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Agenda Item: 8, 11

Risks of Transitory Food Insecurity in Indonesia - Project Brief

Purpose: Information
Submitted by: Japan



**Second Policy Partnership on Food
Security Meeting
Medan, Indonesia
22-25 June 2013**



WG1 : Stock-take & Road Map

Towards 2020

Priority5: Elaborating guidelines on the roles of the stakeholders in order to strengthen food security, including risk management method

Risks of Transitory Food Insecurity in Indonesia - Project brief

The OECD and Indonesia are engaged in working together on agricultural policies and food security. The purpose of this joint effort is to assess the risks of food insecurity in Indonesia and analyze the best policy responses. The work will be organized as a policy dialogue in which risk perceptions and policy options can be discussed on the basis of rigorous risk and policy analysis.

Objective

The objective of this work is to engage with Indonesia in an evidence-based discussion and analysis of the best policy responses to food insecurity risks, in two phases:

- Assessing, together with the relevant Indonesian authorities and stakeholders, the sources of risk that threaten the food security of Indonesia;
- Analysing, for the profile of assessed risks, the impacts of different policy responses, and facilitating a dialogue on “best policy practices”.

Background

In 2012 the OECD published the “Review of Agricultural Policies in Indonesia”, prepared in close cooperation with the Indonesian Ministry of Agriculture. The role of self-sufficiency targets on food security has been found to be one of the most challenging policy issues. It is also particularly relevant as Indonesia has recently approved a new Food Law that is in its implementation phase.

The OECD has developed and applied a risk management framework for agriculture. Some of its elements are relevant to analyze policy coherence in the management of risk of food insecurity. In particular, a risk management approach can be used to assess the risks of food insecurity and to propose the best policy responses.

This work on Indonesia is part of a larger project on food security. The OECD has recently published “Global food security: challenges for the food and agriculture system” and is currently focusing its work on policy coherence for Global Food Security. This study is part of this effort.

This project is open to collaboration with other international organizations, Indonesian institutions and research agencies with expertise in this area.

Approach

Food security can be at risk due to hazards and events that may reduce food availability, or make access more difficult. These events include price spikes in the world commodity markets, natural or climatic disasters and deep economic downturns. This instability or transitory food insecurity due to shocks and risks occurs on top of the chronic food insecurity that is associated more directly with poverty. This project will focus on this risk of food insecurity rather than on its other dimensions.

The perceptions about food security risk will be analyzed in the light of rigorous risk assessment. This work proposes a process of policy dialogue about how to respond to a diversity of food insecurity scenarios. This dialogue will be founded on the evidence-based analysis of policy impacts.

Definition of Risks of Food Insecurity

Stability dimension of Food Security (FAO)

To be food secure, a population, household or individual must have access to adequate food at all times. They should not risk unstable availability of food or losing access as a consequence of sudden shocks (e.g. an economic or climatic crisis) or cyclical events.

Transitory Food Insecurity (WB)

There are individuals or households that are chronically food insecure because of a continuously inadequate diet due to their inability to acquire food. There are also other individuals and households that suffer transitory food insecurity because of a temporary decline in their access to adequate food.

Process, timing and outputs

The project will be implemented in two steps:

Step 1: risk assessment process, including consultation seminar and a report with scenarios of situations threatening food security in Indonesia

- *June-December 2013:*
Risk identification and risk analysis
- *January 2014:*
Risk assessment consultation seminar
- *February 2014:*
Scenarios report

Step 2: policy dialogue comprising policy analysis, policy seminar and policy advice. It will conclude with the policy report

- *March-August 2014:*
Policy analysis
- *September 2014:*
Policy seminar
Policy report

Step 1: Risk Assessment Process

Risk Identification

- Questionnaire
- Interviews with Experts & Stakeholders

Risk Analysis

- Creation of the Risk Assessment team
- Scenarios on Availability and Access

Risk Evaluation

- Risk Assessment Consultation Seminar
- SCENARIOS REPORT

Step 2: Policy Dialogue

Policy Analysis

- Possible policy responses
- Impacts under each risk scenario

Policy Seminar

- Identification of robust policy mixes
- Regional discussion including other countries' experience

Policy Advice

- POLICY REPORT
- Discussion with Government

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