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RSIS COMMENTARY

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No. 150 – 10 October 2024

The Post-2025 ASEAN Agrifood Landscape: What Next?

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SYNOPSIS

The ASEAN agrifood landscape – food produced from agriculture – has changed much since two key guiding documents were conceived – The ASEAN Vision and Strategic Plan of Action for Food, Agriculture and Forestry, 2016-2025, and the ASEAN Economic Community Blueprint, 2025. New players and new influencing factors are now at the forefront, and more than ever, ASEAN has to balance economic growth-related food security and safeguarding the environment while considering sustainable food systems that provide livelihoods for smallholder farmers and affordable, safe food for consumers.

COMMENTARY

The Southeast Asian agrifood landscape – food produced from agriculture – has undergone many changes since 2016. Foremost among these has been the declining contribution of agriculture to the economy of most countries. The urgency of achieving food security has become a major task in the face of challenges such as climate change, a declining rural labour force, and supply chain disruptions from geopolitical tension and military conflicts.

At the same time, malnutrition has emerged as an issue despite economic growth in the ASEAN member states (AMS). Next year marks the end of two ASEAN planning horizons: the ASEAN Vision and Strategic Plan of Action for Food, Agriculture and Forestry (FAF), 2016-2025, and the ASEAN Economic Community Blueprint 2025. It is important to ask how the past will influence ASEAN food systems in the next five years.

Major FAF Landscape Changes

How has the ASEAN agrifood landscape changed in the past decade? The ASEAN population has become increasingly urban, and according to the Asian Development Bank, income disparities between rural and urban areas have become more pronounced. The reduced farming population is accompanied by an ageing rural population, with most AMS facing difficulties attracting new entrants into farming.

Digital technology, which the ASEAN Ministers of Agriculture have advocated, has seen increasing deployment in the region. The past decade has also seen growth in the number of countries releasing and importing genetically modified crops, such as corn, to make up for the deficit in production.

The large increase in demand for animal protein, including fish, has further precipitated more trade in the crops used in animal feed, such as soybeans and corn, mainly imported from the Americas. Growth in ASEAN's middle class has further contributed to the development of long supply chains, which facilitate the importation of diverse food from around the world, making trade an essential part of ensuring food availability.

Leading up to 2024, ASEAN has also become an important source of traded commodities for the rest of the world, especially in rice, vegetable oil and aquaculture products. The area under plantation agriculture has grown, although the area under short-term crops like rice has remained relatively stable.

However, the natural resource base (land, water and biodiversity) for FAF has seen increased challenges from other sectors and human activities. Urban and other controlled-environment agriculture saw much growth in those countries with limited land for expansion of food production.

Institutionally, agricultural research capacity has seen vast improvements in ASEAN, with increased activity in the private sector in "agtech", "food tech", and "fintech" supported by private equity.

What Has Not Changed?

Although much progress has been made in the ASEAN FAF sector during 2016-2024, some features have remained unchanged. Agriculture is still mainly done by an estimated 100 million smallholder farmers, each farming small land areas of 2 hectares or less, with no significant farm size consolidation occurring. Food security is still mainly about rice security.

The ASEAN Plus Three Emergency Rice Reserve (APTERR) remains the only example of an ASEAN community approach to ensuring food sufficiency. Rice remains a "wicked problem" as growing more means more water is needed and more methane (a powerful greenhouse ga) is released. The idea of a single integrated market and production base remains an aspiration, and each AMS has primarily engaged in agriculture that meets its priorities and capabilities.

ASEAN is further characterised by relatively low investments in public-funded FAF research, with much plantation agriculture in the hands of the private sector. Overall, the lower-income AMS still depend heavily on agriculture for employment and contribution to the national economy.

Emergent Issues That Have Assumed Importance

The immediate years leading up to 2025 have highlighted food security as a "hot-button" issue. Supply chain disruptions due to pandemics, conflicts, and geopolitical tension, as well as supply disruptions resulting from climate change, have pointed to the vulnerability of food systems.

These were aggravated by the lack of resilience in most AMS to accommodate disruptions. The quest for sustainable agrifood systems has become more evident as an emergent issue to cope with the more volatile and uncertain environment caused by climate change. Linked to this is the call for more regenerative agriculture practices and those that aim at a "net zero carbon" system.

As ASEAN exports most of its farmed products to world markets, the demand for eco-friendly food products that align with the "Green" agenda of some importing countries has also compelled some AMS towards policy changes that promote sustainability. This has led to the adoption of certification schemes like the Sustainable Rice Platform, which will become more common in the region.

Thinking Forward

Issues from the 2016-2024 era that will continue to plague the ASEAN FAF landscape are the declining number of able-aged farmers operating in a rural economy transforming in favour of urban areas. Technological drivers such as digitalisation and biotechnology will undoubtedly encourage AMS to adjust their policies and practices to accommodate them. Uncertainty remains on the future contribution of novel proteins to food security. However, the need to "grow more with less" for a more discriminating consuming public remains.

For ASEAN to be guided by a new FAF Plan starting in 2026, it will require that such a plan be developed and approved at the ministerial level in the coming year. Key considerations are FAF transformations that tap into the opportunities provided by technology and improved awareness of the environment, and which address past and emergent issues.

Regional collaboration mechanisms may have to be refocused for optimal impact. Governance and policies will likely need to be re-designed to accommodate the structural transformation of AMS economies, encourage human and investment capital development, and foster more intra-ASEAN trade in FAF products.

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