

MONITORING FOR FOOD SECURITY AND INCLUSIVE GROWTH:

Recommendations to the Asian Development Bank



RISING GROWTH DOES NOT LIFT ALL BOATS

Asia today has "two faces". In the Asian Development Bank's own words: "the progress and prosperity" one and "the continued poverty" face ".1 Achieving prosperity and wellbeing for all in Asia and the Pacific is a complex challenge. Over the past two years, the international community has become acutely aware of the dichotomy of rising economic growth coupled with rising inequality. The Asian Development Bank (ADB) itself finds that "despite spectacular economic growth, developing Asia is home to over 60% of the world's poor and hungry".2 In 2013, seven out of ten people lived in countries where economic inequality has increased in the last 30 years.³ In Asia, inequality measured using the Gini coefficient rose in 12 countries, including China, India and Indonesia, from the 1990s to early 2000s. 4 High quality research by the ADB has led to a better understanding of the complexities of growth and inequality. Yet, the challenge of achieving truly inclusive growth in practice remains. The purpose of this briefer is to support the ADB in tackling this challenge.

The experience of growth at beneficiary level

The ADB has revised its Results Framework with the intention to provide a better understanding of its contributions to inclusive growth. The additions to the framework are a step in the right direction but the ADB could demonstrate serious leadership in tackling inequality by paying more attention to project impacts at a household and individual level. It is at these levels that people either experience improvements to their livelihoods on the one hand, or inequality and exclusion.

Food security: an indicator for inclusive growth

This is particularly relevant in the area of food security. A holistic measure of food security is well suited to demonstrating whether broader economic growth is including vulnerable segments of a country's population. While global food security has improved slightly, 11% of the world's population still amounts to 805 million people who do not have enough to eat. Asia retains two-thirds of the world's undernourished population, which equates to 526 million people.⁵

The Food and Agriculture Organization's latest State of Food Insecurity in the World report (2012–2014) reiterates the need for an integrated approach to food security. Evidence has shown that it must be addressed through multi-sector interventions. For example, agriculture support must go hand in hand with improving rural infrastructure and

services. Security of land tenure is a crucial component to food security of small-scale and subsistence farmers. The ADB has also taken a multi-sector approach, revising its 2020 Strategy to better connect its areas of operation. The ADB hopes that this will allow its "support in core operational areas — infrastructure, education and finance — and other areas — health, agriculture, and public sector management — to support inclusive economic growth and reduce vulnerability and inequality". Oxfam welcomes the ADB's commitment to an integrated approach to inclusive growth. However, unless this commitment is complemented by an integrated monitoring and evaluation framework, the ADB will struggle to make measurable progress.

The need for a multi-dimensional indicator of food security

The ADB is clear that "economic growth alone does not guarantee food security". 7 Farmers who have moved from staple crops to high-yield seasonal crops for instance, may have higher incomes, but will not be able to rely on their new crops as food staple and as a result may be more vulnerable to seasonal variations and crop failures. The ADB is committed to curbing food insecurity and maintains that its indirect support to agriculture, such as rural roads, market integration and access contribute to food security.8 Yet improved food security is rarely one of the intended impacts of its agricultural projects, while increased incomes are a more frequent indicator of success. This is reflected in monitoring and evaluation systems, which largely focus on economic indicators but are unable to adequately capture the food security impacts of agricultural projects on beneficiaries. If the ADB is serious about its contribution to food security, it must make this an explicit objective of its agriculture projects and measure the impact of those projects on the food security of affected communities at household and individual level.

The ADB's Safeguard Policies also have a critical role to play in protecting the food security of communities and should be applied carefully when designing and implementing projects as this will contribute to better outcomes. Oxfam has made recommendations to the ADB for strengthening the Safeguard Policies to better protect food security and we are encouraged that these recommendations will be considered in the next policy review.

 $^{^{\}mathrm{1}}$ Asian Development Bank, Food Security in Asia and the Pacific, 2013.

² Ibid.

³ Oxfam International, Working for the Few: Political Capture and Economic Inequality, Oxfam briefing paper, Oxford, 2014.

⁴ Asian Development Bank Institute, *Rising Inequality in Asia and Policy Implications*, 2014.

⁵ Food and Agriculture Organization of the United Nations, *The State of Food Insecurity in the World 2014*, 2014.

⁶ Asian Development Bank, Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific, 2014.

Asian Development Bank, Food Security in Asia and the Pacific, 2013.

⁸ Asian Development Bank, 'Investing in Food and Agriculture in Asia and the Pacific' (infographic), 2014.

Recommendations for the ADB

1. Include a multi-dimensional food security indicator in Results Framework.

The ADB's Results Framework does not contain an indicator for measuring food security. Given its importance for inclusive growth, food security must be included at the organisational level in the ADB's reporting framework.

Level 2 of the framework only reflects the ADB's results in core operational areas, which do not cover food security. However, as Strategy 2020 takes a cross-sectoral approach to food security, a multi-dimensional food security indicator should be included under a cross-cutting section in Level 2 of the Results Framework. Oxfam has made detailed recommendations to the ADB for a multi-dimensional food security indicator. This indicator draws from and expands on recognised dimensions of food security, such as availability, access, utilisation and stability.

2. Apply multi-dimensional food security indicators in project design and monitoring.

Given that economic income alone is not a sufficient indicator for food security, it is essential that the ADB uses a multi-dimensional food security indicator when designing and monitoring projects. This indicator should include required measurements under key components of recognised food security indicators.

3. Resource monitoring at household and individual levels.

Monitoring for multi-dimensional indicators is resource and time intensive. However, collecting household and individual data on multiple aspects of food security at the beginning of a project and during implementation is likely to result in better project outcomes. The ADB should treat monitoring costs as a key element of achieving inclusive growth. Project budgets should provide adequate funds for household and individual level monitoring. Monitoring at this level does not mean that all project households and individuals are necessarily included in monitoring surveys. Statistically valid sampling techniques can be employed, and qualitative assessments, such as beneficiary assessments employed by the World Bank in the past, can provide meaningful additional information at only a small proportion of project cost. 10

4. Screen for negative impacts on food security in all ADB operations.

The ADB should use a screening list when it designs projects to prevent inadvertent impacts on food security. This list should include assessments of impacts on food security in relation to gender, environment, human health, social impact, governance, transboundary impacts, labour rights, land and natural resource access, and Indigenous Peoples. The screening criteria would complement the existing Safeguard Policies by serving to highlight and prevent impacts specific to food security in particular circumstances, for instance newly introduced crops replacing crops traditionally grown by women.

5. Go beyond "do no harm" approach of Safeguards Policies to valuing proactive contribution to food security.

The ADB should train operational staff to recognise the value of Safeguard Policies as a useful tool to contribute to food security and inclusive growth. This also means that safeguard compliance is rewarded in ADB's performance management systems as a contribution to inclusive growth by ensuring that projects will result in benefits for all project -affected people.

Develop beneficiary feedback mechanism in Results Framework.

For an institution that seeks to reduce inequality and promote inclusiveness, it is essential to include the views of the people it is trying to reach in its organisational reporting framework. While the Results Framework incorporates government views, there is no mechanism for incorporating beneficiary feedback. To provide leadership in inclusive growth, the ADB must develop a mechanism for incorporating beneficiary feedback in its Results Framework.

More details on Oxfam's recommendations to the ADB for monitoring and designing for better food security impacts can be found at: www.oxfam.org.au/monitoringforbetterimpact

⁹ Oxfam, Monitoring for Better Impact: Why the Asian Development Bank should focus on food security at a household and individual level, 2014.

¹⁰ Salmen, LF, Beneficiary Assessment, 2002.

WWW.OXFAM.ORG.AU/MONITORINGFORBETTERIMPACT







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