Australia’s agriculture ODA

ODA to agriculture is a priority area, but funding has decreased in line with overall budget cuts

Agriculture (‘agriculture, fisheries and water’) is one of six priority areas of Australia’s development policy. Funding to the sector stood at US$174 million in 2016 (the latest year for which complete data is available), or 5% of Australia’s total official development assistance (ODA). This share remains below the average among members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), which was 7% that year.

After a peak of US$322 million in 2012 – due to high contributions for rural development through the Afghanistan Reconstruction Trust Fund (ARTF) – funding to the sector has mostly decreased, reaching its lowest level since 2008.

Australia’s ODA budget for agriculture for fiscal year (FY) 2019/20 was A$338 million (US$259 million, 9% of total ODA), a decrease in relative and absolute terms from FY2018/19. For FY2019/20, DFAT plans to focus on promoting food security and efficient water management practices.

The Department of Foreign Affairs and Trade’s (DFAT) ‘Strategy for Australia’s aid investments in agriculture, fisheries and water’, published in 2015, includes three core components:

1. strengthening markets (e.g., by increasing market access of small-holders);
2. improving productivity and sustainable resource use; and
3. promoting effective policy, governance to enable trade, and private investments. The strategy also highlights women’s economic empowerment as an important element of agriculture support. These priorities are in line with Australia’s strategic goal to use ODA to promote economic growth in partner countries.

As part of its strategic priority on innovation and agriculture research funding, Australia funds the Australian Centre for International Agriculture Research (ACIAR). ACIAR is a government authority that reports to the minister for foreign affairs and works closely with researchers in developing countries, the Consultative Group on International Agricultural Research (CGIAR), Australian state governments, and universities. Funding for ACIAR has been reduced by A$7.5 million (US$6 million) in FY2019/20 compared to the FY2018/19 budget (A$107.5 million, US$82 million). This funding cut will mean reductions in research programs for Africa and South Asia. Australia channels most of its agriculture ODA bilaterally. Only 24% (US$42 million) of total ODA in 2016 was channelled through multilateral organizations, according to the data from the OECD. This was well below the DAC average of 45%.

In 2017 (the latest year for which bilateral data is available), Australia’s bilateral agriculture ODA amounted to US$167 million, the highest level since 2014 (US$211 million). 39% of this funding, the largest share, went to agricultural research. Other focus areas included rural development (22%) and agricultural development (13%).

Australia also committed A$92 million (US$71 million) over 2015 to 2020 to the Cambodia Agricultural Value Chain Program for greater productivity in smallholder rice-based farms in Cambodia. It has also committed A$21 million (US$16 million) for 2013 to 2023 to the ‘AgResults’ initiative and made contributions to the Pacific Horticultural and Agricultural Market Access Program, as well as the now-completed Australia-Indonesia Partnership for Rural Economic Development.

DFAT leads on policy development for agriculture; ACIAR supports research

The Department of Foreign Affairs and Trade (DFAT) manages development investments according to the ‘Strategy for Australia’s aid investments in agriculture, fisheries and water’ issued in February 2015. ACIAR, contractors and other Australian government agencies such as the Department of Agriculture and Water Resources...
deliver Australia’s ODA for ‘agriculture, fisheries and water’. With regards to research, ACIAR plays a distinctive role as it partners with developing countries to foster the use of science and technology to address local challenges.

**AUSTRALIA’S ODA TO AGRICULTURE
US$ millions**

OECD CRS, and imputed multilateral contributions to the agriculture sector: DAC secretariat estimates. In 2017 prices.

**RECIPIENTS OF AUSTRALIA’S AGRICULTURE ODA, 2016**

Total: US$174 million

OECD CRS and imputed multilateral contributions to the agriculture sector: DAC secretariat estimates. In 2017 prices.
TOP 15 DAC DONORS TO AGRICULTURE, 2016
Total agriculture ODA; US$ millions; in 2017 prices; incl. bilateral and multilateral funding

- United States: 1,304
- Germany: 1,236
- Japan: 802
- United Kingdom: 713
- France: 447
- Netherlands: 200
- Italy: 198
- Canada: 175
- Switzerland: 136
- Sweden: 127
- Spain: 112
- Belgium: 82
- Korea: 67
- Australia: 174
- Denmark: 156

TOP 28 DAC DONORS TO AGRICULTURE, 2016
Agriculture ODA as % of total ODA

- Poland: 15.5
- New Zealand: 9.4
- Finland: 9.1
- Ireland: 8.7
- Netherlands: 8.5
- Luxembourg: 7.7
- Belgium: 7.7
- Iceland: 7.4
- Korea: 7.2
- Canada: 6.6
- Czech Republic: 6.5
- Switzerland: 6.7
- Japan: 6.6
- Slovak Republic: 6.3
- Denmark: 6.1
- France: 5.9
- Slovenia: 5.7
- Italy: 5.7
- Austria: 5.4
- United Kingdom: 5.4
- Australia: 5.0
- Portugal: 4.9
- Greece: 4.9
- United States: 4.7
- Sweden: 4.5
- Germany: 4.5
- Spain: 4.4
- Norway: 2.8

OECD CRS and imputed multilateral contributions to the agriculture sector (DAC Secretariat estimates)
TOP 28 DAC DONORS TO AGRICULTURE, 2016

Agriculture ODA as % of total ODA

- Poland: 9.9
- New Zealand: 8.7
- Finland: 7.7
- Ireland: 7.7
- Netherlands: 7.4
- Luxembourg: 7.2
- Belgium: 7.0
- Iceland: 6.6
- Korea: 6.7
- Canada: 6.6
- Czech Republic: 6.6
- Switzerland: 6.1
- Japan: 6.1
- Slovak Republic: 6.0
- Denmark: 5.9
- France: 5.7
- Slovenia: 5.7
- Italy: 5.4
- Austria: 5.4
- United Kingdom: 5.4
- Australia: 5.0
- Portugal: 4.9
- Greece: 4.9
- United States: 4.7
- Sweden: 4.5
- Germany: 4.5
- Spain: 4.4
- Norway: 2.8

OECD CRS and imputed multilateral contributions to the agriculture sector (DAC Secretariat's estimates)