Agriculture is among the EU’s top priorities for 2014 to 2020

The European Commission (Commission) spent US$1.4 billion on bilateral ODA for agriculture and rural development (including forestry and fishing) in 2017. In 2016 (latest year for which complete data for all DAC countries is available), the Commission was the second-largest donor in absolute terms, closely following the United States. Agricultural ODA corresponds to 7% of total ODA, equal to the average amongst members of the Organisation for Economic Co-operation and Development’s Development Assistance Committee (OECD DAC). In 2017, the EU’s funding for agriculture saw a 21% decrease in funding (down from US$1.7 billion in 2016). However, this decrease followed a large increase of almost 60% between 2015 and 2016 due to a large disbursement to Nutrition for Growth, an initiative where participating countries signed on to a ‘global compact’ to improve nutrition and made a range of international commitments.

The EU highlights sustainable agriculture as one of five key development priorities for 2014 to 2020. Focus areas under this key priority are small-holder agriculture, the formation of producer groups, supply and marketing chains, as well as government efforts to facilitate responsible private investment. The Commission allocated US$1.5 billion of the Programme on Global Public Goods and Challenges (GPGC), funded through the Development Cooperation Instrument (DCI) for 2014 to 2020, to the priority area ‘Food and Nutrition Security and Sustainable Agriculture’.

Virtually all agricultural ODA of the EU is channelled bilaterally. Bilateral funding focuses on agricultural development (27% of bilateral ODA for agriculture in 2017), agricultural policy and administrative management (24%, which saw a decline after reaching record levels in 2016), and rural development (21%). Forestry development funding (6%), though small in volume, more than doubled between 2016 and 2017.

The only organization receiving core multilateral contributions in 2017 was the Food and Agricultural Organisation (FAO), which received US$317,000. In addition, the Commission co-facilities different programs of multilateral organizations that are reported as bilateral ODA because they are earmarked for particular regions. In 2017, the EU gave US$430 million in earmarked funding to the World Food Programme (WFP) as bilateral agriculture ODA, US$152 million to the FAO, and US$37 million to the International Fund for Agricultural Development (IFAD).

ODA-reportable funding for agricultural research amounted to US$14 million in 2017, seeing significant cuts since 2016, when it stood at US$44 million. The EU provides funding for the CGIAR Fund for Agricultural Research, financed from the GPGC’s envelope for food security and sustainable agriculture. The Commission’s contributions to CGIAR have declined under the current Multiannual Financial Framework (MFF), dropping from US$25 million in 2015 to US$15 million in 2016, according to CGIAR; according to OECD data, the EU’s contribution to CGIAR in 2017 was US$4 million. EU delegations in developing countries are likely to contribute additional funding directly to local CGIAR centers and bring overall contributions to a similar level as in previous years. In the past, the Commission has also directly supported the Committee on World Food Security (CFS) to support specific workstreams and activities.

D G DEVCO’s Directorate on Planet and Prosperity leads policy in agricultural ODA

Within the Commission’s Directorate-General for Development Cooperation (DG DEVCO), the Directorate ‘Planet and Prosperity’ oversees policies related to agriculture ODA. Two relevant units in this regard are: Unit C1 for ‘Rural Development, Food Security and Nutrition’, and Unit C2 for ‘Environment, Natural Resources, Water’.

4 The OECD does not calculate multilateral imputed contributions for the EU institutions. This figure was calculated using the same methodology, based on Commission’s contributions to the Global Fund, Gavi, UNRWA, UNICEF, and WHO.
THE EU'S BILATERAL ODA TO AGRICULTURE

US$ millions

- **Bilateral agriculture ODA**
- **Bilateral agriculture ODA as % of bilateral ODA**

OECD CRS, and imputed multilateral contributions to the agriculture and rural development sector. DAC secretariat estimations. In 2017 prices.