

24 July 2018



Grow Asia Mid-Term Review

FINAL REPORT



Ian Kershaw, Julie Delforce & Mihaela Balan

Grow Asia Mid-Term Review

Contents

| | |
|---|----|
| Executive Summary and Recommendations..... | i |
| 1 Introduction | 1 |
| 2 Background to Grow Asia..... | 2 |
| 3 Progress Reported of the Program to Date | 4 |
| 4 Monitoring and Evaluation | 9 |
| 5 Services Provided by the Regional Secretariat | 13 |
| 6 Exploring pathways to impact at scale | 15 |
| 7 Governance Arrangements..... | 18 |
| 8 Value for Money | 22 |
| 9 Relevance..... | 24 |
| 10 Summary Findings on Progress to Date | 25 |
| 11 Improving Performance of Grow Asia over the Remainder of the Current Phase.... | 26 |
| 12 Considerations for DFAT | 28 |

Annexes:

| | |
|--|----|
| Annex 1: Terms of Reference | 30 |
| Annex 2: Mission Schedule and List of Stakeholders Interviewed | 39 |
| Annex 3: Grow Asia Monitoring and Evaluation System Review | 42 |
| Annex 4: Mid-Term Review Stakeholder Survey | 50 |
| Annex 5: Comments on March 2018 'Proposal for Funding' | 58 |
| Annex 6: Documents consulted | 60 |

Acronyms and Abbreviations

| | |
|-----------------|--|
| AADCP | ASEAN-Australia Development Cooperation Program |
| ASEAN | Association of South East Asian Nations |
| CO ₂ | Carbon Dioxide |
| CP | (Grow Asia) Country Partnership |
| CPSA | Cambodian Program for Sustainable Agriculture |
| CSO | Civil Society Organization |
| CSR | Corporate Social Responsibility |
| DFAT | (Australian) Department of Foreign Affairs and Trade |
| Fig | Figure |
| GA | Grow Asia |
| GHG | Greenhouse Gases |
| IDRC | International Development Research Centre |
| KPI | Key Performance Indicator |
| MAN | Myanmar Agriculture Network |
| M&E | Monitoring and Evaluation |
| MSP | Multi-Stakeholder Partnership |
| MTR | Mid-Term Review |
| NGO | Non-Government Organization |
| NVA | (World Economic Forum) New Vision for Agriculture |
| PISAgro | Indonesian Program for Sustainable Agriculture |
| PPSA | Philippine Program for Sustainable Agriculture |
| PSAV | Program for Sustainable Agriculture Vietnam |
| SCPP | Sustainable Cocoa Production Program |
| SDC | Swiss Agency for Development and Cooperation |
| TOC | Theory of Change |
| WEF | World Economic Forum |
| WG | Working Group |

Executive Summary

This report records the findings and recommendations of a Mid-Term Review of Australia's support for the World Economic Forum's Grow Asia initiative.

The Review found that Grow Asia's key achievement has been to establish and support a network of multi-stakeholder partnerships across five countries, at limited cost. The support provided by Australia and Canada since 2015 has enabled a Regional Secretariat to be established in Singapore, which in turn has supported the establishment of three new country partnerships and consolidated and better institutionalised the network across five countries. Hundreds of stakeholders have committed their time, energy and resources into this and are meeting in over 50 working groups across five countries on a regular basis. This is a significant achievement.

A dedicated and professional team has been working hard to turn the GA vision into reality, but has been burdened by unrealistic expectations of what could be achieved in a short period of time. Grow Asia's key aim, to reach 10 million smallholder farmers by 2020, was unrealistic from the beginning, given the time required to explore, develop, test, implement and expand or replicate such initiatives. Only a small fraction of that is likely to be catalysed by the Regional Secretariat's work by 2020.

But time is not the only problem. A key assumption underpinning Grow Asia was that large international corporations had the expertise and motivation to identify, design and lead such inclusive business initiatives, but for the most part, this also seems to have proven unfounded. Inclusive business is challenging. Companies who see the commercial opportunities of incorporating more smallholder farmers into their business models face multiple risks and challenges, so it often requires a good deal of expertise and patience to find a way through. International experience suggests that even large companies often need access to external expertise to help identify and develop such opportunities, and that expertise is in short supply. In the face of those challenges, much of the private sector effort in this space, including within the GA network, tends to fall back on corporate social responsibility projects that are of limited scale, usually unprofitable and therefore cannot be sustained, scaled out, or replicated by others without the additional injection of public funds.

So, although Grow Asia has done well to build the network and engendered a lot of interest in inclusive business, it is still struggling to find viable ways to use the network to catalyse inclusive business opportunities for smallholder farmers at scale. The working groups are the locus of this struggle – they are the engine room of Grow Asia, developing a wide range of initiatives across the network. Although there is much variety across these groups, what appears to be most commonly lacking are: (i) clarity of purpose; and (ii) support and guidance on how to foster inclusive business initiatives.

Developing an effective monitoring and evaluation system has proven to be extremely challenging. Grow Asia has to rely on progress reporting by a decentralized network of essentially autonomous units – around 50 working groups and over 500 organisations, each of which collects data through its own systems. With the weight of expectations bearing down on the Regional Secretariat to demonstrate impact at scale in short order, it erred on the side of collating and reporting what results data the individual working groups were willing to share, even though the quality of the data was very mixed.

The Regional Secretariat has tried, against the odds, to improve the quality of reporting by the working groups, but the current system of reporting remains misleading. Although the Mid-Term Review was not asked to verify the results being reported, even limited examination of key examples shows that many of

the 'results' being reported cannot be attributed to the Grow Asia structures, processes and activities supported by Australia and Canada. The results being reported include those from projects implemented before Grow Asia (or even the New Vision for Agriculture) was established. In other cases, results are included from projects supported by donors, NGOs and Governments to which Grow Asia made little or no contribution. As a result, although GA has reported results much more modest than the program's original aspirations, much of even those more modest results cannot be credibly attributed to Grow Asia.

Notwithstanding these difficulties, Grow Asia has enabled a large network of stakeholders, actively discussing, sharing lessons on how to do inclusive business and cooperating and experimenting on how to put that into practice. There is clearly a strong demand for that kind of multi-stakeholder dialogue and joint learning. Given the time-lag mentioned above, the majority of projects to emerge from Grow Asia's work are still at an early stage of development, so it is difficult to estimate the likely results.

Although not anticipated at the design stage, some of the more productive activities have emerged from policy dialogue between value chain stakeholders and governments. In Vietnam, for example, the private sector worked closely with the Government to produce a new curriculum for good agricultural practices for coffee production, which is now being used for training across the whole industry. This approach is now being considered as a model for other crops in Vietnam and elsewhere. At the regional level, the recent cooperation between Grow Asia and the ASEAN Secretariat on developing ASEAN Guidelines for Responsible Agricultural Investment has also been well received.

Some of the proposals under development under Track Two also show considerable promise, with potential for impact at scale, particularly in financial services and digital solutions. However, like the country platforms, these would need expert support beyond the current period of Australian and Canadian assistance, to be brought to fruition.

Recommendations

- 1: The Regional Secretariat should help to clarify the purpose of the working groups and provide greater guidance on how to foster inclusive business initiatives by:
 - Reiterating the primary focus of Grow Asia on bringing stakeholders together to identify and implement inclusive business solutions that have the potential to benefit smallholders at scale;
 - Encouraging working groups to move beyond corporate social responsibility and 'single off-taker value chain project' projects, to focus on the development of whole commodity, service or sector markets, where possible; and
 - Facilitate access by working groups to appropriate expertise in inclusive business and market systems development, to enable them to make that transition.
- 2: Country Partnerships should be encouraged to accelerate the process of moving towards financial self-sufficiency.
- 3: To enhance Grow Asia governance structures, the Regional Secretariat should:
 - continue to advocate for representation by the less powerful stakeholders, including local companies and farmer representatives, on GA governing bodies; and
 - advocate for increased transparency of all governance groups. It could lead by example by posting agendas and records of meeting discussions for all regional level governance meetings on The GA website.

- 4: Adjust the narrative on results, so that reporting better reflects the actual impact of Grow Asia's activities. For example:
 - Avoid including in results reporting, project benefits that cannot be attributed to Grow Asia activities, structures or processes;
 - Report Grow Asia's contribution to results, where that contribution can be demonstrated;
 - Where Grow Asia's contribution or attribution cannot be demonstrated, phrase reporting to be clear that these are not being claimed as results of Grow Asia's structures, processes or initiatives.
- 5: Grow Asia reporting should de-emphasize quantitative results, instead giving greater prominence to monitoring qualitative factors and partnership processes, over which the Regional Secretariat and Country Partnership secretariats have more influence:
 - Building the capacity of country partnerships and working groups
 - Networking across the region and sharing knowledge;
 - Brokering and supporting multi-stakeholder partnerships, etc
- 6: Commission one or two rigorous evaluations/case studies of projects which have successfully piloted new business models that could be replicated on a commercial basis.
- 7: Should DFAT decide to support Grow Asia beyond the existing period of commitment, such support should reflect a more modest expectation of the impact Grow Asia can achieve and focus on supporting the network's convening, brokering, knowledge management and capacity building functions. A reduced level of support would be commensurate with this approach.

Grow Asia Mid-Term Review

1 Introduction

Since 2015, the Australian Government has supported the World Economic Forum's Grow Asia initiative, primarily through funding for a Regional Secretariat based in Singapore. This report presents the findings of a mid-term review of Australia's engagement with Grow Asia, conducted from April to May 2018 and commissioned by the Department of Foreign Affairs and Trade (DFAT).

1.1 Evaluation purpose

The primary purpose of the Review is to provide DFAT with an assessment of how well Australia's support for Grow Asia's Regional Secretariat is contributing to Grow Asia's performance. According to the Terms of Reference (Annex 1), "...the review findings and recommendations will be used to inform strategic decisions regarding possible future Australian assistance to Grow Asia. The Review is intended to provide independent and informed advice to DFAT management on the continued relevance of Grow Asia; the effectiveness of the Secretariat in supporting Grow Asia's progress and performance against agreed plans; and any changes needed to improve its effectiveness and efficiency."

1.2 Team for the Review

The Review was conducted by a three-person team engaged by DFAT, supported by the Agriculture and Food Security Section in DFAT Canberra and the Grow Asia Secretariat in Singapore. The team consisted of: Ian Kershaw (Team Leader), Julie Delforce (Agricultural Development Specialist, DFAT); and Mihaela Balan (Monitoring and Evaluation Specialist). The individual responsibilities of the team members are outlined in the Review Plan submitted to DFAT on 13 April 2018.

1.3 Review methodology

As outlined in the *Review Plan*, the Review focussed on eight core questions central to DFAT's interests:

- What achievements have been reported to date by the Grow Asia network?
- How well are monitoring and evaluation systems working?
- What contribution has the Regional Secretariat¹ made to Grow Asia's performance?
- How well are the Grow Asia governance arrangements working and what are their prospects for sustainability?
- Does Australia's investment in Grow Asia represent good value for money?
- Given experience to date, to what extent does Grow Asia remain relevant to the objectives of Australia and partner governments?
- How could the performance of Grow Asia, and particularly that of the Secretariat, be improved (for the remainder of this phase, and in any future phase)? and
- What, if any, support should DFAT provide to Grow Asia in future?

These questions, together with secondary questions outlined in the *Review Plan*, shaped the Review Team's approach. The Review used a mix of qualitative and quantitative methods to reveal perspectives and views from key stakeholders in relation to the eight main areas of inquiry. Most interviews were conducted face-to-face, with some by telephone. A short on-line survey of Grow Asia participants was

¹ Although the actual title of the Secretariat in Singapore is the 'Grow Asia Secretariat', the term 'Regional Secretariat' is used in this report, to distinguish it from the country partnership secretariats, which members sometimes refer to as their 'Grow Asia Secretariat'.

also undertaken to gather feedback on the value of the services provided by the Regional Secretariat.

The Review Team examined Grow Asia from different perspectives, including those of: the World Economic Forum; the Grow Asia Regional Secretariat; members of country working groups and secretariats; regional and country-level governance bodies; participating governments; the ASEAN Secretariat; and the Australian Government – both through the lens of its economic interests in the region, and as a donor.

Review Team members jointly or individually visited all five Grow Asia countries to consult with stakeholders. The Team also had extended discussions in Singapore with the Regional Secretariat and with key private sector entities based there. The Team debriefed the Secretariat on the preliminary findings of the Review at the conclusion of the field mission. A similar debrief was provided for DFAT Canberra on return to Australia. The schedule of appointments and list of stakeholders consulted is presented in Annex 2. A list of documents reviewed during the process is at Annex 6.

The Review Team would like to thank the staff of the Grow Asia Secretariat for the generous support they provided to the mission and for the open and constructive approach they brought to the process.

1.4 Limitations of the methodology

Grow Asia is a complex program with over 500 organisations involved in implementation. Within the available time and budget, the Review Team could only meet a small number of these, and relied heavily on existing documentation. In-country consultations were limited to two days each and, except in Indonesia, each involved only a single team member. Given these constraints, the Team was not able to observe any working group or committee meetings or undertake field visits to working group projects.

Any substantive assessment of country partnerships was therefore beyond the scope of the Review. For example, the Review was not able to validate in the field reported achievements, such as farmers reached, or productivity or profitability increases. Rather, the Review Team focussed more on understanding the processes for collecting such data.

2 Background to Grow Asia

In 2010, the World Economic Forum (WEF) released its ‘New Vision for Agriculture’ (NVA) – a response both to the 2008 food price crisis and the future challenge of sustainably feeding a world population expected to reach over 9 billion people by 2050. The NVA called for collaborative, market-based action by all stakeholders (farmers, government, civil society and the private sector) to transform global agricultural value chains, focusing in particular on engaging smallholder farmers. It aspired to improve food security, environmental sustainability and economic opportunity by 20 per cent each decade to 2050.

Multi-stakeholder partnerships were set up in several countries, including Vietnam and Indonesia, as a means of putting this vision into action. In September 2014, ASEAN Ministers of Agriculture and Fisheries endorsed the establishment of a ‘Grow Asia’ regional initiative to underpin and broaden the network of NVA country partnerships in ASEAN. Australia agreed to provide A\$7.75 million over three years (2015-18) as a founding donor, alongside Canada, to establish a Regional Secretariat in Singapore².

DFAT’s decision to fund Grow Asia reflected an expectation that WEF’s significant convening power would help unlock substantial private sector investment in agriculture to benefit poor smallholder farmers across the region. The program would support women’s economic empowerment, contribute towards the

² DFAT’s Hanoi mission also provided separate funding (AUD140,000) for the Vietnam country partnership in 2016

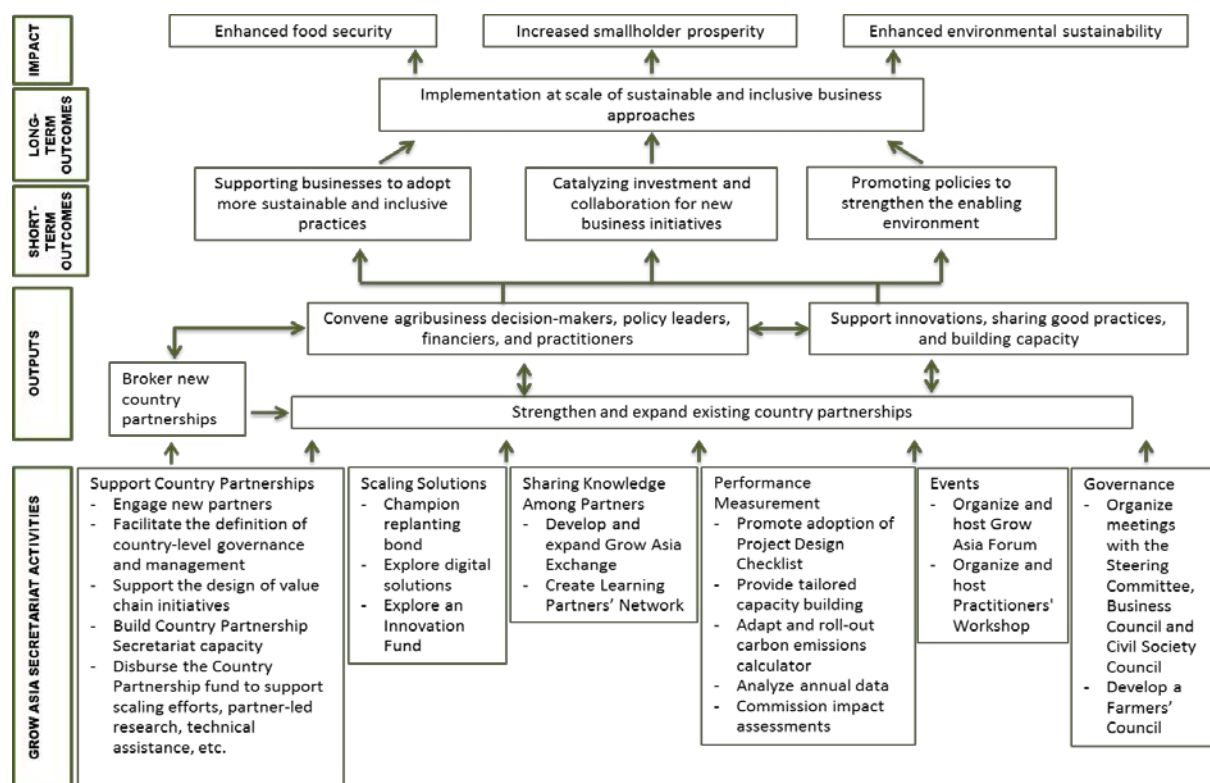
Government's aid-for-trade expenditure targets and boost DFAT's economic and public diplomacy efforts, including through strengthening ties with ASEAN Agriculture ministries. Grow Asia was seen as complementing Australia's existing investments in market systems development and food security, and providing an opportunity to test the effectiveness of an innovative multi-stakeholder partnership approach to achieving more inclusive and sustainable growth in the agriculture sector.

The global aspirations of the NVA were reflected in the specific targets espoused at the commencement of Grow Asia: to reach 10 million smallholder farmers by 2020 and work with them to increase their agricultural productivity and profitability by 20 per cent while also reducing their water use and greenhouse emissions by 20 per cent. To achieve this, Grow Asia aimed to catalyze at least US\$100 million in new inclusive investments, and work closely with the ASEAN Secretariat to develop supportive policies and an enabling environment for inclusive business. Grow Asia developed a three-year work plan, approved in 2016, setting out how these objectives would be pursued. The main areas of focus were to be:

- Supporting and enabling scale-up of existing NVA Country Partnerships in Indonesia, Myanmar, Philippines and Vietnam;
- Establishing further Country Partnerships (agreed priorities being Cambodia and Laos);
- Brokering partnerships and convening stakeholders; and
- Sharing progress and supporting innovation.

The theory of change (ToC) for the program was most clearly set out in the 2015-2018 Three-Year Plan, reproduced in Figure 1 below.

Figure 1. Grow Asia Secretariat Theory of Change³



³ Grow Asia (2016), Grow Asia Partnership Three-Year Plan, 2015-2018 (Revised 9 August 2016).

As implemented, the core of the Grow Asia network is at the ‘output’ level, where each of the five Country Partnerships support several working groups comprising representatives of private businesses, civil society (eg NGOs, farmer groups), government, finance providers and other interested stakeholders. As shown in Figure 2, most of the current working groups are organised on commodity or ‘value chain’ lines and revolve around implementation of one or more projects that link smallholder farmers to markets. Four countries also have ‘cross-cutting’ working groups on issues such as agri-finance and mobile technology. The activities of the working groups are largely responsible for achieving the ‘short-term outcomes’ level of the ToC. The theory is that the ‘pilot’ projects of the working groups would demonstrate viable new inclusive business models that businesses would subsequently apply at scale (long-term outcomes), resulting in benefits to smallholder farmers and beyond (impact).

While most of the ‘action’ in this ToC is at the country level, the Regional Secretariat was to play an important facilitation role: brokering and supporting the country partnerships, exploring scaling options, sharing knowledge and capturing results through a common performance measurement system.

Based on experience from the establishment phase of the program, there is now growing acceptance among Grow Asia network participants that country-based value chain projects alone are unlikely to achieve the outreach target of 10 million farmers within the original timeframe. The WEF itself acknowledges that the target was aspirational – intended primarily to excite and encourage participation. In response, in 2017 the Steering Committee approved a new ‘twin track’ strategy. Track One retains the original focus on lifting the capacity of the country secretariats and their working groups to support country-level activity. An explicitly regional program was added under Track Two, exploring ways to achieve scale through policy innovation, digital technologies, disseminating information on ‘what works’ and new approaches to agricultural finance and investment. This is discussed further in section 6 below.

3 Progress Reported of the Program to Date

3.1 Progress reported against expected outputs

This section summarizes Grow Asia’s own reporting against some of the main indicators and targets agreed in the 2015-2018 Three-Year Plan. The Review Team’s assessment of data collection methods and the robustness or otherwise of reported achievements, is included in section 4.

The Three-Year Plan established basic indicators for the output level of the ToC and targets capturing expected progress against those indicators (Table 1).

Table 1: Indicators and Targets for the Grow Asia Secretariat Outputs

| Outputs | Indicator | 2015-2016 Target | 2016-2017 Target | 2017-2018 Target |
|---|---|------------------|------------------|------------------|
| Strengthen and expand existing Country Partnerships | Number of country partnerships supported | 5 | 5 | 6 |
| | Number of value chain initiatives | 26 | 36 | 40 |
| | Number of farmers reached | 0.5M | 1.5M | 3.5M |
| Convene agribusiness decision-makers, policy leaders, financiers, and practitioners | Number of Grow Asia partners | 200 | 250 | 300 |
| | Number of attendees in Grow Asia Forum and Practitioners Workshop | 300 | 300 | 300 |
| Support innovations, sharing good practices, and building capacity | Number of Grow Asia Exchange users | 0 | 150 | 250 |
| | Annual investment mobilized into value chain initiatives (US\$) | \$5M | \$7M | \$10M |
| Broker new Country Partnerships | Number of new Country Partnerships launched | 2 | 0 | 1 |

At the time of the Review, five of the anticipated six country partnerships had been established, including one in Cambodia begun 'from scratch' by the Regional Secretariat. The Secretariat also reported good progress in strengthening the existing country platforms, as shown in Figure 2 below.

Figure 2. Building Country Partnership Capacity⁴

Country Scorecards (Scale of 0-5)

Significant qualitative measurement of progress, especially in the newest Country Partnerships

Developing Secretariat Capacity

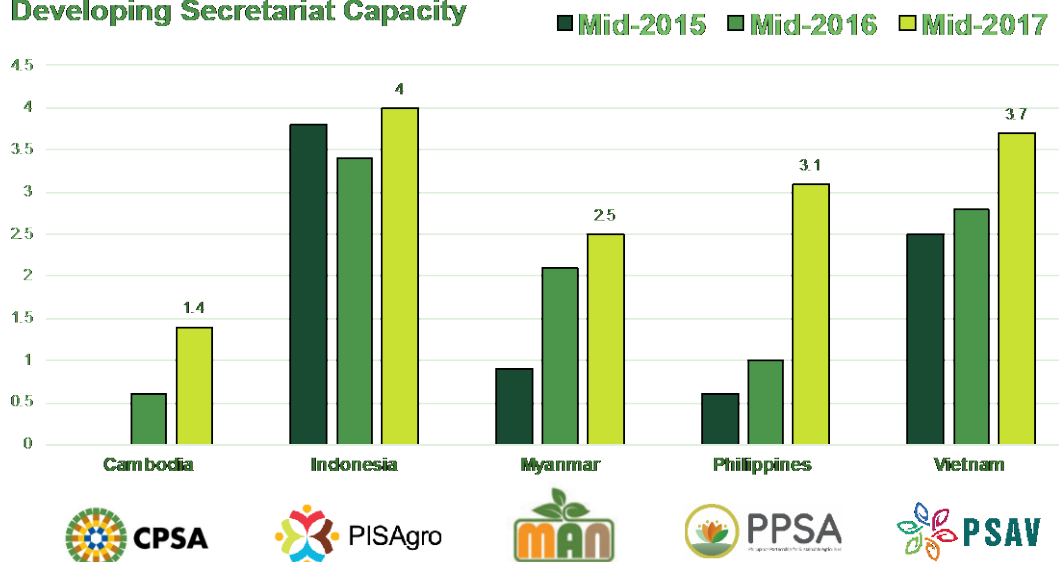


Figure 2 illustrates how, through learning and networking activities, the Regional Secretariat has supported professionalization of Country Partnership operations and improved their capacity and stakeholder engagement (see Section 4 and Annex 3 for discussion on scorecard methodology).

Regional Secretariat assessments show considerable variation in the capacity and effectiveness of Working Groups across the Grow Asia portfolio (ranging from 0.2 to 4.2 on a subjective 0-5 scale). A study in late 2017/early 2018 collated participant views on strengths and weaknesses and scope for strengthening Working Group performance⁵. Some of the key findings are summarized in Box 1 below.

⁴ 'Results Measurement', Grow Asia Powerpoint presentation to MTR team, dated 04/01/18.

⁵ Ananda Partners (2018), Investing in the Grow Asia Network: Catalyzing Working Groups. Powerpoint presentation provided to Review team.

Box 1: Key messages from Working Group study

- Many of the working groups are not working as expected. Those that are working, are working on their own, with limited perceived value from being a part of the Grow Asia network
 - A significant number of these working groups and projects were in place before Grow Asia
 - Some members interviewed feel uncomfortable with how GA initially entered into work already underway, attached itself and then made demands around reporting.
- Numerous working groups are essentially stand-alone, vertical value chain projects led by just one off-taker
 - This limits the scope and scale of impact: most projects only benefit a few hundred or a few thousand farmers, and the aggregated impact numbers fall well short of Grow Asia's targets
 - Many initial projects tend to focus on productivity gains and issues at the production end, although some WGs are beginning to diversify into other areas and types of initiatives
 - A number of the WGs are also struggling to identify and design projects.
- Very few Working Groups are operating with a multi-dimensional, sector-wide agenda that encourages collaboration across the sector
 - Opportunities for collaboration among competitors is primarily around policy advocacy, and they have yet to fully explore the set of possibilities for non-policy related collaborations.
- The number of participants in WGs varies depending on the sector and country (ranging from < 5 to >50 participants)
 - Some organizations participate in multiple WGs; lead or co-lead multiple WGs; or have multiple representatives in the same WG
 - Local private sector participation was highlighted as a gap in representation in several CPs.
- Models for WG Leadership vary and there is no standard process or criteria for leader selection
 - In Vietnam, groups are co-led by a public representative and a private representative
 - In Myanmar, Philippines and Indonesia, emphasis is being placed on having one international co-lead (multinational or iNGO) and one local co-lead (local company/association/NGO)
 - However, many of the WG are currently lead firm led and revolve around a particular project that primarily benefits the lead firm
 - There is also no consensus on the precise role of a leader/co-leader; most play a largely administrative role, with few seen as strategic facilitators.
- Government engagement currently varies significantly by country and WG
 - Attention is determined by WGs alignment to/influence over government priorities in Agriculture as well as the formalization of relationship through representation and MOUs
 - Government-related challenges range from access to government plans/policies and high-level decision-makers to government setting up separate, competing forums.

Despite the issues identified in the Working Group study, Grow Asia reports that the number of projects underway under Working Group auspices as of May 2018 (50) has exceeded the target (40)(see Figure 3 below). By July 2018, this has reported to have increased further, to 52 value chain projects⁶.

Grow Asia also reports that the number of organizations participating across the various working groups has increased from under 200 in 2015, to over 300 in 2017 (25% multinational corporations, 26% local agribusinesses, 29% NGOs, 19% government), to over 500 by the time of the Mid-Term Review. On this indicator, progress has clearly exceeded the target of 300.

⁶ *Grow Asia Update*, July 2018

Figure 3. Grow Asia working groups as of May 2018

Total of 50 Working Groups, 39 on value chains and 46 projects, plus 11 cross cutting WGs

| | Vietnam | Indonesia | Myanmar | Philippines | Cambodia |
|-----------------------------|---------|-----------|---------|-------------|----------|
| Crops and Livestock | | | | | |
| 1 Beef/ Livestock | | | | | |
| 2 Potato | | | | | |
| 3 Cocoa | | | | | |
| 4 Coconuts | | | | | |
| 5 Coffee | | | | | |
| 6 Corn | | | | | |
| 7 Dairy | | | | | |
| 8 Fisheries | | | | | |
| 9 Fruits and Vegetables | | | | | |
| 10 Palm Oil | | | | | |
| 11 Rice | | | | | |
| 12 Rubber | | | | | |
| 13 Soybean | | | | | |
| 14 Spices / Pepper | | | | | |
| 15 Tea | | | | | |
| 16 Sugar | | | | | |
| 17 Pulses | | | | | |
| 18 Cashew | | | | | |
| Cross Cutting Issues | | | | | |
| 1 Agri-chemicals | | | | | |
| 2 Agri-finance | | | | | |
| 3 Learning Alliance | | | | | |
| 4 Mobile technology | | | | | |
| 5 Vocational Training | | | | | |
| 6 Seeds | | | | | |

3.2 Progress reported against expected impacts

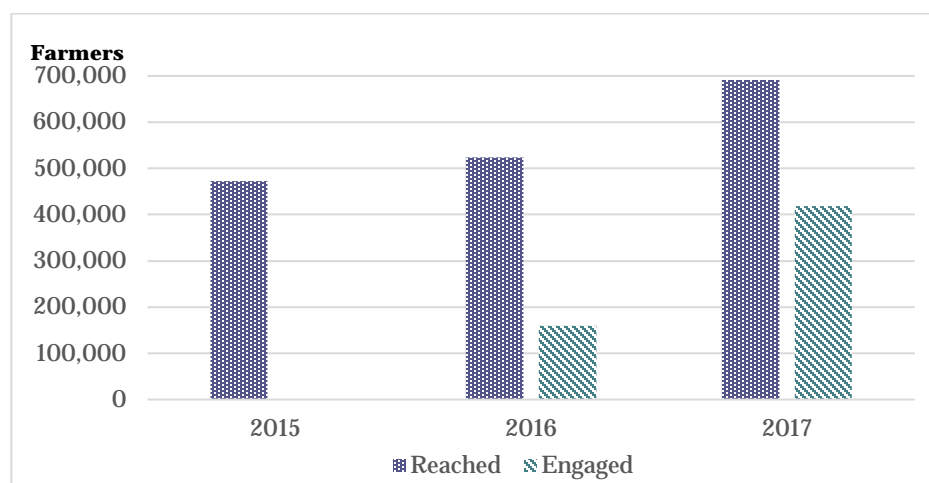
In 2016, the Regional Secretariat developed a Performance Measurement Framework which provided supplementary indicators aimed at closer monitoring at the impact level. This included the following core indicators:

Table 2: Indicators for Grow Asia Impacts

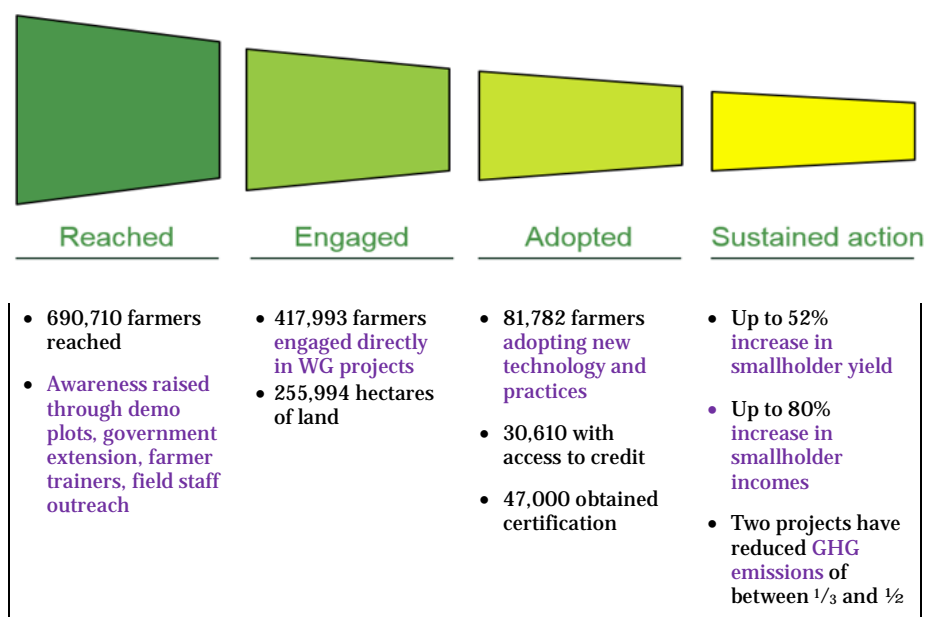
| Core Indicators for project-level impact | |
|--|--|
| 1 | Number of unique farmers reached through the project |
| 1A | % of farmers who are women |
| 2 | % change in yield per hectare in one season |
| 3 | % change in average farmer net income in one season |
| 4 | % change in water use per ton of crop |
| 5 | % change in greenhouse gas emission per ton of crop |
| 6 | % change in external chemical use per ton of crop |
| 7 | Total investment in project (US\$), e.g. from donors, NGOs, governments, and companies |

As additional working group projects are instigated and mature, reported aggregate farmer 'outreach' (Indicator 1) has been increasing (Figure 4).⁷

⁷ Figures 4 and 5 are based on *Grow Asia Progress Summary* (powerpoint presentation), 15 March 2018. See Figure 5 for definitions of 'reached' and 'engaged'.

Figure 4. Farmers reached and engaged

Grow Asia recognizes that 'reach' is only a first step in effecting change at the farm level, and has articulated a 'farmer engagement funnel' as a better conceptual approach to monitoring the pathway to impact at the farm level. Key indicators and results to date are as follows (Figure 5):

Figure 5. Farmer engagement funnel⁸

For most of the impact level indicators, achievements reported to date are tracking well below the targets established in the Three-Year Plan. For example, the number of farmers reportedly 'reached' (690,000) is much lower than the 3.5 million target for this year. In some ways this is unremarkable, as the original target of benefiting 10 million farmers by 2020 was unrealistic from the beginning. Even if considered a 'stretch target', it is out of step with the long lead time required to develop and implement agricultural innovation programs. Even when successful, these typically take several years to achieve scale. As

⁸ Definitions of each level of the Funnel are highlighted in the dot points underneath.

highlighted in Box 1 above, most Working Groups are not yet in a position to catalyse or support large-scale change.

A smaller number again – less than 82,000 farmers, are reported to have adopted new technologies or farm practices.

Table 3 provides a country-by-country breakdown on some of these numbers, including the distinction between farmers ‘reached’ and farmers ‘engaged’. Given the Indonesia partnership (PISAgro) is the longest running and in the largest of the five countries, it is unsurprising that a high proportion of the achievements reported to date are from Indonesia. However as discussed further in section 4, it is difficult to attribute these reported results to Grow Asia, and even less so to the specific activities the Regional Secretariat has undertaken since its establishment. Much of the farm-level reporting is from a small number of projects that were initiated well before Grow Asia but have since been brought under its umbrella. For example, the investment figures include donor funds for projects implemented by NGOs and initiated independently of Grow Asia. The numbers are better understood as reflecting the scale of results being reported by organizations which are members of the Grow Asia network, rather than the results of Grow Asia’s structures, processes or activities.

Table 3. Selected project indicators, by country

| NVA Project Indicator | Total | Indonesia | Vietnam | Philippines | Myanmar | Cambodia |
|------------------------|------------|------------|-----------|-------------|-----------|----------|
| US\$ invested | 44,812,012 | 37,282,406 | 1,579,179 | 243,427 | 5,707,000 | |
| No. of farmers reached | 690,710 | 387,098 | 228,854 | 3,116 | 71,642 | |
| No. of farmers engaged | 417,993 | 188,933 | 192,618 | 200 | 36,242 | |
| Women farmers | 46,904 | 21,453 | 17,790 | 59 | 7,602 | |

It is notable that the detailed reporting provided for the Review contained little or no data for environmental indicators established at the outset of the program, such as water use, the existence of biodiversity management plans, changes in greenhouse gas emissions, or soil samples tested.

In addition to quantitative reporting, Grow Asia also documents ‘success stories’ including examples of policy impact. For example, public-private dialogue through Vietnam’s Coffee Taskforce is credited with triggering amendments to the VAT regime, thereby reducing disincentives for crop exports. In Indonesia, the government tasked PISAgro to advise on how to refine its micro-credit program to make it better suited to smallholder farmers. In the Philippines, the government has shown interest in receiving policy papers from PPSA’s working groups, for instance on regulations affecting smallholders’ access to finance. The extent to which these contributions have influenced policy development and led to impact for farmers is difficult to quantify, but policy dialogue does appear to have been one of the more productive areas of engagement by Grow Asia.

4 Monitoring and Evaluation

While the Review Team was not tasked with verifying the achievements being reported by the Grow Asia Secretariat, the Terms of Reference did require an examination of the monitoring and evaluation systems used to collect data, to establish whether the process is robust enough to generate credible information for program management, accountability and reporting purposes. This section presents the Review Teams finding in this area. A full explanation of the M&E system is presented in Annex 3.

4.1 Processes for Monitoring and Results Measurement in Grow Asia

Based on the Grow Asia theory of change, data is collected and reported by Grow Asia around two key changes: country partnerships formation and engagement (output level), and the results of this interaction: impact of the partnership projects.

4.1.1 Collecting information about country partnerships (output indicators)

Collecting quantitative information at this level has been relatively straightforward. As outlined in Section 3 above, it is relatively simple to measure the number of country partnerships and working groups, or the number of value chain projects.

The Secretariat in Singapore has put a lot of effort to improving the way this level results are measured, particularly in terms of qualitative terms. The appointment of a new leadership team for the Regional Secretariat in 2016/2017 led to various tools being developed, tested and improved over time, to capture the progress of the working groups and country secretariats in undertaking their work:

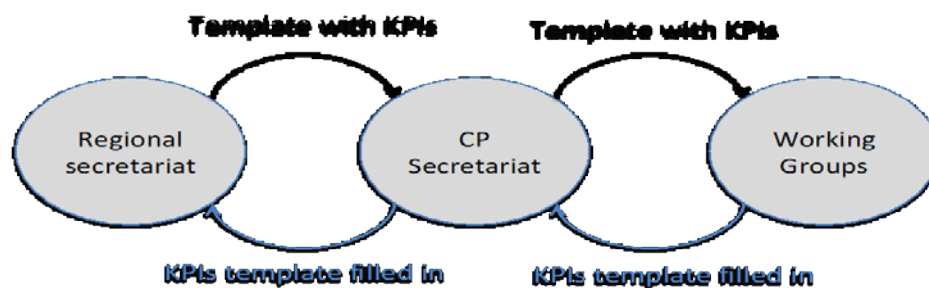
- The Secretariat developed Composite Country Scorecards for assessing qualitative improvement in the capacity of country partnership secretariats;
- Scorecards were also developed for the Working groups, comprising a five-point qualitative assessment of their effectiveness and competencies;
- A study was commissioned in October and November of 2017 to better understand working group success and failure factors, to inform efforts to improve capacity and build good practice in the working groups⁹. It yielded useful insights and practical suggestions on how to improve working group functioning
- In addition, with the aim of gauging how its support is valued, the Grow Asia Secretariat designed a 'Partners survey' and tested it in August 2017. This tool is being used now to understand why CPs and other stakeholders engage with Grow Asia and the value they perceive of engaging with Grow Asia. It will be used as a feedback mechanism for Grow Asia to adapt its services.

4.1.2 Collecting information about the impact of the partnership projects

At the level of impact indicators, establishing rigorous, or even consistent monitoring systems has proven to be very challenging. Currently, the system put in place by the Regional Secretariat is based on self-reporting by each of the working groups, using a template (that has been developed by the Regional Secretariat) with a list of indicators (Figure 5). The Regional Secretariat and Country Secretariats (CP Secretariats) do not collect this information directly and are unable to do any more than rudimentary validation of the data reported by working groups.

In each country, the country partnership secretariat aggregates this data for reporting to the Regional Secretariat. The Regional Secretariat aggregates these data and results are reported widely to donors and publicised on the Grow Asia website.

⁹ *Grow Asia Working Group Study*, Ananta Ventures, powerpoint presentation, December 2017

Figure 5: Process of collecting impact data in Grow Asia

The Review Team found serious issues with the reported data:

1. During its consultations, the Review Team heard about many working group projects that had been underway prior to the establishment of the Regional Secretariat, or even the country partnership. Often, these had been sponsored and funded by governments, donors or NGOs, or by the CSR departments of large companies before they became associated with Grow Asia. Although they may not have been originally stimulated by the Grow Asia initiative, the results are now being reported back through the Grow Asia reporting system. The results from such projects cannot be attributed wholly to the Grow Asia initiative, but they are being reported as though they are.
2. The quality of the data is highly variable: Working groups often provide data they have collected for other projects and purposes. Some of these projects have rigorous M&E systems, while others report data estimated through the most elementary of methods. Some groups report on the basis of estimates, or projections, while others report actual results. When aggregated and reported by the Regional Secretariat, these distinctions are lost.
3. Attribution is not taken into account: Attributing changes at the business or farmer level to the activities of the country partnership is questionable and even more so for the Regional Secretariat. Even where businesses can be shown to have made additional investments in inclusive business as a result of projects initiated through the working groups, the extent to which that can be attributed to the efforts of the Regional Secretariat is unclear.
4. Input Additionality: Grow Asia aims to catalyse at least US\$100 million in new inclusive investments and reports \$44million additional investments to date. However, as explained above, some of the value chain projects now under working group auspices pre-dated the establishment of Grow Asia, or working groups. The bulk of the reported \$44 million is derived from those projects. To what extent would the private sector investments have occurred in any case, in the absence of Grow Asia and the initiatives of the working groups? The monitoring and results measurement process does not address this critical issue.

Grow Asia made efforts to improve the way it collects impact data. To encourage stakeholders to coalesce around a more consistent approach to reporting results at the smallholder level, the Regional Secretariat introduced the 'funnel' concept (see Fig 4 above). This was a logical and practical response, although there still seems to be some way to go before working groups will be consistently applying the funnel concept and have a common understanding of the definitions of each category. Also, the same attribution issue applies to the use of the funnel concept.

No doubt in part due to the challenges listed above, monitoring the impact of Grow Asia on gender equality and women's economic empowerment, on reducing water consumption in agriculture, and in reducing CO2 emissions have also proven to be too challenging for Grow Asia. In practice, there has been little reporting against those indicators. Although the Regional Secretariat had introduced a carbon emissions calculator for use across the network, working groups largely rejected the tool, on the basis that it was impractical or too difficult for them to use.

There are various reasons for this less than robust monitoring system:

- The Regional Secretariat is two steps removed from the activities of working groups and so its capacity to ensure consistent reporting across the 50 working groups is constrained. It has sought to work through the country partnership secretariats to influence working group functioning, including the establishment of basic monitoring procedures, but the country secretariats have very limited resources and the working groups are essentially autonomous, self-governing units. The Grow Asia Secretariat does not fund the working groups, which plan their own activities based on the ideas and resources which members bring to each group.
- There are weak incentives for reporting: Since they receive no funding from Grow Asia, many working groups feel they have limited accountability to the Country Partnership Secretariat and less still to the Regional Secretariat. As a result, not all groups are willing to report monitoring data, and those that do, often only collect the data requested by the donors and investors funding their value chain projects. Working groups can be reluctant to invest additional resources into collecting the specific data which Grow Asia requests. In addition, companies are sometimes reluctant to release their own data, which they may regard as commercially sensitive.
- There are few opportunities for independent verification: The CP secretariat staff have worked hard in many cases to try and bring some semblance of order and consistency to data reporting. However, given the number of working groups and the limited time and authority they have, they are not really in a position to independently verify or impose consistency on project monitoring systems or the quality of the data. Circumstances dictate that they often have to simply accept the reported data at face value.

The Review Team's observations on M&E challenges and data collection issues reflect similar observations recorded in the 2017 survey of working group members, a number of whom questioned the validity of the results being reported¹⁰.

These issues and challenges to effective monitoring suggest that reporting to date on the impact of Grow Asia needs to be interpreted very cautiously. At this stage, the numbers reported for farm-level or business level impacts cannot be taken as a reliable indication of the likely impact of Grow Asia. It may be most appropriate to consider such reporting as a broad indication of the scale of activities being undertaken by institutions that are members of the Grow Asia network but not be attributed and hence reported as results of Grow Asia. With the current M&E process put in place by Grow Asia, it is impossible to tease out what the actual impact on smallholders has been, and of that, what proportion might be attributed to the support provided by the Regional Secretariat.

4.1.3 Collecting information on impact of Grow Asia on policy and regulatory reforms

The TOC includes promoting improved policies as one of the outcomes. No indicators or measurement system is currently in place to track this type of change. However, the Regional Secretariat is placing

¹⁰ *Grow Asia Working Group Study*, Ananta Ventures, powerpoint presentation, December 2017

greater emphasis on documenting dialogue and partnership brokering processes, to generate evidence trails for later assessments.

4.2 The way forward

The Grow Asia M&E system is robust in terms of capturing results at the partnership level (outputs in the Theory of Change). Recent moves towards more qualitative assessment, are all positive responses to the challenges of monitoring such a broad network of activities. Collectively, the focus on partnership processes offers a better approach to monitoring progress of Grow Asia and the effectiveness of the Regional Secretariat. This would also bring monitoring processes closer to the activities for which the Regional Secretariat is more directly responsible.

However, the M&E system for gathering impact data is not robust enough, or perhaps more accurately, does not yet exist. The Regional Secretariat is yet to find a workable approach that can deliver credible impact data. It would be better at this stage for Grow Asia to stop reporting these impact data, or alternatively, make it very clear that impacts reported by partners are not claimed to be the results of Grow Asia's structures, processes or activities.

Annex 3 includes a more detailed review of the monitoring and evaluation system and further recommendations on how it might be improved are presented in section 11.5.

5 Services Provided by the Regional Secretariat

The Grow Asia theory of change is based on the idea that the Regional Secretariat's brokering, convening and supporting functions would help establish country partnerships and build their capacity (Figure 1 above). This would enable working groups to initiate private sector-led inclusive business models as well as enabling an environment for inclusive business, that would transform markets and benefit smallholder farmers at scale (leading to 10:20:20 targets by 2020).

The support provided by the Regional Secretariat is therefore important in enabling the higher-level results in the ToC to be achieved, but in practice there are many challenges in working with such multi-stakeholder partnerships. The principle of local ownership and the different circumstances in each country means the Secretariat must carefully negotiate solutions. These partnership structures remain in most cases at a formative stage, with limited impact to date. However, considerable effort has been invested by the Regional Secretariat in building the five country partnerships.

This section looks at how stakeholders value this support and the Regional Secretariat's future plans on support provided.

5.1 Stakeholders views on the value of the Secretariat's support

In order to gauge stakeholder views, the Review Team drew on a range of existing studies (referred to below and also included in Annex 6) and the survey commissioned by the Mid Term Review team (referred thereafter as 'MTR Partners Survey'):

1. The Grow Asia Secretariat Partners survey (August 2017): Grow Asia surveyed 68 partners (over 2,000 were sent the Survey Monkey link) to understand why they engage with Grow Asia and their perceived value of engaging with Grow Asia.
2. The Grow Asia Study in October 2017 to understand working group success and failure factors¹¹.

¹¹ *Grow Asia Working Group Study*, Ananta Ventures, powerpoint presentation, December 2017

3. The Grow Asia *Proposal for Funding* (March 2018) has also been used to compare and contrast findings.
4. Perspectives were gathered from a wide range of stakeholders during the Team's visits to the five partner countries;
5. The MTR Partner Survey: a brief survey of partners was commissioned as part of the Review team in May 2018. A questionnaire was sent to over 400 stakeholders, and 47 responded. The survey sought to capture perspectives of participants on services already provided by the Regional Secretariat, but also the new services that the Secretariat included in the *Proposal for Funding*. Detailed results of this survey are presented in Annex 4.

Some of the key observations to emerge from these sources include¹²:

- The Grow Asia Secretariat's services are most valued with respect to convening, partnering and networking services and to a lesser degree, learning, funding and technical assistance. This result came from both the Grow Asia Secretariat Partners survey (August 2017) and the mid-term review Partners survey commissioned in May 2018.
- However, the 'MTR Partners survey' showed that the Regional Secretariat work so far is less valued in 'Identifying & scaling solutions' (Review Partners survey). Although there is strong demand for support in this area, the survey suggests that partners do not feel the Regional Secretariat is effectively providing that support.
- The Study on the working groups success and failures suggested that more support is needed from the Secretariat to help working group leaders perform their roles.
- The 'MTR Partners survey' showed that Regional Secretariat's focus on building the capacity of country partnerships is 'Important or Extremely important' for 90% of survey respondents. Participants to the survey mentioned that the focus should be on 'Strengthening working groups to improve effectiveness at identifying and designing inclusive business projects'.
- 'Creating opportunities to meet new partners' is a highly-valued role of the Regional Secretariat, as a means to achieve scale; but 'Explore high digital impact & technical solutions' (suggested by Track 2 Digital) was least valued in this respect.
- Interviewees felt that the country partnership secretariats and the Regional Secretariat should move now beyond convening and organizing events to help with deal making - helping businesses involved in Grow Asia finding new business partners and facilitating inclusive business arrangements. In many interviews stakeholders raised this issue, pointing that otherwise Grow Asia would lose momentum.
- Working groups are seen to be the most important platforms in Grow Asia that should continue to be sustainable. The Regional Secretariat and country partnership Secretariats come second, but far behind the first. (source: MTR Partners survey)
- There is a significant variation in the capacity and effectiveness of working groups. The underperformance of some working groups is and will continue to be a hurdle in delivering results (Source: Study on the WGs success and failures (2017), mentioned also in the *Proposal for funding* (2018)).
- All working groups expressed a need for more support from country partnership secretariats and that the secretariats should expand services provided. (Study on the WGs success and failures). This was also confirmed during field visits. The majority of stakeholders in Myanmar for example, were suggesting more support to be in country, building capacity of country partnerships, and that the 'fly-in fly out consultants' model does not work.

¹² More detailed findings can be found in Annex 4

In summary, the services provided by the Regional Secretariat and country partnership secretariats are appreciated, indeed in high demand, but the requirements are growing and changing. Although current services are valued, working groups felt a need for more support to enable them to become more effective. Support¹³ was needed in particular:

- (i) to help working group leaders perform their roles, of creating resilient and sustainable multi-stakeholder platforms; and
- (ii) expertise is required to help working groups in identifying inclusive business solutions, make inclusive business deals and advise on how to facilitate broader changes in market systems. There is currently a high level of demand for such support, but the small Regional Secretariat team has limited capacity to respond at the level and quality required.

The other conclusion which comes out clearly is the ongoing need for the Regional Secretariat to draw on continuous feedback mechanisms to check and adapt its services as the network evolves, as it has done with these initial surveys and studies.

6 Exploring pathways to impact at scale

Structurally, Grow Asia cascades down from the Regional Secretariat to country partnerships, working groups and value chain projects. Impact at scale was expected, by and large, to build momentum in the reverse direction. Some of the organizations that have joined Grow Asia are reported to have had some notable successes at the value chain level (see Box 2).

For the most part though, there have been limited examples to date of scaling of the mostly modest projects initiated by Grow Asia working groups, although the broader sectoral approach, as was developed in relation to coffee in Vietnam, may provide opportunities for wider influence and impact.

The NVA/Grow Asia model envisaged that the involvement of agri-businesses in successful 'pilot' projects would help them develop sustainable and commercially viable inclusive business models, which they would then implement at scale, or might be copied by other companies. The head offices of large multinationals such as Nestle, Unilever and Bayer make much of their corporate principles of responsibility, inclusive business and 'shared value'.¹⁴ However, there is no simple 'how-to' guide to implementing this on the ground.

Box 2: Indonesia Sustainable Cocoa Production Program (SCPP)

The SCPP has been implemented in Eastern Indonesia since 2012 by Swisscontact and a range of donor and private sector partners. With funding of over A\$40 million (including almost \$9million from the private sector), the program had by 2017, among other things, helped over 30,000 farmers to gain third party certification with sustainability standards. Swisscontact joined the Grow Asia/PISAgro cocoa working group, to share their successful SCPP experience with other organizations. Although this program did not arise from Grow Asia's activities, it is hoped that through dialogue processes like these, Grow Asia might be able to stimulate additional inclusive business initiatives.

¹³ detailed survey results are included in Annex 4.

¹⁴ See for example: <https://www.nestle.com/csv/what-is-csv>; <https://www.unilever.com/sustainable-living/enhancing-livelihoods/inclusive-business/>; <https://www.cropscience.bayer.com/en/blogs/corporate-blog/2017/bernd-naaf-building-better-livelihoods-for-smallholder-farmers>.

It was clear from Review consultations that there is a wide gulf between most working group projects and core business strategies of these large companies. A common scenario for the working group value chain projects involves businesses linking to an existing donor-funded project implemented by an international or local NGO, often working in the ‘pre-competitive’ space. Such partnerships are valuable in ensuring input and/or output markets are directly connected to the NGO’s productivity-enhancing or supply-aggregating activities. However, some companies told the Review Team that these approaches were ‘too expensive’ to replicate using their own resources. In some instances, the companies felt no need to expand their activity since the existing project satisfied their immediate requirements.

There was also a sense that some companies felt obliged to participate in ‘a project’ as that was the working group’s primary focus, but this was treated more as CSR activity than as core business. In other words, the expectation that companies would expand their sourcing from (or supply to) smallholders as part of their standard operating practices beyond the project location (and covering any additional costs from additional revenues generated) has so far been more of the exception than the rule (see Box 3).

Box 3: A commercially sustainable approach in Cambodia

In Cambodia, Coco Khmer is gradually building up its range of premium coconut products, with raw materials and processing organized through village-level rural cooperatives. Grow Asia connected the company with a co-operative of 1,200 families. Coco Khmer is stimulating local production while providing technical training to improve quality and productivity. While the business owner is motivated in part by social concerns, his ambitions to scale up operations are driven primarily by a quest for long-term commercial viability, including through attracting investment funding and securing export markets.

There are some exceptions to the project-driven model, for instance in Cambodia (where the CPSA Secretariat’s mantra is ‘it’s about partnerships, not projects’) and in a few working groups which are adopting a more strategic, sectoral approach. While some country secretariat staff expressed a desire to move beyond the project-focused model, it is difficult for them to drive change as their role is generally perceived to be administrative rather than direction-setting. The Review Team’s assessment is that the country partnerships are currently not well structured and resourced to drive a more strategic approach focused on scalable business models. Currently planned support from the Regional Secretariat is unlikely to change this.

To their credit, Regional Secretariat staff have given considerable thought to the challenges of scale-up. A March 2017 paper drew from field experience in identifying four main ‘Pathways to Scale’:

1. Institutionalizing the multi-stakeholder approach (eg through influencing government policies and approaches)
2. Businesses mainstreaming the approaches piloted through the projects
3. Project replication, whereby new partners build on or expand earlier successes
4. Catalytic financing to unlock particular bottlenecks.

However, the numerical targets (especially ‘reaching 10 million smallholders’) have remained a major focus for Grow Asia, and to some extent have driven its strategies and approaches. Recognizing that few individual value chain projects would reach more than 20,000 farmers – and that therefore several hundred projects would be required to meet the 10m target – the Secretariat developed a new ‘Track Two’

portfolio to supplement the work on Country Partnerships and Working Group projects (which would continue as ‘Track One’)¹⁵.

6.1 Track Two

Track Two programs in digital solutions, agri-finance, learning and potentially, policy engagement, are shaped around regional scale activities which offer the prospect of delivering relatively rapid and large-scale outreach figures. These regional ‘scaling solutions’ activities were introduced in the Grow Asia Three-Year Plan, as shown in the Theory of Change (Figure 1). They were originally conceived as a way of supporting the country partnerships. Following some initial setbacks, the Track Two programs remain at a formative stage of development, but the preliminary strategies developed in 2018 for each of the streams of work are appropriately focused on transformative business change, with potential for impact at scale.

In the case of each intervention, the Secretariat would need to determine what its role should be in what is often a crowded development space. Are there other organizations which have more expertise and have a stronger mandate for playing the role envisaged for Grow Asia? The team appears to be aware of that requirement, but it would need to be carefully assessed in each case. If those issues are well handled, these activities could help add an important regional networking benefit for the various working groups seeking to find solutions in, for example, digital platforms for agribusiness, or agri-finance and insurance. Some of these solutions lend themselves well to a multi-country approach, which is mostly beyond the mandate of the country partnerships.

However, although complementary to the work of country partnerships, there is tension between these regional activities and the original principle established within the New Vision for Agriculture, that activities should be country-led, with “Locally driven and country-owned projects and organizational leadership”¹⁶. Under Track One, all projects are implemented by the partners in the working groups in the five countries. The country partnership secretariats in turn are expected to become self-financing and self-governing. This helps to maximize the chances that these structures and programs would be self-sustaining, in the event that donor funding and the support of the Regional Secretariat, came to an end.

Unlike Track One, the proposals under Track Two are predicated on the Regional Secretariat itself having a substantial role in project initiation and execution. In effect, it would move beyond the role of a Secretariat, supporting the country partnerships, to be more of a program manager, funding and executing its own programs.

In this context, the Track Two initiatives show promise, but face two significant challenges:

- First, the Regional Secretariat currently has the funding and a mandate to make commitments only until mid-2019. As they are currently configured, the Track Two programs will most likely take a few years to carry to fruition, so would require support beyond 2019. Any substantial investment in Track Two programs would therefore be predicated on the continuation of donor funding through the Regional Secretariat beyond 2019.
- Secondly, it is important that this program of work remains closely tied to, and to some extent, driven by the interests and demand emerging from relevant working groups at the country level. The alternative – developing and funding a program of top-down regional activities with only limited connection to the in-country working groups – would risk distracting the Regional Secretariat from

¹⁵ The ‘twin track’ approach was presented to the Grow Asia Steering Committee in December 2017 (Grow Asia Update, 5 Dec 2017). According to the meeting summary (Grow Asia Steering Committee Virtual Meeting, 6 Dec 2017), the approach was ‘validated’ by private sector representatives, and donors were ‘broadly in agreement’.

¹⁶ *Grow Asia Partnership Three-Year Plan, 2015-2018* May 2016, p6.

its core mission of supporting the five country partnerships. It could divert staff and financial resources from the country partnerships where it is arguably most needed.

While the focus of Track two on impact at scale is welcome, it will be important to ensure that this desire for achieving rapid impact through regional activities does not inadvertently undermine the core business of Grow Asia, which is to strengthen the country partnerships.

7 Governance Arrangements

Effective governance of Grow Asia is inherently challenging, since it is a network of hundreds of stakeholder institutions across six countries. There are governance committees at the regional level, as well as in each of the five countries involved and the program is executed through more than 50 working groups.

The World Economic Forum's New Vision for Agriculture has set out guiding principles to help shape the establishment of such partnership structures. These include ensuring that multi-stakeholder processes and structures are locally owned, market-driven and aligned with country goals. Although progress varies between the five Grow Asia countries, WEF/NVA has made laudable progress in establishing a network of country partnerships that do have substantial local ownership, substantial engagement and leadership from the private sector and the support of national Ministries of Agriculture of the five countries.

In order to help promote good governance and effective functioning of the various country partnerships, NVA has also provided a practical guide to how such partnerships should be conducted: *Building Partnerships for Sustainable Agriculture and Food Security: A Guide to Country-Led Action* and an associated toolkit for Secretariats. This was a valuable contribution from NVA, to help establish basic standards and best practices in country partnership governance.

In order to assess the effectiveness of Grow Asia's governance structures, the Mid-Term Review drew on the NVA *Guide* and key lessons from the international literature on multi-stakeholder partnerships in agriculture. In relation to governance, three key attributes of successful MSPs stand out:

- Alignment of stakeholder interests around clearly defined objectives for the partnership;
- Inclusiveness of the partnership structures, with an appropriately balanced representation of key stakeholders in the sector; and
- Transparency in governance processes and decision-making.

7.1 Alignment of stakeholder interests

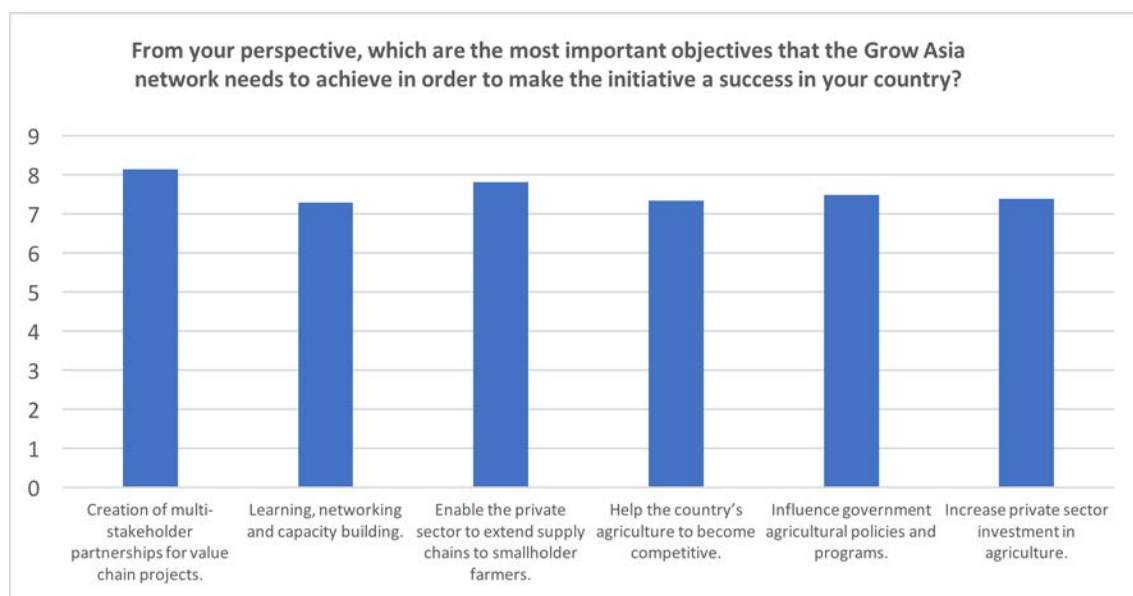
It would be unsurprising if, in the working groups and other governing bodies, the hundreds of Grow Asia stakeholders did not bring with them a wide range of objectives for participating. A key challenge for all of these groups, is to choose just a few key objectives around which they can align their efforts. Those objectives should also be consistent with those of the New Vision for Agriculture:

“...sustainable agriculture must simultaneously deliver food security, environmental sustainability and economic opportunity. Achieving those goals requires a transformation of the agriculture sector, leveraging market-based approaches through a coordinated effort by all stakeholders, including farmers, government, civil society and the private sector.”¹⁷

¹⁷ <https://www.weforum.org/projects/new-vision-for-agriculture>

In the survey of Grow Asia members conducted as part of the Mid-Term Review, respondents were asked to rank the most important objectives of Grow Asia. As can be seen from Figure 7 below, the network was seen to serve a wide range of objectives. This is similar to the results of an earlier survey by the Regional Secretariat.

Figure 7. Stakeholder views of Grow Asia Objectives



One of the key driving ideas of the Grow Asia initiative (and reflected in some of the objectives listed in the survey) is that by working together, stakeholders may be able to develop new ways of doing business with smallholders that would pave the way for increased private investment in agriculture.

In many consultations with private sector partners however, the Review Team found this aim of enabling inclusive business models was mixed with a range of other motivations, including:

- building connections with political leaders;
- gaining market intelligence;
- exchanging knowledge with other practitioners in the sector;
- promoting or protecting corporate or brand image, including through corporate social responsibility projects;
- coordinating the efforts of multiple actors in the same value chain; and
- identifying sources of public funding to reduce their costs in dealing with smallholders.

To what extent have these other objectives shaped the work of Grow Asia? It is difficult to generalise across the whole network, as the picture is quite mixed. Several of the private sector partners were clearly motivated by the business opportunities offered by bringing more smallholders into their business operations. Others were more focussed on corporate social responsibility and defending their corporate reputations, but for most companies, their motivations were mixed. In practice, a lot depends on the leadership of the various governing bodies and in particular, the chairs of the individual working groups. However, the Review Team saw enough examples of how other objectives were shaping the work of Grow Asia, for it to question the extent to which Grow Asia members really are aligned around its original vision of achieving scale through inclusive business models.

7.2 Inclusion

Critics of multi-stakeholder partnerships point to difficulties in balancing the inherent power asymmetries between participants in partnership decision-making processes. If this isn't managed well, the most powerful groups in the partnership dominate the platform and the interests of the powerless are neglected. So, one of the ways in which Grow Asia can help ensure that implementing more inclusive business models remains the major focus of Grow Asia, is to ensure that all the key stakeholder groups relevant to smallholder agriculture have equal opportunity to shape the strategic direction and the kinds of activities supported.

The NVA *Guide* suggests that Country partnerships should have a multi-stakeholder composition and have “open and inclusive engagement from the beginning” (p8). This principle has been applied in different ways in the five country partnerships. For example, the PISAgro partnership has a much stronger representation by large companies, whereas in PSAV, the Government has a stronger role, co-chairing all key committees. The Review Team compiled information on representation by key stakeholder groups at the three levels of the Grow Asia network.

At the highest level of the network, advisory bodies for both the business community and civil society organisations have been established to provide advice on key issues and feedback to the Regional Secretariat on its plans for the system. The Grow Asia Steering Committee is relatively well balanced, with representatives from the GA Business Council; the GA Civil Society Council; Farmers' Associations; the ASEAN Secretariat, the World Economic Forum and the two major donors to the Grow Asia Secretariat.

Figure 8 shows the distribution of stakeholders across the combined membership of the three Regional level governance bodies: the Steering Committee, the Business Council and the Civil Society Council.

Figure 8. Stakeholder representation in GA Regional Governance

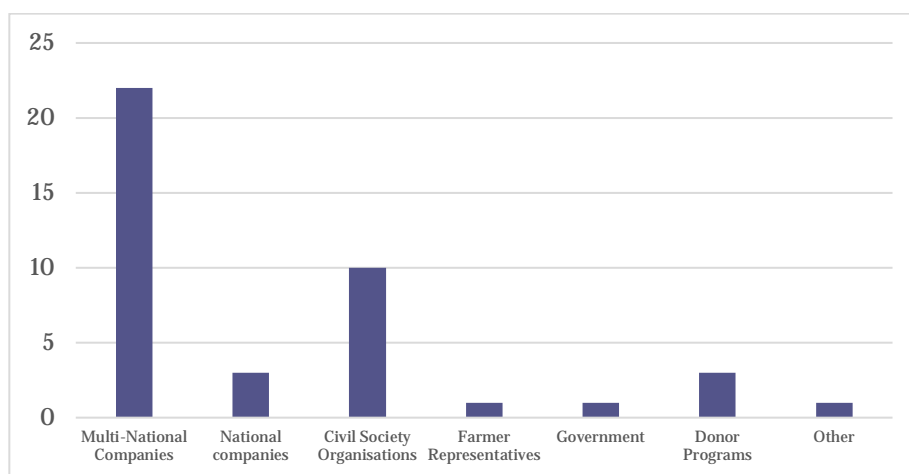
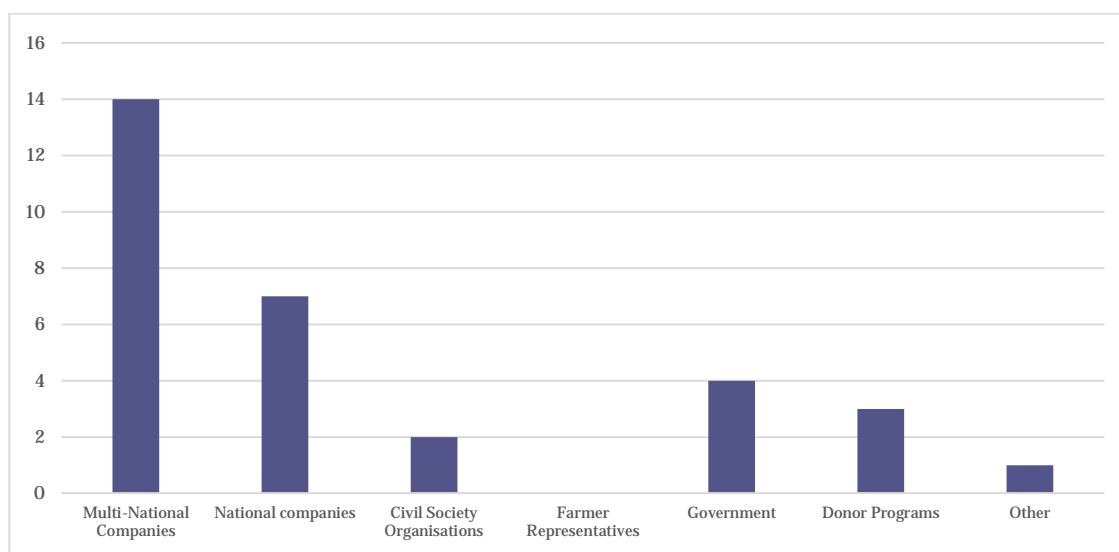


Figure 9 shows the distribution of stakeholders across the core governance committees of all five country partnerships combined:

Figure 9. Stakeholder representation in Country Partnership Governance

This shows that at both regional and country level, the private sector, and particularly multi-national companies, make up a large proportion of the membership of key Grow Asia governance committees. This reflects the important role of multi-national companies, including many WEF members, in establishing Grow Asia and their important roles in leading many working groups. At the country level, national companies also play a major role, but are still outnumbered by the international companies.

Civil society groups, governments and donor programs each comprise a smaller share of governance committee membership. What is most striking is that representatives of smallholder farmers do not seem to have a significant presence across the network, except in the GA Steering Committee. While the Regional Secretariat has been encouraging country partnerships to ensure adequate representation of CSOs and farmer associations, it appears that there is still room for significant improvement in that regard. The Review Team also found that knowledge organisations, such as researchers, universities or think tanks, also do not appear to be playing a significant role across the network.

7.3 Transparency

In addition to the regional level committees, each Grow Asia country partnership has some form of core committee to provide high level leadership to the national program. The Review Team examined whether the agendas or proceedings of the meetings of these bodies are made publicly available – for example on the relevant regional or country level GA websites. This would ensure that all members participating in Grow Asia are aware of the issues being considered by governing bodies, and therefore have a chance to approach those representing their interests to provide additional input. The team also asked whether information on the budgets of the Secretariats were similarly made available at each level. Although these are relatively simple measures to support transparency and accountability within the Grow Asia network, the Review Team found only a few examples of where this had been done.

Some of these governance issues were raised in the study conducted in 2017 of the functioning of the working groups, with some useful suggestions outlined in how working group governance might be strengthened. At the regional level, it is not clear to what extent the governing bodies have championed improvements in Grow Asia governance at the various levels, such as improved inclusiveness or increased transparency. The Steering Committee, Business Council and Civil Society Council appear to have played more of a low-key advisory role than a steering role in the development of the program. The World

Economic Forum/New Vision for Agriculture also seems to have only a limited role in steering the program, delegating most of this responsibility to the Executive Director.

8 Value for Money

8.1 Costs and Benefits

In the case of Grow Asia, the Review Team found it difficult to make any meaningful quantitative comparison of costs and benefits. First of all, for the reasons alluded to in section 4 above, it is not possible to compile robust estimates of benefits for smallholder farmers, or in terms of additional private sector investment, CO₂ reductions or reduced water consumption resulting from the work of the Grow Asia network. It would also be very difficult to determine what proportion of those benefits could be attributed to the investment by Australia in the Regional Secretariat.

Moreover, on the basis of information currently available, it is not possible to estimate the total resourcing involved in the Grow Asia network's activities. While contributions of the Governments of Canada and Australia are known, most of the costs of network activities are borne by stakeholders at the national level. Most of the costs of participating in Grow Asia meetings and working groups are met by the participants themselves, and the chairs and co-chairs of all the working groups and governance committees volunteer their time to manage the processes.

Also at the Working Group level, companies, donors, governments and NGOs contribute to the execution of value chain projects sponsored by the working groups. Some of these investments are small and others are substantial, but with over 50 working groups, there is little doubt that the total investment would easily exceed the cost of the Regional Secretariat and country secretariats combined. However, only some of those investments are on the public record. Some companies prefer not to make public the investments they are making in projects related to Grow Asia, so it has not been possible to collate that information.

The Country Secretariats have been encouraged to become self-financing by raising membership fees. Indonesia has already achieved self-sufficiency and others are making progress in that direction. The following table summarises the current situation.

Table 4: Progress towards Self-financing of CP Secretariats

| Country Partnerships: | Indonesia (PISAgro) | Vietnam (PSAV) | Philippines (PPSA) | Myanmar (MAN) | Cambodia (CPSA) |
|--------------------------------|---------------------|----------------|--------------------|---------------|-----------------|
| Source of funds: | | | | | |
| GA Regional Secretariat | | 30% | 60% | 100% | 100% |
| Membership fees | 100% | 20% | 40% | | |
| Other sources/donors* | | 50% | | | |

* In the case of PSAV, the main other source is the Australian Embassy, although the Government of Vietnam also makes in-kind contributions

So, while it is not possible to make any quantitative comparison between the costs and benefits of the Grow Asia network, it could be argued that Australia's financial contribution is leveraging substantial

additional investments by the private sector and other partners. In particular, it is worth noting that unlike in some other donor-supported programs, the costs of holding working group and country partnership meetings is largely met by the participants and Grow Asia members themselves. In that sense, it is arguably, a cost-effective approach. On the other hand, since it is mostly too early for verifiable impact on smallholder farmers from Grow Asia's activities, it may be premature to judge whether the investment has been justified.

Also to be considered is that many of the benefits of supporting the Grow Asia network are less tangible than the numbers. It is difficult to value the various benefits of bringing many stakeholders together to jointly address challenges to smallholder agriculture, which include building trust, sharing experience and knowledge, addressing policy and regulatory barriers and brokering partnerships. It is also likely that many of the benefits of these relationships and structures developed over the last three years, may be realized in the future.

8.2 Efficiency

Although the Review Team had limited time to explore financial management issues, the Grow Asia Regional Secretariat seems to be managed in a professional manner. Funds are disbursed to the Grow Asia Secretariat on a monthly basis against budget approval by the Managing Director of World Economic Forum USA. Annual accounts are audited by an independent Singaporean audit firm before being submitted to the Government of Singapore, as required under local law. The accounts are additionally audited by the WEF auditors in the US and Switzerland.

In the early stages of establishing the Singapore office, few formal financial procedures were in place, but the recruitment of a skilled Operations and Finance Manager has helped to ensure prudent cost control. The World Economic Forum commissioned an independent review of financial management and procurement procedures, to ensure compliance with DFAT contractual requirements. This addressed procurement policies and practices, travel procedures, a staff code of conduct and included a study, benchmarking of GA Secretariat salaries against Singapore norms. This led to a series of improvements to financial management processes and more formal guidelines for procurement.

The use of a Swiss event management company to organize key events in the region (under arrangements negotiated by WEF in Geneva) proved unnecessarily expensive. A subsequent shift to using local event management companies led to significant cost savings. Nevertheless, the Regional Secretariat remains a relatively expensive operation. Singapore is a convenient regional base, where talented staff can be attracted to work in the Secretariat. The location also avoids concerns of favouritism that might arise, if the Secretariat were located in one of the five countries, but rent and salary costs in Singapore remain high. Arguably, redirecting some Regional Secretariat resources to the country partnerships, or relocating some Regional Secretariat services to partner countries, may represent a more effective use of the funds available.

8.3 Other donor contributions

Canada co-funded the initial three-year Regional Secretariat work program alongside Australia. However, the Grow Asia team has been advised that Canada's priorities have now shifted, and it is unlikely that further Canadian funding will be forthcoming.¹⁸

The Regional Secretariat has approached several other potential donors and has secured some limited funding from the World Bank, the International Development Research Center (IDRC) and the Swiss Agency for Development and Cooperation (SDC) for specific elements of the work program.

¹⁸ The Review team's efforts to engage directly with Global Affairs Canada were not successful.

9 Relevance

9.1 Relevance to Australia

There is little doubt that the objectives of Grow Asia remain relevant to Australia's development, foreign policy and trade interests. Australia's 2017 *Foreign Policy White Paper* puts strong emphasis on supporting prosperity, stability and resilience in Southeast Asia, including through ties with ASEAN. With most countries in the region having achieved middle-income status, Australia and other donors now put more emphasis on policy engagement and leveraging alternative sources of finance such as private sector and partner government investment. Innovation, private sector-led growth and gender equality remain key priorities for Australia's aid program, along with enhancing agricultural productivity and helping partner countries benefit from trade and deal with climate change.

Australia's aid program now engages with the private sector through several distinct modalities, including competitive funding rounds (Business Partnerships Platform), multi-donor prize challenges (AgResults) and an expanding suite of Market Systems Development programs¹⁹. The multi-stakeholder partnership approach championed by the WEF's New Vision for Agriculture and implemented through Grow Asia was intended to be a somewhat experimental supplement to DFAT's existing portfolio. For a relatively modest cost, it has provided a direct connection to large influential corporates which together have the market power to bring about transformative change in how smallholders interact with input and product markets. While this Review has concluded that the Working Group projects seem to have limited prospects for scale-up, it could be argued that there remain less tangible benefits from the dialogue, collaboration and knowledge-sharing facilitated by Grow Asia across a range of interest groups, including large and small business, governments and civil society.

Interviews with DFAT officers (in Canberra and at Posts) confirmed that Grow Asia's activities, networks and convening power offer potential for economic diplomacy and business linkages. However, few of these potential opportunities have been realized to date. The main connection has been through Heads of Mission addressing events such as the annual Grow Asia Forum. Beyond this, the degree of Post engagement has to date been driven primarily by bilateral aid priorities. For example, in Indonesia, DFAT is a member of PISAgro through the Australia-Indonesia Partnership for Rural Development (AIP-Rural/PRISMA). Synergies with the Jakarta-managed ASEAN-Australia Development Cooperation Program (AADCP) are also recognized. At the other end of the spectrum, agriculture is not an aid priority for Australia in the Philippines, so engagement with PPSA is unlikely.

9.2 ASEAN and Partner Governments

Grow Asia's regional and country-based activities remain broadly relevant to ASEAN and its member countries. As populations grow and prosper, food demand is rising and shifting towards higher-protein sources. Meanwhile agricultural production continues to rely predominantly on smallholders, achieving relatively low productivity and facing challenges of youth out-migration, increasing climate variability and natural resource limitations. In this context, ASEAN Ministers of Agriculture and Forestry (AMAF) and all five governments have expressed support for Grow Asia's focus on smallholder farmers. However, the extent of direct engagement in country partnerships by respective governments varies. Regime or personnel change is an on-going risk to commitment level, as is the risk of disillusionment if expectations for rapid, visible progress are not met. This is already becoming evident in Cambodia, where the 'promise' of new investment from large multinationals has not materialized (due to underlying economic and structural issues beyond Grow Asia's control).

¹⁹ eg Market Development Facility in five countries, Australia-Indonesia Partnerships for Rural Development, Cambodia Agricultural Value Chain program, TOMAK in Timor Leste, Strongim Bisnis in Solomon Islands.

At regional level, the ASEAN Secretariat has clearly appreciated Grow Asia's recent assistance with the preparation of ASEAN Guidelines for Responsible Agricultural Investment, particularly since ASEAN has no other established mechanism for consultation with the private sector.

10 Summary Findings on Progress to Date

This section briefly summarizes some of the Review's key findings on Progress to date of Grow Asia. For ease of reference, the numbers in brackets refer to the relevant sections of the report where each issue is discussed in more detail.

The key achievement of WEF/Grow Asia to date is to establish and support a network of multi-stakeholder partnerships across five countries, at limited cost. The network remains in a formative stage in most countries, but is clearly valued, with hundreds of stakeholders meeting on a regular basis, and contributing resources to network activities (3.1).

Dedicated, capable and professional staff have been recruited for the Regional Secretariat and country partnership secretariats and are working hard to address the many challenges of enabling such a network to operate effectively (4.1, 5.1, 6, 8.2).

Although GA stakeholders are actively sharing their experiences and learning from pilot projects in value chain development, Grow Asia has so far had limited success in using the network to promote transformative change through inclusive business. Too many of the projects associated with Grow Asia are shaped by corporate social responsibility objectives of the participating companies, or heavily supported by donor or NGO funding. This often means they are unprofitable, unsustainable and unable to be brought to scale or replicated. Many projects are also limited to a single off-take company. As a result, "Most projects only benefit a few hundred or even a few thousand farmers."²⁰ (3.1, 6).

One of the implicit assumptions underpinning Grow Asia was that large business concerns, and particularly the international corporations, would provide the requisite expertise in inclusive business solutions for the working groups, but that has not been borne out by experience to date. (6)

The Grow Asia 'vision' of benefiting 10 million farmers and mobilizing \$100 million of new investment within such a short period of time was unrealistic from the beginning and unduly raised expectations of what the Grow Asia network could deliver (3.2). Experience to date suggest that **impact at that kind of scale should not be expected from the Grow Asia network in the near term.** However, many working group projects, and the Track Two initiatives, are still under development and could lead to positive results. There have also been positive experiences with some policy initiatives (3.2, 6).

It is difficult to build an effective system for monitoring and evaluation across such a decentralized network of essentially autonomous units, but the current system overstates Grow Asia's impact at the farm and business levels. Progress has been made on appropriate tools for monitoring progress in building the capacity of country partnership secretariats and working groups. However, while the Regional Secretariat has been working against the odds to establish and refine indicators, monitoring and reporting processes to capture the results of working group projects, many of

²⁰ Ananda Ventures (2018), Investing in the Grow Asia Network: Catalyzing Working Groups. Powerpoint presentation (Feb 2018). See also earlier discussion of Working Group performance in Section 3.

the 'results' being reported at the smallholder level clearly cannot be attributed to GA structures, activities and processes (3.2, 4).

In order for Grow Asia to live up to its original intentions, substantial change would be required in the approach, and greater resources also, over a longer period. Additional external expertise in inclusive business – beyond the skill set currently available within the GA system – would need to be brought to bear, to provide greater technical leadership and support to the working groups and Track 2 programs (3, 4, 5, 6)

11 Improving the Performance of Grow Asia over the Remainder of the Current Phase

The Review Terms of Reference asked for recommendations on how to improve the performance of Grow Asia, and particularly the Grow Asia Regional Secretariat, within the current implementation phase. The Regional Secretariat has already initiated a series of changes over the last year or so, aimed at improving performance, many of which have merit. The period remaining of the current phase provides an opportunity to test some new approaches, to see if the modality can be made more effective, and if necessary, to develop an exit strategy for the Regional Secretariat. Although the visit of the Review Team was relatively brief, this section records the Team's suggestions on improvements that could be implemented within the already approved period of Australian assistance.

11.1 Supporting the Working Groups

Although there is a wide variety of working groups, what appears to be most lacking across the groups are: (i) clarity of purpose; and (ii) support and guidance on how to foster inclusive business initiatives.

The Regional Secretariat, in partnership with the country partnerships secretariats, could assist by reiterating the primary purpose of the working groups: to bring stakeholders together to identify and implement inclusive business solutions that have the potential to benefit smallholders at scale. While funds from donors or NGOs might have a role in developing and testing a particular business model, models should only be piloted where they have the potential for impact at scale on a commercial basis, with little or no continued donor funding. The Regional Secretariat and the country partnership secretariats should prioritize their attention and their support to those working groups which are focused on that challenge and encourage others to follow a similar path. As already identified by the Regional Secretariat, the working groups should also be encouraged to move beyond a 'single off-taker value chain project' orientation, to focus on inclusive development of broader commodity or sector markets.

Those working groups interested in focusing on that challenge will need technical support and guidance from specialists with significant experience in inclusive business or market systems development. Some working groups already include members with such expertise, but most do not. In some cases, the Regional Secretariat might facilitate access to such expertise by working groups that are interested, and that could make good use of such support.

The Working Groups Development Plan recommended in the 2017 Working Group study contains many practical recommendations for strengthening the Working Groups, most of which the Review Team would support. However, any program to improve Working Group functioning would also need to reinforce this primary purpose of working groups: developing inclusive business solutions for impact at scale.

Recommendation: The Regional Secretariat should help to clarify the purpose of the working groups and provide greater guidance on how to foster inclusive business initiatives by:

- Reiterating the primary focus of Grow Asia on bringing stakeholders together to identify and implement inclusive business solutions that have the potential to benefit smallholders at scale;
- Encouraging working groups to move beyond corporate social responsibility and ‘single off-taker value chain project’ projects, to focus on the development of whole commodity, service or sector markets, where possible; and
- Facilitate access by working groups to appropriate expertise in inclusive business and market systems development, to enable them to make that transition.

11.2 Supporting Country Partnerships

The highest priority for the country partnerships over the next year or so is to support and encourage them on the path to financial sustainability. The Regional Secretariat has been working on this agenda for some time, but the end of the current period of support for the Regional Secretariat in 2019 should now be used as a marker for accelerating the process. Country partnerships should be informed that they cannot assume that the Regional Secretariat will be able to continue to financially support the Country Partnership secretariats beyond 2019. It will therefore be important for each country partnership to collect sufficient membership fees, or find other forms of financial support, for the country secretariats to be able to continue beyond 2019.

Recommendation: Country Partnerships should be encouraged to accelerate the process of moving towards financial self-sufficiency.

11.3 Track Two

Similarly, it will be important for Track Two programs not to become overly reliant on financial and staff resources from the Regional Secretariat. It would also be important to ensure that Track Two activities are closely connected to the demands and interests of the country partnerships. It would be better to maintain a lean approach: emphasize playing a catalytic role, leveraging the interest and resources of other institutions, including companies involved not only at the regional level, but in the working groups at the national level. Perhaps regional working groups could be tasked with leading the key Track Two programs, with some support from the Regional Secretariat initially. In the lead up to 2019, it should also be explored whether that support role could be undertaken by Grow Asia personnel located in one or more of the five country partnerships.

11.4 Governance

The Regional Secretariat has been working on a number of fronts to improve governance across the network. In each of the country partnerships, it should continue to influence governance structures to counteract power imbalances and be more representative of the stakeholder groups relevant to smallholder agriculture.

Recommendation: To enhance Grow Asia governance structures, the Regional Secretariat should:

- continue to advocate for representation by the less powerful stakeholders, including local companies and farmer representatives, on GA governing bodies; and
- advocate for increased transparency of all governance groups. It could lead by example by posting agendas and records of meeting discussions for all regional level governance meetings on the GA website.

11.5 Monitoring and evaluation.

The Regional Secretariat has made good progress in developing suitable tools for reporting on progress in establishing and building the capacity of country partnerships and the Grow Asia network. However, it

faces daunting challenges in developing an effective monitoring system that can report credible results on the impact of the program on businesses and smallholders. The following suggestions are offered to improve the situation:

Recommendation: Adjust the narrative on results, so that reporting better reflects the actual impact of Grow Asia's activities. For example:

- Avoid including in results reporting, project benefits that cannot be attributed to Grow Asia activities, structures or processes;
- Report Grow Asia's contribution to results, where that contribution can be demonstrated;
- Where Grow Asia's contribution or attribution cannot be demonstrated, phrase reporting to be clear that these are not being claimed as results of Grow Asia's structures, processes or initiatives.

Recommendation: Grow Asia reporting should de-emphasize quantitative results, instead giving greater prominence to monitoring qualitative factors and partnership processes, over which the Regional Secretariat and Country Partnership secretariats have more influence:

- Building the capacity of country partnerships and working groups
- Networking across the region and sharing knowledge;
- Brokering and supporting multi-stakeholder partnerships, etc

Recommendation: Commission one or two rigorous evaluations/case studies of projects which have successfully piloted new business models that could be replicated on a commercial basis.

12 Considerations for DFAT

Considerations for future DFAT support

At the time of the Review, the Grow Asia Secretariat finds itself stretched between two daunting responsibilities:

- Supporting and influencing a large but nascent network of country partnerships and working groups across five countries; and
- Progressing an alternative, or complementary pathway to impact, through Track Two activities across the region, initiated and managed directly by the Regional Secretariat.

Each of these on its own involves major challenges, with little evidence in hand that either is an assured path to benefits at scale for smallholder farmers in the region. Some stakeholders in the country partnerships also expressed a view that without clearer purpose and direction, the enthusiasm generated by the creation of Grow Asia is likely to dissipate.

The Grow Asia Proposal for Funding dated March 2018 essentially represents a projection of the existing 'Two Track' strategy for an additional three years, to 2021. However, it does not convincingly deal with the many constraints and difficulties already encountered during the first three years of implementation²¹.

²¹ Further comments on the Proposal for Funding can be found at Annex 5.

The original concept behind DFAT's investment in Grow Asia – achieving impact for smallholder farmers at scale over a short period of time, relying on agribusiness corporations to provide the technical expertise in inclusive business solutions - has not been realized for a number of reasons, but particularly because:

- (i) such inclusive business interventions need much more time to achieve scale; and
- (ii) many of the agribusiness corporations lack the internal expertise (and sometimes the motivation) to identify and develop inclusive business solutions that are commercially sustainable and scalable.

While Grow Asia has achieved a good deal in terms of establishing and consolidating the regional network, it is clear that a substantial rethink of the approach would be required to enable the network to facilitate the kinds of smallholder impacts originally intended.

Should DFAT wish to provide additional support to Grow Asia beyond 2019, the approach would need to somehow deal with the timescale and expertise issues mentioned above. The Review Team can see two broad alternatives for how DFAT might engage:

- A. Stick with the vision: Encourage and resource Grow Asia to redouble its effort to support the development of transformational business models that lead to results at scale. This would require a substantially different approach by a reconfigured Regional Secretariat, providing clearer guidance and greater technical support to working groups and major changes in monitoring and results management. It would require support well beyond 2019.
- B. Recalibrate expectations: Recognize that Grow Asia's greatest contribution to inclusive business are likely to be from its convening, brokering, knowledge management and capacity building functions, rather than facilitating or engineering impact at scale. Those functions better reflect the comparative advantages of the World Economic Forum, are more under the control of the Secretariat and are complementary to the work of DFAT's other private sector partnerships in the region, in market systems development, impact investing and competitive grant schemes. A more modest level of investment by DFAT would reflect this more modest expectation of what Grow Asia can achieve.

Option A would require a much more substantial and longer commitment by DFAT and/or possibly other donors and a willingness by World Economic Forum and the Regional Secretariat to substantially re-think the approach. Given experience to date, the Review Team would not be confident of success, even if strong donor support and WEF commitment could be secured.

Option B would be much less ambitious, require fewer changes to Grow Asia's approach, and be consistent with a reduced level of financial support from DFAT.

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

Annex 1: Terms of Reference

Mid-Term Review of Australia's investment in Grow Asia:

Terms of Reference

26 March 2018

BACKGROUND

1. The Department of Foreign Affairs and Trade (DFAT) will undertake a Mid-Term Review (MTR) to assess the performance of its investments in Grow Asia as part of its normal program management arrangements.
2. Australia has partnered with the World Economic Forum, as a founding donor to support implementation of activities under the Grow Asia Initiative. Grow Asia was endorsed by ASEAN Ministers of Agriculture and Forestry in September 2014 and was intended to build on the existing country partnerships established in Southeast Asia by the World Economic Forum's (WEF) New Vision for Agriculture (NVA). The WEF established their NVA in 2009 with the aim of transforming global agricultural value chains to deliver greater food security, environmental sustainability and economic opportunity for the world's poor.
3. In line with the ASEAN Food Security Framework, Grow Asia aims to generate new private sector investment and drive regional cooperation to better link smallholder producers in ASEAN to international and regional markets and in doing so increase economic opportunity and incomes for the poor and where possible improve the sustainability of agricultural practices.
4. Grow Asia builds multi-stakeholder partnerships linking South East Asian smallholders, governments, companies, NGOs and other stakeholders along commodity lines to develop inclusive and sustainable value chains that benefit smallholder farmers. It has set a target to reach 10 million smallholder farmers by 2020, helping them access knowledge, technology, finance and markets to increase their productivity, profitability, and environmental sustainability by 20%.
5. Grow Asia consists of five Country Partnerships: Cambodia Partnership for Sustainable Agriculture (CPSA); Partnership for Indonesia's Sustainable Agriculture (PISAgro); Myanmar Agriculture Network (MAN); Philippines Partnership for Sustainable Agriculture (PPSA); and Partnership for Sustainable Agriculture in Vietnam (PSAV). The Country Partnerships promote and support Grow Asia's objectives at the country level. The structure and governance arrangements of Country Partnerships vary, reflecting different local contexts, capabilities and priorities; input of private sector partners; and the unique economic and cultural environment in each country. Partnerships are at different stages of development, with PISAgro and PSAV older and more advanced than CPSA and MAN.
6. In addition, Grow Asia has a Regional Secretariat, based in Singapore. The Regional Secretariat helps to define the strategy of the Country Partnerships, engage new partners, establish country partnerships and secretariats and support country partnerships to expand and realise their objectives. Partners collaborate in-country through Working Groups that co-design, co-implement, and co-fund value chain

initiatives that benefit smallholder farmers. At the Regional Secretariat level, Grow Asia's governance structure comprises a Steering Committee, a Civil Society Council and a Business Council. Each Country Partnership has a unique governance structure in place, reflecting country capabilities and priorities.

7. Australia has provided \$7.75m contribution to the WEF to support the Grow Asia initiative. Australian funds (sourced from the Agriculture and Food Security Program) primarily support the Grow Asia Regional Secretariat and its activities to provide coordination, leadership and direct support to the country partnerships. This includes a significant liaison role with national governments and regional bodies including ASEAN and the Asian Farmers Network, as well as engagement with the WEF's global business partners, many of whom are involved in the value chain initiatives. Through a separate funding source (bilateral aid to Vietnam), Australia has also provided funding to the Vietnam Country Partnership. Australia's partnership with the World Economic Forum for the Grow Asia Initiative commenced in May 2015 and is due for completion in June 2019 following the granting of a 12-month extension. Canada is also a contributor to Grow Asia (\$4 million Canadian dollars).

8. Grow Asia is a relatively small and unique investment by Australia intended to test the effectiveness of a high-level multi-stakeholder partnership approach to achieving more inclusive and sustainable growth in the agriculture sector. It is also intended to complement Australia's investments in market systems development and direct delivery of agricultural development services.

9. The last 12-14 months has seen a significant change in emphasis in the work of the Grow Asia Secretariat. Firstly, there has been a switch from building the foundations of the country secretariats (i.e. launch phase) to a greater focus on results. Secondly, there has been an acknowledgement that individual value chains will not in themselves be able to deliver the targeted number of beneficiaries, and that a change in approach was needed in order reach the ambitious scale of impact that Grow Asia and its donors aimed to achieve. Thirdly, the Grow Asia Secretariat has put in place feedback loops to better understand and respond to the needs and demands of our stakeholders/ donors, and particularly to understand what are their motivations, and definitions of success. And, fourthly, to respond to those learnings with a twin track program – subsequently approved by the Grow Asia Governance Councils. The revised strategy of the Secretariat is to upgrade and strengthen the country secretariats (track one), and implement a regional program to achieve scale (track two) including regional and country level policy impacts, digital technologies, amplify and accelerate learnings of 'what works', new approaches to agricultural finance and investing.

10. Further information about Grow Asia is available on its website <https://www.growasia.org> and through resource material identified in Section H.

B. PURPOSE AND AUDIENCE

11. The primary purpose of this mid-term review is to provide DFAT with an assessment of how well Australia's support for the Secretariat is contributing to Grow Asia's performance. The Review findings and recommendations will help inform strategic decisions regarding possible future Australian assistance to Grow Asia. The aim of mid-term review is essentially "evaluative", to provide independent and informed advice to DFAT management on the continued relevance of Grow Asia; the effectiveness of the Secretariat in supporting Grow Asia's progress and performance against agreed plans; and any changes needed to improve its effectiveness and efficiency.

12. DFAT will work closely with Grow Asia in undertaking the mid-term review. DFAT and Grow Asia will therefore be the primary users of the mid-term review findings. DFAT will share the review findings with the World Economic Forum and other donors and stakeholders involved in the implementation of Grow Asia as requested.

13. DFAT will develop a response to the mid-term review findings which will inform its management of Australian Government investments in Grow Asia.

14. DFAT also intends to make the mid-term review findings available through DFAT website.

C. MID-TERM REVIEW SCOPE AND KEY QUESTIONS

15. To the extent possible, the scope of the mid-term review should focus on Australia's funding to the Grow Asia Regional Secretariat and therefore primarily on the performance and achievements of the Grow Asia Regional Secretariat.

16. The mid-term review will:

1. Collate and analyse information available on the current performance of Grow Asia, and particularly the Grow Asia Regional Secretariat, in respect of objectives/intended outputs/outcomes and monitoring and evaluation framework.
2. Make recommendations on how to improve the performance of Grow Asia, and particularly the Grow Asia Regional Secretariat, within the current implementation phase.
3. Identify key current and emerging issues relating to its objectives and performance.
4. Provide recommendations for possible future Australian support to address any issues identified in relation to its objectives and performance (including the scope, implementation arrangements, time-frame, cost, and potential impact of such support).
5. Review the effectiveness of current governance arrangements, including roles, responsibilities and relationships within and between the Grow Asia Regional Secretariat and country partnerships; and the appropriateness of current mechanisms for oversight and performance management.

17. The mid-term review should answer the following key questions:

On Grow Asia's performance:

- a. What results has Grow Asia and the Grow Asia Regional Secretariat reported to date using Australian support? Will these results be sustainable? What concrete steps can be taken to improve the performance of Grow Asia and the Grow Asia Regional Secretariat?
- b. How effective is the initiative at leveraging private sector investment? To what extent has Australian ODA been used to catalyse large-scale private sector investment under this initiative?
- c. To what extent are Grow Asia and the Grow Asia Regional Secretariat activities, program approaches and future plans likely to lead to its objectives and intended outcomes being realised? What evidence and analysis is available to support the conclusion reached?
- d. Is the Grow Asia revised strategy a sensible approach? How can the strategy be refined and improved?
- e. What value does the Regional Secretariat add to Grow Asia? To what extent have the support and services provided by the Grow Asia Regional Secretariat to the country partnerships been critical to their achievements? To what extent can country-level achievements be attributed to Australia's support to the Grow Asia Regional Secretariat?
- f. Are the Grow Asia Secretariat's objectives and intended outcomes relevant or achievable, given the current resources, scope of interventions and timeframe?
- g. To what extent does the work of Grow Asia and the Grow Asia Regional Secretariat in particular, remain relevant, and how could it improve its relevance in respect of:

- i. The Australian Government's objectives to contribute to sustainable economic growth and poverty reduction including by focussing on innovation and encouraging private sector-led growth and job creation and enhancing productivity in agriculture.
 - ii. World Economic Forum objectives/priorities?
 - iii. ASEAN and partner government objectives/priorities?
 - iv. The needs of its target beneficiaries?
-
- h. Are the financial and human resources allocated to the Grow Asia Secretariat by Australia and other Grow Asia partners set at a level that will enable the achievement of Grow Asia's objectives and intended outcomes?
 - i. Does the program represent value for money, including relative to expected impacts achieved through alternative modalities including market systems development?
 - j. Is Grow Asia effectively synergising with and leveraging investments by other DFAT-Australian Aid programs, other donors and partner Governments?
 - k. How could Grow Asia and the Grow Asia Regional Secretariat in particular, become self-sustaining?
 - l. Is the convening role being played by the Grow Asia Regional Secretariat effective and what is it achieving? Is a regional secretariat needed to play this role and if so, for how long?
 - m. Is the investment making a positive difference to gender equality and empowering women and girls? How could Grow Asia be more inclusive?
 - n. Are Grow Asia's monitoring and evaluation systems generating credible information that is being used for management, decision-making, learning and accountability? What is the value in Grow Asia's revised approach to monitoring and evaluation and management information system? Are there any recommended improvements to the revised approach both in terms of targets and methodology?

On possible future support to Grow Asia:

- a. What lessons are emerging from Grow Asia that could provide some direction for future Australian programming in the region?
- b. Is it realistic for the Grow Asia Secretariat to aim for a transition to partner government and/or private sector support?
- c. What does Grow Asia's work to date reveal about gaps, opportunities or other follow-up in the 'inclusive agribusiness space' that might warrant further donor engagement.
 - i. How could such support build on and support investments through other DFAT investments, as well as other donor programs?
- d. How could DFAT better leverage from Grow Asia to enhance its objectives and priorities as articulated in the Foreign Policy White Paper including in relation to economic diplomacy?
- e. In view of the findings of the mid-term review, assess the Grow Asia Proposal for funding, dated December 2017, including assessing whether it meets the White Paper test for funding:
 - i. Whether it is in Australia's national interest?
 - ii. Whether it will promote inclusive growth and reduce poverty?
 - iii. Whether Australia's contribution would add value and leverage partner funding?
 - iv. Whether it will deliver results and value for money?

18. The review report should also communicate any unanticipated but important issues that emerge during the process of answering the above questions.

D. REVIEW PROCESS AND TIMEFRAMES

19. The review will consist of a desk review, a field review and interviews with key stakeholders and partners. A proposed list of stakeholders and partners to meet is available in Section H.

20. The expected period for the review is during April to June 2018, with up to a two-week field mission. The field mission will include a visit to the Grow Asia Regional Secretariat in Singapore and visits to two or more Grow Asia partnership countries, likely to include Indonesia and Philippines and either Cambodia or Myanmar. The total review period (up to 35 days) includes time for desk review, review preparation, in-country mission and preparation of reports. Indicate timing of key tasks is set out in the following table:

| No | Tasks | Number of allocated day (s) | | Indicative Date |
|----|--|--|--|------------------|
| | | Team leader | Per other Team member(s) | |
| 1 | Conduct a desk study to review resource material (including that listed in Section H) | Up to 5 | Up to 5 | 1 to 13 April |
| 2 | Develop a review plan, which includes methodology, instruments, identification of key respondents, identification of further documentation required, preparation of logistics / scheduling and planned contributions of team members | Up to 2 | Up to 2 | By 13 April |
| 3 | Conduct meetings and/or telephone conversations with Australian stakeholders | 1 | 1 | End April |
| 4 | Travel time to and from country of residence | Up to 4 | Up to 4 | |
| 5 | Conduct meetings and field visits in Asia including initial briefing session with Grow Asia Secretariat, Grow Asia Country Partnerships, ASEAN, partner Governments (inclusive of travel between countries in Asia) | Up to 10 | Up to 10 | Early to mid May |
| 11 | Further analysis and drafting of the review report | Up to 10 | Up to 7 | By late May |
| 12 | Discussion of draft report | 1 | 1 | By late May |
| 14 | Preparation of final report based on consolidated comments on draft report | Up to 2, depending on changes required | Up to 2, depending on changes required | By late May |
| | Total number of days | Up to 35 | Up to 32 | |

E. REPORTING REQUIREMENTS

21. The review team will produce a review plan, a draft mid-term review report and a final mid-term review report as indicated in the table below.

22. The review plan must meet DFAT monitoring and evaluation (M and E) standard 5. The draft and final mid-term reports must meet the DFAT monitoring and evaluation standard 6

<http://dfat.gov.au/about-us/publications/Pages/dfat-monitoring-and-evaluation-standards.aspx>.

| Report | Content | Due Date |
|---|--|---|
| Review Plan (maximum 5 pages excluding annexes) (Must meet DFAT M and E standard 5) | Outline the scope and methodology of the Mid-term Review including: Clarifying the priority mid-term review questions and issues; the methodology to be used for assessing the outcomes of the program; the process for information collection and analysis, including tools such as questionnaires and/or questions to be asked during discussions; identification of any challenges anticipated in achieving the review objectives; allocation of tasks of the review team; key timelines, a consultation schedule identifying key stakeholders to be consulted and the purpose of consultations; and other activities/research to be undertaken. | 13 April 2018 |
| Draft Mid-Term Review Report (maximum 30 pages excluding annexes) (must meet DFAT M and E standard 6) | Clear and cogent summary of the review outcomes, focusing on a balanced analysis and evidence of relevant issues and recommendations to DFAT. | Within 14 days after completing the in-country visits. |
| Final Mid-Term Review Report (maximum 30 pages excluding annexes) (Must meet DFAT M and E standard 6) | | Within 14 days of receiving final comments from DFAT. |

F. TEAM COMPOSITION

23. The Mid-Term Review Team will comprise up to three members: covering skills in team leadership, Australian Government aid and economic diplomacy; institutional strengthening; gender and inclusion; evaluation; agricultural economics; agribusiness; market systems development and multi-stakeholder partnerships. Collectively, the team should possess the following skills and experience:

- Strong understanding and experience in evaluation methods and processes with proven skills and experience in reviews reviews.
- Experience in leading and participating in independent reviews of development assistance programs.
- Understanding of the Australian aid program and Australia's economic diplomacy.
- Strong academic and demonstrated knowledge and experience in agriculture; agribusiness; market systems development and multi-stakeholder partnerships.
- Strong understanding of South East Asia's social and political context.
- Strong analytical and report writing skills, particularly in transforming data and/or information into constructive and informative reports.
- Excellent communication skills, particularly in a cross-cultural setting, and the ability to clearly explain monitoring and mid-term review principles.
- Sound knowledge of DFAT corporate policy on quality reporting system and business process as for aid delivery.

- Familiarity with cross cutting issues including disability inclusive development, and gender.
- Excellent analytical skills, well-developed team skills, experience in gathering and
- interpreting data and information and writing constructive reports.

G. ROLES AND RESPONSIBILITIES OF TEAM MEMBERS

24. DFAT will assign responsibility amongst the Review Team for leadership and any specialist inputs depending on the composition of the team. The Team Leader/rural development specialist will be Ian Kershaw (independent consultant). The team members will comprise a monitoring and evaluation specialist, Mihaela Balan (independent consultant) and an agricultural specialist Dr Julie Delforce (DFAT).

25. The Team Leader will:

- Develop a review plan in consultation with DFAT
- Be responsible for managing and directing the review activities and leading consultations with stakeholders
- Manage and direct the Review Team
- Represent the Review Team and lead the Review Team's consultations
- Be responsible for drafting reports including: managing, compiling and editing inputs to ensure the quality of outputs
- Incorporating comments provided by DFAT and other key stakeholders on draft reports
- Liaising with DFAT in the preparation/finalisation of the work program and meeting schedules
- Be responsible for producing the final Review Report.

26. The Team Leader will lead the review process, including participating in the inception briefing, assigning tasks and responsibilities to the Team Member(s), and presentation of initial review findings in an Aide Memoire.

27. Under direction of the Team Leader, the Team Member(s) will assist the Team Leader with review activities; and provide technical advice and written inputs in order to meet the objectives and reporting requirements of the review.

28. The review team will be remunerated in line with the Aid Adviser Remuneration Framework effective 1 January 2016.

http://dfatintranet.titan.satin.lo/finance/procurement/Documents/AID_ADVISER_Guideline-Adviser%20Remuneration%20Framework-1January2016.docx

H. GUIDING RESOURCES AND REFERENCES

Suggested Resource Materials

- Grow Asia website
- Grow Asia Annual Reports
- Grow Asia Annual Plans
- Grow Asia Three-year Workplan
- Grow Asia Stakeholder Survey
- DFAT Grow Asia Annual Quality Check 2016
- DFAT draft Grow Asia Annual Quality Check 2017

- Grow Asia Fund/Facility Scoping Final Paper, Palladium March 2016
- 2017 Foreign Policy White Paper, Australian Government
- Strategy for Australia's aid investments in agriculture, fisheries and water (February 2015)
- The role of development partnerships in agriculture and agribusiness in promoting prosperity, reducing poverty and enhancing stability in the Indo-Pacific region (DFAT November 2015)
- Strategy for Australia's Aid Investments in Private Sector Development

Suggested Stakeholders and Partners to meet/consult

- Grow Asia Secretariat
- ASEAN
- Ministry of Agriculture Officials, ASEAN Countries
- Cambodia Partnership for Sustainable Agriculture (CPSA) and their working groups
- Partnership for Indonesia's Sustainable Agriculture (PISAgro) and their working groups
- Myanmar Agriculture Network (MAN) and their working groups
- Philippines Partnership for Sustainable Agriculture (PPSA) and their working groups
- Partnership for Sustainable Agriculture in Vietnam (PSAV) and their working groups
- World Economic Forum/ New Vision for Agriculture (Tania Strauss and Shaun De Cleane)
- DFAT Agriculture and Food Security Team
- DFAT ASEAN Team
- Grow Asia Steering Committee Members including:
 - ASEAN Secretariat
 - ASEAN Ministries of Agriculture and Forestry
 - Grow Asia Business Council
 - Grow Asia Civil Society Council
 - Farmers Associations
 - Global Affairs Canada
 - World Economic Forum
- Grow Asia Business Council Co Chairs
- Grow Asia Civil Society Council Members including:
 - Conservation International,
 - Landesa
 - Mercy Corps,
 - Rainforest Alliance
 - Sustainable Trade Initiative (IDH)
 - Swisscontact
 - The Nature Conservancy
 - World Vision Australia
 - AsiaDHRRA
- Selected Other Grow Asia Members: (suggest up to ten of the following)
 - Bayer Cropscience AG
 - Bunge Ltd
 - Cargill Inc
 - Dow
 - Dupont
 - Royal DSM
 - Heineken

- International Finance Corporation
- Jain Irrigation Systems Ltd
- Lawson Inc
- Louis Dreyfus Company
- Monsanto Company
- Pepsi Co Inc
- Robobank
- RGE Pte Ltd
- Swiss Reinsurance Company Ltd
- Syngenta International AG
- Unilever
- UPL
- Wal-Mart Stores Inc
- Wilmar International Ltd
- Yara International ASA
- Zoneco Group

Annex 2: Mission Schedule and List of Stakeholders Interviewed

| Date | Time | Stakeholders |
|--|----------|---|
| 11-12 April - J Delforce visit to Cambodia: Grow Asia meetings with: | | |
| Weds 11 Apr | 10am | Australian Embassy officials |
| | 2pm | Cambodia Partnership for Sustainable Agriculture: Mr Boreth Sun, Country Director |
| | 3.30pm | Swisscontact: Mr Rajiv Pradhan, Country Director, Cambodia |
| Thurs 12 Apr | 9.45am | Coconut Khmer: Mr Robert Esposito, CEO |
| | 11am | Ministry of Agriculture, Forestry and Fisheries: HE Dr Ty Sokhun, Secretary of State |
| 23 Apr: Team in Canberra for discussions with Department of Foreign Affairs & Trade | | |
| Mon 23 April | 11 am | Ben Davey, Director, ASEAN & Mekong Regional team Russell Harwood, Assistant Director, Vietnam & Cambodia Section Julie Stalker, Policy Officer, Myanmar Section |
| | 2.30pm | Fiona Lynn, Director, Agriculture and Food Security Section Tristan Armstrong, Agriculture and Food Security Section Christine Pahlman, Agriculture and Food Security Section |
| | 3.30pm | Jayne Harries, Development Finance Section Jeremy Stringer, Private Sector Development Section |
| Tues 24 Apr | 9.30am | Teleconference with World Economic Forum: Mr Sean de Cleene, Head, Food System Initiative Ms Tania Strauss, Head, New Vision for Agriculture |
| Sat 28 Apr - Team travel Australia to Singapore. | | |
| Sun 29 Apr | | Team discussions & preparations |
| Mon 30 Apr | All day: | Grow Asia Secretariat: overview presentations; interviews with GA team |
| Tues 1 May | All day | Grow Asia Secretariat: detailed discussion of key issues |
| | 7.30pm | Evening reception hosted by GA Executive Director |
| Wed 2 May | 8am | Ms Jenny Costelloe, former Director, Country Partnerships, Grow Asia |
| | 11.15am | International Finance Corporation (IFC): Mr Ernest Bethe, Principal Operations Officer, Manufacturing, Agribusiness and Services |
| | 12.30pm | Bayer (South East Asia) Pte Ltd: Mr Khong Mun Pew, Head of Public & Government Affairs, Crop Science. |
| | 2.15pm | MUFG Bank Ltd: Mr Yip Shue Heng, Head of Asia Oceania - Digital Transformation Division Mr Terence Wong, Head, Technology Delivery, Asia Oceania Digital Transformation Division Mr Soichiro Matsuo, Assistant Manager, Mitsubishi Research Inst. |
| | 6.30 pm | Depart for Jakarta |
| 3 - 4 May - Full Team Jakarta | | |
| Thurs 3 May | 8:30am | Australian Embassy, Jakarta: Ms Megan Jones, Deputy Head of Mission Adrian Gilbert, Program Director, ASEAN-Australia Development Cooperation Program Naomi Cook, Second Secretary Mr Goetz Ebbecke, General Manager, AIP-Rural (by phone) |
| | 11am | Thereafter accompanied by Ms Zul Martini Indrawati, PISAgro Executive Director Sinar Mas: Mr Franky Widjaja, Chairman and CEO; Co-chair of Grow Asia Business Council, Co-chair of PISAgro, & Palm Oil WG Lead Ms Anita Neville, Vice President, Corporate Communications & Sustainability Relations Ms Joice Budisusanto, Director, International Corporate Affairs, President's Office |
| Date | Time | Stakeholders |

| | | |
|-------------------------------------|-------------|---|
| | 2pm | Aliansi Petani Indonesia (Indonesian Peasant Alliance): Mr Muhammad Nur Uddin, Secretary General Mr Muhammad Rifai, Dept of Farmer Organisation and Entrepreneurship Ms Hastari Pamintasih, Finance Officer |
| | 3pm: | Indofood: Mr Franciscus (Franky) Welirang, Director, PT Indofood Sukses Makmure, Secretary General of PISAgro, and Potato WG Lead Stefanus Indrayana, Head of Corporate Communications, Indofood |
| | 5.30pm | IDH (the Sustainable Trade Initiative): Mr Fitriani Ardiansyah, Indonesia Country Director Mr Zakki Hakim, Program Director/Vice Chairman of Executive Board |
| Friday 4 May | 10am | PT Nestle Indonesia: Mr Dharnesh Gordhon, President Director; Co-chair of PISAgro; Coffee & Dairy WG Lead Mr Wisman Djaja, Director, Sustainability Agriculture Development & Procurement |
| | 1.30pm | ASEAN Secretariat: Mr Tran Dong Phuong, Director, Sectoral Development Directorate Dr Pham Quang Minh, Assistant Director, Head of Food, Agriculture and Forestry Division |
| | 3.30pm | Swisscontact: Mr Ross Jaax, Director, Sustainable Cocoa Production Program (SCCP); PISAgro Cocoa WG Lead Ms Megan King, Deputy Country Director; SCPP Head of Business Administration |
| | 7pm: | Depart for Singapore |
| Sat 5 May | 10am | AIP-Rural: teleconference with Mr Jim Tomecko, Adviser; PISAgro Corn WG Lead |
| | 11am | Team discussions and write up |
| Sun 6 May | am: | Team discussions and write up |
| | pm: | Team separate and travel to Vietnam, Myanmar & the Philippines |
| Viet Nam Program (I Kershaw) | | |
| Mon 7 May | 8.30 9am | PSAV Secretariat: Mr Nguyen Chi Hieu (Accompanied for all meetings) Ministry of Agriculture and Rural Development (MARD): Ms Pham Thi Hong Hanh, Head, Global Integration & Foreign Investment Division, International Cooperation Department. Manager of PSAV Secretariat Office, |
| | 10.30 | Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD): Dr Nguyen Do Anh Tuan, Director General Dr Nguyen Anh Phong, Acting Director, Information Centre for Agriculture & Rural Development |
| | 1pm | Nestle Vietnam: Ms Le Thi Hoai Thuong, Corporate Relations Manager; former PSAV co-chair (2010-16); co-chair of PPP Coffee Task Force |
| | 2.30pm | Vietnam Tea Association (ViTas): Ms Nguyen Thi Anh Hong - Vice Chairwoman; co-chair, PPP Tea TF |
| | 4pm | IDH (the Sustainable Trade Initiative): Mr Huynh Tien Dung, Country Manager; co-chair of PPP Tea, Pepper and Agrochemical Task Forces |
| Tues 8 May | 10.30am | Yara Vietnam: Mr Nguyen Quang Ngan, Manager of Marketing and Sustainability Department; PSAV Co-chair (by phone) |
| | 11:30am | PSAV Secretariat: Mr Nguyen Chi Hieu |
| | 3pm | Australian Embassy: Ms Kelly Raab, First Secretary Lan Phuong Nguyen, Senior Program Manager |
| | 6.45 pm | Fly to Singapore |
| Date | Time | Stakeholders |
| Myanmar Program (M Balan) | | |

| | | |
|--|---------|--|
| Mon 7 May | 8.40am | Myanmar Agriculture Network (MAN): Aung Lwin Country Director, Chaw Su Operations Manager |
| | 9.30am | Myanmar Coffee Association: Dr. Tun Win, Director |
| | 11am | AWBA Group of Companies: U Aung Swe; Head of Corporate Affairs, MAN Co-chair |
| | 12pm | ACIAR: Dr. Ohnmar Khaing, Country Coordinator |
| | 1.30pm | ICCO Cooperation: Ms Marleen Brouwer & Ma Thein Myint Aung (Pulses & Oilseeds WG Co-Leader) |
| | 3pm | Mercy Corps: Mr. Drew Johnson, Pulses & Oilseeds WG Co-Leader |
| Tues 8 May | 4.30pm | Netherlands Embassy: Mr. Frederik Heijink, Advisory Council |
| | 9am | AgriProFocus: Ms. Bente Meindertsma; MAN corporate partner |
| | 11.30am | USAID: Mr Travis Guyman, MAN Advisory Council |
| | 13.30pm | The Netherlands Embassy: Mr Frederik Heijink, Agriculture Counsellor |
| Philippines Program (J Delforce) | | |
| Mon 7 May | 8:30am | Philippines Partnership for Sustainable Agriculture (PPSA): Ms Joyce Racoma-Gomez, Secretariat Co-ordinator (accompanied JD to all meetings except Embassy) |
| | 9am | Asian Farmers Association for Sustainable Rural Development (AFA): Ms Esther Penunia, Secretary General, AFA; Grow Asia Steering Committee member |
| | 10.30am | Mr Jose Ebron, Manager, Cooperative Development Program |
| | 1pm | Bank of Philippine Islands (BPI) Foundation: Ms Faye Corcuera (retired); PPSA Agrifinance Consortium Steering Committee |
| | 4pm | Nestle Philippines Inc: Ms Ruth Novales, Vice-President, Corporate Affairs Dept; PPSA Coffee WG Lead |
| Tues 8 May | | Australian Embassy: DFAT officials |
| | 9am | Dept of Trade & Industry, Board of Investments: Ms Felicitas Agoncillo-Reyes, Ass. Secretary, Investment Promotion Group |
| | | Ms Melanie Moleno, Program Director, Inclusive Business |
| | | Ms Aissa Hermoso, Senior Investments Specialist |
| | 11am | Ms Patricia Tablizo, Investments Analyst |
| | | Unilever Philippines: Mr Ed Sunico, Vice President, Sustainable Business and Communications; PPSA Co-Chair |
| | | Ms Lavin Gonzaga, Sustainable Business Manager |
| | 1.15pm | Conservation International: Mr Simon Badcock, Grow Asia Civil Society Council |
| | 3.30pm | Philippine Business for Social Progress (PBSP): Mr Reynaldo Laguda, Executive Director (PBSP hosts PPSA Secretariat) |
| | 7.30pm | Flight to Singapore |
| Full Team Singapore | | |
| Wed 9 May | Am | Team discussions |
| | Pm | Grow Asia Secretariat: Follow-up discussions with staff |
| Thur 10 May | All day | Grow Asia Secretariat: Follow-up discussions with staff |
| | 4pm | Australian High Commission (JD): meetings with DFAT, Austrade and CSIRO officials |
| Fri 11 May | Am | Grow Asia Secretariat: Follow-up discussions with staff |
| | Pm | Grow Asia Secretariat: Debrief with staff |
| Sat 12 May - Team return to Australia | | |
| Fri 18 May | | Debrief with DFAT Agriculture & Food Security team |

Annex 3: Grow Asia M&E System Review

Grow Asia was set up in 2014 as a new NVA initiative to leverage WEF significant convening power to unlock significant private sector investment and channel into the inclusive business space, and drive regional cooperation in line with the ASEAN Food Security Framework.

DFAT's decision to fund Grow Asia reflected an expectation that WEF enables DFAT to engage in a key ASEAN-endorsed private sector initiative aligned with Australia's new aid policy of promoting private sector led development. Grow Asia was seen as complementing Australia's existing investments in market systems development and food security, and providing an opportunity to test the effectiveness of an innovative multi-stakeholder partnership approach to achieving more inclusive and sustainable growth in the agriculture sector.

1. What is Grow Asia about: Grow Asia Theory of Change

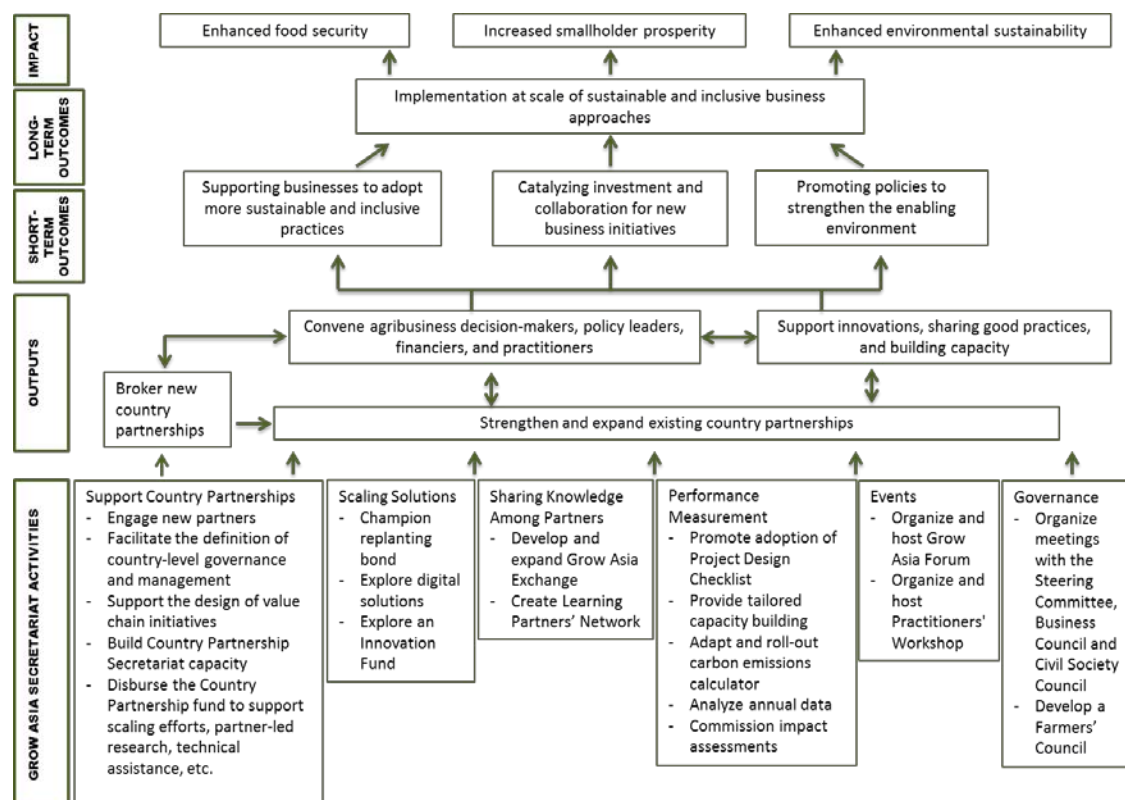
Grow Asia's primary objective was to enable inclusive and sustainable agriculture by addressing the challenges faced by smallholders farmers (SHF) in ASEAN and providing them with access to technology, training, financing and international and regional markets to increase economic opportunities and income for the poor while improving the sustainability of agriculture practices. The initiative was designed with a specific target of reaching 10 million SHF by 2020 and working with them to increase productivity and profitability by 20 per cent while reducing their water use and green house emissions by 20 per cent over the same period. In order to achieve this, Grow Asia was aiming that between 2015-2018 to catalyse at least US\$100 million in new inclusive investments²², and work closely with ASEAN Secretariat to develop supportive policies and an enabling environment for inclusive business.

Grow Asia would engage WEF networks and influence to broker country-led multi-stakeholders partnerships in inclusive agribusiness investment through the development of market-based inclusive business models; support and strengthen the in-country multi-stakeholders platforms, and catalyse direct innovative partnership action; foster innovation and exchange of best practice, and put in place robust performance measurement.

The vision of Grow Asia is set in its theory of change. The theory of change changed over time as Grow Asia evolved in thinking and purpose: from the first version included in the DFAT investment design to the one included in the Three Year Plan (July 2016) *and the two most recent versions* (March 2018, May 2018) that depict the new 'twin track' strategy for Grow Asia.

Figure 1: Grow Asia Secretariat Theory of Change

²² Including direct investment in farmer capacity building, distribution and retail chains, infrastructure and financing as well as procurement from SHF and job creation in the value chain



The key assumption behind the theory of change is that the support the Grow Asia provides on brokering of country multi stakeholders partnerships would lead to adoption of inclusive business models by businesses and that this will facilitate successful implementation of value chain initiatives that would then lead to the achievement of 10:20:20 targets (or 20:20:20 in the most recent papers). This is a critical assumption and at the core of what NVA and Grow Asia is about.

The activity level of the TOC lays down the functions for the Grow Asia Secretariat: these functions in fact detail the services/support that Grow Asia secretariat would offer to Grow Asia stakeholders: strengthen and launch country partnerships, convene and engage partners, share knowledge, and communicate progress.

2. Key performance indicators

Grow Asia put a lot of effort on defining their measurement metrics. A Performance Measurement Framework for country partnerships was developed in 2016 based on the NVA measurement framework.

For its higher level outcomes where measurement of the results linked to 10:20:20 were needed, Grow Asia had 7 core indicators, 3 optional business case indicators and other 7 optional indicators. All related to the value chain projects (*Table 1*).

Table 1. Country Partnership Indicator Framework

| Core Indicators | |
|-----------------------------------|--|
| 1 | Number of unique farmers reached through the project |
| 1A | % of farmers who are women |
| 2 | % change in yield per hectare in one season |
| 3 | % change in average farmer net income in one season |
| 4 | % change in water use per ton of crop |
| 5 | % change in greenhouse gas emission per ton of crop |
| 6 | % change in external chemical use per ton of crop |
| 7 | Total investment in project (US\$), e.g. from donors, NGOs, governments, and companies |
| OPTIONAL Business Case Indicators | |
| 1 | Annual spend on the projects by company (US\$) |
| 2 | Annual amount of products sold (US\$) |
| 3 | Annual amount of crops purchased (US\$) |
| OPTIONAL Indicators | |
| 1 | Number of farmers/farmer organizations engaged in project design |
| 2 | Number of farmers attending trainings |
| 3 | Number of farmers adopting new technology |
| 4 | Number of farmers taking credit |
| 5 | Number of farmers accessing insurance |
| 6 | Number of farmers that buy from/sell to companies involved in project |
| 7 | Number of farmers who perceive their land rights are secure |

A later welcome addition was the introduction of the funnel concept (reached- engaged- adoption and sustained action), to streamline the NVA outreach indicator (number of farmers reached) and track the pathway to impact benefit. The presentation of the “funnel” in May 2017 during the May 2017 Grow Asia Forum was well received by participants and it has since started to be used by country partnerships. The most recent donor report Canada reflects this change (*Table 3*).

The list of indicators for value chain projects was changed to reflect the ‘funnel’, with indicators now clustered around awareness, participation, adoption, and sustained action. From 23 indicators that were the previous version, there are now over 40. With the issues mentioned above where data is not coming back from WGs, increasing the number of indicators would not help.

The recent management team of Grow Asia refined these indicators with the most recent version presented in *Table 2* below.

- Other metrics were set up to measure and track outputs related to the creation, formalization, and strengthening of Country Partnerships (*Table 2: Targets and Indicators for Grow Asia Secretariat*),

12.1 Table 2: Targets and Indicators for the Grow Asia Secretariat

| Grow Asia Secretariat Indicators | | | | |
|---|---|------------------|------------------|------------------|
| Outputs | Indicator | 2015-2016 Target | 2016-2017 Target | 2017-2018 Target |
| Strengthen and expand existing Country Partnerships | Number of country partnerships supported | 5 | 5 | 6 |
| | Number of value chain initiatives | 26 | 36 | 40 |
| | Number of farmers reached | 0.5M | 1.5M | 3.5M |
| Convene agribusiness decision-makers, policy leaders, financiers, and practitioners | Number of Grow Asia partners | 200 | 250 | 300 |
| | Number of attendees in Grow Asia Forum and Practitioners Workshop | 300 | 300 | 300 |
| Support innovations, sharing good practices, and building capacity | Number of Grow Asia Exchange users | 0 | 150 | 250 |
| | Annual investment mobilized into value chain initiatives (US\$) | \$5M | \$7M | \$10M |
| Broker new Country Partnerships | Number of new Country Partnerships launched | 2 | 0 | 1 |

The new team brought in in 2016-2017 felt that the focus only on numbers do not show the full picture of what Grow Asia was doing. As the Regional secretariat was putting a lot of effort on building the capacity of WGs and CP Secretariats, more qualitative measures were felt to be needed to capture the progress of the working groups or country secretariats.

The team developed and introduced two score cards: one for country secretariats and the other for the WGs, to assess their capacities.

First, the Country Secretariats Composite Scorecards with qualitative measurement of progress, then later Scorecards for the Working groups: a five-point qualitative assessment of the effectiveness and competences of the WGs has been developed.

Recognizing that WGs are the primary pathway to action, Grow Asia complemented the scorecards with another 'tool' to understand WG success and failure factors. They commissioned a Study in 2017, as the foundation of a future program to raise capacity and good practice.

Grow Asia is providing support and services to initiate action. With the aim to get a feeling if their support is valued, Grow Asia Secretariat designed a survey, the Partners survey and tested in August 2017. This tool would continue to be used to understand why CPs and other Grow Asia stakeholders engage with Grow Asia and their perceived value of engaging with Grow Asia. It would be used for Grow Asia to adapt their services.

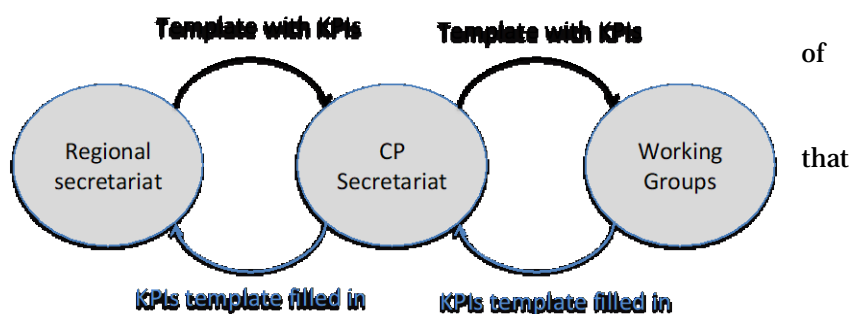
After the testing that took place last year, these scorecards have now been revised.

- The Country secretariat scorecard- it was modified to highlight the importance given to stakeholder engagement; additional weights for influencing policy/systematic change, increased emphasis on improved documentation and reporting, self-financing.
- Based on the WG Study on success and failures, mentioned above, the WG scorecard was modified. More emphasis is now being placed on strategy and impact rather than self-reported performance indicators; partnership cycle is highlighted to better understand the current state and future of the WG; increasing influencing WGs to become more ambitious and systemic is now reflected in the scorecard.

3. How is data collected and reported

Collecting information on most of the output indicators has been relatively straightforward. As outlined in the report, Grow Asia has helped establish and support 5 of the 6 country partnerships envisaged, and has exceeded some of the original targets: e.g., the number of Grow Asia partners (500+ compared with 300); and number of value chain initiatives (50+ compared with 40).

At the level of impact indicators, collecting data consistently has proven to be very challenging. The Regional Secretariat is essentially two steps removed from the activities of working groups and in practice has minimal engagement or influence at level of the Grow Asia network.



It has sought to work through the country partnership secretariats to influence working group functioning, including the establishment of basic monitoring procedures, but the country secretariats have very limited resources and the working groups are essentially autonomous, self-governing units. The Grow Asia Secretariat does not fund the working groups, which essentially plan their own activities based on the ideas and resources which members bring to each group. As a result, in seeking to collect data on the impact of working group activities on smallholders and participating businesses, the Regional Secretariat is facing multiple challenges.

Country Partnership Secretariats aggregate self-reported data from their Working Groups and provide it to the Grow Asia Secretariat for analysis, comparison across Country Partnerships and public dissemination.

For the scorecards, the Regional Secretariat undertakes the assessments for the Country Secretariat score cards. But also more recently a self-assessment was requested and results compared. This is good practice

Data collection at the value chain initiative-level remains the responsibility of implementing Working Groups.

4. Reported results

Grow Asia disseminate results through various channels: published and unpublished annual report, publications and website, industry articles, events, press releases, high profile events, and social media.

The reports or publications include data on outputs results as well as impact of the value chain projects.

In one of the most recent donor report to the Canadian Government, (3rd Annual Report. 4 May 2018), the Regional Secretariat acknowledges that the source of reported data is “self-reported numbers from the Working Groups in each country”, which is good practice.

Table 3: Aggregate Performance Measures by Country

| NVA Project Indicator | Total | Indonesia | Vietnam | Philippines | Myanmar | Cambodia |
|---|------------|------------|-----------|-------------|---------------|----------|
| US\$ committed | 44,812,012 | 37,282,406 | 1,579,179 | 243,427 | 5,707,000 | |
| Actual \$ invested | 44,812,012 | 37,282,406 | 1,579,179 | 243,427 | 5,707,000 | |
| No. of farmers reached | 690,710 | 387,098 | 228,854 | 3,116 | 71,642 | |
| No. of farmers engaged | 417,993 | 188,933 | 192,618 | 200 | 36,242 | |
| Women farmers | 46,904 | 21,453 | 17,790 | 59 | 7,602 | |
| Number of farmers adopted | 81,782 | 57,109 | 13,642 | 123 | 10,908 | |
| Change in yield per hectare* | | | | | | |
| Metric tons | | | | | | |
| percentage | 5-200%+ | 5-200%+ | | | | |
| % change in average farmer net income* | 8-200%+ | 8-200%+ | 14-113% | | 310% (coffee) | |
| Water use per tonne of production | | | | | | |
| No. of hectares adopting improved technologies, practices and solutions | 255,994 | 255,438 | | 556 | | |

“During its first year of operation, Grow Asia was collaborating with 188 partner organizations. Over the following 12 months, that number increased to 298. By April 2017, that number was 304, and following a remarkable promotion to new partners in Myanmar the total number of partners across the region is now estimated to be more than 520.

“Grow Asia’s now has 50+ value chain projects, up from 46 a year ago. Most are still at early stages of design a piloting. The most mature projects are mainly found in the Vietnam and Indonesia partnerships. Our estimate is that these projects take between 4 and 8 years for strong supply chains to be created and significant measurable results.” (Canada 3rd Annual Report. 4 May 2018)

“There has been a notable **increase in the numbers of farmers reached** (+32%) and engaged (+162%). These significant improvements reflect the increased number of projects, especially those moving from the initial design phase into piloting and implementation. It also reflects the positive spillover reflects of the network’s value chain projects taking new pathways to scale, as well as continued improvement in reporting. These annual results indicate that Grow Asia Working Groups have **unlocked more than US\$44 million of business investments** since WG projects have started – a 40% increase from last year. These investments cover demonstration plots, field staff, costs of training workshops, etc.” (p. 3)

New value chain initiatives have been launched in all Country Partnerships, increasing from 26 last year to 34. The number of farmers reached rose to 471,200. Common challenges and opportunities are emerging from projects on the ground, such as the need for financing for farmers and the promise of mobile technology, and are informing our regional efforts to test and pilot innovative solutions.

5. Issues with collected and reported data

There are several issues with results measurement and reported data in Grow Asia:

1. Not all data at impact level (value chain projects) is reported

Though there is a long list of indicators data is reported against only some of those. The CP secretariat staff have worked hard in many cases to try and bring some semblance of order and consistency to data reporting.

This is also because there are weak incentives for reporting: Since WGs receive no funding from Grow Asia, many working groups feel they have limited accountability to the Country Partnership Secretariat and less still to the Regional Secretariat. As a result, not all groups are willing to report monitoring data, and those that do, often only collect the data requested by the donors and investors funding their value chain projects. Working groups can be reluctant to invest additional resources

into collecting the specific data which Grow Asia requests. In addition, companies are sometimes reluctant to release their own data, as it may be commercially sensitive.

2. No opportunities for independent verification of reported data: Given the number of working groups and the limited time CP secretariats have, they are not really in a position to independently verify or influence the quality of the monitoring systems or the quality of the data that comes from WGs. Similarly the RS has not put any system in place to verify these data. Circumstances dictate that they often have to simply accept the reported data at face value.

3. There is little to no clarity on Input Additionality: Since the data collected on the impact of Grow Asia is generated from a wide range of monitoring systems, which Grow Asia has little control over, it is difficult to say how well the requirement of input additionality has been dealt with. Grow Asia was aiming to catalyse at least US\$100 million in new inclusive investments and has reported \$44million to date. To what extent would the private sector investments have occurred in any case, in the absence of Grow Asia and the work associated with the working groups? What has been invested only because of Grow Asia/working group activities? The monitoring system doesn't appear to address this critical issue.

4. There is little clarity on Attribution (Output Additionality): Attributing changes in business or farmer behaviour (on impact) to the activities of Grow Asia is challenging, and even more challenging is the Regional Secretariat attribution to that. The monitoring system set up for Grow Asia does not address attribution in any way. This is a real issue as it questions the quality and robustness of reported data.

A recent report from Grow Asia states on attribution:

*“Grow Asia has **continued with the on-going process of improving the measurement of performance and progress**. Earlier in this report, reference was made to the continuing increase in numbers of smallholder farmers reached and engaged. The table below provides the consolidated figures by Country Partnership, and an estimation farmer who have adopted new technologies. These numbers represent the combined effects of the Grow Asia network and its 500+ partners. Indonesia remains the most important contributor in terms of numbers of farmers and investments. However, in the last year, the numbers from Vietnam, Philippines and Myanmar have increased significantly. This reflects the transition of projects from design and small-scale piloting into implementation, and partly better collection and reporting.”*

Even in this paragraph the projects they are referring to in Indonesia have been in existence long before Grow Asia. Question on both additionality and attribution remain.

This issue also falls back to definitions: in this case what is a project? What should 'qualify as a WEF/Grow Asia project'? Only the new ones resulting from the Grow Asia engagement? Or should pre-existing ones be included?

5. Robustness of reported data: The system is based on self-reporting by each of the working groups, using a list of indicators provided by the Regional Secretariat. In practice, working groups often provide data they have collected for other purposes, so the quality of the data is highly variable. Some projects have rigorous M&E systems, while others report data estimated through the most elementary of methods. Some groups report on the basis of estimates, or projections, while others report actual results. However, these all get bundled together for reporting to the Regional Secretariat.

6. Conclusions and Recommendations for improving Monitoring and Evaluation

1. De-emphasize quantitative impact level results by putting the quality of changes in MSPs on equal footing. Grow Asia is intended to contribute to higher order development goals. It is highly unlikely that there will be measurable impacts by the end of the pilot phase, since partnerships take time to mature. The M&E approach should instead identify lead indicators for each partnership to determine its pathway to contributing to development goals.
2. The use of scorecards is commendable as it brings the focus back to the Regional Secretariat's core mandate: to set up effective MSPs. However, score card ratings should be considered in the context of the level of maturity of the WG and CP secretariats: a young WG might be getting a lower score, but this is to be expected. On the other hand, if a lower score goes to a more mature one, then different interpretations or actions need to be taken.
3. Moving towards understanding the value of the Secretariat services is welcome, and the use of Partners survey is commendable as it provides direction to how the RS should improve its services and where to channel resources/support. However, the tool does not look back to assess the services already provided and learn from that. The MTR survey did that. It is recommended that RS includes this area of assessment in its survey as well.
4. The scorecards bring very useful insights and it is good that RS plans to continue to use them and apply periodically. However there is an issue with how they are administered: WGs are not aware of the WG scorecard that assesses their performance. Assessments are done by the Country Secretariats. This could become a risk for the partnership if results are published or presented widely, and the WG might disagree with them. It is also better to ask working groups to self-assess, as RS does with the CP secretariats scorecards.
5. Clarity on terms used: the introduction of the funnel is welcome, as it shows the 'stepped process' to achieving the 10:20:20 targets. However questions still remain on if all WGs understood what each level in the funnel is. Some documents in Grow Asia mention 'Engaged' as being only involved in the value chain project. However the measurement system for the Digital Track 2 describes those engaged in digital transformation as "Accessed". Clarity on terminology is crucial as these results are aggregated across projects, where it is assumed that same level results are added together.
6. Measure all that matters: the TOC includes policy as one of the outcomes. No indicators are planned or measurement system is in place to track this type of change. Similarly for the environment indicators: the publicly available carbon emissions calculator was dropped; Working Groups indicated that measuring against that indicator was particularly difficult for them. Nothing has been put in place instead. Though environment is again a clear change in the TOC.
7. The narrative on the results needs to change, to start realigning reporting so that it better reflects the reality on the ground. Good that RS acknowledged the source of data in the report submitted to Canada, but this practice should be expanded across all documents issued by the RS, including the public ones. It is also good practice to mention that some reported data are projections or targets and not actuals, if this is the case. RS should also talk more about Grow Asia's contribution to those results, rather than attribution of results to Grow Asia's structures and activities.
8. Improve the quality of reported data: at least consider a validation system to look at contribution/attribution where possible. Part of the requirement is to establish or clarify what qualifies as a 'Grow Asia value chain project'.
9. Commission one or two rigorous case studies to tease out the lessons from some of the working group projects – what has worked and what hasn't

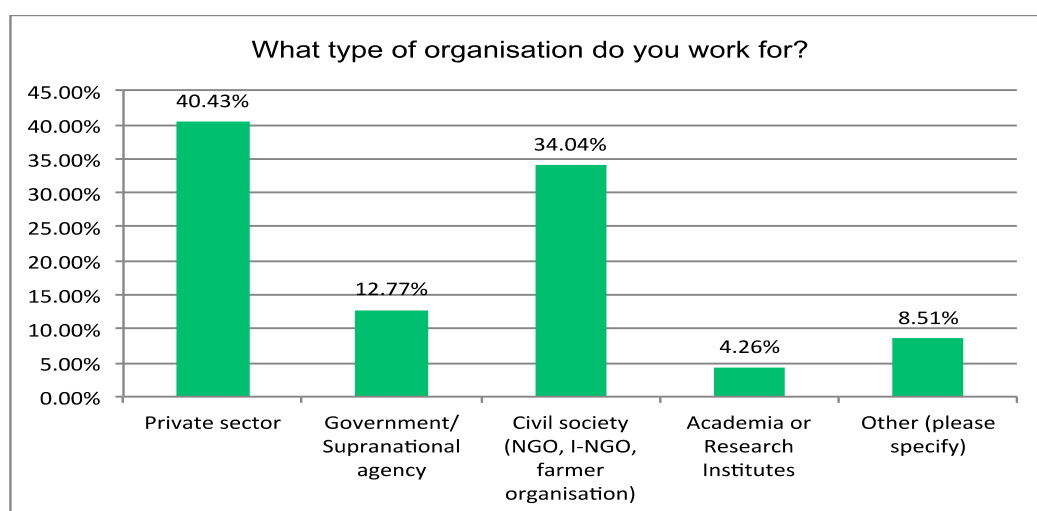
Annex 4: Results of the MTR Survey on Services Provided by Grow Asia Secretariat

1. Introduction

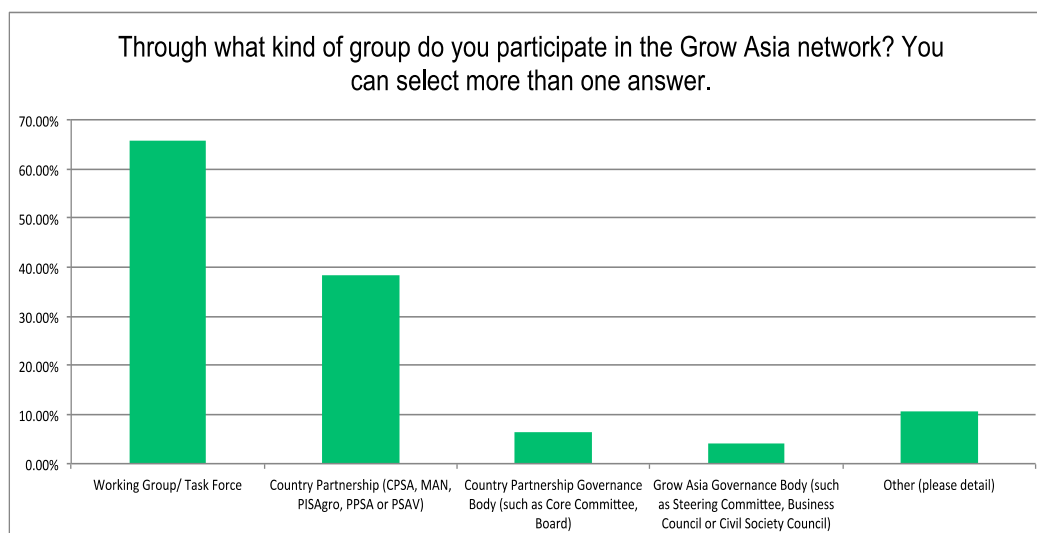
A brief survey of a sample of Grow Asia network stakeholders was commissioned by the Mid-term Review team in May 2018, to gauge their perspectives on the strengths and weaknesses of the services provided by the Regional Secretariat and the way forward. The Regional Secretariat assisted with undertaking the survey, administered through the Survey Monkey platform. The survey instrument is at Appendix A. Key findings are presented below.

2. Key findings

Over 300 stakeholders were targeted and 47 responded to the survey. Reflecting the composition of the Grow Asia network more broadly, the majority of the respondents were from the private sector (40%) and civil society (34%).

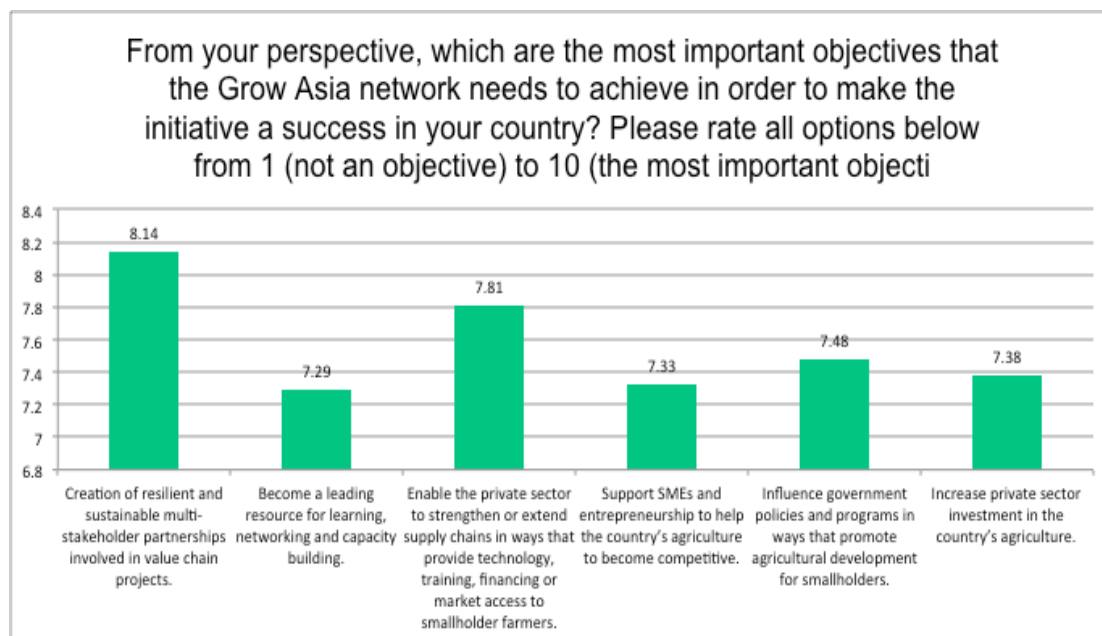


66% of the respondents were part of the Working Groups/Task Force and 38% from the Country partnerships (other than working groups)²³.

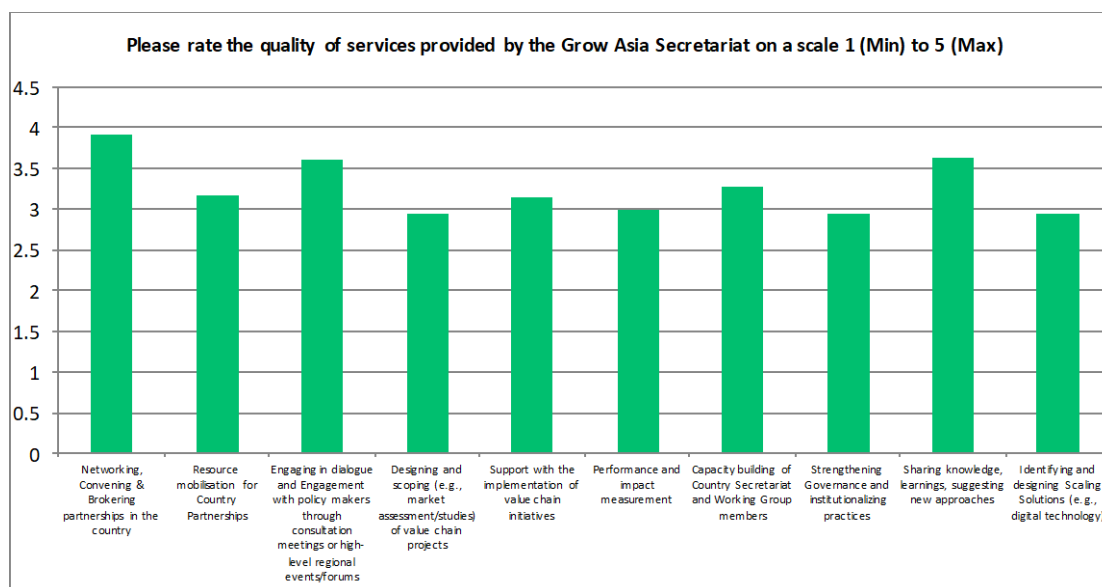


²³ Participants could select more than one answer.

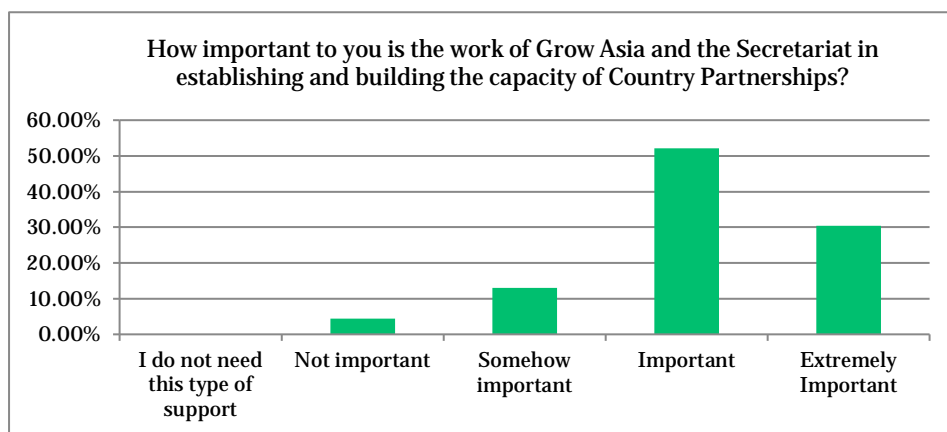
Partners believe that the most important objective that the Grow Asia needs to achieve is ‘creation of resilient and sustainable multi-stakeholders partnerships’, with an average rating 8.14 (on a scale 1 Min and 10 Max). Of second importance is to ‘enable the private sector to strengthen or extend supply chains to benefit smallholder farmers’.



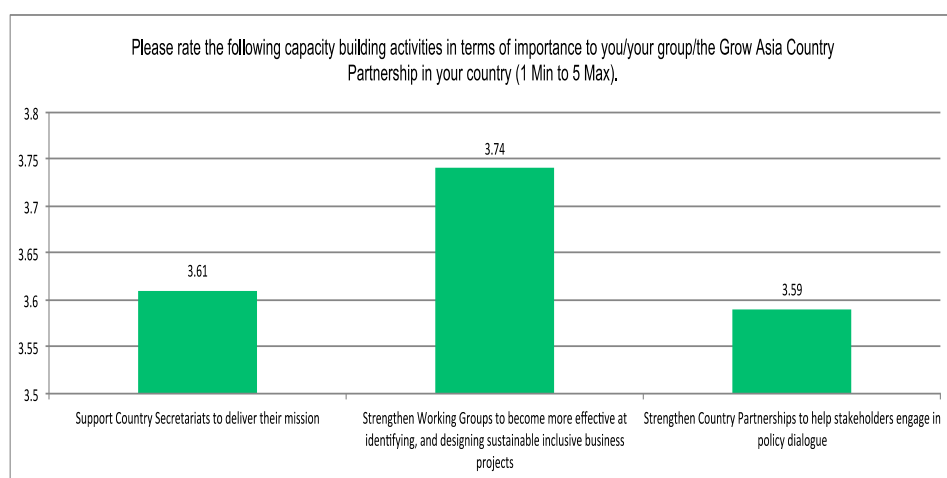
On the ‘Quality of support currently provided by the Regional secretariat to country partnerships’ the highest rated was ‘networking and convening’ (3.91/5). Second highest was ‘Sharing knowledge, learning and suggesting new approaches’. Third rated was ‘Engaging in dialogue and engagement with policy makers’ (3.53/5). Lowest rated was designing and scoping value chain projects (2.97) and strengthening governance and institutionalizing practices (3).



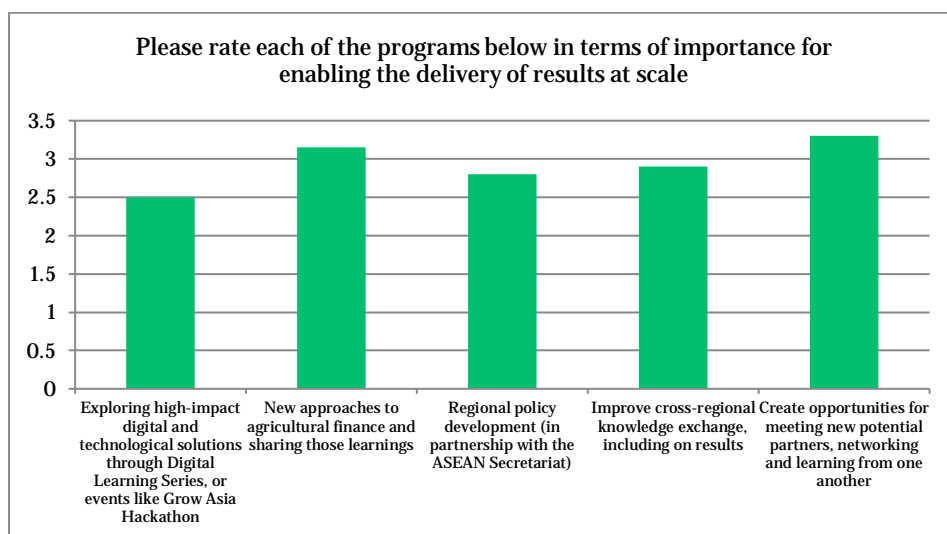
On the question of importance of building capacity of Country Partnerships to enable multi-stakeholder dialogue and partnerships, including at working group level, nearly 90% rated it as either ‘important’ or ‘extremely important’.



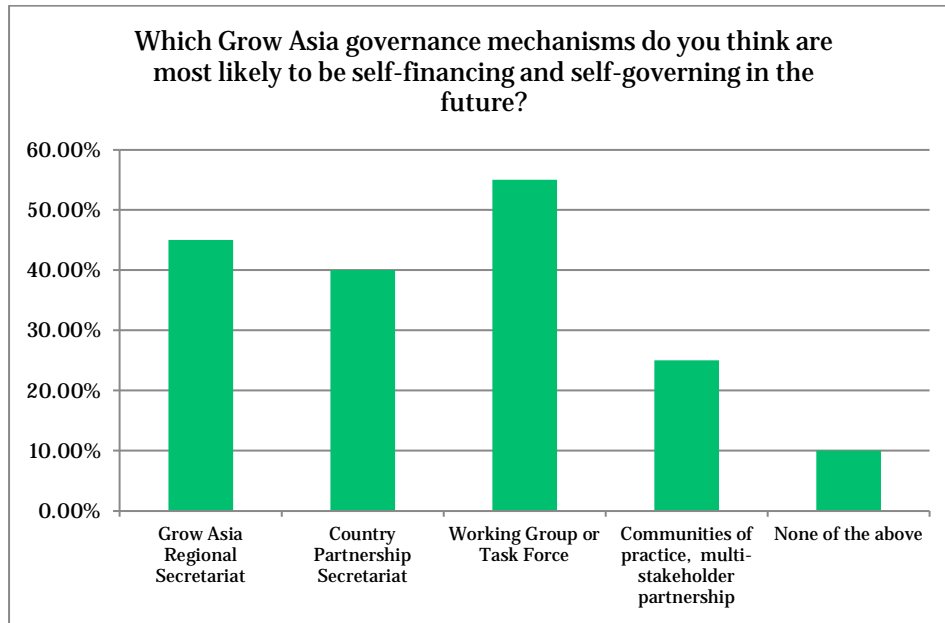
On rating the capacity building activities in terms of their importance for their Country Partnerships, the highest rated statement was “Strengthen the working groups to become more effective at identifying and designing sustainable inclusive business projects” (3.74/5).



In terms of rating Grow Asia Secretariat areas of focus to achieve significant greater scale: the highest rated activity was ‘create opportunities to meet new potential partners, networking and learning from each other’ (3.3/5); and ‘new approaches to agriculture finance’ (3.1/5). The least ranked was in fact ‘exploring high impact digital and technological solutions through digital learning series’ (2.53/5).



When stakeholders were asked which platforms put in place by Grow Asia they think will continue and be self-financing and self-governing in the future, 55% chose working groups and task forces.



Appendix A: Survey Instrument for Assessment of the services provided by the Grow Asia Secretariat

The Grow Asia Secretariat aims to provide support and services to help groups and organizations within the Grow Asia Network to achieve their mission, vision and objectives. We would like to understand how effective this support has been and how could this be improved in order to make the Grow Asia initiative more effective. We would be grateful if you could complete the following survey, which should take no more than 15 minutes of your time. The survey is anonymous and it will not identify you in any way. Thank you!

1. What type of organization do you work for

- a) Private sector ☐
- b) Government / Supranational agency ☐
- c) Civil Society (NGO, I-NGO, farmer organization) ☐
- d) Academia or Research institutes ☐
- e) Other (Please specify) ☐

2. Through what kind of group do you participate in the Grow Asia (you can select more than 1):

- a) Working group or Task force ☐
- b) Country Partnership Secretariat ☐
- c) Country Partnership Governance body (such as Core Committee, Board) ☐
- d) Grow Asia Governance body (such as Steering Committee, Business Council or Civil Society Council) ☐
- e) Other (please detail) ☐

Your Grow Asia goals

3. From your perspective, which are the most important objectives that the Grow Asia network needs to achieve in order to make the initiative a success in your country? Rate ALL options of the below from 1 (not an objective) to 10 (the most important objective).

| | |
|---|--|
| a) Creation of resilient and sustainable multi-stakeholder partnerships involved in value chain projects | |
| b) Become a leading resource for learning, networking and capacity building | |
| c) Enable the private sector to strengthen or extend supply chains in ways that provide technology, training, financing or market access to smallholder farmers | |
| d) Support SMEs and entrepreneurship to help the country's agriculture to become competitive | |
| e) Influence government policies and programs in ways that promote agricultural development for smallholders | |
| f) Increase private sector investment in the country's agriculture | |
| g) Other: Please specify | |

3.1
For

those objectives you have rated as most important, explain why you think they are the most important:

Views on services provided by the Grow Asia Secretariat

4. The Grow Asia Secretariat (based in Singapore) supports Country Partnerships by convening stakeholders, establishing and institutionalizing new country secretariats, supporting the formation of working groups and task forces, building the capacity of those involved in the GA network and promoting learning across the region.

Please select the type of support or services the Grow Asia Secretariat has provided for you/your Grow Asia network group and in each case, rate the quality of services provided by the Secretariat on a scale 1 (Min) to 5 (Max).

| | |
|---|--|
| Networking, Convening & Brokering partnerships in the country | |
| Resource mobilisation for country partnerships | |
| Engaging in dialogue and Engagement with policy makers through consultation meetings or high-level regional events/forums | |
| Designing and scoping (e.g. market assessment/studies) of value chain projects | |
| Support with the implementation of value chain initiatives | |
| Performance and impact measurement | |
| Capacity building of Country Secretariat and Working Group members | |
| Strengthening Governance and institutionalizing practices | |
| Sharing knowledge, learnings, suggesting new approaches | |
| Identifying and designing Scaling solutions (e.g. digital technology) | |
| Other support: Please specify | |

4.1 Any comments on services provided by the Secretariat and your ratings:

The 'Twin Track' Grow Asia new strategy to achieve results at scale

5. The main focus of Grow Asia and the Secretariat to date has been establishing and building the capacity of Country Partnerships (to enable multi-stakeholder dialogue and partnerships, such as working groups, to deliver economic and environmental benefits to smallholder farmers). This activity is planned to continue in the future. How important is this area of focus to you/your Grow Asia group, and Grow Asia in your country?

- | | |
|---------------------------------------|--------------------------|
| a) I do not need this type of support | <input type="checkbox"/> |
| b) Not important | <input type="checkbox"/> |
| c) Somehow important | <input type="checkbox"/> |
| d) Important | <input type="checkbox"/> |
| e) Extremely important | <input type="checkbox"/> |

Please explain your choice:

6. Please rate the following capacity building activities in terms of importance to you/your group / Grow Asia in your country (1 Min to 5Max)?

| | |
|--|--|
| Support Country Secretariats to deliver their mission | |
| Strengthen working groups to become more effective at identifying, and designing sustainable inclusive business projects | |
| Strengthen Country partnerships to help stakeholders engage in policy dialogue | |
| None of the above | |
| Other: Please specify | |

6.1. Please explain your highest rating and what it would mean for you/ your group:

7. The other key area of focus of Grow Asia and the Secretariat for the future is to support and enable the delivery of results at significantly greater scale, through regional activities. Some of these new areas of focus are listed below.

| | |
|---|--|
| Exploring high-impact digital and technological solutions through Digital Learning Series, or events like Grow Asia Hackathon | |
| New approaches to agricultural finance and sharing those learnings | |
| Regional policy development (in partnership with the ASEAN Secretariat) | |
| Improve cross-regional knowledge exchange, including on results | |
| Create opportunities for meeting new potential partners, networking and learning from one another | |

| | |
|------------------------|--|
| | |
| None of the above | |
| Other _ Please specify | |

Please rate each of the above programs in terms of importance to you/your Grow Asia network group/ Grow Asia in your country:

- 0- do not need this type of support
- 1- Not important,
- 2- Somehow important,
- 3- Important
- 4- Extremely important.

Sustainability of the Grow Asia model

8. It is hoped that the key activities of Grow Asia will continue beyond donor funding and deliver sustainable results at scale. The GA Initiative has set up various governance mechanisms to enable that. Which Grow Asia governance mechanisms do you think are most likely to continue and be self-financing and self-governing in the future? (you can choose more than one option)

| | |
|--|--|
| Grow Asia Regional Secretariat | |
| Country Partnership Secretariat | |
| Working Group or Task Force | |
| Communities of practice, multi-stakeholder partnership | |
| None of the above | |
| Other: | |

8.1. Please explain your choice:

Annex 5: Comments on March 2018 ‘Proposal for Funding’

In March 2018, the Grow Asia Executive Director provided DFAT a funding proposal for a further three-year phase (2019-2021), costed at USD10,269,633. Essentially the proposal is to continue the two-track approach initiated during 2017, which received in-principle support from the GA Steering Committee in December 2017. Track One involves strengthening country partnerships (CPs) and, in particular, equipping CP Secretariats to lead government engagement and national policy dialogue. Track 2 involves work led directly by the Regional Secretariat in areas such as digital learning, agricultural finance and regional policy.

A reasonable case is made for the continued relevance (to the region, and to Australia) of a multi-stakeholder program in agriculture in the ASEAN region. However beyond this, the proposal is vague on both rationale and intent. It does not set out a clear picture of *what* is intended to be achieved over a further 3-year phase, and *how* these objectives will most effectively realized. The ‘theory of change’ presented – a mix of activity and output descriptions and outcome/impact indicators – does not effectively summarise the logic of the proposed new approach. Even the references to the 20/20/20 targets are inconsistent across the document, sometimes referred to as ‘either/or’ (‘achieve one of’), while at other times implying all three are to be addressed.

As noted in section 6.1 of this MTR, the twin-track strategy represents a significant change of direction away from the original NVA model, which sought to drive transformative change in agriculture primarily through country-level working groups that would develop and test sustainable and inclusive business models. Grow Asia’s experience has shown that the value chain projects implemented through the working groups will not, by themselves, result in anywhere near the scale of benefit that Grow Asia is targeting (10 million smallholders). Despite a continued commitment to ‘strengthen’ working groups under Track 1, the potential to use them to drive broader impacts²⁴ has effectively been dismissed.²⁵

The intention to strengthen the focus on policy engagement is reasonable to the extent that it builds on and links with the existing work of the country partnerships. Governments are (or should be) a key partner in a multi-stakeholder program, so if additional efforts are required to engage them on related policy issues, this is consistent with the MSP and NVA logic. This would also apply to regional policy engagement via the ASEAN Secretariat. Again however, the rationale is not well articulated. Partner feedback on this topic is also somewhat ambiguous. The intent to give CP Secretariats a lead role in policy engagement is at odds with the largely administrative roles they are currently assigned.

As with regional policy, other elements of the Track 2 agenda outlined in the proposal have also already commenced, with the digital and agri-finance work. More detailed planning documents were provided to the Review team that set out Grow Asia’s value add in these important but quite ‘crowded’ areas. The descriptions in the latter part of the proposal (pp. 26-27) provide a degree of reassurance that valid opportunities do exist for cross-country coordination and information exchange which would support and supplement the work underway in various country-level working groups.

However, the multiple descriptions of Track 2 in the proposal do not consistently deliver a clear picture of what is intended. More broadly, the rationale that these activities ‘are best undertaken at a regional level and by leveraging the expertise and experience that is embedded in Grow Asia’ (p. 17) is not spelt out strongly. As presented here, none of these areas have an obvious requirement for a multi-stakeholder approach, or are clear areas of Grow Asia comparative advantage.

Moreover, some parts of the proposal refer to additional Track 2 priorities: ‘women in agriculture’ and ‘sustainable food systems’ – though these are omitted from other coverage of similar material, and do

²⁴ As envisaged in the NVA, and more recently in a March 2017 Grow Asia paper on pathways to scale.

²⁵ For instance, while there is a mention of ‘sectoral issues’ under outcomes, the main focus continues to be on project design and delivery rather than on testing sustainable and inclusive business models.

not appear in the budget. These sections raise more questions than they answer, and appear to be a late addition to the proposal. While some justification is presented as to why Grow Asia might work on these topics, the proposal is vague on key questions such as what Grow Asia could reasonably hope to achieve, how these issues would be linked to the rest of the program, and what sorts of activities are warranted. No rationale is provided for the specific approach chosen (a separate stream of activities led directly by the Regional-Secretariat).

The proposal provides a 2019-21 budget with expenditure of around USD3.3-3.4 million annually, totalling USD10.3 million over the three years. However, no explanation is provided of the cost estimates. For example, it is unclear whether the figures under Track 1 and 2 headings include Regional Secretariat staff assigned to each topic. There is likewise no indication of why the Regional Knowledge Exchange is the largest single expenditure item.

Annex 6: Documents consulted

DFAT: Grow Asia Investment Design Summary, 2014

World Economic Forum: Grow Asia Advancing Food Security and Sustainable, Inclusive Agriculture in Asia, Proposal to Australia's Department for Foreign Affairs and Trade (DFAT) 12 November 2014

Grow Asia Partnership, Initial Annual Plan, 2015-2016 , Submitted to the Australian Department for Foreign Affairs and Trade, 9 June 2015

Grow Asia: Grow Asia Partnership Three-Year Plan, 2015-2018 Submitted on 6 May 2016, (Revised 6 July 2016)

Grow Asia Partnership Second Year Plan (July 2016 to June 2017) Submitted on 6 May 2016, (Revised 19 August 2016)

Grow Asia Partnership, Third Year Plan , (June 2017 to May 2018) Submitted 5 May 2017

Grow Asia Partnership, Second Year Report (June 2016 to May 2017), 5 May 2017

Grow Asia Partnership, Third Year Report (June 2017 to May 2018), Submitted 4 May 2018

Grow Asia Indonesia, Partnership for Indonesia's Agriculture 2016-2017, supported by Grow Asia

Grow Asia Partnership (No name, no date - brief presentation on results by country)

Practitioners Workshop 11–12 October 2017, Jakarta, Outcome Report

Outcome Report of a Grow Asia Roundtable held on 15 March 2017 at the Responsible Business Forum on Food and Sustainable Agriculture in Jakarta, Indonesia

Grow Asia Updates, 5 December 2017

Proposal for Funding, March 2018, Prepared by the Grow Asia Secretariat

Inclusive Agribusiness: The State of Play, Background Working Paper, Jim Woodhill, September 2016

Grow Asia Agricultural Finance: what should we do? Grow Asia Secretariat, April 2018

ASEAN Integrated Food Security (AIFS) Framework and Strategic Plan Of Action On Food Security in the ASEAN Region 2015-2020

Grow Asia Steering Committee Virtual Meeting, Wednesday 6 December 2017

DFAT Grow Asia Annual Quality Check 2016

DFAT draft Grow Asia Annual Quality Check 2017

Grow Asia Fund/Facility Scoping Final Paper, Palladium March 2016

2017 Foreign Policy White Paper, Australian Government

DFAT: Strategy for Australia's Aid Investments in Agriculture, Fisheries and Water (February 2015)

DFAT: The role of development partnerships in agriculture and agribusiness in promoting prosperity, reducing poverty and enhancing stability in the Indo-Pacific region (November 2015)

DFAT: Strategy for Australia's Aid Investments in Private Sector Development

Draft Strategy and Action Plan for Secretariat Office for “Partnership for Sustainable Agriculture” in Vietnam (2016-2020) (Final version)

Grow Asia Forum 2017, Summary Report, Pathways to Scale

Oxfam: Moral Hazard, Mega PPP in Africa Agriculture, 2012

Grow Asia Forum at the World Economic Forum on East Asia, Jakarta, Indonesia 19-21 April 2015

Grow Asia Partners Survey, August 2017

Grow Asia Country Composite Scorecard

Grow Asia Working Groups Composite Scorecard

Grow Asia Study on Working Groups success and failures (October 2017)

Grow Asia website: various documents <https://www.growasia.org/governance;/partnership;/scaling-solutions>

WEF/New Vision for Agriculture: Building Partnerships for Sustainable Agriculture and Food Security: A Guide to Country-Led Action