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POLICY AND REGULATORY ASSESSMENT TO INFORM THE NEW AGRICULTURE POLICY ACTIVITY USAID/BANGLADESH

Overview of the Assessment

In line with the objectives of the Government of Bangladesh (GOB) and the goals laid out in the U.S. Government Global Food Security Strategy, USAID/Bangladesh plans in Fiscal Year 2020 to award a five-year policy activity of approximately \$10-15 million aimed at improving the policy environment and the business enabling environment for private sector agriculture. With the assumption that in order for USAID/Bangladesh to strengthen agricultural market systems in the country, it is important to have transparent, predictable, and non-discriminatory policy/regulatory environment that encourages farmers and agribusinesses to drive inclusive economic growth in the agricultural sector.

USAID/Bangladesh requested the Learning, Evaluation, and Analysis Project III (LEAP III) to conduct an assessment and prepare a draft scope of work (SOW) for this upcoming five-year policy activity under the Mission's Feed the Future (FTF) program. Through this new activity, the Mission will improve policy implementation in four key pillar areas: 1) seeds, 2) food safety, 3) social safety nets (SSN) and 4) nutrition. The LEAP III team was also tasked with assessing the current state of regulation, reform and main issues within these four areas.

Methodology

The LEAP III team conducted a short form agriculture business enabling environment review to frame the Assessment. This entailed taking a broad look at how the business of agriculture works in Bangladesh with a structured high-level analysis of the key impediments to agribusiness development across five key areas of inquiry: 1) Accessing Inputs, 2) Accessing Finance, 3) Operating a Business, 4) Linking to Markets, and 5) Competing Fairly. In particular, the Assessment drew on current and recently closed USAID funded projects under the FTF program, learning from their experience and considering ways to develop a Policy Activity that contributes to their success and sustainability.

The team utilized a mixed methods approach, combining qualitative key informant interviews in-person and by phone, as well as extensive desk research to identify and analyze secondary information that can be triangulated with data collected in-country. The team travelled to Dhaka to conduct three weeks of fieldwork in January 2020. The team conducted key informant interviews with 60 representatives from 43 different entities, including the private sector, Government/Ministries, and Institutions/Associations.

Key Findings and Recommendations

While changes in national policy and legal acts may be required to achieve reform, a regulatory delivery approach can also trigger reform through work with lower levels of the GOB. This can include improving bureaucratic habits and office procedures, increasing use of information technology and process tracking data, and simplifying where and how often forms have to be filed or licenses renewed. This approach can be used with equal effect to improve the delivery of SSN services. Detailed attention to the machinery of the delivery of governmental decisions and benefits is essential to improving performance.

AREAS FOR POSSIBLE INTERVENTIONS	
Seed	<ul style="list-style-type: none">• Public and private sector extension agents need established ways to collaborate to encourage farmers to adopt better seeds.• Seed approval processes need to be simplified, to improve implementation under the new Seed Act of 2018.• Help is needed to improve market surveillance and overall seed quality.
Food Safety	<ul style="list-style-type: none">• Much needs to be done to develop a balanced, trustworthy, transparent and evenly applied system of food safety standards that both merits public trust and provides the private sector with clear, realistic guidance.• Introduce policies that encourage increased private investment in the production and delivery of consistent, quality food, such as farmer and value chain training, and improved post-harvest handling.• A 2013 Food Safety Act established the BSFA with limited coordination powers. Improve coordination by mapping out responsibilities.
SSN	<ul style="list-style-type: none">• Risk-reduction approaches, such as social protection, marketable skills development, and long-term sustainability could foster recipient independence.• More local delegation and better inclusion of local NGOs could improve implementation.• More local knowledge could better target those in greatest need, and better tailor aid to help recipients graduate from public assistance.• Mobilize private sector counterpart in these efforts, and a regulatory delivery approach could help improve coordination of SSN services.• Programs need to refocus on specifically targeting household response to more severe and more frequent climate-related shocks.

Nutrition	<ul style="list-style-type: none">• Upcoming nutrition programs need to focus on advocacy, policy support, system strengthening, and capacity strengthening within the health sector and within the GOB's health service delivery systems.• Programs should also work on on-the-ground nutrition advocacy to strengthen accountability and commitment to quality nutrition service delivery and decentralizing nutrition advocacy activities to engage civil society and locally elected leaders.
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As for the draft SOW for the new Activity design, the Activity will provide umbrella policy support within the four key pillars for other FTF programs and for eight identified counterpart groups. The SOW established a flexible platform for the contractor and Mission to define tasks over the course of the Activity within established task parameters. The Activity will have strong policy implementation, regulatory delivery and private sector led orientation, carried through as organizing themes across the four task pillars.