The UK’s agriculture ODA

UK focuses on agri-business and commercialization; funding has declined in recent years

According to data from the Organisation for Economic Co-operation and Development’s (OECD’s) Development Assistance Committee (DAC), the UK spent US$952 million in 2016 on official development assistance (ODA) for agriculture (including forestry and fisheries) and rural development (latest year for which full data is available). This is a 9% decrease from US$1.1 billion in 2015. This corresponded to 5% of the UK’s total ODA, below the 7% average among OECD DAC members.

The UK’s Department for International Development’s (DFID’s) priorities in agriculture are guided by its Conceptual Framework on Agriculture, released in 2015. The Framework focuses on the role agriculture and agro-industry can play in supporting economic growth and poverty reduction and prioritizes support for family and smallholder farmers to become commercially viable. In addition, the framework outlines three cross-cutting priorities:

1. Inclusion and women’s economic empowerment: promote agricultural transformation to be inclusive and create equal opportunities for women, men, and marginalized groups.
2. Production of nutritious and safe food: develop policy and programs to promote agricultural transformation and analyze how agriculture can increase nutritional benefits and feed into nutrition policies.
3. Environmental sustainability and climate-smart agriculture: promote growth and reducing poverty, building resilience to climate-related challenges.

In 2017, DFID released its first Economic Development Strategy, in which agriculture is prioritized, particularly in relation to agri-business and supporting subsistence farmers.

DFID co-funds the Africa Enterprise Challenge Fund, which aims to stimulate US$200 million in private-sector investment in agriculture and financial markets across Africa. DFID also participates in the AgResults Initiative (£25 million, or US$32 million, from FY2012 to FY2024), which aims to incentivize the private sector in low-income countries to invest in the development and delivery of agricultural technologies. More details about DFID’s agriculture programs can be found on DevTracker.

Based on OECD data, in 2016, 46% (US$433 million) of UK’s ODA to agriculture and rural development was disbursed in the form of core contributions to multilateral organizations. Key recipients were the World Bank’s International Development Association (IDA, which received 19% of multilateral agricultural ODA) and the EU institutions (18%), followed by the African Development Fund (AfDF; 4%), and the International Fund for Agricultural Development (IFAD; 2%). In addition, the UK has made smaller commitments to several multilateral partnerships; it committed £136 million (US$175 million) from FY2012 to FY2018 to the Global Agriculture and Food Security Program (GAFSP). The UK is the third-largest donor to the multilateral agricultural research network CGIAR and has committed £93 million (US$120 million) to the network between 2017 and 2020. UK core funding for CGIAR stood at US$79 million in 2017.

In 2016, the UK provided 55% (US$519 million) of its agriculture ODA as bilateral ODA, according to OECD data. Bilateral investments increased to US$560 million in 2017. In line with its strategic priorities, spending in 2017 focused on agricultural development (US$170 million or 30% of bilateral agriculture ODA), forestry policy and administrative management (US$130 million or 23%), and agricultural research (US$101 million or 18%). The UK has almost doubled its bilateral assistance for agricultural research since 2013, with a strong focus on new agricultural technologies.

DFID drives strategies for the UK’s agricultural development agenda

DFID drives the strategic direction for the UK’s agriculture development agenda and is responsible for administering agricultural ODA. Within DFID headquarters, the Economic Development Division (within the Growth and Resilience Department) manages the work related to DFID’s Conceptual Framework on Agriculture and the link between the agricultural sector and economic growth. The Growth and Resilience Department also works closely with the agricultural research team within the Research and Evidence Division. Overall, design and implementation of agriculture programs is decentralized, as DFID’s country offices manage bilateral programs.
THE UK'S ODA TO AGRICULTURE
US$ millions

RECIPIENTS OF THE UK'S AGRICULTURE ODA, 2016
Total: US$952 million

OECD CRS and imputed multilateral contributions to the agriculture sector: DAC secretariat estimates. In 2017 prices.
TOP 10 DAC DONORS TO AGRICULTURE, 2016
Total agriculture ODA; US$ millions; in 2017 prices; incl. bilateral and multilateral funding

- United States: 1,964
- Germany: 1,236
- Japan: 1,071
- United Kingdom: 952
- France: 713
- Netherlands: 447
- Italy: 299
- Canada: 292
- Switzerland: 246
- Sweden: 230

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

TOP 20 DAC DONORS TO AGRICULTURE, 2016
Agriculture ODA as % of total ODA

- Poland: 15.5
- New Zealand: 9.9
- Finland: 9.1
- Ireland: 8.7
- Netherlands: 6.5
- Luxembourg: 7.7
- Belgium: 7.7
- Iceland: 7.4
- Korea: 7.2
- Canada: 7
- Czech Republic: 6.6
- 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

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