



Global Donor Platform
for Rural Development

Platform infoNote

For Platform members // July 2017

Agriculture and Water at the centre of SDG implementation – policy and investment implications

Background

Agenda2030 changed the development assistance framework. Its implementation requires a universal effort to strive for sustainability by using more holistic and multi-sectoral approaches that will require a profound common understanding, enhanced cooperation and programmatic and institutional interlinkages. Recognising the importance of these interlinkages and following the call for policy coherence, the majority of donor agencies, international finance institutions, multilateral organisations and UN-agencies have incorporated already nexus policies and have utilised SDGs interconnections in their development assistance policy.

The Global Donor Platform for Rural Development conducted an [analysis of members' development policies for rural development and agriculture](#). Even before the SDGs were adopted by the UN General Assembly, the Platform mapped out the opportunities to develop policies that seek to realise the positive interactions between the SDGs relevant for rural development and to avoid the possible conflicts. Considering the universal and all-encompassing nature of the SDGs, programmes' designs need to change towards thinking that is more systematic and in practice more holistic and cross sectoral.

One very prominent nexus of sustainable development is agriculture and water. With the growing threat of water scarcity in many developing countries and the need for establishing sustainable agricultural practices to adapt to climate change impacts and at the same time increase production to satisfy the growing demand, the interface between water and agriculture is increasing at policy, programmatic and practical levels. Strategically, water management and agriculture are key to achieving most of the SDGs. In much of the developing world, agriculture is the motor for development and is directly at the centre of at least 10 SDGs with SDG 2 on food security driving the agenda. Managing water resources requires transboundary efforts and is a key component to SDGs 2,7 and 13. Because of the interconnection between agriculture and water, prioritising the two through a more coordinated approach could offer stronger results for development as a whole.

// Interlinkages in donor policies

The international donor community has recognised the fact that agriculture is both a victim and cause of water scarcity. Many of the bilateral donors address the nexus water and agriculture implicitly in their policies. The main policy priority is either poverty reduction or eradication of hunger. The new policy designs concentrate on the agricultural sector as an instrument, leveraging its interlinkages with economic development, gender equality and sustainability. Several donors like USAID even explicitly link agricultural production and food systems to better productivity and efficiency of water use, while primarily concentrating on market development, trade liberalisation and food security. The Netherlands are one example for a bilateral donor that commits to water management as one of their primary development goals. The Dutch policy uses two areas of expertise – trade and water management – to achieve another primary goal – food security and ultimately contribute to economic development. Regional financial institutions, such as the African and Asian development banks, have realised that with the growing pressure from urbanisation and demographic development, there is a clear need for an

integrated approach that directly responds to the challenges by integrating different aspects of development. AfDB explores the importance of agriculture and sustainable agricultural practices, including water management, for achieving food security. ADB focuses its development strategy on resource management steered towards increased productivity in response to the competition for water, land and other resources.

Water is essential for the production, processing and preparation of food and other agricultural products. Furthermore, nutrition and food security depend on water, and climate change continues to increase the pressure on the demand for water. Agriculture is and will most probably remain the largest water user and major contributor to water pollution. As such, a much better understanding is needed on what agriculture can do to simultaneously foster economic development, ensure food security and manage water resources. [FAO launched an initiative](#) that is based on the idea that “a sustainable pathway to food security, in the context of water scarcity, lies in maximising benefits that cut across multiple dimensions of the food-water-climate nexus.” Hence, appropriate responses to water scarcity lay in agricultural practices, in finding ways to increase agricultural productivity while being sustainable. One of the looming issues identified by [FAO as a critical perspective for policy makers](#) is the fact that many regions face water scarcity that will affect rural and urban livelihoods, food security and economic activities. Donor agencies active in these regions will have therefore “devise food security strategies that explicitly consider structural food supply deficit and trade arrangements that will provide protection from food and price volatility”. The Platform thus actively supports the members on enhancing coordination through focusing on agriculture and rural development.

// Conclusions

A discussion during a side-event organised jointly by the secretariat and the water policy unit at GIZ on the sidelines of the GIZ international symposium on rural development and water confirmed that also on project level the interlinkages between the SDGs on water and agriculture are not necessarily reflected. The GIZ international colleagues identified several factors that have positive and negative effects on nexus oriented projects:

- The sectoral separation of both issues in the national governments, with different agencies and ministries responsible for different aspects of the nexus was identified as a barrier.
- A national inter-institutional SDG monitoring body tracking progress on SDG implementation and securing joint actions along interlinkages and nexuses could play a positive role.
- At the same time, no parallel structures should be created.
- Donor strategies that address SDGs interconnectedness should recognise the competitiveness between sectors and work on mainstreaming overarching goals and links into sectoral policies.
- Projects should also outline the contribution to employment and the mitigation of external factors’ impact.
- Donor policies and strategies should reflect on national development goals and strategies in order to ensure participation and ownership.

 donorplatform.org

Contact

Secretariat of the Global Donorplatform for Rural Development
Friedrich-Ebert-Allee 36, 53113 Bonn, Germany
+4922844603967
secretariat@donorplatform.org

This infoNote has been prepared by Martina Karaparusheva for the members of the Global Donor Platform for Rural Development