a month. Among the key points are: (i) for the new management team to fast track implementation of activities under the close supervision of ADB; (ii) the ADB to present a plan on how the necessary changes will be implemented according to the MTR recommendations, including timelines; (iii) the need to develop and implement a results based gender sensitive M&E framework with more relevant indicators that will closely monitor how poverty reduction, social inclusion, and gender equality can be captured in the CASP2 results; (iv) what can be done to scale up and widen the adoption of CFA practices in the region, noting that climate change and environmental concerns must be dealt with in order to ensure the sustainable development of agriculture in the subregion; (v) incorporation of risk management into the management firm's plan; (vi) ensuring that finalized studies will be followed by an assessment of policy issues in order to contribute to policy development; and (vii) to make institutionalization and transition of results and activities an integrated part of the TA's final year of implementation to ensure program sustainability and smooth transition beyond 2017.

Discussion

16. Mr. Ramachandran thanked the countries for their comprehensive reports and the NSSs for playing a critical role in the implementation of the LOAs. He acknowledged the successful conduct of demonstration pilots and highlighted directions for the TA to move forward including linking the project with national and regional policies, accelerating implementation and speeding up of disbursement and procurement at country levels. He urged the new management firm to closely monitor project implementation and make proactive efforts to move activities forward. He also appreciated the key points raised by the donors in their joint statement on how to improve the TA implementation.

17. H.E. Mr. San Vanty agreed that the LOA modality is very useful and stressed the need to scale up successful projects. He also pointed out that projects started by ADB do not necessarily require funding of follow up activities to come from ADB. He further suggested that countries could develop concept note and mobilize other resources to sustain the project such as through loans. It takes a longer timeframe to be able to fully understand the impact of current LOA activities. Mr. San Vanty emphasized the importance of consulting with relevant ministries such as the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) of the PRC on issues of promoting trade and food safety. Currently, the MOA has been providing capacity building in these areas, but since sanitary and phyto-sanitary (SPS) standards and procedures fall within the responsibility of AQSIQ, they should be invited to join relevant WGA consultations. Mr. Ramachandran commented that both points are well made and echoed the need to involve quarantine ministries. He shared that ADB has already been doing trainings on SPS procedures and facilitating trade in the region.

18. Mr. Ye Anping expressed appreciation to all the countries for making excellent reports which enabled delegates to better understand progress of CASP2 in its entirety. He highlighted LOA, farmers' training, women participation, market access, private sector, food safety and quality as key words of these reports. He pointed out that PRC has completed all 5 LOA activities and preparing to submit the final reports. He especially highlighted the PRC's achievement in conducting trainings to over 5,000 farmers and improving their awareness and skills on CFA production. He agreed with Cambodia on the need to invite representatives from AQSIQ to join consultations on trade facilitation. He mentioned that PRC has invited all ASEAN countries to a ministerial meeting to be held in September 2016 in Nanning, where relevant ministries including AQSIQ will participate. In the same event, MOA will also organize an Agricultural Forum in which issues on regional agricultural cooperation and quarantine could be discussed. Finally, he pointed out two common issues on the implementation of the TA: (i) difficulty of implementing a regional project in 6 different countries. He suggested ADB and international experts to have more

consultations with countries and to make practices more flexible as countries are at different levels of economic development; and (ii) delays in procurement. SIDA had mentioned the gap between donors and countries, so he suggested that ADB, donors and countries need to sit together, discuss issues, and find out mutually acceptable solutions, and this could be precedent for a regular communication mechanism. Mr. Ramachandran agreed that Mr. Ye's last point was very important and noted the need to organize a GMS Agriculture Ministers' Meeting next year which was mentioned in Mr. Ye's opening statement.

19. Mr. Chanthaneth Simahano again highlighted the importance of LOA activities, addressing food security issues, and efficient use of biomass. He also stressed the need to enhance capacity building on use of CFA practices in Lao PDR at both central and district levels.

20. Mr. Soe Win acknowledged the importance of accelerating the implementation of TA activities and pointed out the difficulty encountered by Myanmar due to lack of a good system to develop CFA production and certify CFA products. He urged ADB and the new management team to continue with the implementation of pending activities so as to realize the TA outcome and ultimately the vision of CASP2.

21. Dr. Wimolporn Thitisak highlighted that the LOA was successful because it reflected real needs of the countries. She pointed out the urgency to accelerate the implementation process, improve efficiency in procurement according to ADB policies and have clearer guidance from ADB and the management team on project implementation. She also suggested expanding collaboration with other sectors such as environment and ICT.

22. Mr. Nguyen Thanh Dam agreed with Cambodia that the time is too short to evaluate the impact of LOA activities. He highlighted the limited size of funding support and low disbursement rate of TA funds, and suggested to have follow-up activities for the first round of LOA, such as those on GWM. Mr. Ramachandran clarified that the report on financial status was as of the end of 2015. During the last 6 months, there has been more progress in TA fund disbursement which was not reflected in the presentation. He thanked all countries for their comments and feedback and closed the session.

Session 2: Assessment of CASP2

23. In his presentation, Mr. Pavit Ramachandran outlined CASP2's strategic directions in terms of reprioritizing the TA outputs and strengthening systems post MTR. The MTR was undertaken to: (i) assess the accomplishments of TA implementation in terms of its output vis-à-vis the CASP2 vision and the DMF; (ii) identify the opportunities, limitations and constraints, as well as the risks and challenges in TA administration; (iii) provide recommendations in improving the technical and operational management of the TA so as to facilitate the achievement of the TA's outcome and impact; and (iv) update the DMF of the TA where restructuring or reformulation is necessary and align the work plan to deliver the results as proposed by the MTR findings. The assessment was conducted at 3 levels: first, in terms of technical management; the second, in relation to the DMF; and third, in terms of its operational management. On technical assessment, the TA was commended for using the LOA modality in strengthening the ownership of government implementing agencies and the MOUs for expanding private sector engagement in the promotion of CFA products. Overall effectiveness in achieving the targeted objectives of the 5 TA outputs is hindered by the large number of activities and sub-activities. LOA and MOU initiatives have worked very well and there have also been successful demonstration models on the ground. There is a need to scale up these initiatives and strengthen capacity building efforts and work programs should be closely aligned with national plans. A concentration approach to focus efforts on a few but well targeted activities, a good implementation structure, and intensified technical and in-country support is also needed. On the gaps in the DMF, there was apparent disconnect between activities/outputs and outcomes; a weak emphasis on policy formulation and

advocacy as a means to expand subregional agro-economic cluster that produces SEAP; and a lack of strategy for dissemination of lessons generated from LOA activities. An urgent action to establish a robust M&E system linked to the DMF indicators is recommended. On operational management, the assessment identified weaknesses in program management systems which stalled delivery of activities and outputs; need to harness the effectiveness of the NSSU-WGA organization structure as a vehicle to jumpstart the process of cross-sectoral coordination of key government ministries in furthering the development of agro-food value chains.

24. Overall, the TA is well on track to be relevant especially if there is increased country level participation in the planning of activities to reflect diverse local landscapes, at the same time addressing regional agricultural issues. Being firmly grounded within the GMS Program, there is a strong potential for the TA to be sustainable provided: a sustainability strategy to take forward LOA results is developed; agriculture ministries are committed to utilize the LOA findings in their extension and capacity-building programs; and the WGA-S analyzes and uses the TA findings to inform and develop policies aligned with CASP2 objectives, and secure country buy-in for regional activities. The presentation on the MTR recommendations and next steps are provided in [Appendix 11](#).

Session 3: CASP2—Moving Forward

25. Dr. Lourdes Adriano, CASP2 Team Leader, presented NIRAS' proposed approach in moving CASP2 forward through TA 8163. She provided a brief context of the current status of TA implementation, where it should go and how to get there, and what the firm will deliver during the remaining period before TA completion. There was emphasis on the need to fast forward and focus on clear achievable deliverables while remaining ambitious. The firm's work plan for 2016-2017 is in line with the MTR-recommended priorities. With the use of the concentration approach, the new TA team will ensure that refocused TA activities deliver findings and lessons that promote policy development and wider application in the GMS countries to achieve enhanced market access for environmentally friendly agri-food products. Dr. Adriano also pointed out the merits of raising the profile of the WGA at the GMS and ASEAN levels and reviewing MOUs with private sector to ensure that both ADB and other partners recognize and optimize the benefits of the collaboration. Her full presentation is in [Appendix 12](#).

Responses from the GMS Country Representatives (covering sessions 2 and 3)

26. Mr. San Vanty pointed out the importance of scaling up pilot projects from successful LOA initiatives, aligning or harmonizing national and GMS-level deliverables, and focusing on long-term sustainability of CASP2. He expressed concerns about deprioritizing some activities formerly earmarked for the TA. He raised the need to clarify "balance between regional and national priorities" as in his opinion, the WGA and GMS should be about harmonizing these two. He also asked for clarification on which objectives are being targeted—TA's or CASP2's. Mr. Ramachandran welcomed Cambodia's suggestion and agreed to look for opportunities to upscale existing pilots instead of focusing on deprioritization. On the issue of TA versus CASP2 outcome, it was explained that the TA is an intermediate step leading towards the CASP2 outcome. The CASP2 TA team leader explained that a paradigm shift and institutional changes are needed to find the right balance between the country's production focus and the GMS' regional focus to become an agricultural hub for SEAP. She also added that the focus of LOAs for the remaining period will be on market access and integration of SEAP into global market.

27. Mr. Ye Anping endorsed the new direction taken by the TA and expressed four suggestions to pursue in light of the MTR: (i) promote safe environment-friendly agriculture production in relation to increased farmers' income and safe agri-food production; (ii) continue with the use of LOA to improve sustainable development, raise farmers' income and improve

market linkages; (iii) encourage private companies' involvement in the field of organic agriculture, with ADB promoting cross-country business collaboration in the GMS and supplying relevant investments through the RIF; and (iv) intensify work on transboundary animal disease control, for which PRC is willing to provide expertise and collaborate with GMS countries. Mr. Ramachandran acknowledged PRC's endorsement of the "concentration" approach to be followed by the new team and expressed his agreement on the importance of mobilizing the private sector. MOUs can be used as a mechanism to pursue partnership with the private sector in the future.

28. Mr. Inthadom Akkharath highlighted the importance of focusing on food safety and climate change resilience for Lao PDR. He also noted that the LOA mechanism led to many successful activities, especially in terms of capacity building. He mentioned that Lao PDR had low disbursement rate as there were pending activities to be implemented, including GWM and NUE. He expressed concerns about the status of the climate friendly agriculture training of trainer (CFA TOT) for 2,500 farmers, an activity that has been put on hold by the TA. Mr. Ramachandran concurred that the LOA was a successful mechanism that yielded positive implementation results, especially for farmers. With regards to the CFA TOT, he mentioned that the TA would study the best manner in which to implement this activity. He clarified that the ADB Aide Memoire on the assessment of TA 8163 circulated before WGA AM-13, and informed by the discussions during the meeting, represented the ADB's position on the review.

29. Mr. Soe Win commended the establishment of 2 PGS pilots in Myanmar, but emphasized that more effort is required in this area, notably for promoting market access, developing certification processes, and enhancing regional collaboration. He also pointed out the importance of having TA activities that are well aligned with national policies. Mr. Ramachandran agreed that PGS represents a good achievement for Myanmar and that, while it is usually associated with organic farming, it can be extended to less stringent standards. There was agreement on the need to align national and regional activities.

30. Dr. Wimolporn Thitisak expressed an agreement in principle with the TA "concentration" approach and the 'no-one-size-fits-all' concept when dealing with regional project implementation, hence, the need to tailor interventions to each country. She detailed Thailand's Agriculture Development Strategy 2017–2021 priorities: strengthening capacity and awareness of farmers about value chains; development of farmer-to-farmer supply chains; enhancing competitiveness; and sustainable use of natural resources and environment. Mr. Ramachandran acknowledged the endorsement of Thailand and noted the priorities of the Thailand Agriculture Development Strategy, which will be taken on board by CASP2. He concurred with the view that "one size cannot fit all" and that different commodities and value chains should be studied and strengthened for different countries.

31. Mr. Nguyen Thanh Dam raised two points: what are the regional policies to be targeted by the TA and CASP2 at the regional level; and the need to explicitly define what the TA means by certified (in the case of PGS, who certifies at national level for example). Thus, a clear target for regional policies is needed, as well as regional endorsement of PGS and SEAP quality standards. Experiences and lessons learned from CASP2 could be tapped to support the harmonization process. Dr. Adriano responded that the choice of policies to be targeted will come from the results of the assessment of LOA and PGS pilots at national levels, and that they will be related to SEAP production and trade. She indicated that regional policy work will target policies that are relevant at both national and regional levels.

32. Mr. Suriyan Vichitlekarn, Regional Project Director, BRIA, the Deutsch Gesellschaft für Internationale Zusammenarbeit (GIZ), was called on to briefly present the work of GIZ on value chains in the GMS. He explained his support for the "concentration" approach and that one should see the TA as an intermediary stage to reach the overall CASP2 vision, with transitional measures

being sometimes necessary, such as national pilots leading to regional policy development. He also shared GIZ's experience in the region and highlighted the importance of country ownership and quick implementation to sustain the momentum of efforts started under TA 8163; there should be little to no delay between piloting and applying lessons learned.

Session 4: CASP2 and the GMS Program

33. The WGA AM-13 provided an excellent venue for bringing the GMS countries together to discuss issues and approaches for enhancing regional cooperation in agriculture. Updates on upcoming GMS Program events were provided and their implications and links to CASP2 work were drawn out. Relevant inputs from the GMS RIF in CASP2 operations were identified and solicited WGA commitment to further enhance CASP2 mainstreaming into the RIF.

34. Mr. Duong Hung Cuong from Viet Nam's Ministry of Planning and Investment provided an update on the status of preparations for key events of the GMS Program, such as (i) the 8th GMS Economic Corridors Forum (ECF-8), scheduled on 3-4 August 2016 in Phnom Penh, Cambodia; (ii) the 21st GMS Ministerial Conference (MC-21), to be held on 30 November to 1 December 2016; in Chiang Rai, Thailand; and (iii) the 6th GMS Leaders' Summit, tentatively planned for August 2017 in Viet Nam. For MC-21, Mr. Cuong highlighted the various sector deliverables, including the agriculture's Strategy for Promoting Safe and Environment-Friendly Agro-based Value Chain Investments in the GMS. A copy of the presentation is in [Appendix 13](#).

35. Ms. Pinsuda Alexander from the GMS Program Secretariat gave a briefing on the Third GMS RIF Implementation Plan (RIF-IP) Progress Report and Midterm Review. First, she presented an overview of the RIF and the RIF-IP 2014-2018 and the status of implementation of the agriculture sector investment and TA projects during the First Progress Report, as of 30 June 2015 and the Second Progress Report, as of 31 December 2015. She also presented the initial updates of the Third Progress Report, as of 30 June 2016 and discussed the details of the preparation for a midterm review of the RIF-IP, taking account of the following: (i) refresh the RIF-IP and review its relevance with emerging needs and developments of the GMS countries; (ii) identify non-performing projects in the RIF-IP and consider taking out of RIF-IP but retain in the RIF pool; and (iii) consider adding projects to RIF-IP (from the RIF long list) or any new projects outside RIF, subject to endorsement by the WGA. In line with this, Ms. Alexander requested the WGA members to provide the updated status of agriculture projects as well as suggestions for additional projects which may come from the long list of RIF or potential projects outside the list.

36. Ms. Alexander further discussed the linkage between the ADB country programming and the RIF and stressed that the Country Partnership Strategy (CPS) sets the priority areas and sectors over a five-year period in consultation with the countries. Moreover, she noted that along with the CPS, a rolling Country Operational Business Plan (COBP) is prepared to identify the project pipeline. She also shared the linkage of RIF and RIF-IP to the GMS Strategic Framework 2012-2022 which should be in parallel with the CPS/COBP preparation. As an example, she presented the highlights of Cambodia CPS 2014-2018, with a goal of reducing poverty to 15% by 2018 and focusing on five sectors, namely; (i) agriculture, natural resources, and rural development; (ii) water and other urban infrastructure and services; (iii) transport; (iv) education; and (v) finance and one cross-cutting sector (public sector management). She also noted Cambodia's COPB 2016-2018 which feeds into the country and regional pipeline for all GMS countries. Her full presentation is provided in [Appendix 14](#).

37. In response, Ms. Lourdes Adriano discussed CASP2's interface with the RIF for agriculture sector with the WGA taking a more proactive role in identifying the priority RIF projects. She cited that the WGA AM-13 recently started the process of developing A Strategy for Promoting Safe and Environment-Friendly Agro-based Value Chain Investments in the GMS and subsequently, for submission to and notation by the 21st GMS Ministerial Conference in



December 2016; and endorsement of the GMS Agriculture Ministers in a meeting proposed for 2017.

38. In developing the Strategy, Ms. Adriano discussed plans to utilize TA 8163 to conduct in-country/intra-GMS consultations of stakeholders to identify priority SEAP as well as menu of SEAP for GMS and push for a post TA 8613 that will lay groundwork for strategy development of ensuring realization of CASP2 vision (2017-2018). Finally, she reiterated WGA's assistance to ADB in the prioritization of agriculture projects in the ongoing RIF-IP MTR process and define the framework and associated policies and institutional measures to ensure the promotion of SEAP investments. See [Appendix 15](#) for her presentation.

Discussion

39. Cambodia suggested that the agenda on agriculture, being a core driver of economic corridor development should be included in the ECF-8. The PRC likewise inquired on the specific topics discussed on the ECF. Cambodia pointed out that the development of special economic zones (SEZs) has impact on agriculture sector; and the sector has to be guided by the development of SEZs. The GMS Secretariat explained that the agenda topics for ECF-8, such as trade and transport facilitation (TTF), SEZ, logistics, cross border cooperation, development partners' agenda, e-commerce and governor's forum have already been set and that agriculture could have inputs to any one of these sessions. The suggestion was well noted by the GMS Secretariat and would propose including agriculture-related topic in next year's ECF.

40. Cambodia also clarified on the non-inclusion of the SPS project in the agriculture sector. Ms. Alexander updated the WGA that the SPS project, "Modernization of SPS Agencies for Trade Facilitation Project Phase II" was included under the TTF sector. She raised the issue that this project may merit consideration for sector reclassification in the RIF-IP (from TTF with no working group) to agriculture/WGA. She encouraged countries to look at projects not only in the agriculture sector but also in other sectors. Mr. Ramachandran stressed that the RIF and the CPS should be operating in parallel. The projects that are in the COBP should actually be in RIF-IP. Furthermore, projects can be included if there is interest/demand from countries.

41. In relation to the WGA MC-21 deliverable, A Strategy for Promoting Safe and Environment-Friendly Agro-based Value Chain Investments in the GMS, the meeting stressed the need to have this endorsed by GMS Agriculture Ministers and proposed the holding of an Agriculture Ministers' Meeting (AMM) in 2017. There was a clarification whether Ministers should issue a declaration in an AMM. The WGA-S pointed out that Ministers prepare a Joint Ministerial Statement rather than a Declaration which is expected of a Summit. Since only one AMM has been organized in the past (2007 in PRC), the Secretariat will guide the WGA on the preparatory work for such a meeting. Hosting of GMS events follow alphabetical order so hosting may likely fall on Cambodia. The countries agreed to seek approval of the proposal to hold an AMM in 2017.

1st Day Closing Session

42. Cambodia graciously accepted to host the 14th Annual Meeting of the WGA in 2017; the date and venue will be coordinated through the WGA-S after internal consultations have been made. It is also open to hosting the proposed GMS Agriculture Ministers' Meeting but will seek for approval before confirming.

43. Mr. Ramachandran provided a quick recap of the key messages, outcomes, and agreements of the discussions. The meeting acknowledged the importance of the development of the Strategy and Action Plan for promoting safe and climate friendly agro-based value chain investments in the GMS and directed the WGA-S to undertake national consultations. The Strategy will be submitted for notation by MC-21 in November/December 2016 and the final document will be endorsed by the GMS Agriculture Ministers' Meeting proposed for mid-2017. It

will inform the preparation for the next phase of CASP. The WGA and donors have been appraised of the main findings of TA 8163 MTR and are supportive of the refocusing and rescoping of activities for the remainder of CASP2 implementation. The new management team presented its work plan for 2016-2017 and will continue to refine the list and timing of activities in close consultation with the countries. The WGA-S will resend the latest updates on the agriculture projects in the RIF-IP and the RIF long list to get country updates, confirmation, and/or additional information on priority agriculture projects. Mr. Ramachandran reminded the countries to nominate 2 representatives for the resolution drafting the following day.

44. The Chair thanked the participants for their valuable contribution and active participation during the discussions.

Drafting of Resolution

45. Two WGA representatives from each country and the WGA-S convened to exchange views in a less formal and more interactive setting and draft the meeting agreements, which the countries called “WGA AM-13 Record of Discussion”; the final document endorsed by WGA AM-13 is attached as [Appendix 16](#).

Technical Working Sessions

Part 1: Developing a Strategy for Promoting Safe and Environment-friendly Agro-based Value Chain Investments in the GMS

46. Facilitated by Dr. Lourdes Adriano, CASP2 Team Leader, and Mr. Suriyan Vichitlekarn from GIZ, the session aimed to present and discuss the draft Strategy (and Action Plan) for promoting safe and environment friendly agro-based value chain investments in the GMS in terms of consistency with national development plans, achieving CASP2 vision, appropriateness of conceptual approach, strategic importance of the supply chain bottlenecks and agenda for action, and roles and responsibilities of various stakeholders. The background document circulated by the WGA-S before the meeting is a zero draft to be used as basis for discussion.

47. Ms. Vichelle Roaring-Arunsuwannakorn, Trade Facilitation Specialist-CASP2, presented the highlights of the draft background paper: (i) GMS’ comparative advantage for safe and environment-friendly agro-based products; (ii) promoting competitiveness through value chain integration for smallholders/small and medium enterprises (SMEs); and (iii) making this possible through the right mix of policies and investments. With the GMS countries’ rich natural resources, the subregion has very strong comparative advantage for agri-food production (especially for cereals and fruits and vegetables)—and this provides big opportunities for smallholders and SMEs in the GMS to organize themselves as a single production cluster of SEAP. External threats of climate change and a growing middle class population with more buying power and sophisticated preference for safe food and products—make it important for the GMS to shift from conventional agriculture to one producing SEAP. The Strategy focuses on the value chain approach that shifts from a productivity-centered focus to a whole value chain efficiency mindset in order to tap revenue and achieve cost benefit efficiencies, high value markets, branding and geographic indication status (e.g. Kampot pepper from Cambodia which is highly demanded in the international markets). The Strategy background document has also looked into how best to address supply chain bottlenecks including optimizing productivity; improving business environment, market linkage, and branding; and providing the right mix of policies and investments. The Strategy paper would be developed in line with key national development plans of the GMS countries, GMS and ASEAN operation programs, value chain cross-border trade, and special economic zones/clusters and GMS economic corridor development as well as private sector initiatives (i.e. contract farming, World Economic Forum initiatives, etc.). See [Appendix 17](#) for the full presentation.

Discussion

48. Dr. Adriano gave a short recap of the strategy presentation and noted the adverse effects of climate change (such as in the recent case of Viet Nam drought) and pointed out the growing scarcity of land and water resources in the GMS necessitating new types of agriculture products that are in demand by middle income class, and maximizing comparative advantage for smallholder farmers and SMEs.

49. Thailand shared its observation that the GMS countries with now higher purchasing power, have similar national development plans, are moving towards the same direction, and are also facing similar problems. In order to find common GMS products and to succeed in branding such products, there is a major challenge in enforcing the same standard to gain competitiveness with affordable prices. For Lao PDR, the major challenge lies in linking productivity and marketing. The PRC expressed appreciation for the draft strategy paper, stressing its importance to drive the program forward; and offered some comments for improvement, including the need: (i) to modify the strategy paper to be succinct and concise for leaders; (ii) for a suitable implementation and action plan in the short, middle, long term; (iii) to clearly define SEAP concept and context; (iv) for sufficient regional representation of case studies; (v) for data and detailed research (but as an attachment to the strategy paper); and (vi) to provide recommendation of solutions, and not just the presentation of problems. Cambodia suggested the need for a more concise document and there should be clarity on whether the paper was intended as a strategic framework or a strategy. Cambodia further stressed on the important role of SMEs and food security issue in the value chain and added that the topic can be tabled at the GMS Economic Corridors Forum next year and should reflect ongoing economic corridor initiatives. Thailand commented that there is no need to reinvent the wheel as every country would have value chain assessment; it is important to tap into existing models that have already been undertaken in each country and to incorporate risk management in the strategy. Cambodia countered that though risk management is crucial, it is difficult to cite common risk for all countries and suggested waiting for the action plan so it can be carefully deliberated.

50. Representative from SIDA commented that the achievements of CASP2 whether from PGS, LOA, or MOU should not be overlooked and should be used to inform decisions for scaling up and identifying opportunities arising from the ongoing implementation. Viet Nam raised the question on where the investments would come from public or private sector, NGO, or development partners. Mr. Ramachandran acknowledged the insightful comments from the countries and clarified that the strategy document can serve as a good tool for coming up with an investment roadmap that the countries can use in identifying and tapping multiple investment sources from public, private sector, and the donor community. He also explained the use of the word strategy (versus strategic framework) was mainly to emphasize the intent to be more precise and focused given that countries have own unique constraints, priorities, and circumstances. The resulting work would build on existing national strategies but highlight the regional dimension/character for achieving the CASP2 vision. Dr. Adriano reiterated the need for sufficient time for in-country stakeholder consultations in developing the strategy.

Part 2: Knowledge Management—Agriculture Information Network Service V2.0

51. The session was facilitated by Mr. Ludovic Pommier, M&E and Information Services Specialist-CASP2, and Dr. Yang Yong, Associate Professor from the Agricultural Information Institute of the Chinese Academy of Agricultural Sciences, PRC. The objectives of the session were to: (i) validate preliminary diagnostic on AINS and the WGA information system; (ii) present a new approach to regional information services and to obtain endorsement from the GMS

countries; and (iii) prioritize key services to be provided by the WGA-S under a regional information service.

52. Dr. Yang gave an overview of the status of AINS and highlighted its importance as a knowledge management tool. He recalled that AINS was proposed and led by PRC since its formal launch at the First GMS Agriculture Ministers' Meeting in 2007. It has served as the GMS agricultural information exchange platform. The WGA agreed to transform AINS to an e-trade platform and the consultations and discussions on strengthening AINS as the GMS agricultural knowledge sharing and e-trade platform have been conducted in the last WGA meeting. However, he also noted that changing social, technological, and agricultural contexts (including increasing focus on value chains) required AINS to evolve, as proven by the feasibility study conducted by PRC (completed in August 2016) and preliminary diagnostic by the new TA team. He outlined the following key principles for this evolution: (i) focus on service delivery rather than technology; (ii) no duplication of existing information services; (iii) financial sustainability; and (iv) necessity to tailor services to different levels of development in the GMS.

53. Mr. Pommier presented a roadmap for upgrading AINS (towards AINS v2.0). He insisted on the need to regularly consult GMS countries and introduced three categories of services that could be offered under AINS v2.0, namely services related to production of SEAP, trade facilitation, and regional information and e-agriculture support. Key milestones of the proposed roadmap include: participatory identification of topmost services (and addition to others if necessary); and rapid prototyping and piloting of topmost services with 6-year timeframe to prove success before transferring ownership of services developed to relevant institutions, private sector, or social enterprises. By the end of 2017, the TA will deliver a prioritized list of services of interest to GMS countries (including resource need estimation), at least 3 services adopted and sustainable, and will have tested at least 2 institutional modalities for service delivery (PPP, social enterprise, incubator, institution, SME). His presentation is attached as [Appendix 18](#).

Discussion

54. Viet Nam raised the question of private sector involvement in a system that should be set up by public sector. It was also pointed out that there is a need to identify target users for AINS v2.0 as different users will need different services and that it may be too ambitious for AINS v2.0 to cater to all. Language was mentioned as a challenge for a regional system, together with linkages to existing sources of information at national levels. Viet Nam is also reluctant that 6 months would be sufficient to assess the quality of a service. Mr. Pommier conveyed that specific services would be targeting different audiences, and that each service piloted would be useful, but as basic as possible. He took note and recognized the importance of language, especially with marketing of the services in the subregion. Regarding private sector involvement, the project will work closely with agri-business SMEs. He also clarified that there was no attempt to link with existing systems, unless specific country information is required at GMS level.

55. The PRC highlighted the importance of agricultural information, and shared several agricultural information platforms (G20, ASEAN+3, AFSIS and FAO). Two concerns raised were: (i) what should be the place of AINS if it is to avoid duplication; and (ii) the number of services presented for AINS v2.0 is all encompassing, in this case, how can AINS find a niche and how can it be financed? Mr. Pommier admitted that these two concerns were key questions for the development of AINS v2.0 that remained to be unresolved. He pointed out that the system needed to find its niche and not to compete with existing systems. For instance, if many other systems offer examples of best SEAP practices, AINS would just provide a curated directory of appropriate websites. Mr. Pommier insisted that while the services proposed for AINS v2.0 have the potential to cover most aspects of production and trade of SEAP, they are to be viewed as a menu. AINS will not cover all the services proposed, but a participatory selection process with countries will allow for selection of the most appropriate ones that will then be tested. Financing of the different

services will be explored as part of the TA and different modalities will be tested for different services (e.g. private sector, government, international organizations, SMEs and PPP).

56. Cambodia pointed out that CASP2 should focus on sustainability of AINS as an official source of information from relevant national governments. Mr. Pommier reassured the meeting that it is the intention of the team to make the proposed AINS v2.0 sustainable by testing different services and modalities for financing. PRC shared that it is willing to exchange experiences and technologies to promote the system to be sustainable. Meanwhile, PRC is encouraging the GMS countries to set up a network through which experts and related personnel can continue working closely with other countries on information cooperation. The promotion of “Internet Plus (Internet +) initiative” and the development of “Modern Agriculture” are priorities for the country. Thus, PRC is willing to support the development of AINS and is calling for increased support from ADB and from the GMS countries to assist in the process.

57. Thailand representative pointed out that more intensive discussion and brainstorming in dedicated workshops were necessary. While she found the principles presented for AINS v2.0 appropriate, she expressed concerns about the time available and suggested to narrow down the coverage of AINS to organic or green food production. Mr. Pommier agreed with Thailand’s comments and emphasized that not all services would be prototyped and that the chosen ones would be simple and targeted. He also explained that feasibility will be explored for each service.

58. Mr. Ramachandran reaffirmed country representatives’ suggestions to ensure AINS fits a clear niche. He pointed out that capturing information from existing websites is easy but that providing new information is time-consuming and expensive. He suggested that the team should take on board Viet Nam’s suggestion to pilot services for longer than 6 months. Mr. Pommier added that focus should be on services provided to end-customers, not on ICT and encouraged the meeting to think of information as something that needs continuous updating, not a one-time collection exercise.

59. USAID representative briefly introduced its current agricultural information project on trade facilitation of horticulture and aquaculture products. It is now piloted in Thailand and Viet Nam with a view to achieve commercial viability. He pointed out that the importance of policy harmonization in value chains (for example, seeds are not allowed be transferred freely within the GMS). USAID is eager to share its project experience and would welcome opportunities for cooperation with AINS.

60. Myanmar disclosed that given the huge challenges still experienced by the country with internet use, AINS may not be that accessible to farmers or even to government officials. Moreover, Myanmar has many constraints that impair the production and trade of agricultural products. Should ICT play a role in supporting agricultural production of SEAP in Myanmar, large investments in connectivity will be required, together with capacity building for both farmers and extension staff. Cooperation between different ministries is essential for trade facilitation.

61. The Lao PDR representative recalled that when AINS was first launched in 2007, it was under the direct responsibility of MAF, while it has now been delegated to a research institute. In terms of trade facilitation, he expressed similar concerns with Myanmar on the need for efficient sharing of information and cooperation between different ministries. Mr. Pommier acknowledged that countries are at different stages of development and cross sector collaboration is key. He encouraged countries to learn from PRC, Viet Nam, and Thailand where cross sector collaboration was effectively used in promoting agricultural trade. He clarified that the piloting of AINS would differ among countries to account for country specific constraints and opportunities.

62. Dr. Yang added that although he started AINS, he is now not sure what to answer when asked why AINS is useful. He explained that this is because he has no funds to pursue development and finds it difficult to mobilize GMS countries. He offered PRC's expertise to assist with AINS v2.0 and suggested that official focal points be identified in each country so regular meetings can be held to develop a system that caters to the different needs of GMS countries.

63. Ms. Alexander from the GMS Secretariat suggested that the development team should collaborate with other regional initiatives, such as the business-to-business database of the Mekong Institute or similar initiatives under other GMS sector working groups. Mr. Ramachandran concluded the session by emphasizing the importance of country involvement in identifying services to be developed, modalities for financing, and details of the work plan for the development team. The NFPs and NSSs are to play a key role in this process.

Part 2: Knowledge Management—Developing a Design and Monitoring Framework for CASP2

64. The objectives of the session were to take stock of existing M&E and present how TA 8163 fits in the wider policy institutional context which can be used for building on the overall vision for CASP2. Mr. Pommier gave a brief presentation on the existing DMF of TA 8163 and emphasized the need for a solid and shared DMF to support a robust M&E system. Through examples and description of the evolving context for the TA, he demonstrated that the current DMF needed to be fine-tuned, mostly at the levels of outputs and indicators to better integrate cross-cutting themes of gender, livelihoods, knowledge and environment. He then expressed the view that TA 8163 – due to be completed by December 2017 – was a learning TA whose main goal was to provide lessons to be used for future endeavors under CASP2 (extended to 2020). To guide the update of the current DMF, it was proposed that a DMF should be developed for the overall CASP2 to provide a longer term vision. Finally, a clear roadmap for M&E under TA 8163 was proposed: Revised DMF for TA 8163 to be drafted and circulated for comments by October 2016 (will be used to monitor TA progress and assess the LOAs, MOUs, and PGSs); and full-fledged participatory DMF for CASP2 till 2020 to be delivered at the end of TA 8163. A copy of the presentation is provided in [Appendix 19](#).

Breakout Grouping and Discussion

65. Participants were requested to form 3 groups and brainstorm on the risks, impact, outcome and corresponding indicators for CASP2 using the CASP2 overarching vision as a starting point. The goal of the exercise was two-fold: (i) to introduce participants to the DMF design; and (2) to explore a common vision for CASP2.

66. Group 1 was facilitated by Dr. Apichai Thirathon and Dr. Thamana Lekprichakul. Discussions focused on poverty alleviation, health of producers and consumers, and mitigation and adaptation of agriculture sector to climate change. Results of the group exercise with the proposed impact statement reflected these concerns: *“Improved health of farmers and consumers, mitigated GHG emission from agriculture sector and reduced poverty among farmers”*, measured by “rural poverty rate decreased by 30% from the base year”; “mortality rate and malnutrition prevalence reduced by 30%”; and “GHG (such as nitrous oxide (N₂O) and methane (CH₄)) emission reduced by 10%”. This was deemed to be the result of the outcome phrased as *“Farmers have better access to safe food and are more resilient to climate change”*; measured by “growth rate of sales of certified products superior to growth rate of sale of conventional products” and “reduced crop loss to climate related causes by 30%”. The main risks identified for the said outcome were “increased frequency of occurrence of natural calamity (e.g. pest outbreak, flood, etc.) and insufficient TA funds”. The insufficiency of TA fund was placed as a risk to be considered at country level, not at CASP2 level.

67. Group 2 was facilitated by Ms. Vichelle Roaring-Arunsuwannakorn. The group emphasized the importance of trade and came up with an impact statement of “*A more modernized integrated and climate-friendly agriculture sector, which is competitive in the international market*” to be measured by “increase in the number of smallholder farmers by 50% in 2027”. The group intensively discussed the concept of what a modernized agriculture sector would be. They defined an outcome of “*Farmers are connected to the global market*” with the main indicators being “increased cultivated area using CFA practices by 10%” and “increased CFA products available in the market by ----%”. Climate change was identified as the main risk that could affect the outcome.

68. Group 3 was facilitated by Dr. Francesco Goletti, Policy Framework and Capacity Building Specialist-CASP2. The impact statement focused on “*A globally visible improved access by GMS consumers and global consumers to SEAP produced in the GMS*” to be measured by “the share of SEAP in total GDP” and “the share of SEAP in trade of the region (including both imports and exports)”. The group insisted on the importance of policies with an outcome defined as “*An improved policy environment for SEAP in GMS*” using the indicators “number of policies related to SEAP development approved by GMS as a group” and “share of products complying with SPS and/or organic standards in the overall agricultural trade of GMS”. The group decided that numerical values were not in order for indicators without baselines. Interestingly, this group also emphasized 3 key lessons: (i) an operational definition of SEAP is required; (ii) baselines for SEAP are essential; and (iii) targets should be realistic so that both GMS as a group and each of its members can achieve given targets.

69. The results of the breakout groupings were presented in plenary. Discussions proved lively and well-argued, which indicates that participants achieved a good understanding of the DMF design. Mr. Pommier concluded the session by indicating that participants outperformed his expectations and covered most aspects of what a global vision for CASP2 should entail with Group 1 focusing on environment, health and smallholders’ livelihood; Group 2 on trade; and Group 3 on policy environment. He also explained that the development of a complete DMF is a lengthy participatory process, which will take place in the coming year and that the exercise was proposed to ensure that participants were comfortable with DMF design.

70. Dr. Somany commented that the group exercise was a good learning exercise. However, the Cambodian delegation was not clear why a new DMF should be defined for CASP2 as the vision has already been approved by ADB and the GMS countries. Mr. Ramachandran responded by explaining that a DMF is a living document that is often updated during the life of a project to reflect changes in context and that this is especially held true for indicators. He insisted on the pedagogical value of the exercise that should benefit all participants involved in the assessment of existing LOAs and MOUs and the finalization of new ones.

71. Mr. Minh thanked the participants and congratulated everyone for the productive two days. The agenda topics are all crucial to CASP2 and its future and therefore need more in depth follow up discussions and consultations with the agriculture stakeholders. He urged the WGA-S to build on this momentum and take the appropriate next steps.

Appendices

All appendices are hyperlinked, click to access.

[Appendix 1: List of Participants](#)

[Appendix 2: Program of WGA AM-13](#)

[Appendix 3: CASP2 Key Results in 2015](#)



[Appendix 4: Country Highlights in 2015: Cambodia](#)

[Appendix 5: Country Highlights in 2015: PRC](#)

[Appendix 6: Country Highlights in 2015: Lao PDR](#)

[Appendix 7: Country Highlights in 2015: Myanmar](#)

[Appendix 8: Country Highlights in 2015: Thailand](#)

[Appendix 9: Country Highlights in 2015: Viet Nam](#)

[Appendix 10: Development Partners Joint Statement](#)

[Appendix 11: CASP2 Strategic Directions—Reprioritizing the TA Outputs and Strengthening Systems](#)

[Appendix 12: CASP2 Moving Forward](#)

[Appendix 13: Update on the Status of Preparations for the ECF-8, MC-21, and 6th GMS Leaders' Summit](#)

[Appendix 14: Briefing on the 3rd GMS RIF Implementation Plan Progress Report and Midterm Review and ADB Country Programming Priorities](#)

[Appendix 15: CASP2 in the Context of the GMS RIF](#)

[Appendix 16: Appendix 17: WGA AM-13 Record of Discussion](#)

[Appendix 17: Highlights of the Strategy Paper](#)

[Appendix 18: Agriculture Information Network Service V2.0](#)

[Appendix 19: Developing a Design and Monitoring Framework for CASP2](#)