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USAID **50** ANNIVERSARY

Legacy

USAID'S LEGACY
IN AGRICULTURAL DEVELOPMENT

IMPORTANCE OF INNOVATIONS IN AGRICULTURAL DEVELOPMENT

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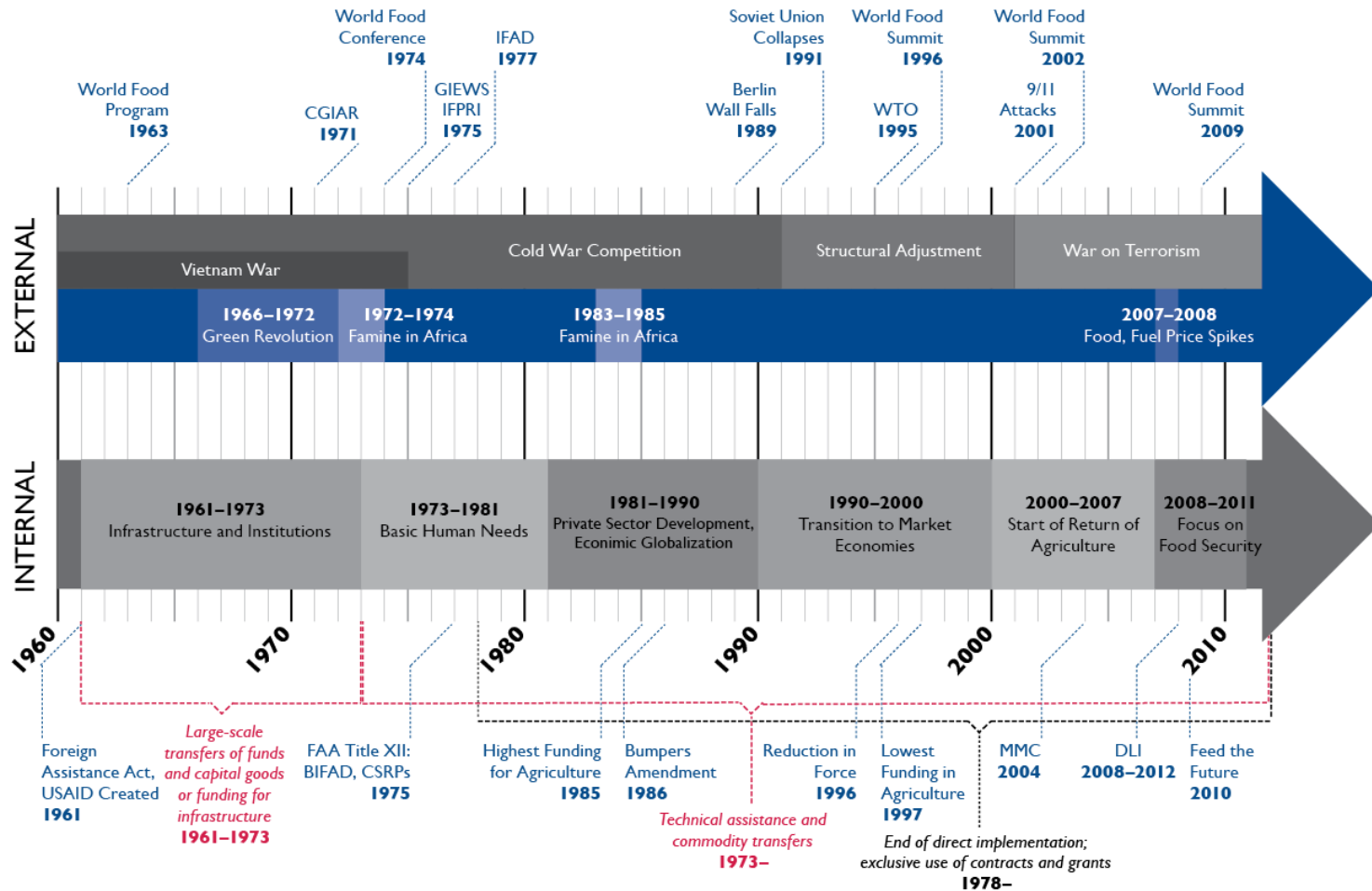
June 2, 2015



Remembering our innovations in agriculture

- During its first half century, USAID did some remarkable things in agriculture, making a profound difference in peoples' lives
- Early on USAID embraced the need to innovate by adapting and changing course when warranted by new technologies, methods and challenges
- The Agency has a long list of achievements and innovations. Many are now standard best practices
- Yet, much of this rich history is undocumented, unknown or simply forgotten
- The 50-year retrospective, *USAID's Legacy in Agricultural Development- 50 Years of Progress*, aims to tell part of that story, looking back while moving forward

Our Legacy: Shaped by Internal and External Events



Securing Access to Land and other Natural Resources

Laying the foundation for agricultural development, economic growth and food security

1. Developing **more efficient and effective tools** for securing property rights and access
2. Laying the foundation for land tenure security through **systematic land certification, titling and registration**
3. Accelerating transitions from centrally planned ownership to **market-oriented ownership**
4. **Unleashing the potential of underutilized resources** through secure tenure and property rights
5. Empowering **community-based natural resource management**

Mobilizing Science and Technology

Developing research capacity, tools and techniques to increase the productivity, sustainability and resilience of agricultural systems

1. Enlisting U.S. science and technology expertise to **address agriculture's longstanding challenges.**
2. Inaugurating and co-funding **the International Agricultural Research Center system.**
3. **Building and strengthening National Agricultural Research Systems (NARS)** and production programs in developing countries.

Instituting Agricultural Education and Training

Building educational institutions to strengthen human capacity and extension services for technology adaptation, training and diffusion

1. Building human capacity in agriculture through **education and participant training.**
2. Building **agricultural institutions and institutional capacity.**
3. Building **technology and organizations to support farmers.**

Managing Market Performance

Improving market institutions, infrastructure, services and performance to increase production and productivity incentives as well as food availability and access

1. Developing methodological approaches for diagnosing market problems and recommending solutions
2. Introducing a private sector and commercial focus to market-led growth
3. Refocusing the public sector role on providing reliable market-facilitating goods, services and institutions
4. Promoting small farmer access to markets
5. Supporting the transition from socialist-oriented economies to market-oriented economies

I. Introducing a private sector and commercial focus to market-led growth

- 1960s: insufficient consideration of the market supply chain.
- USAID response - focus on creating fair and accessible markets for smallholder farmers. Latin America Marketing Project (LAMP) was a successful early effort.
- Famine Early Warning Systems Network (FEWS NET) and AgClim provide farmers with critical information.



2. Introducing a private sector and commercial focus to market-led growth

- Often called “getting markets right,” a private sector approach was a major innovation and has been enormously successful. Started with supply and expanded to “value chain development”.
- USAID/Bangladesh Fertilizer Improvement program is an early example.
- Partnership for Food Industry Development – Fruits and Vegetables (PFID-F&V) 2000 to 2010 focused on rise of supermarkets.
- Rebuilding Agricultural Markets Project (RAMP) in Afghanistan reflects USAID success in challenging environments.

3. Not all “innovation” is new - Refocusing the public sector role on providing reliable market-facilitating goods, services and institutions

- Despite shifting focus to the private sector, USAID has continued to promote a healthy public sector role as well.
- Enhanced food safety standards can help farmers compete in stricter markets and export goods.
- USAID has helped partner countries modernize food inspection processes.
- Promoting SH access to markets – innovation – shift to higher value crops.

Financing Farmers and Food Systems

Linking rural people and organizations to financial services to mobilize savings and investments

1. Leading the search for a new paradigm in rural finance
2. Pioneering technology-led reductions in transaction costs
3. Piloting risk-reducing financial mechanisms while leveraging additional capital through public and private partnerships

Appreciating Rural Enterprises

Investing in small and medium rural agricultural enterprises to create jobs, reduce waste and add value

I. Embracing the power of rural enterprises – research to results

- Research in 1970s showed stability and security were more important than subsidies.
- “Farming systems research” in the 1980s improved productivity and incomes.
- An example of business-oriented engagement is MIDAS program in Colombia, where USAID-led efforts created more than 260,000 jobs.



2. Promoting agribusiness and value chain projects

- Late-1980s, USAID shifted focus from staple food commodities to support for production of higher-value products.
- More than 240 value chain projects since 1998.
- Malawi and Tanzania are examples of expanding rural economy by promoting higher-value production.

3. Building public-private strategic alliances

- USAID began focusing on building public-private alliances in the 1980s.
- Partnerships include NGOs, private companies and foundations and local governments.
- Public-private partnerships are instrumental in economic growth and solving health and environmental problems.

Getting Policies Right

Developing informed agricultural and food policy and growth-enabling environments

1. Enlisting U.S. and international researchers and analysts to work on agriculture and food policy
2. Improving developing country capacity and quality of agricultural policy research to facilitate positive changes



Expanding Agricultural Trade Opportunities

Linking rural people and organizations to financial services to mobilize savings and investments

1. Building capacity to analyze trade opportunities
2. Used a systemic approach to Trade Capacity Building (TCB), improving access to & helping with negotiation of bilateral trade agreements and comply with and benefit from trade agreements
3. Specialty products means specialty standards – strengthening compliance with international food standards and regulations
4. Developing a multifaceted approach for preventing, monitoring, and containing pandemic, zoonotic disease threats
5. Promoting trade-led growth through non-traditional agricultural exports.

Working with the Earth

Integrating environment and natural resources management into agricultural practices and livelihoods

1. Integrating natural resource management into agricultural practices, livelihoods and wildlife conservation
2. Establishing conditions for scaling up
3. Fostering participatory approaches to empower rural organizations
4. Supporting partnerships and alliances

Summary of Historical Innovation

- Requires **leadership** in new concepts, designs and implementation mechanisms
- Requires a **portfolio investment approach** - Mission operational flexibility that benefits from devolution of certain authorities to the field,
- Needed innovations go beyond transfers of money & technology to **address underlying socio-economic and organizational issues**
- Requires ongoing **willingness to learn, adapt and adjust**
- Means finding **pragmatic solutions to thorny problems**
- Requires **integration of diverse development themes**
- Benefits from contributions from a **diversity of partners and alliances** at many levels, matching the mechanisms to the skills of partner-implementers; and
- Requires **far-seeing vision** of the possibilities

Looking Forward – Some things we need to do better

- Maintain a longer-term planning and implementation horizon,
- Not be content with successful pilots but go for scale; scale up promising innovations for a transformative impact, and
- Be sure to partner with others.
- Renew the emphasis on M&E to evaluate performance and assess impact - that leads to more innovation
- Stay ready to innovate, find practical solutions, break out of old thinking





Thank you!

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Legacy document is available at: <http://www.usaid.gov/alad>