



Aid to agriculture, rural development and food security

// Unpacking aid flows for enhanced transparency, accountability and aid effectiveness



Global Donor Platform
for Rural Development

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The Global Donor Platform for Rural Development commissioned three comprehensive studies to capture Platform members' knowledge on key issues affecting the delivery and impact of aid in ARD:

- PKP 1** Policy coherence for agriculture and rural development
- PKP 2** Aid to agriculture, rural development and food security – Unpacking aid flows for enhanced effectiveness
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From the Platform leads on PKP 2

We live in an era of extreme food price volatility. The latest hikes during the food price crisis in 2008 have brought new attention to the tremendous challenge of hunger and malnutrition in the world.

The 2008 World Development Report identified decades of under-investment in agriculture as one of the leading causes for economic fragility, highlighted by the food price crisis and the world's failure to remain on track to meet MDG 1.

At the LAquila G8 Summit in 2009, global leaders pledged sustained increases in funding for agriculture and food security. They also pledged to change the way agricultural assistance is delivered, committing to harmonisation and alignment with country-led investment strategies and greater transparency and accountability.

Data on aid flows to agriculture and rural development are critical for transparency and accountability with respect to these commitments, as well as to demonstrating the effectiveness of our investments.

The members of the Global Donor Platform for Rural Development are directly engaged in fulfilling these commitments. We all benefit from having access to accurate, robust data – but the challenges involved in collecting such data may not be highly appreciated outside of a relatively small community of technical experts.

This Platform Knowledge Piece on Aid to Agriculture, Rural Development and Food Security provides a valuable contribution to our efforts to utilise data on aid flows more effectively.

The expert researchers at ODI have assembled a critical report that explores the complexities associated with efforts to capture the changing nature of assistance to agriculture and rural development. Based on evidence assembled through case studies on donor agencies, partner countries and non-traditional donors, the report reviews current measurement and tracking practices and makes recommendations for improvements.

We hope this study will provoke further thought and trigger discussion in the political landscape about how we can continue to improve the tools we need to fulfil our commitments to transparency, accountability and aid effectiveness.

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Acronyms

AFF	Agriculture, forestry and fisheries
AFESD	Arab Fund for Economic and Social Development
AFSI	L'Aquila Food Security Initiative
AIMS	Aid information management systems
AMP	Aid Management Platform (of Development Gateway)
ARD	Agriculture and rural development
BADEA	Arab Bank for Economic Development in Africa
BMZ	Federal Ministry for Economic Cooperation and Development (Germany)
CFS	Committee on World Food Security
CRS	Creditor reporting system
DAC	Development Assistance Committee (of the OECD)
DCD	Development Co-operation Directorate (of the DAC)
DFID	Department for International Development (United Kingdom)
EBRD	European Bank for Reconstruction and Development
EU	European Union
FAF	Foreign Assistance Framework (of the US government)
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (Germany)
GNI	Gross National Income
HQ	Headquarters
IATI	International Aid Transparency Initiative
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association (World Bank Group)
IFAD	International Fund for Agricultural Development
ISDB	Islamic Development Bank
JICA	Japan International Cooperation Agency
KfW	German Development Bank
LE	Ländliche Entwicklung (Germany)
M&E	Monitoring and evaluation
MCC	Millennium Challenge Corporation
NGO	Nongovernmental organisation
ODA	Official development assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of the Petroleum Exporting Countries
PPP	Purchasing Power Parity
SADC	Southern African Development Community
SME	Small and medium enterprises
SWAp	Sector-wide approach
UK	United Kingdom
US	United States
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USD	US dollar
5YMA	Five-year moving averages

Summary

The present study, commissioned by the Global Donor Platform for Rural Development, analyses development assistance to agriculture, rural development and food security. It focuses on the quality of aid measurement and investigates the extent to which aid data provides an accurate indication of policy priorities and the changing policy context for ARD and aid more generally, and a useful basis for planning, accountability and analysis. By improving the understanding and handling of aid flows to ARD and food security, the study aims to contribute to strengthening transparency, accountability and the effectiveness of aid in this policy domain. In addition to literature reviews and detailed aid data analysis, the study comprises:

- Four studies on donor agency practices with aid measurement (Germany, United Kingdom, United States and the World Bank)
- Three studies on country practices (Malawi, Nicaragua and Vietnam)
- Two desk studies (on the International Fund for Agricultural Development and on non-DAC donors and private foundations in ARD)

Purposes of aid measurement and data systems

The study starts by identifying the purposes of aid measurement. There are different reasons for measuring aid flows:

- Informing policy design and planning
- Operational management
- Public accountability
- Research and global transparency

The required features of aid information vary according to the measurement purpose and the users concerned. The planning function of government requires a credible, forward-looking indication of the proposed activities, including volumes, sectors, implementing partners and delivery mechanisms, at key points and well before the beginning of any disbursement for the financial year. The availability of transparent and accurate information on all aid flows is essential for oversight and public accountability purposes, at both recipient and donor end. Detail, standardisation and consistency over time are essential for analysis and international comparison.

Aid measurement systems can be divided into three broad categories:

- Global aid databases
- Individual systems within donor agencies
- Individual systems within recipient governments and other beneficiaries

Within the first group, the Creditor Reporting System (CRS) of the OECD's Development Assistance Committee (DAC) is the most widely recognised and used source on official development assistance. It contains data on individual aid projects and programmes classified, notably, according to the purpose of aid spending. This detailed level of information in a standardised format is helpful to track inter and intra-sectoral changes over time and across recipient country and donor agencies. Complementing the CRS, and drawing significantly from it, AidData, a database developed by the Development Gateway Foundation and two American universities, adds depth and breadth to global aid databases by providing a more granulated sector analysis and including data on non-DAC donors.

Individual donor agencies have their own internal systems for measuring aid flows and these vary considerably. Some possess fully institutionalised and integrated internal management, reporting and accountability mechanisms, whereas others have relatively discontinuous procedures for aid measurement. The nature of these systems is linked to the type of aid structure in place, which has implications on lines of accountability and therefore the mechanics of aid measurement. For bilateral agencies, for example, development assistance is appropriated from government funds, and thereby is subject to national legislation on accountability protocol.

Recipient governments have similar legislative procedures for appropriation, execution, auditing and reporting of public funds. In recent years, a number of tools generically termed 'aid information management systems' have been developed to capture and report aid information at recipient country level. These systems are designed to collect and format aid information from donors and present the information in a variety of ways. Examples include the Development Gateway's Aid Management Platform and the Development Assistance Database produced by Synergy International Systems. Neither of them integrates yet easily with budget planning cycles of the countries they are operating in.

Broad observable aid trends: reversal of ARD and food security neglect

The analysis of aid flows for the last three decades or so confirms that, by any measure, aid directed to ARD and food security programmes and projects declined considerably since the late 1980s and throughout the 1990s, and that the reversal of this trend is now undisputable. Judging from recent trends and progress on the L'Aquila Food Security Initiative pledges, which are reportedly on track, record levels of funding to ARD and food security registered in the early 1980s are likely to be reached again in the near future.

Support to agriculture, in the relatively narrow sector sense in the CRS, is on the rise – particularly to areas such as agricultural policy and administration and, in very recent years, water resources and food crop production. The surge is particularly noticeable in Sub-Saharan Africa. Aid to agriculture inputs, financial services and agricultural marketing, storage and transportation is reported by the CRS to have declined in both absolute and relative terms. Emergency food aid – not included in the L'Aquila pledges – also accounts for much of the upward trend visible from the late 1990s, and is likely to continue growing at a high rate, particularly driven by assistance from the United States and the European Union institutions.

Changes in the nature of the ARD and food security domain and policies to support it

The ARD and food security domain has changed considerably over the last decades, albeit at a different pace across the developing world. Aid policies in support of these areas, including modalities for delivering assistance, have also changed.

Five notable trends have impacted the structure of assistance to ARD and food security:

1. Up to the mid-1970s, agricultural aid was principally focussed on increasing production and productivity and aid was particularly important in input subsidisation and irrigation.
2. Concerns about whether such strategies were sufficient to address producers outside the higher potential areas spawned new interest in the wider challenges of developing rural areas, leading to the emergence of 'integrated rural development' projects in the 1980s. The shift also stimulated additional expenditure on the underlying impediments to increased agricultural incomes, such as poor health and inequitable access to resources.
3. The disappointing outcomes of both production-specific and broader rural development projects, as well as the perilous state of many economies, especially in Africa, led, in the 1990s, to a policy shift away from projects towards programmes and balance of payments support, conditional upon economic policy reforms. For agricultural development, the often explicit policy objective was to increase profitability through a more favourable exchange rate for agricultural producers, especially in export markets. A few years later, into the late-1990s and early 2000s, the policy shift also incorporated new forms of budgetary aid and sector-specific programme aid.
4. The response of the agricultural sector to such policy-related assistance has been mixed, leading to a more explicit consideration of the factors that have limited a strong supply response to policy incentives. Hence, in the 2000s more aid is being directed at the business environment, with private enterprise promotion, value-chain development, financial market deepening and trade facilitation strongly favoured by some donors.
5. The final trend concerns the growing evidence, especially in public awareness, of the fragility and vulnerability of many rural populations. Since the late 1990s in particular, expenditures on relief and social protection have risen, possibly at the expense of agricultural development which in some environments is now seen as offering little long-term promise of improving rural incomes and welfare.

Challenges to capturing changes in support to ARD and food security

Some of the above trends are not easily traceable by means of standard statistical measures on aid to ARD and food security. One example concerns recent shifts towards a more explicit consideration of the factors that have limited a supply response to agricultural policy, such as value-chain development, financial market deepening and trade facilitation. Failing to account for such policy shifts in an accurate manner may compromise the effectiveness of aid allocation, as well as resource planning at country level, and undermine efforts to strengthen global aid transparency and accountability.

Institutional structures and political and administrative incentives, at both donor and recipient government levels, present challenges to building a common framework for measuring aid allocation and use in a way that is consistent for international comparison purposes and useful in terms of establishing indicators for a results approach to aid management.

The current experience in reporting on AFSI pledges illustrates the flexibility of terms such as 'agricultural and rural development' and 'food security' when it is a matter of demonstrating that high level pledges are being met or addressed. This flexibility is not simply a matter of how different donors have decided upon their respective strategies towards agriculture or food security. Under pressure to make commitments, donor officials are sometimes in a position where quick-disbursing mechanisms such as general budget support are selected in preference to more targeted interventions that require more preparation. Hence, because there is no consensus on what constitutes aid for ARD and food security, there will continue to be criticisms of data that is produced and questions on whether political considerations have influenced the presentation of data.

As for recipient countries, the preoccupation is not with strategic definitions but with monitoring aid flows at the project level to ensure commitments are met and disbursement constraints are addressed. Strategic reviews on the nature of assistance and cross-sectoral consistency are not yet primary concerns. And even if they were, the magnitude of off-budgetary flows and fragmentation of aid management systems at country level undermine recipient governments' ability to perform oversight and strategic planning functions in an effective manner.

Implications: addressing the global call for transparency, accountability and results

This study has devised an ad-hoc methodology for computing aid flows to ARD and food security in a comprehensive and policy-relevant manner. It considers aid purposes not typically included in definitions of agricultural aid, such as financial services, trade facilitation and road transport and notes that these spending categories have increased significantly in recent years. The methodology's underlying assumption is that a share of these flows is attributable to the ARD and food security domain, particularly as part of attempts to address supply-side constraints in the agricultural economy.

This type of exercise may suffice for historical analyses of global trends but it does not address the need, particularly at country level, to systematically and accurately track commitments and assess the effectiveness of aid by running through the link between spending activities and results.

Individually, donors are generating policy-relevant aid data, mainly for accountability purposes within their own domestic constituencies. The strengths and limitations of different approaches need to be considered collectively. Yet, the incentives for standardising aid data globally are relatively weak. New attention on how low-income countries can cope with food price increases and volatility – to which the AFSI is a response – could change this, alongside mounting pressure to improve transparency and accountability to results.

In the longer term, however, results-based aid is likely to be more challenging to the course of establishing a distinct and authoritative profile for ARD and food security. There are two types of challenges:

- One is attribution, as the link between spending activities and results is complicated by the wide range of factors that impact upon production, incomes, employment, living standards and natural resource use in rural areas. Even where it is plausible to isolate the impact of specific public expenditure, there is likely to be time lag before results can be determined. This lag is especially pronounced for agricultural development.
- The other challenge is the fact that there are at least three relatively distinct policy domains within the term “agriculture, rural development and food security” – one is focused on production and productivity, the other is about providing opportunities for improving the living standards and economic development of rural areas, and the third is about addressing risk and vulnerability. Were the terms disaggregated in this manner, there would be less concern with establishing a single ‘purpose’ of ARD and food security, or establishing a policy ‘marker’ similar to environmental or gender aid policy objectives. This does not, however, mean that the three domains are to be tackled separately, but rather that their intrinsically different objectives need to be understood and conciliated.

A step forward would be to develop results frameworks for the different policy domains within the broader themes now favoured by most donors. Thus:

- Agricultural production and productivity would be a component of ‘results’ in the theme of economic growth
- Rural socioeconomic development would be part of ‘results’ for, say, a theme of sustainable increases in living standards - where that or something similar is a theme for an individual donor
- Under the theme of reducing vulnerability, a component on, say, rural livelihoods recovery could be included

To conclude, advocacy for ARD and food security also needs to go beyond just volumes and reflect the changing nature of its policy components, in particular their growing interconnectedness with other policy domains. To this end, a greater effort is needed to strengthen coherence of policy and resource application beyond the conventional agricultural remit and design measurement mechanisms that incorporate the breadth of interventions necessary to promote agriculture and rural development.

1.0 Introduction

1.1 Background, aims of the study and research focus

The 2007-08 food price crisis directed attention to agriculture at both national and international levels. After decades of apparent neglect, donors once again committed to mobilise development assistance to the sector. In 2009, G8 Heads of State together with some of the main international donor organisations gathered in L'Aquila for a special G8 Summit session on food security pledged \$22 billion to support agriculture and food security for the three year period of 2010-12. Although only part of this money is expected to be additional, there is a renewed emphasis on the importance of agriculture and food security to the Millennium Development Goal of reducing poverty and hunger. It is widely agreed that additional resources are required to meet short- term needs as well as future challenges, such as enabling developing countries to respond to climate change mitigation and adaptation in agricultural production and in the use of natural resources more broadly.

The forms of delivering development assistance have been changing, with programme-based approaches increasingly used at the country level, international initiatives and multi-country and regional funds continuing to proliferate, and new actors – such as non-traditional donors and private foundations – becoming increasingly prominent. At the same time, the nature of aid to agricultural and food security policy has been undergoing changes: regional and international trade facilitation, for example, is often given priority over direct production support as an instrument for promoting rural economic growth, and approaches to food security can encompass a variety of welfare and income-generation activities not directly related to food production and consumption. There is, hence, a need to examine how changes in the policy framework and the global aid architecture affect volumes and patterns of funding in agriculture and food security and the way these flows are recorded and accounted for.

This study analyses development assistance to agriculture, rural development and food security by focusing on the quality of aid measurement and investigating the extent to which aid data provides an accurate indication of policy priorities, of the changing policy context for ARD and aid more generally, and a useful basis for planning, accountability and analysis. By improving the understanding and handling of aid flows to ARD and food security, this study aims to contribute to strengthening the effectiveness of aid in this policy domain. To this end this study proposes to:

- Review changes in donor aid to ARD and food security over the past 15 years—what gets counted and how this has changed
- Identify best practice in current methodologies to track, measure and report on donor financing and the extent to which this provides the basis for review, planning and analysis at the country level, in line with the intentions of the Paris Declaration on Aid Effectiveness and Accra Agenda for Action
- Review the extent to which available information is the basis for development of a mutual accountability framework and draw lessons for the design of an internationally agreed framework

1.2 Methodology

The study has four main components:

1. The first component comprises a background review on aid measurement, including a review of main aid data systems in use.
2. The second component contains a detailed analysis of global aid flows to ARD and food security drawing on publicly available international statistics on development assistance.
3. The third component consists of donor studies, in which practices in measuring and accounting for aid to ARD and food security were reviewed. Four donors were selected: Germany, the United Kingdom, the United States and the World Bank. These studies were complemented by a desk study on IFAD and another one on non-DAC aid flows to ARD and food security. The donor selection was made on the basis of the volume of ODA provided to ARD and food security and also to account for contrasting structures of aid management and delivery: a combination of bilateral and multilateral agencies, and of donors with one or several channels of delivery (e.g. Germany has several implementing agencies operating in recipient countries, such as GIZ and KfW, whereas the United Kingdom operates via DFID).
4. Finally, as a fourth component, country studies were carried out to identify the relevant aid flows to ARD and food security and discuss the effectiveness of existing aid data recording and accounting systems. The countries analysed were Malawi, Nicaragua and Vietnam. The selection was made to ensure geographical coverage – although we do not claim to have a representative sample of the world's regions – and a selection of countries with varying degrees of aid dependency and income levels.

The analysis drew on both qualitative and quantitative data. Quantitative data was provided by the aid database of the OECD's Development Assistance Committee (DAC), the AidData database, and the internal data systems of individual donors and recipient countries. Qualitative data was generated mainly through semi-structured interviews with stakeholders at donor headquarters and in aid recipient countries.

1.3 Structure of the report

- Section 2 provides a preamble to the discussion by reviewing the purposes of aid measurement, identifying the users of aid data and describing existing systems for measuring and tracking aid commitments and disbursements
- Section 3 reviews trends and composition of aid to ARD and food security drawing mainly on DAC statistics on official development assistance
- Section 4 discusses the suitability of existing international aid data standards to reflect changes in ARD and food security and the detailed nature of support to what is a complex and disparate policy domain
- Sections 5 and 6 draw on the donor and country studies analyses to illustrate some of the challenges and opportunities to enhance the validity and usefulness of measurement and tracking expenditure
- Section 7 concludes by discussing the implications for improved measurement on the development effectiveness of aid to ARD and food security

2.0 Measuring aid flows: why, how and for whom?

Aid flows are complex and largely unregulated transfers of financial and non-financial assistance, generally from wealthier to developing countries. The documentation of these flows has no overarching protocol, though processes, both formal and informal, have developed for, inter alia, operational use, tracking, auditing and oversight of the flows. This section identifies the purposes of aid measurement and provides an overview of aid measurement systems that have developed in response. The subsequent sections discuss how aid to ARD and food security in particular is captured by the different types of systems.

2.1. Four purposes

There are at least four reasons why development assistance is measured, with no particular order of importance:

- Aid flows are measured to inform policy design and planning as availability of funds is a key criteria for deciding feasibility and sustainability of interventions
- Aid is also measured for operational management purposes, both to do with the implementation and execution of programmes/projects by donors and recipients
- Public accountability is another important reason for measuring aid flows. Both donor agencies and recipient countries are required to formally report to their respective domestic constituencies (via parliament and/or civil society) on the volume of aid provided/received
- Research and global transparency are also important purposes of aid measurement to enable assessments of aid effectiveness and the tracking of global commitments

The required features of aid information vary according to the measurement purpose and users concerned. These are discussed in the section below. Timeliness and comprehensiveness of information are essential for aid data to feed into annual budget processes of aid recipient countries. Accuracy is important for accountability to be meaningful. Detail, standardisation and consistency over time are important for analysis and international comparison. Each data system available – internationally, at the level of individual donors or at the country level – reflects one or several of these aid measurement purposes and required features.

2.2. Who is it for?

There are a number of users of aid information. However, with the current fragmentation of aid information sources and databases, the user base is also disparate. In terms of operational use of aid information, recipient agencies, particularly governments, are the primary users. Disbursement of aid flows to government accounts or implementing agencies can take complex routes and, with limited predictable and regularly-updated data, delivery of planned activities can be severely disrupted. Timeliness of information is therefore critical, with accuracy and detail certainly very important as well.

The planning function of government requires a credible, forward-looking indication of the proposed activities, including volumes, sectors, implementing partners and delivery mechanisms, at key points well before the beginning of any disbursement for the financial year. As the year progresses, monthly financial reports on disbursements and delivery targets are required. Tardiness and incompleteness of these reports is extremely damaging to the delivery process. Towards the end of the year, consolidated expenditure reports are required for the auditing and oversight roles. At the national level, ensuring that the information is complete and compatible with national standards for auditing and accounting is critical. Amongst NGO implementing partners, a similar cycle exists where timely and accurate information on forthcoming flows and regular updates is important. For all of these actors, the transaction cost of receiving and either disbursing or spending the aid is compounded by the variety of formats in which the information is transmitted.

Within the accountability agenda, the primary and secondary users of aid information are the recipient country governments and taxpayers in donor countries. At the country level, governments have sets of conditions and deliverables associated with all aid flows. As with any other public resource, the executive is responsible for the implementation of the national development plan through programmes and projects and can be held accountable for this by the parliaments of these countries. Without the availability of clear, transparent information on all aid flows each of these actors will have difficulty fulfilling their role, leading to unclear financing of national policies and weak or incomplete oversight of these activities. Furthermore, third parties such as civil society actors, media and citizens will not be in a position to hold their government to account for the use of public funds.

In donor country capitals, the appropriation of domestic funds for the purpose of development financing initiates a second and equally important cycle of accountability between the donor and its taxpayers. While development finance is never a very significant proportion of the national budget in donor countries, it often commands a disproportionate amount of attention and scrutiny from donor country parliaments and citizens. Similarly, in recipient countries detailed information on aid flows are of interest to civil society groups, media and the citizens in general. For these actors, accuracy, detail and comprehensiveness of information are of critical, with timeliness certainly a desirable quality. A key distinction within the group of aid providers is non-sovereign actors such as foundations. These aid flows are not subject to the rigors of domestic accountability as they do not become a public resource until they are appropriated by a public entity. However, non-sovereign actors may be obliged to provide some evidence of operational activities depending on the country or countries in which they operate. Increasingly these actors voluntarily provide detailed, transparent information at different stages in the process using international mechanisms such as the DAC Creditor Reporting System discussed below.

Finally, researchers utilise aid information for analytical and comparative purposes. While research findings may feed back into national policy or inform various other actors, researchers do not necessarily directly interface with the operational or accountability stakeholders, though they are often very significant users of aid data. One implication is that research institutions may develop or fund tools for collecting and classifying

aid data for activities that favour detail, accuracy and consistency over time, while downplaying other important characteristics, such as timeliness.

Between actors, and depending on purpose, the most desirable characteristics for the information vary. Timely data almost always implies a lower degree of accuracy, as it must forgo various verification exercises. Likewise, highly detailed data are likely also to take longer to compile and therefore imply some delay. Standards and classifications will vary by user, and there is no evidence to suggest that a broad convergence of standards around aid is occurring.

2.3. Overview of aid measurement systems

There are three broad categories of aid measurement systems:

- Global aid databases
- Individual systems within donor agencies
- Individual systems within recipient governments and other beneficiaries

Global aid databases

The **Creditor Reporting System (CRS)** was established in 1967 by the OECD and the World Bank as a mechanism to regularly capture and publish data on indebtedness and capital flows. It has since evolved to become the largest and most widely recognised and used source on official development assistance (ODA).¹ The CRS provides statistics on ODA reported by the members of the OECD's DAC and several multilateral agencies – including agencies of the United Nations, the World Bank Group, European Union institutions, regional development banks, the IMF and others. In 2010 the Gates Foundation also began reporting to the CRS.

CRS contains detailed quantitative and descriptive data on individual aid projects and programmes. It includes annual aid commitment data from the 1960s and disbursement data from 2002. The key variables used to code aid volumes are: donor agency; recipient country and region; type of aid (investment project, sector programme, technical cooperation or a combination of the three);² and beneficiary sector, also referred to as purpose code. The nature of the purpose code variable is discussed in detail in Box 1.

¹ For a definition of what ODA calculation includes see www.oecd.org/dac/stats or DAC/OECD (2008). Is it ODA? DAC Factsheet.

² This classification does not compare well with the existing aid modalities and therefore is of limited use for analytical purposes. The DAC has recently approved a new classification that maps much more closely with the common modalities used by donors including: project support, general and sector budget support, basket funding, technical assistance, debt relief and other. Unfortunately, this information will not be available retroactively.

Box 1: CRS purpose codes

In the CRS, data on the 'purpose' of aid spending is recorded using five-digit codes. There are about 196 five-digit purpose codes, grouped under three-digit categories corresponding to sectors of spending. For example, there are 18 purpose codes under agriculture, six under forestry and five under fisheries. This detailed level of information is helpful to track inter- and intra-sectoral changes, providing a standardised format to facilitate cross-country and cross-donor analysis over a long timeframe (available data date back to the 1970s).

There are, however, a number of notable limitations:

- Individual aid-funded programmes/projects are assigned only one five-digit purpose code, corresponding to the main purpose of the programme/project. This is a limitation for programmes/projects with multiple components, cutting across several sectors or spending categories, and can therefore generate misleading patterns of expenditure data
- The rationale of the purpose code classification is not unambiguous as it combines a sectoral logic (education, health, agriculture, industry, mining, etc.) with cross-sectoral themes (environmental protection, women in development), administrative definitions (support to NGOs, donor administrative costs), geographical focus (urban and rural development) and aid modalities (general budget support, debt relief)
- In reporting against this complex set of 'purposes', individual donors interpret the codes differently, and invest varying levels of effort in attempting to accurately represent the data on internal systems with the classifications of the CRS
- Residual categories such as 'multi-sectoral aid' and 'sectors not specified' are not negligible, together accounting for about five per cent of total ODA in 2009
- The CRS purpose codes provide sectoral analysis of aid flows but are not designed to link to sectors in national budgets and hence are of limited use for country planning and accounting purposes

There are also policy-related variables on gender, governance and environment, and the Rio markers, which are related to biodiversity, climate change and desertification. CRS data are therefore used to analyse the sectoral and geographical breakdown of aid for selected years and donors, to examine aid that promotes specific policy objectives and to monitor donors' compliance with international commitments.

The **AidData** database is a more recent effort undertaken in partnership between the Development Gateway Foundation and two American universities, Brigham Young University and the College of William and Mary.³ The purpose of the database is to provide project-level information on all aid flows in such a way as allows them to be analysed in aggregate, or project by project. AidData is closely tied to the CRS. It draws data from the CRS database and uses modified CRS purpose codes to classify sectors. The modified classification adds an 'activity' code, a level below the purpose code, allowing for a more granulated sector analysis. AidData also proactively searches donor agency documentation and other publicly available information to bring greater depth and breadth to the database. It includes data on 20 non-DAC bilateral donors and 14 non-DAC multilateral donors. Critically, it focuses on providing information at the project level, making it particularly useful for examining aid flows at the micro level, which is not a primary objective of the CRS. AidData also has the advantage of being institutionally linked – though not yet operationally linked – with the Aid Management Platforms introduced below, as both are programmes within Development Gateway.

Donor systems

Donors' internal systems for measuring aid flows vary considerably. Some agencies have fully institutionalised and integrated internal management, reporting and accountability mechanisms. Others have discontinued procedures for aid measurement with poor coordination of systems for different data purposes or between agencies/departments. The nature of the system is linked to the type of aid structure in place. Bilateral aid agencies, for example, operate with different degrees of autonomy. In some cases they are fully independent agencies, whereas in others they are subordinated to a line ministry, often the ministry of foreign affairs. Multilateral agencies are governed by a board structure consisting of member country representatives.

These differences have implications on lines of accountability and therefore the mechanics of aid measurement. In bilateral agencies, ODA is appropriated from government funds and is therefore subject to national legislation on accountability procedures. These typically include:

- A publicly available, though not necessarily very detailed, presentation for budget that is submitted to parliament
- Procurement and audit information
- Annual reporting on financial, output and outcome data for expenditures

Reported figures may be presented in a variety of ways, but the most common priority parameter for presentation is the ministry, agency or high-level department responsible for the allocation. Additionally, government priority or theme is usually presented in alignment with the government's political platform. Neither of these parameters holds much, if any, classification that is comparable across countries or even over time as political mandates change, though information on 'sector' expenditure may be included which may have some standard properties. In terms of international reporting, donor governments that are DAC members or DAC reporting compliant provide detailed expenditure figures to the DAC in standardised CRS format. More recently, the International Aid Transparency Initiative (IATI), born out of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, has attempted to design an international standard for describing aid information in a comprehensive and transparent manner. The process is complex, however,

⁴There has been increasing recipient-country engagement in the IATI process and also in statements for the High-Level Forum on Aid Effectiveness in Busan coordinated by the Collaborative African Budget Reform Initiative.

as the requirements for information stretch globally, rather than being restricted to a domestic accountability environment. The IATI information is also attempting to bridge multiple purposes of information with elements of planning, operational management and accountability integrated into the protocol. Furthermore, IATI is being driven more from the supply-side (donor agencies) rather than the primary users of the information (aid recipients and civil society). The latter have only a nascent voice on what information is required for an international and transparent interchange of information on aid.⁴

Recipient country systems

Recipient governments, like bilateral donors, have legislative procedures for appropriation, execution, auditing and reporting of public funds. National budgets typically contain donor financed or co-financed projects that are delivered through government systems, though often the budget may be split between government and donor-financed projects. The development budget, the budget component which finances investment projects, is usually the best source of information on aid-funded projects, though it will not contain information on projects financed externally to the government budget (aid which is off-budget) nor on non-project aid which may be subject to different reporting procedures. Instruments such as budget support, debt relief and balance of payments support do not fund specific projects, but rather provide a transfer of funds (or a write-off of debt) to a national government. This may be earmarked for specific expenditures, but it does give government discretion over delivery, accounting and reporting.

In recent years a number of tools generically termed aid information management systems (AIMS) have been developed to capture and report aid information at recipient country level. Broadly, an AIMS is designed to collect and format aid information from donors and present the information in a variety of ways. This includes information on financial flows, identification data and, to some extent, intended purpose. AIMS usually collect information both on on-budget and off-budget flows, and reclassify the various formats by which individual donors describe aid activities into a common format to enable comparison. Currently, two main commercial AIMS software are available: the Development Gateway's Aid Management Platform (AMP) and the Development Assistance Database produced by Synergy International Systems. However, neither of the two systems integrates easily with the budget planning cycles of the countries in which they are operating. Nonetheless, in several countries, such as Malawi and Senegal, some modifications and developments of AMP by the ministry of finance have drawn the data in the system closer to the budget cycle.⁵

⁵ Malawi's experience with the AMP is discussed in more detail in section 6.

⁶ Annex II provides the full list of ARD and food security-related CRS purpose codes.

⁷ DAC/OECD (2010). 'Measuring Aid to Agriculture': www.oecd.org/dataoecd/54/38/44116307.pdf.

3.0 Aid to ARD and food security

The volume of aid resources supporting agriculture and food security has come under increased scrutiny in recent years, following commitments made by donors and recipient countries to increase aid and public expenditure in the sector. In 2003, African Heads of State, gathering in Maputo for an African Union Summit, committed to spending 10 percent of national budgets on agriculture. In 2009, the G8 meeting in L'Aquila committed, in conjunction with other donors, to raise support in response to the global food prices and food availability crisis. This study takes a long-term perspective on global ODA flows to ARD and food security, looking at trends and composition of aid to this policy domain, and discusses what aid data reveal about the changing nature of the domain and policies to assist its development. This section focuses on the analysis of aid flows.

3.1. Data and definitions

The analysis draws on data from the Creditor Reporting System (CRS). There are two relevant definitions used by the CRS for the purpose of the study. Agricultural aid is typically measured as the sum of sector allocable aid to agriculture, forestry and fishing, i.e. the sum of CRS purpose codes 311, 312 and 313. This measure is referred here as AFF and uses 29 five-digit purpose codes.⁶ A broader measure, referred to as AFF+, adds three additional CRS purpose codes: 'rural development', 'development food aid' and 'emergency food aid' (Table 1). According to the DAC, while these three additional codes do not support agricultural development directly, they contribute to improving rural livelihoods and food security.⁷

Table 1: DAC definitions of agricultural aid

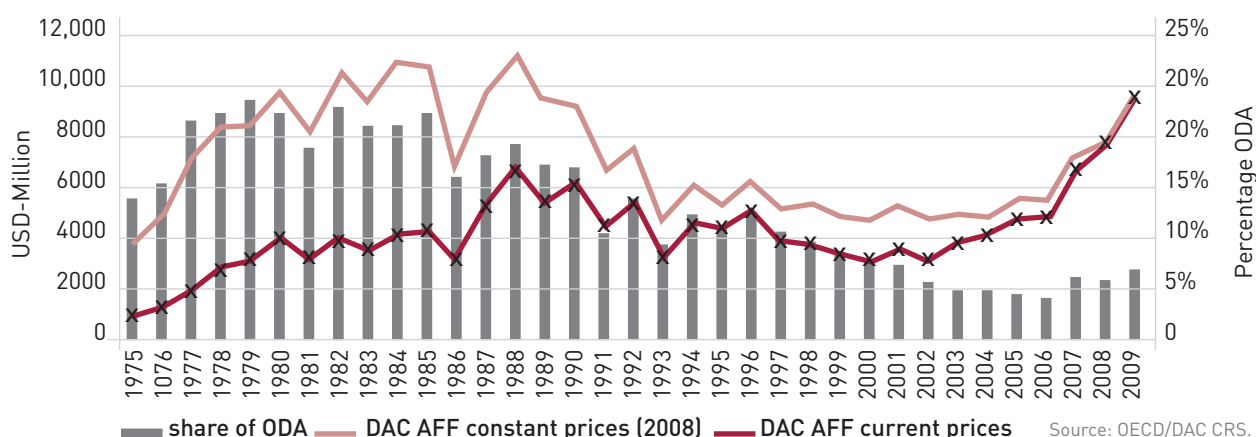
	Purpose of aid or sector of destination	CRS code
AFF +	Agriculture	311xx (18)
	Forestry	312xx (6)
	Fishing	313xx (5)
	Rural development	43040
	Food security programmes	52010
	Emergency food aid	72040

The analysis that follows considers the period 1975-2009, for which CRS data on aid commitments is available. Unfortunately, data on disbursements is scarcer as the CRS data series starts in 2002. A brief analysis on disbursements is offered, in section 3.7.

3.2. Historical trends and future prospects

The following trends and patterns are noticeable in development assistance to the selected policy domain over the period 1975-2009. Firstly, a continuous decline in aid to agriculture, forestry and fishing marked the last two decades of the twentieth century. The volume of aid coded as AFF declined, in nominal and real terms, from the mid-1980s until the late-1990s. The decline was particularly significant in the late 1980s and early 1990s. Aid to AFF also declined as a share of total ODA, from a maximum of 20 per cent in 1979 to a minimum of 3.7 per cent in 2006 (Figure 1).

Figure 1: Aid to agriculture, forestry and fishing and proportion of total ODA, 1975-2009

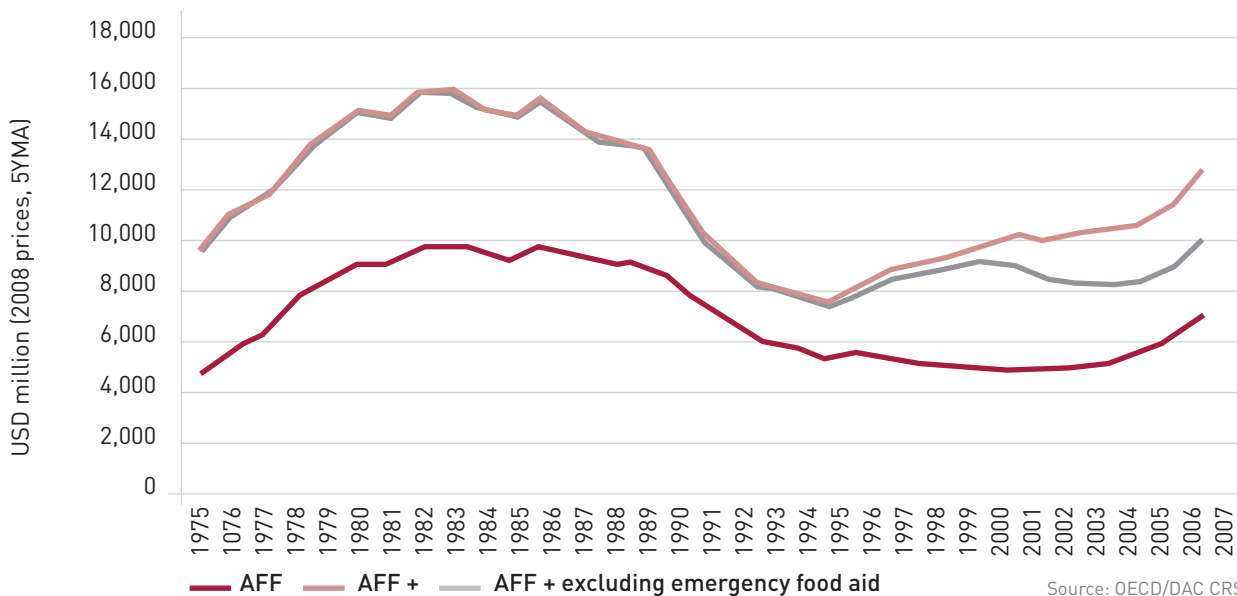


The 21st century is witnessing a reversal in the downward trend. Following a period of initial stagnation (below \$4 billion in the early 2000s), from 2005/06 aid to AFF starts expanding at a rate only comparable to the early post-colonial period of the mid-1970s.

The upward trend starts earlier, around the mid-1990s, if the broad DAC measure (AFF+) is considered, with emergency food aid accounting for much of the growth (Figure 2).⁸ The pattern of emergency food aid trend is more striking if contrasted with the CRS food security programmes (or 'developmental food aid'), which dropped sharply from the record levels of the 1970s and early 1980s, when it accounted alone for more than \$4 billion (Figure 3).⁹ Food security programmes peaked again in the early 2000s, albeit at much lower levels (around \$2-2.5 billion), but have been falling again since and have been surpassed by emergency food aid, which reached a record value of \$3.7 billion (in current prices) in 2008.

A major reason for the earlier high levels of developmental food aid was the benefit to donors in North America and Europe in linking development assistance to domestic farm support that had led to commodity surpluses. Critics of in-kind food aid claimed such disposals of northern countries' surpluses suppressed incentives for local production in recipient countries. What has happened in response to such criticism is a matter of controversy. On the one hand, most donors seem to have moved away from in-kind food aid and towards cash aid to address food security problems. On the other hand, there has been some re-labelling of food aid in response to criticism and revised standards. Seen as less vulnerable to criticism, relative to in-kind developmental food aid, emergency (in-kind) food aid has been undergoing exponential growth.

Figure 2: Aid to AFF and AFF+, 1975-2007



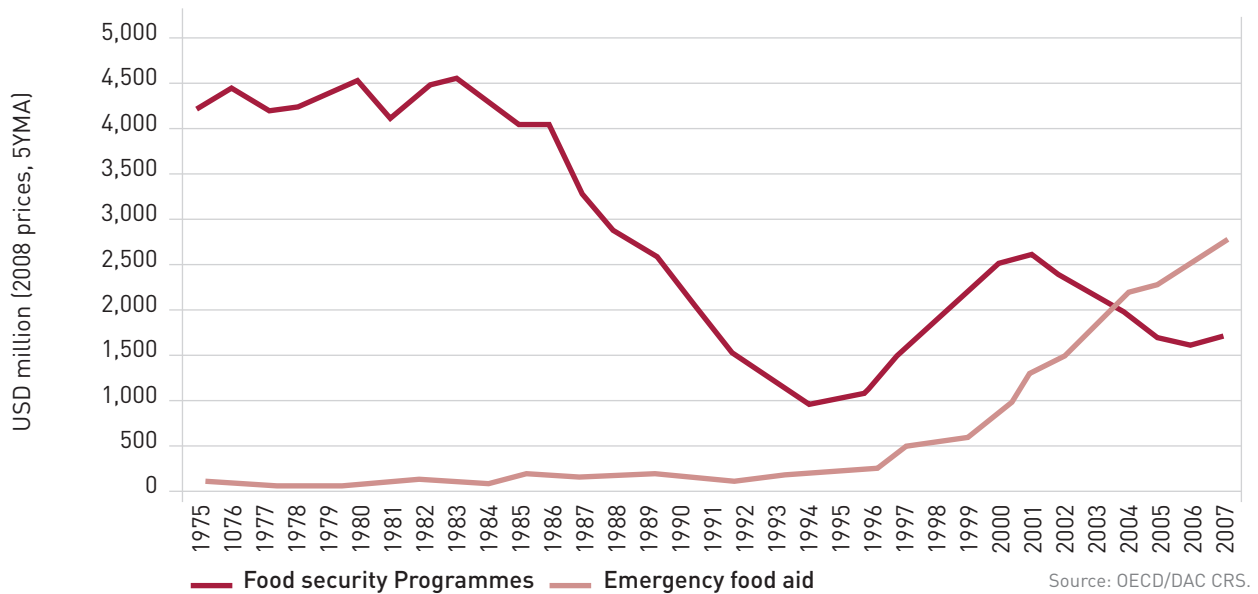
Source: OECD/DAC CRS.

⁸ Data in Figure 2 is presented in terms of five-year moving averages (5YMA).

⁹ The CRS defines food security programmes (code 52010) as: the supply of edible human food under national or international programmes including transport costs; cash payments made for food supplies; project food aid and food aid for market sales when benefitting sector not specified. By contrast, emergency food aid (code 71010) is defined as: food aid normally for general free distribution or special supplementary feeding programmes; short-term relief to targeted population groups affected by emergency situations.

¹⁰ The CRS defines the rural development (code 43040) as follows: integrated rural development projects; e.g. regional development planning; promotion of decentralised and multisectoral competence for planning, coordination and management; implementation of regional development and measures (including natural reserve management); land management; land use planning; land settlement and resettlement activities (excluding resettlement of refugees and internally displaced persons); functional integration of rural and urban areas; geographical information systems.

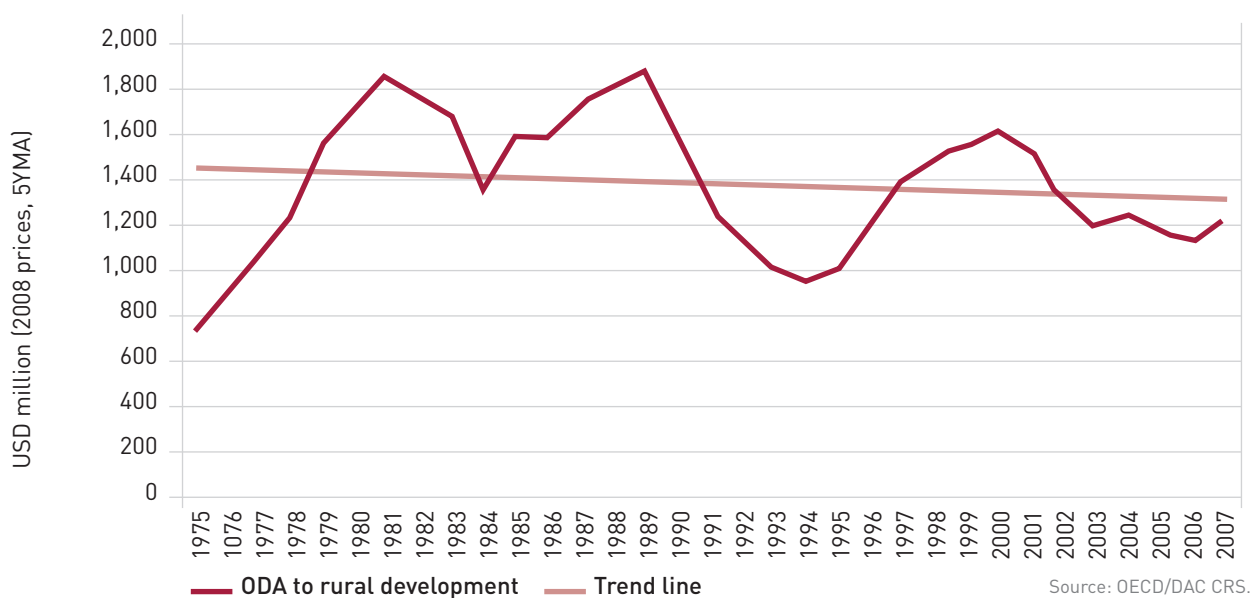
Figure 3: Aid to food security and emergency food aid, 1975-2007



Rural development¹⁰ has displayed an irregular pattern, with a slight downward trend over the period (Figure 4). It peaked in the early and late 1980s, when 'integrated rural development' approaches were fashionable, and then again in the late 1990s, probably reflecting the popularity of decentralisation reforms and local governance programmes. A word of caution is however necessary in relation to this particular CRS code: The donor studies (discussed in detail in Section 5) revealed that rural de-

velopment is no longer as relevant a code as in the past (particularly the period of 'integrated rural development' influence) and the code is now sometimes used as a residual category. The decline noticeable in rural development as a whole and for individual donors (e.g. IFAD) may simply reflect the fact that this particular CRS purpose code is no longer used as much and as accurately as in the past.

Figure 4: Aid to rural development, 1975-2007



For the foreseeable future, it is expected that aid to AFF+ will continue to display an upward trend, driven mainly by emergency food aid and support to the agricultural sector in the narrower sense (AFF).

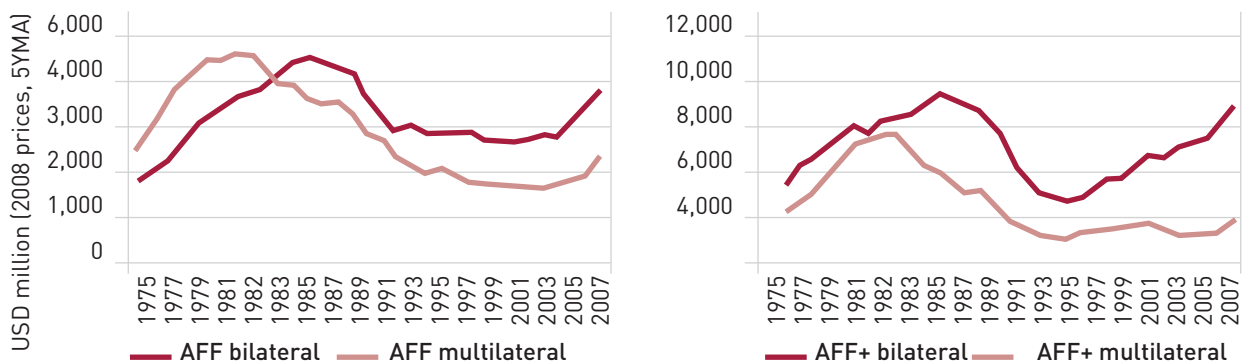
The pledges made by the G8 and other development partners at the 2009 L'Aquila Summit, known as L'Aquila Food Security Initiative (AFSI), are reportedly on track. The accountability report on G8 commitments on health and food security, presented at the Deauville G8 Summit in May 2011, informs that "around half of the AFSI pledges are formally in the process of being implemented or have been already disbursed since the L'Aquila Summit" (G8, 2011, p. 3). It also states that, based on self-reporting from AFSI pledging countries, "the G8 expects that the totality of the pledges will be disbursed or allocated at the end of the AFSI period [2012]" (ibid, p. 41). It should be noted, however, that only a part of the \$22.5 billion AFSI pledge (over three years) represent additional money to ARD and food security sectors – 30% or \$6.8 billion, according to the Deauville report. Also,

most of the financial pledges have been committed to agriculture, forestry and fisheries (AFF) and agro-industries. The bulk of (growing) commitments related to emergency and non-emergency food aid, including from the United States, are not included in the AFSI pledge.

3.3 DAC donors

In 2009, official bilateral assistance to AFF amounted to \$5.2 billion and multilateral aid to \$4.6 billion. If the AFF+ measure is taken instead, bilateral aid rises to \$10.6 billion and multilateral to \$5.8 billion. Development assistance to ARD and food security is dominated by bilateral aid. Up to the mid-1980s, however, multilateral aid to AFF was greater than bilateral aid. The order was then reversed, although in recent years AFF multilateral aid has been catching up. For AFF+, bilateral aid has always been greater than multilateral aid, and since 1995 the gap is becoming wider, with bilateral aid increasing at a greater rate (Figure 5).

Figure 5: Bilateral and multilateral aid to AFF and AFF+, 1975-2007



Source: OECD/DAC CRS.

Japan and the United States are by far the largest sources of bilateral aid to ARD and food security, together providing for 44 per cent of AFF and 50 per cent of AFF+, in 1995-2009. Emergency food aid accounts for an increasingly important share for US aid, which grew from nil to an average of 40 per cent of total US ARD and food security aid in the early 2000s.

The International Development Association (IDA), of the World Bank Group, and the European Union (EU) institutions provide the bulk of multilateral aid to the sector, representing, for the period 1995-2009, 73 per cent and 74 per cent of aid to AFF and AFF+, respectively, which means a greater concentration than for bilateral sources. Other major sources of bilateral aid include Germany, France and the United Kingdom. Other top multilateral donors include the International Fund for Agricultural Development (IFAD), the Asian Development Fund, and the African Development Fund (Tables 2 and 3).

Table 2: Top five bilateral donors to AFF and AFF+, 1995-2009

Bilateral donor	AFF			AFF+		
	1995-2009 annual average		2009	1995-2009 annual average		2009
	USD million 2008 prices	Percentage of total	USD million current prices	USD million 2008 prices	Percentage of total	USD million current prices
Japan	959	26%	722	1,166	17%	1,146
United States	627	17%	1,488	2,359	34%	4,042
France	320	9%	489	406	6%	588
Germany	275	8%	348	502	7%	628
United Kingdom	217	6%	233	458	7%	701
Top five total	2,398	66%	3,280	4,890	70%	7,105
Total bilateral	3,643	100%	5,113	7,021	100%	10,283

Table 3: Top five multilateral donors to AFF and AFF+, 1995-2009

Multilateral donor	AFF			AFF+		
	1995-2009 annual average		2009	1995-2009 annual average		2009
	USD million 2008 prices	Percentage of total	USD million current prices	USD million 2008 prices	Percentage of total	USD million current prices
IDA	1,124	250%	1,806	1,161	32%	1,806
EU institutions	496	22%	1,852	1,504	42%	2,929
IFAD*	250	11%	322	390	11%	385
Asian Development Fund	213	9%	98	306	9%	98
African Development Fund	117	5%	270	163	5%	340
Top five total	2,200	98%	4,348	3,523	98%	5,558
Total multilateral	2,229	100%	4,445	3,579	100%	5,858

* This does not capture the total value of IFAD funding. Section 4.2 will discuss how the DAC definitions fail to capture the total volume of IFAD resources benefitting the ARD and food security sector.

Source: OECD/DAC CRS.

3.4. Non-DAC donors and private foundations

There are sources of development assistance to the sector that do not report to the DAC. The only bilateral non-DAC members included in the above calculations are the United Arab Emirates, which have recently adopted the CRS. Information on non-DAC donors is perhaps best captured by AidData. The database currently provides information on the aid activities of 20 non-DAC bilateral donors and 14 non-DAC multilateral agencies. In 1995-2009, they accounted for 13.5 per cent of all operations recorded by AidData (Sloan 2011).

However, AidData does not yet include information of sizeable donors such as China and Venezuela.¹¹

Kuwait, South Arabia and India are amongst the main bilateral non-DAC donors to ARD and food security recorded by AidData (Table 4). The European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (ISDB), the Organization of Petroleum Exporting Countries (OPEC), the Arab Fund for Economic and Social Development (AFESD) and the Arab Bank for Economic Development in Africa (BADEA) are the top five multilateral non-DAC donors (Table 5).

Table 4: Top 10¹² non-DAC bilateral donors, 1995-2009

Bilateral non-DAC donor	Accumulated ¹³ 1995-2009, USD million (2000 prices)	
	AFF	AFF+
Kuwait	330	441
Saudi Arabia	135	152
India	71	103
Taiwan	21	23
United Arab Emirates	10	10
Brazil	4	4
Monaco	0.9	1
Hungary	0.9	1
Thailand	0.6	0.6
Slovak Republic	0.5	0.6
Top 10 non-DAC bilateral donors	573.9	736.2

Source: AidData.

¹¹ For a discussion on emerging donors and the estimate size of their aid programmes see ECOSOC (2008) 'Background study for the Development Co-operation Forum. Trends in South-South triangular development cooperation', United Nations Economic and Social Council.

¹² Of the 10 covered by AidData.

¹³ Annual averages are not calculated because annual data coverage varies significantly – see Annex III.

Table 5: Top 10¹⁴ non-DAC multilateral donors, 1995-2009

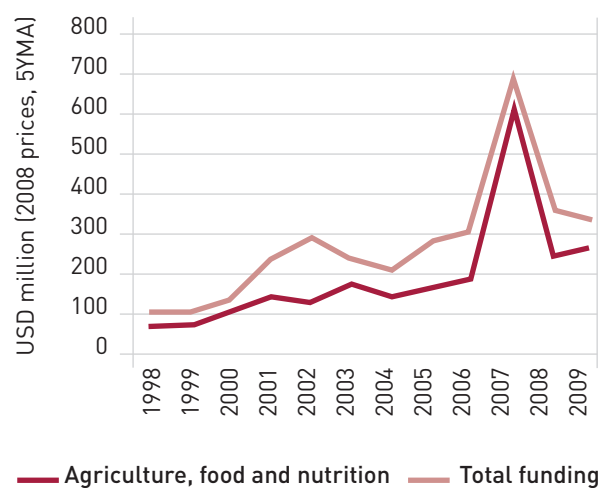
Multilateral non-DAC donor	Accumulated 1995-2009, USD million (2000 prices)	
	AFF	AFF+
European Bank for Reconstruction and Development	1,625	1,640
Islamic Development Bank	937	1,195
Organization of Petroleum Exporting Countries	364	605
Arab Fund for Economic and Social Development	364	491
Arab Bank for Economic Development in Africa	254	279
Caribbean Development Bank	63	70
North American Development Bank	49	49
Nigeria Trust Fund	23	23
Nordic Development Fund	19	35
Corporación Andina de Fomento	11	255
Top 10 non-DAC multilateral donors	3,709	4,642

Source: AidData.

Individually, non-DAC donors are relatively small in comparison to DAC donors. Yet, grouped together they account for a growing share of resources available for agricultural development. It is a matter of controversy, however, the extent to which such resources, or at least part of them, are eligible as official development assistance in DAC terms.¹⁵

Private foundations are also becoming increasingly important sources of assistance, and have been highly responsive to the global food price crisis of 2007. According to data from the Foundation Centre,¹⁶ agriculture, food and nutrition grants from US foundations alone increased by nearly \$500 million between 2006 and 2007 (Figure 6).

Figure 6: Foundation funding for ARD and food security, 1998-2009

¹⁴ Of the 14 covered by AidData.¹⁵ For a definition of ODA see DAC/OECD (2008).¹⁶ The Foundation Centre is a source of information about philanthropy worldwide. It maintains a database on US and, increasingly, global grant makers and their grants. More information about it can be found at <http://foundationcenter.org/>.

Evidence on global foundation funding for development is scarce as there is not yet a single, comprehensive and standardised repository. Available information suggests, however, that the Bill and Melinda Gates Foundation is

one of the largest international foundations supporting ARD and food security. This is followed in the US by the much smaller Rockefeller, Ford and Kellogg foundations (Table 6).

Table 6: Major international foundations' portfolios, circa 2008

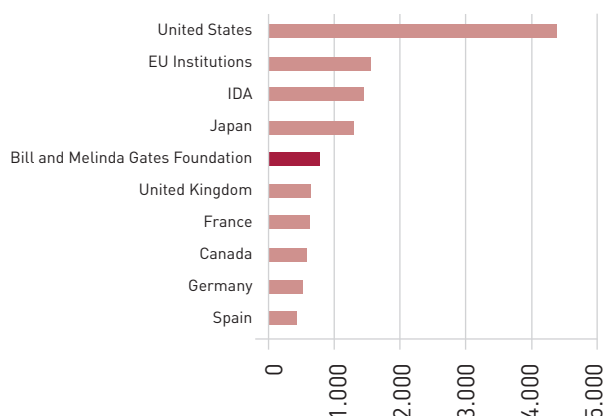
Foundation	Total grants (USD million)	Total grants (USD million)	Percentage
Bill and Melinda Gates Foundation	3,055	786	26%
Rockefeller Foundation	145	17	12%
Ford Foundation	468	9	2%
W.K. Kellogg Foundation	270	5	2%

Source: Foundation Centre (non-DAC donors case study).

Compared to DAC donors, in 2008 (for which data is available) the Gates Foundation was the fifth largest donor to ARD and food security, above sizeable bilateral donors such as the United Kingdom, France and Germany (Figure 7).

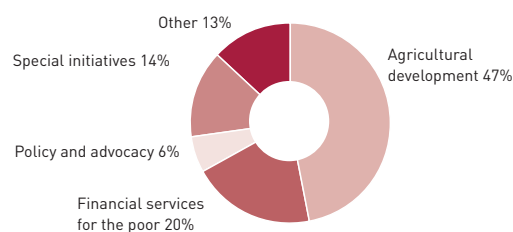
Gates' Global Development Programme has as its goal the reduction of poverty and hunger in the developing world by helping small farmers increase their agricultural productivity, making a range of financial services available to the poor, and ensuring that the poor have free access to computers and the internet through public libraries. Figure 8 shows the breakdown of the Global Development grant programme. Though there is no way to exactly determine the amount of ARD and food security funding using Gates' categorisation scheme, it appears that the vast majority of the Global Development portfolio addresses ARD and food security in some way, including 'financial services for the poor' and 'special initiative' which is a basket of grants that include, among other activities, emergency response.

Figure 7: Top 10 donors to AFF+, 2008



Sources: OECD/DAC CRS and Bill and Melinda Gates Foundation.

Figure 8: Composition of Gates Global Development Programme, 2009



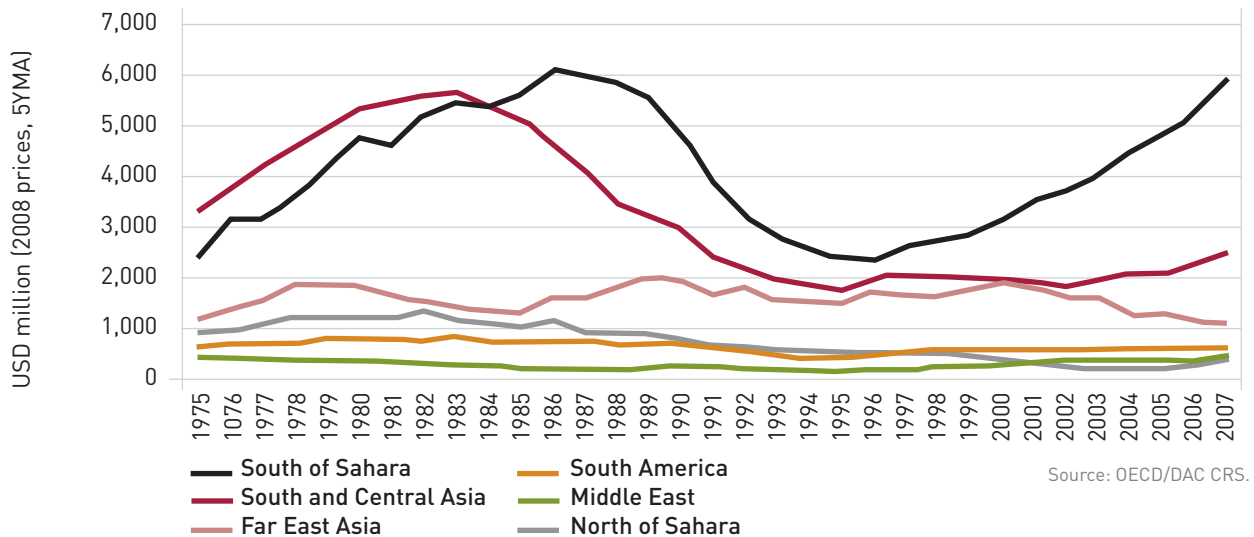
Source: Bill and Melinda Gates Foundation annual report 2009 (non-DAC donors case study).

3.5 Regional trends

In terms of regional trends, Sub-Saharan Africa and South and Central Asia account for much of aid flows to

the sector. These are also the regions where most of the decline in ODA in the 1980s and 1990s happened. Sub-Saharan Africa is also where the trend reversal in aid is taking place (Figure 9).

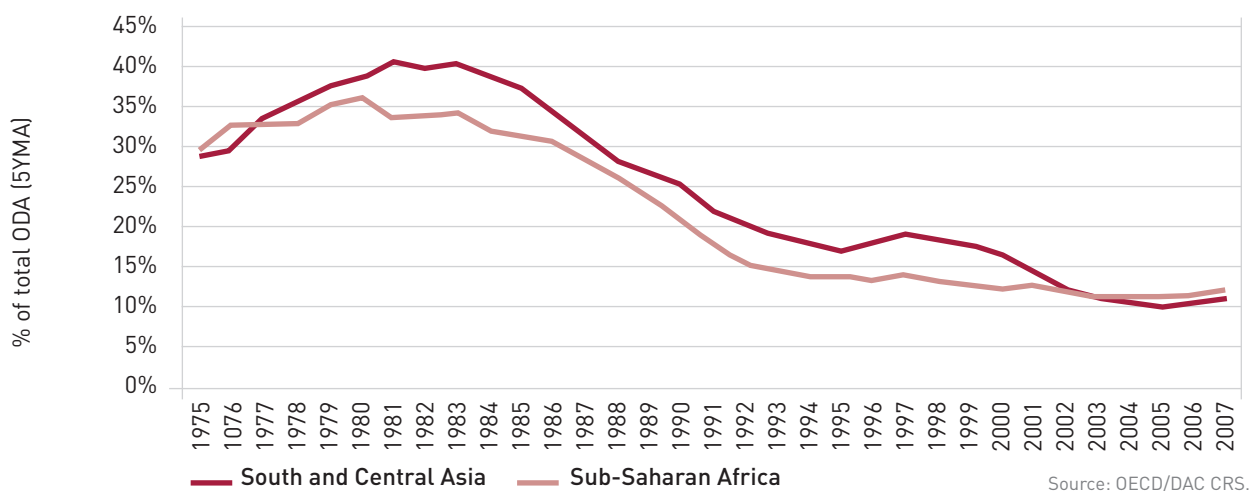
Figure 9: Aid to AFF+ by world region, 1975-2007



Despite the absolute increase in aid to AFF+ in Sub-Saharan Africa since the mid-1990s, the relative size of the sector in total ODA to the region continued to decline, reaching a minimum of 11 per cent in 2004/5. The

decline in the share of the sector was even more significant in South and Central Asia, dropping from an average of 40 per cent in the early 1980s to 10 per cent in 2005 (Figure 10).

Figure 10: Aid to AFF+ as share of total ODA to Sub-Saharan Africa and South and Central Asia, 1975-2007

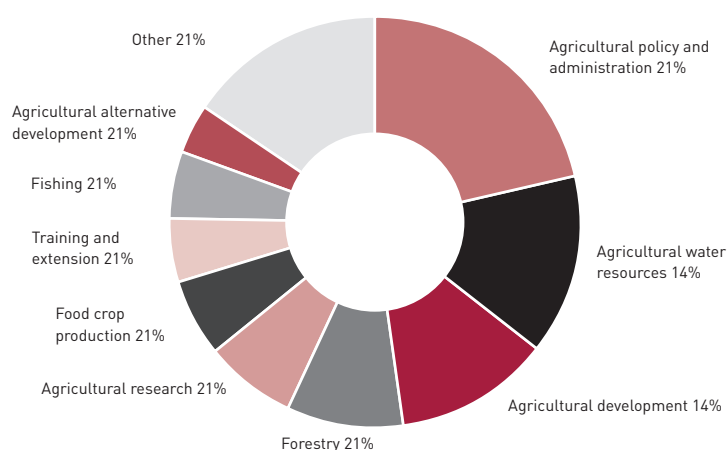


3.6 Composition of agricultural aid

The average composition of AFF for the period 2005-2009 is depicted in Figure 11. Three categories stand out: taken together, agricultural policy and administration, water resources and agricultural development¹⁷ account for almost half of AFF aid. This composition varies across world regions.¹⁸ Agricultural policy and administration is particularly important in Sub-Saharan Africa (25 per cent) and less so in the north of the Sahara (4 per cent), whereas water resources are by far the largest purpose of aid in the latter region (44 per cent).

Agricultural development is more significant in Sub-Saharan Africa (15 per cent), Far East Asia (14 per cent) and South and Central Asia (12 per cent). Other categories that stand out at the regional level are food crop production, which is large all across Africa (18 per cent north of the Sahara and 10 per cent south of the Sahara), forestry in Far East Asia (19 per cent), fisheries in South and Central Asia (18 per cent) and agricultural alternative development in South America (34 per cent) and South and Central Asia (11 per cent), where aid has been employed to develop alternatives to drug cultivation.

Figure 11: Composition of aid to AFF, 2005-09



Source: OECD/DAC CRS.

Over the period 1975-2009, some noticeable patterns in the composition of AFF include:

- Aid to component 'agricultural policy and administration' increased significantly to become the largest component of overall agricultural aid. The rise in this component has been particularly high in Sub-Saharan Africa throughout the 2000s and may be associated with the emergence of SWAps and forms of sector budget support (Table 7 and Figure 12).
- 'Agricultural water resources' declined in volume as well as in proportion of total AFF, from the late-1970s, when it was the largest component of AFF (19

per cent in 1975-79), until the early-1990s (Table 7). The decline was more pronounced in Sub-Saharan Africa, where irrigation schemes have had a generally poor record, but it has been catching up quickly in the last few years (Figure 12), possibly due to the growing concerns over mitigating the impact of climate change on natural resources. In this context, it is perhaps surprising that 'agricultural land resources' has not seen any increase, as the importance 'sustainable land management' has attracted increasing donor attention – although such conservation activities may be coded elsewhere. On the other hand, 'forestry' – which also has a strong conservation focus – does record increases.

¹⁷ Agricultural development (purpose code 31120) is defined by the DAC as integrated projects and farm development.

¹⁸ Detailed data on the regional distribution of aid is provided in the annex.

¹⁹ Agricultural alternative development (CRS purpose code 31165) is defined by the DAC as projects to reduce illicit drug cultivation through other agricultural marketing and production opportunities.

- 'Agricultural research' grew to become the fifth largest AFF component – which was a minor component in the 1970s (Table 7). Most of this corresponds to aid channelled to international research institutions and not aid channelled directly to countries.
- 'Food crop production' dropped sharply throughout the 1980s. A long period of stability followed but in 2008 this trend was interrupted and the category increased four-fold in Sub-Saharan Africa and remained high in 2009 (Figures 12 and 13).
- Categories such as 'agricultural inputs', 'agricultural financial services', 'agricultural marketing, storage and transportation' and 'industrial and export crops', all declined in absolute and relative terms (Table 7 and Figure 13). On 'inputs and credit', this almost certainly reflects the changing attitudes of some donors to the role of subsidising production inputs, especially where such subsidisation has been the responsibility of poorly-performing parastatal enterprises and specialised agricultural banks.

Table 7: Composition of AFF, 1975-2009

CRS purpose code	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09
Agricultural policy and administration	6%	5%	10%	12%	14%	23%	21%
Agrarian reform	0%	1%	1%	4%	3%	0%	1%
Agricultural development	16%	12%	19%	14%	12%	12%	12%
Agricultural alternative development	0%	0%	0%	0%	0%	2%	4%
Agricultural land resources	5%	3%	7%	4%	6%	5%	2%
Agricultural water resources	19%	22%	15%	15%	18%	14%	14%
Agricultural research	2%	3%	4%	5%	5%	5%	7%
Training and extension	2%	3%	3%	2%	2%	4%	5%
Agricultural inputs	8%	10%	5%	4%	7%	3%	1%
Agriculture cooperatives	0%	2%	1%	0%	0%	1%	1%
Agricultural financial services	9%	7%	4%	3%	4%	2%	1%
Agricultural marketing, storage and transportation	7%	5%	6%	8%	3%	2%	3%
Livestock and veterinary services	6%	3%	4%	3%	2%	3%	3%
Food crop production	6%	5%	4%	3%	3%	5%	6%
Industrial crops/export crops	5%	8%	4%	3%	2%	1%	2%
Forestry	4%	6%	8%	13%	11%	12%	9%
Fishing	5%	5%	5%	6%	7%	6%	5%
Other	0%	0%	0%	0%	1%	1%	0%

Source: OECD/DAC CRS.

Figure 12: Aid to selected AFF components in Sub-Saharan Africa, 1975-2007

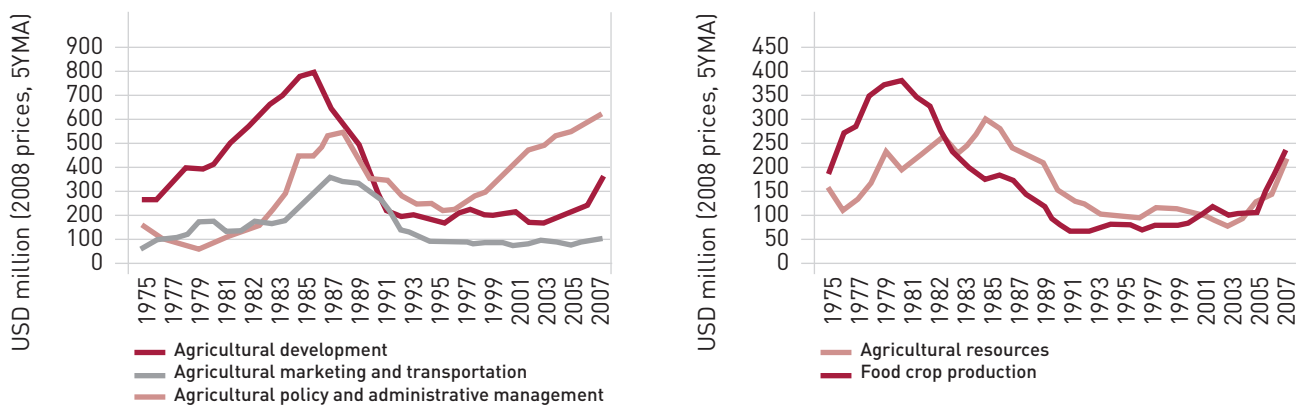
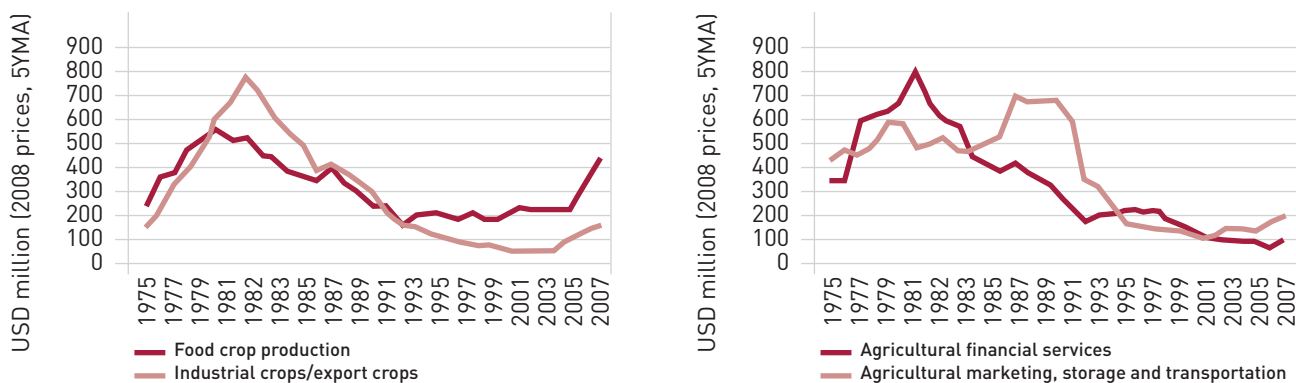
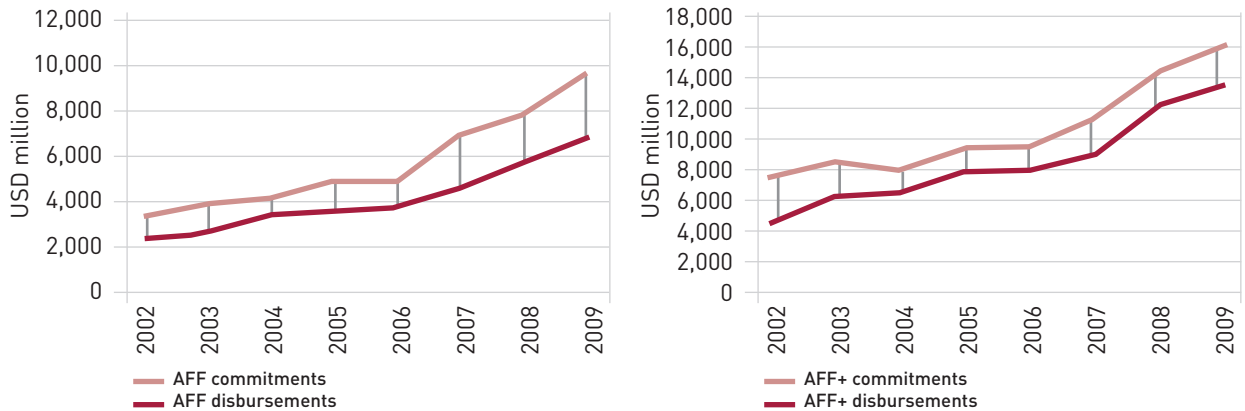


Figure 13: Aid to selected AFF components (all regions), 1975-2007



Source: OECD/DAC CRS.

Figure 14: Aid commitments and disbursements to AFF and AFF+, 2002-09

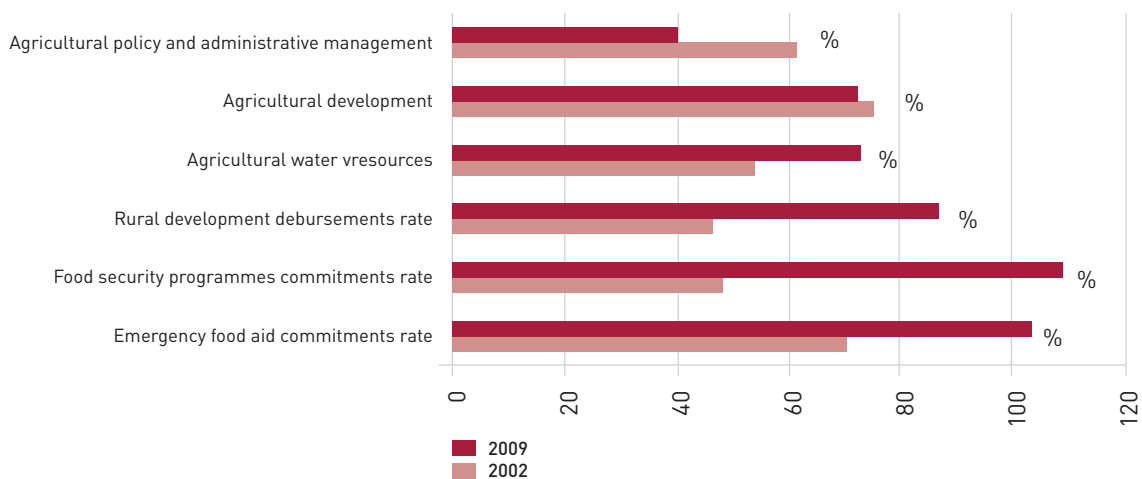


Source: OECD/DAC CRS.

Within AFF+, rural development has an average disbursement rate of 73 per cent and there are signs of improvement. Disbursements to both food security programmes and emergency food aid have, since 2006, been slightly higher than commitments. However, this has been more than compensated by the large AFF cate-

gories, including agricultural policy and administration, agricultural development and water resources, which have registered disbursement rates of about 70 per cent on average (Figure 15).

Figure 15: Aid disbursement rate to AFF+ selected components, 2002-09



Source: OECD/DAC CRS.

4.0 Measuring aid to ARD and food security for global transparency

This section returns to the purposes of measuring aid flows discussed in section 2, focusing on data measurement for global transparency. It discusses whether standard measures of aid to ARD and food security are fit for the purpose of international comparison and tracking global policy objectives and commitments. Gaps in conventional definitions are discussed and an alternative measure is proposed for analytical purposes.

4.1 Policy trends versus global aid flows

The global trends documented in the previous section may seem broadly consistent with the widespread perception that aid to ARD and food security has, since the mid-1980s, been subject to a continuous neglect which only recently, and in the wake of the food price crisis, started being reversed. There are, however, important elements of the history of development assistance to ARD and food security that are not revealed by the data suggesting a gap between aid policy trends and financial flows.

The term 'aid policy trends' does not imply that individual donors have followed a common path in their approach to improving agriculture and food security and promoting rural development. There has, however, been some degree of consensus on policy trends among the donors covered by this study and the country studies also indicate some degree of consensus, particularly where the World Bank has been influential.

There appear to be five main policy trends with regards to support to ARD and food security, which have impacted upon the composition of expenditure. Up to the mid-1970s, the principal focus of agricultural aid was upon increasing production and productivity, especially in arable crops but also in enhancing smallholder involvement in agro-industrial export crops. Aid support was particularly important in irrigation and input subsidisation.

Concerns about whether such 'green revolution' strategies were sufficient to address the large numbers of cultivators and stock keepers outside the higher potential areas led to a new level of interest in the wider challenges of developing rural areas. In part this led to a new generation of 'integrated rural development' projects in the 1980s, but it also stimulated more expenditure on the more underlying impediments to increased agricultural incomes such as poor health and inequitable access to resources.

However, especially in Africa, the disappointing outcomes of both production-specific and broader rural development projects, as well as the perilous state of many economies, led in the 1990s to a policy shift away from projects towards programme and balance of payments support conditional upon economic policy reforms – often led by the World Bank's Structural Adjustment Loans. For the agriculture sector, the often explicit policy objective was to increase profitability through a more favourable exchange rate for producers, especially in export markets. A few years later, into the late-1990s and early-2000s, the policy shift also incorporated new forms of budgetary aid to which some donors allocated expenditure proportions to agriculture and sector-specific programme aid, often in the form of sector wide approaches.

The response of the agriculture sector to such policy-related assistance has been mixed and this, in turn, has led to a more explicit consideration of the factors that have limited a strong supply response to policy incentives. This has particularly focussed on the market and trade development that policy reform is intended to promote. Hence, as the donor and country studies document, more aid expenditure has been directed in the 2000s at the business environment, with private enterprise promotion, value chain development, financial market deepening and trade facilitation strongly favoured by some donors.

The final trend concerns the growing evidence, especially in public awareness, of the fragility and vulnerability of many rural populations. Since the late 1990s in particular, expenditures on relief and social protection have risen, possibly at the expense of agricultural development which, especially in marginal environments under human and animal population pressure, is often seen as offering little long term promise of improving rural incomes and welfare.

Some of these trends are not visible in the international statistics for aid to ARD and food security reviewed in section 3. In part c of this section we attempt to capture a large part of this direct and indirect expenditure on agriculture, rural development and food security and examine whether the policy trends above are reflected in our revised expenditure figures with any degree of plausibility.

4.2 Evidence of gaps in international standards – the IFAD case

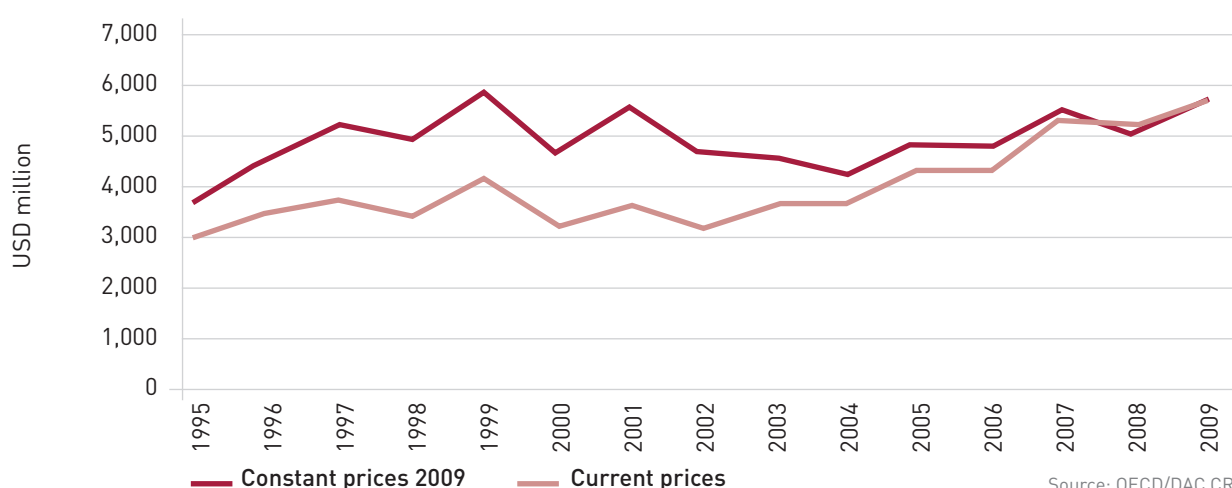
The gap between aid policy trends and financial flows is partly explained by the failure of conventional DAC definitions to capture all relevant aid-funded activities in support of ARD and food security. Analysis of IFAD's assistance, as reported by the CRS, suggests that a considerable amount of resources benefitting the agricultural and rural economy are not being included in the DAC's calculations of agricultural aid (AFF and AFF+).

IFAD is a specialised agency of the United Nations established as one of the major outcomes of the 1974 World Food Conference to finance agricultural development projects, primarily for food production in the

developing countries. IFAD's Strategic Framework for 2007-2010 aims to empower poor rural women and men in developing countries to achieve higher incomes and improved food security.²⁰ Its focus is on agriculture and rural development, with a particular emphasis on the rural poor. IFAD therefore covers the full range of ARD and food security activities which define the scope of the present study.²¹

IFAD's assistance to ARD and food security, i.e. the total volume of IFAD's funding, has remained broadly stable (in 2009 prices) over the past 15 years, despite a slight decline between 2001 and 2004 (Figure 16). On average, the Fund has provided a total of \$492 million in grants and loans to developing countries over the period. The latest DAC figure for 2009 is \$569 million, which represents about 0.4 per cent of total ODA.

Figure 16: IFAD's development assistance in current and constant prices, 1995-2009



Taking the AFF definition, however, an abrupt decline is noticeable in IFAD's assistance to the sector between 1997 and 2002 (Figure 17). This decline continues until 2006 if the AFF+ measure is considered. These measures are misleading in the IFAD case, as the agency has kept its volume of assistance and ARD focus stable over the

period. AFF+ fails to account for 58 per cent of IFAD's assistance to the sector in 2005, and 32 per cent in 2009.

The gap between IFAD's total funding and DAC's definitions of agricultural aid (AFF and AFF+) is explained by the

²⁰IFAD (2007). Strategic Framework for IFAD 2007-2010: Enabling the rural poor to overcome poverty. International Fund for Agricultural Development, Rome.

²¹IFAD is not, however, mandated to respond directly to emergencies or provide relief.

calculation. These other categories become significant beginning in 2003. Before 2003, only 16 CRS purpose codes (all within the AFF+ definition) were used to classify IFAD's assistance, whereas from 2003 a total of 55 codes have been used (25 outside AFF+). These include, among others, informal and semi-formal financial intermediaries, small and medium-sized

enterprise development, vocational training, democratic participation and civil society and road transport.²² Hence, although AFF accounts for the bulk of IFAD's assistance (43 per cent), a considerable volume of IFAD's resources are channelled to non-AFF+ purposes. This is illustrated in Figure 18.

Figure 17: Comparison of different measures of IFAD's assistance, 1995-2009

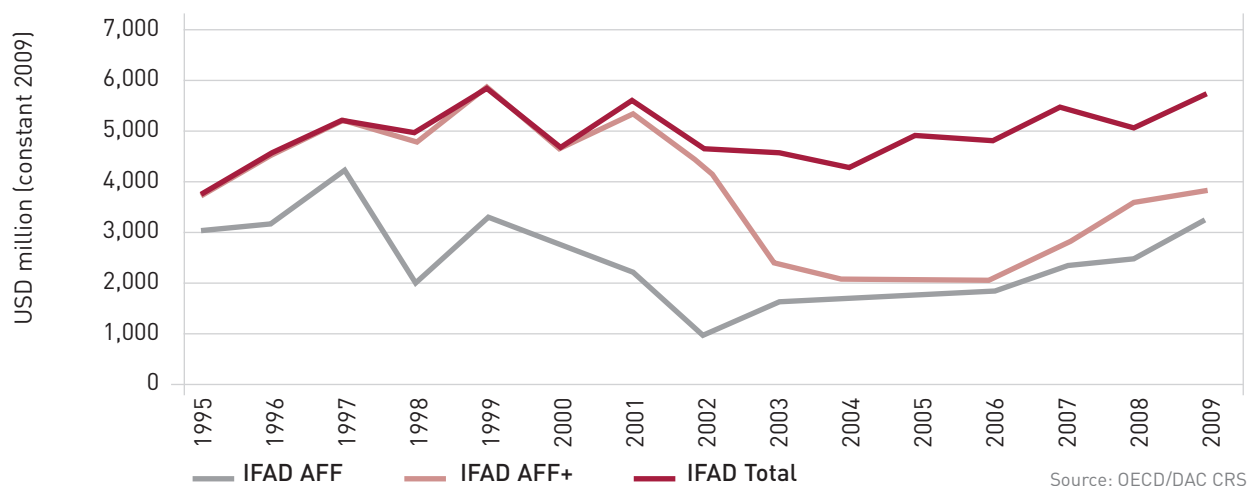
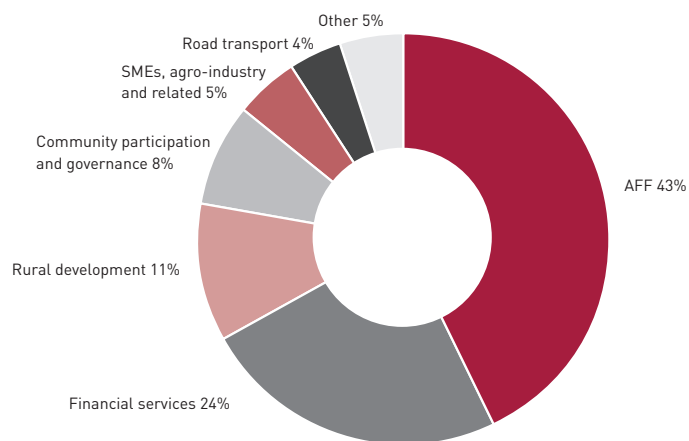


Figure 18: Composition of IFAD's assistance, 2003-09



²² The series change in 2003 may have had more to do with changes in the procedures for accounting for aid flows than to changes in the nature of IFAD's programmes.

The importance of support to financial services, representing 24 per cent of IFAD's assistance in the period 2003-2009, is particularly striking. The bulk of this corresponds to support to informal and semi-formal financial intermediaries. Other important CRS spending categories for IFAD include: government and civil society, particularly democratic participation and civil society; industry, particularly small and medium-sized enterprises development; and transport and storage, which corresponds exclusively to road transport interventions. Although less significant in volume because less capital intensive, support to vocational training and other basic social services, such as basic health and basic supply of drinking water and sanitation, is also a salient feature of IFAD's assistance.

There is therefore a considerable amount of IFAD's current development assistance that is not coded using the DAC definitions of agricultural aid, but which, given the nature of activities they support, should be taken into account when analysing aid flows to ARD and food security. Box 2 discusses some of the issues emerging in the handling of CRS purpose codes.

Box 2: IFAD's use of the Creditor Reporting System

IFAD's reporting to the DAC is currently handled by the Office of the Vice-President. Until recently, the task was carried out by the External Affairs Department. Internal institutional reforms have led to this change, which may have had implications in the use of DAC's CRS coding.

CRS/DAC data is not used by IFAD for either management, analytical or accountability purposes. Instead, IFAD has its own internal aid data management system. Reporting to the CRS results from translation of IFAD's internal coding into DAC's coding. This translation is reported to be extremely sensitive to the interpretation by the team carrying out the exercise. This is because for some types of projects there is no direct association between CRS purpose codes and IFAD's internal coding system, made of project types and components. IFAD's assistance to marketing activities (related to the development of rural value-chains) and knowledge management and policy dialogue are reported to be particularly difficult to fit into the CRS purpose code classification. Rural finance projects are also problematic. This is a major area of IFAD's assistance, a lot of which is in support of agriculture. Yet there is no strict restriction that credit can only be provided to farmers and hence the 'agriculture financial services' code is often not used and instead the bulk of IFAD's support to rural finance is coded under 'banking and financial services'. It is therefore left out of the DAC definition of agricultural aid.

Source: IFAD case study.

4.3 A proposed methodology for accounting for aid to ARD and food security

In an attempt to address the coverage shortfall in the CRS, this study proposes a broader measure of ARD and food security aid, which incorporates CRS purpose codes considered relevant and adds these to the DAC's AFF+ measure. This procedure is not entirely new as other recent studies have been suggesting a broadening of DAC's measures of agricultural aid (Coppard, 2009; Komorowska, 2010; Islam, 2011). Also, the AFSI tracking initiative uses an extended and flexible notion of ARD and food security aid (Box 3).

Box 3: Unpacking L'Aquila Food Security Initiative pledges

Thirteen countries (G8 members plus Australia, the European Union, the Netherlands, Spain and Sweden) have specified pledges as part of the L'Aquila Food Security Initiative (AFSI). These pledges have been broken down into detailed spending categories, using CRS purpose codes as reference. The bulk of commitments are classified as agriculture, forestry and fisheries (AFF) and agro-industries related aid. Other categories include basic nutrition (CRS code 12240), development food aid (520), transport and storage (210), social welfare services (16010) and rural development (43040). There is also a residual category ('other') left open to individual countries' own specification.

The use of individual spending categories varies across agencies. Canada and the US code all AFSI pledges as AFF and agro-industries aid. The US specifically notes that food aid is not included in the AFSI pledge. The European Union, on the other hand, allocates a significant part of the commitments to other categories, such as transport and storage (29 per cent of funds specified as part of bilateral contributions from the EU), development food aid (13 per cent) and rural development (13 per cent). Japan also commits just under half of its bilateral contributions to transport and storage activities (and the other half to AFF-related activities). Germany and the Netherlands put the bulk of their bilateral commitments under the residual category (58 per cent and 51 per cent, respectively). Germany notes that the 'other' category includes social services and rural infrastructure, rural business and finance, resource management and governance.

Source: Deauville Accountability Report on G8 commitments (pp. 43-45)

Rationale

The aim of the proposed methodology is to capture in expenditure terms the importance of the policy trends referred to in section 4.a. above. The first set of trends considered relates to the balance in priorities between:

1. Aid measures concerned with agriculture as an economic sector and how it should be supported
2. Measures concerned with promoting rural development more broadly, including both physical infrastructure and social and governance structures
3. Measures concerned with the immediate relief of poverty and suffering

Clearly, most donors support all of these measures and there is not necessarily a trade-off between any one and the other. But there is evidence of a relative decline in support to agriculture, at least until very recently, and, with some donors, a relative increase in immediate relief. Similarly, the relative priority attached to rural development has fluctuated over time and also varied between different donors.

The second set of trends considered relates to the policy choices in supporting agriculture. There appears to be a broad trend away from direct support to producers and selected commodities towards more indirect measures, notably support for the design of incentive policies, more effective government performance and market development. However within this range of interventions, expenditure data could indicate other changes in priorities (towards research, for example, or away from input subsidisation). This is not simply an analytical exercise. Several donors have, over time, adjusted their programmes away from direct support to agriculture to address what are perceived as weaknesses in the policy environment (hence pro-agriculture macro-economic policy and public spending) and in the business environment (hence deepening financial markets, small business development and trade standards) that have inhibited increased investment and production. There has also been a growing concern about failure to address the vulnerability of rural populations. The current imperative is towards addressing 'food security', as improvements in food security clearly require all of these concerns and weaknesses to be addressed. A more comprehensive approach to assessing aid flows and a relatively robust method of doing so appears to be a useful contribution to this challenge.

Methodology

The ODI-proposed measure uses 56 DAC purpose codes, therefore adding 24 codes to AFF+ (Table 8). A relevant share of these codes was computed and added to the calculation of ARD and food security aid. For example, 20 per cent of trade facilitation aid is attributed to agriculture as the share corresponds to the average weight of agricultural products in developing countries' trade flows. A share of 10 per cent, corresponding to the share of agricultural value added in developing countries' GDP, is used to account for the agricultural-relevant component of financial services, business support services and general budget support.

Table 8: CRS purpose codes added to AFF+ measure

Broad expenditure category	Purpose code	Share	Rationale
Agriculture production, processing and marketing	24010: Financial policy and administration and management	10%	Average share of agricultural value added in GDP in developing countries
	24030: Formal sector financial intermediaries	10%	As above
	24040: Informal/semi-formal financial intermediaries	10%	As above
	25010: Business support services and institutions	10%	As above
	32130: SME development	10%	As above
	32140: Cottage industries and handicraft	10%	Approximate estimate, given the size of the rural economy
	32161: Agro-industries	10%	Following AFSI procedure
	32162: Forest industries	10%	Same logic as above
	32163: Textiles, leather and substitutes	10%	Approximate estimate, given the size of the rural economy
	33110: Trade policy and admin. Management	10%	Average weight of agricultural products in developing countries' trade flows
	33120: Trade facilitation	10%	As above
	51010: General budget support	10%	Maputo Declaration
	92010: Support to national NGOs	10%	Average share of agricultural value added in GDP in developing countries
	92020: Support to international NGOs	10%	As above
	92030: Support to local and regional NGOs	10%	As above
Agriculture production, processing and marketing	12140: Basic nutrition	10%	Considered part of food security component
	15150: Democratic participation and civil society	10%	Approximate estimate, given the size of the rural economy
	15170: Women's equality orgs. and institutions	10%	As above
	16064: Social mitigation of HIV/AIDS	10%	As above
	21020: Road transport	10%	Average share of agricultural value added in GDP in developing countries
	43050: Non-agricultural alternative development	10%	Considered to be fully part of the development of the rural economy
Agriculture production, processing and marketing	71010: Material relief assistance and services	10%	Average share of agricultural value added in GDP in developing countries
	73010: Reconstruction relief and rehabilitation	10%	As above
	74010: Disaster prevention and preparedness	10%	As above

In order to try and capture the link between development aid and policy adjustments over time, the 56 selected CRS purpose codes were grouped into three broad expenditure categories:

1. Agriculture production processing and marketing
2. Rural socio-economic development
3. Emergency relief and welfare

The first accounts for the contribution of the renewable natural resources sector (agriculture, fisheries and forestry) to the national economy in terms of production, employment, incomes, revenues, balance of payments, etc. This category counts not only direct support as recorded by DAC but also estimates proportions of other aid flows where the purpose of the aid includes improvement to the services provided to the agricultural industry and incentives to its increased output (additional categories in Table 8).

The second accounts for aid aimed at providing opportunities for raising living standards and economic development in rural areas generally (and not only through agriculture) by contributing to improvements in infrastructure, community development, off-farm employment, public employment schemes, etc. This category adds to the DAC rural development purpose code in order to capture other aid approaches to meet-

ing rural development policy objectives, for example, through local governance and physical infrastructures development.

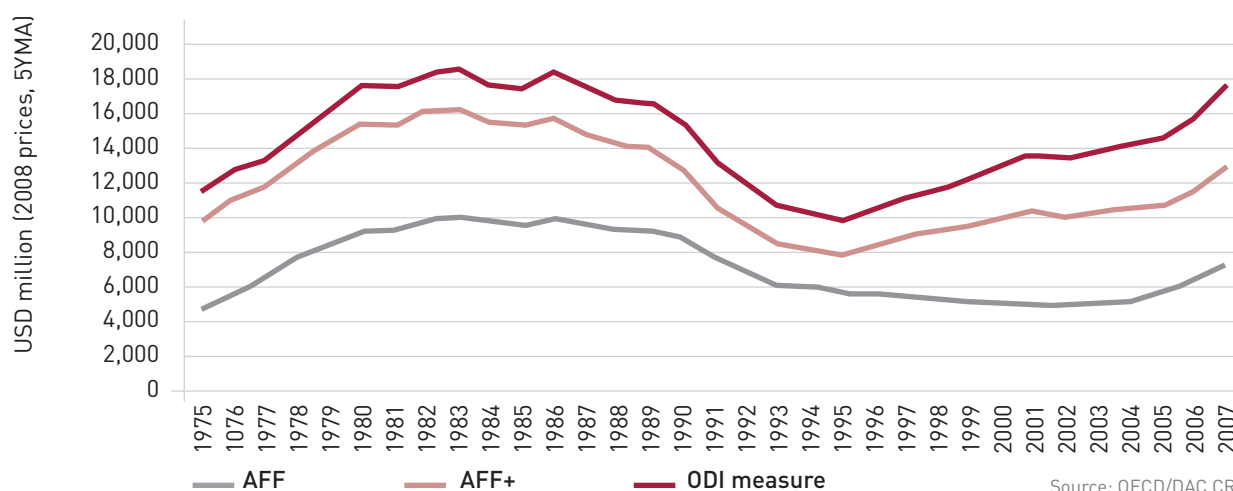
The third accounts for activities protecting the poorest and most vulnerable people from contingencies and natural disasters that threaten their livelihoods. The majority of such people are living in food-insecure rural areas that are prone to drought and other contributors to crop failure.

Findings

The ODI measure adds, for the period 1995-2009, 33 per cent of volume to the DAC broader measure of aid to ARD and food security (AFF+) – in 2006, the volume addition is as high as 48 per cent. It more than duplicates the narrow DAC measure (AFF) (Figure 19).

This recalculation of ARD and food security aid suggests that there is no significantly different pattern in aid flows to this policy domain until the late 1990s. The ODI methodology simply shifts the AFF+ curve upwards by adding volume to the calculation. However, from the late 1990s the ODI measure starts to gradually diverge from the AFF+ curve. The difference between the ODI measure and AFF+ increases over time, and more significantly since the early 2000s (Figure 20). Several non-AFF+ purpose codes included in the ODI calculation display a steep upward trend

Figure 19: Aid to ARD and food security, ODI measure and DAC measures, 1975-2007



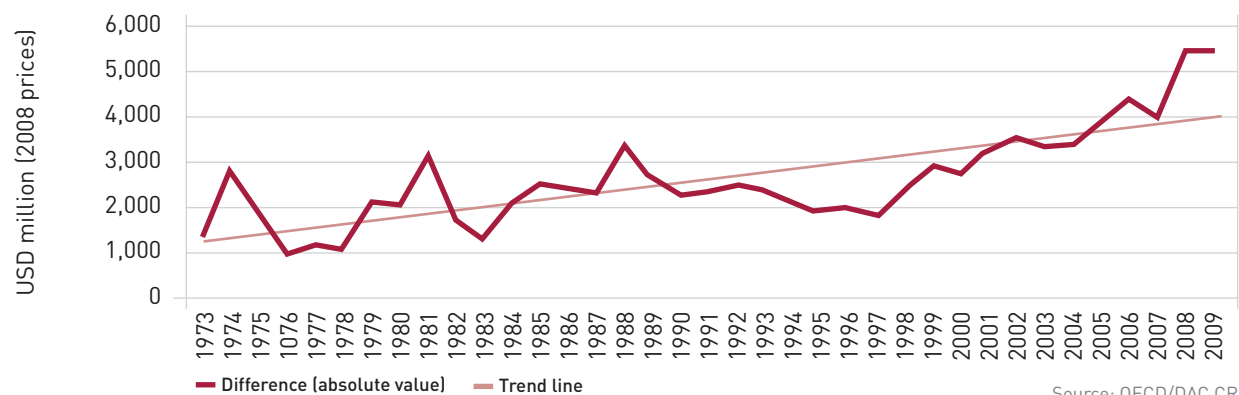
Source: OECD/DAC CRS (extracted on 06/2011).

since the mid-1990s contributing to the widening gap. Amongst these are the type of aid categories that represent the policy shift in support to ARD, such as community development, enterprise development and trade facilitation (Figure 21).

These trends are significant as they represent – for some donors at least – a new approach for supporting agriculture and rural development that, on the one

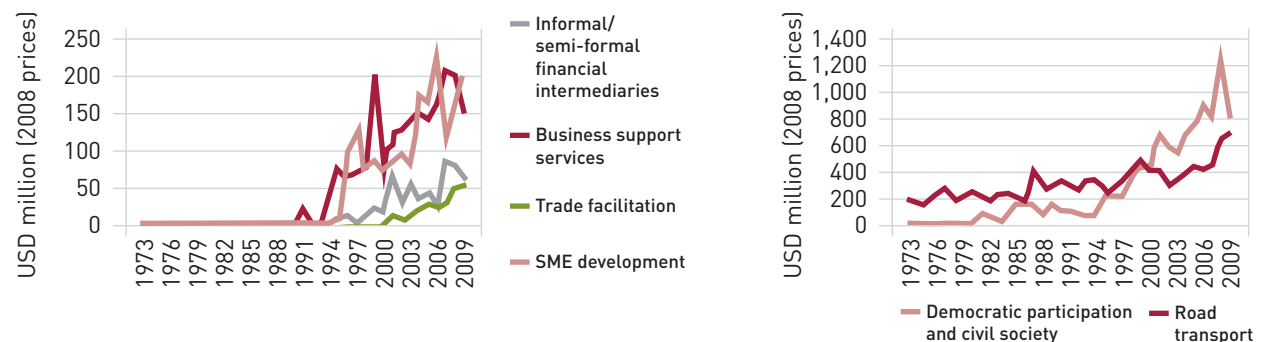
hand, stresses the importance of the ‘enabling environment’ (well-functioning markets, availability of business services, etc.) and, on the other, the importance of ‘empowering’ producers and rural people to become more involved in their own development and holding government services to account. The scale and nature of these approaches is, of course, very difficult to capture, at least on a comparative basis anyway, and hence the measurement of success is likely to prove elusive.

Figure 20: Difference between ODI measure of aid to ARD and food security and AFF+, 1973-2009



Source: OECD/DAC CRS (extracted on 06/2011).

Figure 21: Aid to selected non-AFF+ categories, 1973-2009



Caveats

One limitation in this methodology is that it takes constant shares of the non-AFF+ categories for the entire period, smoothing out potential changes in the agricultural dimension within individual non-AFF+ categories over time. In addition, the ODI definition may significantly underestimate relevant non-sector allocable assistance by selecting only budgetary assistance (CRS code 51010). Another limitation worth noting, regarding

the analysis of aid volumes more generally, is that some of the categories added to the definition (e.g. business support services and trade policy and facilitation) are relatively non-capital-intensive and hence small in volume; aggregate figures may therefore conceal important changes in the nature and quality of assistance to the sector. The donor studies (overview in the following section) provide further insights on the usefulness of the ODI proposed methodology.

5.0 Measuring aid flows at donor head office

This section draws on donor case studies of Germany, United Kingdom, United States and the World Bank. These case studies are summarised in Annex III.

5.1 Cross-agency differences in accounting for aid to ARD and food security

The fact that there are differences between OECD members in accounting for aid to ARD and food security is not surprising as countries and agencies have different structures, different constituencies to which they report, and even different interpretations of what constitutes aid to ARD and food security. The important issues are:

- Whether there is scope for reconciling some of the differences
- Whether these differences bring into question the usefulness of the international comparisons of the DAC/CRS system
- Whether any generally recognised weaknesses or uncertainties in accounting for ARD and food security can be addressed in ways that could enhance transparency, accountability and responsiveness to the challenge of identifying 'results' attributable to ARD and food security aid

For this study, there is also the question of whether trends in policy outlined in section 4.a. are any more convincingly captured in expenditure data at the individual donor level than they are at the OECD-wide level (section 3).

The importance of donor institutional structures to the measurement of aid flows is illustrated by the four case studies. In the case of the US, there are three principal channels for ARD and food security support: the US Agency for International Development (USAID), the Millennium Challenge Corporation (MCC) and, for food aid, the US Department for Agriculture (USDA). Each receives appropriations from Congress and has its own reporting requirements but, in the face of what officials have described as impenetrable complexity, the Foreign Assistance Framework (FAF) was introduced in 2006 to standardise reporting against six objectives, each with defined programmes and 'programme elements' (see below). However, flows from the MCC and USDA have yet to be incorporated within the FAF.

UK's Department for International Development (DFID), on the other hand, is almost entirely responsible for public spending on ARD and food security and its Statistics on International Development (SID) are comprehensive, even if not entirely consistent with DAC/CRS.

As for Germany, although parts of the aid programme are the responsibility of Federal Foreign Office (and regional governments), the principal channel for bilateral expenditure on ARD and food security is the Federal Ministry for Economic Development Cooperation (BMZ). However, unlike DFID, the implementation of programmes, and hence reporting, is contracted to separate agencies, notably GIZ and KfW.

The World Bank has another distinctive structural feature in that it has an integrated reporting system (although, again, not entirely congruent with DAC-CRS), but this does not separate ODA-eligible IDA loans and grants from non-ODA eligible IBRD loans.

5.2 Similarities in thematic categorisation

Despite the structural differences (and the impact they have on the relative importance of the different uses of data measurement described in section 2), all the agencies have adopted a similar approach to tracking expenditure against what are seen as principal policy objectives or 'themes'. In the US FAF case, the six objectives include 'promoting economic growth and prosperity' under which agriculture is a program area with two elements: 'creating an enabling environment' and 'building capacity'. Environment is another programme area and includes natural resources and biodiversity. Humanitarian assistance is a separate objective which includes 'assistance and recovery' as a programme area, and, in turn, includes food and nutrition commodities as a sub-element.

In DFID, five 'pillars' form the basis for thematic reporting and, importantly, are the basis for what is expected to become a results-based approach. Agriculture currently comes under the 'wealth creation' pillar, but in practice can also be reported under the 'reducing poverty, hunger and vulnerability' pillar or 'adapting to climate change'.

German aid has long developed a 'marker' system under which expenditure on themes is reported upon. Most agricultural expenditure, in a broad sense, comes under the Rural Development marker, which is also the marker currently used for AFSI expenditure tracking (Box 4).

Box 4: The German Rural Development marker

The main BMZ aid data system comprises thematic markers. One of these is the Rural Development marker (Ländliche Entwicklung or LE), which has been in use for approximately 15 years.

Using thematic markers allows the BMZ to code projects to thematic groups that differ from the DAC purpose codes used to define sectors. As such, the BMZ has developed a statistical base for covering ARD and food security spending that differs from that defined by the DAC either under agriculture, fisheries and forestry, or under the CRS/DAC purpose code for rural development.

The LE marker has just undergone a change to move from being a binary marker where projects either qualify as LE or not, to a system which also allows projects to be recorded as 'partial LE'. The BMZ decides what qualifies for each marker but all German agencies working under the BMZ use it. There is a list of CRS purpose codes that qualify as 'full LE' status and those that can qualify as 'partial LE' status. There are strong similarities between the qualifying codes and the BMZ sector concept for Rural Development and Food Security suggesting interdependence especially if (as reported) the 'LE' marker code is increasingly important for allocation.

There is a wide range of LE-qualifying sectors. Core sectors ranging from agriculture, forestry and fishing to agro-industry, rural development qualify for 'full LE' status. A much wider range of sectors, including government and civil society, water supply, environmental protection and energy qualify to be marked as 'partial LE'.

Source: German aid case study.

The World Bank, in its own projects database, categorises expenditure by both sector and 'theme' (with rural development as a theme, for example) and allows up to five sectors or themes to be allocated to a multi-sectoral loan.²³

It is clear that this thematic approach to aid expenditure measurement holds much more importance to individual donors than its international reporting obligations to the DAC. The World Bank, for example, focuses in its annual report on themes that it feels attract public interest. More broadly, it has to be recognised that thematic and policy objective expenditure categorisations are considered by donor agencies, and especially their political principals, as important in making aid intelligible, and hence defensible, to the wider constituency of the press, parliaments and public.

One unhelpful consequence of this approach – i.e. the sense that the identification and measurement of policy objectives is necessary for wider accountability – is the temptation to 'report up' spending in a politically popular area, just as ad-hoc spending targets, such as female education, can be reported up. However, for ARD and food security assistance, the main consequence is that what may seem to some individual officials to be a coherent policy domain is not considered by any donor to be a 'theme' in its own right. Therefore, ARD and food security becomes, in the practice of reporting on themes, a fairly widely dispersed set of activities that is not reported upon in a consolidated way. As a further consequence, the categorisation of ARD and food security can be arbitrary and there are implications for measurement for results of ARD and food security expenditure.

5.3 Linking to CRS coding

The greater importance attached to thematic categorisations at the individual donors level brings into question the value of current coding for international standards such as the CRS. Again, there are differences between donors on the uses they attribute to DAC coding, although there are also general reservations about its usefulness.

The main reservation is that current coding mixes sectors (e.g. agriculture) with modalities (e.g. budgetary support) and 'themes' such as rural development. There are also particular issues concerning any widening of definitions as in AFF+ or the ODI approach proposed in this study. For example, over half of development food aid is now monetized with sales proceeds serving different purposes. Thus, in the case of the United States, cash generated from food aid sales frequently provides support to NGOs engaged in health care rather than food security directly.

There are also differences in data handling that lead to differences in the figures produced by agencies themselves and those reported by the DAC. DFID projects, for example, receive a coding based upon the CRS classification. But instead of attributing a single purpose code, DFID disaggregates projects, where appropriate, into different proportions. Hence for a large multi-sector project, agriculture could be 20 per cent of expenditure under UK aid statistics and either 100 per cent or 0 per cent under CRS. In addition, DFID calculates the percentage different sectors are expected to benefit from budgetary support for its own use while DAC reports this as a single multi-sectoral spending category.

²³ This contrasts with the CRS/DAC methodology which only allows one purpose code per programme/project. Each programme/project is therefore purpose coded according to its dominant component.

5.4 Aid trends compared

There are several technical reasons to caution against comparisons between individual donor figures and CRS figures: exchange rates used, different time periods for recording flows and, perhaps most significantly, the different ways of classifying aid flows discussed above. Yet, taken as they are, only the World Bank produces figures which are broadly consistent with CRS returns, at least in terms of trends (Figure 22). There appears to be less consistency with respect to DFID (Figure 23) and the US (Figure 24). In the case of the World Bank, where volumes differ markedly and the US, it is only in recent years that the task of reporting has been undertaken

within the respective agencies, rather than by DAC staff making the best of what they can deduce from official reports. However, there are still problems in reconciling data. FAF coding does not have the relatively straightforward relationship to CRS that both DFID and BMZ have. Furthermore, neither the MMC nor USDA are incorporated into FAF at present.

In the case of the World Bank, the disentangling of IBRD and IDA expenditures is one aspect of the problem of reconciliation with the added complication of relatively large multi-sector projects requiring subdivision to accommodate the CRS requirement of one code per project, or being consigned to an unhelpful 'non-allocable'

Figure 22: World Bank aid to ARD and food security, CRS and WB project database compared

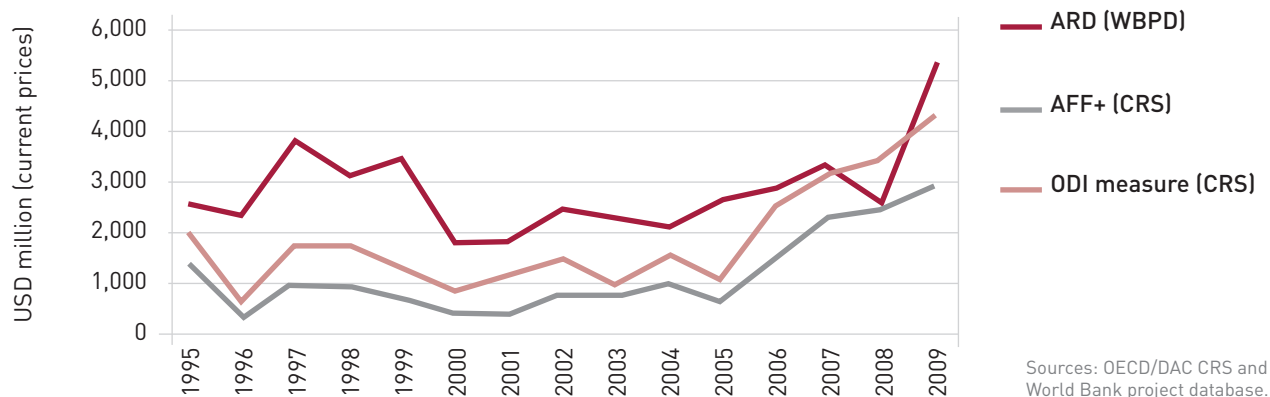
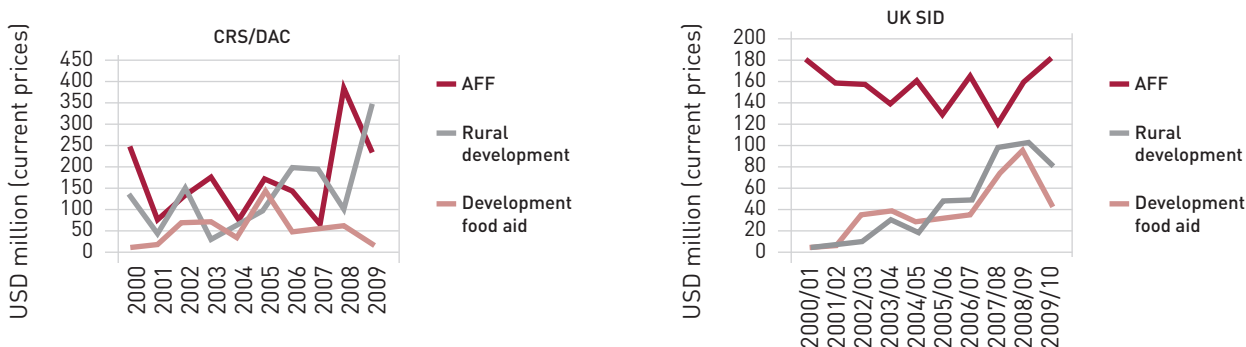


Figure 23: UK aid to ARD and food security, CRS and UK statistics compared



Despite these individual differences, there is no reason to believe that the overall trends in expenditure on ARD and food security as revealed by the CRS are misleading. By extending the definition of ARD and food security as this study has done, the volumes are greater but the general trends are not significantly different. Drawing upon the evidence from the donors' own data, there is reasonably consistent evidence that aid for agricultural

production and marketing has begun to increase in recent years, as reported by DAC. In the case of DFID, however, there is no indication of an increase in agriculture as an economic subsector (analogous to CRS AFF measure) and it is only when additional codes are added (UK's AFSI measure) that an upturn is shown (Figure 25).

Figure 24: US aid to ARD and food security, CRS and FAF compared

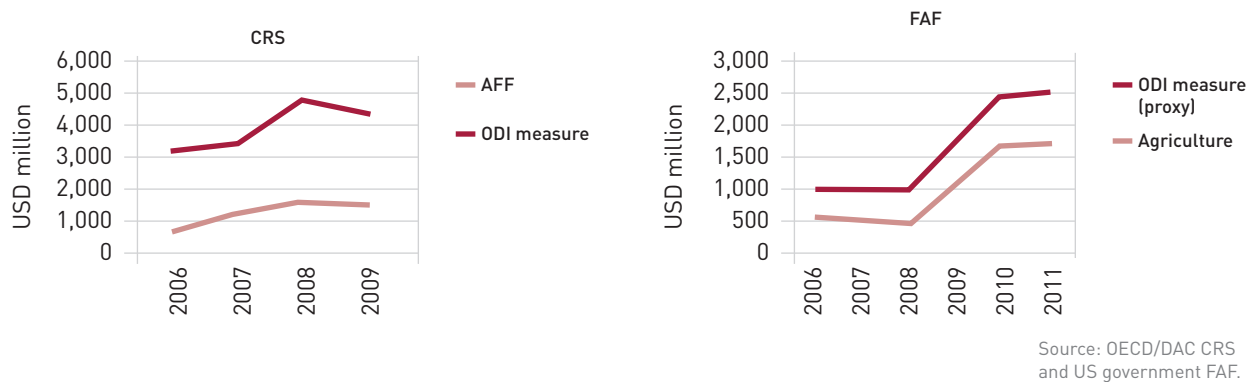
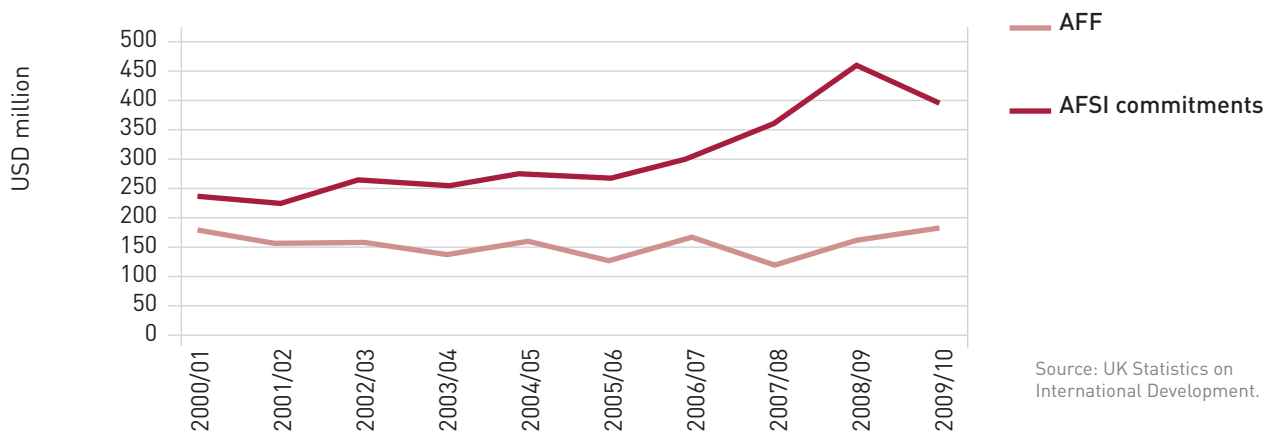


Figure 25: UK aid to AFF and AFSI commitments 2000-10



Within this study's proposed three policy domains it is evident that emergency relief and welfare has become a much more pronounced priority in both DFID and the US agencies (although not in BMZ). Again, this confirms the overall DAC evidence. On rural socioeconomic development, which CRS data suggests has fallen away since its late 1990s peak, it is difficult to confirm the validity as there is clear evidence of uncertainty of what constitutes 'rural development' with USAID finding it difficult to match to its own programme coding.

Within the domains there are also areas of uncertainty with, for example, a sudden collapse in 'food crop production' in one agency being accompanied by a large increase in 'agricultural development'. There are also cases of relatively large one-off expenditures – for international agricultural research, for example – that can provide a misleading impression of changing priorities because the expenditure category is only a small part of a bilateral aid programme.

5.5 Linking policy to aid trends

Given this picture of a broad confirmation of CRS global trends and the limitations of ARD and food security data to provide a fully comprehensive and consistent account of the detail of expenditure, what can be said about data as a reflection of policy analysis and policy adjustment? Again, the picture is different between donors. In the case of DFID, its own evaluation department in 2008 could find little evidence that the intentions expressed in the 2005 Agricultural Policy Statement (i.e. secretary of state level – see below for other policy papers) had had any significant effect on expenditures at the country level. On the other hand, earlier DFID advocacy of a rural livelihoods approach had seen an increase in rural development expenditure and, similarly, advocacy of social protection almost certainly contributed to increases in the emergency relief and welfare domain mentioned above.

In the United States also, there was some scepticism about the influence of its 2004 Agriculture Strategy but it seems very likely that the increase, in recent years, in food aid and food security measures, including regional grain market development, partly reflects the importance attached to the stabilisation of food prices in maintaining political stability.

Partly due to its leading position and staff resources, the World Bank probably has a higher commitment to policy review and analysis than other donors. This is reflected in a clear pattern, since the 1980s, of regular strategic reviews of agricultural and rural development policies, with each review starting from a reconsideration of the previous one. By way of comparison, DFID's own internal agricultural strategy review, asking if the food price crisis warranted a change of direction, pointed to the difficulty in establishing current policy because of the number of differently-focussed policy papers and statements in circulation and the lack of a system for retiring policies.

However, even in the World Bank – which has a renewed focus on agricultural productivity and markets after a period focussing on rural poverty – there is no substantial evidence that policy trends and expenditure trends are closely correlated. There appears to be a common 'decentralisation' factor in what almost amounts to the de-linking of policy to expenditure. In DFID, the internal strategy review above noted the large areas of autonomy given to country-level officers in detailed programme initiation and design. In the German system, implementing agencies of German aid have similar levels of autonomy within the framework of country agreements agreed with BMZ. In the case of the World Bank, country directors are especially influential (and, it is held, only rarely representative of ARD officialdom) although being constrained by the nature of lending instruments available to the country.

Given the importance attached to country ownership, this evidence of decentralisation to country-level officials could be considered a step forward. In practice, however, it probably shows little more than the fact that ARD assistance is a complex and difficult process largely dependent on context and strategies composed for general application are rarely adequate to address specific local circumstances.

6.0 Measuring aid flows at country level

Malawi, Nicaragua and Vietnam – the three countries covered by this study – present a variety of contexts, notably with regards to their degree of economic and social development, the importance of agriculture in the overall economy and the significance of development assistance (Table 9). The level of priority given to ARD and food security in the country's national strategy and the degree of aid dependency of the country overall and

in ARD and food security more specifically, underpin the incentives different stakeholders may have to track aid flows and develop aid management systems at country level. These countries' experiences with the measurement of aid flows to ARD and food security provide useful insights on both the changing nature of the sector and the uses made of aid data domestically.

Table 9: The three countries compared

Country	Malawi	Nicaragua	Vietnam
GNI per capita, PPP (current international USD, 2009)	780	2,540	2,790
Agriculture value added (% of GDP, 2009)	31	19	21
Rural population (% of total population, 2009)	81	43	72
Share of agriculture in the state budget (%; est.)	14	n.a.	5
Net ODA received (% of GNI, 2009)	16.6	13.1	4.1
Agricultural aid (AFF) per capita (USD, 2008)	5.4	13.3	1.4

Sources: World Development Indicators 2010 (online statistics) and country studies.

6.1 Changing nature of the sector and cross-country diversity

The scope of the ARD and food security policy domain differs to some extent from one country to another depending on the political context, the level of economic development and the level of agricultural development in particular.

The institutional structure of government and division of labour across ministries and departments provide indications about approaches to ARD and food security policy. The definition of this policy domain used by the government is primarily linked to the scope of the ministry of agriculture's functions and tasks. However, from a broader government perspective, the definition of ARD and food security also derives from the evolution of the country's national strategies on ARD which often include areas which are not directly within the ministry of agriculture's remit but within those of other ministries, such as water and irrigation, environment and natural resources, trade and food industry, local governance, health, etc. Sector-wide approaches (SWAPs) in countries such as Malawi and Nicaragua have attempted to

develop more inclusive strategies and implementation mechanisms, notably by setting up sector working groups which gather, beyond the lead ministry, all relevant public institutions (Box 5).

Box 5: Agriculture and rural development SWAp in Malawi and Nicaragua

Following up on a programme developed by the former administration, the current government of Nicaragua has launched a national plan for inclusive rural development (PRORURAL Incluyente) on agricultural and rural development policies, which include food security, rural agro-industry, and rural agro-forestry. PRORURAL Incluyente is executed by several state institutions – including the Ministry of Agriculture, Livestock and Forestry (lead ministry), the Agricultural Technology Institute, the Rural Development Institute, and the National Forestry Institute – grouped under the denomination “agricultural and rural public sector” (SPAR). The development of this agricultural and rural development >>

SWAp has created a space for dialogue among SPAR institutions and between SPAR institutions and donors, and has contributed to ensuring continuous support from donors to ARD and food security sectors through sector budget support.

In Malawi, the institutional framework of the agriculture SWAp involves various government ministries in addition to the Ministry of Agriculture and Food Security, civil society stakeholders, private sector actors and development partners, in the implementation of this overarching sector programme. Indeed, the Ministry of Industry and Trade is expected to play a central role under the second pillar of commercialisation and market linkages, while the Ministry of Irrigation and Water Development will be responsible for developing and rehabilitating irrigation infrastructure for increased production. The Ministry of Natural Resources, Energy and Environment is to ensure the sustainable use of land and water resources during implementation. The Ministry of Lands and Physical Planning assumes the lead on land issues for agricultural production. The Ministry of Local Government and Rural Development is considered to be the engine of decentralised implementation of the programme, as it is responsible for the Local Councils. Given the integration of a number of multi-sectoral and cross-cutting issues, such as nutrition, gender, HIV and climate change, other government institutions are also to be closely involved in the agricultural SWAp, such as certain departments within the Office of the President and Cabinet.

Sources: Malawi and Nicaragua case studies.

Across the three countries, the following trends in the evolution of the scope of ARD and food security are noticeable:

1. A focus on economic growth for increased household incomes in rural areas through private sector development. While agriculture is naturally a key driver of economic growth in rural areas, rural development strategies are also aiming at promoting non-agricultural activities through the establishment of small and medium-size industrial and service enterprises in rural areas. In order to promote economic growth in those areas, the improvement of infrastructures, such as roads and electricity, and access to business development services, such as financial services, and markets are important components of rural development interventions. However, this type of support may not be recorded as ARD and food security but rather as private sector development, trade or infrastructure and may not fall under the remit of the ministry of agriculture or other government agencies directly in charge of ARD and food security.
2. The growing importance of disaster/risk management and adaptation to climate change. The design and implementation of climate change adaptation and mitigation strategies are directly linked with ARD and food security both in terms of objectives (agricultural activities and people living in rural areas are likely to be the most affected by climate change and natural disasters) and activities such as forestry development and conservation. Additionally, mitigation strategies will need to address the issue of greenhouse gas emissions by agricultural activities. The agricultural sector is thus at the centre of climate change and disaster management. Furthermore, populations that are likely to be most affected by disasters and climate change are often the most socially vulnerable ones. These are typically supported by donors through social protection programmes such as provision of social cash transfers, often managed outside agricultural governance structures.
3. Food security and nutrition are at the top of policy agendas. In countries like Vietnam, food security is increasingly approached in qualitative terms in relation with good nutrition (diversification, balanced diets, etc.) and in terms of prices following recent surge in food commodity prices. Indeed, while programmes used to exclusively focus on increased agro-productivity in the past, food security is now also considered from a broader economic perspective as poor households' inability to afford adequate food consumption. As result, ministries of economic development and health are also taking part in food security programmes.

However, broad and cross-cutting ARD and food security strategies are not yet fully translated into national systems, especially in the public financial management and aid tracking systems. Indeed, budget classifications are often aligned with the government institutional structure, failing to provide a policy-relevant account of expenditure patterns, which for the ARD and food security domain is necessarily cross-sectoral. Similarly, as further explained below, aid monitoring tools are often based on donor classification systems such as the CRS-DAC which are not necessarily suitable to translate the nature and evolution of the sector and policies within individual countries.

Varying definitions of ARD and food security are also used by donor agencies depending on each donor's country strategy and areas of focus, and change over time. From a donor perspective, there seem to be two main drivers for the change of scope of the ARD and food security sector:

- The evolution of the recipient government's national and sector strategy
- Donors' own internal global priorities (e.g. poverty reduction, climate change, private sector and trade development, etc.), preferred approaches for rural development and comparative advantages from other donors based on their internal expertise, aid instruments availability, etc.

These two drivers can lead towards focusing on similar subsectors within the ARD and food security sector but can also contribute to widening the scope of ARD and food security. A mapping of key priorities of ongoing support from main donors to the ARD and food security sector has been conducted by the case studies, illustrating the wide range of ARD and food security scopes used by donors at country level. Table 10 provides an example from Malawi.

Table 10: Key priorities of donors in ARD and food security in Malawi

Donor	Current strategic priorities in Malawi ²⁴	On-going ARD and food security labelled programmes	Comments on ARD and food security scope
African Development Bank	<ul style="list-style-type: none"> • Agriculture and Rural Development • Water and Sanitation • Infrastructure • Trade • Education • Health 	<ul style="list-style-type: none"> • Agriculture Infrastructure Support Project • Strengthening Institutions for the Risk Management of Transboundary Animal Diseases in the SADC Region • Lake Malawi Artisanal Fisheries Development project • Support to Local Economic Development 	Through its trade arm, the AfDB support the private sector through a Local Economic Development programme, of which one component concentrates on agricultural value chain development.
EU	<ul style="list-style-type: none"> • Rural Development, Agriculture, Food Security & Natural resources • Transport and Infrastructure 	<ul style="list-style-type: none"> • Farm Income Diversification Programme (FIDP) • Forestry Programme • Rural Infrastructure Development Programme • Income Generating Public Works Programme • Agricultural SWAp • Green Belt Initiative • Farm Input Subsidy Programme 	Interestingly, rural infrastructure projects are being funding through the Ministry of Local Government and Rural Development, not the Ministry of Transport and Public Infrastructure.
Germany ²⁵	<ul style="list-style-type: none"> • Decentralisation • Health • Basic Education 	<ul style="list-style-type: none"> • Promotion of Democratic Decentralisation 	GIZ also has a multi-country project that is of relevance to the ARD and food security domain, namely a programme for advising on community dry forest management.

²⁴ As indicated during personal communications or as defined in country assistance strategies and plans.

²⁵ Source: <http://www.gtz.de/en/weltweit/afrika/588.htm>

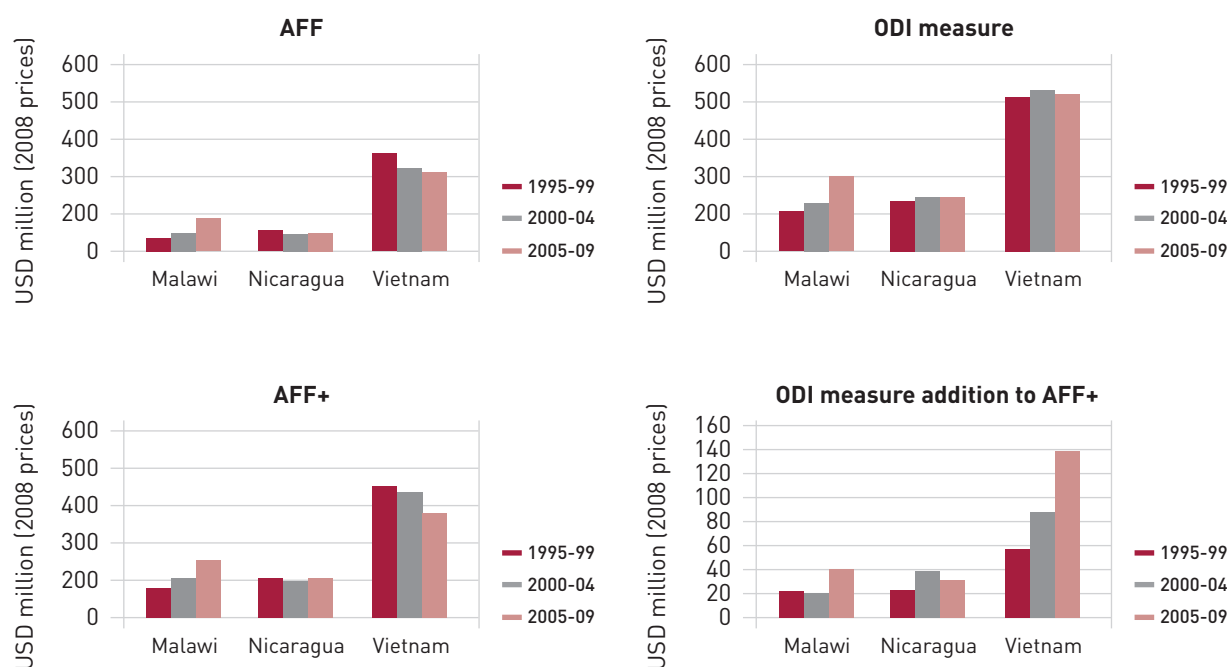
Donor	Current strategic priorities in Malawi ²⁴	On-going ARD and food security labelled programmes	Comments on ARD and food security scope
Irish Aid	<ul style="list-style-type: none"> • Agriculture and food security • Resilience • Good Governance 	<ul style="list-style-type: none"> • Agricultural productivity and diversification • Soil fertility management through conservation agriculture • Nutrition • Disaster Risk Reduction • Social Protection 	<p>Nutrition is mainstreamed within the agriculture and the resilience focus areas.</p> <p>Agriculture and DRR are approached from the angle of climate change mitigation.</p>
Japan	<ul style="list-style-type: none"> • Agriculture and rural development • Infrastructure • Health • Education • Water & Sanitation 	<ul style="list-style-type: none"> • Farmer Artificial Insemination Technician Foster Project • One Village One Product • Sustainable Land Management • Community Vitalization and Afforestation in Middle Shire and Forest Conservation • Development of Irrigation schemes & sector harmonisation • Capacity to cope with climate change-related natural disasters 	<p>Rural electrification programme is under their infrastructure arm and implemented through the Ministry of Natural Resources, Energy and Environment.</p>
Norway	<ul style="list-style-type: none"> • Climate Change • Health • Economic Governance 	<ul style="list-style-type: none"> • Agriculture Development Programme – Special Project • Livelihood programmes and biodiversity • Climate change adaptation through conservation agriculture 	<p>Norway classifies its supports to the agriculture sector under climate change mitigation and adaptation.</p>
One UN	<ul style="list-style-type: none"> • Sustainable Economic Growth and Food Security • Social Development • HIV/AIDS • Good Governance 	<ul style="list-style-type: none"> • Agricultural productivity for food and nutrition security • Private sector development, employment and income generation • Natural resource, climate change and disaster risk management 	<p>In the new UNDAF (2012-2016) DRR and resilience of the most vulnerable groups have been incorporated in the economic growth cluster.</p> <p>Most of the nutrition activities captured in the DAC classification (minus household food security) are of the remit of the Social Development Cluster.</p>
United Kingdom	<ul style="list-style-type: none"> • Growth and Resilience • Health • Education • Good Governance 	<ul style="list-style-type: none"> • Agriculture project focusing on FISP & Conservation Agriculture • Community resilience programme • Access to finance programme • Private sector development • Humanitarian support 	<p>The programmatic areas under the Growth and Resilience team are very much in line with the ODI definition, as they capture more than the DAC's AFF+, including include material and welfare aid (under humanitarian support) and business and financial support.</p>
United States	<ul style="list-style-type: none"> • Economic Growth • Health • Democratic Governance 	<ul style="list-style-type: none"> • Agricultural productivity • Natural Resources Management and Climate change Adaptation • Market linkages, private sector & trade • Disaster Risk Reduction and Humanitarian assistance 	<p>The Feed the Future implementation plan emphasises women as targeted agricultural producers to be engaged in market-oriented growth. Nutrition projects are housed in the Health Office, but close collaboration with the Economic Growth team on agriculture.</p>
World Bank	<ul style="list-style-type: none"> • Agriculture and rural development • Human development • Infrastructure • Private sector development (PSD) 	<ul style="list-style-type: none"> • Agriculture Development Programme - Special Project • Irrigation, Rural livelihoods & Agricultural development project • Community-based Rural Land Development Project 	<p>Broader scope could also include the Business Environment Strengthening Technical Assistance Project (BESTAP) being implemented through the Ministry of Industry and Trade with support from the Bank's PSD team.</p> <p style="text-align: right;">Source: Malawi case study.</p>

6.2 Brief overview of aid flows to ARD and food security at country level

Aid to ARD and food security displays different trends across the three countries studied (Figure 26). In Malawi, it increased from 1995 to 2009, whereas in Vietnam it declined, for both AFF and AFF+ measures. In Nicaragua, aid to ARD and food security remained relatively stable over the same period. If the ODI measure proposed in 4c is used, however, the trend for Vietnam

changes considerably. And this is due to the significance of general budget support, SME development and road transport aid, a share of which is attributable to ARD and food security, according to this methodology. The difference between the AFF+ measure and the ODI measure is most significant, and growing, in Vietnam. This is consistent with the evolution of the country's public policy towards greater support to the private sector development and addressing supply-side constraints.

Figure 26: Aid to ARD and food security in Malawi, Nicaragua and Vietnam, 1995-2009



Source: OECD/DAC CRS.

6.3 Scope for improved alignment and harmonisation

The main purpose of tracking aid flows at country level, as revealed by the country studies, is the ability to monitor aid disbursements to ensure commitments are met and identify possible implementation issues and constraints. Therefore, aid tracking systems at country level are mostly focused on project-level information and aim to increase efficiency in aid use through timely project

implementation by reducing the number of over-aged and non-performing projects. Aid tracking systems in all three countries studied clearly prioritise project implementation monitoring and improved cash management. Ultimately, tracking of aid commitments and disbursements should inform the country's budget process, notably budget preparation and management as recently attempted in Malawi (Box 6).

Box 6: Use of aid data for budgeting in Malawi

The Aid Management Platform (AMP) was introduced in Malawi in 2008 with assistance from the United Nations Development Programme (UNDP) and the Development Gateway Foundation, to assist the government to track and report on external funding. It is managed by the Debt and Aid Division in the Ministry of Finance. Although the system was introduced in its generic form, it is still being improved and adapted to suit Malawi's context, sector classifications and aid data management requirements. The system is being further embedded in the institutional workflow of the Government of Malawi as the projection data collected has just been used as inputs into the 2011/12 budget process, in terms of determining the donor-funded development budget ceilings per line ministry.

Source: Malawi case study.

However, there are three main challenges to improve the use of aid data in recipient countries' public financial management systems:

1. Aid is still mostly delivered off-budget and recipient countries are facing major difficulties accessing information of such aid expenditures. Notable efforts are, however, being made in Malawi as the AMP collects information directly from donors and includes off-budget aid flows in the system but it is difficult to establish the comprehensiveness of information collected. More generally, recipient governments have no means to control off-budget aid expenditures and sometimes even face difficulties collecting ex-post information.
2. Aid tracking instruments, promoted by donors, are often not relevant at country level as they are not aligned with the country's budget classification and do not provide timely information to feed in the budget preparation process. This has been particularly the case in Vietnam with the Development Assistance Database supported by UNDP and in Nicaragua with ODANIC developed with DFID's support. These systems used data classifications which were not aligned with the ones used in country (e.g. DAC-CRS codes in the case of ODANIC in Nicaragua) resulting in the inability to use this data in domestic systems and discontinued effort to maintain these aid tracking systems.

3. The absence of integrated systems for aid management at country level results in the difficulty to get a comprehensive picture of support provided to the sector as different reporting/tracking mechanisms are used. Information would need to be collected from all different project implementation units resulting in disparate information which is extremely time-consuming to collect. The Government of Vietnam is currently trying to establish an integrated system at ARD level to track public expenditure and aid flows, with support from some of its technical and financial partners (Box 7).

Box 7: Efforts to develop an integrated system to track ARD investments in Vietnam

In Vietnam, numerous efforts have been made to strengthen monitoring and evaluation (M&E) systems at the project and subsector levels, including efforts of the FSSP (Forest Sector Support Partnership) and RWSSP (Rural Water Supply and Sanitation Partnership) to establish subsector performance monitoring systems in their subsectors. However, these efforts have been pursued in the absence of a comprehensive M&E framework for the ministry, resulting in fragmentation and confusion as different departments maintain their own databases and systems.

Efforts to address this situation have been taken over by the MESMARD (Monitoring and Evaluation in Support of Management in the Agriculture and Rural Development Sector) project, which provides support to develop a framework for sector level monitoring of the implementation of the Ministry of Agriculture and Rural Development (MARD) five-year Socio-economic Development Plan. Project Management Units (PMU) or Project Owners report monthly to MARD through update of the data base providing information on disbursements classified notably by sub-sectors, by financial sources (state budget, ODA, government bonds), by provinces, and by project status. This database has been developed to improve the monitoring and evaluation of MARD's investment plan through collection, management, storage, information processing, extraction and reporting on investment projects. The database includes more than 700 projects in total, including 329 aid-funded projects.

Source: Malawi case study.

6.4 Challenges to results-based management and accountability

Aid tracking tools often develop following commitments made by both donors and recipient countries to improve aid effectiveness in line with the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. This has been the case with AMP in Malawi, Odanic in Nicaragua and Development Assistance Database (DAD) in Vietnam. Yet, these systems seem to have failed to improve accountability mechanisms both between donors and partner countries and within recipient countries.

Aid data is used to a limited extent for domestic accountability purposes at recipient-country level. Indeed, as mentioned earlier, even when national budgets presented to the parliament include aid data, they often represent a minor portion of total aid flows as most of them are channelled outside the budget and not all donors provide timely information on their own expenditures. The AMP in Malawi, however, collects information directly from donors and includes off-budget programme information which is presented to parliament through an extra-budgetary addendum to the official budget documents. In addition, since 2008, an annual Aid Atlas report is produced based on AMP data, analysing aid flows by sector and donor, funding modality and other key Paris Declaration indicators. These reports have become instruments to hold donors accountable to the aid effectiveness agenda through an effective name-and-shame approach.

Yet, the focus in terms of aid effectiveness per sector tends to be on processes (Paris Declaration indicators), rather than on linking overall inputs to development outcomes and eventually impact, or on analysing the changing nature of support. Indeed, aid data is not systematically used to review policy or analyse effectiveness of aid spending, either by providers or recipients. In Nicaragua, the Information System For Evaluation and Learning (SISEVA), established as part of the agricultural SWAp, tracks sector expenditures and monitors physical outputs. This information is used by the government and budget support donors to monitor the impact of donors' and state resources, to inform policy discussions and round-table negotiations between the government and donors. Yet, more systematic use of aid data beyond sector budget support in policy planning would require the existence of more advanced monitoring and evaluation systems (Box 8).

Box 8: Global and sector M&E systems in Vietnam

Efforts to develop an integrated monitoring system within the Ministry of Agriculture and Rural Development in Vietnam are complemented by the piloting of the Aligned Monitoring Tool (AMT) for ODA management, a national initiative supported by the Ministry of Planning and Investment (MPI) and several international agencies, including the World Bank, JBIC, Asian Development Bank, KfW and AFD, to harmonise the monitoring format used. The purpose is to improve aid effectiveness by providing monitoring data that supports management for development results.

The Aligned Monitoring Format (AMF) has been designed to monitor progress of disbursement (variance between actual and planned rates of disbursement), process (variance between actual and planned time taken to complete required processes for bidding, contract implementation, resettlement and environmental management) and performance (variance between actual and planned implementation of activities and achievement of outputs) during the past month or quarter. As a result, data available from the portfolio monitoring system (PMT) compiling information on projects from the AMT includes disbursement rate, achievement rate, bidding process (delay, efficiency), contract performance, resettlement process (for infrastructure projects) and logical framework. At the moment, the AMT system runs in parallel to the sector M&E system but the two should be eventually integrated.

Source: Vietnam case study.

²⁶ The share of state investment in agriculture and forestry has been much higher (58 per cent on average) than in the fishery sector (21 per cent) where FDI has superseded state investment over time (state investment represented 46 per cent of total investment in fisheries in 2000 against only 11 per cent in 2008 and 15 per cent in 2009, based on preliminary figures).

There are no clear incentives for stakeholders at country level to improve aid flow tracking beyond project level as long as aid remains to be channelled outside the national systems. Incentives to improve aid tracking systems at country level also need to be put in perspective with the weight of aid flows to the ARD and food security sector against other financial sources such as the private sector and non-traditional donors. In Nicaragua for example, the Bolivian Alternative for America (ALBA) group of countries, particularly Venezuela, provide a new type of collaboration aligned ideologically with the Sandinista government, providing significant amounts of off-budget support, part of which related to the agricultural domain.

The private sector also plays a crucial role in agricultural and rural activities and private financial flows tend to supersede ODA flows in countries like Vietnam where the government strongly pushes for increased private sector investment in rural areas.²⁶

Lastly, access to aid data seems to be a very sensitive issue in some countries. This can be witnessed in Nicaragua and Vietnam, where it has been difficult to access detailed information from the different systems in use. This undermines the implementation of transparent public accountability mechanisms and compromises aid effectiveness analyses based on quantitative information about aid flows

²⁶ The share of state investment in agriculture and forestry has been much higher (58 per cent on average) than in the fishery sector (21 per cent) where FDI has superseded state investment over time (state investment represented 46 per cent of total investment in fisheries in 2000 against only 11 per cent in 2008 and 15 per cent in 2009, based on preliminary figures).

7.0 Conclusions and implications

7.1 Conclusions

Four main conclusions emerge from this study:

1. The analysis of aid trends confirms that, by any measure, aid directed to ARD and food security programmes and projects declined considerably since the late 1980s and throughout the 1990s and that the reversal of this tendency is now underway. The record levels of funding to this policy domain registered in the early 1980s are likely to be reached again in the near future.
2. The ARD and food security domain has changed significantly over the course of the past four decades, albeit at a different pace across the developing world. Aid policies in support of ARD and food security, including modalities for delivering assistance, have also changed.
3. Some of these changes are not easily traceable by means of standard statistical measures on aid to ARD and food security. One example concerns recent shifts towards a more explicit consideration of the factors that have limited supply responses to agricultural policy, such as value-chain development, financial market deepening and trade facilitation. Failing to account for such policy shifts in an accurate manner may compromise the effectiveness of aid allocation and country-level resource planning. It may also undermine efforts to strengthen global aid transparency and accountability.
4. Institutional structures and political and administrative incentives, at the level of both donors and recipient-governments, present challenges to building a common framework for measuring aid allocation and use in a way that is consistent for international comparison purposes and useful in terms of establishing indicators for a results approach to aid management.

Recent experience in reporting on AFSI pledges illustrates the flexibility of terms such as 'agriculture and rural development' and 'food security', when it is a matter of demonstrating that high-level pledges are being met or addressed. This flexibility is not simply a matter of how different donors have decided upon their respective strategies towards agriculture or food security. Under the pressure to make commitments, donor officials are sometimes in a position where quick-disbursing mechanisms such as general budget

support are selected in preference to more targeted interventions that require more preparation. Hence, because there is no consensus on what constitutes aid for ARD and food security, there will continue to be criticism of data that are produced and questions on whether political considerations have influenced the presentation of data.

As for recipient countries, the preoccupation is not with strategic definitions but with monitoring aid flows at the project level to ensure commitments are met and disbursement constraints are addressed. Strategic reviews on the nature of assistance and cross-sectoral consistency are not yet primary concerns. And even if they were, the magnitude of off-budgetary flows and fragmentation of aid management systems at country level undermine recipient governments' ability to perform oversight and strategic planning functions in an effective manner.

7.2 Addressing the global call for transparency, accountability and results

This study proposed an ad-hoc methodology for computing aid flows to ARD and food security in a comprehensive and policy-relevant manner. This type of exercise may suffice for historical analyses of global trends, but it does not address the need, particularly at the country level, to systematically and accurately track commitments and assess the effectiveness of aid by running through the link between objectives, spending and results.

Individual donors generate useful, policy-relevant aid data, mainly for accountability purposes within their own domestic constituencies. The strengths and limitations of different approaches need to be considered collectively. Yet, the incentives for standardising aid data globally – agree on a common definition for ARD and food security for international comparison purposes – are relatively weak. New attention to how low-income countries can cope with food price increases and volatility (to which AFSI is a response) could change this, alongside mounting pressure to improve transparency and accountability with a results focus. In the longer term, however, results-based aid is likely to be more challenging to the course of establishing a distinct and authoritative profile for ARD and food security. The challenge is two-fold: attribution and multiple objectives. On attribution, the link between spending activities and results is complicated by the

wide range of factors that impact upon production, incomes, employment, living standards and natural resource use in rural areas. Even where it is plausible to isolate the impact of specific public expenditure, there is likely to be time lag before results can be determined, in agriculture especially.

It is encouraging to note that in the World Bank proposals for a new lending instrument for Programmes for Results (emphasising strengthening capacity within recipient institutions) the areas of focus are education, health, roads and water supply. In all of these, the relationship between public investment and outcomes can be plausibly traced, even though some eight per cent of the 15th IDA replenishment was for agriculture and rural development.

On the multiple objectives issue, one way forward in establishing the role of ARD and food security in results-based aid would be to recognise that the term embraces three relatively distinct policy domains, each with separate objectives.

1. Production and productivity
2. Providing opportunities for improving the living standards and economic development of rural areas
3. Risk and vulnerability

In this way, there would be less concern with establishing a single 'purpose' of ARD and food security, or establishing a policy 'marker' similar to environmental or gender aid policy objectives. This does not mean that the three domains are to be tacked separately, rather that their intrinsically different objectives need to be understood and conciliated. If the overarching goal of ARD and food security does not harmonise the three objective areas, such a strategy will just map the tension presently existing in much of the development work in the agricultural sector.

The next step would be to develop results frameworks for the different policy domains within the broader themes now favoured by most donors. Thus agricultural production and productivity would be a component of 'results' in the theme of economic growth or international competitiveness, etc.; rural socio-economic development would be part of 'results' for, say, a theme of sustainable increases in living standards,

where that or something similar is a theme for an individual donor; and under the theme of reducing vulnerability, a component on, say, rural livelihoods recovery could be included. This study has indicated that ARD and food security is an inherently elusive policy area because it incorporates different policy objectives and involves different forms of assistance. The 'measurement' of ARD and food security can be improved and, as consequence, transparency and accountability enhanced. Yet, translating such a measurement into a vehicle for results is unlikely to be productive unless the policy area is disaggregated into more manageable components.

Advocacy for ARD and food security needs to go beyond just volumes and reflect also the changing nature of its policy components, in particular their growing interconnectedness with other policy domains. To this end, a greater effort is needed to strengthen coherence of policy and resource application beyond the conventional agricultural remit and to design measurement mechanisms that incorporate the breadth of interventions necessary to promote agriculture and rural development.

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Annex II: Comparison of definitions of aid to ARD and food security

Table 11: Definitions of agricultural aid compared

OECD-DAC purpose code ²⁷	Clarification on coverage	Comparing definitions ²⁸			
		AFF	AFF+	IFAD	ODI
11220: Primary education	Formal and non-formal primary education for children; all elementary and first cycle systematic instruction; provision of learning materials.	0	0	1	0
11230: Basic life skills for youth and adults	Formal and non-formal education for basic life skills for young people and adults (adults education); literacy and numeracy training.	0	0	1	0
11330: Vocational training	Elementary vocational training and secondary level technical education; on-the-job training; apprenticeships; including informal vocational training.	0	0	1	0
12110: Health policy and administrative management	Health sector policy, planning and programmes; aid to health ministries, public health administration; institution capacity building and advice; medical insurance programmes; unspecified health activities.	0	0	1	0
12220: Basic health care	Basic and primary health care programmes; paramedical and nursing care programmes; supply of drugs, medicines and vaccines related to basic health care.	0	0	1	0
12230: Basic health infrastructure	District-level hospitals, clinics and dispensaries and related medical equipment; excluding specialised hospitals and clinics (12191).	0	0	1	0
12140: Basic nutrition	Direct feeding programmes (maternal feeding, breast-feeding and weaning foods, child feeding, school feeding); determination of micro-nutrient deficiencies; provision of vitamin A, iodine, iron, etc.; monitoring of nutritional status; nutrition and food hygiene education; household food security.	0	0	1	1
14030: Basic drinking water supply and basic sanitation	Water supply and sanitation through low-cost technologies such as handpumps, spring catchment, gravity-led systems, rain water collection, storage tanks, small distribution systems; latrines, small-bore sewers, on-site disposal (septic tanks).	0	0	1	0
15110: Public sector policy and adm. management	Strengthening financial and managerial accountability; public expenditure management; improving financial management systems; tax assessment procedures; budget drafting; field auditing; measures against waste, fraud and corruption.	0	0	1	0

²⁷ Source: DCD/DAC (2005). 'Reporting directives for the Creditor Reporting System: Addendum 2 to Annex 5 on reporting on the purpose of aid', where the complete list of CRS purpose codes can be found.

²⁸ These three columns show the share of the purpose code considered by each definition.

Table 11: Definitions of agricultural aid compared

OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
15130: Legal and judicial development	Constitutional development, legal drafting; institutional strengthening of legal and judiciary systems; legal training and education; legal advice and services; crime prevention.	0	0	1	0
15150: Democratic participation and civil society	Community participation and development; cooperatives; grassroots organisations; development of other participatory planning and decision making procedures and institutions (see code 15220 for civilian peace-building, conflict, prevention and resolution.	0	0	1	1
15170: Women's equality organisations and institutions	Not specified.	0	0	1	1
15220: Civilian peace-building, conflict prevention and resolution	Support for civilian activities related to peace building, conflict prevention and resolution, including capacity building, monitoring, dialogue and information exchange.	0	0	1	0
16061: Culture and recreation	Including libraries and museums.	0	0	1	1
16064: Social mitigation of HIV/AIDS	Special programmes to address the consequences of HIV/AIDS, e.g. social, legal and economic assistance to people living with HIV/AIDS including food security and employment; support to vulnerable groups and children orphaned by HIV/AIDS; human rights of HIV/AIDS affected people.	0	0	1	1
21020: Road transport	Road infrastructure, road vehicles; passenger road transport, motor passenger cars.	0	0	1	1
22040: Information and communication technology (ICT)	Computer hardware and software; internet access; IT training. When sector cannot be specified	0	0	1	0
23070: Biomass	Densification technologies and use of biomass for direct power generation including biogas, gas obtained from sugar cane and other plant residues, anaerobic digesters.	0	0	1	0
24010: Financial policy and administrative management	Finance sector policy, planning and programmes; institution capacity building and advice; financial markets and systems.	0	0	1	1
24030: Formal sector financial intermediaries	All formal sector financial intermediaries; credit lines; insurance, leasing, venture capital, etc. (except when focused on only one sector).	0	0	1	1

Table 11: Definitions of agricultural aid compared

→ OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
24040: Informal/semi-formal financial intermediaries	Micro credit, savings and credit cooperatives etc.	0	0	1	1
24081: Education/training in banking and financial services	Not specified.	0	0	1	0
25010: Business support services and institutions	Support to trade and business associations, chambers of commerce; legal and regulatory reform aimed at improving business and investment climate; private sector institution capacity building and advice; trade information; public-private sector networking including trade fairs; e-commerce. Where sector cannot be specified: general support to private sector enterprises (in particular, use code 32130 for enterprises in the industrial sector).	0	0	1	1
31110: Agricultural policy and administrative management	Agricultural sector policy, planning and programmes; aid to agricultural ministries; institution capacity building and advice; unspecified agriculture.	1	1	1	1
31120: Agricultural development	Integrated projects; farm development.	1	1	1	1
31130: Agricultural land resources	Including soil degradation control; soil improvement; drainage of water logged areas; soil desalination; agricultural land surveys; land reclamation; erosion control, desertification control.	1	1	1	1
31140: Agricultural water resources	Irrigation, reservoirs, hydraulic structures, ground water exploitation for agricultural use.	1	1	1	1
31150: Agricultural inputs	Supply of seeds, fertilizers, agricultural machinery/equipment.	1	1	1	1
31161: Food crop production	Including grains (wheat, rice, barley, maize, rye, oats, millet, sorghum); horticulture; vegetables; fruit and berries; other annual and perennial crops. [Use code 32161 for agro-industries.]	1	1	1	1
31162: Industrial crops/export crops	Including sugar; coffee, cocoa, tea; oil seeds, nuts, kernels; fibre crops; tobacco; rubber. [Use code 32161 for agro-industries.]	1	1	1	1
31163: Livestock	Animal husbandry; animal feed aid.	1	1	1	1

Table 11: Definitions of agricultural aid compared

OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
31164: Agrarian reform	Including agricultural sector adjustment.	1	1	1	1
31165: Agricultural alternative development	Projects to reduce illicit drug cultivation through other agricultural marketing and production opportunities (see code 43050 for non-agricultural alternative development).	1	1	0	1
31166: Agricultural extension	Non-formal training in agriculture.	1	1	1	1
31181: Agricultural education/training	Not specified.	1	1	1	1
31182: Agricultural research	Plant breeding, physiology, genetic resources, ecology, taxonomy, disease control, agricultural bio-technology; including livestock research (animal health, breeding and genetics, nutrition, physiology).	1	1	1	1
31191: Agricultural services	Marketing policies & organisation; storage and transportation, creation of strategic reserves.	1	1	1	1
31192: Plant and post-harvest protection and pest control	Including integrated plant protection, biological plant protection activities, supply and management of agro-chemicals, supply of pesticides, plant protection policy and legislation.	1	1	1	1
31193: Agricultural financial services	Financial intermediaries for the agricultural sector including credit schemes; crop insurance.	1	1	1	1
31194: Agricultural cooperatives	Including farmers' organisations.	1	1	1	1
31195: Livestock/veterinary services	Animal health and management, genetic resources, feed resources.	1	1	1	1
31210: Forestry policy and administrative management	Forestry sector policy, planning and programmes; institution capacity building and advice; forest surveys; unspecified forestry and agro-forestry activities.	1	1	1	1
31220: Forestry development	Afforestation for industrial and rural consumption; exploitation and utilisation; erosion control, desertification control; integrated forestry projects.	1	1	1	1
31261: Fuel-wood/charcoal	Forestry development whose primary purpose is production of fuelwood and charcoal.	1	1	0	1



Table 11: Definitions of agricultural aid compared

→ OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
31281: Forestry education/training	Not specified.	1	1	0	1
31282: Forestry research	Including artificial regeneration, genetic improvement, production methods, fertilizer, harvesting.	1	1	0	1
31291: Forestry services	Forestry sector policy, planning and programmes; institution capacity building and advice; forest surveys; unspecified forestry and agro-forestry activities.	1	1	0	1
31310: Fishing policy and administrative management	Fishing sector policy, planning and programmes; institution capacity building and advice; ocean and coastal fishing; marine and freshwater fish surveys and prospecting; fishing boats/equipment; unspecified fishing activities.	1	1	1	1
31320: Fishery development	Exploitation and utilisation of fisheries; fish stock protection; aquaculture; integrated fishery projects.	1	1	1	1
31381: Fishery education/training	Not specified.	1	1	1	1
31382: Fishery research	Pilot fish culture; marine/freshwater biological research.	1	1	0	1
31391: Fishery services	Fishing harbours; fish markets; fishery transport and cold storage.	1	1	0	1
32110: Industrial policy and administrative management	Industrial sector policy, planning and programmes; institution capacity building and advice; unspecified industrial activities; manufacturing of goods not specified below.	0	0	1	0
32130: Small and medium-sized enterprises (SME) development	Direct support to the development of small and medium-sized enterprises in the industrial sector, including accounting, auditing and advisory services.	0	0	1	1
32140: Cottage industries and handicraft	Not specified.	0	0	1	1
32161: Agro-industries	Staple food processing, dairy products, slaughter houses and equipment, meat and fish processing and preserving, oils/fats, sugar refineries, beverages/tobacco, animal feeds production.	0	0	1	1

Table 11: Definitions of agricultural aid compared

OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
32162: Forest industries	Wood production, pulp/paper production.	0	0	0	1
32163: Textiles, leather and substitutes	Including knitting factories.	0	0	0	1
33110: Trade policy and administrative management	Trade policy and planning; support to ministries and departments responsible for trade policy; trade-related legislation and regulatory reforms; analysis and implementation of multilateral trade agreements e.g. technical barriers to trade and sanitary and phytosanitary measures (TBT/SPS); mainstreaming trade in national development strategies (e.g. poverty reduction strategy papers); wholesale/retail trade; unspecified trade and trade promotion activities.	0	0	0	1
33120: Trade facilitation	Simplification and harmonisation of international import and export procedures (e.g. customs valuation, licensing procedures, transport formalities, payments, insurance); support to customs departments; tariff reforms.	0	0	0	1
41010: Environmental policy and administrative management	Environmental policy, laws, regulations and economic instruments; administrative institutions and practices; environmental and land use planning and decision-making procedures; seminars, meetings; miscellaneous conservation and protection measures not specified below.	0	0	1	0
41081: Environmental education/ training	Not specified.	0	0	1	0
43040: Rural development	Integrated rural development projects; e.g. regional development planning; promotion of decentralized and multi-sectoral competence for planning, coordination and management; implementation of regional development and measures (including natural reserve management); land management; land use planning; land settlement and resettlement activities [excluding resettlement of refugees and internally displaced persons (72030)]; functional integration of rural and urban areas; geographical information systems.	0	1	1	1
43050: Non-agricultural alternative development	Projects to reduce illicit drug cultivation through, for example, non-agricultural income opportunities, social and physical infrastructure (see code 31165 for agricultural alternative development).	0	0	0	1



Table 11: Definitions of agricultural aid compared

→ OECD-DAC purpose code	Clarification on coverage	Comparing definitions			
		AFF	AFF+	IFAD	ODI
51010: General budget support	Unearmarked contributions to the government budget; support for the implementation of macroeconomic reforms (structural adjustment programmes, poverty reduction strategies); transfers for the stabilisation of the balance-of-payments (e.g. STABEX, exchange rate guarantee schemes); general programme assistance (when not allocable by sector).	0	0	0	1
52010: Food aid/Food security programmes	Supply of edible human food under national or international programmes including transport costs; cash payments made for food supplies; project food aid and food aid for market sales when benefitting sector not specified; excluding emergency food aid.	0	1	0	1
71010: Material relief assistance and services	Shelter, water, sanitation and health services, supply of medicines and other non-food relief items; assistance to refugees and internally displaced people in developing countries other than for food (72040) or protection (72050).	0	0	0	1
72040: Emergency food aid	Food aid normally for general free distribution or special supplementary feeding programmes; short-term relief to targeted population groups affected by emergency situations. Excludes non-emergency food security assistance programmes/food aid (52010).	0	1	0	1
73010: Reconstruction relief and rehabilitation	Short-term rehabilitation and construction work after emergency or conflict, such as repair or construction of roads, bridges and ports, restoration of essential facilities (water and sanitation, shelter, health care services) to facilitate the return to normal lives and livelihoods.	0	0	0	1
74010: Disaster prevention and preparedness	Not specified.	0	0	1	1
92010: Support to national NGOs	In the donor country.	0	0	1	1
92020: Support to international NGOs	Not specified.	0	0	0	1
92030: Support to local and regional NGOs	In the recipient country or region.	0	0	0	1
99820: Promotion of development awareness	Spending in donor country for heightened awareness/interest in development co-operation (brochures, lectures, special research projects, etc.)	0	0	1	1
Number of codes used		29	32	54	56

Annex III: Donor case study summaries

1. Germany

Aid structures

German official development assistance (ODA) is delivered through a number of channels, involving several German governmental agencies and private contractors. The Bundesministerium für Wirtschaftliche Zusammenarbeit (German Federal Ministry for Economic Development Cooperation, BMZ) is responsible for policy oversight and overall coordination of ODA. In 2009, the BMZ was directly responsible for about two-thirds of German ODA, approximately €5.5 billion. The Auswärtiges Amt (Federal Foreign Office, AA) together with ODA delivered via the European Union and the Bundesländer (German regional governments,) supply the vast majority of the remainder. The Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit (Ministry for Environment, Nature and Nuclear Safety, BMU) and the Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz (Federal Ministry of Food, Agriculture and Consumer Protection, BMELV) are main other ministries involved in ARD and food security. This study concentrated mainly on bilateral aid delivered within the German system and BMZ in particular as it represents the largest share of ODA to ARD and food security.

The BMZ is responsible for policy, strategy, agreeing projects with the recipients and coordination. It is split into three main departmental types: operations departments responsible for allocating aid, policy departments responsible for supporting operations departments in their field of expertise, and support departments responsible for BMZ as an organisation. Unlike the majority of donors, BMZ does not have a large number of staff in aid recipient countries. For the execution of projects, it commissions 'implementing organisations', primarily the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and Kreditanstalt für Wiederaufbau, Entwicklungsbank (KfW).

GIZ is a private company whose shares are wholly owned by the German government but whose management is independent. It was formed in January 2011 as the merger of three existing agencies who implement German ODA: Deutsche Gesellschaft fuer Technische Zusammenarbeit (German Technical Cooperation, GTZ), Internationale Weiterbildung und Entwicklung (Capacity Building International, InWent) and Deutscher Entwicklungsdienst (German Development

Service, DED). Approximately 65 per cent of GIZ's commissions are from the BMZ with a small share from the AA. GIZ also works for other donors, such as the European Commission. GIZ is commonly mistaken for an arm of the German government because it has a greater presence in recipient countries than BMZ and it provides significant policy advice to BMZ at headquarter level. Therefore, whilst GIZ is not officially a donor, its role in the negotiation and execution of development projects means that it is often perceived as one.

KfW Entwicklungsbank (development bank) is part of the much larger KfW Group. KfW is currently responsible for about 30 per cent of German ODA. Of some 500 staff, approximately 100 are based overseas. A standard recipient country office would have just one KfW staff member working with local staff in a fairly centralised system. KfW does not implement projects itself as the project executing organisation is always an institution in the partner country potentially supplemented by contracted consultants and organisations.

In terms of aid allocation, German aid formally accords the primary role to biennial meetings between the BMZ and each aid recipient country. In these meetings, existing projects are assessed and priority themes for development cooperation and supporting projects are selected. These country-level negotiations are a key part of German aid policy setting in what is, in theory, a very demand-led approach. In practice, however, there are some constraints. Whilst the BMZ selects the priority sectors in negotiation with the partner, it is not completely flexible with the volume of commitments – i.e. the BMZ negotiators have a reference figure upon which to base spending related to thematic and geographic quotas. Project design is primarily done by contracted German organisations and this also determines the volume and nature of support. Having all priority sectors and often projects decided at the country level in consultation with partners reduces the ability of headquarters level BMZ policy to determine the allocation of spending.

Because they contain the majority of the institutional knowledge in German aid, GIZ and KfW are commonly contracted to write BMZ strategies, advise recipient governments, advise both parties during negotiations, support the BMZ internal commissioning process, design and prepare project ideas and implement projects. Despite this, they are not formally responsible for policy and are not fully integrated into the German

aid data system. This causes breaks in the two-way flow between aid data and policy. A further disjuncture is the split within the BMZ between policy departments and operations departments. Whilst policy departments are responsible for policy in their specific area, operations departments are responsible for selecting projects with the recipients in the region they cover. The result seems to be that the path from BMZ policy to BMZ spending is indirect. BMZ policy departments seek to influence BMZ operations departments. At the same time, GIZ and KfW attempt to anticipate BMZ policy fashions and design appropriate projects with recipient ministries. Finally, BMZ operations departments seek to influence recipient governments over the choice of priority sectors and in return are influenced by them. Because of this it is not possible to expect to be able to easily see new BMZ policies translate directly into changing spending.

The structure of German development assistance must be understood on both a formal (segregated) and informal (integrated) basis. Formally, there are few links and opportunities for information exchange between BMZ and implementing agencies. Informally, however, they seem much more integrated, iterating policy, knowledge, project design and spending decisions between them. As these procedures are not formalised, many of the data and policy relationships are indirect and this is likely to pose substantial difficulties for identifying the impact of changing policy in terms of changing spending patterns. The operational requirements of providing aid to ARD and food security as well as the different users of data suggest that there are a wide variety of needs for different source and systems for aid data. In addition, the study identified a wide range of different sources of policy, as outlined below.

Policy trends

German development cooperation to support ARD and food security is driven by a range of policies and commitments. Some policies, such as commitments to international agreements and political announcements, are very visible. Others, such as the individual agreements with recipient countries, are less visible. The role of BMZ policy documents and the policies of the implementing organisations appear to be less direct in shaping the uses of German aid.

The new German coalition government brought rural development back as a political priority and issued a paper on food security and rural development containing four main topics: agriculture, natural resources, social infrastructure and institutions and policy. There are other policy documents in the areas of water, climate

and finance, for example. These policy papers are produced by BMZ sectoral departments and appear to serve mainly as information for the operations departments to use when commissioning projects and guidance for the implementing organisations when designing projects. Notably, they are actually written by the implementing organisations, in this case GIZ staff on contract. In terms of their impact on spending – because they are not directly driving a process of allocation – we would expect to see a (non-linear) uptake a few years after the new strategy is produced plus a few more years for actual disbursement due to the lag between designing and implementing projects. It remains unclear whether anyone monitors whether the policy results in changed patterns of spending. Different types of policies change at different speeds. The previous rural development strategy lasted 10 years. This may reflect a rise, in 2001, in the priority accorded to rural development compared to other sectors. This was followed by a decline and another rise in 2011. The new policy may also emphasise different aspects of rural development – i.e. a change in composition of German aid to the sector or different approaches.

This study found it difficult to identify former BMZ policies other than through anecdote and discussion. This notwithstanding, reported policy changes to look for when examining time-series data include:

1. A reduction in spending on large-scale integrated rural development projects during the 1980s
2. A reduction in core agricultural spending during the 1980s
3. A shift towards environmental/climate aspects of ARD and food security from 1992, the date of the Rio Summit on Environment and Development
4. An increased emphasis on the humanitarian and emergency aspects of food from 2005
5. The effect of the global food crisis and Germany's pledges to the L'Aquila Food Security Initiative from 2009 onwards.

Despite these policy shifts, KfW reports that the actual projects carried out in the ARD domain have not changed significantly for 30 years, either in volume or substance, despite changes in the coding and labelling of support to the sector.

Aid measurement

The BMZ has developed its own system to record aid data at the project level. The database uses OECD-DAC purpose codes to specify the beneficiary sector. To compile them, the BMZ draws on data provided by the implementing agencies and data appear to be entered at the planning stage of the project preparation cycle, i.e. before a firm commitment is made. The database does not seem to record project disbursements so it seems designed primarily for planning and allocation purposes, rather than for tracking expenditure. The data also do not seem to include information on aid delivered through other channels such as via other ministries, general budget support, or via NGOs.

The database uses a system of thematic markers, allowing the BMZ to code projects to thematic groups different from OECD-DAC groupings. The rural development marker (known as LE, short for Ländliche Entwicklung) covers the areas of interest to this study. It differs from the definition of the OECD-DAC of aid to ARD and food security (referred to as AFF and AFF+ in this study). The 'LE' marker has been in use for about 15 years. It has just undergone a change to move from being a binary marker where projects either qualify as 'LE' or not, to a system which also allows projects to be recorded as partial 'LE'. There is a list of OECD-DAC codes that qualify as 'LE' and those that can qualify as 'partial LE'. Coding of the thematic markers presumably takes place at the same time as the sectoral coding and is at the project level. There is a wide range of qualifying sectors. Core sectors ranging from agriculture, forestry and fishing to agro-industry, rural development and food security qualify for 'full LE' status. A much wider range of sectors qualify to be marked as 'partial LE', including government and civil society, water supply, environmental protection, conflict management, market promotion and energy.

The 'LE' marker is used for reporting on L'Aquila pledges. The lack of guidelines on what qualifies as a L'Aquila contribution allows significant flexibility to include projects not strictly related to food security, such as water, energy and biodiversity projects. This raises questions about the comparability of commitments and tracking exercises across donors.

Expenditure trends

German ODA's share of total net ODA by DAC members has remained roughly stable at approximately 10 per cent since 1970. As a share of GNI, in 2009 German aid accounted for 0.35 per cent. Figures on aid to ARD and food security vary depending on the definition used. Based on BMZ data (for which only three years were available) and its 'LE' marker, German aid commitments to rural development accounted for €632 million in 2008 – excluding projects marked as 'partial LE'. This is almost twice the amount found if applying the ODI wide definition of aid to ARD and food security, which is broader than the OECD-DAC definitions.

Using CRS data to analyse trends, the following patterns are noticeable. As a share of total German aid, support to ARD and food security has risen gradually in nominal terms since 2001, but this is lower than the average level of support between 1973 and 1990. The relative weight of the sector in total German aid has declined significantly – it was 14 per cent in 1998 and 5 per cent in 2008. This decline has been stronger than the average for DAC donors, which dropped from 15 per cent to 11 per cent for the same period.

In terms of the policy strands outlined previously, it is conceivable that the resurgence in the 1990s approximates to the Rio Summit response and the most recent uplift from 2005 approximates the increased focus on humanitarian and emergency aspects of food policy. Other trends worth noticing are the virtual disappearance of aid to agricultural production inputs and the significant rise in aid to agricultural policy and development and agricultural research and extension. Categories, such as business support services and banking and financial services (not typically accounted for ARD aid) are also increasingly important.

Although the data from the different datasets are not directly comparable, the datasets do not generally contradict each other in terms of general trends. Those differences that do exist may be explained to a variety of data measurement issues, such as:

- Different coverage of coordinating ministries within German aid
- Use of different financial years
- Different values for project volumes, e.g. due to different interpretations of the 'commitment' stage in the project commissioning cycle
- Exchange rate differences

Lessons

Can available aid data describe accurately the spending patterns of German aid in ARD and food security?

Aid data as generated by the German aid system are not designed for tracking spending to an individual sector. The BMZ, as the main source and user of German aid data, does not typically require data for such purposes. The BMZ's main need is in calculating future budget allocations, rather than analysing past trends or comparing aid allocations across donors. Indeed, the incentives for coding projects to an OECD-DAC purpose code do not favour international comparability and there are few checks of the coding by international data users. For example, a change of code may reflect an internal reorganisation of departments which historically used different sector codes rather than a real change in spending.

Data collected for a single purpose and through a system designed specifically for that purpose appear to be more reliable. Using internal databases for internal planning, for example, benefits from a concept of commitments tailored to internal budgeting. Conversely, using internal allocation datasets for external reporting on project disbursements seems more likely to contain inaccuracies and compromise data quality.

How well do aid data reflect policies?

The path from German policies to aid allocation and spending is indirect. Aside from the data issues and additional complications such as appropriate time lags, it is more important to understand the nature of German policy priorities:

1. Policies stem from a variety of sources so there is no single clear policy position towards the ARD and food security sector.
2. Policies are not designed to directly allocate expenditure. Rather, they indirectly affect choices at all levels of German aid which in turn may influence allocations and spending.
3. Policy is often designed to influence many aspects of German ARD and food security cooperation besides the volume of expenditure, such as quality and/or approach taken.
4. Some 'policy changes' may reflect changes in concepts within the sector. For example, the unpopularity of Integrated Rural Development programmes and their subsequent rebranding as Governance or Decentralisation, for instance, has had a large impact on the volume of aid categorised under Germany's Rural Development sector codes although not necessarily on the content of assistance.

Do German ARD and food security aid systems provide appropriate data to ensure aid is transparent and more firmly based on development results?

With regards to transparency, one drawback of the current system is that it does not seem to favour sharing of aid information as the default. Doing so would imply a political change, a cultural change and a shift in those responsible for meeting the Paris and Accra targets from BMZ head office down to the implementing organisations. Crossing this formal break in the German system would involve a change in responsibility with respect to aid data and empowering the implementing organisations to formally take on the role of feeding the German aid system.

With regards to results-based management, two features are important:

- Clarity on the volume of resources invested to pursue certain 'results'
- Information on the achievement of such results.

Within the German aid system, only the implementing agencies appear to have detailed project data (on timing, conditions and disbursements) and the staff and capacity in country to absorb information about the achievement of results. Hence, a different approach to aid data handling is required, with a more active role for BMZ in absorbing data from the bottom, if results-based management is to be mainstreamed into the German aid system. Overall, greater specificity in Germany's aid data system is required to make the most of the position held by each German aid actor.

2. United Kingdom

Aid structures and measurement

Apart from some support provided to international bodies by other government departments, British official development assistance (ODA) is the responsibility of a single agency: the Department for International Development (DFID). DFID headquarters is responsible for administering ODA provided to the European Union (EU), the World Bank and multilateral agencies generally – approximately a third of total UK aid in 2009/10. However, the bulk of bilateral aid is negotiated and administered at the country level, by either of the Development Divisions covering several countries within a region or by country-based officials.

Overall, ODA policy, including priority country as well as sector allocation, is the responsibility of DFID headquarters, but there is considerable latitude in implementing policy objectives at the country level, reflecting the decentralisation agenda and principles to foster partner-country ownership.

ODA policy itself is strongly influenced by government institutions other than DFID. Commercial and employment benefits to the UK were formally part of ODA policy until 1997, and UK foreign and security interests are reflected in country prioritisation. On sectoral priorities, a more recent trend has been towards giving DFID responsibility for actions approved at heads of government level with associated spending targets to meet and report upon – notably HIV/AIDS, education and, less specifically, climate change mitigation.

Given this institutional structure, it is evident why the definition of 'agricultural aid', and hence its tracking, is not straight-forward. There are, broadly, four expenditure channels.

1. In the case of multilateral aid, shares spent on agriculture have to be imputed from overall expenditure, except in the case of international agricultural research centres, Food and Agriculture Organisation (FAO), etc.
2. In the case of most bilateral aid, individual project officers at country level provide sector data, including agricultural sector proportions in multi-sector intervention – although for CRS purposes only the principal sector is reported for each project
3. At headquarters, Research Division spending includes major grants to agriculture and the sustainable use of natural resources
4. Also at headquarters, the Policy Division of the Department on Food and Nutrition also has a spending programme.

DFID measures and accounts for its aid for four reasons:

1. **For internal management and control and to support the internal policy decision process.** This includes for analytical purposes, including assessing efficiency and effectiveness of aid. Statistics on International Development (SID) are the main instrument used for such purposes. DFID expenditure is recorded through a system called ARIES according to sector input codes which are comparable to the purpose codes used by the Creditor Reporting System (CRS) of the OECD's Development Assistance Committee (DAC). Project officers at the country office level are responsible for inputting programme spend into ARIES. Anecdotal evidence suggests that concerns about miscoding exist but quality improvements are being made. As DFID implements a multi-sectoral approach, each project gets recorded across a range of sector input codes, reflecting the distribution of objectives across sectors. For example, if a project is a basic services package providing most support to health (50 per cent), and then equal support education and water and sanitation (25 per cent each), this would be reflected in the project coding.

2. **For transparency and accountability vis-à-vis domestic audiences.** Statistics produced for IATI and 'what we spend' can be found on the DFID webpage (<http://www.dfid.gov.uk/About-DFID/Finance-and-performance/DFID-spend/>). Beginning in May 2010, DFID publishes on a monthly basis the details of all spending over £25,000 on its 'what we spend' website. This information is based on the methodology used for Statistics on International Development, with a marginal proportion of expenditure excluded. There is an 'exclusion's policy' which outlines what expenditure is excluded. This includes items which are considered to compromise national or personal security, foreign relations or legal obligations, including currently all transactions for Afghanistan.
3. **For reporting on international obligations.** The main body that coordinates and presents global figures on international development assistance is the DAC. For the ARD and food security sector, mechanisms are in place to report of the current international L'Aquila Food Security Initiative pledge. For CRS reporting, the Aries sector input codes and CRS purpose codes are fully automated in ARIES. There are some differences between data produced for the Statistics on International Development and CRS data. First, there are marginal differences between DFID's sector input codes and the CRS purpose codes. Second, and significantly, the CRS does not allow for DFID's multi-sectoral approach. This means that only the principal sector is recorded per project. So, whereas in the ARIES system the basic services package mentioned above would have been only 50 per cent health, because it comprises the largest share, it is recorded as 100 per cent health for the purposes of CRS recording. Third, and also significantly, for the Statistics on International Development, budget support is split across the sector input codes based on an assumption of expected budget support spend per sector. CRS, DAC data treats budget support separately and excludes the information from the figures on sectoral allocations. Finally, CRS data is produced according to the calendar year, while data recorded in the Statistics on International Development is for financial years, which for the UK run from April to March the following year.

Furthermore, according to the DFID sector input codes, agriculture sits within the broad 'economic' sector and the 'production' subsectors. It appears that DFID has historically measured spend to agriculture according to this classification. However, for the purpose of measuring performance against the L'Aquila targets, and acknowledging that ARD and food security is much broader than solely agriculture, DFID has selected a number of input codes (including those that currently fall outside the 'economic' sector) to more appropriately and comprehensively measure support to ARD and food security.

4. For transparency and accountability vis-à-vis recipient countries, and for partner country planning and financial management purposes. This is calculated in the same way as transparency and accountability vis-à-vis domestic audiences, as mentioned above.

Differences between calculations of DFID's aid spent, including for ARD and food security, according to the three methodologies described (Aries, CRS and L'Aquila commitments) range from marginal to quite significant.

Policy trends

Whatever the limitations of recording agricultural aid data, the decline recorded by a DFID evaluation in April 2007 clearly indicates a substantial withdrawal from the sector since the mid-1990s.

The nature of this withdrawal was, however, influenced less by any strategic decision than by a series of changes in aid policy from the 1980s that impacted upon agricultural aid. Until that time, the UK aid programme supported a number of UK-based Scientific Units that specialised in tropical natural resources and initiated a relatively large overseas aid-funded project portfolio covering animal diseases, post harvest technology, soil and water conservation, etc. As part of a broader government programme of divestiture, these Units were merged and eventually privatised, to become the Natural Resources Institute.

The same broad divestiture programme also influenced the Commonwealth Development Corporation (CDC). Apart from regular DFID investment in CDC, for over 20 years CDC's individual smallholder and estate agriculture projects had benefitted from partial grant support from DFID country programmes. Policy changes towards CDC removed new DFID investment, but also led to a more commercially-oriented CDC and a gradual decline in its agricultural investment.

During this period of highly active DFID interest in agriculture, a relatively large cadre of Natural Resources advisers was established. At headquarters itself, there were specialist advisers – many who had served in colonial agricultural service – in crops, livestock, agricultural research, forestry, fisheries, agricultural economics, even agricultural cooperatives.

The agricultural aid programme therefore had a legacy of technology-driven, market-oriented project support. However, as the challenge of rural poverty became more prominent among all donors, and especially the World Bank, DFID committed more resources into difficult, agriculturally marginal, areas unresponsive to new technology and, from the mid-1980s, adopted a multi-sector approach to 'integrated rural development'. Many of the Integrated Rural Development (IRD) projects were deemed unsuccessful, but the poverty-based approach to agricultural development continued with Natural Resource advisers relabelled (and often replaced by) Rural Livelihoods advisers.

Among donors generally, the 1990s saw a loss of confidence in projects directly supporting agriculture as the case prevailed for macro-economic and especially exchange rate reform as a necessary condition for agricultural growth. The policy conditions attached to World Bank Structural Adjustment loans, supported by bilateral programme grants from DFID and others, involved both removal of some price subsidies and reductions in agriculture public expenditure. Nonetheless, the expected aggregate effect of policy reform was seen as a beneficial to the agricultural sector through price incentives and market development and it is not unreasonable to claim that the decline in agricultural aid spending was less a withdrawal from the sector and more a reorientation of approach to the role of aid in agricultural development.

This is not, however, the way DFID's agricultural and natural resources 'team' saw the impact of structural adjustment which reported a significant real terms decline in agricultural aid which was confirmed by DFID statistics produced in 2006 for an internal evaluation.

As macroeconomic policy conditions were gradually loosened and governments tasked with devising their own reform programmes, the nature of programme aid in DFID shifted to Poverty Reduction Budget Support (PRBS), in which there is a much less direct link to aid for agricultural development because of the priority attached to social sector spending and improved public sector management generally. This is despite agriculture-related activities forming key parts of many poverty reduction strategies which formed the basis of

PRBS. In addition, the 2005 DFID pre-evaluation study noted a decline in the number of Natural Resource advisers. Nonetheless, many DFID country programmes and regional programmes in Africa are still concerned with improving the policy environment within which agricultural producers and traders operate. As such, agricultural aid has been reoriented as much as it has been reduced.

Particular aspects of assistance aimed at improving the policy environment include various private sector challenge funds and programmes designed to facilitate trade in domestic, regional and international markets. Programmes targeting domestic markets, and occasionally those addressing international commodity trade, have concentrated on pro-poor value chains, whereas regional trade programmes have focussed on assisting regional economic integration. Agricultural assistance is not, therefore, directly measured, but in economies where agriculture remains a major component of national income, the impact of such assistance clearly has to be measured, in large part, in agricultural sector activity.

The net effect of these different policy directions over the past 20 years has been to broaden the scope and nature of agricultural aid in a way that the original – and still current CRS – definition fails to capture. For example, the focus on poverty and vulnerability, and hence rural livelihoods, incorporates both non-farm incomes and social protection. Addressing financial and commodity market failures, or supporting small business enterprise, impacts upon several sectors even where agriculture dominates the economy.

This diffusion of agricultural aid was captured in a review of DFID policy on agriculture and food security in February 2009. The review asked if the food price crisis warranted a change in policy direction. It concluded that any new strategy had to clarify the wide range of policy documents produced on different aspects of agriculture, such as agriculture and growth, agriculture and research, climate change, agriculture and the private sector, markets, infrastructure, as well as the several documents on non-agricultural aspects of food security, such as nutrition, disaster preparedness and social protection. In terms of policy significance, finding ways of tracking agricultural expenditure has not been important to DFID – unlike, for example, tracking expenditure on HIV/AIDS, education and gender – although the establishment of the L'Aquila Food Security Initiative (AFSI) has initiated new procedures. The more important indicators of performance and expenditure for bilateral programmes are the recently announced priority pillars. All will be subject to 'results-based' scrutiny. Neither agricultural development nor food security

figure explicitly in the pillar descriptions, but the profile of agriculture within DFID had been reduced long before the new policy. A lower profile does not, however, mean neglect. For country and regional directors, the pillars provide considerable latitude for agricultural aid in at least two of the five pillars: wealth creation, and hunger and vulnerability. There is no change in the importance of the decentralised institutional arrangement described above.

Expenditure trends

Expenditure trends can be analysed from two sources: DFID's Statistics on International Development (SID), and CRS-DAC data. The data is not strictly comparable; however, we can still analyse and compare changes in DFID's support to agriculture and food security over the last 10-15 years.

In addition to the differences between the methodology applied to measure and account for UK aid, the following distinctions exist between the DFID's SID and the OECD's CRS data presented here:

- SID is nominal data, given in British pounds CRS is real data (constant for 2000), given in dollars
- SID is disbursement data, while CRS is commitment data
- The categorisation of DFID support to the agriculture sector is different in the SID and CRS sections, e.g. different codes are used to define support to agriculture. Even if the same codes were used, marginal differences between SID and CRS codes prevent strict comparison
- SID data is for 2000/01-2009/10, while CRS data is for 1995-2008

According to SID, DFID's support to ARD and food security in nominal terms has reflected a positive trend overtime for three out of four categorisations of DFID's support to this area. This finding is also true for real support to agriculture and food security. In 2009/10 the four largest subsectors, measured by the sector input codes, were Rural Development, Agriculture Policy and Administrative Management, Food Aid and Food Security Programmes, Agricultural Development respectively. However, as a percentage of total public expenditure on development, all categorisations of aid to agriculture and food security reflect a negative trend over time, marked by a steep decline until 2005-06, followed by a levelling out and marginal reversal of the trend, peaking in 2008-09.

According to CRS data, two out of three categorisations of DFID's support to ARD and food security in real terms demonstrate a positive trend over the time period. But progress is more uneven and lumpy when compared to SID data. Support to all three components of the ODI categorisation of ARD and food security – agricultural production, processing and marketing; emergency relief and welfare; rural socio-economic development – illustrate an upward trend between 1995 and 2008, with rural socioeconomic development recording the steepest gradient. The overall downward trend for support to the agriculture and food security sector as a percentage of total public expenditure on development is the same for SID and CRS data. Yet, progress recorded in CRS over time is much more uneven than that in SID.

Lessons

UK aid to ARD and food security has been subject to decline as much as reorientation. Whereas in the past DFID's programme targeted the agricultural domain directly, through support to scientific research, technology and smallholder development, the 1980s and 1990s saw a sequence of aid policies which impacted negatively on the visible volume of agricultural aid: from structural adjustment to PRSPs and, finally, budgetary support. Over this period, the nature of assistance to ARD and food security changed significantly. No longer concerned exclusively with agricultural production, DFID programmes now focus on value chains, with regional and international trade and private sector development being of particular interest.

The new private sector challenge funds and programmes designed to facilitate trade in domestic, regional and international markets are unlikely to be accounted for in the conventional measures of ARD and food security aid, which tend to capture projects with a direct focus on agriculture and food security. DFID has however devised a way of accounting for the relevant shares of projects of multi-sectoral nature, and uses this methodology to track commitments to AFSI.

Although this seems a good practice, which provides a more accurate picture of the nature of DFID assistance, it also highlights the fact that international commitments, such as AFSI, are being monitored through a variety of procedures which raise questions about cross-donor comparability.

Finally, UK aid will be increasingly subject to 'results-based' scrutiny. The challenge, however, will be to formulate measurable 'results' for agricultural aid, given the number of variables that effect production, the long chain from research station to the field, and the difficulty of attributing changes to a single expenditure factor.

3. United States

Aid structures and measurement

The Foreign Assistance Act (FAA) of 1961 established a development arm of government, the United States Agency for International Development (USAID), intended to rationalise the delivery of development assistance. Since the FAA, aid legislation has expanded, numerous new agencies for delivery of aid have been formed and directives have been created by the legislature. For example, the GW Bush Administration established two major new delivery channels, the Millennium Challenge Corporation (MCC) and the President's Emergency Plan for AIDS Relief (PEPFAR).

The longest running major international assistance policy currently funded by the US government is the so-called Title II, also known as 'Food for Peace', under Public Law 480, appropriated by US Department of Agriculture (USDA). Title II is an account authorised for provision of US food assistance in response to disasters and for development-orientated resources to address underlying causes for food insecurity. Title II funds are appropriated by the USDA and administered by USAID. In 2006, an initiative to create a single policy, planning and reporting framework for foreign assistance was introduced, and most agencies are now appropriating funds and reporting expenditure against the Foreign Assistance Framework (FAF) sector classification. The changing policy and institutional environment in which aid is programmed to agriculture is an important consideration of this study. Currently, the important segments of classification to identify which funds are allocated to ARD and food security are:

1. Policy or 'programmatic' classification, determined by the FAF
2. The account by which funds are appropriated, which is captured in the Congressional Budget Justification (CBJ)
3. The administrative agency, which implements the planned activities.

The Foreign Assistance Framework is broken into six broad objectives also called 'programs': Achieving Peace and Security; Governing Justly and Democratically; Investing in People; Promoting Economic Growth and Prosperity; Providing Humanitarian Assistance and Programme Development and Administrative Costs. Each of these has an additional three tiers of programmatic classification: program area, program element and program subelements.

Since there is no standard definition of agricultural development assistance, it was impossible to provide a precise measure or accounting of US development assistance to agriculture prior to 2006. However, the independent Partnership to Cut Hunger and Poverty in Africa (PCHPA) has published regular analyses of US spending on Agriculture in Africa, creating a methodology for examining flows. Similarly to the ODI definition of ARD and food security aid, PCHPA uses a broad definition and includes 'all activities and investments that contribute to the ability of agriculture to foster rural and economic development and reduce poverty and hunger'.

Within the US Congress, appropriated accounts, institutional allocations and the earmarks applied to funds during the appropriation process are the most visible indicators of expenditure. However, the fact that allocations to these accounts bear only a limited linkage with the purpose of the expenditure when it comes to implementation means that the role of the legislature in directing the actual expenditure is not as direct as it is in other countries.

Policy trends

In 2002, USAID introduced the Initiative to End Hunger in Africa (IEHA), a strategy targeted at building economic growth by supporting smallholder farmers. The Initiative explicitly links growth or the lack of it to political instability, conflict and American jobs and exports. This emphasis upon the importance of coordination between defence, foreign policy and development strongly influenced the Bush approach to agriculture and to development more broadly and continued to find traction later in the Obama administration with the Feed the Future Initiative (see below). The underlying definition of agricultural development aid includes activities in trade promotion and export capacity, agri-business, rural physical infrastructure and activities to improve market access.

Allocations of USAID resources for agricultural development are also guided by USAID Agriculture Strategy (2004) and the cascading regional strategies. Of these

regional strategies, the Africa Strategy has since been linked to NEPAD's Comprehensive Africa Agricultural Development Programme (CAADP).

The global food price crises of 2007/8 elicited a strong US response with the new Obama Administration committing the US government to provide \$3.5 billion in food security and agricultural development over three years. In 2009, the State Department launched the Global Hunger and Food Security Initiative, as a 'whole of government' strategy. This initiative has since been renamed 'Feed the Future' (FTF) and is being delivered in 20 partner countries through the USAID field offices, through regional programmes, and through contributions to the World Bank multi-donor trust fund, the Global Agriculture and Food Security Program (GAFSP).

Within USAID, the policy framework and methodology for defining and measuring sectoral classifications for aid spending have had two separate periods in recent decades. From 1994 to 2006, the 'Strategic Objectives' (SO) definitions were the framework for defining aid. These were relatively flexible in number and in definition over time, sometimes being called 'pillars' or 'programmes'. Three of the pillars were relatively constant over period, partially because there were clear links to policy-specific bureaus within USAID: Economic Growth, Agriculture and Trade; Global Health; and Democracy Conflict and Humanitarian Assistance. Of these, the most relevant policy area for agriculture-related activities was the SO 'Encouraging Broad-Based Economic Growth and Agricultural Development'. Subprogrammes of this SO did not have exclusive agriculture or economic growth focus, but rather a mixture, making extraction of agriculture-related activities difficult. Furthermore, individual country strategies developed by regional offices and field offices in collaboration with partner countries had country strategic objectives that varied widely.

It is only since 2006 that there has been a common, government-wide format for describing ODA flows, the FAF, and the use of this framework is still being rolled out across US government institutions. USAID began both appropriating and reporting its activities in FAF classification in 2006. Prior to the FAF, individual institutions would have reporting frameworks developed in accordance with institutional policies. MCC intends to begin reporting in FAF format, but as yet MCC data within the classification is not available on the publicly accessible FAF database.

Expenditure trends

The CRS data shows a relatively stable ODA to the sector in the 1970s and 1980s, a decline in commitments to agriculture from within the 1990s during the Clinton administration, a spike at the end of the decade and growth of aid to the sector towards the end of the decade. Examining the expanded definitions of agriculture, the trend of decreased during the 1990s is much more pronounced. Overall, the volume of US aid appears prone to fairly significant changes year on year with spikes common. Since the 2000s, volume has increased significantly.

Over the period 1995 to 2010, six main categories of spending have accounted for approximately 85 per cent of total commitments to ARD and food security, using the ODI definition: food security; emergency food aid; agricultural policy, administration and reform; a share of general budget support; and a share of material relief assistance and services. General budget support is almost exclusively used in Israel and a small amount in other Middle Eastern and South Asian countries. The evidence shows some increases in agricultural policy spending and alternative development spending, the policy-based areas of expenditure. However, the bulk of the commitments are for food security activities, and increasingly to emergency food aid.

Domestic data on total US aid to agriculture is difficult to calculate prior to the introduction of the Foreign Assistance Framework in 2006. Similarly to the World Bank, the US government does not identify 'rural development' explicitly within the sector classifications, rather allowing it to appear in various sectors as a cross-cutting theme or issue. As a result, it is impossible to extract the element of 'rural development' from the data. This is likely to be one of the reasons that the estimated FAF figures for ARD and food security are significantly lower than the CRS figures. However, the major reason for the lower figures is that the FAF database only includes USAID funding. USDA, MCC and other less prolific funders of ARD and food security ODA activities are not yet reporting in FAF classifications.

The data show that growth of appropriations for economic development has been driven by commitments to agriculture, both higher in volume and in annual growth than other sectors within economic development. Within the closest estimates of the ARD and food security definition as interpreted in the FAF classification scheme, overall appropriations have grown substantially in the last years.

USAID officials responsible for reporting to the CRS cast doubt on data submissions to the CRS, particularly prior to 2001. They suggesting that the CRS has been given an increasingly accurate set of data, but both total volume and allocations to different subsectors are neither comprehensive nor entirely accurate. Despite this, the USAID Economic Analysis and Data Services unit make it clear that there is not a one-to-one relationship between the CRS and the FAF. Generally, the CRS is more detailed, but due to different choices in disaggregation, there are cases where the detail in the FAF is lost and others where the detail in the CRS is lost in translation.

Lessons

The complexity of the appropriations process and the fact that decisions about US development assistance are shaped by several executive institutions as well as Congress has meant that priorities established by USAID officials are very difficult to translate into new budget allocations. The inflexibility of funding due to earmarking has resulted in fragmentation of policy as initiatives are introduced and in some cases new institutions or accounts are created to finance and implement the activities.

Nonetheless, there has been a growing confluence of policy, legislation and resource allocation to ARD and food security within US aid flows – even if resources have proved to be linked most clearly to specific presidential administration rather than any clear strategic policy change. The most visible changes in funding to ARD and food security over recent years have been linked directly to changes in administration. The Clinton years show particularly low levels of funding, while the Bush administration increased funding considerably, but largely to emergency response or direct food security activities. The Obama administration has increased funding even more, and allocated funds to a more comprehensive range of ARD and food security activities, and a smaller share to emergency relief efforts.

The FAF implementation has been beneficial in establishing a common classification for identifying and monitoring aid volumes as a whole and to agriculture in particular. However, the issue here is that the FAF sits between a budget planning role and strategic policy role. The former needs a stable descriptive standard for institutions to identify the activity mix they will employ to deliver on policy. The latter requires a more flexible thematic standard that is used to hold institutions to account in policy implementation. As it is currently being used for both roles, its role in planning activities is weak, and subject to significant change, while its role in appropriation is still secondary to the firmer account and institutional classifications of aid flows used in the appropriations process. Although the SOs were broad, allowing for relative flexibility in programming aid, the FAF has much greater disaggregation in its classifications that are required within the Congressional Budget Justification. This has the effect of either constraining programming of aid or leading to significant revisions as programmes are designed and approved.

4. World Bank

Aid structures and measurement

The World Bank (WB) Group includes both the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), but delivers aid – which, according to the OECD-DAC definition of ODA, means concessional loans with a grant element of at least 25 per cent – to the ARD and food security sector through IDA.

The WB operates through a complex matrix management system which means that each sector, such as agriculture, and region, such as Africa, is represented by a distinct unit. Overlaying the sector and regional structure are networks. The most important of these are the Sustainable Development (SDN), to which ARD belongs, Human Development (HD), and Poverty Reduction and Economic Management (PREM). In addition, there are over 90 Thematic Groups (TGs) that serve to link knowledge activities in both sectors and regions. Within agriculture and rural development, there is a central unit – the Agriculture and Rural Development Department – which provides policy and technical backstopping to the operational units dealing with agriculture and rural development in the different regions. It is also responsible for the formulation of corporate policy and strategy for the sector through the ARD Sector Board and for producing an Annual Portfolio Review of ARD.

The WB has different definitions of ARD aid depending upon the audience that is being addressed. In part, this reflects the way the Bank's internal coding system operates, with two distinct and clearly separated sets of codes for the 'sectors' and for 'themes'. Each data set sums to 100 per cent and each activity has a sector and thematic set of codes. World Bank annual reports present a mixture of data on sectors and themes, but reporting on thematic areas is clearly more interesting for a public communication document. In the coding system each operation can only be coded with up to five sector codes and five thematic codes. The responsibility for assigning codes to each operation at the beginning of its cycle (the Activity Initiating Summary) rests with the operational units.

Sector codes have remained more or less constant over the years, whilst thematic codes appear and disappear according to corporate priorities. Staff treats the WB internal coding system seriously since it is used in reporting upwards to senior management and impacts the way performance of different sectors and units is assessed. It is also perceived as being important because it conveys important communication messages through the way it is translated into statements of performance reported in the annual report. In contrast, the way data are reported to OECD-DAC for the CRS is largely unknown by staff and is the domain of a small number of experts whose task it is to carry out the exercise.

The main outside users of the coding system are civil society which constantly monitors the way Bank resources are allocated, and the Sector Boards which 'own' subsets of codes and are accountable for commitments made.

Policy trends

Over the period 1995 to 2009, the Bank's corporate strategies for ARD were:

- From Vision to Action (V2A), launched in 1997
- Reaching the Rural Poor – A Renewed Strategy for Rural Development (RDS) (2002-2007)
- The Agriculture Action Plan (AAP) (2010 – 2012), which is the current strategy

Although the main components of the Bank's strategies for ARD over the course of the last 15 years have remained largely unchanged, it has nuanced the theme in several ways. Before V2A, the Bank was rather narrowly focused on agriculture in the traditional definition of the term, often funding commodity-specific projects. For a decade, V2A and RDS (1997-2007) broadened the scope of the strategy to be more rural, coining the phrase 'rural space' to avoid calling rural development a sector. After 2000, in response to the Millennium Development Goals and Poverty Reduction Strategy processes, the focus was to make the strategy more oriented towards poverty reduction. More recently, triggered by the global financial crisis and especially the global hike in food prices, the Bank's emphasis has switched back to agriculture. The realisation that the food price crisis was at least in part the consequence of decades of under-investment in agriculture, and that cereal yields were stuck, especially in Africa, led to the formulation of the Agriculture Action Plan (AAP) which has brought agricultural productivity to the fore.

Enhancing agricultural productivity has been central to all three strategies. The management of natural resources has also been a consistent theme. Although in AAP this takes on a new guise in the form of agriculture as a provider of environmental services, following the approach set out in the World Development Report 2008. Supporting non-farm growth and income is common to RDS and AAP, as is attention to risk and vulnerability. However, novel features of the AAP are the focus on linking farmers to markets, strengthening value chains and value addition. The idea that exit strategies are needed for some rural people, incorporated into the AAP, marks a major shift of thinking from earlier strategies which were based on the premise that rural development is a way of keeping people in rural areas and reducing migration to towns.

It is clear that the AAP shifts the focus of Bank strategy back towards agriculture. This is reflected not only in the title of the document, but also in the emphasis of the content, focusing on enhancing agricultural productivity (receiving 74 per cent of lending in FY10) and value chains (17 per cent). However, 'softer' components continue to find a place in the strategy through addressing risk and vulnerability (6 per cent), rural non-farm income generation (9 per cent), and environmental services (14 per cent). The AAP has a shorter time horizon than earlier strategies – Just three years – which is designed to coincide with the three-year Country Assistance Strategy cycle.

Expenditure trends

The World Bank has its own coding system, stored in its Project Database, with each operation being coded according to 'sector' and 'theme'. However, the WB started reporting to the CRS in 2009, and has now reconciled data from 2000. The CRS is more detailed and disaggregated than the World Bank coding system, with around 30 purpose codes that can be assigned to ARD and food security. However, sectoral codes and thematic codes are mixed in the CRS.

The WB's Project Database provides its own interpretation of the aid flows which include lending by IDA and IBRD. The WB's definition, which follows the definition of the sector by the ARD Sector Board, includes agriculture, forestry and fishery as well as ARD-related lending within other sectors such as health, industry (agro-industry), trade, and public administration. This shows that the low point of Bank lending was in the financial year (FY) 2000 at \$1.8 billion, and the peak was in FY 2009 at \$5.3 billion. In real terms, the recovery in Bank lending to ARD which peaked in FY 2009 was no higher than the peak 12 years before, in FY 1997. The intervening years saw a precipitous decline

to FY 2000 and slow recovery in lending since then. Using CRS data for IDA, it is possible to compare the narrow definition of lending to agriculture, forestry and fishing (AFF) with the broader definition of ARD and food security proposed by this study. The two definitions run closely in parallel, with a few exceptions. The gap found in 1997 and 1998 is explained by the fact that, after 1999, WB no longer reported to CRS under rural development (43040), budget support (51010) and material relief assistance (72010).

The extent to which corporate ARD strategy has been translated into lending operations is ambiguous from the data sets available. Using AidData and CRS data, although the collapse of lending from 1998 to 2000 is clear (corresponding to the period of the V2A strategy), there has only been a hesitant recovery from 2000 to 2007, despite the effort behind RDS. Using the World Bank's internal Project Database, however, a different picture emerges. These data show a much stronger response in lending to the adoption of the RDS. However, the immediate incentives to increase lending to the sector, in the form of projections (or targets) each year, was not introduced until 2010.

The period since 1995 has witnessed a decline from a recent high point in lending of over \$3.3 billion in 1997-98 (\$2.3 billion from IBRD and \$1.0 billion from IDA) using AidData/CRS figures when V2A started, to an all-time low point of lending to agriculture of just over \$1 billion by both IBRD (\$653 million in 2000) and IDA (\$478 million in 2002) during the time when RDS was the strategy. The main goal in the formulation of the RDS was to address the fact that V2A had largely failed to deliver. However, in view of the inevitable time lag between strategy formulation and lending, it must be assumed that the recent upturn in lending is due at least in part to the momentum created by the RDS.

Lessons

The recent upturn in agriculture lending, which is evident from WB data and from CRS, is real, suggesting that WB has been successful in translating its strategy into increased lending. The largely independent coding of commitments and the 'stickiness' of the system (it does move under political pressures) makes it unlikely that any targeted changes in the way commitments are reported have occurred. The upturn is underpinned by the current AAP annual lending projection of \$6.2-8.3 billion.

The differences in aid flow data on the volume of aid to ARD and food security is less important than the patterns that the data reveal. If the figures from the World Bank Project Database are compared with Aid-Data over the period from 1995, WB reports that almost 20 per cent more aid is flowing to the sector from WB than is recorded outside. However, the broad patterns of lending from year-to-year and from region-to-region are quite similar. That said, the WB case indicates that the CRS is an imprecise tool in reporting aid flows to agriculture. In particular, important new areas of lending to ARD and food security and new instruments are not captured in data reported to CRS, although the CRS 'policy markers' are an attempt to rectify this weakness. To the extent that there is any planning or allocation of aid resources globally, the CRS is not a particularly useful tool. However, through collaborating closely with DAC, WB has been able to ensure that in general there is a closer correspondence between WB data as recorded through its internal coding system and published CRS data. WB seriously attempts to map its codes to CRS. However, there are large areas where it is unable to do this, for example, when reporting on budget support or Development Policy Loans.

Annex IV: Country case study summaries

Malawi

Policy framework and definitions of ARD and food security

Agriculture is the mainstay of Malawi's economy and about 85 per cent of the population is rural. Over the past two decades, the country has experienced recurrent food crises and despite recent improvements Malawi is still suffering from chronic malnutrition. In this context, the domain of ARD and food security has received considerable attention from government, NGOs and donors alike.

The policy context has changed significantly over the years, with three distinctive periods since the 1980s. After experiencing a major economic crisis at the end of the 1970s, Malawi embarked on a series of structural adjustment programmes under the auspices of the IMF and the World Bank. The required structural reforms included:

- Liberalisation of the agricultural sector
- Price decontrol
- Parastatal sector reform
- Privatisation
- Trade liberalisation
- Financial sector reform
- Exchange rate liberalisation
- Interest rate liberalisation
- Rationalisation of the budget

The direct government involvement in agricultural development since independence was called into question and systematically reversed during this period. The period 1995-2004 was marked by the advent of multi-party democracy in Malawi. It was also essentially the aftermath of the structural adjustment period, as most major reforms in the economic sectors had been completed by then. The shared realisation of the failures of these reforms eventually led to a renewed focus on poverty alleviation and social safety

nets. Since 2005, the approach has been to build on the poverty reduction approach, but representing a shift from social consumption to sustainable economic growth and infrastructure development. There is a pronounced re-prioritisation of agriculture and food security through maize self-sufficiency and government intervention, as well as key role for private sector in economic growth. The national fertiliser subsidy introduced in 2005/06 has become the dominant feature of agricultural policy.

These policy changes have impacted the way ARD and food security is perceived and aid flows and public expenditure conceptualised. Currently there are not one but several definitions of the ARD and food security sector. Within government various sector demarcations are applied. One is related to the structure of the national budget, which has agriculture, irrigation, fisheries forestry and trade, to name a few examples, as different cost centres. There is also a thematic budget classification which specifies agriculture and food security as a subtheme of sustainable economic development, and includes agricultural productivity and agro-processing activities. Since 2008, the Government of Malawi (GoM), through the Ministry of Finance (MoF), has been institutionalising sector working groups (SWGs) which are expected to provide a forum for policy dialogue, negotiation and planning among government and its development partners. There are 16 SWGs, including one for Agriculture, a separate one for Integrated Rural Development, another one for Environment, Lands and Natural Resources and yet another one for Trade, Industry and Private Sector Development – all areas of relevance to ARD and food security. Yet, an agricultural sector-wide approach (ASWAp) has been in preparation by the Ministry of Agriculture and Food Security (MoAFS), and this has put forward a wide definition of the ARD and food security domain which includes food security and risk management, agro-processing and commercial agriculture, sustainable land and water management, technology development, etc. The institutional framework of the ASWAp invokes the involvement of various government ministries, civil society stakeholders, private sector actors and development partners. For example, the Ministry of Industry and Trade is expected to play a central role under the commercialisation and market linkages pillar.

Donors also have their own internal classifications related to their programmes and priorities. One of the approaches identified among a number of donors is that of an overarching economic growth sector, which contains an agriculture component, a natural resource management component, a trade or private sector development component and a disaster risk reduction or resilience component. This is the case with USAID, DFID, the UN agencies and Irish Aid to a certain extent. A second approach is a more traditionally defined agriculture and rural development sector, which incorporates natural resource management, irrigation and rural livelihoods. The multilaterals (World Bank, AfDB and EU) and Japan have adopted the latter. Hence, the boundaries set by donors are much more in line with the agricultural SWAp demarcations than the MoF's SWGs, which could suggest a strong donor influence in the SWAp design or a disconnect between MoAFS and MoF.

Aid measurement and reporting systems

With foreign aid representing 11 per cent of GDP, 30 per cent of the national budget and 60 per cent of the development (capital) budget, Malawi can be considered an aid-dependent country. In this context, the GoM and donors have recognised the critical need to manage and coordinate foreign aid resources more effectively. Malawi therefore initiated its own aid data management systems in the early 2000s, which have already greatly facilitated aid tracking, budget planning and coordination in general and in the ARD and food security domain in particular.

The Aid Management Platform (AMP) was established in 2008 for aid tracking, reporting and analysis. Housed in the Debt and Aid Division of the Ministry of Finance (MoF), the AMP contains all programmes and projects funded by resident donor agencies, as well as their monthly disbursements, annual projections, lead implementing agency and sector, type of funding and alignment to country systems. The MoF produces annual Aid Atlas reports, which include analyses of aid volumes, modalities, predictability and fragmentation, per donor and per sector. All 28 resident donors are reporting to the MoF in a timely and accurate manner, enabling the database to currently capture 837 programmes and projects across the 16 sectors, implemented by 109 implementing agencies.

The Public Sector Investment Programme (PSIP) is a tool managed by the Ministry of Development Planning and Cooperation (MoDPC), to plan and manage the national development (capital) budget, in line with the national development strategy, the Malawi Growth and Development Strategy (MGDS). It identifies programmes and projects that are consistent with the government's strategic directions and links them to available financing mechanisms. The PSIP database consists of a list of investment programmes and projects funded by government guaranteed loans, grants and own resources, in the form of five-year rolling plans. It currently contains 233 projects, funded by 25 external donors and implemented by 32 public institutions.

Finally, the MoAFS Technical Secretariat database was developed in 2004 upon the request of the Food and Nutrition Security Joint Taskforce in order to track who was doing what in Malawi in the area of food security and nutrition, at project level. The purpose was for such a regularly updated database to serve as a basis for coordination and harmonisation in the sector. It currently contains 193 projects, funded and implemented by over 80 different donors and implementers.

Trends in aid to ARD and food security

Overall, the volume of aid to ARD and food security appears to have declined between the early 1990s and 2008, despite a slight upward trend since the mid-2000s. In relative terms, the proportion of total aid going to ARD and food security has also decreased, after a peak in 1992 (severe drought), but seems to be staging a slight comeback since 2004/05, when Malawi experienced another alarming food crisis. The data further reveals a heavy bias towards "agricultural policy and administration" and "agricultural development", or more likely a tendency to cluster agriculture-related support under these generic purpose codes. The categories of emergency food aid, food security programmes and basic nutrition seem to explain most of the recent increase in aid.

As for aid characteristics beyond volume, these have been less well captured in the existing data at international level, such as type of aid, aid modalities or aid recipients and implementers (government, NGO, private sector). However, the data does illustrate the increasing importance of general budget support, as a contribution to this sector. This is corroborated by the more recent aid data, managed by Malawi's MoF and GoM, explicit prioritisation of agriculture for economic development.

Lessons: quality of aid measurement and reporting in ARD and food security

Several strengths have been observed in each aid data system, such as the very good accessibility of aid data (online or upon request) and the accuracy of most of the disbursements and projections data provided, especially to the AMP. Donors appear to have aligned themselves to the aid data requirements of the GoM, providing monthly disbursements and annual projections, particularly for GBS and SBS donors. As a result of this very good collaboration, the aid data in the AMP is now being used for budget planning (including setting development budget ceilings) and cash management. Moreover, the PSIP data is being used to analyse the consistency between government (MGDS) priorities and development budget allocations (government and donor-funded). Civil society has also taken up a key role in budget analysis and tracking to hold government accountable for its use of tax and donor resources.

Nevertheless, there are still a number of remaining challenges in terms of handling aid data in general, and aid to ARD and food security in particular.

Different definitions: while the AMP uses a more narrow definition of the agriculture sector (excluding land and natural resources, irrigation, integrated rural development, trade and nutrition), the MoAFS has recently sealed the ASWAp framework, which embraces food security and nutrition, commercialisation and market development, sustainable agricultural land and water management and agriculture-related gender, HIV and climate change issues. While donors in the agriculture sector are able to relate their internal classification to the ASWAp definition, the AMP remains the primary aid data management system and aid effectiveness monitoring tool.

Weak linkages between ministries and aid data management systems: as the three systems were set up with different purposes, resources and institutional homes, there has been a recognised lack of coordination. This has led to discrepancies between the National Development Budget produced by the MoF and the MoDPC's PSIP, for example, which should be one and the same. Moreover, as similar data is currently being requested from the MoF and the MoAFS for their databases, there is a risk of a reduced response rate due to survey fatigue.

Tracking budgetary support: agricultural policy and spending is heavily dominated by the fertiliser subsidy which is funded through the national recurrent budget and directly consumes about 70% of the MoAFS's total budget. Aid contributions are also significant in the form of both general budget support (which funds the national budget) and sector budget support. Given the significance of aid contributions to the implementation of the programme it is reasonable to expect such flows to be accounted for as agricultural aid, rather than unallocated multi-sectoral assistance.

Tracking aid channelled through NGOs and private sector: although donors have an obvious incentive to fully report their aid disbursements to the sector, NGOs and the private sector have less incentives to do so. As a result, aid being channelled outside the public sector has proved extremely difficult to track reliably. The MoAFS database has succeeded in providing government and NGOs with information that they are interested in on almost all projects in the agriculture, food security, nutrition and natural resources domain. However, specifics on quarterly or annual aid disbursements and modalities are not available through this implementer-driven database.

Tracking expenditures: in addition to aid disbursements is a major challenge, as most donors do not receive reliable or timely expenditure data from their recipients. Efforts are now being made to link all donor-funded projects in the AMP to the GoM's Integrated Financial Management Information System for such real time expenditure tracking.

Limited use of data produced for government and donor planning: as the guiding investment framework for the sector, it is striking to note that the ASWAp only refers to PSIP listed projects in its analysis of on-going investments in the sector and not to the Aid Atlas analyses of aid effectiveness in the sector, nor its own sector-wide and more inclusive project database. Similarly, donors in the sector do not appear to be guided by data on other donors' disbursements to the sector, but rather by their own priorities (or areas of comparative advantage).

Limited analysis of aid data (inputs) against development outcomes: although the MGDS Annual Reviews represent an attempt to link development inputs and outputs and thereby assess the effectiveness of the development strategy, the weakness of the MGDS monitoring and evaluation framework seems to be constraining these efforts. Furthermore, the focus in terms of aid effectiveness per sector tends to be on process-oriented Paris Declaration 'aid effectiveness' indicators, rather than on linking overall inputs to development outcomes and eventually impact.

Nicaragua

Policy framework and definitions of ARD and food security

Agriculture remains a fundamental sector for the Nicaraguan economy, representing about 18 per cent of GDP and employing about 28 per cent of the labour force. Policy statements by the current government emphasise the importance of ARD and food security, in a country that ranks as the poorest of Central America. In 2007, the Government of Nicaragua (GoN) put forward the Strategy for Economic Growth and Poverty Reduction (ERCERP), which later formed the basis for the National Human Development Plan (NHRP). Within the context of the National Human Development Plan, the new Ortega administration introduced significant changes to what was the central ARD policy instrument, PRORURAL. The new PRORURAL Includente or the National Plan for Inclusive Rural Development, differed from the previous one by focusing on small producers and strengthening the role of state institutions in implementation. Under the previous Bolaños administration PRORURAL was focused on medium and large producers, and the execution of policies were mostly carried out by private service providers, including the NGOs. The main areas of the PRORURAL Includente were: promoting food production, promoting agro-processing, rationally exploiting natural resources, and the promotion of productive investment. These policies have then been translated into national-wide programmes such as “Zero Hunger”, “Zero Usury”, distribution and sale of agricultural inputs, storage and trading of products.

In 2010, the National Rural Agribusiness Programme (PNAIR) emerged as an alternative to the previous agro-export model focused on medium and large producers. PNAIR explicitly supports small and medium producers and defines the role of the state as a facilitator which supports the access to credit and incentives for the promotion of value addition in agricultural production.

The definition of the ARD and food security domain has evolved over time according to the political context. Key moments in Nicaragua include:

1. The re-settlement of the rural population in a post-war context (1990-95)
2. Poverty reduction (1996-2000)
3. Focus on economic growth (2001-2006)
4. Emphasis of social sectors and rural organisations (2007-present).

These moments are also framed by the international context, including structural adjustment programmes in the 1980s and 1990s, HIPC and Poverty Reduction Strategies in the mid-to-late 1990s, the agenda on aid effectiveness and the international food price crisis in the post-2007.

In the period 1990-1995 the country was undergoing post-war recovery and it introduced structural adjustment programmes of privatisation, market liberalisation and streamlining of the state, which entitled the country to conditional financial support from the IMF, the World Bank and the Inter-American Development Bank. In parallel, bilateral donors provided resources to alleviate the social impact of structural adjustment reforms. In this context, aid to ARD and food security meant social rehabilitation of people, and physical rehabilitation of the country so as to compensate privatisation and state withdrawal. Agricultural inputs and trading were removed from the state sphere towards private institutions, cooperatives were dismantled and land titling, credit and technical assistance was left in the hands of emerging private service providers.

The following period (1996-2000) was marked by efforts to address the devastating effects of Hurricane Mitch. Structural adjustment continued and environmental conservation policies were reinforced (following the 1992 Rio Convention). The government in this period strove to have Nicaragua included as a highly indebted poor country (HIPC), which meant directing resources to poverty reduction interventions in line with the Economic Growth and Poverty Reduction Reinforced Strategy. In this context, aid for ARD and food security meant investment in infrastructure, land titling and social alleviation for the poor. The main beneficiaries during this period were the medium size producers that constituted the political basis of the liberal government.

The period between 2000 and 2006 saw the alignment and harmonisation agendas become progressively dominant. In this context, and in the agricultural sector, donors and the Bolaños administration coincided with an approach that supported medium and large enterprises, market access and value chain inspired programs. During this period, negotiation was fostered among different actors, particularly donors. Meanwhile, the government lacked support from its own political party; its main allies were the so-called 'civil society organizations' and its main policy executers were private service providers, including NGOs. Consistent with this amicable attitude towards donors and civil society organisations, the period also witnessed the emergence of PRORURAL. In this context, aid for ARD and food security meant processing and trading products, market access, decentralisation, and governance (accountability). It was in this context that several information systems were set up, expressing interest from government and donors to create accessible information systems.

The period since 2007 continues to be influenced by the international context (including climate change and aid effectiveness). However, policies and governance change significantly. In agriculture, the emphasis is no longer on medium and large actors but on the small producers and particularly through cooperative organisations. The organisational structure has shifted from being based on 'private services' towards a greater role for the state, which regularly intervenes in the economy on a regular basis. In this context, aid for ARD and food security means more resources for small producers and rural poor families, more seed adapted to climate change in favour of vulnerable rural people, and a state intervening increasingly in the economy (e.g., input and output trading). Information systems have been centralised by exclusive nodes and data has become classified and politicised by both donors and government.

Aid measurement and reporting systems

Currently, there is no integrated system of aid data to ARD and food security in Nicaragua. There are several dispersed information systems functioning in isolation. Some of these systems have been operating for several years, whereas others are just being established and therefore do not yet provide a tool for tracking flows or policy trends. These systems serve different purposes and some have been set up by GoN while other by donors. Some data systems that should be accessible to the public are not, or no longer so, as data are considered sensitive and potential users are therefore blocked from access through a set of bureaucratic procedures.

There are four main data systems recording aid flows to Nicaragua. The Nicaragua Central Bank (BCN) online database has been in operation since 1973. It gathers information from the Ministry of Foreign Affairs and the Institute of Statistics and Census on a range of financial and commodity flows, including trade, investment and aid. It provides aggregate aid data by individual donor and the type of aid delivered (grants or loans). Therefore, for donors such as IFAD that provide aid exclusively to ARD and food security, this database provides a useful reference for analysing sector trends. Created in 2002/03, Sysoda is an information system set up by the Minister of Foreign Affairs. It is considered unique in Central American countries, as it allows greater appropriation by recipients of cooperation resources so as to maintain coherence with the public policies. It was established to provide state institutions and donors with access to that system data. It sources information from individual donors through a specified format and produces disaggregated annual ODA data according to donor programmes' topics. It also provides information on technical assistance, aid disbursed through state finance institutions, use of state procedure for acquisition requirements, aid disbursement through parallel institutions, number of missions undertaken during the year, and a number of studies carried out about the country. Its main weakness is that it is inaccessible to the general public, except through a very bureaucratic request procedure and with the help of key influential actors. Since 2008 donors have also reported difficulties accessing information on the system. These restrictions in access can be explained by the fact that GoN considers data from Sysoda as very sensitive.

SISEVA was established in 2006 by the Ministry of Agriculture, Livestock and Forestry (MAGFOR) as part of an agricultural sector-wide approach (SWAp) called PRORURAL to monitor progress in support to the ARD sector. The system is managed by the several state institutions involved in ARD, known as SPAR (Agricultural and Rural Public Sector), including in addition to MAGFOR, the Agricultural Technology Institute (INTA), the Rural Development Institute (IDR) and the National Forestry Institute (INAFOR). It comprises both financial and physical data and aims to enable an analysis about the effectiveness of aid allocations. It includes annual data disaggregated according to the nature of funding (grants and loans), donor country, executing state institutions, geographical location, crops-products funded and indicators related to expected outcomes. Its advantage is its uniqueness as a system managed by all organizations involved with PRORURAL, including donors. With this information the government and the budget-support donor groups reportedly have a data system appropriate for accountability, to discuss

policies and form a basis for donor-government roundtable negotiations. Its weakness is that it is not open to everybody and data included is limited to 2010, though the system was first created in 2006.

Finally, Odanic was created with support from DFID in 2006/07 as a mechanism for following up commitments on aid effectiveness, following international standards on transparency and accountability. Odanic data were used to publish the Blue Book including strategies of donor countries toward Nicaragua, amounts, channels and destination of ODA resources. Essentially a donor-driven tool, ODANIC information was also available to the government, civil society organizations and to the general public. Though donors considered ODANIC very useful, it only functioned between 2007 and 2008, and was discontinued in 2009.

Trends in aid to ARD and food security

Aid to ARD and food security has remained fairly stable since the early 1990s, with an annual average of about \$100 million for the period 1995-2008 (in constant prices), taking the broad definition proposed by ODI. The United States are the largest bilateral source of aid to Nicaragua, providing primarily food aid and large scale programmes on smallholder production. Other large bilateral donors include Japan, Sweden and Spain. Worthy of notice, Japan has traditionally provided aid for infrastructure with the aim of improving rural producers' access to markets. This is however not typically accounted for as agricultural aid. The main sources of multilateral assistance are the Inter-American Development Bank, the European Commission and the World Bank. According to CRS data, these agencies' ARD and food security assistance concentrates mainly on rural development and agricultural policy and administration. The EU is also strong on food security programmes. Emergency relief, and emergency food aid in particular, has normally been low, with the exception of 1999 when Hurricane Mitch hit the country.

Aid fragmentation is increasing, with a growing number of projects and declining volume of aid per project, particularly with regards to grants. Non-DAC assistance is also becoming sizeable, particularly with large amounts of aid provided by Venezuela as part of the Bolivarian Alliance for the Americas agreement (ALBA). Reports from BNC note Venezuela provided about \$1.6 billion between 2007 and 2010. Little is publicly known about the nature of Venezuela's assistance, although a considerable proportion is reported to be used to fund the national GoN strategy to fight hunger and poverty in rural areas. In 2010, a total of \$19.4 million is said to have been used for food and nutrition sovereignty aims.

Lessons: quality of aid measurement and reporting in ARD and food security

Although several information systems produce data on aid flows in Nicaragua, there is no integrated system that presents information with a level of detail that allows comparative analysis across sectors. More importantly, although citizens are legally entitled to information regarding public resources, in practice such information is not available for public scrutiny, except for the BCN database which only provides very aggregate statistics. Donor agencies represented in Nicaragua are also finding it increasingly difficult to access compiled aid data and have to rely on their own sources and secondary data managed internationally (such as the DAC statistics).

Among donors, and despite the SWAp, there is no common aid data system. Each donor has its own information system, which is not available to the public. Exchange of information between donors does not seem to be a priority. Individual donor decisions on aid allocations are generally taken with a high degree of autonomy, responding to individual policy priorities and not so much related to other donors' disbursements. Overall, the very restricted access to domestically generated data on aid to ARD and food security constituted a major challenge to this particular case study, compromising the assessment of the quality of aid measurement and reporting in Nicaragua. Despite the above, and subject to further research, some experiences could develop into good practices provided the issues of transparency and accountability are dealt with. SISEVA, for example, has been a clear attempt to strengthen government coordination in resource management and promote donor harmonisation in ARD. The system potentially allows GoN agricultural institutions and donors to monitor the use of resources as well as their effectiveness, and be a key instrument for planning and management, analysis and accountability. It is already being used to assist government financial reporting and annual planning. Yet, its ability to assist monitoring and analysis outside the SPAR institutions (donors and the general public) is limited due to access constraints which equally compromise public accountability. Another critical issue to be addressed concerns results-based monitoring of aid. It is yet not possible to use SISEVA to analyse the impact of aid against objectives and results, and hence its limited usefulness for policy design.

Vietnam

Policy context and definitions of ARD and food security

Vietnam's agricultural sector provides more than 15 per cent of the country's GDP, generates more than 15 per cent of its exports and employs almost half of its workforce. Although agriculture remains a key pillar of Vietnam's economy, its share has been decreasing since the early 1990s, when agriculture represented over a third of the country's GDP and exports, and employed over 60 per cent of the labour force.

The Ministry of Agriculture and Rural Development (MARD) is the government agency overseeing ARD and food security in Vietnam. It was established in 1995 through a merger of the Ministry of Agriculture and Food Industry, the Ministry of Forestry and the Ministry of Irrigation. The definition of ARD and food security used by government is primarily linked with the current scope of MARD. However, from a broader perspective, the definition of ARD and food security is also linked with the evolution of the country's national strategy on ARD and food which includes areas not directly within MARD's remit.

Indeed, the scope for government action in the ARD and food security domain became wider, as the country's strategy moved from a production focus (increased production to become self-sufficient and export) towards the need to ensure broader development in rural areas to bridge the gap between urban and rural areas. As a result, broader rural development issues, such as improved access to basic social services (health, education), development of rural infrastructures (roads, electricity, etc.), protection of natural resources and livelihoods, support to SME development (e.g. access to rural financial services), are now part of the Government of Vietnam's (GoV's) ARD strategy, even if some of these objectives fall under the responsibility of other line ministries, such as Ministries of Health and Education, Ministry of Natural Resources and Environment (MoNRE), Ministry of Industry and Trade (MoIT). Yet, this change of ARD scope is not reflected in Vietnam's expenditure tracking system (including ODA management systems) which still use the institutional sector classification whereby ARD spending is only reflected through expenditures managed by MARD.

Another important change in the policy context relates to the decentralisation process which has significantly affected the institutional structure of agricultural governance. Decentralisation to provinces and state managed units accelerated from 2005 and MARD is no

longer responsible for many state corporations, the extension service and research centres. Provincial Departments of ARD became accountable to the provincial administration rather than MARD, while sub-national authorities currently account for a reported 80 per cent of ARD expenditure. As a result, development assistance supporting local government programmes is also unlikely to be reflected in calculations on ARD aid.

As for donor definitions of ARD and food security aid, the scope depends on each donor's country strategy and priorities. Changes in government strategies and in new global issues (such as climate change and global pandemics such as the avian flu) have been contributing to the widening of scope of this policy domain. New rural development strategies taking value-chain approaches have also contributed to enlarging the scope of rural development, integrating service delivery (social services such as health and education, financial services, etc.), participation of the private sector (local and international private companies, households, etc.) in rural activities beyond agricultural activities as such.

Aid measurement and reporting systems

There are two main categories of aid reporting systems:

1. Government systems, including both national and sector-specific systems
2. Donor reporting systems, underpinned by donor agencies' own internal requirements.

Some efforts have been made to align government and donor reporting systems at project/programme level and at the national level.

MARD has supported initiatives to strengthen sector and aid management capacities and tools. This includes the development of enhanced systems for monitoring ODA inflows and implementation of MARD's Five-year Socio-Economic Development Plan.

Numerous efforts have been made to strengthen M&E systems at the project and sub-sector levels, including efforts of the FSSP (Forest Sector Support Partnership) and RWSSP (Rural Water Supply and Sanitation Partnership) to establish subsector performance monitoring systems. However, these efforts have been pursued in the absence of a comprehensive M&E framework for the ministry, resulting in fragmentation and confusion as different departments maintain their own databases and systems.

Measures to strengthen MARD's M&E and aid management capacity are being undertaken with donor support. The Swiss-funded M&E in Support of Management in ARD (MESMARD) provides support to develop a framework for monitoring the implementation of the MARD's socio-economic development plan. A database of investment projects was devised for this purpose. Project managers are asked to report monthly to MARD to update the database with detailed information on disbursements. The database currently includes more than 700 projects, half of which are ODA-funded.

In parallel, the International Cooperation Department (ICD), which is a general management agency of the MARD in charge of performing state management functions of the agriculture and rural development sector over the international cooperation (ODA) and international economic integration for the ARD sector, keeps track of ODA (and FDI) disbursements on a project basis.

At the national level, the piloting of the Ministry of Planning and Investment (MPI) has devised, with donor support, the Aligned Monitoring Tool (AMT) with the aim of monitoring progress on ODA disbursements. The AMT is designed to monitor progress of disbursement (variance between actual and planned rates of disbursement), process (variance between actual and planned time taken to complete required processes for bidding, contract implementation, resettlement and environmental management) and performance (variance between actual and planned implementation of activities and achievement of outputs). Within MARD, AMT runs in parallel to the M&E system developed by the MESMARD project, as AMT requires specific details related to disbursements.

Since 2010, MPI also compiles data on support from international NGOs, though a standardised reporting format. The objective is the same as for bilateral and multilateral aid monitoring: track disbursements and identify any potential implementation issue. The sector classification used is different from the one used by other government agencies. Agriculture, forestry, water and irrigation activities (covered by MARD) are under a broad sector named Natural Resources which also includes environment and wildlife protection (covered by the MoNRE). In addition, integrated rural development, pro-poor market development and community development types of activities are registered under an Income Generation sector which also includes microfinance activities. Finally, climate change and disaster preparedness are stand-alone categories (under 'other sectors') along with construction and physical infrastructure.

Finally, there used to be a Development Assistance Database (DAD) but it is no longer in use. The DAD was launched by Synergy International Systems through the MPI and the United Nations Development Programme. The DAD was part of the overall ODA management effort to realise the commitments set forth in the Paris Declaration and the Hanoi Core Statement on Aid Effectiveness, Harmonisation and Alignment in 2005 by supporting ODA reporting, monitoring and evaluation, harmonization, and by enhancing government and development partner accountability and transparency. However, the DAD design was not adapted to Vietnam's ODA management system and institutional framework and proved very expensive and time consuming to maintain.

Among donors, there is no formal mechanism in place to share information on aid flows to ARD and food security. Instead, each donor agency reports to its headquarters using internal systems. This is done on a project/programme basis rather than at a consolidated sector level. One important initiative has been launched, as part of the implementation of the AMT, to harmonise the reporting format of the five Banks (World Bank, ADB, JBIC, KFW, and AFD). Furthermore, an International Support Group (ISG) was established in 1997 within MARD to serve as a mechanism to establish and enhance the effectiveness and efficiency of cooperation between MARD and international donors and NGOs. A review of ISG's performance conducted in 2010 revealed however that ISG proved to be more relevant for ministry-level policy dialogue and could not provide adequate support to improve operational dialogue and coordination at sector level. No technical working group has been set up to discuss ARD and food security. Instead, several sub-sectoral partnerships have been set up led by donor agencies in cooperation with MARD, on themes which attract the largest amounts of aid flows. These partnerships have set up sub-sector monitoring and evaluation system which MESMARD project is currently trying to harmonise, such as the Forestry Sector Monitoring Information System.

Trends in aid to ARD and food security

Aid committed to Vietnam accounted an average of \$210 million per year (in constant prices) in aid to ARD and food security programmes over the period 1990-2008, according to the DAC broader definition (referred to as AFF+ in this study) and data from the CRS. An additional 10 per cent are added if the wider definition proposed by ODI is applied. Overall, support to the sector has increased over the period. Within agriculture, projects coded under the 'agricultural development', 'agricultural water resources' and 'agricultural policy and development' CRS categories accounted for the bulk of assistance. Aid to forestry development and forestry policy and administration became increasingly important in the 2000s. Another noticeable evolution is the increase in aid to support industrial crops and agricultural financial services in the 2000s. Rural development is also an important aid spending category, with three noticeable peaks in 1997, 2001 and 2006, possibly the start of large programmes.

Main donors to ARD and food security in Vietnam are the World Bank, Japan (notably JBIC, Japan's development cooperation investment arm), the Asian Development Bank (ADB) and France. These four donors accounted for 57 per cent of total aid flows to the sector over the period 1990-2008. Together with Sweden, Denmark, IFAD, the European Commission, Germany and the United Kingdom, they accounted for 83 per cent of development assistance. These top 10 donors have remained broadly the same over the period. Notable changes include the rising importance of Denmark, and the decrease in the relative importance of Sweden and the EC.

Current areas of focus of the top ten donors in supporting ARD and food security can be grouped into three main categories: agriculture competitiveness and pro-poor market approaches (particularly IFAD, France and DFID), rural infrastructure (mainly the World Bank, Japan, ADB and France) and natural resource management and climate change (particularly Germany). As Vietnam reaches middle-income status the tendency will be for bilateral donors to increase their grant financing of NGOs while replacing grant financing to governments by loans of varying degrees of concessionality. In the meantime, the GoV has articulated commitments and targets for aid effectiveness through the Hanoi Core Statement, which adapts the Paris Declaration commitments to local conditions. The Statement makes it clear that programmatic support and more diversified financing (FDI and public-private partnerships) are the desired modalities for the future. Yet, projects still account for the bulk of aid. Examples of new modalities introduced include general budget support, with the yearly Poverty Reduction Support Credits administered by the World Bank, the Trust Fund for Forests and the pilot experience with provincial budget support.

Lessons: quality of aid measurement and reporting in ARD and food security

Vietnam provides an interesting perspective on the evolution of the ARD and food security domain in the context of its transition towards becoming a middle-income country. Although agriculture is a key driver for economic development in rural areas, the need to ensure a balanced development for the country has led to an increasing focus on non-agricultural activities and business development related to the agricultural economy. This type of support may not be recorded as ARD and food security support but rather as private sector development, trade and infrastructure. Also, some donor-funded projects related to ARD and food security are directly funded and implemented at provincial level. These are eventually reported to the MPI but not always to the MARD which thus cannot include them in its project database. In parallel, the liberalisation of Vietnam's economy affects the social protection systems that used to be in place and acute poverty persists in rural areas, particularly among ethnic minority groups. This led rural development programmes towards targeting specific groups to include provision of basic social services such as health and education, in addition to working on improving their livelihoods. Similarly, these activities may be more often reported under health and education sector than ARD and food security. In sum, whereas some reduction in support to ARD may be taking place, a great deal of relabeling of development assistance (and public expenditure) is also happening (e.g. business development and local development) and this may not be adequately captured by existing data systems.

One explanation for the apparent lack of synchronisation between aid measurement and policy trends is that aid is measured mainly for budget planning and financial management purposes rather than policy analysis or assessments of relevance and coherence of aid programmes. Yet, as results-focus becomes ever more central to aid programmes, the chain linking policies and their objectives, to financial resources and their use has to be more rigorously defined. The challenge for ARD is to link back results to policies and resources since much of what happens in the agricultural domain is affected by exogenous factors which are often not under the control of governments or their development partners.

Annex V: Additional tables on aid to ARD and food security

Table 12: Composition of AFF and AFF+, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Agriarian reform										225	67	81	28			97	286	553	204
Agricultural alternative development																			
Agricultural cooperatives		111	20	5	2	6	13	175	2	35	28	632	76	24	46	105	39	29	38
Agricultural development	293	270	927	710	960	1,051	1,469	1,378	1,255	1,050	1,039	1,191	2,446	982	1,970	1,650	1,882	967	960
Agricultural education/training	15	22	180	94	130	31	94	155	178	348	198	268	162	117	158	246	204	106	99
Agricultural extension		87	30	87	87	30	138	110	10	40	106	58	209	38	429	56	12	65	84
Agricultural financial services	76	11	464	446	745	72	1,245	541	568	944	641	618	219	431	316	469	484	400	213
Agricultural inputs	312	419	416	373	397	601	765	1,013	894	938	890	968	513	428	379	851	465	258	249
Agricultural land resources	15	382	80	425	282	360	395	117	103	252	476	696	900	224	986	688	452	171	206
Agricultural marketing, storage and transportation	772	389	147	232	613	942	316	382	694	561	440	415	499	413	554	600	597	1,306	297
Agricultural policy and administrative management	630	482	313	323	543	384	346	491	143	835	344	614	871	685	914	1,604	683	1,580	865
Agricultural research			46	41	205	193	181	252	231	290	297	503	485	436	391	384	219	335	426
Agricultural water resources	836	1,079	451	881	1,486	1,988	1,546	2,510	1,560	2,045	2,524	2,133	2,093	997	1,324	1,741	1,195	962	1,285
Fishery development		108	254	108	254	301	272	486	324	252	281	192	190	309	348	274	369	255	292
Fishery education/training		39	11	39	11	8	17	0	11	30	27	33	51	6	19	4	4	39	20
Fishery research		2	27	2	27	89	10	16	37	9	4	38	16	17	0	8	26	51	30
Fishery services		53	30	53	30	105	2	79	39	55	29	89	28	39	38	43	31	8	17
Fishing policy and administrative management	158	149	69	23	44	91	123	114	37	55	68	75	61	74	233	226	66	81	75
Food crop production	176	193	114	378	380	735	284	660	591	543	502	330	307	513	260	406	278	522	180
Forestry development			14		243	150	278	163	370	577	319	596	362	215	334	656	320	653	489
Forestry education/training																			1
Forestry policy and administrative management	71	168	139	63	127	6	98	2	7	10	39	34	104	89	103	166	114	238	205
Forestry research					4	57	16	1	20	20	19	2	2	9	29	24	2	30	54
Forestry services					6	21	3	1	18	48	32	21	57	24	56	136	135	143	44
Fuelwood/charcoal								234	16	108	89	9	543	199	41	16	82	10	29
Industrial crops/export crops			168	358	255	362	519	496	768	902	665	1,033	177	298	497	429	545	312	150
Livestock	441	295	261	245	288	699	299	340	263	289	179	221	243	115	298	224	908	157	132
Livestock/veterinary services	31	44		37	28	44	13	44	29	129	53	73	52	82	59	56	22	59	8
Plant and post-harvest protection and pest control			2	8	2	9	22	5	8	14	14	2	3	40	22	35	6	2	7
Sub-total: AFF (1)	3,825	4,015	3,812	4,843	7,148	8,334	8,462	9,767	8,159	10,604	9,369	10,923	10,700	6,804	9,805	11,192	9,426	9,289	6,659
Rural development (2)	451	858	492	956	955	1,316	1,578	1,458	2,578	1,748	1,885	1,207	961	977	2,863	1,998	1,807	1,476	1,216
Food security programmes (3)	4,391	5,414	3,936	3,533	3,823	5,606	4,095	4,005	4,384	4,456	3,551	5,938	4,400	3,312	2,919	3,550	2,006	2,446	2,142
Emergency food aid (4)	13	87	115	16	18	25	33	29	65	20	51	221	96	44	358	82	100	83	105
Sub-total: AFF+ (1+2+3+4)	8,680	10,374	8,355	9,348	11,944	15,281	14,168	15,259	15,186	16,828	14,857	18,289	16,157	11,136	15,944	16,822	13,339	13,294	10,122

Table 12: Composition of AFF and AFF+, 1992-2009

(2008 prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Agrarian reform	238	155	110	489	10	100	130	43	8	34	18	36	10	36	39	163	26	28
Agricultural alternative development							56	6	0	0	151	8	324	325	201	396	389	300
Agricultural cooperatives	63	6	27	29	24	4	25	25	25	51	59	34	35	43	37	62	63	78
Agricultural development	1,066	488	1,227	384	856	631	570	918	565	338	485	1,012	464	636	531	893	746	1,678
Agricultural education/training	104	79	122	63	39	42	67	86	74	63	61	63	44	107	69	130	85	76
Agricultural extension	97	29	9	31	48	26	49	20	148	182	97	97	192	123	610	266	203	224
Agricultural financial services	153	257	163	85	345	172	355	124	120	126	56	201	31	71	97	77	26	238
Agricultural inputs	306	167	321	470	538	248	328	188	137	282	139	83	74	82	85	132	114	107
Agricultural land resources	173	273	438	310	81	580	425	192	233	295	215	234	182	150	125	109	141	151
Agricultural marketing, storage and transportation	598	567	147	117	124	191	239	125	39	104	148	121	172	184	101	113	294	285
Agricultural policy and administrative management	559	563	588	841	663	391	572	1,325	1,344	1,200	955	944	1,255	1,216	1,009	1,122	1,414	2,872
Agricultural research	476	231	222	127	217	189	434	282	197	96	267	325	309	340	297	755	765	381
Agricultural water resources	1,341	477	1,118	1,176	1,137	968	850	699	494	981	1,047	426	648	846	880	1,278	1,105	1,068
Fishery education/training	293	216	53	156	88	120	153	105	117	66	129	110	46	106	114	86	184	242
Fishery development	17	28	7	0	13	23	40	8	12	18	9	13	32	7	18	6	13	5
Fishery research	28	16	32	4	11	30	26	20	3	18	16	31	7	8	5	21	12	11
Fishery services	108	67	44	39	31	112	59	56	57	56	55	34	50	72	22	67	88	137
Fishing policy and administrative management	38	86	218	86	575	78	79	123	83	271	101	64	103	127	99	138	159	118
Food crop production	93	123	281	141	364	163	127	149	267	206	190	307	209	226	180	217	889	664
Forestry development	802	164	151	220	430	576	390	103	304	263	189	507	126	425	323	480	312	197
Forestry education/training	0	0	0	5	3	11	9	2	10	13	13	2	8	5	7	5	20	4
Forestry policy and administrative management	192	67	94	222	227	246	97	163	248	293	326	113	318	183	207	191	360	459
Forestry research	58	29	97	14	7	4	17	24	11	43	9	12	14	7	15	32	14	8
Forestry services	153	124	337	51	82	19	18	11	59	3	1	8	0	2	9	1	1	8
Fuelwood/charcoal	34	91	40	52	0	14	2	4	4	2	3	6	0	0	0	0	0	1
Industrial crops/export crops	286	195	88	102	106	118	136	28	29	118	38	58	27	60	145	280	221	120
Livestock	181	158	93	75	123	178	98	48	126	65	47	85	167	118	221	165	98	144
Livestock/veterinary services	103	16	60	28	48	26	31	18	28	50	16	32	32	46	86	55	55	141
Plant and post-harvest protection and pest control	9	13	27	30	55	31	39	20	33	78	16	27	41	22	15	39	32	25
Sub-total: AFF (1)	7,567	4,688	6,113	5,348	6,245	5,289	5,419	4,917	4,777	5,317	4,854	4,993	4,919	5,572	5,547	7,278	7,829	9,767
Rural development (2)	1,075	909	996	851	998	1,310	1,794	1,993	1,405	1,248	1,582	1,346	901	908	1,455	1,229	1,161	1,365
Food security programmes (3)	989	649	653	1,176	1,110	1,238	1,459	2,987	2,668	2,726	2,762	1,874	1,687	1,642	1,556	1,423	1,742	2,102
Emergency food aid (4)	157	70	117	268	199	257	274	1,186	620	536	1,542	2,572	1,900	2,625	2,236	2,061	3,737	3,220
Sub-total: AFF+ (1+2+3+4)	9,789	6,316	7,878	7,643	8,552	8,094	8,945	11,082	9,469	9,828	10,740	10,786	9,407	10,747	10,794	11,991	14,469	16,454

Source: OECD/DAC CRS.

Table 13: Composition of AFF and AFF+, 1973-1991

(current prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
AfDB		12	35	9	35														
AfDF					54	44	77	64	62	41	77	135	140	275	222	522	121	176	
AsDB	11	32	12	74															
AsDF					125	136	159	252	66	179	348	204	204	130	725	429	503	771	278
Australia	7	0	3	0	19	22	19	11	20	18	12	10	10	11	16	13	32	46	22
Austria		4			1	10			0									0	10
Belgium																		0	8
Canada	89	37	43	80	47	152	107	63	237	55	183	197	199	225	199	235	137	159	106
Denmark				11	35	24	35	39	58	86	29	17	65	57	94	157	116	57	65
EU Institutions	46	30	8	103	188	95	251	264	299	506	339	340	72	32	358	493	114	133	100
Finland								5	2	7					50	96	85	124	51
France	25	21	9	31	22	60	104	122	132	99	121	95	105	191	137	167	223	281	168
GAVI																			
GEF																			
Germany	62	17	22	38	143	86	272	277	80	148	137	134	103	147	163	115	66	165	133
Global Fund																			
Greece																			
IBRD				81	42														
IDA	340	315	401	376	654	1,383	890	1,271	827	1,354	878	1,325	1,535	728	987	1,309	1,107	1,787	1,098
IDB	62	154	99	153															
IDB Sp.Fund					231	123	243	226	181	118	98	65	46		75	24	23	124	32
IFAD						25	236	207	204	220	207	166	96	66	89	121	95	130	90
IMF (SAF,ESAF,PRGF)																			
Ireland																			
Italy								12		17	85	75	45	41	286	348	307	193	155
Japan	14	51	49	29	179	287	340	353	322	335	297	444	723	355	549	1,392	851	711	1,038
Korea																			
Luxembourg																			
Netherlands																			
New Zealand	12	54	93	140	121	166	166	166	153	89	132	157	56	234	310	237	229	142	175
Nordic Dev.Fund									12	8	4		3						
Norway																			
OPEC Fund	15	24	43	20	26	38	26	36	38	42	6	61	42	58	43	34	59	30	23
Portugal																			
Spain																			
Sweden	24	17	4	15	16	23	51	44	68	63	49	51	61	73	128	542	274	459	213
Switzerland	3	7	15	7	16	23	21	26	63	39	93	33	65	62	77	87	94	77	104
UNAIDS																			
UNDP																			
UNEP																			
UNICEF																			
United Arab Emirates																			
United Kingdom	2	19	35	24	51	51	117	57	0	12	38	62	39	14	46	42	99	117	162
United States	121	204	178	164	100	169	116	573	396	662	537	673	718	720	724	706	612	466	415
WFP																			
WHO																			
Total	821	955	1,009	1,310	2,067	2,874	3,207	4,076	3,224	4,112	3,641	4,186	4,319	3,285	5,331	6,777	5,548	6,130	4,621

Table 13: Composition of AFF and AFF+, 1992-2009

(current prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009		
AfDB	125	167	47	41	65	91	100	89	116	0	0	0	0	220	236	236	0	270		
AfDF																				
AsDB	567	63	144	181	282	115	129	42	132	83	165	275	183	222	190	240		98		
Australia	27	20	33	12	344	46	35	76	69	72	58	80	28	110	79	72	154	93		
Austria	0	0	54	76	72	42	63	44	45	5	3	4	5	11	9	13	12	11		
Belgium	104	55	46	21	97	76	29	22	64	30	26	126	211	123	139	77	269	257		
Canada	87	62	53	23	133	108	37	105	142	37	63	15	124	218	73	85	55	113		
Denmark	143	308	315	342	176	53	147	327	255	287	159	301	285	211	383	462	666	1,852		
EU Institutions	36	31	40	8	24	16	33	10	9	23	16	8	30	53	24	41	88	99		
Finland	137	210	114	199	99	120	187	128	97	311	162	189	184	116	211	663	537	489		
France																				
GAVI																				
GEF																				
Germany	146	260	168	248	300	113	213	173	136	148	186	154	174	217	362	233	239	348		
Global Fund																				
Greece											1	2	1	1	3	7	4	4		
IBRD																				
IDA	1,160	457	1,439	1,267	338	870	947	645	433	461	791	773	1,001	701	906	1,309	1,467	1,806		
IDB																				
IDB Sp.Fund	78				94		40		64			77	47	27			20	35		
IFAD	189	140	245	247	247	299	144	236	186	147	71	126	142	155	165	225	262	322		
IMF (SAF,ESAF,PRGF)																				
Ireland																				
Italy	147	34	8	39	36	23	31	22	37	25	30	35	27	19	31	55	72	192		
Japan	1,061	869	981	1,057	2,039	1,312	1,008	740	541	1,132	628	782	539	1,007	598	1,056	1,043	722		
Korea															12	108	49	39		
Luxembourg																				
Netherlands	275	231	220	235	167	153	154	96	61	126	115	210	117	141	133	95	111	173		
New Zealand				4							2	4	4	12	13	6	10	7		
Nordic Dev.Fund																				
Norway	14	35	18	56	37	25	16	59	48	45	58	41	97	79	123	97	197	328		
OPEC Fund																				
Portugal																				
Spain					1	0	0	3	2	5	4	3	3	3	2	2	3	5		
Sweden	171	41	44	62	114	84	43	31	22	43	32	29	93	45	156	111	58	77		
Switzerland	49	55	84	43	94	54	55	56	69	46	75	58	67	63	56	78	99	42		
UNAIDS																				
UNDP								27					8	4	2	0	1	7		
UNEP																				
UNFPA																	0	0		
UNICEF																				
United Arab Emirates																				
United Kingdom	582	60	89	106	184	94	198	269	241	75	132	177	74	171	144	65	386	233		
United States	355	254	311	166	208	225	237	290	405	354	390	199	488	758	624	1,223	1,606	1,488		
WFP																				
WHO																				
Total	5,453	3,355	4,551	4,440	5,158	3,973	3,904	3,521	3,217	3,572	3,310	3,851	4,109	4,856	4,853	6,846	7,829	9,558		

Source: OECD/DAC CRS.

Table 14: Aid to AFF+ by donor, 1973-1991

(current prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	
AfDB		12	35	15	45															
AfDF						56	66	96	82	90	69	114	155	150	359	252	568	134	176	
AsDB	17	37	13	108																
AsDF					154	202	188	267	101	189	393	204	204	181	751	558	555	797	318	
Australia	31	55	37	31	56	93	74	92	108	83	85	54	44	46	54	60	53	71	51	
Austria		4				1	10			0							4	0	21	
Belgium	0																	0	8	
Canada	176	86	111	136	77	158	113	79	251	69	213	443	364	394	411	514	383	355	298	
Denmark				11	39	41	37	47	63	102	47	62	71	73	101	160	117	61	79	
EU Institutions	248	426	80	112	477	138	549	483	629	1,036	637	888	379	37	945	947	358	228	167	
Finland									5	2	7				59	123	86	125	64	
France	65	80	65	63	28	87	113	144	155	153	190	185	143	216	184	259	271	323	215	
GAVI																				
GEF																				
Germany	100	66	90	78	193	179	342	345	182	191	204	235	185	264	307	217	99	202	171	
Global Fund																				
Greece																				
IBRD				161	42															
IDA	402	373	472	440	727	1,487	1,018	1,389	1,151	1,522	1,202	1,351	1,642	857	1,138	1,440	1,149	1,912	1,223	
IDB	70	154	100	173																
IDB Sp.Fund					231	140	324	251	327	174	100	75	51		87	24	23	124	32	
IFAD						102	355	344	350	297	253	174	109	86	141	125	149	193	197	
IMF (SAF,ESAF,PRGF)																				
Ireland																				
Italy																				
Japan	133	121	52	42	232	296	548	613	676	475	406	532	788	434	852	1,474	1,039	1,078	1,153	
Korea																				
Luxembourg																				
Netherlands	0	27	57	115	178	172	199	210	193	120	179	220	97	304	394	312	311	213	280	
New Zealand				2					12	9	4		4							
Nordic Dev.Fund																				
Norway	15	27	52	29	37	50	33	53	40	54	7	72	62	58	60	43	110	58	43	
OPEC Fund																				
Portugal																				
Spain																				
Sweden	24	32	51	25	23	33	58	49	94	82	69	72	71	93	129	561	305	472	239	
Switzerland	3	25	17	16	32	47	40	35	90	47	110	37	88	73	101	110	105	125	160	
UNAIDS																				
UNDP																				
UNECE																				
UNFPA																				
UNICEF																				
United Arab Emirates																				
United Kingdom	3	50	49	24	65	870	136	79	41	48	61	91	74	39	71	73	100	122	179	
United States	579	855	1,050	1,123	866	848	1,194	1,785	1,594	1,912	1,628	2,402	2,123	1,900	2,052	2,392	1,714	1,874	1,688	
WFP																				
WHO																				
Total	1,867	2,431	2,331	2,704	3,502	5,001	5,397	6,393	6,166	6,671	5,957	7,292	6,720	5,468	8,682	10,041	7,869	8,773	6,945	

Table 14: Aid to AFF+ by donor, 1992-2009

(current prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
AfDB																		
AfDF	148	180	47	41	65	139	117	173	131	0	0	0	0	320	307	269	142	340
AsDB																		
AsDF	684	63	144	210	314	205	346	96	214	159	237	345	226	222	345	336	241	98
Australia	62	38	53	50	397	85	89	104	132	120	121	138	84	179	92	104	364	209
Austria																		
Belgium	0	0	64	94	93	64	85	56	63	73	107	92	109	129	136	164	181	246
Canada	291	151	156	104	177	198	146	101	150	115	121	160	278	140	293	332	599	418
Denmark	98	74	55	36	136	109	38	107	144	38	64	15	133	254	88	99	182	141
EU Institutions	275	410	385	690	705	620	846	1,149	996	956	977	958	950	925	1,196	1,260	1,561	2,929
Finland	49	32	48	19	28	17	38	19	19	41	28	44	62	101	64	59	130	148
France	190	273	161	216	152	173	229	133	165	336	243	278	285	209	283	728	631	588
GAVI																		
GEF																	0	0
Germany	155	260	176	412	473	202	323	305	256	312	361	308	325	434	603	447	523	628
Global Fund																		
Greece											1	2	6	4	4	14	15	8
IBRD																		
IDA	1,179	480	1,580	1,414	359	1,012	947	742	433	461	791	773	1,001	701	906	1,309	1,467	1,806
IDB																		
IDB Sp.Fund	78				94		40		64			142	47	27	18		29	41
IFAD	248	218	308	301	352	369	341	416	323	356	291	187	180	180	189	269	372	385
IMF (SAF,ESAF,PRGF)																		
Ireland																		
Italy	238	54	82	91	93	41	74	71	71	13	21	31	36	46	46	66	115	75
Japan	1,218	987	1,272	1,142	2,125	1,439	1,295	1,060	707	1,432	665	1,017	603	1,090	843	1,348	1,308	1,146
Korea																		
Luxembourg										8	10	22	19	31	34	34	43	31
Netherlands	429	412	348	368	294	277	256	199	139	172	199	279	196	239	203	206	174	234
New Zealand				4							4	11	7	28	25	13	20	13
Nordic Dev.Fund																		
Norway	18	50	60	94	84	71	46	120	70	65	83	63	119	164	209	119	274	387
OPEC Fund																		56
Portugal																		
Spain																		
Sweden	179	45	45	62	137	125	64	81	47	59	98	116	148	98	185	121	109	139
Switzerland	115	98	126	74	105	69	81	79	88	56	103	82	103	123	126	177	185	146
UNAIDS																		
UNDP								49					12	9	5	4	3	8
UNECE																	0	0
UNFPA																		
UNICEF																		
United Arab Emirates																		
United Kingdom	610	69	126	165	203	118	291	526	424	137	390	429	229	485	482	339	653	701
United States	705	538	463	525	385	422	498	2,303	1,613	1,453	2,333	2,766	2,594	3,058	2,644	3,035	4,384	4,042
WFP																	0	0
WHO																		
Total	6,972	4,433	5,798	6,117	6,810	5,843	6,283	7,962	6,329	6,570	7,430	8,517	7,928	9,378	9,560	11,352	14,469	16,141

Source: OECD/DAC CRS.

Table 15: Aid to AFF and AFF+ by world region, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
AFF																			
North of Sahara	276	175	297	494	314	134	221	569	356	349	217	404	210	410	440	560	313	335	293
South of Sahara	1,296	985	1,188	1,617	1,784	1,844	1,925	2,455	3,030	3,431	2,765	3,249	3,119	2,841	4,010	4,845	3,897	3,439	2,247
South and Central Asia	1,185	1,049	1,286	1,231	3,113	4,163	3,476	4,051	3,048	4,381	4,165	4,478	4,409	2,271	3,432	2,533	1,983	2,194	1,419
Far East Asia	237	434	411	280	550	1,143	1,063	1,370	514	912	762	1,488	1,316	630	737	1,864	1,481	2,068	1,554
Middle East	59	186	24	208	181	221	123	309	116	307	103	239	155	92	111	115	134	68	96
South America	289	393	297	493	514	599	676	345	451	196	379	298	782	142	433	503	386	382	471
Regional	9	10	39	39	10	53	7	30	39	92	110	104	107	86	129	82	113	65	43
Other	475	783	271	481	683	178	972	637	605	935	869	663	601	333	512	689	1,120	739	536
Total	3,825	4,015	3,812	4,843	7,148	8,334	8,462	9,767	8,159	10,604	9,369	10,923	10,700	6,804	9,805	11,192	9,426	9,289	6,659
AFF+																			
North of Sahara	636	466	827	1,308	1,209	810	1,071	1,585	1,382	1,227	622	1,703	929	975	716	1,283	531	815	872
South of Sahara	2,320	2,635	1,836	2,214	2,840	5,858	3,129	3,896	5,221	5,463	5,054	6,001	5,269	4,640	7,007	7,182	5,578	4,577	3,324
South and Central Asia	2,925	2,790	3,715	2,657	4,075	5,106	5,097	5,528	4,744	5,877	5,604	5,967	5,765	3,091	4,653	3,667	2,860	2,863	2,001
Far East Asia	987	1,321	643	1,397	1,431	1,970	2,155	2,217	1,422	1,230	1,016	1,643	1,501	997	1,395	2,302	1,732	2,611	1,890
Middle East	270	613	188	361	423	330	290	408	208	401	160	297	222	117	160	165	235	251	213
South America	506	745	529	618	550	792	902	581	1,009	528	809	648	1,060	379	643	832	622	747	679
Regional	10	22	39	39	11	53	9	30	79	97	110	144	116	121	142	87	121	70	59
Other	1,026	1,783	579	755	1,406	362	1,515	1,014	1,121	2,005	1,481	1,886	1,296	816	1,229	1,304	1,659	1,360	1,083
Total	8,680	10,374	8,355	9,348	11,944	15,281	14,168	15,259	15,186	16,828	14,857	18,289	16,157	11,136	15,944	16,822	13,339	13,294	10,122

Table 15: Aid to AFF and AFF+ by world region, 1992–2009

(2008 prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
AFF																			
North of Sahara	272	478	381	317	654	218	277	392	209	211	73	99	58	119	249	212	588	386	
South of Sahara	2,218	1,799	1,489	1,824	1,282	1,312	1,380	1,417	1,934	1,482	1,555	1,372	1,696	1,709	1,997	2,489	2,433	3,539	
South and Central Asia	2,749	559	1,256	1,202	1,247	2,026	1,317	622	830	609	1,193	1,096	1,003	1,438	1,213	1,808	1,487	1,530	
Far East Asia	1,015	763	1,937	1,118	1,408	685	1,255	1,108	689	1,652	826	1,078	685	754	515	1,150	724	653	
Middle East	211	55	64	62	60	98	54	81	113	54	28	112	80	185	147	208	258	331	
South America	413	205	182	213	366	422	357	212	305	221	355	248	511	366	434	497	351	603	
Regional	90	52	81	153	132	72	97	66	35	47	51	104	102	58	210	45	222	344	
Other	599	776	724	460	1,097	457	682	1,019	663	1,042	773	885	784	943	782	868	1,766	2,381	
Total	7,567	4,688	6,113	5,348	6,245	5,289	5,419	4,917	4,777	5,317	4,854	4,993	4,919	5,572	5,547	7,278	7,829	9,767	
AFF+																			
North of Sahara	401	561	490	409	827	363	422	529	372	226	229	129	78	146	266	228	617	440	
South of Sahara	3,163	2,448	2,077	2,673	2,111	2,403	2,352	3,239	3,403	2,781	3,640	4,272	4,240	5,124	4,878	5,286	6,401	7,455	
South and Central Asia	3,168	911	1,594	1,758	1,772	2,551	1,975	2,026	1,611	1,611	2,500	1,702	1,666	2,153	2,113	2,584	2,545	2,781	
Far East Asia	1,211	864	2,376	1,231	1,675	1,014	2,170	2,035	1,283	2,317	1,617	1,723	1,078	1,032	914	1,425	1,162	828	
Middle East	248	118	94	124	142	228	200	190	372	232	301	628	231	290	312	349	499	729	
South America	547	291	228	374	523	579	542	520	675	480	557	446	672	467	585	609	489	696	
Regional	99	63	84	167	206	91	112	89	139	76	93	193	232	174	256	60	256	499	
Other	951	1,060	936	907	1,296	866	1,173	2,455	1,614	2,105	1,804	1,694	1,209	1,361	1,469	1,449	2,500	3,027	
Total	9,789	6,316	7,878	7,643	8,552	8,094	8,945	11,082	9,469	9,828	10,740	10,786	9,407	10,747	10,794	11,991	14,469	16,454	

Source: OECD/DAC CRS.

Table 16: Aid to ARD and food security according to ODI definition, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Agricultural production, processing & marketing (including policy and supportive services)	4,983	6,571	5,574	5,531	8,026	9,173	10,299	11,392	10,911	11,986	10,283	12,505	12,725	8,741	11,417	14,078	11,458	10,790	8,423
1.1 Agricultural policy and administrative management	630	482	313	323	543	384	346	491	143	835	344	614	871	685	914	1,604	683	1,580	865
1.2 Agricultural development	293	270	927	710	960	1,051	1,469	1,378	1,255	1,050	1,039	1,191	2,446	982	1,970	1,650	1,882	967	960
1.3 Agrarian reform										225	67	81	28			97	286	553	204
1.4 Agricultural alternative development																			
2.1 Agricultural inputs	312	419	416	373	397	601	765	1,013	894	938	890	968	513	428	379	851	465	258	249
2.2 Livestock	441	295	261	245	288	699	299	340	263	289	179	221	243	115	298	224	908	157	132
2.3 Fertilizer plants	332	1,106	1,609	198	125	412	1,021	304	1,839	379	141	580	536	425	120	875	484	195	287
3.1 Agricultural land resources	15	382	80	425	282	360	395	117	103	252	476	696	900	224	986	688	452	171	206
3.2 Agricultural water resources	836	1,079	451	881	1,486	1,988	1,546	2,510	1,560	2,045	2,524	2,133	2,093	997	1,324	1,741	1,195	962	1,285
4.1 Agricultural extension					87	30	138	110	10	40	106	58	209	38	429	56	12	65	84
4.2 Agricultural education/training	15	22	180	94	130	31	94	155	178	348	198	268	162	117	158	246	204	106	99
5.1 Agricultural research			46	41	205	193	181	252	231	290	297	503	485	436	391	384	219	335	426
5.2 Plant and post-harvest protection and pest control			2	8	2	9	22	5	8	14	14	2	3	40	22	35	6	2	7
5.3 Livestock/veterinary services	31	44		37	28	44	13	44	29	129	53	73	52	82	59	56	22	59	8
6.1 Food crop production	176	193	114	378	380	735	284	660	591	543	502	330	307	513	260	406	278	522	180
7.1 Agricultural marketing, storage and transportation	772	389	147	232	613	942	316	382	694	561	440	415	499	413	554	600	597	1,306	297
8.1 Forestry policy and administrative management	71	168	139	63	127	6	98	2	7	10	39	34	104	89	103	166	114	238	205
8.2 Forestry development			14		243	150	278	163	370	577	319	596	362	215	334	656	320	653	489
8.3 Fuelwood/charcoal								234	16	108	89	9	543	199	41	16	82	10	29
8.4 Forestry education/training																			1
8.5 Forestry research					4	57	16	1		20	19	2	2	9	29	24	2	30	54
8.6 Forestry services					6	21	3	1	18	48	32	21	57	24	56	136	135	143	44
9.1 Fishing policy and administrative management	158	149	69	23	44	91	123	114	37	55	68	75	61	74	233	226	66	81	75
9.2 Fishery development				108	254	301	272	486	324	252	281	192	190	309	348	274	369	255	292
9.3 Fishery education/training				39	11	8	17	0	11	30	27	33	51	6	19	4	4	39	20
9.4 Fishery research				2	27	89	10	16	37	9	4	38	16	17	0	8	26	51	30
9.5 Fishery services				53	30	105	2	79	39	55	29	89	28	39	38	43	31	8	17

Table 16: Aid to ARD and food security according to ODI definition, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
10.1 Industrial crops/ export crops			168	358	255	362	519	496	768	902	665	1,033	177	298	497	429	545	312	150
10.2 Agro-industries	524	587	47	198	291	239	243	346	284	393	186	239	483	433	449	755	362	182	260
10.3 Forest industries	75	704	51	147	337	76	383	558	252	205	163	234	240	167	84	74	92	211	37
10.4 Textiles, leather and substitutes	0	0			0				17	0		5		0	68	23	175	15	16
10.5 Cottage industries and handicraft			0	1	1	3	1	4	0	2	0	2	5	9	2	10	5	2	8
11.1 Agricultural financial services	76	11	464	446	745	72	1,245	541	568	944	641	618	219	431	316	469	484	400	213
11.2 Financial policy and administrative management	4	0	0	0	0	0	0	0	0	2	4	46	57	37	33	24	59	96	58
11.3 Formal sector financial intermediaries	16	0	0	0	0	1	12	2	2	19	13	9	4	16	13	84	120	37	73
11.4 Informal/semi-formal financial intermediaries																			
12.1 Agricultural cooperatives		111	20	5	2	6	13	175	2	35	28	632	76	24	46	105	39	29	38
12.2 Business support services and institutions																			
12.3 SME development									1	1	0				0	0	0	0	6
13.1 Trade policy and administrative management	10	4	0	7	23	9	3	16	14	19	9	75	12	24	49	158	34	64	28
13.2 Trade facilitation																			
14.1 General budget support	188	151	55	133	98	98	174	384	344	361	377	380	683	819	760	876	700	697	961
15.1 Support to national NGOs	8	4	0	4	1	0	0	11	1	0	20	11	6	7	34	5	1	0	5
15.2 Support to international NGOs																			
15.3 Support to local and regional NGOs																		0	
Rural socio-economic development	5,025	6,436	4,596	4,725	5,067	7,121	5,881	5,725	7,250	6,441	5,702	7,462	5,749	4,665	6,371	5,915	4,279	4,396	3,821
16.1 Rural development	451	858	492	956	955	1,316	1,578	1,458	2,578	1,748	1,885	1,207	961	977	2,863	1,998	1,807	1,476	1,216
16.2 Road transport	183	158	166	233	278	186	207	254	206	180	234	240	214	159	406	273	285	338	309
17.1 Non-agricultural alternative development programmes	4,391	5,414	3,936	3,533	3,823	5,606	4,095	4,005	4,384	4,456	3,551	5,938	4,400	3,312	2,919	3,550	2,006	2,446	2,142
19.1 Women's equality organisations and institutions		2			1			1	8	6	8	8	13	52	39	9	21	35	45
19.2 Democratic participation and civil society	0	3	1	3	10	13	1	7	74	52	24	69	162	166	144	86	159	101	108

Source: OECD/DAC CRS.

Table 16: Aid to ARD and food security according to ODI definition, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Emergency relief and welfare	61	141	128	92	33	83	75	179	126	127	173	416	223	188	491	171	301	402	237
20,1 Emergency food aid	13	87	115	16	18	25	33	29	65	20	51	221	96	44	358	82	100	83	105
21,1 Material relief assistance and services (estimate of agricultural share)	48	54	13	41	13	30	34	36	44	80	74	158	89	116	45	62	62	100	119
22,1 Basic nutrition				29	2	28	8	93	9	23	34	29	35	25	73	21	127	175	11
23,1 Social mitigation of HIV/AIDS																			
24,1 Reconstruction relief and rehabilitation				6	0	0	1	22	8	4	13	8	3	2	14	7	12	44	2
25,1 Disaster prevention and preparedness																			
TOTAL: ODI MEASURE	10,069	13,148	10,298	10,348	13,126	16,377	16,255	17,296	18,286	18,554	16,157	20,382	18,698	13,594	18,279	20,164	16,038	15,589	12,481

Table 16: Aid to ARD and food security according to ODI definition, 1992-2009

(2008 prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Agricultural production, processing & marketing (including policy and supportive services)	9,446	6,244	7,408	6,248	7,165	6,023	6,280	5,934	5,946	6,836	6,581	6,376	6,255	6,903	7,447	8,654	10,062	11,927
1,1 Agricultural policy and administrative management	559	563	588	841	663	391	572	1,325	1,344	1,200	955	944	1,255	1,216	1,009	1,122	1,414	2,872
1,2 Agricultural development	1,066	488	1,227	384	856	631	570	918	565	338	485	1,012	464	636	531	893	746	1,678
1,3 Agrarian reform	238	155	110	489	10	100	130	43	8	34	18	36	10	36	39	163	26	28
1,4 Agricultural alternative development							56	6	0	0	151	8	324	325	201	396	389	300
2,1 Agricultural inputs	306	167	321	470	538	248	328	188	137	282	139	83	74	82	85	132	114	107
2,2 Livestock	181	158	93	75	123	178	98	48	126	65	47	85	167	118	221	165	98	144
2,3 Fertilizer plants	643	300	43	38	0	55	3	48	1	74	1	1	0	0	0	14	198	4
3,1 Agricultural land resources	173	273	438	310	81	580	425	192	233	295	215	234	182	150	125	109	141	151
3,2 Agricultural water resources	1,341	477	1,118	1,176	1,137	968	850	699	494	981	1,047	426	648	846	880	1,278	1,105	1,068
4,1 Agricultural extension	97	29	9	31	48	26	49	20	148	182	97	97	192	123	610	266	203	224
4,2 Agricultural education/training	104	79	122	63	39	42	67	86	74	63	61	63	44	107	69	130	85	76
5,1 Agricultural research	476	231	222	127	217	189	434	282	197	96	267	325	309	340	297	755	765	381
5,2 Plant and post-harvest protection and pest control services	9	13	27	30	55	31	39	20	33	78	16	27	41	22	15	39	32	25
5,3 Livestock/veterinary services	103	16	60	28	48	26	31	18	28	50	16	32	32	46	86	55	55	141
6,1 Food crop production	93	123	281	141	364	163	127	149	267	206	190	307	209	226	180	217	889	664
7,1 Agricultural marketing, storage and transportation	598	567	147	117	124	191	239	125	39	104	148	121	172	184	101	113	294	285
8,1 Forestry policy and administrative management	192	67	94	222	227	246	97	163	248	293	326	113	318	183	207	191	360	459
8,2 Forestry development	802	164	151	220	430	576	390	103	304	263	189	507	126	425	323	480	312	197
8,3 Fuelwood/charcoal	34	91	40	52	0	14	2	4	4	2	3	6	0	0	0	0	0	1
8,4 Forestry education/training	0	0	0	5	3	11	9	2	10	13	13	2	8	5	7	5	20	4
8,5 Forestry research	58	29	97	14	7	4	17	24	11	43	9	12	14	7	15	32	14	8
8,6 Forestry services	153	124	337	51	82	19	18	11	59	3	1	8	0	2	9	1	1	8
9,1 Fishing policy and administrative management	38	86	218	86	575	78	79	123	83	271	101	64	103	127	99	138	159	118
9,2 Fishery development	293	216	53	156	88	120	153	105	117	66	129	110	46	106	114	86	184	242
9,3 Fishery education/training	17	28	7	0	13	23	40	8	12	18	9	13	32	7	18	6	13	5
9,4 Fishery research	28	16	32	4	11	30	26	20	3	18	16	31	7	8	5	21	12	11
9,5 Fishery services	108	67	44	39	31	112	59	56	57	56	55	34	50	72	22	67	88	137

Source: OECD/DAC CRS.

Table 16: Aid to ARD and food security according to ODI definition, 1992-2009

(2008 prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
10.1 Industrial crops/ export crops	286	195	88	102	106	118	136	28	29	118	38	58	27	60	145	280	221	120
10.2 Agro-industries	220	350	200	115	175	76	65	50	37	217	143	71	95	72	100	91	117	161
10.3 Forest industries	100	76	15	47	24	16	17	4	1	6	2	12	8	7	4	4	3	9
10.4 Textiles, leather and substitutes	17	0	193	8	6	22	4	19	4	6	5	4	4	4	2	3	5	3
10.5 Cottage industries and handicraft	7	15	5	7	3	6	2	11	4	4	8	15	12	14	9	11	16	11
11.1 Agricultural financial services	153	257	163	85	345	172	355	124	120	126	56	201	31	71	97	77	26	238
11.2 Financial policy and administrative management	89	124	67	22	4	15	83	41	45	136	112	66	100	72	52	66	103	189
11.3 Formal sector financial intermediaries	9	29	22	31	67	29	35	34	34	60	35	50	40	58	114	105	192	193
11.4 Informal/semi-formal financial intermediaries	0		0	17	15	3	15	25	18	66	30	56	36	46	27	85	79	64
12.1 Agricultural cooperatives	63	6	27	29	24	4	25	25	25	51	59	34	35	43	37	62	63	78
12.2 Business support services and institutions	2	2	33	76	67	70	80	202	80	125	129	146	154	144	166	207	203	150
12.3 SME development	0	1	1	11	104	129	76	88	71	86	98	82	176	166	228	119	177	203
13.1 Trade policy and administrative management	81	58	67	25	22	21	55	67	47	79	170	121	88	131	182	96	145	157
13.2 Trade facilitation								0	1	16	9	11	24	30	25	27	53	56
14.1 General budget support	690	599	646	447	394	240	373	375	623	491	597	688	463	492	534	461	878	900
15.1 Support to national NGOs	20	2	1	37	32	41	46	48	190	134	374	40	103	65	429	63	49	44
15.2 Support to international NGOs				4	6	7	7	5	11	15	8	3	15	11	15	9	4	4
15.3 Support to local and regional NGOs	1	1	2	15	2	1	1	1	1	3	7	15	17	18	13	14	14	12
Rural socio-economic development	2,453	2,014	2,111	2,582	2,747	3,231	4,105	6,002	4,973	5,164	5,390	4,205	3,793	3,919	4,499	4,152	5,156	5,330
16.1 Rural development	1,075	909	996	851	998	1,310	1,794	1,992	1,405	1,248	1,582	1,346	901	908	1,455	1,229	1,161	1,365
16.2 Road transport	258	346	341	240	298	345	418	496	413	415	292	350	411	457	419	456	663	735
17.1 Non-agricultural alternative development			0	3	60	42	25	1	2	3	63	17	15	52	40	49	27	42
18.1 Food security programmes	989	649	653	1,176	1,110	1,238	1,459	2,987	2,668	2,726	2,762	1,874	1,687	1,642	1,556	1,423	1,742	2,102
19.1 Women's equality organisations and institutions	54	45	43	69	67	64	45	70	71	70	99	78	73	81	114	190	294	248
19.2 Democratic participation and civil society	77	65	78	242	215	230	363	456	414	702	592	539	706	778	915	805	1,269	838

Table 16: Aid to ARD and food security according to ODI definition, 1992-2009

[2008 prices]	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Emergency relief and welfare	378	450	441	737	644	693	955	2,131	1,279	1,086	2,298	3,516	2,719	3,786	3,211	3,168	4,723	4,617
20.1 Emergency food aid	157	70	117	268	199	257	274	1,186	620	536	1,542	2,572	1,900	2,625	2,236	2,061	3,737	3,220
21.1 Material relief assistance and services (estimate of agricultural share)	172	174	214	242	342	317	482	682	381	389	478	488	518	689	501	528	533	619
22.1 Basic nutrition	45	203	99	181	80	88	157	204	216	101	202	210	194	186	184	342	250	546
23.1 Social mitigation of HIV/AIDS													14	58	116	94	88	79
24.1 Reconstruction relief and rehabilitation	4	3	10	46	22	32	42	58	62	60	76	245	92	226	167	116	77	87
25.1 Disaster prevention and preparedness													1	2	6	27	38	67
TOTAL: ODI MEASURE	12,277	8,708	9,960	9,567	10,555	9,947	11,341	14,067	12,198	13,087	14,269	14,097	12,766	14,608	15,157	15,974	19,941	21,875

Source: OECD/DAC CRS.

Table 17: Aid to ARD and food security in Malawi, Nicaragua and Vietnam according to different definitions, 1973-1991

(2008 prices)	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Malawi																			
AFF	51	4	32		89	82	42	40	11	15	41	79	127	61	119	48	86	129	93
AFF+	52	4	32	53	89	156	76	65	38	34	77	120	150	61	126	101	131	140	102
ODI measure	55	13	32	58	90	169	81	70	55	35	101	146	169	121	135	133	135	160	113
Nicaragua																			
AFF	1	7	0	43			41	165	40	69	51	42	55	17	68	69	119	76	50
AFF+	56	15	45	43	0		185	251	109	110	89	78	107	26	72	84	123	132	107
ODI measure	70	15	45	43	6	8	196	265	112	127	93	83	114	38	86	86	125	235	127
Vietnam																			
AFF		10	25	14	33	253	58	52	2	2	1			1	8		20	19	119
AFF+		10	53	33	148	305	175	52	2	3	3	3	1	1	9		20	20	119
ODI measure	8	679	59	141	412	353	319	286	110	101	61	64	44	72	9	3	21	29	125

Table 17: 1992-2009

(2008 prices)	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
Malawi																			
AFF	49	177	43	19	25	34	89	47	57	15	61	19	116	128	64	71	77	121	
AFF+	85	197	60	68	72	62	140	99	105	83	129	75	163	232	140	126	145	166	
ODI measure	92	210	71	89	94	71	172	129	142	100	161	91	174	314	168	154	187	198	
Nicaragua																			
AFF	78	118	31	56	47	17	92	109	54	48	36	22	96	70	30	42	75	62	
AFF+	82	129	44	92	63	37	179	196	113	92	89	88	167	97	174	88	117	90	
ODI measure	100	143	68	111	75	47	217	243	131	121	191	110	196	135	215	116	149	121	
Vietnam																			
AFF	15	43	204	302	375	171	266	222	80	336	96	276	362	145	190	386	118	223	
AFF+	15	43	204	309	467	261	486	260	123	412	241	482	459	163	357	489	156	240	
ODI measure	19	68	261	330	534	347	518	356	191	548	328	566	545	294	428	569	347	491	

Source: OECD/DAC CRS.

Annex VI: Detailed information on non-DAC donors from AidData

Table 18: Aid Data coverage of non-DAC bilateral donors

Donor	Range	No. of Activities
Brazil	2001-2009	485
Chile	2002-2008	377
Colombia	2006-2008	130
Estonia	2000-2010	270
Hungary	2003-2008	310
Iceland	1995-2009	82
India	2005-2010	432
Israel	2002-2009	25
Kuwait	1995-2008	438
Latvia	2005-2008	94
Lithuania	2007-2007	95
Monaco	2006-2008	176
Poland	2004-2007	825
Qatar	2007-2007	18
Saudi Arabia	1995-2009	166
Slovak Republic	2003-2007	87
South Africa	2005-2008	30
Taiwan	1995-2009	120
Thailand	2007-2007	259
United Arab Emirates	1998-2008	40

Source: AidData

Table 19: AidData coverage of non-DAC multilateral donors

Donor	Range	No. of Activities
ACBF	1999-2008	99
AFESD	1995-2009	658
BADEA	1995-2008	589
CAF	2001-2008	308
CDB	1995-2009	422
EBRD	1995-2007	2583
FTI	2004-2004	7
GAVI	2007-2008	782
Global Fund	2002-2009	614
ISDB	1995-2008	2580
NADB	1996-2008	119
NDF	1995-2006	147
NTF	1996-2004	14
OPEC	1995-2007	826

Source: AidData

Table 20: Known official donors with no public project level aid information in AidData²⁹

Country or organisation	Fund or agency
African Fund for Guarantee & Economic Cooperation	
African Union	
Algeria	
Arab Organization for Agricultural Development	
Argentina	
Azerbaijan	
Chile	Agencia de Cooperacion Internacional de Chile
China	China-Africa Development Fund
China	Hong Kong Special Administrative Region
China	Ministry of Commerce (Department of Aid to Foreign Countries)
Cooperation Council for the Arab States of the Gulf	
Cuba	Ministry of Foreign Affairs
India	Ministry of External Affairs
Indonesia	Ministry of Foreign Affairs
Inter-Governmental Authority on Development	
Iran	Organisation for Investment, Economic, and Technical Assistance
Israel	Center for International Cooperation
Libya	Libyan Agency for Relief and Humanitarian Assistance
Malaysia	Ministry of Foreign Affairs
Malta	Ministry of Foreign Affairs
Nigeria	Technical Aid Corps / Directorate of Technical Cooperation in Africa
Oman	
Peru	
Qatar	Ministry of Foreign Affairs
Russian Federation	Ministry of Finance
Russian Federation	Ministry of Foreign Affairs
Thailand	Ministry of Commerce
Thailand	Ministry of Education
Thailand	Ministry of Energy
Thailand	Ministry of Finance
Thailand	Ministry of Interior
Thailand	Ministry of Justice
Venezuela	
United Nations	International Strategy for Disaster Reduction
United Nations	Office of the High Commissioner for Human Rights
United Nations	Pan-American Health Organization
United Nations	UN Economic Commission for Latin America
United Nations	UN Educational, Scientific & Cultural Organization
United Nations	UN Environment Programme
United Nations	UN Industrial Development Organization
United Nations	UN Mine Action Service
United Nations	UN Relief and Work Agency for Palestine Refugees in the Near East
World Bank	Africa Catalytic Growth Fund
World Bank	Asia-Europe Meeting: East Asia Crisis Trust Fund
World Bank	Pacific Sub-Region Free-Standing Trust Fund Program

Source: AidData

About the Platform

A joint donor initiative

The Global Donor Platform for Rural Development is a network of 34 bilateral and multilateral donors, international financing institutions, intergovernmental organisations and development agencies.

Members share a common vision that agriculture and rural development is central to poverty reduction, and a conviction that sustainable and efficient development requires a coordinated global approach.

Following years of relative decline in public investment in the sector, the Platform was created in 2003 to increase and improve the quality of development assistance in agriculture and rural development.

Addressing aid effectiveness

The Platform promotes the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action for sustainable outcomes on the ground.

A neutral convening power

The Platform provides a forum in which members and partners come together to build consensus around critical or emerging issues and formulate joint approaches.

Adding value

The Platform adds value to the efforts of its members by facilitating the exchange of their development know-how – which consolidates into a robust knowledge base that is used in joint advocacy work.

Evidence-based advocacy

Members use the Platform to generate and promote common messages that raise the profile of agriculture and rural development in policy debates, conferences and workshops on international, regional and national levels.

The potential of agriculture and rural development interventions to reduce poverty is seldom understood.

Knowledge exchange

By providing entry points to information and space in which policymakers and practitioners can share knowledge, Platform members enhance their capacity to effectively support their clients in agriculture and rural development.

Cutting edge knowledge in agriculture and rural development is often dispersed between agencies, leading to duplication of efforts and delays in the uptake of best-practice.

²⁹ AidData gleans its information from a combination of donor websites, annual reports, and direct relationships with donor agencies. According to Aid-Data staff, they have conducted a thorough inventory of publicly available information on official aid. Table 14 provides a list of known nontraditional donors whose aid activities are not yet available to the public.

About Platform Knowledge Piece 2

Research question

Do data on development assistance provide an accurate indication of policy priorities, the changing context, and a useful basis for planning, accountability and analysis?

Subject

The study investigates current aid measurement and tracking procedures and discusses the need for improving transparency and accountability in ARD and food security.

Four studies on donor agency practices with aid measurement – Germany, UK, US and World Bank – and three studies on country practices – Malawi, Nicaragua and Vietnam – were undertaken and complemented by desk studies on IFAD and non-DAC donors and private foundations in ARD and food security.

Finding

Standard international aid flow measures do not accurately translate ongoing changes in the nature of ARD and food security and in policies to support it. Failing to account for policy shifts in an accurate manner may compromise the effectiveness of aid allocation as well as resource planning at country level, and undermine efforts to strengthen global aid transparency and accountability.

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