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# **POTENTIAL FOR UKRAINE TO PARTICIPATE IN USAID'S FEED THE FUTURE (FTF) INITIATIVE POSITION PAPER**

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# **POTENTIAL FOR UKRAINE TO PARTICIPATE IN USAID'S FEED THE FUTURE (FTF) INITIATIVE POSITION PAPER**

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This document was produced by Chris Brown, USAID AgroInvest Consultant. The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

## MEMORANDUM

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DATE: 25 June 2011

SUBJECT: **Position Paper: Potential for Ukraine to Participate in USAID's Feed the Future (FTF) Initiative**

USAID/Ukraine has asked the AgroInvest Project Team to explore Ukraine's potential to participate in President Obama's Feed the Future (FTF) Initiative. This memorandum addresses that question, and provides the AgroInvest Project's analysis of the extent to which USAID/Ukraine might help to contribute to the FTF Initiative.

### Summary

We conclude from preliminary investigation that the potential for USAID/Ukraine to take an active role in FTF is limited, primarily by Ukraine's geographic situation, located in a region of the world that suffers relatively low rates of malnutrition and food insecurity. Nonetheless, USAID/Ukraine (with support from the AgroInvest Team) may wish to explore with the Ministry of Agricultural Policy and Food (MAPF) the Ukrainian government's interest in becoming an FTF partner country. Should USAID/Ukraine decide to explore this possibility, the Government of Ukraine's (GOU's) commitment to this undertaking would be essential; but we would need to proceed carefully and iteratively, so as not to raise Ukrainian expectations prematurely.

Nations can participate in FTF as "priority" or as "partner" countries:

- Ukraine does not suffer from the extreme poverty and malnutrition to develop an FTF "Country Investment Program" as an FTF "priority country."
- Ukraine, like FTF's four "partner countries" (Brazil, India, South Africa and Nigeria), is large grain exporter with research and technical assistance potential that could benefit other countries in its region, in Africa or beyond. Ukraine's nearest FTF partner country is Tajikistan. Were the GOU to take an interest in collaborative agricultural research or technical assistance to farmers and researchers in Tajikistan, in other FTF priority countries, or perhaps even in other

food-insecure countries; then USAID/Ukraine could approach the USAID's Bureau for Food Security (BFS) with a proposal for FTF support and funding.

## **Background**

Motivated primarily by the rapid rise in global food prices in 2007 and 2008 and decades of underinvestment in agricultural development worldwide, the governments of the Group of 20 (G-20) countries, meeting in d'Aquila Italy in 2009, resolved to “act with the scale and urgency needed to achieve sustainable global food security.”<sup>1</sup> To fulfill the United States' commitment, President Obama pledged \$3.5 billion over three years to this cause, and in so doing, helped to leverage over \$18.5 billion from other donors in support of this common approach. Feed the Future, President Obama's initiative to meet this international commitment, is an inter-agency undertaking that USAID has been assigned to lead. Administrator Shah in December 2010 created the Bureau for Food Security (BFS) as the team charged with carrying out the FTF Presidential Initiative.

## **USAID's Bureau for Food Security**

BFS presently operates with a staff of roughly 80 employees and includes agriculture, food aid and private sector development specialists drawn from other bureaus, notably the Economic Growth and Agricultural Development (EGAT). Administrator Shah currently continues to serve as the Acting FTF (inter-agency) Coordinator.

In May 2011, he appointed Julie Howard, former CEO of the Partnership to Cut Hunger and Poverty in Africa to be Deputy FTF Coordinator for Development. Dr. Howard is responsible for the strategy and scope of FTF and is the leader for inter-agency coordination. She works in USAID's Bureau for Food Security (BFS) along with newly appointed BFS Assistant Administrator Paul Weisenfeld, who himself previously served as USAID's Haiti Task Force Coordinator and Deputy Assistant Administrator in the Latin America and Caribbean (LAC) Bureau.<sup>2</sup>

## **The FTF Approach**

According to the FTF website,<sup>3</sup> Feed the Future pursues two strategic paths: “(1) addressing the root causes of hunger that limit the potential of millions of people; and (2) establishing a lasting [foundation for change](#) by aligning [USAID's] [resources](#) with country-owned processes and sustained, multi-stakeholder [partnerships](#).” Through its leadership, USAID seeks to advance global stability and prosperity “by improving the most basic of human conditions – the need that families and individuals have for a reliable source of quality food and sufficient resources to access and purchase it.”

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<sup>1</sup> USAID, “Feed the Future At A Glance,” [www.feedthefuture.gov](http://www.feedthefuture.gov).

<sup>2</sup> See USAID/General Notice dated 26 May 2011 for biographical summaries and job descriptions for these and other senior FTF and BFS staff.

<sup>3</sup> <http://www.feedthefuture.gov/>

Based on the global burden of under-nutrition and other criteria that examined the prevalence and dynamics of poverty, country commitment, and opportunities for agriculture-led growth, the 20 potential FTF priority countries are:

- **Africa:** Ethiopia, Ghana, Kenya, Liberia, Mali, Malawi, Mozambique, Rwanda, Senegal, Tanzania, Uganda, and Zambia;
- **Asia:** Bangladesh, Cambodia, Nepal, Tajikistan; and
- **Latin America:** Guatemala, Haiti, Honduras, and Nicaragua.

These countries experience chronic hunger and poverty in rural areas and are particularly vulnerable to food price shocks. At the same time, they currently demonstrate potential for rapid and sustainable agriculture-led growth, good governance, and opportunities for regional coordination through trade and other mechanisms. “The final selection of focus countries,” according to the FTF website, “will also depend upon the timing and availability of FTF resources.”

In accordance with the “Rome Principles” that the G-20 governments adopted to fight global hunger, USAID notes that “Country-owned plans are the foundation for countries to mobilize resources and coordinate with development partners to accelerate their progress toward the Millennium Development Goals,” and USAID has committed to managing its FTF country activities according to the following five Rome Principles:

- Invest in **country-owned plans** that support results-based programs and partnerships, so that assistance is tailored to the needs of individual countries through consultative processes and plans that are developed and led by country governments;
- Strengthen **strategic coordination** to mobilize and align the resources of the diverse partners and stakeholders – including the private sector and civil society – that are needed to achieve our common objectives;
- Ensure a **comprehensive approach** that accelerates inclusive agricultural-led growth and improves nutrition, while also bridging humanitarian relief and sustainable development efforts;
- Leverage the benefits of **multilateral institutions** so that priorities and approaches are aligned, investments are coordinated, and financial and technical assistance gaps are filled; and
- Deliver on **sustained and accountable commitments**, phasing-in investments responsibly to ensure returns, using benchmarks and targets to measure progress

toward shared goals, and holding ourselves and other stakeholders publicly accountable for achieving results.<sup>4</sup>

According to the FTF Guide which outlines how the Initiative will operate, the key instrument for initiating FTF activity is a “Country Investment Plan” (CIP), developed in close cooperation with the host government and other donors, much in the manner that African countries are preparing their African Union-sponsored “CAADP” national agricultural development strategies and plans in conjunction with the donors.<sup>5</sup> The FTF CIPs generally break down into two phases, to help ensure sustainability and impact: Phase I: “foundational investments” to help even develop CIP reform, capacity building. Phase II allows “larger-scale FTF investments.”<sup>6</sup>

In a speech on 24 May 2011 at the Chicago Council on Global Affairs' Symposium on Global Agriculture and Food Security in Washington DC, USAID Administrator Shah reported that the United States in FY 2011 was programming two separate sums to honor its FTF commitments. Through USAID, he said, the United States would devote over \$1.15 billion to food security (\$950 million for FTF countries and another \$90 million for global nutrition programs). Through the US Treasury Department, there would also be a \$100 million contribution to the World Bank's Global Agricultural and Food Security Program (GAFSP).<sup>7</sup>

Internally at USAID, it appears that, so far, funding for FTF is programmed and accounted for as part of the larger USAID operating year budget (OYB) process. The BFS team heavily influences the budget allocations and tallying annual obligations in each FTF priority or partner country, and reports to Congress and other stakeholders on FTF's operations worldwide.<sup>8</sup>

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<sup>4</sup> See <http://www.feedthefuture.gov/commitment.html>.

<sup>5</sup> See for example the latest status report on the African country agricultural development compacts negotiated through a roundtable process sponsored by the African Union's Comprehensive African Agricultural Development Program (CAADP), at <http://www.caadp.net/library-country-status-updates.php>.

<sup>6</sup> USAID, “FTF Guide,” May 2010, p. 20. <http://www.feedthefuture.gov/guide.html>.

<sup>7</sup> USAID Administrator Rajiv Shah's remarks entitled “The True Yields of Food Security,” given on 24 May 2011 at the Chicago Council on Global Affairs' Symposium on Global Agriculture and Food Security. (For a full transcript of Administrator Shah's remarks, see <http://www.usaid.gov/press/speeches/2011/sp110524.html>.)

<sup>8</sup> This conclusion derives from conversations the author held in June 2011 with BFS staff members Jeff Hill and Harry Rea.

## FTF Partner Countries

In addition to programming funds for specific priority countries, FTF is also engaging in two kinds of complementary investments:

- It contributes to international food security programs, notably the **World Bank’s Global Agricultural and Food Security Program (GAFSP)**;<sup>9</sup> and
- It has begun to develop cooperation plans with four FTF “**partner countries,**” to reinforce the priority country CIPs. All of these complementary investments, however, must be “guided by the goal of sustainably reducing hunger and poverty in focus countries.”

To date FTF has begun negotiations with four partner country governments, including India, South Africa, Nigeria and Brazil. They all meet the FTF criteria of:

- relatively **large and influential economies,**
- upon which FTF target countries depend for **regional trade or linkages,** or
- from whom priority countries might derive **research or technical benefits.**

Brazil is the FTF partner country most comparable to Ukraine. Like Ukraine, it is located in a relatively prosperous region and it is one of the world’s largest grain producers. Although there is no publicly available documentation on this emerging US-Brazil FTF partnership, it is likely to be built around Brazil’s extensive agricultural research and development experience in cereals and oil seed production, combined with the Brazilian government’s readiness to collaborate on adaptive research and technical assistance in the interest of FTF priority countries.<sup>10</sup>

Although the AgroInvest Team refrained from probing directly with USAID/Brazil or USAID/Washington/BFS staff about FTF partnerships, we have learned that USAID/Brazil’s Environmental Team Leader, Alexandre Mancuso, ([amancuso@usaid.gov](mailto:amancuso@usaid.gov)) is responsible for the FTF partnership with Brazil. We would be glad to learn more about the Brazil FTF partnership if USAID/Ukraine is comfortable with our contacting USAID/Brazil colleagues and others at BFS.

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<sup>9</sup> For details on the World Bank’s \$2 billion GAFSP, which is used for countries with per capita incomes of below \$1,135/year and is funded by pledges from various donor governments (including \$15 million from Russia for use in the Kyrgyz Republic and in Tajikistan), see: <http://www.worldbank.org/foodcrisis/bankinitiatives.htm>.

<sup>10</sup> To avoid drawing excessive and premature attention to USAID/Ukraine’s interest in FTF, the writer briefly contacted by phone only two USAID sources: Dr. Harry Rea, fisheries advisor in the BFS Bureau (formerly an associate of the author’s) and administrative support staff in USAID/Brazil who updated him on staff changes in June 2011 affecting FTF coverage in that Mission.

## Ukraine As A Fifth FTF Partner Country

Analogous to the emerging Brazil experience, it is conceivable that the Government of Ukraine (GOU) might wish to channel some of its agricultural research or farming experience into collaborative and technical assistance efforts to address the needs of countries struggling with malnutrition. In the immediate region of Ukraine itself, only Moldova might even begin to exhibit the degree of food insecurity to qualify as such a recipient country. In the broader region of the former Soviet Union, only Tajikistan qualifies as a potential FTF priority country. Ukrainian leaders might also perceive as being in Ukraine's national interest to offer agricultural aid to Tajikistan or other "Commonwealth of Independent States" (CHG) member countries. Further, Ukraine might equally benefit from offering limited assistance food-insecure countries (particularly if they are already on the FTF potential partner country list).

Such an offer of assistance might build upon experience that Ukrainian ministries or institutes may have had under the Soviet global aid efforts up to 1990. The benefit to Ukraine from joining FTF as a partner country could include:

- **slightly higher USAID funding** level for a few years to share the cost of any agreed operational program,
- **"bragging rights"** for partnering with the Obama Administration on FTF,
- **diplomatic influence** in any country benefitting from the FTF partnership, and
- an example that Ukrainian leaders can point to in dealing with their neighbors to the west and the east that they are actively **engaged in the struggle to feed the world** and enhance not only Ukrainian, but also global, food security.

Should these potential benefits appeal to Ukrainian senior leaders at this time, there might be a basis for engaging with the Ministry of Agricultural Policy and Food (MPAF). The AgroInvest Team and USAID/Ukraine could explore US backing for Ukraine to engage in research or technical assistance efforts jointly with nations of the former Soviet Union, in Africa or in other regions, that qualify as FTF priority countries.

Were such an initiative to gain interest and momentum here in Ukraine, we would then recommend that the Mission, (supported by the AgroInvest Team), develop – through discussions with the MAPF – an outline for such an initiative to present to E&E Bureau. With the E&E Bureau's support, the Mission could then propose Ukraine to BFS for consideration and, if approved, for supplementary funding.