

"G8 Efforts towards Global Food Security"

G8 Experts Group on Global Food Security

1) Introduction

In 2008, soaring food prices and intensification of food crisis called for a more sustained, action-oriented and effective response to the current and future food insecurity. The international community has engaged in a constructive dialogue aimed at finding sustainable global responses to safeguarding world food security and to guaranteeing vulnerable populations with adequate access to food. In April 2008 the UN Secretary General Ban Ki-moon established the High Level Task Force (HLTF) on the Global Food Security Crisis which produced a Comprehensive Framework for Action (CFA) representing a consensus view on how to respond to the global food crisis and invest in agriculture in a coherent and coordinated manner. At the FAO High level Conference on World Food Security in June 2008 in Rome, the international community adopted a Declaration on World Food Security through which it committed to establish short, medium and long term actions to eliminate hunger and to secure food for all. As the historic rise in food prices hit a peak, the G8 Leaders met in Hokkaido Toyako (July 2008). Responding to the appeal of the international community, they had a substantial discussion at the Summit meeting, and subscribed the Leaders Statement on Global Food Security where the Leaders committed to undertake all possible measures to ensure global food security demonstrating that the G8 had committed over US\$ 10 billion since January 2008. The G8 put a particular emphasis on actions to foster sustainable agriculture, which would be key to overcoming the global food crisis in the medium to long run. G8 Leaders tasked a G8 Experts Group on Global Food Security to monitor the implementation of G8 commitments, support the work of the HLTF, cooperate with other interested parties to shape the Global Partnership for Agriculture and Food Security and report progress to the 2009 Summit. The



High Level Meeting on Food Security for All, hosted in Madrid in January 2009, as well as the G8 Agricultural and Development Ministers Meeting in April and June 2009, have represented additional milestones in the process of reiterating and enhancing the political momentum on food security. Furthermore, G8 Ministers of Agriculture met for the first time in Cison di Valmarino (Italy, 18-20 April 2009) and adopted a Final Declaration to highlight measures to prevent future crisis linked to the volatility of agricultural primary commodities and inputs prices. Following the Toyako mandate, and according to the principles of the Accra Agenda for Action (strengthening country ownership, building more effective and inclusive partnerships, achieving development results and openly accounting for them), the G8 Experts on Global Food Security (GFS) met three times in Rome and one in Tokyo and developed this report aimed at collectively monitoring the status of G8 actions, as well as individual members' initiatives, undertaken since the onset of the food crisis up to L'Aquila G8 Summit (2009) to accomplish G8 commitments.



2) G8 collective actions towards meeting Toyako commitments

G8 Partners have reinvigorated their response to the appeal of the international community to respond to the global food crisis, adopting appropriate measures to implement Toyako commitments on food security. The G8 Experts Group on GFS was tasked to monitor progress of G8 efforts in accomplishing their mandate. In this regard, G8 Experts have clustered the commitments contained in the Toyako Leaders Statement on Global Food Security in seven main categories that include financial commitments and disbursements via multilateral and bilateral channels. The fulfilment of these commitments' categories is reported below on a collective basis. Furthermore, additional G8 individual actions/initiatives/interventions towards food security are annexed to this report.

• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

In response to the food crisis in 2008, G8 Countries have considerably augmented their commitments and aid assistance towards food security, agricultural and rural development, nutrition, markets and trade, and social protection. In the short-term, G8 Countries allocated additional resources to meet the urgent need of the people most affected by soaring food prices. Through medium-long term measures G8 Partners have invested resources to increase agricultural productivity and raise rural incomes. The short-term food assistance is mainly channelled through the World Food Programme and other multilateral organisations. Aside from the provision of food assistance, efforts have been paid by G8 Partners to promote agricultural production and productivity, improve access to markets and trade, agricultural research, budget support, safety nets measures, nutrition, investment and infrastructure. An example is represented by the European Commission Food Facility for € 1 billion funding as rapid response to soaring food prices in developing countries.



Resulting from the individual country annexes, US\$ 13,45 billion have been disbursed since January 2008 to July 2009, exceeding the US\$ 10 billion Hokkaido Toyako commitment. Furthermore, additional US\$ 13.14 billion have been pledged from July 2008 (Hokkaido Toyako Summit), of which US\$ 3.45 billion have already been disbursed up to now. This brings the total G8 commitment to food security, during the period January 2008-July 2009, to US\$ 23,14 billion.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)

Some G8 Partners, bilaterally or multilaterally, have acted to build up local agriculture and to increase the volume of local procurement by untying their food aid procurement, strengthening local markets and by working to ensure that benefits accrue as much as possible to small holders, and taking care that purchases do not make food less affordable for poor consumers and do not harm markets. Specific activities that will benefit small producers include: untying aid restrictions on where food can be purchased, providing technical support to farmers and cooperatives; improving their access to local markets, such as strengthening national agricultural commodity exchanges, improving warehouse receipt systems, reducing post-harvest losses, and supporting the WFP's Purchase for Progress Program and other explicit efforts to purchase food aid from small holder farmers; fostering the field-to-market concept and promoting natural and organic food products; providing extension services and promoting crops with comparative advantages; restoring livestock and sustaining socio-economical growth and supporting women's cooperatives through promotion of typical crafts and traditions agro-food products. The G8 supports the principle and objectives for local procurement. The G8 supports WFP's aim to increase the volume of local procurement. In doing this we want them to engage in country-led programmes to make markets work

• Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)



G8 Partners have proactively promoted and facilitated the setting up of the Global Partnership for Agriculture and Food Security (GPAFS). G8 have provided since Toyako Summit (2008) a decisive political impulse towards the establishment of the Global Partnership. The GPAFS has been conceived as the means, building on existing UN and other international institutions, to ensure continued high level policy attention at the global level to food security and at country level to facilitate effective policies and plans for agricultural development, food security and nutrition. Partnership will also serve as a platform of dialogue among the all-relevant stakeholders engaged in food security. Furthermore G8 have supported the work of the HLTF on Global Food Security Crisis and the establishment of its Secretariat in Rome by offering seconded expertise, financial contribution and logistical support. G8 have also engaged in advocating and facilitating an inclusive discussion on GPAFS in all major international, regional and national fora/events/workshops/seminars. G8 Countries are also strongly engaged in maintaining food security and the GPAFS high in the global political agenda.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

G8 consider FAO-reform of utmost importance and since Toyako have continued to fully support the FAO reform process through active participation in development of the Immediate Action Plan of Action and in the ongoing processes within FAO-bodies, also chairing working groups, and through financial contribution to the Multi-donor trust Fund. G8 Partners have actively engaged to improve communication among FAO Members and the Secretariat of the HLTF. G8 have remained fully active in supporting and promoting both the funding and the full implementation of the Immediate Plan of Action and of the fundamental reform of the Committee on World Food Security (CFS).

• Commitment 6 (World Market & Trade System): "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of



such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

G8 are highly committed to reach an urgent conclusion of an ambitious, comprehensive and balanced Doha Round considering that this will contribute to ensuring a better allocation of resources in the agricultural sector and improving global food security. G8 highlight the crucial importance of rejecting protectionism, including refraining from imposing new export restriction and implementing World Trade Organization inconsistent measures as agreed by G20, and encouraging the development of local, regional and internationally integrated agricultural markets. They also support a rules-based international trading system for agricultural trade through the reduction and phasing out of all forms of export subsides, the substantial reductions of trade-distorting domestic support and real and significant improvements in market access, especially by small holder farmers. G8 have also been engaged in strengthening the capacity of developing countries to participate in international trade negotiations and to implement international trade agreements.

- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

G8 continue to explore various options on a coordinated approach to stock management. This has included calling upon the relevant international institutions to examine whether a system of stockholding could be effective in dealing with humanitarian emergencies or as a means to limit price volatility. They should specifically examine the feasibility and the administrative modalities of such a system. In light of this outcome the G8 will examine whether further steps should be envisaged and whether a consultation process should be established.

➤ **CAADP:** We will <u>reverse the overall decline of aid and investment in the agricultural sector</u>, and to achieve significant increases in support of



developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

G8 Countries support the Comprehensive African Agriculture Development Programme (CAADP) process and are fully committed to the CAADP agenda. G8 aim at facilitating the implementation of CAADP at continental, regional and national levels, involving agricultural policy reviews and reforms, inclusive strategy development, higher levels of investments and expenditure, and improved public-private cooperation. G8 have promoted CAADP objectives of increasing agricultural annual growth rates to 6.2% and worked toward the goal of doubling production and trade of key food staples in and among African countries and increasing trade within African region. Particular emphases have been placed on fostering smallholder agriculture, markets and trade, inclusive rural growth contributing to the CAADP trust fund, and supporting continental, regional and national initiatives and programmes in those African countries that are working towards CAADP Compacts and strategies to address hunger and food insecurity and to respond to high food prices. Even the G8 Countries who are not directly supporting CAADP have engaged in harmonizing their interventions in line with the CAADP framework. G8 countries still need to do more to support the CAADP process. G8 country level missions will support and advocate for the high level participation of national governments in the forthcoming CAADP roundtable processes. Some G8 members have been active members of the donor technical working group which assisted with the development of the Pillar III Framework for African Food Security. This has been adopted as the overarching CAADP strategy to address hunger and food insecurity and to respond to high food prices.

➤ **Research/CGIAR:** "We will <u>promote agricultural research and development</u>, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such



as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

G8 have increased their financial support to CGIAR centres and projects in view of increasing agricultural productivity and achieving sustainable food security and reducing poverty in developing countries through scientific research and research-related activities in the fields of agriculture, livestock, forestry, fisheries, policy and environment. They have also been active in supporting the CGIAR reform process to make it a modern results-based, cost-effective, efficient organisation, fully integrated into the aid architecture. Furthermore G8 support several international, regional and national research focused on the development of conservation agriculture, enhanced nutrition, more efficient food production, on training and capacity agriculture, natural resources development in management biotechnologies. In the framework of the CGIAR reform the G8 have promoted the revitalisation of the Global Forum for Agricultural Research for Development (GFAR) to ensure effective and inclusive stakeholders participation (e.g. farmers' organisations, civil society, private sector) and strengthen ownership of national and regional research systems. provide assistance in transfer of technologies and best practices in the field of veterinary systems.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

G8 countries have been engaged, often multilaterally through International Organizations and Development Banks, in the implementation of programs aimed at developing infrastructure, roads and transport, promoting best irrigation practices, advancing efficient modern water management techniques, improving food storage and handling, and addressing desertification. Important activities have focused on establishing local value chains, on ameliorating the quality of the products in order to better respond to international standards and on fostering food production and access to markets through a favorable environment (road networks, transports, markets, etc).



➤ Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

G8 Countries believe that farmers need adequate mechanisms to manage risks and market crises. Therefore G8 have supported the improvement of agricultural statistics' systems and food security early warning systems, for example, the Integrated Phase Classification for Food Security, in cooperation with International Organisations.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

G8 significantly augmented their commitment to IFAD VIII replenishment for a total amount of US\$ 430.42 as well as to AfDB and IDA replenishments (part of their funds has been directed to agriculture and food security).

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

G8 Partners have considerably scaled up their efforts, mainly through Multilateral Organisations, to support strategies to adapt to the impact of climate change, devoting particular attention to the sustainability of development actions also in terms of environmental impact. New resources have been made available to help developing countries most vulnerable to climate change to adapt to the adverse effects of climate change. Particular attention has also been paid to programmes of climate change adaptation, to the assessment of climate change risks and to the diversification of farm and non farm sources of income for the farmers.

▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)



The G8 believe that increased renewable energy production from biomasses and related investments must be made in a sustainable manner, and in a way that does not compromise food security. Policies should encourage biofuel production and use in an environmentally sustainable manner, promoting benefits and minimizing any potential risks, with a strong emphasis on the development and commercialization of second generation biofuels, according to the approach outlined by the Declaration of the High Level Conference on World Food Security of June 2008.

G8 Partners stress the importance of carrying out more in-depth research on biofuels sustainability and adapting policies in light of the growing evidence base. G8 Partners are active members of the Global Bioenergy Partnership (GBEP) and support its efforts to develop a common methodological framework for describing life cycle analysis of greenhouse gas emissions associated with biofuels production and use. GBEP is also working to develop voluntary, science-based criteria and indicators that can be used to guide analysis of bioenergy sustainability at the domestic level. The G8 supports developing countries in designing biofuels and biomass strategies including aspects of food security.

Some G8 Countries support projects which aim to develop a political framework and guidance on best practice to help States to decide whether the production and use of biofuels can contribute to their food security.

➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)

G8 Countries have supported governance reforms in partner countries through dialogue, which has facilitated their increasing ownership and commitments to implement their own reforms in different sectors, particularly to a more responsive and result oriented policies and institutional development in the area of food security. Furthermore this approach has led Pan-African Institutions to play a stronger proactive role to support, encourage and facilitate implementation of governance reforms. Based on good governance principles, G8 have contributed to laying foundations for development, by supporting human resource development, legal systems development, and economic and social infrastructure building.



➤ Mainstream food security: "We will <u>mainstream food security objectives</u> <u>into the development policies of donors and recipient countries</u>, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

G8 Countries have been supporting the mainstreaming of food security into national development policies and strategies keeping agricultural development, food security and nutrition at the forefront of the political agenda.

Financial commitments ¹		
(January 2008 – July 2009)		
	All G8 Partners	
Total (US\$ millions)	23,137.5	

Financial disbursements ²			
(January 2008 – July 2009)			
	All G8 Partners		
Total (US\$ millions) 13,448.7			
Financial disbursements per area (US\$ millions) ³			
FAO Reform	7.98		
Comprehensive Africa			
Agricultural Development	77.61		
Program (CAADP)	(CAADP)		
Research/ Consultative			
Group on International	922.34		
Agricultural Research			
(CGIAR)			

¹ "Financial commitments" include all possible short, medium and long-term measures to address the urgent needs of the most vulnerable people, to support food aid, nutrition interventions, social protection activities and increase agricultural output. Among these measures, some Partner Countries have also considered their ODA Loan for agriculture development.

² Among "Financial disbursements" some Partner Countries have considered their ODA Loan for agriculture development.

³ The disbursements per area do not include all the initiatives financed by G8 targeting food security.



Infrastructure	1,593.9	
Early warning systems	70.32	
IFIs (e.g. IFAD)	430.42	
Climate change	714.9	
adaptation	714.9	
Biofuels	229.45	
Mainstream food security	721.60	
Others ⁴	see country annexes (pp 9-74)	

3) Ensuring Global Food Security: The way forward

Despite the progress of recent years and the decrease of commodity and food prices over the last 6 months relative to 2008 levels, more than one billion people suffer from hunger and food insecurity (2009 FAO estimates that 1.02 billion people are hungry-). This shows that greater effort will be needed to defeat hunger and achieve MDG 1. There are numerous factors which are undermining individuals' access to adequate, safe and nutritious food, including recent volatility of food prices and the high cost of agricultural inputs.

This multifaceted challenge needs to be addressed through a cross-cutting approach. Food security is defined as access by all people at all times to adequate and safe food (quality, quantity and variety) for an active and healthy life. Promoting sustainable outcomes to ensure all people the food they need is essential. Our actions should seek to tackle a diversity of policy domains such as sustainable agricultural production, and availability, accessibility and safety of food. Given that the achievement of food security and rural poverty goals are dependent on the development of the agriculture, trade and rural sectors, all relevant stakeholders should address these multi-sectoral issues, thus resulting in enhanced international cooperation.

The G8 Experts Group on GFS, whose mandate is time-bound for a period to be discussed by the FASS/Sherpas, is committed to pursue its objectives in order to significantly contribute to the achievement of a more food secure world. Bearing in mind that the overall goal is maintaining and reinforcing high political attention on food security and considering that a deepening economic downturn is dramatically undermining the achievement of the MDG 1, we will, collectively and individually, refocus our policies (not only

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⁴ This area clusters G8 individual actions/initiatives/interventions that are not matching the Hokkaido Toyako commitments but are contributing to food security.



development) to respond to new challenges through coordinated and inclusive frameworks, such as the Global Partnership for Agriculture and Food Security (GPAFS).

4) Country annexes

The following Countries have submitted their country annexes (see enclosed annexes): Canada, France, Germany, Japan, Russian Federation, United Kingdom, United Stated of America, European Commission and Italy.



Country annex CANADA

Financial disbursements * (all figures in \$ CA millions)

(uit figures in \$ CA millions)							
	Fiscal year 2007/2008		Fiscal year 2008/2009 preliminary [4]				
	Bilater al	Multilate ral	Total	Bilater al	Multilate ral	Total	% variati on
Total Food Security Disbursements	193.7	224.4	418.1	296.1	288.7	584.8	+39.9 %
FAO Reform							
Stock management							
CAADP [1]							
Research/CGIAR	11.1	18.6	29.7	18.5	15.7	34.2	+15.2 %
Infrastructure [2]							
Early warning systems							
IFIs (e.g. IFAD)		38.3	38.3		30.4	30.4	-20.6%
Climate change adaptation							
Biofuels							
Mainstream food security [2]	182.7	167.5	350.1	277.5	242.6	520.2	+48.6 %
Others:							
Small scale agriculture [3]							



- * Financial figures represent Official Development Assistance (ODA) spending that is directly related to food security, as per Organization for Economic Co-Operation and Development Development Assistance Committee (OECD-DAC) guidelines. Canada's fiscal year run from April 1st to March 31st.
- [1] Canadian support for CAADP is captured within the figures provided for "Research/CGIAR".
- [2] "Mainstream food security" includes emergency food aid, development food aid, agriculture (including infrastructure) and basic nutrition.
- [3] Canadian support for "small scale agriculture" is captured under "mainstream food security".
- [4] Fiscal year 2008/2009 figures are preliminary. Final figures may differ following further quality assurance.
- Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

Canada is rising to the challenge of years of global under-investment in food security and agricultural development. In fiscal year 2008/2009, Canada disbursed CAD\$ 584.8 million on emergency and development food assistance, nutrition, and agricultural development, a year-over-year increase of nearly 40 per cent.

In response to the global food crisis and increasing humanitarian needs, Canada provided assistance to meet the basic needs of vulnerable populations, including refugees and internally displaced populations. Canada provided significant level of food assistance: over CAD\$ 300 million in fiscal year 2008/2009, primarily through food assistance partners such as the Canadian Foodgrains Bank and the World Food Programme (WFP). Canada ranked as the fourth largest contributor to the WFP in 2008.



Canada's support helped the WFP reach an estimated 102 million beneficiaries in 78 countries. For example, Canada has contributed nearly CAD \$55 million to the WFP Protracted Relief and Recovery Operation in Afghanistan since 2006. In fiscal year 2008/2009 alone, our contribution enabled our partners to reach the needs of more than 8.6 million Afghans. In 2008, Canada also contributed to WFP's consistent food and nutrition support to an estimated 3.4 million people in Darfur, even amidst the instability and very challenging humanitarian environment.

Canada's engagement to food security goes beyond financial assistance. For instance, at the request of the WFP, Canada provided a naval escort from August to October 2008 off the Somalia Coast to ensure food shipments were not intercepted by pirates and reached Somalis requiring international assistance.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to help build up local agriculture by promoting local purchase of food aid." (para 2)

In April 2008, in an effort to strengthen the effectiveness of its aid, Canada opened 100% of its food aid to international procurement. This untying provides Canadian food assistance partners with the flexibility to purchase commodities locally and regionally, thus ensuring value for money and timely delivery, strengthening local markets, and purchasing culturally appropriate food.

For example, in response to the summer 2008 drought in Ethiopia, the Canadian Foodgrains Bank (Canada's largest national food assistance partner) was able to purchase grains from Ukraine and ship it to Ethiopia. This project, before Canada untied food aid, was expected to reach 444,000 beneficiaries, over three months, in drought-affected areas. Canada's untying policy allowed for the grains to be purchased at a cheaper price, quicker, and at a lesser transport cost. As a result, the wheat reached 990,180 beneficiaries over the same period.



• Commitment 4 (GPAFS): "We will <u>work with the international community in forming a global partnership on agriculture and food,</u> involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

Canada continues to support a global partnership on agriculture and food security and is working within the G8 to engage all relevant stakeholders including governments, international and regional organisations, international financial institutions, civil society, farmers organizations, the private sector and the scientific community.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

Canada is a long-term supporter of the FAO, both in terms of core and project funding. Canada continues to support a complete reform of the FAO, including the prompt implementation of the 2008-2011 Immediate Plan of Action (IPA), as the best means of placing the FAO on a sustainable footing. Canada was a highly active participant in all three working groups, consistently advocating acceptance of all Independent External Evaluation's (IEE) recommendations on reform. Canada persistently advocated for an ambitious IPA to support a thorough reform. Key to a successful ongoing reform is a sustained and engaged the FAO leadership, to ensure the FAO becomes a more results-based, focused and efficient organization. Canada believes that there is ample opportunity for the achievement of greater efficiencies, system-wide, which include significant cost savings.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

Canada has been an active participant in the WTO Doha Round negotiations since their launch in 2001. During the informal July 2008 WTO Ministerial in



Geneva, Canada was represented by both its Minister of International Trade as well as the Minister for Agriculture and Agri-Food, and worked closely with other WTO Members in support of efforts to reach agreement on modalities for agriculture and non-agricultural market access (NAMA).

Canada will continue to work constructively with other WTO members, in support of efforts to move the talks forward and to achieve the elimination of all forms of export subsidies; strengthen disciplines on, as well as substantial reductions to, trade-distorting domestic support; and significant market access improvements. To this end, Canada remains committed to trade liberalization, and, will continue to seek greater trade in agricultural goods as one component in the range of solutions addressing food security.

- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

Canada has discussed and explored the proposal of virtual and physical reserves and promotes a cautious approach to the idea of global stock management systems to deter food price spikes. Past experiences have resulted in limited successes given that administrative and storage costs can outweigh the benefits. Canada supports global efforts to mitigate price volatility and market distortion by better integrating producers to local, regional, and world markets and by utilizing risk management tools.

➤ **CAADP:** We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the



goal of doubling production of key food staples in African countries meeting <u>CAADP criteria</u> in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

Canada supports the Comprehensive Africa Agricultural Development Program (CAADP) objectives of increasing agriculture growth rates to 6.2 percent per year to create the wealth needed for rural communities and households in Africa to prosper. Canada has worked with other donors to promote harmonized support to CAADP through it membership of the Global Donor Platform for Rural Development.

Canada's major contribution to the CAADP is through its support to the Forum for Agricultural Research in Africa (FARA) which has been designated as the lead organization for improving agricultural research, and technology dissemination and adoption (pillar IV of CAADP). Canada's past contributions to FARA were \$5.6 million and another \$10 million will be disbursed in 2008-2012.

Other contributions to regional initiatives that are guided by CAADP objectives include financial support to the Pan Africa Beans Research Alliance (PABRA) (\$7.125 million from 1996-2009 and another \$10 million planned until 2012), and the Biosciences eastern and central Africa (BecA) (\$30 million from 2003-2009 and \$20 million planned from 2011-2015).

Bilaterally, Canada supports agriculture-based rural development in Africa in a number of countries that are aligned with CAADP objectives. Examples of such partnerships include a \$20 million contribution to Ghana's Ministry of Food and Agriculture to implement the Food and Agriculture Development Policy, and a \$19.5 million contribution for an applied research initiative in Ethiopia.

➤ **Research/CGIAR:** "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We



will <u>accelerate research and development and increase access to new agricultural technologies</u> to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

Canada is a funding member and long-time contributor to the Consultative Group on International Agricultural Research CGIAR). Canada is accelerating its support to agricultural research and development, including through CGIAR and partners, and provided CAD \$34.2 million in fiscal year 2008/2009, a 15.2 per cent increase over last year. Core support to the CGIAR contributes to the achievement of the CGIAR's mission and additional support provided by the CGIAR-Canada linkage fund aims at fostering collaboration between Canadian research institutions and the CGIAR.

Canada also manages the CGIAR-Canada Linkage Fund, a competitive grants facility, established in 1995 to strengthen collaboration between the International Agricultural Research Centres of the CGIAR and Canadian researchers.

In addition, Canada contributes to promoting agricultural research and development through its International Development Research Centre (IDRC). The institution works in close collaboration with researchers from the developing world in their search for the means to build healthier, more equitable, and more prosperous societies, and contributes to the promotion of agricultural research. In fiscal year 2007/08, IDRC devoted CAD \$24.1 million to rural poverty and environment programs, a portion of which has a focus on agriculture and food security.

Canada supported research has helped small-scale farmers to balance the opportunities and risks involved in adopting of GM crop varieties. This work identified best practices from a number of countries with their maize, soybean and cotton production. These results have been incorporated into national guidelines and are helping developing countries to implement the Biosafety Protocol.

Canada also supports research aimed at identifying practical ways to maintain rural livelihoods and food production. Such research tests existing strategies alongside new ones in order to find out what best enhances the opportunities for small farms. It is also making climate data more accessible



to smallholder farmers, fostering improved forecasts of future conditions at the village level. We have been working with the World Health Organization and the International Water Management Institute (IWMI) to find ways to minimize the risks to farmers and consumers, such as low cost treatment systems and safer irrigation methods.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

Through our programming in agricultural development Canada supports the improvement of infrastructure including the development of well-functioning markets and the strengthening of national capacity; assisting developing countries to compete both regionally and in the global market-place through enhanced capacity to formulate and implement trade policies, and to develop infrastructure, including irrigation for agricultural development, and overcome trade barriers.

An example of Canada's infrastructure assistance is the rehabilitation of the Dahla Dam: Afghanistan's second largest dam. Years of violence and insecurity had prevented necessary operations and maintenance work, and left the system functioning at a significantly reduced capacity. Canada's contribution of CAD\$ 50 million over three years directly benefit rural and urban communities in the Kandahar province that depend on irrigation and agriculture for their livelihoods.

Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

Much of Canada's food assistance is provided in response to humanitarian crises. Canada does also provide development food assistance which may include support for early warning systems where they are part of operations undertaken by our partner organizations, for example in safety net programs.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

Food security is a priority for Canada; we encourage International Financial Institutions to prioritize agriculture and food security in their programming.



Such examples include the African Development Bank's Africa Food Crisis Response that aims at reducing food poverty and malnutrition in the short term and ensure sustainable food security in the medium to long-term.

Canada also contributes approximately \$12.4 million a year for the period 2007-2009 and ranks 9th as a donor to IFAD. IFAD recently completed the replenishment exercise for its program of work for the next three year period 2010-2012.

Canada is also fully engaged in the global response to address the financial and economic crisis, in line with Leaders' commitments made at the London G20 Summit. It is expected that the pledged funds will benefit developing countries, including indirect benefits to their agricultural sector. Amongst others, Canada announced its intention to establish a bilateral loan agreement with the IMF for US\$ 10 billion (almost doubling its resource commitment), committed \$US 20 million to the World Bank's Global Trade Liquidity Program, announced a temporary capital subscription of US\$ 4 billion to the InterAmerican Development Bank (IDB), and supported a 200% general capital increase for the Asian Development Bank.

➤ Climate change adaptation: "We will <u>support country-led development</u> <u>strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

Climate change is one of the many causes affecting food security, and as such can impact agriculture prospects. Canada recognizes the importance of integrating climate resilience into development planning. Canada is contributing CAD\$ 100 million over two years (2008/2009, and 2009/2010) to the World Bank's Pilot Program for Climate Resilience (PPCR). This innovative program will help the least developed countries and small island developing states in the Caribbean and the Pacific adapting to the impacts of climate change, and advancing new development approaches as we look forward to inform future investments in adaptation as well as the architecture of a post-2012 agreement on climate change.

➤ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-



food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

Biofuels have significant potential in both developed and developing countries to provide environmental benefits, to improve energy security and to contribute to socio-economic development, in a way that does not compromise food security.

Canada is living up to its commitment to accelerate development and commercialization of sustainable second-generation biofuels by providing \$500 million over eight years, until March 2015, to invest in establishing large scale demonstration facilities for the production of next-generation renewable fuels, such as cellulosic ethanol made from agricultural residues or forestry waste. A number of Canadian provinces are also enacting their own suite of programming and mandates.

Canada's renewable fuels strategy lays the groundwork to build domestic production capacity with the ability to integrate these new fuels into our transportation fuel network, without any significant impact on agricultural products for consumption. Our biofuels policy is balanced and practical, with more than 95% of our agricultural lands dedicated to food crops.

➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)

Developing countries that strive to transform their rural economies through agricultural development are confronted with many national and international challenges. At the national level, careful participatory planning, appropriate policies, and sound implementation strategies are prerequisites. At the international level, capacity to effectively participate in global fora and governance mechanisms related to agriculture is also essential. Developing countries require capacity building to participate in the development of international frameworks, to develop national policies reflecting domestic priorities and international requirements, and to implement these policies and meet international obligations. In that regard, budget support for national government agricultural strategies will continue to be a core component of Canada's food security programming. For example, Canada



supports the Government of Ghana's Food and Agricultural Sector Development Policy, to strengthen aid effectiveness in support of Ghana's vision for the modernization of their food and agriculture sector. This initiative is benefiting the people of Ghana through tangible improvements in food security, employment opportunities and reduced poverty.

➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Canada is rising to the challenge of years of global underinvestment in food security, and announced on May 20, 2009, that increasing food security will be one of five thematic priorities of Canada's international assistance. We contributed CAD\$ 584.8 million in fiscal year 2008/2009 towards food security, almost a 40% increase year-over-year increase. This will lead to a new food security approach focused on meeting today's challenges, ensuring of long-term food security poor and vulnerable people developing countries, and spurring agricultural productivity as an engine of economic growth. The scope of this effort includes activities related to food assistance, agriculture, nutrition, and research and innovation.

With respect to programming in agricultural development, Canada is currently concentrating in five key areas: strengthening national capacity, creating and using new and traditional knowledge for development, enhancing food security, productivity and income, promoting agricultural sustainability and sound natural resource management, and developing well-functioning and efficient markets.

Canada disbursed \$221.7 million on agriculture development in fiscal year 2008/2009. Over half was spent in Africa, where the needs are greatest, particularly in terms of enhancing food security, agricultural productivity and income.

Decisions on spending are based on responding to developing country needs, and ensuring that Canada has the capacity to deliver in the sector. Canada is particularly concerned by the crisis faced by low-income food deficit countries, most critically in sub-Saharan Africa and remains fully committed to promoting agricultural development as a priority.



With respect to Canadian programming in nutrition, improving nutrition is a significant element of Canadian assistance. An estimated two billion people globally, mostly in developing countries, are affected by a subtle and insidious "hidden hunger", where micronutrient deficiencies affect their ability to function effectively and makes them more vulnerable to ordinary diseases. To address this hidden hunger, Canada is involved in nutrition interventions and the provision of micronutrients to address some of the most serious micronutrient deficiencies including salt iodization and Vitamin A supplementation.

Canada renewed its commitment to the Food Aid Convention, and will be taking on the role of vice-chair in the crop year 2009/10 and chair in 2010/11. Canada looks forward to continue to strengthen the operations and effectiveness of the current Convention.

Last, Canada is fully committed to the principles of the Paris Declaration and the Accra Agenda for Action; strengthening effectiveness is an overarching priority of Canada's aid program. Budget 2008 reconfirmed Canada's new Aid Effectiveness Agenda to strengthen focus, improve efficiency and increase accountability of international assistance efforts. Canada moved forward on its promise to make international assistance more focussed, effective, and accountable, by announcing in February 2009 that 80 percent of Canada's bilateral assistance will be focused on 20 countries, thus strengthening programming and improving coordination.



Country annex FRANCE

Financial commitments			
(January 2008 – July 2009)			
	Multilateral	Bilateral	
	(US dollar)	(US dollar)	
France			
Total (Mio. US)	872	Mio	
Fina	ncial commitments per ar	rea ea	
FAO Reform	23 Mio		
Stock management			
CAADP		5 Mio	
Research/CGIAR	11Mio	149Mio	
Infrastructure		158 Mio	
Early warning systems			
IFIs (e.g. IFAD)	18Mio		
Climate change adaptation		26Mio	
Biofuels			
Others:			
Small scale agriculture		267Mio	
Commercial farming & agro-processing		74Mio	
Food aid	63Mio	42Mio	
Food security budget support		22Mio	



Capacity building	9 Mio	5 Mio
(expertise, training)		

Financial disbursements			
(January 2008 – July 2009)			
	Multilateral	Bilateral	
	(US dollar)	(US dollar)	
France			
Total (Mio. USD)	754Mie	o (USD)	
Financial disbursements per area			
FAO Reform	23 Mio USD		
Stock management			
CAADP		5 Mio	
Research/CGIAR	10 Mio	148Mio	
Infrastructure		147 Mio	
Early warning systems			
IFIs (e.g. IFAD)	17 Mio		
Climate change adaptation		24 Mio	
Biofuels			
Others:			
Small scale agriculture		247 Mio	
Commercial farming &		68Mio	



agro-processing		
Food aid	63 Mio	42 Mio
Food security targeted budget support		22 Mio
Capacity building	9 Mio	5 Mio

• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

France increased commitment on short term (Food Aid and Budgetary Support) as well as long term (investment projects), for a total of 872 MUSD from January 2008 to July 2009.

Short term response:

<u>Food aid</u>: 52 M€ in 2008 (compared to 31.5 M€ in 2007), 65% through multilateral organizations. 23 M€ during 1st half of 2009. More than 40% has been allocated to purchase of goods produced locally or in neighbouring countries.

Complementary <u>global budget</u> support targeted at the response to the food crisis: 10 M€ in 2008; mostly targeted at agricultural development (input supply) and balancing fiscal measures in Subsaharan African countries and Haiti.

Medium and long term responses to increase agricultural output and food security response capacities, through investment. The portfolio of AFD in Agriculture and rural development increased from 215 M€ in 2007 to 243 M€ in 2008 and could reach 320€ in 2009. Commitment of 1Md € for food security in Africa from 2008 to 2012 is under implementation.



- Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (see para 2)
- Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

France has pro-actively promoted the setting up of a Global Partnership for Agriculture and Food Security (GPAFS). France committed support to HLTH co-ordinator team $(0.4 \text{ M} \in \text{including one expert})$ and to international expertise plat-form $(0.5 \text{ M} \in \text{C})$.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

In addition to FAO on going project and activities, France supports FAO's reform process (*Immediate Action Plan*) by a contribution of 900.000 US to the IAP TF.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

The main event of the period was the ministerial meeting of the WTO members in July, in order to reach an agreement on the crucial step of modalities. The French Presidency of the European Union has been highly committed in the process, with the Commission and the Member States, in order to reach the good tuning between the urgency to conclude the crucial step on modalities, and the substance of an agreement, since such one had to be ambitious, global and balanced.

Two French ministers were in Geneva during the whole ministerial meeting. Many meetings had been laid.; France is still highly committed to reach an ambitious, comprehensive and balanced Doha round as soon as possible,



which takes into account the specificity of agriculture and notably the problematic of food security in LDC .

Through its positions in international arenas and its ODA, France has indeed supported the development of efficient agricultural markets with a particular focus on actual integration of small holder farming. As a result, it has promoted regional market integration and cooperation at, e.g., subregional level in Africa, while also considering that an appropriate level of fiscal protection at subregional level may be relevant to promote small holder agriculture.

- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

Having explored the proposal, France considers that issues related to international stock management, whether virtual or real, whether set up to address price volatility or for humanitarian purposes, should be examined as part of the mandate of an international expertise panel on food security issues in the framework of GPAFS. Actual purpose and feasibility should be examined carefully. France will provide support to the feasibility study of storage mechanisms based on regional or sub regional co-ordination envisaged by the West African regional economic community (ECOWAS) in the framework of ECOWAP, sub-regional action plan in line with CAADP.

➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)



France does not contribute to CAADP trust fund but provides direct support to national and regional policies and institutions which are in line with NEPAD/CAADP objectives (e.g., ECOWAS).

Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

In 2008, France contribution to CGIAR is 1,5 M€ not included secondment of 35 researchers. In 2008, France maintained is support to National and Sub-Regional Agronomic System. In addition to support to agronomic research mentioned before, France support research and development of conservation agriculture (zero tillage and permanent coverage) as option for climate change adaptation, carbon storage and productivity gain, through AFD, CIRAD, IRD funded projects. The annual disbursments for agronomic research for development is estimated 105 MUSD.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

On average 50% of French development agency (AFD) portfolio contribute to improvement of irrigation schemes and rural road networks as key factor for small holders productivity.

- ➤ Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)
- France has supported food security early warning systems strengthening over the long term particularly in Western Africa (current 3 M€ over 3 year project will end in 2009) and is preparing a new assistance package to ECOWAS and CILSS



- Is supporting specific WFP and CILSS efforts to include nutrition indicators in such systems.
- ➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

France's contribution to IFAD replenishment: 35 M€ (+50% compared to previous replenishment)

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

As far as agriculture in concerned, France through AFD, CIRAD and French GEF fund researchs for adpatation and dissemination of conservation agriculture (no-tillage and permanent coverage) in wide range of agroecologic and economic system (Tunisia, Madagascar, Cameroon, Laos, Cambodia...). Conservation agriculture, coupled with Seed Selection is an option for climate change adaptation, carbon storage and productivity gain and sustainable land management at watershed scale.

➤ **Biofuels:** "We will <u>ensure the compatibility of policies for the sustainable production and use of biofuels with food security</u> and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

During the French Presidency of the European Union, the EU has adopted a directive on renewable energy which aims at achieving 20% of renewable energy in the EU by 2020 and that includes a sustainability scheme for biofuels and bioliquids. This scheme requires the compliance with four mandatory environmental criteria and with several reporting items, including one on food security.



In addition, France is an active member of the Global Bioenergy Partnership (GBEP) that was established to implement the commitments taken by the G8 in the 2005 Gleneagles Plan of Action to support "biomass and biofuels deployment, particularly in developing countries where biomass use is prevalent". In 2008 it was given a renewed mandate by the G8 Hokkaido Toyako Summit to "work with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use".

Concerning the development of 2nd generation biofuels, France has implemented several funding schemes to finance pre-competitive and collaborative projects.

- ➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)
- ➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Food security has indeed been identified as a strategic priority for French ODA for several decades; accordingly and upon recipient countries' (e.g. Niger) or regional organizations' (CILSS, SADC) request, France has provided support (specific projects, TA) for the formulation of food security policies/strategies mainly in Subsaharan Africa and Haïti, in partnership with other donors and organizations.



Country annex GERMANY

Financial commitments (2008-2009)			
	Multilateral	Bilateral	
Germany			
Total (Mio. €)	623 Mio € (2008) and 615 Mio € (2009 planning)		
	20 887 Mio USD (868 Mio	o USD 2007 Deflator) in 2008 o USD 2007 Deflator) in lanning	

Financial disbursements and commitments (2008)			
	Multilateral (Euro)	Bilateral (US dollar)	
Germany	69 Mio € (voluntary contributions only) 100 Mio USD (97 Mio USD 2007 Deflator)	554 Mio € 799 Mio USD (782 Mio USD 2007 Deflator)	
Total (Mio. €)	623 Mio. € 899 Mio USD (879 Mio USD 2007 Deflator) in 2008		



Financial disbursements and commitments per area ⁵			
FAO Reform	906.736 USD (Multi- Trust Fund)(0,887 Mio USD 2007 Deflator		
Stock management			
CAADP	5 Mio € 7,212 Mio USD (7,05 USD Mio 2007 Deflator)		
Research/CGIAR	38,5 Mio € 55,53 Mio USD (54,31 Mio USD 1007 Deflator)		
Infrastructure			
Early warning systems			
IFIs (e.g. IFAD)	70 Mio € 101 Mio USD (99 Mio USD 2007 Deflator)		
Climate change adaptation		8 Mio Euro 12 Mio USD (11 Mio USD 2008 Deflator)	
Biofuels			
Others:			
Small scale agriculture			

• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term

⁵ Detailed information on commitments per technical area of intervention as requested in the table is not feasible since Germany's bilateral contributions (integrated programmes, projects) often cover not only one single area but promote measures in different areas.



purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

Germany has significantly increased its commitments to overcome the food crisis. Until December 2008 Germany had committed more than 600 Mio. Euro on food aid, agricultural and rural development measures in 2008. On this basis we will maintain our annual commitments in 2009 and subsequent years.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)

Germany strongly promotes the policy of local purchases of food aid on international basis (World Food Programme, Reform of the Food Aid Convention). In its bilateral support Germany follows this policy already since several years.

• Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

Germany has seconded a senior expert to support the HLTF-Team at IFAD.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

For Germany FAO-reform is of utmost importance. Therefore Germany supports FAO-reform through its active participation in the ongoing process in FAO-bodies and contribution to the IEE-Multi-trust Fund. In 2008 – immediately after the 35th session of the FAO-Conference – Germany provided 906.736 US\$. Subject to progress in the implementation of the reform and to contributions by other FAO-members Germany envisages further contributions.

• Commitment 6 (World Market & Trade System):



➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

Germany fully shares the target for an urgent and successful conclusion of an ambitious, comprehensive and balanced Doha Round, which provides also an urgently needed growth and confidence impulse for the global economy. The parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect are for Germany an essential point of a WTO-agreement.

Thus Germany took part in the development of the constructive position of the EU during negotiations.

Germany is promoting open and efficient agricultural markets in several ways:

Regional agricultural trade between developing countries is an important issue to avoid food crises and strengthen the possibility for local farmers to approach new markets. Furthermore the "Value Chain" approach is promoted. Germany is supporting the establishment of local value chains in several partner countries. Besides, Germany has been financing projects to support cotton producing countries.

Together with other partners, Germany has launched a trade standards network to improve the effectiveness of initiatives that support developing country capacity and participation in the implementation of trade-related social, environment and sanitary/phytosanitary standards and related measures through information sharing, policy research and capacity building.

Additionally Germany as member of the OECD and FAO promotes the transparent analysis of agricultural and food markets accomplished by a joint effort of OECD and FAO published as "Outlook". We support the monitoring of agricultural policies and markets by the OECD as well and we support as members of the relevant commodity organisations and FAO working groups the monitoring and functioning of the special markets for agricultural commodities. Germany promoted the full opening of the European markets for Imports out of least developed and ACP Countries, thus creating new incentives for food production in these countries.



• Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):

➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

Germany looked into the issue. Taking everything into account, we do think that real or virtual stock management at international or multinational level is not an appropriate instrument, which can keep prices in balance or assure rapid deliveries in critical situations.

Building up stocks (e.g. cereals) in order to thus alleviate price fluctuations has been a customary approach for a long time now that has also been used by development policy again and again for some decades already without any noticeable success.

The Common Agricultural Policy of the EU has acquired extensive experience with public storage as a measure of price stabilisation due to its intervention policy. This approach must be considered a failure within the EU, however. Given that the agricultural markets, too, are becoming more closely interlinked due to the globalisation of the economy, it has not been possible so far to prove any substantial influence of storage on the development of market prices on the cereals market, for instance.

These are key points of criticism of storage policy:

- Storage is very expensive [around 230 million tonnes of cereals are being traded worldwide annually]. If only 20% of global trade were to be kept in reserve as stocks, around 50 million tonnes would have to be put into storage and would cause around 1 billion € in storage costs annually (taking the annual storage costs in Germany as a basis). The acquisition costs for the buying up of cereals are not even included in this calculation.]
- The administration by the public sector has not proven effective with regard to price stabilisation and is, in addition, very susceptible to corruption.
- Public stocks also impede the economic development of the private sector.



It is true that public storage is used in some states as a national measure to address short-term emergencies. However, this instrument is unsuitable for multinational coordination and should remain within the competence of national authorities at any rate to avoid any additional unnecessary bureaucracy.

➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

With a view to improve the implementation process the NEPAD Secretariat asked Germany in April 2008 to provide greater support to the implementation at different levels of the overall CAADP-process, including to regional and national implementation teams. In the years 2007 and 2008 Germany committed to provide 5 Mio. Euro for bilateral support to NePAD-CAADP.

The envisaged increase in German support is a response to the request from the NEPAD Secretariat. Germanys' contribution is made by the Federal Ministry for Economic Cooperation and Development (BMZ), mainly in the form of capacity building and training activities as well as a contribution to the joint trust fund facility.

As regards Germany's support for African agriculture, German bilateral cooperation emphasizes social and environmental aspects while supporting increases in production. German bilateral support for rural development includes among others infrastructure development, promotion of credit facilities, rehabilitation of irrigation systems and out-grower-schemes. Environmental projects related to agriculture support resource management, ecosystem protection, biodiversity and park management.

In sub-Saharan Africa, Germany provides support for Agriculture and Rural Development mainly to Benin, Burkina Faso, Ghana, Cameroun, Kenya,



Madagascar, Mali, Mauretania, Namibia, Niger, Ethiopia, South Africa and Zambia.

Germany has started a new project to promote cotton production through small scale producers in Uganda and Zambia. The value of this project is 6,350,000 US \$. The programme cooperates systematically with CAADP pillar II and tries to reach some 80,000 small scale producers and increase their income through cotton production by 200 US \$ per producer. At bilateral level Germany is funding a number of programmes that promote agribusiness of small scale producers through value chain development. The emphasis of German programmes in Ghana, Kenya, Benin, and Burkina Faso is on value chain development for small scale producers. In Mali Germany supports the development of small scale irrigation systems for increased productivity. The value of the contribution is 6,000,000 for two and a half year. In Ethiopia, Chad, Niger the emphasis of German bilateral support is on improved soil and water management for maintaining the production base. In Namibia and South Africa Germany supports measures in Land Reform.

At multilateral level Germany supports food security and income generating projects in African agriculture and forestry through FAO. The Federal Ministry of Agriculture, Food and Consumer Protection supports small scale pilot projects of adapted cultivation and building business models in the framework of FAO-programmes. To this end Germany has committed 11,396,000 US \$.

Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

Germany has substantially increased its support to the CGIAR in response to the food crisis from 16,4 Mio. Euro in 2007 to 17,5 Mio Euro in 2008 and 21 Mio. Euro in 2009 respectively in order to promote the development and



dissemination of improved locally adapted and sustainable farming technologies. Germany actively supports the reform process of the CGIAR.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

Quantitative information on commitments per technical area of intervention is not feasible since Germany's contributions (integrated programmes, projects) often cover not only one single area but promote measures in different areas. However, Germany supports through bilateral cooperation various programmes for the improvement of rural infrastructure, e.g. following programmes related to irrigation:

- Programmes for sustainable irrigation in Mali and Ethiopia
- Programmes for the improvement of agricultural water management in Egypt and Jordan
- Measures for the rehabilitation of agricultural infrastructure (including irrigation) in Afghanistan.
- ➤ Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

See previous paragraph.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

The IFAD VIII replenishment negotiations were concluded in December last year with a record result. It is promising that by mid-February pledges already amount to almost USD 950 million. Germany pledged up to USD 70 million, which is a 75 percent increase compared to our contribution to IFAD VII.

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)



Germany's development cooperation is funding agricultural research focusing on measures and strategies on the adaptation to climate change. In cooperation with German and international research centers and national partners, a 10 million Euro research program currently focuses on adapting African agriculture to the challenges of climate change. German Development Cooperation aims at strengthening the adaptive capacity of the agricultural sector and protecting natural resources in its partner countries. Small-scale farmers are being sensitized to climate change and its impact and they are enabled to identify and implement various ways of adaptation. In addition weather insurance systems are designed. At the policy level, adaptation strategies are being supported.

Germany continued its cooperation programs in Asia, Africa and Latin America in support of affected countries in developing, implementing and reviewing their National Action Programs to Combat Desertification in the light of the new challenges of climate change and the 10-year strategy of the UNCCD.

Germany started new cooperation programs to combat desertification in Central Asia, Namibia and Mali

Germany supported the UNCCD Secretariat in its reform process responding to the 10-year strategic Plan of the Convention

▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

Germany stresses the need to ensure that, when there is competition between the production of food and the production of fuel, priority is given to food. Presently, Germany supports efforts to establish an international system for sustainable land use in the GBEP (Global Bioenergy Partnership) process and to develop sustainability and certification systems for sustainable biofuels and biomass production to ensure that GHG reduction targets in the transport sector are achieved as well as to prevent undesired environmental, social and food security effects. Sustainability and certification systems have been developed and are implemented in various producer countries of palm oil and ethanol. These efforts aim to ensure the availability of sufficient



quantities of certified sustainable biofuels for the importation to Germany as soon as possible. Furthermore, Germany supports developing countries in designing biofuels and biomass strategies including aspects of food security, social and environmental standards. Germany supports the IEA to conduct a comprehensive study on second generation biofuels to evaluate the potential of sustainable second generation biofuels production in selected countries (Brazil, China, India, and Thailand) and developing countries in Sub-Saharan Africa.

Germany promotes the market launch of 2nd generation biofuels by appropriate Research and development – projects and diverse pilot projects. Besides 70 projects are currently supported with a volume of more than 21mil. € about breeding and cultivation of energy plants and suitability of new sorts as energy plant for future production of 2nd generation biofuels.

Germany supports projects through the bilateral German Trust Fund with FAO which aim at developing political framework and criteria for states to decide whether the production and use of biofuels can contribute to their food security.

- ➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)
- ➤ Mainstream food security: "We will <u>mainstream food security objectives</u> <u>into the development policies of donors and recipient countries</u>, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Germany supports the mainstreaming of food security through processes aiming at the implementation of the right to food. A major player in this field is FAO. Germany sponsored the development and formulation of the 2004 FAO-Voluntary Guidelines on the progressive realization of the right to adequate food in the context of national food security. Since Germany strengthens FAO's capacity in this field through a right to food unit and by incorporating this approach in German bilateral projects. Germany also continued to advance a project piloting the practical application of right to food indicators at the country level. In line with FAO Voluntary Guideline 17, and other initiatives looking into the value and use of indicators as a basis for



monitoring human rights implementation, this project in particular intends to improve both the practicability and effectiveness of the state reporting process within the framework of the International Covenant on Economic, Social and Cultural Rights. Tools to help governments and other stakeholders to actively take part in this refined process will include a General Comment by the Committee on Economic, Social and Cultural Rights outlining the new components, as well as a corresponding manual for use at the national level. Germany is founding member of the Global Donor Platform for Rural Development and hosts its secretariat. GDPRD sponsored Roundtable 2 (CSO) and 8 (Agriculture) of Accra High Level Forum. Germany fully subscribes to the principles and recommendations of the Accra Agenda for Action.



Country annex JAPAN

Financial commitments		
(January 2008 – July 2009)		
	Multilateral	Bilateral
	(US dollar)	(US dollar)
G8 Partners		
Total (Mio. US)	5,622 million	
Finar	ncial commitments per ar	· ea
FAO Reform		
Stock management		
CAADP	22 million	4,230 million(*)
Research/CGIAR	20 million	
Infrastructure		
Early warning systems		
IFIs (e.g. IFAD)	140 million	
Climate change adaptation		
Biofuels		
Good Governance		
Mainstream food security		
Others:		
Food aids	150 million	
Agricultural inputs	60 million	
Technical assistance		
Others		1,000 million



(*)At the TICADIV held in 2008, Japan announced that up to 4 billion US dollars would be financed through Japanese ODA loan over five years for the development of Africa, with special focus on infrastructure and agricultural development.

Based on announcements.



Financial disbursements		
(January 2008 – July 2009)		
	Multilateral	Bilateral
	(US dollar)	(US dollar)
G8 Partners		
Total (Mio. US)	1,683 r	nillion
Finar	ncial disbursements per a	rea
FAO Reform		
Stock management	0.7 million	
CAADP	3.7 million	40.5 million
Research/CGIAR	17.6 million	
Infrastructure	25.0 million	372.7 million
Early warning systems	0.3 million	
IFIs (e.g. IFAD)		
Climate change adaptation	5.9 million	455.3 million
Biofuels		0.2 million
Good Governance	1.8million	
Mainstream food security		
Others:		
Food aids	279.1 million	179.7 million
Agricultural inputs	4.3 million	74.6 million
Technical assistance	4.8 million	15.2 million
Others	147.4 million	54.7 million



Calculated by the DAC exchange rates and the DAC deflators (The base year is 2007.).



• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

Since January 2008, Japan has pledged over five billion dollars to combat the global food crisis. As for the total amount of aid contributions between 2003 and 2007, Japan ranked number one among all DAC member countries in aid contributions in the sector of agriculture, forestry and fishery (Source: OECD/DAC statistics). Japan's contributions account for one-forth of the total aids pledged by all member countries.

Immediate and Short-Term Measures:

Japan has announced the following pledges, most of which have already been disbursed:

- 100 million US dollars for Emergency Food Aid (announced in April 2008)
- 60 million US dollars to assist low-income farmers to increase their food productivity (announced during High-Level Conference convened by FAO in June 2008)
- 50 million US dollars for Emergency Food Aid (announced in July 2008)
- 360 million US dollars to African countries and Afghanistan for food and humanitarian aid which are is intended to provide food assistance, to expand social safety nets, and to enhance agricultural productivity (approved by the Diet in March 2009)

Medium and Long-Term Measures:

Japan has announced the following pledges:

- 230 million US dollars for Grant Aid and Technical Cooperation for Africa in the agricultural sector for next five years (announced in TICAD IV in May 2008)
- Up to 4 billion US dollars for Japanese ODA Loan for the development of Africa over five years, with special focus on infrastructure and agricultural development (announced in TICAD IV in May 2008)



- 122 million US dollars from Japanese Trust Fund in the agriculture sector (announced during TICAD IV in May 2008 and World Bank & IMF Joint Development Committee in October 2008)
- 60 million US dollars for the 8th IFAD Replenishment(announced in December 2008)
- 1 billion US dollars to enhance the food productivity of EAS member countries in the next five years (announced in April 2009)
- Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)
- Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

As previous chair of the G8, Japan has taken a lead in setting out a G8 proposal on the GPAFS and supported consultation with wider stakeholders towards the early launch of the partnership, working closely with other G8 members, the High Level Task Force on the Global Food Security Crisis and other relevant organizations. In addition to activities within the G8, Japan has worked to promote the GPAFS including through hosting an international symposium "Revising Food Security: towards the realization of the Global Partnership", inviting representatives and experts from various countries including ministers of Mozambique and Malawi. Participants of the event recognized the interdependent nature of this issue and shared the urgent need of forming a global partnership

• Commitment 5 (FAO Reform): "We are committed to thorough reform of the FAO to enhance its effectiveness in helping to ensure food security for all". (para 5)

Japan has committed to the thorough reform of the FAO as the second largest financial contributor of the assessed contribution to the organization, and been actively involved in the reform process, including the active participation of CoC-IEE process.

• Commitment 6 (World Market & Trade System):



➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

Japan is committed to the early conclusion of the Doha Round and continues to devote our efforts to advance negotiations.

In response to the rapid increase of export prohibition and restriction measures provoked by the rise of global food prices, Japan put forward a joint proposal with Switzerland to strengthen rules on export prohibition and restriction measures in April, 2008 at Doha agriculture negotiations. This proposal has been reflected in the revised draft modalities for agriculture presented in December 2008, as a result of the discussion among member countries.

With a view to addressing the issue of volatile markets, the Japanese authority agreed on terms of reference respectively with the U.S. and U.K., for cooperation and collaboration.

- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

With the aim of ensuring food security and thereby achieving poverty eradication in the East Asia region, Japan has carried out "East Asia Emergency Rice Reserve Pilot Project' from 2004 to 2009, which has been recently extended until February 2010. The project is administered in partnership with ASEAN 10 member countries as well as China and South Korea.



➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

Japan has supported CAADP initiatives. In cooperation with other participating organizations, such as AGRA, JICA (Japan International Cooperation Agency) launched "Coalition for African Rice Development (CARD)," to meet increasing rice demand in Sub-Saharan Africa (Side event of TICAD IV in May, 2008). CARD is mandated to boost rice production in Sub-Saharan Africa, aiming at doubling the rice production in African countries in ten years. The first CARD General Meeting was held in Kenya in October 2008 to be followed by the second one in Tokyo in June 2009.

In Tanzania, Japan has assisted the Sector Wide Approach (SWAp) adopted in the agricultural sector since its beginning. Japan has contributed successful implementation of the agricultural Sector Development Programme (ASDP) through combined assistance of the grant aid and the technical cooperation projects. The fund of 320 million Japanese Yen was put into the ASDP basket fund by Japan in 2008. In addition, in order to strengthen institutional capacity of ASDP implementation, two technical cooperation projects have focused the area of backstopping planning and implementing the District Agricultural Development Plans (DADPs), and of establishing the monitoring and evaluation systems of ASDP.

In Zambia, Japan has implemented "the Project for Participatory Village Development in Isolated Areas (PaViDIA)" to support community development in rural areas with maximum participation. The project established the PaViDIA approach, which stand for Participatory Village Development in Isolated Areas, in line with the Zambian administrative and cultural systems. The PaViDIA approach received several funds from other



development partners such as WFP, because of its recognition. Some of the key features of the PaViDIA approach are 1) on-the-job capacity development through the project activities, 2) resource-based development project, 3) agriculture and income generating activities as core of activities, 4) strengthened monitoring system: after-care for development. The PaViDIA approach has been adopted in more than 150 villages in Zambia, and a new project will be begun for further expansion of the PaViDIA approach by the request of Government of Zambia in 2009.

- 2.141 billion Japanese Yen for the Grant Aid Project for the Rehabilitation and Improvement of Monshat El Dahab Regulator on Bahr Yusef Canal in Egypt.
- 35 million Japanese Yen for the Grant Aid Project for the Rehabilitation of the Bwanje Valley Irrigation System (Phase2) in Malawi.
 - Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

Japan contributed 1.557 billion Japanese Yen for CGIAR in 2008 for R&D projects such as development of NERICA varieties, *Fusarium* head blight resistance wheat and integrated rice cultivation system under water saving conditions, and, last year made additional pledge of 20 million dollars through Japanese Trust Fund (see also Commitment 1 and 2 above).

In addition to the above contributions, Japan has implemented the Capacity building program for African agricultural researchers, which aims at transferring expertise of Japanese researchers to African young researchers in close cooperation with CG Centers in Africa. (19 million yen or 184 thousand USD, Japan FY 2008)



Japan also supports research and development for technological advancement of agriculture, forestry, fisheries and related industries in tropical and subtropical zones of developing regions, such as improvement of abiotic stress tolerance of rice in Africa, and development of biomass utilization technology suited to Southeast Asia by funding the Japan International Research Center for Agricultural Sciences (JIRCAS). (3,908 million yen or 37.8 million USD, Japan FY 2008)

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

Japan allocates a substantial portion of its agricultural aid to infrastructure, including not only "hard" infrastructure but also "soft" infrastructure such as the operation and maintenance of irrigation systems by supporting water user associations.

In Vietnam, as assistance that utilizes Japanese expertise, Japan helps organize farmers to promote efficient water use and self-efforts of farmers. The assistance takes the farmer-participatory water management organizations (Land Improvement District system) of Japan as a precedent, so-called "Participatory Irrigation Management (PIM)", and aims at technology transfer on low-cost, water-saving terminal irrigation facilities as well as the operation and maintenance of such facilities by farmers themselves, which contribute to a stable water supply for agriculture and efficient allocation of irrigation water.

- 12.310 billion Japanese Yen for Japanese ODA Loan Project for the Participatory Irrigation Rehabilitation and Improvement Management Project in Indonesia.
- 8.967 billion Japanese Yen for Japanese ODA Loan Project for the Decentralized Irrigation System Improvement Project in Eastern Region of Indonesia.
- 11.382 billion Japanese Yen for Japanese ODA Loan Project for the Punjab Irrigation System Improvement Project in Pakistan.
- 610 million Japanese Yen for the Grant Aid Project for the Bridge Construction for Expanded Agrarian Reform Communities Development in Philippines.



- 13 million Japanese Yen for the Grant Aid Project for the Bridge Construction for Expanded Agrarian Reform Communities Development in Philippines.
- 25 million Japanese Yen for the Grant Aid Project for Improvement of Roleang Chrey Headworks in Cambodia.
 - ➤ Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)
 - ➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

Japan announced a pledge which amounts to 60 US million dollars at the 8th IFAD Replenishment in December 2008 (see also Commitment 1 and 2 above).

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

Japan has carried out efforts to combat desertification in Mali, Burkina Faso, Niger, Ethiopia, and Mongolia through analysis on the state and cause of desertification and trials on experimental agricultural fields at sites where the desertification has markedly advanced.

- 13.345 billion Japanese Yen for Japanese ODA Loan Project for the Uttar Pradesh Participatory Forest Management and Poverty Alleviation Project in India.
 - ▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

Japan has actively participated in the GBEP activity to develop guidelines for the production and use of biofuels.



Japan promotes the development of technologies aiming at effective production of bioethanol from non-food plant materials and inedible biomass such as rice straw or woods in order to accelerate development of sustainable second-generation biofuels(5,116 million yen or 50 million USD, 2008).

➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)

In providing development aid, Japan attaches particular importance to bring out self-reliant efforts from developing countries. Based on good governance principles, Japan has contributed to laying foundations for the development, by supporting their human resource development, legal systems development, and economic and social infrastructure building.

➤ Mainstream food security: "We will <u>mainstream food security objectives</u> <u>into the development policies of donors and recipient countries</u>, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Japan commits to advocating and mainstreaming food security in the global development agenda. In this regard, we have committed and implemented extensive assistance as set out above, and hosted international events such as the international symposium "Revising Food Security: towards the realization of the Global Partnership" (see commitment 4) and the CARD General Meeting (see also commitment 7 CAADP above).



Country annex RUSSIAN FEDERATION

Financial commitments		
(January 2008 – July 2009)		
	Multilateral	Bilateral
	(US dollar)	(US dollar)
Russian Federation	67,5 Mio.	5,83 Mio.
Total (Mio. US)	103	Mio
Financial o	commitments per area (M	lio US\$)
FAO Reform	3 Mio	
Stock management		
CAADP		
Research/CGIAR		
Infrastructure		
Early warning systems		
IFIs (e.g. IFAD)	7 Mio	
Climate change adaptation		
Biofuels		
Others:		
Small scale agriculture		

Financial disbursements		
(January 2008 – July 2009)		
	Multilateral	Bilateral
	(US dollars)	(US dollars)



Russian Federation	67,5 Mio.	5,83 Mio.
Total (Mio. US)	73 Mio	
Financial disbursements per area (Mio US\$)		
FAO Reform	3 Mio	
Stock management		
CAADP		
Research/CGIAR		
Infrastructure		
Early warning systems		
IFIs (e.g. IFAD)	7 Mio	
Climate change adaptation		
Biofuels		
Others:		
Small scale agriculture		

• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

Russia has consistently increased amount of emergency food aid, primarily, for the developing countries, both through bilateral channels and through relevant international organizations and aid agencies, such as WFP, UNHCR and ICDO - International Civil Defense Organization.

From January 2008 to July 2009 Russia had committed and disbursed US\$ 73.33 Mio on food aid, agricultural and rural development measures.



• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)

To promote local purchase, Russia has earmarked up to US\$ 1.0 Mio of its contribution to WFP Fund in 2009 for financing local purchases of raw products for the food industry.

• Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

Russia supports the consultative process of shaping the Global Partnership for Agriculture and Food Security (GPAFS), and believes that such structure would serve as a platform for the dialog of the all-relevant stakeholders. Russia considers that the Partnership should rely on the existing institutions first of all on the FAO Committee for Global Food Security and supports the GPAFS launch at a representative international forum, such as United Nations General Assembly Annual Session

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the</u> FAO to enhance its effectiveness in helping to ensure food security for all". (para 5)

Russia supports the strategic aims and top priority tasks of FAO reform. In terms of assistance for the FAO adaptation to the present realities and strengthening its potential, Russia contributed in 2008 US\$ 3.0 Mio for introduction of the Russian language as the official FAO language. That would open for millions of farmers and other people of agricultural vocation in many of European and Asian countries, including the developing countries, the world of the FAO expertise and experience, in particular, guidelines, standards, best practices and technologies.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and



support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

Russia supports the urgent and successful conclusion of an ambitious, comprehensive and balanced Doha WTO round of talks.

- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - Stock management: "We will explore options on a coordinated approach on stock management, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

Russia supports the examination of the feasibility for the establishment of international food reserves, in particular, for humanitarian purposes. Recalling that such a request was addressed by the G-8 Agriculture Ministers at Cison-de-Valmarino to relevant international organizations, Russia has made the stock management, in particular, the establishment of international grain stocks, one of the priority topics for the World Grain Forum in St.-Petersburg on 6-7 June 2009.

- ➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including in Africa through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)
- Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such



as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

Russia supports the establishment of comprehensive system for agriculture statistic, and sees a leading role for the FAO in the creation of the relevant database. The partners and data clients of that system could be governments, private businesses, such international institutions as Global Partnership for Agriculture and Food Securiyt, UN High Level Task Force on World Food Crisis, WFP, IFAD and others. Such low-cost and efficient system could use statistical database of other UN agencies, WB, OECD, regional organizations, with a view to the establishment of a common database, harmonization of data collection and processing methodology.

Russia transfers technologies and shares best practices in the field of veterinary cooperation. We provide the diagnostic kits and veterinary vaccines and support epizootic monitoring systems at the seat of endemic foot-and-mouth disease (the Caucasus and the Central Asia). We also maintain the OIE reference laboratory for the CIS area.

- ➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)
- **Early warning systems:** "We will assist in the development of food security early warning systems." (para 7 e)
- ➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

Russia was among the first to contribute, in a single transfer, a US\$ 7.0 Mio donation to the Multilateral Trust Fund under the Global Food Crisis Response Program (GFRP), established by the World Bank. Russia has committed further US\$ 8.0 Mio to the Fund in 2009-2010.

➤ Climate change adaptation: "We will <u>support country-led development</u> <u>strategies in adapting to the impact of climate change</u>, combating



desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

▶ **Biofuels:** "We will <u>ensure the compatibility of policies for the sustainable production and use of biofuels with food security</u> and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

Russia supports balanced approach to the biofuels production favoring second-generation biofuels.

- ➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)
- ➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Russia is committed to the adoption of a complex of short-term, mid-term and long-term measures pursuant to the recommendations by the Comprehensive Framework for Action (CFA), developed by the UN High Level Task Force, aimed at the ensuring of food security and support of agriculture at the developing countries. At that, Russian National Strategy for International Development Assistance provides the optimal combination between the assistance and the development aid, the latter being targeted at food security capacity-building, at the beneficiary countries.



Country annex UNITED KINGDOM

Financial commitments		
(January 2008 – July 2009)		
	Multilateral (US\$ million)	Bilateral (US\$ million)
UK		
Total (Million \$)	1538 Mio US\$	
Financial commitments per area (Mio US\$)		
FAO Reform		
Stock management		
CAADP		
Research/CGIAR	676 Mio	
Infrastructure		64 Mio
Early warning systems	1 Mio	
IFIs (e.g. IFAD)	67.5 Mio	
Biofuels		0.2 Mio
Mainstream food security		465 Mio (humanitarian + safety nets)
Others:		
Small scale agriculture		
Direct budget support		265 Mio
Total	1538	



Financial disbursements		
(January 2008 – July 2009)		
	Multilateral	Bilateral
	(US \$ million)	(US \$ million)
UK		
Total (Million \$)	Approx 48	22 Mio US\$
Financial disbursements per area (Mio US\$)		
FAO Reform		0.6 Mio
Stock management		
Research/CGIAR	54 Mio	
Infrastructure		7 Mio
Early warning systems	1 Mio	
IFIs (e.g. IFAD)		
Biofuels		0.15 Mio
Mainstream food security		238 Mio (humanitarian + safety nets)
Others:		
Small scale agriculture		
Direct budget support		181 Mio
Additional Disbursements		
Climate change adaptation		208 Mio
CAADP		8 Mio



• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

The UK Government has announced a package of assistance worth over £910 million to tackle high food prices. This included both short and long term measures:

- £400 million for agricultural research over 5 years
- £30 million to the World Food Programme
- £22 million extra for the Ethiopia safety net (July 08)
- £8 million for nutrition monitoring
- £76 million for road building in DRC
- £32 million for social protection in Mozambique and Bangladesh
- £6.5 million for food aid and agricultural inputs for Afghanistan.
- £217 million in budget support for Ghana, Uganda and Malawi.

Agriculture, rural development and social protection are a priority for DFID/UK. We continue to support agriculture-based rural growth by spending around £120 million a year on livelihoods programmes in partner countries to help increase productivity and raise rural incomes. In Africa, we are spending at least £150 million over three years in nine countries to support the development of social protection policies and programmes.

These programmes are part of a portfolio of operational programmes worth over £1 billion over 4 years (approximately £250 million/ year) which address food security, social protection and rural development. We are also significantly increasing our spending on agricultural research by £400 million over the next 5 years.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)



UK government does not procure food but we support (in principle, not financially) WFP's Purchase-for-Progress programme.

We also support WFP's move to increase the volume of local procurement. In doing this we want them to engage in country-led programmes to make markets work e.g. in Uganda where WFP is the biggest grain trader. WFP should take steps to ensure that benefits accrue as much as possible to small-scale producers and market interventions do not produce distortions.

• Commitment 4 (GPAFS): "We will <u>work with the international community in forming a global partnership on agriculture and food,</u> involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

UK has pro-actively promoted the setting up of a Global Partnership for Agriculture and Food Security (GPAFS).

In doing so, DFID has seconded an expert to the UN High Level Task Force (HLTF) for a year to help with the development of detailed plans for consultation and implementation.

In addition DFID will contribute £700,000 to the core costs of the UN-HLTF.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

UK strongly supports FAO's reform process. We are in the process of committing £350,000 to the trust fund for implementation of the immediate plan of action and continue to take a leading role in planning and managing reform including chairing a working group.

Since January 2008, UK has chaired Working Group 1: Strategic Framework, MTP and PWB, one of three membership working groups.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and



support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

UK supports an open and free trading system in agriculture through a phasing out of distortionary subsidies. The UK moreover opposes trade policies that exacerbate food security concerns, and especially the use of export bans during shortages.

UK supports effective measures to assure low-income and net-food importing countries that their food needs will be met in times of external shocks. This could, for example, be achieved through a Doha Round Agreement that effectively addresses these concerns, potentially also encompassing an augmentation or reform of existing food aid facilities.

• Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):

- ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)
- The UK supports the role of well-functioning markets as a means of improving food security so farmers are able to respond to market signals.
- But the role of global stocks management in mitigating future food price volatility needs to be better understood, including the role of public and private stocks and what 'mechanism' at the international level is needed to co-ordinate any intervention.
- The international community have not agreed how grain reserves or even 'virtual' grain reserves will operate, and whether they function as a short term response to humanitarian disasters, and/or how they can be used in response to price volatility on commodity markets that could contribute to increased hunger in the medium term.
- The is a lack of publicly available data on stocks, the mechanisms for reporting stock levels (actual/projected) to the international markets, and the quality/accuracy/timeliness of this information



- Consquently, the UK is undertaking further analysis of what is known about stocks, and the viability of public grain reserves and their potential impact on the market.
 - ➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including in Africa through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

The UK supports CAADP because it is Africa led and focused on maximising the impact of aid on food security and economic growth. DFID gives £5 million to CAADP's regional work, in addition to country support and £40 million research funding for sub regional research organisations.

The UK works with other donors to support the CAADP partnership and we will contribute (a maximum of £5 million) to the World Bank's multi-donor trust fund that was established in Oct 2008 to provide ongoing support to the CAADP process.

DFID have been active members of the donor technical working group which assisted with the development of the Pillar III Framework for African Food Security. This has been adopted as the overarching CAADP strategy to address hunger and food insecurity and to respond to high food prices.

➤ Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote



science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

UK is doubling support to £400 million over next five years. Expenditure will increase from £49 million last year to £66 million this year and £95 million in 2010-11. (ie £210 million over 3 years)

This will be spent in five areas:

- £200m to international agricultural research organisations. We have already announced £150m of support mainly to the CGIAR.
- £75m to Regional Research Organisations in West, East and Southern Africa, Andes and South Asia. For example we have agreed £10 m to support ASARECA (Association for Strengthening Agricultural Research in East Central Africa)
- £25m to Responsive Programmes with the UK's Biotechnology and Biological Sciences Research Council (BBSRC). Two calls are already underway: one on crop sciences; and, one on animal health.
- £50m to research into use and capacity building programmes.
- £50m to public-private partnerships to develop technologies for farmers (e.g. Global Alliance for Livestock Vaccines and Medicines which is developing vaccines to benefit African livestock keepers; and grants to undertake strategic programmes, for example research on the control of avian flu.

Examples of potential investments and their impacts through the CGIAR include:

- Revitalising yield growth in intensive cereal systems [US\$150m impacting on 3 billion people];
- Tackling crop diseases such as virulent wheat rust [US\$37.5m impacting on 2.88 billion people];
- Breeding drought-resistance maize in 20 countries [US\$100m; impacting on 320 million with indirect effects on many more];
- Scaling up biofortification of staple crops [US\$125m; impacting on up to 672 million people]; and,
- Ensuring women's full participation in agricultural innovation [US\$30 million; impacting on 200 million women]



Our increased support to the CGIAR is linked to its reform so that it can do more. DFID is playing a leading role in this, and helping in the establishment of a new central fund and we are calling on other donors to increase the total investment in the CGIAR to \$1billion pa.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

An Example:

DRC's economy is crippled through lack of functioning roads it has 152,400 km of roads but most are now paths (95% of roads are impassable by motor vehicle), Less than 1% are tar sealed.

In July 2008 DFID and the World Bank working with the Government of DRC, launched a new road rehabilitation programme called Pro-Routes. The first phase of the programme will run for 5 years with DFID and the World Bank through a Multi-Donor Trust Fund arrangement making respective commitments of £76 million and \$50 million. The AfDB and EC have also been approached for further funding to help expand the rehabilitated network under PRO-ROUTES.

What DFID/HMG are doing to help and why

The state has virtually no capacity to either rehabilitate or maintain the national network. Our assistance will bring Government and donors together to build state capacity to reopen the national priority road network and sustain it. This is critical for promoting growth and agriculture and improving access to basic services, security and democracy.

The programme is based on strong impact evidence from our other road projects in DRC. These projects have shown that within two years, reopening the road led to a six-fold increase in traffic and a 33-fold increase in the amount of agricultural produce transported. Prices of food dropped by up to 4 times.

The roads will be reopened to a basic standard with a view to further improvement as traffic levels increase. The focus is on restoring access to markets and social and administrative services. We are coordinating this



programme with rural road and agricultural programmes funded by other donors to ensure maximum impact on food production and access to markets.

Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

DFID supports and is active in the development of the IPC.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

UK's contribution to IFAD replenishment from January 2008 – July 2009 is £42.7 million.

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

The UK government has significantly scaled up its efforts on international climate change over the past 6 months. New and additional resources have been made available to tackle climate change and, in particular on adaptation, the UK has several programmes.

Firstly through the World Bank- The UK has distributed the first tranche of spending to the Pilot Programme for Climate Resilience (PPCR) within the World Bank Climate Investment Funds. Of £100M first deposited in March £17.5M will go towards the PPCR. Countries benefiting from this funding will be (Bolivia, Bangladesh, Nepal, Cambodia, Tajikistan, Zambia, Niger and Mozambique). Two regional pilots have been identified in the Caribbean and the Pacific, and a country pilot in the Middle East/North Africa region.

Also administered by the World Bank are programmes and funds such as The Least Developed Countries Fund (LDCF). The UK is the second largest donor having committed £12 million of which £5 million has been disbursed. The UK is the second largest donor to the Least Developed Countries Fund (LDCF) having committed £12 million of which £7 million has been disbursed



and the Special Climate Change Fund (SCCF) having committed £10 million of which £10 million has been disbursed. The UK is also supporting the design and implementation of the Adaptation Fund (AF) both as a Board member and through provision of £1 million start-up funding (£0.5 million disbursed). All this adding to a total of £40 million of funding channelled through the World Banks various funds and programmes for adaptation.

Through other programmes DFID has funded since January 2009 have totalled £676 000. These have been through various other channels including jointly funded posts within the Asian development Bank amounting to £636,000 of spend. Through UNDP DFID has donated £10,000 to support the National Communication of climate projections for LDCs. The UK has also delivered on its 2005 G8 commitment to develop a tool for assessing climate risks to its development programmes. Within this figure DFID has conducted assessments of its programme in Kenya with the contribution of £36,000. We are now sharing lessons from this process with other donors and the multilateral development banks.

UK commitment to the Climate Change Adaptation Research programme in Africa is £24 million 2006 - 2011, IDRC provides approx extra £6 million.

▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

DFID co-funded (with the UK's Department for Transport) the influential Gallagher Review on biofuel sustainability. This confirmed a link between biofuel production and increasing food prices, and expressed concerns about possible negative environmental and climate change effects. It recommended that the EC and others carry out more research on biofuel sustainability, and be prepared to review and revise polices in the light of the growing evidence base. DFID is also co-funding with the World Bank a review of biofuels production in Africa, with the aim of making available to policy makers, industry and potential investors information and up-to-date guidance on best practice.



➤ **Good governance:** "We will promote good governance in developing countries with particular emphasis on their food security and market policies." (para 7 j)

UK has called for improved aid architecture for responding to hunger and investing in agriculture in order to implement the Comprehensive Framework for Action. UK supports the UN-HLTF (both financially and through a secondment) and the development of GPAFS.

➤ Mainstream food security: "We will <u>mainstream food security objectives</u> <u>into the development policies of donors and recipient countries</u>, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

Currently programmes of over £1 billion are underway boosting agriculture, addressing food security and social protection. Annual expenditure comes to around £250 million. As well as agriculture, this includes investment in sectors such as forestry, fisheries, livestock, rural roads, social protection and food aid.

EXAMPLES

Existing Agriculture and Rural Development Programmes

- •£20 million worth of better roads and new and better markets for poor farmers in Mozambique;
- •£10 million to improve the livelihoods of 75,000 poor tribal households in Orissa, India;
- •£17.5 million to improve poor people's access to key services and commodity markets in Nigeria.
- •£17.5 million to improve poor people's access to key services and commodity markets in the Southern and Eastern African regions.

Existing Social Protection Programmes

• Long-term social protection can improve food security, nutrition and self sufficiency. DFID supports social protection programmes in 20 countries, including Ethiopia, Malawi, Zambia, Kenya and Bangladesh. In Africa alone we spend £55 million a year, covering 10 million households.



- In Ethiopia, DFID has given £72 million over 3 years for the Productive Safety Net Programme. Three quarters of households surveyed consumed more and better quality food, and three in five recipients managed to avoid selling assets to buy food because of the programme.
- In Bangladesh we have spent over £50 million on the Chars Livelihoods Programme to support people living on the flood-prone islands of the Jamuna River through asset transfers to the extreme poor. Support includes provision of livestock, seeds, cash transfers, and land leases, with appropriate training and capacity building.
- In Zimbabwe social transfers are included in the £36 million Protracted Relief and Recovery Programme and £23 million orphans and vulnerable children programme.
- •£122 million funding in Kenya over 10 years to support a cash transfer programme for Orphans and Vulnerable Children (OVC), Hunger Safety Net Programme, and development of a national social protection strategy and policy.



Country Annex United States

Financial Announcements		
(Decen	nber 2007 - September	2009)
	Multilateral	Bilateral
	(US dollar)	(US dollar)
USA		
Total (Millions of US\$)	\$	6,240.6
Financial An	nouncements per Are	a (Mio US\$)
FAO Reform	\$0	\$0
Stock management	\$0	\$0
CAADP	\$0	\$0
Research/CGIAR	\$0	\$0
Infrastructure	\$0	\$0
Early warning systems	\$0	\$0
IFIs (e.g. IFAD)	\$0	\$0
Climate change adaptation	\$0	\$0
Biofuels	\$0	\$740.66
Others:		
Food Security		\$5,500

⁶ This includes \$412.6 million (2008-2009) of \$1 billion (2006-2012) managed by the U.S. Department of Energy; and \$328 million (2008-2009) out of \$820 million for second generation biofuels (2008-2013) managed by the U.S. Department of Agriculture under the 2008 Farm Bill. The 2008 Farm Bill sets aside \$1 billion for advanced biofuels. At least \$412.6 million of this funding should be obligated by August 2009.



Financial Obligations ⁷		
(De	ecember 2007 - July 20	09)
	Multilateral	Bilateral
	(US dollar)	(US dollar)
USA	\$2,690.6	\$2,030.0
Total (Millions of US\$)	\$	64,720.6
Financial (Obligations per Area ⁸ ((Mio US\$)
FAO Reform	\$0	\$0
Stock management	\$0	\$0
CAADP ⁹	\$0	\$0
Research/CGIAR	\$96.5	\$6
Infrastructure	\$0	\$95.5
Early warning systems	\$0	\$25.0
IFIs (e.g. IFAD)	\$8	\$0
Climate change adaptation	\$0	\$0
Biofuels	\$0	\$229.1
Others:		
Emergency Food Aid	\$2,566.1	\$666.2
Development Food Aid		\$797.9
Local and Regional Food Procurement ¹⁰	\$20.0	\$65.0
Other Short Term		\$70.0

Obligation is defined as a binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally.
 Expenditures are for fiscal year 2008 and 2009 unless noted otherwise.
 This line is interpreted as assistance to advancing the CAADP process. U.S. investment in African agriculture for 2008 and 2009 is aligned with country-led processes that employ the CAADP framework.
 This includes \$20.0 million for UN WFP Purchase for Progress.



Assistance for Food Security	
Other Agricultural Investment	\$75.3



• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

The United States responded quickly to the global food price crisis and by June 2008 appropriated an additional \$1.25 billion to help meet short, medium, and long term food security needs. These additional resources build upon the substantial U.S. commitment to meet emergency food needs through food aid, which included over \$2 billion for the UN World Food Programme in calendar year 2008. In total, the U.S. is projected to spend over \$5.5 billion towards global food security in fiscal years 2008 and 2009. This crisis has reinforced the commitment of the United States remains to work collaboratively with all donor members of the Food Aid Convention to meet its objective of "contributing to world food security and improving the ability of the international community to respond to emergency food situations and other food needs of developing countries," including by working with other donors to ensure that financial commitments are appropriate to urgent, overall food aid needs.

Separately, the U.S. Millennium Challenge Corporation has committed over \$1.3 billion since 2005 for long term investment in irrigation, agribusiness development, crop diversification into higher value crops, fruit tree productivity, rural roads, and capacity building among agricultural stakeholders.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to help build up local agriculture by promoting local purchase of food aid." (para 2)

The United States continues to improve upon the efficiency and efficacy of its emergency food aid programs, including by use of local and regional procurement of food aid, to meet urgent food security needs. Since 1990, U.S. law has required that in-kind U.S. food assistance not adversely impact local



food sales, and requires market analysis be undertaken before a determination is made and in-kind food aid provided.

In response to the global food price crisis, the U.S. is providing \$145 million for the local and regional purchase of food aid. Of this \$145 million, \$30 million has gone to developing food market infrastructure that will help small holders benefit from local and regional procurements in East and Southern Africa, \$20 million is being provided to the United Nation's World Food Program's Purchase for Progress Program in Africa, and \$95 million is supporting emergency procurements globally.

Through the 2008 U.S. Farm Bill, the U.S. also provides an additional \$60 million over five years for local food purchases to respond to food crises and disasters.

Moreover, the United States is committed to helping ensure that the food aid needs are met in a timely manner, and in ways that support smallholders and local agriculture and that do not cause any unintended harm to either poor consumers or markets.

• **Commitment 4 (GPAFS):** "We will <u>work with the international community in forming a global partnership on agriculture and food,</u> involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (pa. 4)

The United States continues to advocate for a global partnership on agriculture and food security and supports the efforts of the United Nations High Level Task Force on Global Food Security to facilitate an outreach process that will lead to the launch of a Global Partnership on Agriculture and Food Security. With other members of the G8 the U.S. continues to reach out to stakeholders to encourage their participation in developing a global partnership, including by soliciting the suggestions and concerns of development partners.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all".(para 5)



The United States remains committed to thorough reform of the United Nations Food and Agriculture Organization. Following adoption of an Immediate Plan of Action (IPA) at the November 2008 Special Session of the FAO Conference, the U.S. continues to work with member states and FAO leadership to implement that plan. We are also working with the FAO and members to ensure that the November 2009 FAO Conference will enhance FAO's implementation of the IPA.

The U.S. provides about \$90 million a year to FAO, as well as significant voluntary contributions to FAO for various projects and programs, such as anti-avian influenza.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "It is also imperative to remove export restrictions and expedite the current negotiation at the World Trade Organization (WTO) aimed at introducing stricter disciplines on these trade actions which prolong and aggravate the situation, and hinder humanitarian purchases of food commodities." (para 6). "We continue to promote the development of open and efficient agricultural and food markets, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

The United States continues to support a balanced conclusion of the Doha Round. Concluding a successful Doha round will reduce and eliminate tariffs and other barriers, as well as market-distorting subsidies for agricultural goods, providing a more market oriented environment for food and other agricultural products.

During the global food price crisis in mid-2008, the U.S. urged other countries to remove existing food export restrictions, and refrain from imposing new food export restrictions. A number of countries took action to remove food export restrictions. We continue to urge countries to refrain from imposing such measures.



The U.S. continues to support liberalization of trade in agricultural products. Broader, deeper markets should help to reduce price volatility. U.S. assistance is being used to strengthen markets and trade.

In West Africa U.S. Agency for International Development is providing technical support for customs reform, strengthening farmer organizations to connect them to markets, improving services on grades and standards certification, strengthening the analytical and technical capacities of ministries of agriculture and expanding an existing regional agricultural trade program to help establish a trading platform to support regional trade. In East Africa, U.S. Agency for International Development is helping to strengthen local markets to support local and regional procurement; participating in the multi-donor Alliance for Commodity Trade in East and Southern Africa to improve the competitiveness of staple food markets; and supporting the Market Linkages Initiative to target chronically food insecure households who have the capacity to increase production and link to markets.

The U.S. Department of Agriculture has a number of technical assistance programs designed to help developing and transition economy countries to develop vibrant agricultural markets, including through trade capacity building, regulatory reform, food safety and statistical systems. The U.S. Department of Agriculture spent more than \$11 million on such programs in FY 2008.

• Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):

➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

U.S. officials have had exploratory discussions with relevant international institutions on their concepts for a "virtual" food reserve system. The United States does not support the creation of a new international body by donor countries that would seek to directly influence market prices. The U.S. is reviewing options that use existing market tools to enhance countries'



abilities to cope with food price shocks. The expanded application of risk management tools holds the potential for increasing the predictability of financial costs and access to needed food supplies without the high cost of managing physical stocks and related market distortions. As part of that review, the U.S. has supported pilot programs that make use of risk management tools.

➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

As a first step towards reversing the overall decline of aid and investment in the agricultural sector, the United States has allocated an additional \$200 million for fiscal year 2009 that contributes directly to this goal by promoting value chains, local and regional market development and access, trade corridors, and agricultural research aimed at increasing productivity of major staple commodities. In April, the U.S. announced its intention to double financial resources available for agricultural development to over \$1 billion in fiscal year 2010.

With regard to CAADP, the U.S. Agency for International Development and U.S. Department of Agriculture are supporting a wide range of projects in West and East Africa that build trade and governmental capacity, undertake analysis and consultations which will lead to the development of CAADP compacts for review with donors, and raise productivity and develop value chains in West African countries.

➤ **Research/CGIAR:** "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance



for a Green Revolution in Africa (AGRA)."(para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

The U.S. is a founding member of the Consultative Group on International Agricultural Research (CGIAR) and has historically been its largest bilateral donor. In calendar year 2008, the U.S. increased its support for CGIAR programs to \$77.6 million, including \$33.6 million for CGIAR global research programs and approximately \$44 million to disseminate advanced technology. These include high-yielding cassava varieties in 9 countries in West and Southern Africa that increase yield by 30% and new processing technologies for increased storage life and value, deliver late-blight resistant potato to farmers in East Africa, and provide new higher yielding rice varieties in tandem with promoting highly efficient use of fertilizer in four West African countries. The U.S. also continue to be one of the largest donors in the area of biotechnology to develop and deliver technologies to enhance food security like drought-tolerant wheat and rice in Asia, insect-resistant cowpea for Africa, and disease-resistant bananas and cassava.

U.S. Agency for International Development is also supporting U.S. universities to conduct collaborative agricultural research and training of scientists around the world under the Collaborative Research Support Program, and in 2008 increased funding to these partnerships by nearly \$28 million.

The U.S. Department of Agriculture likewise supports the training of scientists and experts in developing countries through a variety of programs, including Cochran and Norman E. Borlaug Fellowship Programs, the Faculty Exchange program and the Scientific Cooperation Research Program. In FY 2008, the U.S. spent over \$6 million for these programs.

U.S. Department of Agriculture undertakes outreach and capacity building efforts internationally to promote improved food security though the uptake of production enhancing technologies, including biotechnology. These efforts are directed toward international implementation of science-based policies that ensure safe use of beneficial technologies, liberal trade in



agricultural products, awareness of internationally recognized standards, bilateral technical and policy exchanges, and capacity building.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

In addition to investments through the U.S. Millennium Challenge Corporation, estimated at \$1.3 billion since 2005, the U.S. Agency for International Development has invested \$95.5 million in fiscal years 2008 and 2009 to develop infrastructure for agricultural systems. This includes \$30 million for trade and transport corridors, \$38 million for developing value chains, and \$17.5 million for irrigation.

Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

The Famine Early Warning Systems Network (FEWS NET) collaborates with international, regional and national partners to provide timely and rigorous early warning and vulnerability information on emerging and evolving food security issues, monitoring and reporting of global supply and demand of major commodities, and develop local early warning capacities. The U.S. Agency for International Development, the U.S. Department of Agriculture, the U.S. National Aeronautics and Space Administration, the U.S. National Oceanographic and Atmospheric Administration, and the U.S. Geological Survey collectively support the FEWSNET project.

FEWS NET professionals in Africa, Central America, Haiti, Afghanistan and the United States monitor and analyze relevant data and information in terms of its impacts on livelihoods and markets to identify potential threats to food security. Once these issues are identified, FEWS NET uses a suite of communications and decision support products to help decision makers act to mitigate food insecurity. These products include monthly food security updates for 25 countries, regular food security outlooks, and alerts, as well as briefings and support to contingency and response planning efforts. More indepth studies in areas such as livelihoods and markets provide additional information to support analysis as well as program and policy development.



FEWS NET also strengthens early warning and food security networks. Activities in this area include developing capacity, building and strengthening networks, developing policy-useful information, and building consensus around food security problems and solutions.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

The U.S. has strongly supported initiatives in the various international financial institutions to stimulate food production and increased investment in agriculture. This includes the African Development Bank's Africa Food Crisis Response (AFCR), approved by the Board in July 2008, which provides a framework for accelerated support to African countries negatively affected by increased food prices. It also includes implementation of the World Bank's \$1.2 billion Global Food Response Program (GFRP). All the GFRP funds have been fully committed, half in Sub-Saharan Africa; \$730 million has been disbursed.

The U.S. has also increased its pledge to IFAD's 8th replenishment (2010-2012) to \$90 million, 67 percent increase over the previous contribution, in recognition both of the important work IFAD does to lift smallholder farmers in developing countries out of poverty and how well the organization had reformed over the previous years to become a more results-focused organization.

➤ Climate change adaptation: "We will <u>support country-led development strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

The U.S. is working to combat desertification, including actively participating in the United Nations Convention to Combat Desertification and through bilateral assistance. In addition, the U.S. spends approximately \$300 million annually on biodiversity conservation abroad.

The United States actively participates in the UN's Commission on Sustainable Development (CSD) which is currently focused on agriculture, rural development, land, drought, desertification, and Africa.



▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

The U.S. is also actively working to minimize food security concerns associated with biofuels. President Obama has established a biofuels working group that will identify new policy options to support the development of next-generation biofuels and to promote the environmental sustainability of biofuels feedstock production, taking into consideration land use, habitat conservation, crop management practices, water efficiency and water quality, as well as lifecycle assessments of greenhouse gas emissions.

The U.S. Department of Energy through the Advanced Energy Initiative plans to invest at least \$1 billion between 2006 and 2012, all of which is for second generation biofuels development. Funding commitments for 2008 and 2009 total \$413 million. The U.S. Department of Agriculture through the 2008 U.S. Farm Bill likewise plans to invest at least \$1 billion over five years for advanced biofuels, including \$820 million for programs specifically dealing with second generation fuels.

➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)

The U.S. recognizes that without a commitment to good governance in developing countries, assistance will not be effective. The U.S. Millennium Challenge Corporation (MCC) provides assistance to countries that demonstrate a commitment to policies that promote political and economic freedom, investments in education and health, the sustainable use of natural resources, control of corruption, and respect for civil liberties and the rule of law, as measured by 17 different policy indicators. The Millennium Challenge Corporation (MCC) has committed over \$1.3 billion globally since 2005 for irrigation, agribusiness development, crop diversification into higher value crops, fruit tree productivity, rural roads, and capacity-building among agricultural stakeholders.



The U.S. Agency for International Development also provides technical and capacity building assistance to help countries improve governance in areas ranging from customs reform to SPS regulation.

➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)

The United States has identified food security and agricultural development as key assistance priorities. U.S. government agencies meet regularly to coordinate U.S. food security policies and programs, and are working to develop an integrated U.S. effort to promote global food security. The U.S. affirms its commitment to the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. The U.S. will continue to strongly encourage application of these principles, both through U.S. assistance policies and programs, and with development partners.



Country annex EUROPEAN COMMISSION

	Financial commitments (January 2008 – July 2009)	
	Multilateral	Bilateral
	(Euro)	(Euro)
EC	Emergency Food Aid	(Euro)
	(FSTP) € 510.000.000 \$ 735 612 289 \$ 681 437 970 (2007 equiv.) EDF 10 th B envelop € 200.000.000 \$ 288 475 400 \$ 267 230 569 (2007 equiv.) EDF 9 th and 10 th 1.950.000.000 \$ 2 812 635 222	



	\$ 2 605 498 121 (2007 equiv.) Climate Change adaptation € 60.000.000 \$ 86 542 622 \$ 80 169 172 (2007 equiv.)	
Total (Mio. €)		.000.000
		973 160 9 (2007 equiv.)
T.		
Fina	ncial commitments per ai	rea
FAO Reform	€ 1.000.000 (FSTP)	
	\$ 1 442 377	
	\$ 1 336 152 (2007	
0. 1	equiv.)	
Stock management		
CAADP	€ 10.000.000 (FSTP)	
	\$ 14 423 770	
	\$ 13 361 520 (2007	
	equiv.)	
Research/CGIAR	€ 415.000.000 (FSTP)	
	\$ 598 586 470	
	\$ 554 503 446 (2007 equiv.)	
Infrastructure	€ 1.300.000.000 (EDF	
THIRDI ACTUIC	9+10)	
	\$ 1 875 090 148	
	\$ 1 736 998 747 (2007	
	equiv.)	
Early warning systems	€ 34.000.000 (FSTP)	
	\$ 49 040 819	



	\$ 45 429 197 (2007 equiv.)	
IFIs (e.g. IFAD)	€ 550.000.000 (Food Facility) \$ 793 307 370 \$ 734 884 085 (2007 equiv.)	
Climate change adaptation	€ 60.000.000 (EC budget) \$ 86 542 622 \$ 80 169 172 (2007 equiv.)	
Biofuels		
Good Governance	€ 280.000.000 (EDF 9+10) \$ 403 865 570 \$374 122 806 (2007 equiv.)	
Others:		
Small scale agriculture	Food Facility € 750.000.000 \$ 1 081 782 778 \$ 1 002 114 662 (2007 equiv.) EDF (9+10) € 370.000.000 \$ 533 679 503 \$ 494 376 566 (2007 equiv.) FSTP € 50.000.000 \$ 72 118 851	



\$ 66 807 643 (2007	
equiv.)	

	Financial disbursements	
	(January 2008 – July 2009)	
	Multilateral	Bilateral
	(Euro)	(Euro)
EC	Emergency Food Aid	
	€ 483.000.000	
	\$ 696 668 109	
	\$ 645 361 842 (2007	
	equiv.)	
	Food Facility	
	€ 512.000.000	
	\$ 738 497 043	
	\$ 648 110 276 (2007	
	equiv.)	
	FSTP	
	€ 462.300.000	
	\$ 666 810 904	
	\$ 617 703 477 (2007	
	equiv.)	
	EDF 10th B envelop	
	€ 200.000.000	
	\$ 288 475 407	
	\$ 267 230 576 (2007	
	equiv.)	
	EDF 9th and 10th	
	€ 1.124.000.000	
	\$ 1 621 231 789	
	\$ 1 501 835 839 (2007	
	equiv.)	



Total (Mio. €)		300.000 683 254 3 (2007 equiv.)
Fina	ncial disbursements per ar	rea
FAO Reform	€ 1.000.000 (Multi-Trust Fund) Under FSTP \$ 1 442 377 \$ 1 336 152 (2007 equiv.)	
Stock management		
CAADP	€ 10.000.000 under FSTP \$ 1 4 423 770 \$ 13 361 520 (2007 equiv.)	
Research/CGIAR	€ 372.300.000 (Under FSTP) \$ 536 996 971 \$ 497 449 718 (2007 equiv.)	
Infrastructure	average € 700.000.000 per year (EDF 9th + EDF 10th) \$ 1 009 663 926 \$ 935 307 018 (2007 equiv.)	
Early warning systems	€ 29.000.000 Under FSTP \$ 41 828 934 \$ 38 748 433 (2007 equiv.)	
IFIs (e.g. IFAD)	€ 183.805.000 (Under	



	the Food Facility) \$ 265 116 111 \$ 245 591 580 (2007 equiv.)	
Climate change adaptation		
Biofuels		
Good Governance	€ 189.000.000 EDF 9th and 10 th \$ 272 609 260 \$ 252 532 894 (2007 equiv.)	
Others:		
Small scale agriculture	Food Facility € 250.000.000 \$ 360 594 259 \$ 334 038 220 (2007 equiv.) EDF (9+10) € 235.000.000 \$ 338 458 603 \$ 313 532 744 (2007 equiv.) FSTP € 50.000.000 \$ 72 118 851 \$ 66 807 643 (2007 equiv.)	

• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term



purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

In response to the 2008 global food crisis, the European Commission allocated an additional \in 140 million to food aid to meet urgent needs of affected populations, bringing the humanitarian budget for food aid in 2008 to \in 363 million. For 2009, the budgetary authority has provided an initial humanitarian food aid budget of \in 230 million.

Moreover, on the proposal of the Commission, a Regulation establishing a Facility for rapid response to soaring food prices in developing countries (Food Facility) was adopted on 16 December 2008. This new instrument provides for € 1 billion funding. The funds allocated to the Food Facility are due to be spent by end 2011 and corresponding activities completed by the same date. The Facility will have a world-wide coverage, targeting 50 most affected countries. Three types of measures will be supported under this facility:

- Measures to improve access to agricultural inputs and services including fertilizers and seeds, paying special attention to local facilities and availability;
- Safety net measures aiming at maintaining or improving the agricultural productive capacity, and at addressing the basic food needs of the most vulnerable populations, including children; and
- Other small-scale measures aiming at increasing production based on country needs: microcredit, investment, equipment, infrastructure and storage; as well as vocational training and support to professional groups in the agricultural sector.

On 30 March 2009, the Commission adopted the first financing decision implementing the Food Facility, which includes projects totalling up to € 314 million targeting 23 countries. The overall plan for the use of the Facility was also agreed on the same date.

Funding from the Food Facility supplements the resources which can be mobilised from the thematic programme on food security and the 10th



European Development Fund. The Food Security Thematic Programme (FSTP) committed \in 216 million in 2008 for actions targeting the structural causes of food insecurity within a long-term approach with a global, continental or regional scope. Within this budget, \in 50 million were made available to 12 countries severely affected by rising food prices. Another \in 217 million are foreseen in the FSTP action plan 2009, for which a Decision by the Commission is expected in May 2009.

Furthermore, € 200 million from the European Development Fund were made available to African, Caribbean and Pacific countries that were strongly affected by increased food prices. The largest share of these funds has been planned for macro-economic assistance and urban safety nets.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)

The Food Facility Regulation explicitly stipulates that "agricultural inputs and services shall as far as possible be locally purchased" and that implementing measures shall "avoid any kind of distortion of local markets and production". The same principles are applied by the Commission in the case of food aid.

• Commitment 4 (GPAFS): "We will work with the international community in forming a global partnership on agriculture and food, involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (pa. 4)

The Commission is committed to the process towards the establishment of a Global Partnership at global, continental, regional and national levels. Moreover, in programming the Food facility, the European Commission has worked very closely with the UNHLTF on the Food crisis established by UNSG. Proposed measures have been selected on the basis of needs assessments conducted by international institutions, coordinated by the UNHLTF and in close consultation with recipient countries' Governments and other local actors.



• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

Within the EU, the European Commission has closely followed and contributed to the process leading to the elaboration of the Immediate Plan of Action for the reform of the FAO. The Commission played a key role in coordinating EU positions and in bridging the gap between developing and developed member countries of FAO, leading to the final adoption of the IPA. Further attempts will be made in order to improve communication among FAO Members and enhance cooperation with the Secretariat of the Organisation as well as to a greater EU involvement in FAO Governing and Technical bodies, particularly in the FAO Financial and Programme Committees. The Commission will contribute to the Trust Fund created for this purpose with up to € 1.000.000 and it is now finalising the adoption procedure of the relative decision. The funds should be available from May 2009.

• Commitment 6 (World Market & Trade System):

➤ "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

The Commission remains firmly committed to a swift completion of the Doha Round. This would contribute to ensuring a better allocation of resources in the agricultural sector and therefore would contribute to improve global food security. The Commission believes that the latest negotiating texts on agriculture and industrial goods provide a sound basis to rapidly finalise the Doha modalities on these and other negotiating subjects.

The Commission also has an operational budget line of approx. € 14 .000.000 used notably to provide trade-related technical assistance/training aiming at strengthening the capacity of developing countries to participate in international trade negotiations, to implement international trade agreements and to access to the EU market (for instance by meeting the European SPS standards and rules of origin, promoting fair trade…).



- Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):
 - Stock management: "We will explore options on a coordinated approach on stock management, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)

The Commission considers that some form of regulation on futures markets may be necessary in order to avoid the negative impact of speculation, and a sound assessment and appropriate measures are needed to improve data and transparency on public and private stock levels, which could also reduce price volatility.

➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including – in Africa – through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

The Commission is fully committed to CAADP agenda. The Communication "Advancing African Agriculture", adopted in 2005, is a response to the CAADP. Specific measures proposed under the Communication have been financed in 2007, 2008, 2009 through the Food Security Thematic Programme in several areas, such as agricultural research for development, advocacy, risk management instruments.

In 2008, through the FSTP the European Commission committed € 5 million to strengthen institutions and processes of CAADP in order to support the overall objective of CAADP to obtain higher levels of agricultural production and growth and reduce food insecurity. Through this action, the European Commission aims at facilitating the implementation of CAADP at country, regional and continental levels, involving agricultural policy reviews and



reforms, inclusive strategy development, higher levels of investments and expenditure, and improved public-private cooperation. In 2008, another \leqslant 5 million have been allocated through the FSTP to Farmers' organizations in Africa with the overall goal of improving the livelihoods of the rural poor producers by strengthening the capacity of small farmers' organisations in African countries, and their regional networks, to represent the interests of their members and to influence policies and support programmes affecting agriculture, rural development and food security.

Furthermore, the support to agriculture, rural development and food security given in the context of the European development Fund is expected to double (from \leq 615 million to \leq 1.2 to 1.5 billion) comparing the periods 2002-2007 and 2008-2013.

➤ Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

Through the European Initiative for Agricultural Research for Development (EIARD), the European Commission and the Member States together with Norway and Switzerland have adopted in December 2008 a new strategy to support agricultural research for development (ARD) for and with developing and emerging economy countries (DEEC). This strategy will guide European supports to ARD in the coming years and is fully in line with this G8 Hokkaido commitment regarding agricultural research and development toward global food security, in particular concerning an increased support to scientific capacity development in DEEC and support to the CGIAR.

Within the EU 7th Framework Programme for Research, a specific component (Theme 2) is dedicated to Food, Agriculture and Biotechnology. Activities include "Sustainable production and management of biological resources



from land, forest and aquatic environments", "Fork to farm: Food, health and well being", "Life sciences and biotechnology for sustainable non-food products and processes". Research results from all three areas are relevant to boost sustainable agricultural production. The funding is in the order of 200 million € per year and is due to increase in the years 2011 to 2013.

Agriculture research for development represents the first priority of the FSTP. The European Commission has shown its strong commitment to ARD by supporting several important initiatives. Remarkably in 2008, the FSTP action plan committed € 67.5 million to the CGIAR under this component, but also € 10 million to support the Forum for Agricultural Research in Africa (FARA), €1.5 million to support the African Forum for Agricultural Advisory Services (AFAAS), and € 2.5 million to support the African Centre for Bananas and Plantains (CARBAP). In the action plan 2009, for which the Commission Decision will be available in May, several further actions are foreseen to strengthen ARD, namely € 5 million for a global call for non-CGIAR proposals, € 4 million to support the Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA), € 1.5 million to support the International Centre for Insect Physiology and Ecology (ICIPE), and € 5,5 million to support the Platform for African-European Partnership on Agricultural Research for Development (PAEPARD II). In addition in 2008, a contribution of € 1.3 million to EIARD (Fostering European Aid Effectiveness for Agricultural Research for Development) and of € 1.5 million to the Global Donor Platform for Rural Development (GDPRD) have helped strengthening the advocacy for and the effectiveness of ARD.

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

Under the EU Africa Infrastructure Partnership, strategically guided by the 2006 Communication on Interconnecting Africa, Europe and Africa work together on national, regional, and continental level. On all levels, coordination and collaboration with the other main infrastructure players in Africa such as African Development Bank and World Bank is ensured through the Tunis/Limelette process.



Through the National and Regional Indicative Programmes, the Partnership under 9th EDF is committing about € 700 million per year (2002-2007) to ACP countries and regional economic communities in field of transport, infrastructure, water and energy, including related capacity building , and under 10th EDF, a similar figure is foreseen for 2008 - 2013 in these same areas.

To improve regional interconnectivity, the EU Africa Infrastructure Trust Fund was established and it has so far received \leq 146 million in grants (contributions from 11 EU Member States and from the Commission) and has approved 9 major infrastructure projects with grant value of \leq 65.7 million, leveraging total project value of \leq 829 million.

Under the 9th EDF, € 500 and € 250 million respectively were allocated to the new Water and Energy Facilities which focused mainly on access to modern water and energy services; under the 10th EDF, a replenishment of such facilities is being considered.

On continental level, EC is committed to support the African Union Commission with preparation of the Programme for Infrastructure Development in Africa (PIDA) as a holistic framework for connecting African infrastructure plans, using \in 2 million of the \in 55 million AU Capacity Building Programme.

Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

The second priority of the Food Security Thematic Programme aims at linking information and decision making to improve food security. In 2008, the European Commission committed \in 11 million to activities under this component, including \in 5.5 million for a programme jointly managed with the FAO and which has the responsibility to coordinate all regional components under this priority. The action plan 2009 focuses on regional activities and support CILLS and CEDEAO countries with \in 10 million, countries in the Horn of Africa with \in 5 million and countries in the ENP-East region with \in 3 million.



➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

A part of the allocation for the Food Facility (total € 1 billion) will be channelled through the international financial institutions, including the World Bank and IFAD.

➤ Climate change adaptation: "We will <u>support country-led development</u> <u>strategies in adapting to the impact of climate change</u>, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

Through the Global Climate Change Alliance (60 Mln €), the EC will help poor developing countries most vulnerable to climate change, in particular the LDCs and SIDS to adapt to the effects of climate change, in support of the achievement of the MDGs and to participate in the global mitigation effort, where this benefits their poverty reduction efforts. This is part of the Environment Thematic Programme, which with an overall budget of 960 Mln € for the period 2007-2013 aims to address the environmental dimension of development and other external policies as well as to help promote the European Union's environmental and energy policies abroad.

▶ **Biofuels:** "We will <u>ensure the compatibility of policies for the sustainable production and use of biofuels with food security</u> and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)

The EU Council and the European Parliament have recently adopted a new European biofuels sustainability scheme as part of a new Renewable Energy legislation which was proposed by the European Commission on 23 January 2008. This set of binding biofuels sustainability criteria will for the first time oblige all EU biofuel producers or importers to comply with clear environmental criteria, and to report on a number of additional impacts, including possible economic and social impacts within the EU and in third countries.



The European Commission has undertaken to monitor and regularly report on the impacts of increased demand for biofuels on social sustainability in the EU and third countries, including on the impacts on the availability of foodstuffs at affordable prices, in particular in developing countries. Similarly, land and labour issues related to increased demand for biofuels will be monitored in the EU and in third countries.

With a view to promoting investments in and use of sustainable second generation biofuels, the new Renewable Energy directive rewards the use of advanced renewable energy technologies in transport by allowing Member States to reach their renewable transport targets more easily by applying certain multiplication factors to the contribution that comes from second generation biofuels and renewable electricity use in transport .

Furthermore, in the 10th EDF Intra-ACP programme, a provision has been made for supporting the development of biomass and biofuel strategies and investment where this is a sustainable option within an overall envelope for renewable energies of € 200 Mln.

➤ **Good governance:** "We will <u>promote good governance in developing countries</u> with particular emphasis on their food security and market policies." (para 7 j)

The EC supports governance reforms in partner countries through dialogue and incentives. This approach has facilitated, on the one hand, that many African countries commit themselves to implement reforms in different sectors, particularly when it comes to more responsive and result oriented policies and institutional development also in the area of food security. In the framework of the 10th EDF a "governance initiative" which combines political and financial incentive for governance reforms has been put in place. On the other hand, this approach has led to an enhanced dialogue Africa-EU both on governance and food security issues in the framework of the Joint Strategy and Action Plan 2008-2010. In this context, it is expected that pan-african institutions will play an increasingly proactive role to support, encourage and facilitate implementation of governance reforms in African countries.

➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming



our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para $7\,\mathrm{k}$)

The EC strongly supports this approach in the dialogue between donors and beneficiary countries on national and regional policies, but it would like to insist on the absolute necessity of concretely applying the Accra Agenda for Action already in the donors' coordination groups with a priority given to the countries most exposed to food insecurity.



Country annex ITALY

	Financial commitments	
O	January 2008 – July 2009)	
	Multilateral	Bilateral
	(Mio US\$ deflator 2007)	(Mio US\$ deflator 2007)
Italy	96.9 Mio US\$ deflator 2007	14.3 Mio US\$ deflator 2007
Total (Mio. US\$)	111.2 Mio US	\$ deflator 2007
	,	eflator 2007 – already ursed)

I	Financial disbursements	
(J	anuary 2008 – July 2009)	
	Multilateral	Bilateral
	(Mio Euro/Mio US\$ deflator 2007)	(Mio Euro/Mio US\$ deflator 2007)
Italy	230 Mio US\$ (deflator 2007)	166.9 Mio US\$ (deflator 2007) +
		200.2 Mio US\$ (deflator 2007) (Loan Aid)
	653.9 Mio US\$	
Total (Mio. US\$)	653.9 N	Iio US\$
Total (Mio. US\$)		Aio US\$ \$ deflator 2007)
		\$ deflator 2007)
	(597.3 Mio US	\$ deflator 2007)



CAADP		
Research/CGIAR	4.2 Mio € (2009)	1.1 Mio € (2008)
	(5.53 Mio US\$ deflator 2007)	(1.45 Mio US\$ deflator 2007)
Infrastructure		8.7 Mio €
		(11.4 Mio US\$ deflator 2007)
Early warning systems		4 Mio€
		(5.27 Mio US\$ deflator 2007)
IFIs (e.g. IFAD)	19 Mio € (IFAD)	0.48 Mio.€
	(25 Mio US\$ deflator 2007)	(0.63 Mio US\$ deflator 2007)
Climate change adaptation	8 Mio € (2008) + 0.1 Mio € (2009) (10.7 Mio US\$ deflator 2007)	
Biofuels		
Good Governance		
Mainstream food security		
Others:		
Small scale agriculture		0.9 Mio €
		(1.19 Mio US\$ deflator 2007)
Food security	2.8 Mio €	1,7 Mio €
	(3.7 Mio US\$ deflator 2007)	(2.2 Mio US\$ deflator 2007)



• Commitment 1 and 2 (Financial commitment including Emergency assistance): "We are determined to take all possible measures in a coordinated manner, and since January 2008 have committed, for short, medium and long-term purposes, over US\$ 10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries. "In the short-term, we are addressing urgent needs of the most vulnerable people". (para 2 G8 Toyako Leaders Statement on Global Food Security)

Following the food crisis in 2008, Italy has doubled aid assistance (mostly through multilateral organizations). In 2008, Italy supported with US\$100 million to the World Food Programme (WFP) for emergency assistance in response to soaring food prices. Italy also responded promptly to International Fund for Agricultural Development (IFAD) and Food and Agriculture Organisation (FAO) initiatives to address the crisis on food prices by contributing €40 million to their trust funds for medium to long term projects on agriculture and rural development. Furthermore Italy supported the International Centre for Advanced Mediterranean Agronomic Studies (CIHEAM)/ Mediterranean Agronomic Institute of Bari (IAM-B) with a contribution of 4,5€ Mio in 2008 and additional 200.000€ in 2009. It has been agreed to develop a project, financed by the Italian Government and implemented by IAM-B, for improving productivity and quality of selected agricultural products, through capacity building and technical assistance.

At bilateral level, Italy has a long lasting tradition in the field of agricultural and rural development: numerous programmes and projects are currently being carried out in many partner countries for a total of approx. 126.6 Mio Euro, to be implemented also trough Non Governmental Organizations. With regards to different geographic areas, Italy has focused on a number of subsectors according to the priorities identified by partner countries, with a major focus on smallholder farmers.

Italy has approved and disbursed a total of 152 Mio Euro as loan for the agricultural development sector.

• Commitment 3 (Promotion of local purchases of food aid): "We will also look for opportunities to <u>help build up local agriculture</u> by promoting local purchase of food aid." (para 2)



From 2005-2008, Italy's multilateral support for agricultural development, both through the UN and through non-UN organizations, has been based mainly in three areas: food security, water use in agriculture and normative activities (priority area: Sub-saharan Africa).

Particular attention is also paid to the setting up of cooperatives, one of the main assets of the Italian production system, which has been successfully replicated in many partner countries such as, among the others, the Dominican Republic, Bosnia Herzegovina and Lebanon. Activities include: technical support to farmers and cooperatives in order to increase agriculture productivity and advance best agricultural practices; providing extension services and promoting crops with comparative advantages; restoring livestock and sustaining socio-economical growth; supporting women's cooperatives through promotion of typical crafts and traditions agro-food products; supporting small producers by increasing their access to local markets; fostering the field-to-market concept and promoting natural and organic food products.

In the Mediterranean area (North Africa and Middle East Asia), Italian activities are mainly focused on fruit cultivation, production of oil and natural resources management. In East Africa, the ongoing programmes in Kenya and Mozambique tailor, in particular, food security. In Central America, it is worth mentioning a programme implemented in Nicaragua addressing the economic reintegration of ex combatants: through the provision of training and of production tools, they have been supported in starting up their own agricultural activity.

• **Commitment 4 (GPAFS):** "We will <u>work with the international community in forming a global partnership on agriculture and food,</u> involving all relevant actors, including developing country governments, the private sector, civil society, donors, and international institutions." (para 4)

In order to sustain agricultural development and to support partner countries coping with high food prices and food insecurity, Italy is following a double track. On one hand, it continues supporting partner countries' capacities especially in terms of resource management, with particular attention to biodiversity, forests, water and renewable energy resources. On the other hand, Italy is actively sustaining and facilitating the process of the establishment of the Global Partnership for Agriculture and Food Security (GPAFS), by offering all G8-related events hosted in 2009 as an inclusive



platform to contribute to the launching of the Partnership. Italy has proactively supported the work of the HLTF on Global Food Security Crisis and the establishment of its Secretariat in Rome by offering expertise (one senior Diplomat and one JPO) and logistical support (the location of the Secretariat is hosted by IFAD in the premises provided by Italy). Italy is also strongly engaged in maintaining food security and the process of establishing GPAFS high in the global political agenda.

• **Commitment 5 (FAO Reform):** "We are committed to <u>thorough reform of the FAO</u> to enhance its effectiveness in helping to ensure food security for all". (para 5)

In the second half of 2008 Italy has continued to fully support the FAO reform process in light of the more general UN reform and best practices. In this respect we strongly encouraged this process, also by serving as vice chair in the Working groups of the Conference Committee, enhancing the dialogue between all the stakeholders and the Coordinator of the HLTF whose main Secretariat is based in Rome. We have continued to remain fully engaged in this first quarter of 2009 in supporting and promoting both the funding (Italy provided one million euro early in the year) and the full implementation of the Immediate Plan of Action and of the CFS reform.

• Commitment 6 (World Market & Trade System): "We will work toward the <u>urgent and successful conclusion</u> of an ambitious, comprehensive and balanced <u>Doha Round</u>." (para 6). "We continue to <u>promote the development of open and efficient agricultural and food markets</u>, and support monitoring of the functioning of such markets by relevant agencies, with a view to minimizing the volatility of food prices and preempting future crises." (para 6).

Italy is committed to reach an early, balanced and ambitious conclusion of the Doha Round.

Italy takes a regional and sub-regional approach, collaborating with Regional Economic Organizations to address food insecurity amongst their member countries: the UEMOA Commission in West Africa, the CARICOM Secretariat in the Caribbean Region and the Pacific Island Forum Secretariat in the Pacific Region. Initiatives support regions in re-focusing their strategies towards achieving food security through:

• commercialising and generating income throughout the entire valuechain;



- developing agriculture into a modern, diversified and competitive commercial sector; and
- supporting smallholders and farm-based organizations to take advantage of trade liberalization and of regional trade agreements.

• Commitment 7 (Mid to long term measures to stimulate food production and increase investment in agriculture):

- ➤ **Stock management:** "We will <u>explore options on a coordinated approach on stock management</u>, including the pros and cons of building a 'virtual' internationally coordinated reserve system for humanitarian purposes." (para 6)
- ➤ CAADP: We will reverse the overall decline of aid and investment in the agricultural sector, and to achieve significant increases in support of developing country initiatives, including in Africa through full and effective implementation of the Comprehensive Africa Agricultural Development Programme (CAADP)." (para 7 a) "We will support CAADP's goal of 6.2% annual growth in agricultural productivity, and work toward the goal of doubling production of key food staples in African countries meeting CAADP criteria in five to ten years in a sustainable manner, with particular emphases on fostering smallholder agriculture and inclusive rural growth." (para 7 b)

Italy contributes to CAADP at various levels.

- Support to NEPAD Secretariat (through FAO) in the implementation of CAADP at regional and country level with a contribution of US\$1 million. This programme will contribute to the preparation of the African Summit in July 2009, where food security in Africa will be one of the priority themes.
- Continental Support to CAADP Pillar IV (Research, Technology adoption and dissemination): Italy supports the FARA's lead programme Sub-Saharan Africa Challenge Programme.
- Regional Support to CILSS (Lead Institution for Pillar III) and the Fund Italy-CILSS to combat desertification for poverty reduction in Sahel (Mali, Senegal, Burkina Faso, Niger).



- National Various bilateral initiatives For example, the sectoral agricultural programme in Mozambique.
 - Research/CGIAR: "We will promote agricultural research and development, and the training of a new generation of developing country scientists and experts focusing on the dissemination of improved, locally adapted and sustainable farming technologies, in particular via the Consultative Group on International Agricultural Research (CGIAR), and through partnerships such as the Alliance for a Green Revolution in Africa (AGRA)." (para 7 c) "We will accelerate research and development and increase access to new agricultural technologies to boost agricultural production; we will promote science-based risk analysis including on the contribution of seed varieties developed through biotechnology." (para 7 g)

At the multilateral level, Italy supports financially the CGIAR centres and projects, and has been active in supporting the CGIAR reform process, to make it a modern result-based, cost-effective, efficient organisation, fully integrated into the aid architecture. Italy hosts one of the CGIAR centres (Bioversity International), the Secretariat of the Science Council, and the Executive Office of the Alliance of the CGIAR Centres (both hosted by FAO). Italy is contributing to the revitalisation of the Global Forum on Agricultural Research (GFAR) hosted by FAO.

In Africa Italy is funding the Sub-Saharan Africa Challenge Programme coordinated by the Forum for Agricultural Research in Africa (FARA), which aims at developing a new paradigm for agricultural research, proofing the innovative concept of integrated research for development, built upon multistakeholders innovation platforms.

Italy participates in the European project ERA-ARD to step up the cooperation and coordination of research activities carried out at national or regional level in the Member States and Associated States, to increase the effectiveness and efficiency of European agricultural research to fight poverty and hunger and to support a more rapid and sustainable development in the poorest countries in the world.

Italy supports international and national organisations focused on training and capacity development on agriculture, natural resources management for rural development, and biotechnologies, such as the Istituto Agronomico per l'Oltremare di Firenze (IAO) which is a branch of MAE, the International Centre for Genetic Engineering and Biotechnology in Trieste (ICGEB), the Mediterranean Agronomic Institute in Bari (MAIB).



Italy funds, through IAO, an umbrella programme for better coordinating its support to agricultural research for a more effective mobilisation of Italian research, civil society, farmers, and private sector organisations (0.4 M€). Italy is active member of the European Initiative on Agricultural Research for Development (EIARD), which is the European donor coordination mechanism.

At the bilateral level, Italy has funded (or are in pipeline) various programmes and projects including components on research, innovation and capacity development such as the Project for Strengthening Technical and managerial capacities of the Ministry of Agriculture (Palestinian Territories 1.4 M€), Strengthening capacities on Biotechnologies (Mozambique 1 M€) Rural Development (Mozambique 16 M €), Revitalization of the Agricultural Sector (Palestinian Territories 2 M €), Horticultural Seed Production (DRC 1.2 M€), the Oromia Rural Development Programme (Ethiopia 3.6 M€). The total amount of these projects is 25 M€ and it can be estimated that approx 10% of this amount is allocated to activities on research, innovation, and capacity development. On training, Italy has funded several initiatives, such as the Professional Master on Geomatics and Natural Resources Evaluation (0.4 M€).

➤ **Infrastructure:** "We will <u>support improvement of infrastructure</u>, including irrigation, transportation, supply chain, storage and distribution systems and quality control." (para 7 d)

In the Mediterranean area (North Africa and Middle East Asia), Italy has ongoing programmes in Iran, Lebanon, Morocco, Syria, Tunisia and Palestinian Territories. Moreover, interventions include rehabilitation of existing networks while promoting best irrigation practices and advancing modern water efficient techniques such as pressurized and drip irrigation most adapted to arid and semi-arid areas, making efficient use of rainfalls by setting up catchment reservoir and promoting recycling of grey water and reuse for urban agriculture.

In Sub-Saharan Africa, Italy has a long lasting tradition in particular in the Sahel region, with ongoing programmes and projects in countries such as Niger, Senegal, Burkina Faso, Ghana, Gambia, Cape Verde and Mali. Programmes in this area mainly address rural development, irrigation and desertification.



In the Philippines-Mindanao: "Italian Assistance to Agrarian Reform Community Development Support Project" (IARCDSP): 26 Mio (soft loan) + 1,350,612 Mio (grant) approved in 2008. Following the recent reorientation on agrarian reform strategy, as defined in the recent Medium Term Development Plan for Agrarian Reform, the program will focus on supporting integrated development measures for the Agrarian Reform Beneficiaries to become integrated into agro-based entrepreneurial system and to able to increase their incomes quality of life.

Another feature of Italian development cooperation this field is in fostering the links among agricultural production and the market: programmes include activities bound to sustain the development of clusters and of industrial districts (another specific Italian peculiarity). In particular, such activities aim at raising the overall quality of the products so as to make them compliant with international standards and thus more "marketable". Likewise, in some cases, programmes have facilitated negotiation processes with private companies.

Early warning systems: "We will assist in the development of food security early warning systems." (para 7 e)

"Enhancing resilience to reduce vulnerability in the Caribbean" for 3,5 Mio. € to UNDP. It has been approved in 2008 in the framework of the regional strategy of U.N. for small Caribbean islands for the period 2008-2011. This new approach in the region is outlined in the enhanced Comprehensive Disaster Management (CDM) Strategy and Framework¹¹. The CDM Strategy and Framework aims to strengthen regional, national and community level capacity for mitigation, management, and coordinated response to natural and technological hazards, and the effects of climate change. This overarching purpose is to be realized by four medium term outcomes, namely

- enhancing institutional support for CDM at national and regional levels;
- establishment of an effective mechanism for knowledge management around the CDM;
- mainstreaming of disaster risk management; and
- enhanced community resilience.

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¹¹ Comprehensive Approaches to Disaster Management in the Caribbean (CAR/00/002) (http://www.undp.org/cpr/disred/documents/publications/corporatereport/latinamerica/caribbean1.pdf)



The Italian Civil Protection system model will inform the development of an innovative early warning system compliant with the needs and specific characteristic of the Region.

➤ **IFIs:** "We will <u>encourage the efforts of international financial institutions</u> including regional development banks and the International Fund for Agricultural Development (IFAD)" (para 7 f)

Italy's contribution to VIII IFAD replenishment amounts to US\$ 80 Mio. Italy has disbursed Euro 14 Mio in 2009 as first tranche for the VII replenishment plus €5 Mio for supplementary funds responding to the food crisis and for food security programmes.

Elimate change adaptation: "We will support country-led development strategies in adapting to the impact of climate change, combating desertification, and promoting conservation and sustainable use of biological diversity, while intensifying our efforts to address climate change." (para 7 h)

The Italian development agricultural policy devotes particular attention to the diversification of farm and non farm sources of income for the farmers, taking into account the sustainability of the actions also in terms of environmental impact. Moreover, Italy continues to confer high attention to the participatory approach in the identification and implementation of integrated rural development programmes, to the empowerment of the role of women in agriculture and to topics such as water scarcity and environmental protection and conservation.

Italy's voluntary contribution to UNEP Environment Fund in 2008 amounts to Euro 8 million. An additional contribution of 100.000€ has been allocated for 2009.

▶ **Biofuels:** "We will ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use." (para 7 i)



- ➤ Good governance: "We will promote good governance in developing countries with particular emphasis on their food security and market policies." (para 7 j)
- ➤ Mainstream food security: "We will mainstream food security objectives into the development policies of donors and recipient countries, reaffirming our common commitment to the principles of the Paris Declaration on Aid Effectiveness." (para 7 k)