

KEY QUESTIONS

the big six

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What are Italy's strategic priorities for development?

Focus on tackling root causes of migration, particularly in Africa

Strategic priorities of Italy's development cooperation are spelled out in the three-year Programming Guidelines and Directions for Italian Development Cooperation ('linee guida programmazione triennale'), developed by the Ministry of Foreign Affairs and International Cooperation (MAECI). The 2017-2019 Guidelines cover ten priority sectors, including humanitarian aid, migration, agriculture and food security, environment, energy, health, education, global citizenship education, culture and creative industry, and juvenile justice.

Italy has recently overhauled its development cooperation system (see question three: 'Who are the main actors in Italy's development cooperation?'). In 2014, the parliament approved the first major reform of its development cooperation since 1987. As part of this reform, Italy established its first-ever development agency, the Italian Agency for Development Cooperation (AICS). The agency started operating in January 2016. AICS disbursed US\$376 million (€340 million) in 2016, US\$555 million (€502 million) in 2017, and has a planned budget of US\$569 million (€514 million) in 2018. AICS outlines five thematic areas on which it will focus its bilateral cooperation: 1) economic development and opportunities; 2) human development (including health and education); 3) environment and use of natural resources; 4) rural development and food security; 5) emergency and fragile states.

Due to its position on the frontline of the refugee crisis, Italy places an increasing focus on tackling the root causes of migration, particularly in Africa. To this end, Italy put food security and nutrition, health, and women's empowerment, as key drivers of migration, at the forefront of its G7 agenda in 2017. The G7 Taormina Leaders' Communiqué agreed to strengthen dialogue and establish partnerships with African countries to improve socio-economic conditions and to reduce drivers of migration. The G7 leaders highlighted agriculture, food security, and nutrition as crucial goals and committed to increase ODA targeting in these sectors, particularly in

Italy's development priorities:

- **Migration:** Tackling root causes of displacement, particularly from Africa, was a key priority of Italy's G7 presidency in 2017 and remains high on the agenda. At EU-level, Italy pushes for a 'Migration Compact' for greater cooperation with transit countries.
- **Agriculture, food security and nutrition:** Italy has shown international leadership, e.g., through its G7 presidency in 2017. It maintains close relationships with the Rome-based Food and Agriculture Organization (FAO), World Food Programme (WFP), and International Fund for Agricultural Development (IFAD).

sub-Saharan Africa, as well as to strengthen humanitarian assistance to famine-stricken areas. At the European level, Italy pushes for a 'Migration Compact', a plan that aims to strengthen cooperation with countries of transit and of origin to tackle root causes of displacement.

Italy shows leadership in agriculture and food security; large amounts of bilateral funding dedicated to hosting refugees in Italy

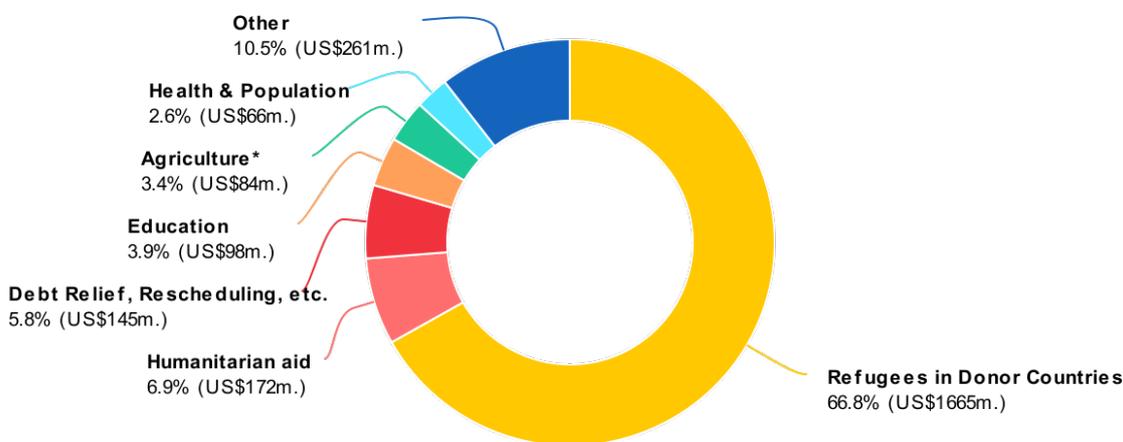
Italy channels more than half of its ODA through multilateral contributions (52% in 2016; see more details in question six: 'How is Italy's ODA spent?'). The multilateral share is particularly high in the area of agriculture and rural development: In 2016 the sector received US\$208 million in the form of multilateral funding, or 71% of total agricultural ODA. The country has shown international leadership on agriculture and the related areas of nutrition and food security, most recently during its G7 presidency in 2017, during which it hosted a G7 ministerial meeting on agriculture as well as the Global Nutrition Summit, a high-level event on nutrition. The G7 Taormina Leaders' Communiqué highlighted agriculture, food security, and nutrition as crucial G7 goals.

Italy's bilateral ODA doubled in the past two years, increasing from US\$1.2 billion in 2014 to US\$2.5 billion in 2016. However, much of this increase is driven by rising costs of hosting refugees in Italy: In 2016, 67% of bilateral ODA was spent on hosting refugees in Italy. When excluding these costs, bilateral ODA decreased by almost 10% between 2015 and 2016 (from US\$907 million in 2015 to

US\$826 million in 2016); this is a reversal of the trend from previous years, which saw a continuous increase in bilateral spending for development programs abroad. Government, civil society, education, agriculture, and health saw the most significant cuts between 2015 and 2016, whereas the sectors humanitarian aid; food aid; and conflict, peace and security continued to increase.

ITALY'S BILATERAL ODA BY SECTOR, 2016

Total: US\$2 491 million



OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2016 prices.