Grow Asia

A Multi-stakeholder Approach to Food Security

Crawford Fund: The Business of Food Security: Profitability, Sustainability and Risk

11 August 2015
A Global Challenge: Food Security

Population Growth

Biofuels

Water Scarcity

Livelihoods

Climate Change

Feed
A Confluence of Challenges...
...Warrants a Confluence of Solutions
Stemming from a Confluence of Stakeholders
Grow Asia’s Approach

Multi-stakeholder and inclusive

Focus on the smallholder farmer

Country-led and locally-driven

Outcome focused with measurable impacts

Focused on modular and scalable solutions

Market-based and pre-competitive

Harnessing global support

Grow Asia’s Goal:
Reach 10 million smallholders (men and women) by 2020 improving farm productivity, profitability and environmental sustainability by 20%
Business Model
Core focus on value chains & smallholder farmers

- Input companies
- Farmers
- Traders
- Retailers
- Consumers
- Transport / Storage
- Manufacturers

Smallholder farmers

- Inputs and technology
- Training and extension
- Credit and insurance
- Food safety
- Mobile services
- Transport and storage
- Market access

GrowAsia
Grow Asia Value Proposition
What Distinguishes Grow Asia?

Political Will & Engagement

Grow Asia Forum
Jakarta, 19 April 2015

Corporate Leadership

Grow Asia Business Council
1. Bayer CropScience AG
2. Bunge Ltd.
3. Cargill Inc.
4. DuPont
5. Heineken
6. International Finance Corporation
7. Jain Irrigation Systems Ltd.
8. Lawson Inc.
9. Louis Dreyfus Commodities
10. Monsanto Company
11. Nestle
12. PepsiCo Inc.
13. Rabobank
14. Sime Darby
15. Sinar Mas Agribusiness & Food
16. Swiss Reinsurance Company Ltd.
17. Syngenta International AG
18. Unilever
19. UPL Ltd./Advanta
20. Visa
21. Visy International
22. Wal-Mart Stores Inc.
23. Wilmar International Ltd.
24. Yara International ASA
25. Zoneco Group Co. Ltd.

Local Company Commitment
- AWBA group
- Indofood
- BT Cocoa
- Tiga Pilar
- Bank BRI
- Band Andara
- PRIME Agri
- Olam
- Mondelez
- VinaCapital
- Kirana
- Megatara
- Nedcoffee

Civil Society Participation
- AsiaDHRRA
- CARE USA
- Conservation International
- IDH
- Landesa
- Mercy Corp
- Rainforest Alliance
- Swisscontact
- The Nature Conservancy
- World Vision Australia

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Farmer Advisory Council

Stronger Links to Researchers
Business Case for Engagement
Business development, access and reputation

Business Development
- New market development
- Sharing investment and risks
- Developing value chain partners & solutions
- Gaining market insights

Access and Dialogues
- Connecting with government and other stakeholders
- Being part of policy dialogues and industry initiatives

Reputation
- Developing a reputation for sustainability
- Being seen as a leading company
- Attracting business partners and employees
### Supporting Country Partnerships

4 country partnerships, reaching 100,000 farmers
Cambodia and Thailand in discussion

<table>
<thead>
<tr>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Myanmar</th>
<th>Philippines</th>
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<tbody>
<tr>
<td>• Public Private Task Force formed 2010</td>
<td>• Partnership for Indonesia’s Sustainable Agriculture (PISAgro)</td>
<td>• Agriculture Network formed June 2013</td>
<td>• Philippines Partnership for Sustainable Agriculture started in 2015</td>
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<tr>
<td>• <strong>Over 50 partners</strong> including the Ministry of Agriculture, 20+ global and 4 local companies, NGOs, others</td>
<td>• Formed in 2011</td>
<td>• 40 partner organizations including government, companies and others</td>
<td>• <strong>Focus crops</strong> include coffee, coconut, corn, cassava, and fisheries</td>
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<tr>
<td>• 6 <strong>priority commodities</strong> (coffee, tea, potatoes, corn, spices, fisheries)</td>
<td>• <em>30 partners</em> including 4 Ministries, 20+ companies and others</td>
<td>• 4 <strong>focus crops</strong> (coffee, dairy, horticulture, sugar)</td>
<td>• <strong>Issues of focus</strong> include agri-finance</td>
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<tr>
<td>• <strong>Agri-finance</strong> working group</td>
<td>• <em>10 priority commodities</em> (cocoa, palm oil, dairy, rice, potatoes, corn, tropical fruits, soya, coffee, rubber)</td>
<td>• 3 <strong>issue groups</strong> (agri-finance, mobile solutions and sustainable production)</td>
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<tr>
<td></td>
<td>• <strong>Agri-finance</strong> group</td>
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</tbody>
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Country Partnership Projects in Detail
Coffee in Vietnam

**Target**: Engage 20,000 Vietnamese coffee farmers (5% of national total) within five years.

**Results:**
In the 2014-2015 season,
- 75 demo plots in 4 provinces, 4,000 farmers
- increased
  - farmers’ yield by 21%
  - net income by 14%
- reduced
  - water by 30%
  - fertilizer by 18-23%
  - carbon emission by 63%
- introduced new higher yielding coffee varieties
- Government of Vietnam set up a Vietnam Coffee Coordination Board (VCCB).
- Farmer groups being set to enable provision of financing solutions.

**Partners include:**
- Nestle, Yara, Syngenta. Bayer, BASF, Kraft, Sara Lee,
- Utz, 4C, Rainforest Alliance, IDH, SNV
- MARD, IPSARD, WASI
Country Partnership Projects in Detail
Corn in Indonesia

**Target:** By 2020, train 5 million corn farmers on 1.25 million hectare land with productivity target of 8 tons/hectare

**Results:**
- Trained 34,100 farmers at 15 field schools covering 24,000 ha.
- One demo plot of GAP
- Increased
  - Productivity by 33%
  - Incomes by 44%
- Generated US$83,000 private investment.
- Channeling US$25,000 working capital credit to farmers

The group is also testing a new model on coconut-corn intercropping to enable income diversification.

**Partners:**
- BRI, Cargill, Syngenta, Monsanto
- Indonesia Ministry of Agriculture, Directorate General of Food Crops
- Mercy Corps
Grow Asia Value Add
- Supporting the creation of new Country Partnerships
- Developing and sharing best practice

Cultivation of Network
- Support the establishment of new Country Partnerships
- Convene stakeholders from across region

Best practice
- Guideline, tools, case studies
- Gender and deforestation

Innovation
- Ideas and pilots
- Finance and mobile tech

Safeguards
- Social and environmental impacts
- Stakeholder concerns

Impact
- Farm and partnership level
- Measurement and communication
Pathways to Scale
A combination of different approaches is necessary
Key Takeaway

Australian agribusinesses are strong throughout the value chain.

Food Security
Regional food security can bolster trade while contributing to poverty reduction and economic growth.

Smallholder Farmers

Grow Asia offers a pathway in which Australian agribusinesses can explore new markets.
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