



**EIGHTH MEETING OF GMS WORKING GROUP ON AGRICULTURE (WGA-8)
Siem Reap, Cambodia, 25-26 October 2011**

Summary of Proceedings

Introduction

1. The Eighth Meeting of the GMS Working Group on Agriculture (WGA-8) was held in Siem Reap, Cambodia, on 25-26 October 2011, with the theme *“Enhancing Competitiveness on Sustainable Sourcing and Tracing of Agri-food Products in the GMS”*.

2. The Meeting was organized and sponsored by the Asian Development Bank (ADB) with the cooperation of the Ministry of Agriculture, Forestry and Fisheries of the Kingdom of Cambodia, and attended by participants from the six GMS countries (Cambodia, People’s Republic of China, Lao PDR, Myanmar, Thailand, and Viet Nam), and ADB. Resource speakers from the public, private, and academic sectors, institutions belonging to the Consultative Group on International Agricultural Research (CGIAR), UN specialized agencies, non-profit organizations, and ADB gave presentations which helped facilitate the discussions. Observers from other development partners, and individual experts also attended. ADB provided secretariat support. A list of participants is in [Appendix 1](#) and a copy of the Meeting Program and Agenda is in [Appendix 2](#).

Opening Session

3. H. E. San Vanty, Under Secretary of State, Ministry of Agriculture, Forestry and Fisheries of the Kingdom of Cambodia, extended his warm welcome to all the participants. He noted that the meeting was taking place at a time when a number of GMS countries were experiencing severe floods, and expressed, on behalf of the Cambodian Government, deep gratitude to all countries and development partners for providing generous emergency relief to Cambodia. He stated that the GMS has made substantive achievements over the past years, and these achievements could be attributed to a number of factors including economic and political stability in the region, timely and effective policy responses by member countries, and strong support from development partners. Continued cooperation and collective efforts among the members would enable them to respond more effectively and efficiently to critical emerging challenges and issues. The WGA-8 meeting is of particular importance in light of the anticipated endorsement of the new GMS Strategic Framework by the upcoming GMS Summit. He stated that while agriculture is one of the key factors that could contribute to the realization of the GMS vision, much remains to be done in terms of software and hardware development for the sector which, like other sectors, is also influenced by fast-changing socio-economic development and unprecedented environmental conditions. Further concerted actions need to be taken to intensify agricultural development to meet the growing need for food supply while at the same time adapting to and mitigating the impact of climate change, as well as mobilize needed investments. Countries must take advantage of achievements in economic corridor development for agricultural

development to increase farming households' income and improve food security. He cautioned against developing bioenergy at the expense of food security, underscored trade as a food distribution mechanism to ensure access to food, highlighted the need for strong cooperation among the GMS countries in order to enjoy the full benefits of the "new agriculture" – including emphasis on food safety and new institutional arrangements e.g., contract farming and "extended cooperatives". At the same time, the subregion faces climate change-related challenges (floods, drought, rising sea level, new diseases and pests) which impact on the economic and social development of people. He expressed his hope that WGA-8 discussions would have fruitful results in helping address these challenges.

4. In his Opening Remarks, Mr. Javed Mir, Director, Agriculture, Environment and Natural Resources Division Southeast Asia Department, ADB, noted the strong representation not only of delegates from the 6 GMS countries but also of representatives of bilateral and multilateral organizations, agricultural research centers and academic institutions, and the private sector. This reflects their strong interest and commitment to GMS cooperation in agriculture. The current devastating effects of extreme weather events that have caused flooding and damage to life, property and food supply chain are indicative of the risks climate change poses to communities, food supplies and economies of the subregion. WGA and the Core Agriculture Support Program II (CASP II) provide an opportunity for an action-oriented dialogue on responding to the short and long-term climate change risks. ADB reaffirms its commitment to provide all possible support to rehabilitation and reconstruction efforts in the affected countries, and even now, through its country resident missions, is working closely with government counterparts on emergency relief and damage assessment. Recent events have underscored the need for major improvements in the subregion's supply chain and for close cooperation across sectors, institutions, countries, and regions to address food insecurity. Competitiveness in agri-food products in today's world means more than just productivity and cost reduction. Competitiveness now gives greater emphasis on information, quality control, and meeting customers' demand on food safety. The triad of land, water, and agricultural production has to be addressed to stem food price increases and ensure food security in tandem with sustainable natural resources approaches. He urged the meeting to deliberate upon the factors that constrain the GMS from being the frontline innovator and leader in agribusiness and trade, and how CASP II implementation can help to address those constraints. In this regard, he mentioned and welcomed SIDA's indication of strong interest in supporting CASP II implementation. The meeting's timing is critical not only in light of prevailing food security challenges but also in the context of the GMS countries' ongoing moves to finalize the GMS Strategic Framework for 2012-2022 for endorsement at the 4th GMS Summit of Leaders in December 2011 in Myanmar.

5. Copies of the welcome and opening remarks are in Appendix 3.

6. H. E. Mr. San Vanty and Mr. Mir chaired and co-chaired the Meeting, respectively.

Session I: Review of Activities of the Working Group on Agriculture under the Core Agriculture Support Program (CASP)

7. The session reviewed the progress of regional activities implemented in the GMS countries under the coordination of WGA and supported by ADB RETA 6521 on Accelerating the Implementation of the Core Agriculture Support Program.

I.1. Status and Progress of CASP II

8. Ms. Sununtar Setboonsarng, Principal Natural Resources Economist, Agriculture, Environment and Natural Resources Division, Southeast Asia Department, ADB, gave an overview of ADB operations and financing for loans, grants, technical assistance, and guarantee and equity investment totaling US\$17.5 Billion in 2010, of which \$3.2 Billion was allocated to 5 GMS countries. In 2010, ADB provided financing for GMS agriculture and natural resources loans of \$337.8 Million, and grants of \$8.56 Million. ADB is currently funding RETA 6521 Accelerating the Implementation of the Core Agriculture Support Program amounting to \$1.5 Million between 2009-2012, covering 5 components namely: (i) Biotechnology and Biosafety Strategy (FAO); (ii) Agriculture Information and Network Service Development and Use (FECC/PRC); (iii) Rural Renewable Energy Development Strategy (FAO); (iv) Food Security and Cross-Border Agricultural Trade Strategies (ADB) including Lao Coffee Pilot project and publication of Trade Facilitation study; and (v) WGA Secretariat operations including meetings of WGA and consultations with development partners to mobilize funding resources. In addition, ADB has recently approved RETA 7833 on Efficient Utilization of Biomass for Bioenergy and Food Security amounting to \$4 Million for 2011-2015 which will support (i) enhanced regional cooperation on bioenergy development that fosters food security; (ii) pilot-testing of climate-friendly biomass investment projects; (iii) strengthening capacity for efficient use of biomass; and (iv) development and dissemination of knowledge products. An inception meeting for RETA 7833 is planned for early 2012. Ongoing RETA 6390 on Transboundary Animal Disease Control for Poverty Reduction in the GMS approved in 2007 is being extended to 2012 to allow completion of activities related to preventive measures and trade facilitation.

9. Ms. Setboonsarng also reported other related ADB-financed investment projects contributing to the CASP II (GMS Flood and Drought Risk Management and Mitigation, and Improved Sanitary and Phytosanitary Handling in the GMS) and technical assistance (RETA 6450 Enhancing Transport and Trade Facilitation in the GMS, RETA 7495 Support for the ASEAN Plus Three Integrated Food Security Framework, RETA 6439 12th Agriculture and Natural Resources Research Centers, RETA 7521 Strengthening Local Chambers of Commerce and Industry Along the East West Economic Corridor to Promote Trade, Investment and Value Chains). She also briefed the meeting on current work being done on inclusive organic vegetables supply chain along the EWEC.

I.2. Regional Sourcing and Progress on ADB Proposed Project on Trade Facilitation: Improved Sanitary and Phytosanitary (SPS) Handling in the GMS

10. Mr. Cornelis L. J. Van De Meer, Team Leader/ADB Consultant, gave an overview of trends in GMS trade, i.e., recorded GMS intra-regional trade is growing faster than external trade – more so in agriculture, food and forestry (AFF), reflecting clearly trend in GMS trade integration, particularly for AFF. AFF trade growth in the GMS is attributed to much improved connectivity and economic growth and demand. Key sources for increased AFF trade are rapid economic growth in the region, tourism, urbanization,

value adding and shift to better price and quality segments, and availability of resources for production of raw materials. At the same time, there are obstacles and constraints for tapping unrealized AFF potentials including competition from outside GMS, underdeveloped supply chains in the subregion, and weaknesses in SPS field (costly procedures, restrictive requirements, and insufficient health protection). He cited main deficiencies in GMS SPS handling including lack of transparency and weak regulatory framework, not-risk based, unequal treatment of foreign and domestic producers, measures excessive in relation to risk, widespread use of precautionary principle, lack of trust and information about each other's systems, and lack of capacity in managing SPS. Investment projects to upgrade SPS capacities in Cambodia, Lao PDR, and Viet Nam, and a regional technical assistance are being proposed for ADB financing to address institutional capacity and issues concerning handling of AFF trade. Expected project outputs include (i) strengthened plant, animal and food safety surveillance programs; (ii) enhanced education levels/university training of SPS specialists; and improved regional cooperation and harmonization. The project would require a total budget of \$37.19 Million. Loan and grant negotiations will be done in December 2011, and ADB Board approval is expected in February 2012.

1.3. Progress of FAO Activities under RETA 6521: Biotechnology and Biosafety and Rural Renewable Energy

11. Ms. Sashi Sareen, Senior Food Safety and Nutrition Officer, FAO, presented the progress of 2 components under RETA 6521 which FAO is implementing and supporting with parallel financing. For the component on Biotechnology and Biosafety, Output 1 on Implementation of Food Safety Measures, several activities have been completed or are planned including case studies on Q-GAP/organic accreditation systems and farmers training programs in Thailand, a regional workshop on promoting food safety in the GMS countries planned in early 2012, and development of distance learning material on food safety. Output 2 on value-added agricultural products compliance with international standards covers several activities including workshops on biosecurity and food safety, inventory studies and biological control of newly emerging pest and disease threats of cassava pink mealy bug.. The status of several related FAO-funded country projects were also presented. For Output 3 on Carbon sequestration and Carbon credit scheme, a final report has been submitted to FAO by FAO consultant covering case studies on production of compost and its use and potential for soil carbon sequestration. For Component 3 on Bioenergy and Renewable Energy for Rural Development and Poverty Reduction in the GMS, three Bioenergy Policy Dialogues have been held (June 2010, February and June 2011). A Sustainable Bioenergy Publication will be prepared covering challenges in replicating small scale bioenergy projects, opportunities for biochar, bioslurry, wood briquettes industry, and challenges to financing bioenergy in Lao PDR and Viet Nam. Total budget for Component 1 amounts to \$ 603,784, of which ADB's contribution is \$ 369,284 (released: \$129,500) while FAO's co-financing amounts to \$ 234,500 (cash: \$104,500, in kind \$130, 000). Total budget for Component 3 is \$ 551,998, all of which have either been spent or fully committed by FAO.

Open Forum

12. Thailand shared information about their work on livestock identification and tracking to prevent and control the spread of transboundary animal diseases including the conduct of training programs for the other GMS member countries. Thailand submitted a proposal to ADB for further support to expand the livestock identification

program to all GMS countries. Thailand is also willing to share their knowledge and experience with the other countries on SPS activities including organic certification.

13. Lao PDR noted with appreciation that the WGA Secretariat has been able to define clear goals, strategies and plans for regional cooperation in agriculture, and emphasized country ownership and the need for national institutions to mainstream regional plans in their respective national plans to ensure program sustainability. Lao PDR was particularly pleased with the SPS program described by Mr. Van de Meer which presents a good model for mainstreaming a regional program into the unique institutional arrangements of each country.

14. Myanmar noted that they are not included in some investment projects but would be interested to join training programs and workshops on SPS.

15. FAO suggested the need to consolidate information about activities happening in the region to make it easier to share information in aid of further strengthening these programs.

16. Chair appreciated ADB's presentation on CASP programs and activities and agreed with the suggestion to improve the information sharing system, particularly with the WGA National Coordinators, possibly through the AINS project, and to get WGA more actively involved in the process. He agreed with Lao PDR's comments on the need for strong country ownership to ensure policy commitment and program implementation and sustainability. On the topic of organic agriculture, he commented that organic products are mainly for rich people and that the main task of WGA is to ensure food security. He agreed with the need to support paper less trade to address cumbersome bureaucratic procedures that constrain agricultural trade.

17. Co-chair seconded the Chair's comment that the ultimate objective of WGA is to improve food security for all, and noted that organic agriculture is a subset that could better inform subregional approaches to agricultural trade. Given the experience and lessons learned by WGA from subregional agricultural cooperation, the opportunity presents itself to rethink the institutional structure and processes, and agree on the best mechanisms moving forward, including better information flow and sharing. ADB as GMS Secretariat is looking at better alignment, reinforcement and inter-sectoral coordination both at the country and regional levels, and is cognizant of the need to put in place the appropriate institutional framework, supported by a strong knowledge information base on who is doing what, and to learn from each other's experience.

18. Chair also stressed the importance of linking the GMS Program with ASEAN, given their mutual complementation.

1.4. GMS Agriculture Information Network Service (GMS AINS)

19. Ms. Zhang Bin, Program Officer, Foreign Economic Cooperation Center, Ministry of Agriculture, PRC, reported on the current status of the GMS AINS and efforts being done for daily maintenance, information updating, enriching website contents to improve the website's attractiveness and increase hits, strengthen cooperation and explore sustainable development approach for the project in cooperation with the other GMS countries and ADB. She highlighted the following problem areas constraining AINS development: standard management, funds, staff stability, capacity building, information

updating, and information category. Future work requirements relate to management and maintenance, enriching contents and expanding function (through good relation with domestic agencies, public-private cooperation, and collaboration with external e-trade websites), and enlarging user groups (through continuous information updating and publicizing efforts). She stressed the need for continued ADB support even as PRC, in close cooperation with concerned national entities in the other GMS countries, continues to manage the project.

1.5. Lessons Learned and Next Steps on the Lao Coffee Pilot Project

Mr. Christopher May of Bioglobal NZ and ADB Consultant, reported on the Lao PDR Coffee Pilot Project carried out in Pakse, Lao PDR in August 2011. The project aimed to strengthen LAO PDR small-holder coffee producers' capacity to comply with new EC/ICS regulations and compete in high value markets. He recalled that beginning 1 January 2011, the EU required key trade data in a paper-free electronic format in advance of goods being shipped. Non-compliance will result in fines and goods receiving a "Do Not Load" classification, resulting in delays, additional charges and lost sales. He stressed that compliance is the exporters' responsibility. Coffee is Lao PDR's most important export crop, produced mostly by poor small-holder farmers. The coffee sector is in a growth phase with recent developments to improve small-holder coffee quality and consolidate new export markets in the EU. Any impediments to the export process could be disastrous for this emerging export opportunity and severely impact on small-holder livelihoods. He described the project design that originated from WGA-7 (November 2010) which discussed the concept for a 'paper free' trade pilot. In January 2011 consultations were held with key stakeholders - Lao Coffee Association, Trade Facilitate, Association of Coffee Producer Groups (AGPC) and MAF. AGPC was selected for the implementation, involving small-holder association. He described the Trade facilitate SaaS (soft ware as a service cloud-based facility), which involves paper free (electronic) solution for the cross border import and export of goods, enables compliance with new legislative requirements across the globe, and helps to make trading faster, cheaper and greener. The idea of 'cloud' based software is easily adopted by computer literate operators engaged in export transactions. The TF training is effective and supportive but competency in English language is a pre-requisite. Potential users' main concerns are about security and costs when in fact, the pilot project was successful in reducing the transaction cost of each consignment by a minimum of US\$120/transaction.. Existing government services in Lao PDR for providing export related certificates are bureaucratic and time consuming. He outlined next steps: Exporters in the GMS must understand the requirements of the new EU/ICS 2011 Regulation and the consequences of non-compliance and make them become aware of the TF SaaS as a solution. The GMS AINS could be used as a mechanism for co-ordinating the up-scaling of the SaaS. Promotion of the SaaS via consultant support to other GMS countries engaging directly with exporters and stakeholder government ministries could help to speed up the adoption process.

1.6. Report on the World Organic Conference

20. Mr. Prak Cheattho, Deputy Director General, Directorate of Agriculture, MAFF, Cambodia, briefed the meeting on the 17th IFOAM Organic World Conference held on 28 September – 1 October 2011 at the Republic of Korea with the theme "Organic is Life". GMS delegates from Cambodia, Lao PDR, Thailand and Viet Nam joined over 1800

delegates from 76 countries at the Conference which served as a forum for exchange of experiences, ideas and strategies for the development and growth of organic agriculture. It featured several speakers from the public, private, academic, and civil society sectors as well as intergovernmental organizations from various countries who elucidated on the organic agriculture movement and the benefits of mainstreaming sustainable and healthier strategies, policies and approaches to agricultural food production. The Conference highlighted the need for a shift in public opinion particularly among development strategy designers, policy makers, and donors about the short- and long-term need for redesigning the global food production and trading system to address global challenges such as food security and poverty, climate change, and biodiversity. It also underscored the importance of regional cooperation in marketing, standards, accreditation systems that could facilitate the growth of the sector. Mr. Prak Cheattho suggested the need for ADB's technical assistance in regional cooperation to promote the efficient development of the sector to improve the competitiveness of the GMS region.

Open Forum

21. Thailand thanked ADB and PRC for their continued support for the AINS and informed the meeting of the status of their work, including the setting up of working groups to manage the technical aspects of running the local site. They suggested that all GMS countries should ensure updating of agricultural information, and for ADB and PRC to ensure sustainability of the website as the platform for agricultural information exchange in the subregion. Thailand supports organic agriculture development in the GMS and has put in place policy guidelines and institutional mechanisms for promoting organic agriculture production. Thailand proposed a program development workshop on organic agriculture development in the GMS for possible funding by ADB.

22. PRC stressed for CASP II to pay attention to cooperation with the energy, trade and investment sectors as it continues to work towards the expansion of agricultural products.

23. Myanmar emphasized the need to collaborate with data providers to create an agricultural trade data providers network, for hardware (camera, scanner) to capture images for use in the AINS website, updated software, ensuring IT network security, stable connection to populate and upload information seamlessly, need to develop data sharing policy, and HRD/capacity building for web developer, database, multimedia, security staff.

24. Chair suggested that based on assessment done, efforts should be exerted to narrow the gap on quality of databases among the countries, to consider AINS as platform for the Lao Coffee pilot project, for ADB and PRC to get the project functioning well, strengthen capacity on how to get trade information to be able to meet the requirements of buyers and to allow easy access to such information by farmers, and promote farmer-private sector partnership. He also cautioned about organic agriculture's effects on food security.

25. Myanmar inquired if farmers can reach markets through the Lao Coffee pilot project. Laos responded that it took a long process, starting with coffee, and this can be upscaled to cover other products as well.

26. Co-Chair remarked that the AINS, Lao coffee pilot project, and other similar projects complement similar initiatives at the ASEAN level. By 2015, when the ASEAN Economic Community would be in place, there will be more challenges to all sectors particularly, on agricultural trade. EU's agricultural trade policy is also under revision, and this could be advantageous to GMS countries. GMS countries need to be cognizant of these regional and global developments, and the challenge is to capture opportunity, adapt and in the process grow, while ensuring that smallholders are not left behind.

27. Ms. Setboonsarng mentioned that the coffee pilot project would be presented again in detail at the AINs workshop planned for January 2012. She added that with the success of the pilot program, Trade Facilitate has offered to expand training for all farmers' associations and SMEs who wish to export, and as a social service Trade Facilitate will allow all GMS associations to use the trade platform free of charge. Trade Facilitate will jointly finance the next meeting on AINS to further discuss the plan.

28. Copies of presentations under Session I are in Appendix 4.

Session II: Enhancing Competitiveness in Sustainable Sourcing and Tracing of Agri-Food Products in the GMS

29. This session focused on key development issues and opportunities associated with sustainable sourcing, food traceability and harmonization of standards.

II.1. Overcoming Challenges in Sourcing Certified Agri-food Products from Smallholder Farmers: Hard and Soft Infrastructure Requirements

30. Mr. Donald Taylor, ADB Consultant, gave a presentation on Sourcing Certified Products from Smallholder Farmers, and cited the opportunities for organic agriculture and other staple and non-staple crops including spice and medicinal crops. Consumption of organics is growing rapidly - 10% to 20% annually in EU and North America. Organic production in developing countries is primarily aimed at export markets and availability of locally produced organically certified food products helps build domestic markets for such products. He cited several benefits from organic production and certification, including: significant increases in developing country smallholder farmer incomes; improvement in smallholder yields and product quality resulting in greater market acceptance; qualification for additional certification programs such as GlobalGap for fruits and vegetable in the EU, FairTrade, etc.; environmental sustainability; and increased farmer incomes heightening food security. He described the basic requirements, certification path involving the identification of suitable location and farmers, as well as challenges that need to be addressed in organic production, including infrastructure, financial, regulatory, legal, and promotion support that the government needs to provide.

II.2. Regional Harmonization of Food Safety Standards: 3 Examples of EU Legislation on Labeling, Traceability and Geographical Indication

31. Mr. Vincent Andre, AETS Thailand, presented an overview of the EU, its trade in agri-food, and objectives of harmonization. The European Union is the world's largest importer of agricultural and fishery products. Its objectives for harmonization are to

achieve a high level of consumer protection; improve the free movement of goods within the internal market; increase legal security for economic operators, and ensure fair competition in the area of foods. On this legal basis, the Commission has for many years been working to harmonise national regulations into Community directives and regulations towards removal of technical obstacles to trade in industrial products for the functioning of the common market. Standards are shaped by consensus among enterprises, public authorities, consumers, and trade unions, through a consultation process organized by independent, recognized standardization bodies at national, European and international levels. Mr. Andre described the nutrition labeling and food traceability directives and systems in place, including the Rapid Alert System for Food and Feed (RASFF). He also discussed Geographical Indication (GI) as a special labeling and harmonization system, i.e., the name of a region or locality (or associated to that locality) and that designates a good or product which originates in that region or locality to show special characteristics of the product (example: champagne), and gave GI examples within ASEAN. He concluded that harmonized legislation aims at better consumer protection, easier trade, and product protection and recognition.

II.3. Participatory Guarantee Systems

32. Mr. Christopher May, ADB Consultant, talked about Participatory Guarantee Systems (PGS) as a possible solution for small holder farmers to build capacity to improve their market access. PGS is a community centered approach engaging key supply chain stakeholders in a guarantee system for domestic markets. He presented the case study of Ecovida Brazil which initially was motivated by an NGO initiative for social justice, and which eventually evolved into an internal guarantee system and logo for organic products which expanded market access beyond Brazil to all Latin American countries. Another example given was India (Niligris) initiated by Keystone, an NGO, which helped facilitate access by smallholders to markets. He enumerated several advantages derived from PGS, including access to new markets, improved overall prices, greater percentage of crop grown for market sold, safety of farmers who use pesticides, environment management in relation to amount of pesticide used and disposal of containers, consumers' confidence, and community integrity. PGS as a tool provides communities with a system for gaining market recognition, and has other applications to safe vegetables, tourism, handicraft groups, and nature conservation – and as stepping stone to move towards export certification.

Open Forum:

33. Lao PDR noted that the country has a lot of products and there is a need to institutionalize and mainstream in national and regional policies support for such niche products by helping the SME sector. Lao experience so far is through bilateral ODA, for example AFD's help in developing Lao coffee. What needs to be done is to bring in the private sector as a third party, and suggested for ADB to help by providing support to SMEs in the subregion.

34. FAO mentioned that they will launch a French-funded GI project for 4 GMS countries which will identify 2 products for each country.

35. Chair mentioned Cambodia's subdecree on contract farming.

36. In response to the Chair's query on the difference between traceability and certificate of origin (COO), Mr. Andre replied that COO is a paper that certifies as to the product's origin, while traceability is a more complex system that allows withdrawal of a product from the market should there be a problem. GI serves as a protection for a product to be better recognized by the market.

37. Co-Chair remarked that the Secretariat will take into account the suggestion made by Lao PDR within the scope of CASP II and what can be done given available resources. On GMS GI branding, he underscored cross-sectoral integration and coordination that the Working Group on Environment and Working Group on Agriculture could work on. There are biodiversity landscapes in GMS countries that present an opportunity to upgrade information systems, filter out potential areas and species for particular markets (coffee, rice), and provides a good fit for the two working groups to partner and pool resources, and to look at what products and services can be harnessed for production, develop a shortlist of certain commodities for branding, and put in place a certification system.

II.4. TraceNet – Traceability System for Export of Organic Products from India

38. Mr. Sudhanshu, Deputy General Manager, APEDA, and Vice President Gs1 India, Ministry of Commerce and Industries of India, described traceability in general, i.e., the ability to trace the history, use or location of an entity by means of recorded information; and the ability to follow the movement of food through specified stages of production, processing and distribution.. Food safety and traceability is becoming a concern of importing countries due to increasing consumer awareness about food safety aspects. Traceability serves as a tool for the establishment of product authenticity, reliability, identification of the problem areas for the purposes of tracking and product recall. He cited the recent E. coli outbreak in Germany and other past incidents in the food sector, and stressed that *“Accurate, timely and fast recalls can only be effected if traceability systems which provide accurate product identification, partner identification and location of products/ consignments at all times are in place”*. He described the Indian model in organic traceability of products that are mainly exported to EU, US, Australia, Canada, Japan, Switzerland, South Africa and Middle East, how the system is used by concerned stakeholders, and APEDA's role in strengthening the organic sector. He illustrated the Tracenet registration, data filing, internal and external audit system leading to issuance of scope and transaction certificates, and how traceability is achieved. Currently, Tracenet covers 4,083,722 farmers and has contributed to export growth from USD 112 Million in the year 2009-10 to USD 157 Million in the year 2010-11.

39.

II.5. Improving Competitiveness of the GMS in E-trade Facilitation: What Needs to be Done?

40. Dr. Somnuk Keretho, Director, Institute for IT Innovation, Kasetsart University, who has been working on the ASEAN Single Window Initiative, presented a proposed framework and methodology towards improving GMS trade competitiveness through the application of ICT for trade and trade facilitation of agri-food products. He described a diagrammatic representation of a high-level architecture for GMS smallholder farmers to

export agri-food products to the world market. He illustrated the proposed system using example of small farmers through co-op to export bananas to Japanese markets with a barcode traceability system. He proposed several management actions towards the adoption of a 4-stage conceptual project road map, including transforming AINS into an e-Trade and e-Trade Facilitation Platform. He emphasized the need for coordination among line agencies and that strong political will is required to establish such a system for the GMS.

II.6. Space Technology Applications in Agriculture

41. Mr. Yusuke Muraki, Space Technology Specialist, Sustainable Infrastructure Division, Regional and Sustainable Development Department, ADB, introduced space technology applications in agriculture applicable to GMS, and discussed possible applications of space technology to solve various issues in the agriculture sector in GMS. He gave an overview of space technology focusing on remote sensing to observe and monitor what is happening on the earth's surface or atmosphere, for region-wide long-term monitoring of climate change impact on food production, for monitoring remote agricultural areas, and for understanding better the situation in other countries. It is a useful tool for agricultural land management and ensuring food security, disaster risk management, improvement of farmers' lives (through weather based agricultural insurance, weather and agricultural information distribution system for farmers, precision agriculture), water resources management, and natural resources protection (deforestation monitoring, land cover/land use mapping). Remote sensing has been actively applied in GMS countries such as PRC and Thailand which have their own earth observation satellites. Remote sensing technology has been transferred to GMS countries through international cooperation schemes such as Asia-Pacific Regional Space Agency Forum (APRSAF), Asia-Pacific Space Cooperation Organization (APSCO), and some capacity building projects in bilateral cooperation. Space technology is a powerful tool which provides solutions for various issues in agriculture in the GMS. ADB would be interested to support GMS countries in space technology applications.

Open Forum:

42. Thailand remarked that e-trading will help enhance and facilitate trade among GMS members. However, there are many issues still to be discussed on e-trading development and these need to be coordinated with other GMS groups such as those on Transport and Trade Facilitation and the GMS Business Forum.

43. Lao PDR remarked that the GMS countries can provide the political will, for as long as ADB can provide the necessary resources to pursue the initiatives discussed.

44. Chair noted that e-trade proposal is rather ambitious and needs to be narrowed down a little bit. On space technology, countries need to consider the operational costs and how to mobilize investments in this technology.

45. Co-Chair congratulated the Chair for running a tight ship and for doing an excellent job in providing both Cambodia's and the GMS collective points of view on the many topics discussed. He thanked all the speakers and presenters for providing the stimuli for discussion and useful inputs to move forward CASP II. He stressed the guiding point of doing something for what and for whom. For example, on the e-trading

platform presented by Thailand, WGA has some idea of the market size, where the constraints are on the production and utilization side. WGA needs to be cognizant that the region is not static, and is in fact growing fast. The demand side is huge, and the supply side has limited production base especially in light of the subregion's vulnerability to climate change, underscoring the need to build the countries' capacity to minimize associated risks and disruptions.

46. Copies of presentations for Session II are in [Appendix 5](#).

SESSION III. GMS Strategic Framework and Core Agriculture Support Program

47. This session reviewed the contributions of CASP to the goals of the GMS Strategic Framework and discussed its future role within the context of the new GMS Strategic Framework for 2012-2022.

III.1. New Strategic Directions and Implementation Requirements: Implications for the Agriculture Sector

48. Mr. Pradeep Srivastava, Senior Regional Cooperation Specialist, Regional Cooperation and Operations Coordination Division, Southeast Asia Department, ADB, briefed the meeting on the background process leading to the development of the revised draft of the new GMS Strategic Framework (SF) for 2012-2022 which received strong support from the 17th GMS Ministerial Conference held in August 2011. A pre-final draft of the SF has been prepared for final review by the upcoming 4th Meeting of the Summit Task Force and GMS Senior Officials' Meeting scheduled on 1 November 2011 in Myanmar, prior to final endorsement by the 4th GMS Summit to be held in December 2011 in Myanmar. The core focus of the new GMS SF is the further development of transport corridors in the GMS into economic corridors through the development of areas along and contiguous to the corridors. In the next decade of GMS cooperation, there will be more attention given to multi-sector coordination and cross-sector links, more focus on the software and knowledge intensive aspects of the GMS Program, more selectivity and prioritization of sectoral focus areas, and increased links with the broader regional integration agenda. As the GMS Program continues to focus on the current broad range of sectoral and multisectoral priorities, a comprehensive approach to improvements in transport and trade facilitation (TTF) will be pursued. Further development of the economic corridors will also need to take into account food and energy security and climate concerns which the Core Agriculture Support Program II is trying to address by promoting competitive, climate-friendly and sustainable agriculture. Implementation of the new SF would require increased resource mobilization, establishment of a knowledge platform to support high-quality analytic work to address complex software issues, closer strategic alliances and partnerships with other regional programs, maintained focus on capacity building, strengthened engagement with the private sector and other stakeholders, strengthening of sectoral institutional mechanisms, more active support of development partners, and more effective monitoring and evaluation system of program results through clearly defined sector results framework. To guide SF implementation, ADB is financing a regional technical assistance project to develop a regional investment pipeline in close consultation with the GMS countries, sector working groups, development partners and other stakeholders. Mr. Srivastava stressed that the WGA-8 meeting presented an

excellent opportunity for the working group to provide its insights and recommendations to help facilitate the process.

Open Forum:

49. Chair noted that WGA could learn from the experience of other sector working groups which have established their own secretariats such as those on Tourism and Environment. Although WGA has on past occasions discussed the possibility of establishing WGA national secretariats in each country, this approach presents some difficulties in terms of how to support the operations of the national secretariats.

50. Lao PDR agreed with the directions under the new GMS SF, but stressed the need for WGA to look closely at the institutional arrangements and the need for capacity building, particularly at the national level as this would impact on the regional program, to ensure that implementation of the program proceeds smoothly.

51. Co-Chair remarked that institutional innovations would be determined by balancing support functions and resources available, while learning from the experience of the Tourism and Environment Working Groups. Looking forward, a more decentralized approach would need to take into account the individual countries' particular circumstances, and the guiding principle would be to look at functionality that takes into account technical and administrative requirements.

52. The meeting agreed on the need to look closely at the institutional mechanism for coordinating GMS cooperation in agriculture.

III.1.1. Development Partners' Strategic Priorities

53. Representatives of development partner agencies/organizations gave their respective statements as follows.

54. Representative of AVRDC – The World Vegetable Center stated that since its establishment in 1971, the Center has given high priority for activities in the GMS countries and in Southeast Asia in general. Its mission is “prosperity for poor and health for all”. It develops improved vegetable varieties and other crop production technologies that increase vegetables production and consumption in developing countries. With ADB funding, AVRDC has recently completed a regional technical assistance project in the GMS countries on enhancing vegetable marketing and post-harvest practices and capacity building activities. The Center also organizes training courses on vegetable production for participants from countries across Asia, and has established an ASEAN-AVRDC Network for Vegetable Research and Development (AARNET) which helps in strengthening vegetable value chains through sustainable production and trade of high quality vegetables by enhancing vegetables research and production within ASEAN.

55. Representative of the Commonwealth Agricultural Bureaux International (CABI) noted that a major constraint to agricultural production in many countries is the farmers' lack of accessible advice on pests and diseases. Previous initiatives have attempted to train farmers directly through participatory learning, but relatively little attention has been given to support for agronomists and other extension workers. CABI's Plantwise initiative attempts to produce a Plant Health System which addresses these issues. Plant clinics are sited in public places. Using the most basic equipment, trained local experts called

plant doctors give out relevant local advice to farmers who bring in samples of their affected crops. The farmers are then given verbal and written recommendation on how to tackle the problem. Data from the clinics are fed back to a knowledge bank that collates information and provides it to national government officials as inputs to agricultural strategy. Plantwise website also provides factsheets and diagnostic services.

56. Representative of the International Maize and Wheat Improvement Center (CIMMYT) mentioned that between now and 2050, the demand for maize in the developing world would double, and by 2025 maize would have become the crop with the highest production in the developing world. He noted that 8 major maize-producing countries in Asia (China, India, Indonesia, Nepal, Pakistan, Philippines, Thailand, and Viet Nam) taken together, now produce 98% of Asia's maize and 26% of global maize. In these countries, maize is predominantly grown under rainfed conditions by smallholder, resource-poor farmers, and therefore plays an important role in the livelihoods of millions of poor farmers in Asia. Resource-poor maize farmers in Asia face many challenges, including poor purchasing capacity, abiotic and biotic stresses, poor soil fertility, limited access to quality seed, and climate change and weather-related risks e.g., drought, floods and waterlogging problems. CIMMYT, in partnership with several research-for-development partners, is implementing a new strategy for international maize research through the CGIAR Research Program MAIZE – Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World. The program is designed to ensure that publicly-funded international agricultural research helps most effectively to stabilize maize prices and double the productivity of maize-based farming systems to make them more resilient and sustainable, without using more land and as climates change and fertilizer, water and labor costs rise.

57. Representative of SNV gave an overview of SNV's work in 35 countries in 4 key sectors (agriculture, water and sanitation, renewable energy, REDD forest conservation measures), and introduced their Inclusive Business Program through market-based solutions for poverty reduction. The program seeks to incorporate into the company's value chain low-income segments of the population (producers, employees, distributors, and consumers), thereby creating growth, productivity and new opportunities for the company, at the same time generating income and wealth for the poorest. He gave illustrative cases on how the inclusive business approach has been applied in several private companies.

58. Representative of the International Livestock Research Institute (ILRI) talked about a CGIAR Research Programme: More Meat and Fish by and for the Poor which focuses on research for technology generation, and market innovation by stimulating the transformation of animal product value chains in some countries in Southeast Asia, South Asia, Africa, and Latin America, catalyzing investment and aligning partners, and engaging as knowledge partner in large-scale development intervention. Another CGIAR Research Programme: Agriculture for Improved Nutrition and Health covers support for Nutrition-Sensitive Value Chain, Biofortification of Staple, Agriculture-Associated Diseases Control and Prevention, Integrated Agriculture-Health-Nutrition Programming, and Policy.

59. Representative of the German International Cooperation (GIZ) presented the ASEAN Biocontrol for Sustainable Agrifood Systems Project whose objective is to strengthen sustainable agrifood systems through the use of biocontrol agents (BCA) and sustainable crop management practices. Benefits derived from the use of BCA were

mentioned including significant reduction of hazards like occupational poisoning and toxic effects of residues in food, increased productivity through sustainable crop management practices like biopesticides, improved competitiveness of agricultural products for export and domestic markets, and preservation of agricultural biodiversity and other environmental benefits. The project covers 3 key areas: (i) harmonization of guidelines on regulatory requirements/procedures for sustainable agriculture, and biocontrol databases; (ii) promotion of sustainable agrifood systems in policy dialogue; and (iii) capacity development through technical experts' backup, technical advisory service, and field demonstrations and training. GIZ is launching next year a new project with ASEAN on food standards.

60. Representative of the Yunnan Academy of Agricultural Sciences (YAAS) talked about the Exchange and Cooperation Consortium for Agricultural Science and Technology in GMS (ECAST-GMS). The consortium consists of Cambodian Agricultural Research and Development Institute (CARDI), Yunnan Academy of Agricultural Sciences (YAAS), National Agriculture and Forestry Research Institute (NAFRI), Myanmar Academy of Agricultural, Forestry, Livestock, and Fishery Sciences (MAAFLFS), Department of Agriculture, Kingdom of Thailand (DOA), and Vietnam Academy of Agricultural Sciences (VAAS). The consortium is working on the following topics: aerobic rice, soybean, potato, sugarcane, and plant protection. The consortium suggests that, in line with CASP II's vision, the GMS should be and need to be the leading region for non-genetically modified soybean production in the world. It is willing to support CASP II and looks forward to getting some support from donors, especially ADB.

61. Representative of AusAID mentioned about their Food for the Future Initiative and their current work with ASEAN on the strategic plan of action on food security and trade efficiency improvement in partnership with the private sector. AusAID looked forward to continuing to work closely with ADB and WGA on complementing work under the CASP.

62. Representative of the World Bank mentioned their work in Cambodia in supporting the implementation of the rice export policy, in Lao PDR on food security and support to the rice industry, and on trade facilitation in both countries. The World Bank looked forward to becoming more involved on GMS agriculture issues in cooperation with WGA and other development partners, specifically ADB.

Open Forum:

63. Lao PDR stressed the need for ensuring close coordination and synchronization of work among development partners and between WGA and the partners.

64. Co-Chair reinforced the comments made by Lao PDR on the need for better coordination and how that could be facilitated. While there is no perfect model, there are good examples that could be used as guide. There is so much going on at different levels, and the issue is how to best utilize the good information and best practices now available. The clear message is that there is a need to show the value of partnerships, improving coordination, and reducing inefficiencies in the implementation of programs and activities.

III.2. Strengthening Multi-Sector Coordination

III.2.1. The Tea Caravan Trail – Promoting Tourism Value Chains Along the North-South Economic Corridor

65. Mr. Steven Schipani, Social Sector Specialist, Thailand Resident Mission, ADB, gave an overview and brief situational analysis of the GMS Tourism sector. The GMS is one of the world's fastest growing and resilient tourist destinations. Tourist arrivals topped 31 million last year and are forecast to reach 52 million by 2015. International tourists spent approximately \$30 Billion in the GMS during 2010. Tourism is a major source of foreign exchange and employment in the subregion and accounts for more than 10% of GDP in Cambodia, Lao PDR, Thailand, and Viet Nam. About one third of tourist spending is on food and accommodation. One interesting aspect of GMS tourism is the rise in subregional leisure travel by GMS citizens and the ASEAN+China market, owing to such factors as favorable investment policies, streamlined immigration procedures, the opening of more border checkpoints to international tourists, and improvements to subregional transport corridors. One area that has seen exceptional growth over the past 4 years is the 220 km section of the North-South Economic Corridor in Lao PDR that includes Luang Namtha and Bokeo Provinces and where the Lao National Tourism Administration is developing a thematic tour circuit called the "Tea Caravan Trail". The project was conceived to address issues (e.g., lack of tourist amenities, unavailability of suitable tour programs, and shortage of shopping opportunities) that prevent tourists/visitors passing by on their way to northern Thailand or Yunnan from staying longer and spending more. Mr. Schipani described the project's strategy which, among others, aims to provide micro-and small enterprise support to craft supply chains. In Luang Namtha, the project improved an abandoned market, now occupied by 70 vendors who earn approximately \$5 to \$25 per day from selling local food and handicrafts. Another promising site is the Nam Ha National Protected Area Visitors Center and small market which would be an excellent place to sell organic vegetables and non-timber forest products to about 240,000 tourists that drive by each year. The project also finances business-to-business events that bring together local craft producers and traders from major tourist centers in Luang Prabang and Chiang Rai. The Tourism Working Group's efforts in promoting tour circuits along the economic corridors and in secondary tourist destinations burdened with high levels of poverty would help increase local demand for agricultural products like vegetables, fruit, meat, fish, eggs, coffee, tea, etc. Based on conservative estimates, GMS-wide international tourists will be consuming 936 million meals by 2015. Thus, linking local farmers to tourism supply chains that serve these markets represents a substantial opportunity to boost their incomes. Mr. Shipani's presentation highlighted how the Tourism Working Group could collaborate with WGA through closer cross-sector coordination.

III.2.1 Collaboration between the Working Group on Environment and Working Group on Agriculture

66. In lieu of a presentation by the representative of the Environment Operations Center who was unable to attend the meeting, the Co-Chair announced the International Conference on GMS 2020-Balancing Economic Growth and Environmental Sustainability planned to be held on 15-16 November 2011 in Bangkok. The conference will be a forum for dialogue on scenarios of impact on natural resources and environment and will discuss among others, significant economic, environmental, and climate change challenges for food, water and energy security in the next decade – topics which are of interest to WGA.

III.3. Facilitating Agricultural Trade

III.3.1. Implementing the Action Plan for Transport and Trade Facilitation in the GMS

67. Mr. Pradeep Srivastava, ADB, highlighted the emphasis given to enhanced transport and trade facilitation (TTF) at the highest levels of the GMS, including enhanced market access for products from smaller economies larger markets in the subregion. To help address constraints to trade among the GMS countries, a program of actions for TTF was endorsed by the 16th GMS Ministerial Conference held in August 2010. Mr. Srivastava presented the TTF program of actions which is being supported by a cluster regional policy and advisory technical assistance financed by AusAID. The project will implement 3 subprojects covering 10 areas between 2011-2015 on (i) transport facilitation (exchange of traffic rights, improved transit, GMS Freight Transport Association, strengthening road transport industry); (ii) trade facilitation (coordinated border management, enhanced SPS regime, strengthening trade and transport facilitation institutions, and regional trade logistics strategy); and (iii) two cross-cutting areas namely, capacity development, and legal and regulatory improvement and harmonization. Since the approval of the action plan in 2010, work is being done on customs transit system which is proving to be quite challenging, with focus on transport regulation side, improving coordinated border management (with AusAID's support) which has implications for agricultural trade, and customs strengthening (with support from Japan).

III.3.2. Public and Private Partnerships in Agri-business Investment in the GMS

68. Mr. Oudet Souvannavong, Secretary General, Business Forum (GMS BF), gave an overview on the GMS BF and its goals and objectives. He elaborated on the importance of agriculture in economic corridor development as GMS countries especially, China (Yunnan), Thailand and Vietnam are prime exporters of agricultural and food products. Agriculture and food value chains are developing rapidly along the GMS economic corridors because of increased trade of agriculture and food products between GMS countries. Agro-industry from China, Vietnam and Thailand are extending their production base to Myanmar, Laos and Cambodia along the GMS corridors. There are large potentials for developing food value chain along the economic corridors tapping on the demand of the Chinese market. Despite the large potential for agriculture and food production, the economic corridors' competitiveness is very low, especially within Laos, Cambodia and Myanmar, owing to a number of constraints related to the unfavorable business environment in respective countries which discourage foreign investment in agriculture and food production, high costs of production and transport, constraints on timeliness of delivery, agriculture and food safety standards, lack of laboratory SPS certification equipment and facilities and infrastructure for storage and milling, and limited economy of scale for agro-industry investment. GMS BF, in partnership with GMS governments, is working on transport and trade facilitation through the establishment of the GMS Freight Transport Association (FRETA), support to SME promotion, and promotion of investment along the economic corridors.

69. Copies of presentation under Session III are in [Appendix 6](#).

Session IV: CASP Phase II Results Framework and Pipeline Projects

70. This session discussed plans to implement priority initiatives and steps towards developing a results framework for CASP II.

IV.1. Result-Based Regional Cooperation Program: Developing a Results Framework for CASP II

71. Mr. Chang Ching Yu, Principal Results Management Specialist, Strategy and Policy Department, ADB, talked about managing for development results (MfDR) as a management tool for helping make better decisions, deliver results and demonstrate those results. He described the results management cycle involving planning, budgeting, implementing, monitoring/evaluation to achieve development outcomes. The main benefits of MfDR: right problems are targeted, resources are allocated wisely, progress is measured and results demonstrated, and allows learning from past experiences. An important tool for MfDR is problem tree analysis (PTA) which serves as a diagnostic tool for identifying core development problems and analyzing related problems and constraints, and helps visualize the cause-effect relationship in a tree-like diagram. He gave an example of a PTA for public transport. Through the PTA, one is able to decide on which problem area to address. He illustrated the application of PTA to CASP and how to translate PTA into results framework. Monitoring results is important in order to decide better, deliver results, and demonstrate achievements. ADB is planning a results framework workshop for CASP in January 2012 to be attended by key stakeholders.

IV.2. Indicative Pipeline of CASP II Projects

72. Ms. Sununtar Setboonsarng, ADB, presented the indicative pipeline of projects to be implemented under CASP II. These include:

- a) A new **RETA: Implementing GMS Cooperation and CASP II (all GMS Countries)**. Cost Estimate: \$ 8 million (SIDA and other DPs to provide supplementary funds). Indicative timeframe: 2012-2017.
- b) **GMS Climate-Friendly Bioenergy (PPTA) (CLV)**. Cost Estimate: \$ 1.65 M (Japan Asia Clean Energy Fund). Indicative timeframe: 2012-2013.
- c) **Investment: GMS Climate Friendly Bioenergy and Food Security project (CLVA)**. Cost Estimate: \$ 80 million. Indicative timeframe: 2013-2019. PPTA in 2012 (\$1.65 million).
- d) **Paperless Trade and IT Traceability System for Agri-food Products (all GMS countries)**. Cost Estimate: \$3.0 million Indicative timeframe: 2012-2015.
- e) **PPTA: Food Security, Food Safety and Agricultural Trade Facilitation in GMS (CLV)**. Cost Estimate: \$ 2.0 million. Indicative timeframe: 2014-2015.
- f) **Investment: Food Security, Food Safety and Agriculture Trade Facilitation in GMS (CLV)**. Cost Estimate: \$ 200 million (CLV). Indicative timeframe: 2015-2020.
- g) **Weather-based Risk Insurance (CAM, LAO, THA, VIE)**. Cost Estimate: \$ 2.0 million. Indicative timeframe: 2013-2016.
- h) **Invasive Alien Species and Transboundary Animal Disease Control in the GMS (all GMS countries)**. Cost Estimate: \$3.0 million. Indicative Timeframe: 2014-2017.

73. Next steps include identification of indicative projects beyond 2015 as inputs for the GMS overall road map; concept note preparation, review, and approval; stakeholder consultations; project processing and approval by ADB Board; and project implementation.

74. Copies of presentations under Session IV are in [Appendix 7](#).

Open Forum:

75. Lao PDR emphasized the importance of looking closely at existing national machineries and institutional arrangements which may involve several ministries/agencies with varying capacities, and suggested that the planned workshop on results framework should take into consideration the real situation on the ground and to tap current lessons/experience. Lao PDR has adopted a system of working with donors on a program-based approach with harmonized planning and monitoring and evaluation.

76. Chair added that the challenge is to look at the hierarchy of results framework at the sector, country, and regional levels, and to ensure that the CASP results framework is linked and consistent with this hierarchy. In response, Mr. Chang Ching Yu clarified that with regard to the regional performance indicators, WGA would need to agree on what indicators are acceptable to all countries, taking into account the situation at the provincial and district levels.

77. Viet Nam appreciated the new initiatives and ideas shared at the meeting and suggested the need for deeper analysis of individual country situations and more in-depth consultation with development partners to ensure efficient and effective delivery of donor support. Viet Nam also proposed increased support to strengthen capacity building on food safety; enhancement of extension systems, third party certification on food safety, market access and trade promotion; sharing of experiences on community-based participatory guarantee approach; harmonization of standards and certification requirements; and climate change adaptation and mitigation.

78. Chair commented on the need to look at how farmers could make use of transportation facilities to bring their produce to markets. Trade facilitation measures need to take into account food security vs. commercial considerations. Cooperation and coordination between the agriculture and environment sectors must have clear objectives. Future CASP directions would need to be informed and guided by the results of the program between now and 2015.

IV.3. Other Matters

IV.3.1. CASP II Calendar of Events

79. Ms. Setboonsarng, ADB, outlined several activities planned in 2012, including (i) an inception meeting on RETA 7833 (Biomass project); (ii) AINS meeting to cover topics on paperless trade and space technology); (iii) a workshop on CASP II results framework; and (iv) a fact-finding mission for new RETA for CASP II implementation.

80. Chair requested the WGA Secretariat to propose the dates for these planned activities by email and decide based on outcome of consultations with the countries.

IV.3.2. WGA-9 Tentative Date and Venue

81. The meeting welcomed PRC's offer to host WGA-9, tentatively planned in late August 2012. Exact dates and venue will be determined later in consultation with all GMS countries and the WGA Secretariat.

Recap of the Meeting:

- Meeting featured several excellent presentations.
- Meeting reviewed the progress of regional activities implemented in the GMS countries in collaboration with development partners and under the coordination of WGA, supported by ADB-financed RETA 6521 on Accelerating the Implementation of the Core Agriculture Support Program.
- Countries appreciated the WGA's Secretariat efforts to provide clear direction to CASP's programs and activities, and at the same time emphasized the need for strong country ownership to ensure policy commitment and successful program implementation and sustainability.
- Meeting recognized that the ultimate objective of WGA is to improve food security for all, hand in hand with subregional approaches to promote agricultural trade. Given past experience and lessons learned from subregional agricultural cooperation, the opportunity presents itself for WGA to rethink its institutional structure and processes, and agree on the best mechanisms moving forward, including better information flow and sharing, better inter-sectoral coordination and alignment of programs both at the country and regional levels, supported by a strong knowledge information base on who is doing what, and to learn from each other's experiences.
- It is also important to link the GMS Program with ASEAN, given their mutual complementation.
- Meeting recognized the need to narrow the gap on the quality of databases for the AINS project as a platform for sharing agricultural information, and for continued support from PRC and ADB to get the project functioning well and expanding its utilization for exchanging trade information.
- Meeting underscored the need for caution on organic agriculture's effects on food security in tandem with its potential benefits to smallholder producers. Countries should be cognizant of regional and global trends and developments, and the challenge is to capture opportunities presented, adapt and in the process grow, while ensuring that smallholders are not left behind.
- The presentations on enhancing competitiveness in sustainable sourcing and trading of agri-food products in the GMS have provided a good learning opportunity for the participants on regional harmonization of food safety standards, participatory guarantee systems, and traceability system which are important tools for enhancing the subregion's global positioning in agricultural trade.
- Countries must recognize that the region is not static, and is in fact growing fast. While the demand side is huge, the supply side has limited production base especially in light of the subregion's vulnerability to climate change, underscoring

- the need to build the countries' capacity to minimize associated risks and disruptions.
- Within the context of the new *GMS Strategic Framework*, there is clarity as to where *WGA* is situated and the strategic directions for the agriculture sector. However, *WGA* needs to filter in what it can realistically do and what it cannot do, how to operationalize the *CASP*, and how to mobilize the required resources.
 - *WGA* institutional innovations would be determined by balancing support functions and resources available, while learning from the experience of the *Tourism and Environment Working Groups*. A more decentralized approach would need to take into account the individual countries' particular circumstances, and the guiding principle would be to look at functionality that takes into account technical, financial and administrative requirements.
 - *WGA Secretariat* would need to work closely with the countries and relevant experts in developing the *CASP* results framework, factoring in *WGA-8* discussions about institutional mechanisms, and *WGA's* guidance on what activities to propose for *SIDA's* financing, etc. *WGA* needs to ensure that the *CASP* results framework is linked and consistent with the hierarchy of results framework at the sector, country, and regional levels.
 - Meeting recognized the need for ensuring close coordination and synchronization of work among development partners and between *WGA* and the partners. There is a need to show the value of partnerships, improving coordination, and reducing inefficiencies in the implementation of programs and activities.

Closing Session

82. The Chair and Co-Chair expressed their thanks to all the participants, resource persons, and observers for their active participation and contribution to the discussions.

83. The Meeting expressed thanks and appreciation to the officers and secretariat staff of the *ADB* for their efficient arrangements.