

## Agriculture and Food Security: Pre-Evaluation Review of DFID Policy

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### A. INTRODUCTION

1. This report considers whether the DFID agriculture policy<sup>1</sup> remains relevant in the light of the recent food crisis and where and why consideration might be given for changes to be made. It is not an evaluation<sup>2</sup> and it does not suggest a new policy but aims to provide direction and identify issues and some alternative ways in which the policy might evolve, especially in its relationship with food security.

2. The policy focussed on the role that agricultural productivity and growth plays in poverty reduction. It did not repeat the analysis of livelihoods and food security that had been covered in earlier papers<sup>3</sup> but complemented them by emphasising the benefits of concentrating on areas that had most growth potential.

3. The mechanisms through which growth reduces poverty were identified as being by increasing income directly in a sector where most poor people live; by increasing the supply, and thereby decreasing the price, of food; by providing labour intensive employment in rural areas; and through the linkages agriculture generates with other economic sectors. The policy provided support for farmers through macro level policies, more effective public spending and focussing on market opportunities, agricultural finance, new technologies, land and property rights as well as reductions of national and international market distortions.

4. The emphasis on growth led to targeting "places where significant productivity gains are possible and potential linkages to the wider economy are strongest"<sup>4</sup> and it represented "a change from [the] recent approach that focussed on direct contribution to rural livelihoods"<sup>5</sup>. In this context it also recognised the importance of social protection, particularly for its role in stimulating demand and supporting risk taking<sup>6</sup>.

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<sup>1</sup> DFID 2005

<sup>2</sup> An internal Interim Evaluation was carried out in 2006/7 (Heath 2007) and the National Audit Commission also published an evaluation that included agriculture in 2007 (NAO 2007)

<sup>3</sup> See, for example, "Eliminating Hunger" (DFID 2002 a) on food security and "Better livelihoods for poor people: the role of agriculture". (DFID 2002 b) on livelihoods. The complementarity of this latter paper with the agriculture policy is emphasised by the similarity in the titles. Note, however, that neither of these are policy papers. DFID 2002 a) is a "Practice" paper whilst DFID 2002b) is an "Issues" paper. The significance of this is discussed in Sn. 2.1 below.

<sup>4</sup> P.18 Sn. 2,2

<sup>5</sup> P.37 para. 135

<sup>6</sup> P.21/22 Sn 2.5

## B. POLICY REVIEW

5. The Terms of Reference<sup>7</sup> for the present review ask three key questions and the report deals with each in turn. They refer respectively to the continued relevance of the policy, its relationship with other DFID policies, and the options available for future direction.

### 1. Relevance of the 2005 Policy

*Key Question 1. Does the 2005 agriculture policy remain relevant in the light of rapid food and commodity price rises since the interim evaluation?*

#### The problem

6. Relevance is defined in the interim evaluation of the policy as consistency with the DFID mission of eliminating poverty on the one hand, and prevailing thinking in the development community about approaches to doing that on the other.

7. The validity of the analysis of the agricultural policy on the relationship between growth in agriculture and poverty, as summarised in the introduction above, has not changed<sup>8</sup>.

8. However, recently rising prices have turned attention more sharply toward the problems that face poorer, less viable deficit farmers. Prices have now fallen back but they remain high and, in any case, in the past it was declining prices that were identified as the main problem of the sector.

9. Whether prices go up or down, sharp fluctuations increase the vulnerability of poor farmers and farm workers. They emphasise the importance of improving resilience of the poor against consequent uncertainties and variability as well as structural changes that are taking place in the world economy.

10. Under these circumstances the question has arisen whether the development community considers that a focus on growth addresses the needs of the poor sufficiently clearly. An emphasis on growth rather than wider food security issues facing more marginal farmers may give an impression that these less viable farmers, who are the majority in many countries, are not being given sufficient attention by DFID's agricultural policy. This impression can persist even where problems of less viable farmers are covered through other DFID policies on delivery in social protection, health, education, water and other sectors.

#### Policy Comparison

11. The food crisis is too recent to allow many donor bodies to have undergone a formal re-consideration and re-writing of their policies, but there is a substantial body of new work that has been considering options since the crisis began and an attempt has been made to compare this work<sup>9</sup> with the approach that DFID takes in its policy.

<sup>7</sup> Annex 1 - Note that this report responds only to Objective 1 of the Terms of Reference.

<sup>8</sup> This was emphasised in the Interim Evaluation (DFID (2007)) and remains true.

<sup>9</sup> This includes work from International organisations (UN, FAO, World Bank), International research organisations (IFPRI), National research organisations (ODI, IDS), and specific key documents include: UN-CFA (2008), FAO (2008) IAASTD (2008) and multiple documents at the websites of all organisations cited.

12. Such work has been carried out as part of a number of ongoing and emerging international initiatives, as well as by national and international research bodies and NGOs. This paper also takes into account the views of members of the development community that were solicited for this review<sup>10</sup>. Amongst all these, some have shifted their emphasis as a result of the crisis. Others have not, including some who did not agree that a narrow focus on growth was appropriate even before it occurred.

13. There are variations amongst views, but it is possible to identify common ground. The case for growth is a strong one and none of the main analyses retreat from the ultimate importance of productivity growth. All agree on the significance of issues such as markets, infrastructure, trade, finance, land access and tenure, subsidies and so on, although there is less than complete harmony on the correct policies to follow within these different areas.

14. The main differences between the recent analyses and the DFID policy are in general emphasis. Work appearing since the food crisis began, including that from governmental and inter-governmental organisations, NGOs and independent researchers, generally has a wider focus that includes issues of access to food. It takes greater account of social protection<sup>11</sup> mechanisms and looks on vulnerable smallholder farmers as specific targets for assistance.

15. Hence, for example, two high profile international reports<sup>12</sup> advocate an approach that supports long term growth but focuses simultaneously on small poor farmers and their needs. They give equal attention to the role of agriculture in social protection and livelihood activities in both the short and the medium terms.

16. All the policies, including that of DFID, give attention to small farmers. The difference is that whilst the DFID approach is more concerned with their inclusion in its focus on growth, the recent analysis emphasises dealing with the poverty of marginal farmers and working on their specific vulnerability problems.

17. DFID also recognises specific areas, including the role of gender and social exclusion, as relevant when dealing with growth, but not as issues for direct intervention. Also, since it is primarily directed at potential growth areas, it gives little consideration to farmers who have more specialised interest and expertise in fragile or difficult environments. These include pastoralists, farmers facing environmental problems, farmers who are being marginalised by climate change and so on, even though they comprise considerable proportion of those in poverty.

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<sup>10</sup> Annex 1 provides a list of the documents that have been considered and Annex Table 1 provides a comparison of the approaches of these policies. Annex 2 reproduces the views submitted specifically for this review and Table 2 summarizes the main approach of each.

<sup>11</sup> The definition used for social protection corresponds to the following working definition provided by DFID : Social Protection describes all public and private initiatives that a) provide income or consumption transfers to the poor, b) protect the vulnerable against livelihood risks, c) and enhance the social status and rights of the marginalised; with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalised groups. Social protection can deliver four key outcomes: 1) Protective (providing relief from deprivation e.g. disability benefit, non-contributory pensions), 2) Preventive (averting deprivation e.g. through savings clubs or risk diversification), 3) Promotive (enhancing real incomes and capabilities) and 4) Transformative (which seek to address concerns of social equity and exclusion). This is a broad definition and so the term "social transfers" will be used when the meaning is specific to those transfers.

<sup>12</sup> See in particular the UN-CFA (2008) and FAO 2008 cited above

18. As will be shown below, some of these issues are dealt with in other DFID policies, but where they lead to a need for specific action to be taken within the agricultural sector, this is often not taken note of in the agricultural policy.

### **The case for change**

19. Apart from questions surrounding the breadth of focus in the policy, a further problem is the limited evidence of impact by the policy. Despite the importance it gives to the role of agriculture in dealing with poverty, spending on the sector has continued to decline, both in DFID and in general<sup>13</sup>. Furthermore, the interim evaluation suggested that the influence of the policy in country offices has been limited, an impression reinforced by the country case studies in the box below ( Sn. 2.2 p.7).

20. Whether the policy should change, and by how much, will depend a great deal on what purpose DFID considers the policy should serve.

21. If the purpose of the policy paper is to inform and publicise the DFID approach to poverty for its stakeholders and those to whom it is accountable<sup>14</sup> and help work with them, then a perception that the DFID focus is too narrow is important. This is the case even if the DFID has other policies that deal with the issues not dealt with in the agriculture policy.

22. If the objective is to guide strategy developed by country offices and multilateral partners, and also to influence the direction of agricultural development in recipient countries, then the limited impact brings into question whether the approach or the means provided for implementation are appropriate. If the aim is to achieve a combination of these objectives, there is equally a case for change.

23. Even though other papers had already covered issues such as food security and livelihoods and the agriculture policy only sought to fill the gap on productivity missing from earlier papers, the explicit statement that the agriculture policy "turned away from livelihoods"<sup>15</sup> and the lack of specific recognition that the preceding papers still had validity, gave the impression to some that marginal farmers were being forgotten.

24. The political profile of the food crisis provides an opportunity to revisit questions about a narrow focus on growth. It also makes it possible to consider the impact on the poor of emerging and existing fundamental issues such as climate change, bio fuels, biotechnology, environmental degradation and inequality and how the policy should respond to them. Renewed emphasis could also be given to crucial cross cutting issues such as gender and social exclusion, as well as wider sectoral questions such as the ways in which agricultural development links into more general rural development or even linkages between rural and urban areas.

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<sup>13</sup> This issue was brought out in the Interim Evaluation (Heath 2007) pp.20-23. In fact both Heath (2007) and NAO (2007) pointed out this decline as well as the conspicuous lack of attention given to agriculture by the 2006 White Paper on poverty despite the widespread acceptance of the importance of agriculture to so many of the world's poor and many of the external submissions to this report reproduced in the annexes do the same.

<sup>14</sup> Primarily UK taxpayers and their elected representatives, but also aid recipients and development partners.

<sup>15</sup> DFID (2005) Para 135

25. Some of these matters bring up general questions about the relationship of different DFID policies to one another and this issue is dealt with in the next section before some of the possible options for dealing with the problems are discussed.

## 2. DFID Policies Relevant to Food Crisis

*Key Question 2. What other DFID policies are pertinent to the food crisis (e.g. Eliminating Hunger the recent social transfers paper for the DC and the Nutrition task team report) and do these remain relevant?*

26. The agriculture policy complements statements and policies provided by DFID in related subject areas. Two (food security and livelihoods) have been mentioned above, but there are others and the second key question asks what other DFID policies are relevant to the food crisis. This issue leads implicitly to consideration of areas in which these policies overlap with agriculture and include issues that should be linked or complementarities improved.

### 2.1 The source and status of policy in DFID

27. During the process of identifying which existing DFID policies are related to agricultural development issues, it has been noted that the role and origin of policy in DFID is not always clear. Elements of policy can be found in a number of places, including the following:

> **Policy documents.**

In the case of many topics, including agriculture, formal policy documents often reflecting general government policy expressed in White Papers and other documents, are published for the use of both country offices and the public.

> **Other documents.**

From time to time other documents are produced that express the views of government and appear to have the force of policy. They include "Strategies", "Plans", "Issues", "Practice" papers and others. Although not formal policy these documents do often contain elements of policy and are cited as such. Even the contents of less formal papers and reports sometimes seem to be regarded as establishing policy commitments.

> **Country office documents and activity.**

DFID activity is decentralised and country offices produce country strategy papers that set out policy implementation at the local level. The number and uncertain status of policies that the offices are intended to take into account, is often confusing. Furthermore, since local interventions through country offices are necessarily demand driven, it is possible that they will sometimes include activities that do not adhere to a strict interpretation of formal policy. Equally, of course, DFID policy may make it easier for country offices to influence or tone down recipient country policy that runs counter to it<sup>16</sup>.

> **Ad hoc Policy statements.**

Views and speeches from influential people may also be intended or taken as policy commitments, especially if they are made formally by a Minister in

<sup>16</sup> The Malawi subsidy programme is an example of a case where the policy supported efforts by the country office to improve the nature and content of a subsidy policy that may otherwise have been less "smart".

Parliament, whatever the relationship of the statements may be to existing policy documents.

28. It does not appear that any formal system DFID has for categorising its documents and its statements is widely known or adhered to, and the imperatives of ad hoc policy making may complicate the formal relationships amongst these expressions of policy. In any case, as pointed out in the next section, the effectiveness of policy is ultimately determined by whether money is spent on it and on the types of mechanisms through which it is delivered.

29. A further difficulty is that policies may become outdated or superseded without being formally withdrawn. Whilst it can sometimes be inferred that there was an intention to replace one policy document with another, differences in title and focus of replacement policies may not make the position clear. This is a particular problem in the case under review since statements in the agricultural policy that give an impression of turning away from livelihoods, must be reconciled with the impression provided to the team that a policy focussing on growth was intended to complement rather than replace earlier papers on livelihoods and food security.

30. It is worth pointing out also that, however rigid a "policy about policy" DFID chooses to adopt, a degree of flexibility in de facto policy making does allow rapid response where necessary. This flexibility would be lost if the process of policy identification, formulation, implementation and change were rigidly established and always had to be followed.

## 2.2 Policy implementation practice in DFID

31. Yet another issue is that, no matter how formally a policy is established, there may be variations in the amount of attention paid to it and the extent to which it is used for reference rather than for action. Again, the agriculture policy provides an illustration. Despite the official status of the document, the Interim Evaluation found only limited evidence that it had been used to guide strategy and interventions at the country level.

32. This may not be a matter simply of practice. It is not very clear what the intention of DFID central policy is and how it should be interpreted and used in country offices. In any case, each country office needs flexibility when interpreting policy depending on how it relates to problems as they are perceived by their host governments.

33. The choice of instrument for aid delivery also has an impact on the effectiveness of policy implementation. Strategy for bilateral aid is determined by country offices. This is discussed and agreed on with recipient governments, in consultation with other donors and following the principles of the Paris Declaration<sup>17</sup> and so is demand led and subject to negotiation between the perceived needs of the recipient government and the declared policies of the donor. Also, where occasion arises for an *ad hoc* political commitment to be made on aid expenditure, then both written policy and country office spending will have to give way to this.

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<sup>17</sup> The Paris Declaration on Aid Effectiveness: Ownership, Harmonization, Alignment, Results and Mutual Accountability. (2005)

34. Providing budget support to a recipient government does give DFID influence, but it is subject to negotiation depending on the views of the recipients about appropriate policy and the need to discourse and come to agreement with a variety of partners. This is bound to lead to inconsistencies. For example, DFID endorsement of the Maputo target expenditure of 10% of African government expenditure on agriculture, may not make it feasible or desirable to deny budget support to governments that do not meet that target if DFID decides that budget support is the appropriate aid instrument for that country.

**Box: The use of policy in country offices**

Country offices emphasise the usefulness of policy statements in helping them prepare interventions in ways that are likely to be approved for funding. They also stress the importance and implications of negotiation with both recipient governments and aid partners, leading to cooperation that provides maximum impact but also constrains ability to apply policy strictly. The practical application of policy through country strategies can be illustrated through some examples:

**ETHIOPIA:**

The largest proportion of the aid budget in Ethiopia is dedicated to the Productive Safety Net Programme. This is a livelihoods programme directed at marginal farmers rather than a growth oriented programme directed at farmers with the most productive potential. Commitments were made before the policy was published, but funding continues as part of an effort that is broadly supported by all major donors as a way of moving the country away from reliance on emergency aid and toward productive social protection. It can therefore be seen as a step towards a longer term growth strategy.

**MALAWI:**

The country office identifies an over emphasis on food security at the expense of productivity as a major problem in Malawi agricultural policy. The DFID emphasis on growth and productivity has therefore been seen as an asset in providing support during negotiations with the government. As a result, the DFID contribution to and consequent influence on the fertiliser and seed subsidy programme has led to a "smarter" and more effective means of targeting subsidies with more potential for long term productivity gains.

**BANGLADESH:**

Bangladesh has been designated one of the 6 focus countries for implementation of the agriculture policy. This status seems to have been conferred on Bangladesh by other policies also, however, and there has been a danger of the country having to respond to too many uncoordinated policies. Practical priorities placed growth and social protection above agriculture and the country office has expressed that a broader focus on food, rather than simply agriculture, would provide more practical entry points. The office also mentions the existence of a perception that the agriculture policy fails to target the poorest.

35. A similar issue applies where aid funds are channelled through multilateral organisations. Multilateral organisations have their own policies and, whilst these are negotiated amongst donors, each of which will have a say, they do not necessarily reflect the detailed policy of any one of them. There can therefore be no certainty that multilateral organisations will implement DFID policy.

36. It has already been pointed out above that general policy in the development community since the food crisis, and indeed before it in some cases, has taken a broader focus than maximising growth. DFID has already expressed support for a number of such policy statements, most notably the CFA and the development of GPAFS as well as the findings of IAASTD. All of these take a broader approach to agricultural development than that in the existing policy document. This may suggest that there is already an awareness and an acceptance within DFID of the direction in which policy is moving.

37. Much of the force of policy also lies in the resources provided to implement it so the views of those who allocate resources affect *de facto* policy. These may be influenced by perceptions of political or practical priorities, what strategic issues are involved, and what interpretation of policy is appropriate to the interests affected.

38. Hence policy and policy impact is affected by policy statements, by expenditure commitments and by the aid instruments used, as well as the extent to which the cooperation of aid partners, donors and recipients, are in agreement with DFID policy.

## 2.3 Review of pertinent policies

39. The documents discussed below reflect the variety of sources outlined in the previous sub section. Even the policies explicitly mentioned in the terms of reference (food security, social transfers, nutrition, disaster risk reduction, climate change and humanitarian assistance) come from a variety of types of sources and the others reviewed are even more diverse.

40. The policies judged to be relevant for this section include not only those which are directly related to agricultural production, such as land, marketing, research and infrastructure, but also those that would become more closely related if the focus of the policy were widened to include issues of food security, social protection and nutrition<sup>18</sup>.

41. In most instances the points of overlap are quite specialised. Only in a couple of them is the overlap extensive. The following highlights the main points in each case.

### >1 Agriculture and food security:

- The relationship between the agriculture and food security policies, and the extent to which there is complementarity or disconnect between them, is implicitly referred to in the title of this review
- It is apparent that, whilst there are many points of overlap between the agriculture and the food security policies, the approaches are quite different. Agriculture emphasises growth and productivity whilst the food security policy emphasises the importance of agriculture in improving access to food and the way prices for products that farmers buy and that they sell impacts on household economy.

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<sup>18</sup> The full list is: Food security; Social protection; Humanitarian assistance; Disaster risk reduction; Climate change; Growth; Nutrition; Infrastructure; Land; Water; Forestry; Markets; Private sector; Research; Health. This list is repeated, and categorised, in Figure 1 at the end of this document.

- So, for example, technology in the agriculture policy is oriented towards growth, in the food security policy document the focus on technology is to make it relevant to the poor.

## **>2 Agriculture and social protection**

- Whilst the agriculture policy regards social protection as providing support that will encourage farmers to become more productive, the social protection policy is about establishing a long term social protection service and about humanitarian social transfers and welfare payments in the short term.
- The agriculture policy sees social protection as providing support to agricultural growth by stimulating demand and by giving poor farmers a base which allows them to take greater risk.
- The systems envisaged by the social protection policy are seen at least partly as a redistribution of the gains from successful growth activities.
- Neither policy discusses the role agriculture could play in reducing the need for social protection amongst farmers with lower productivity potential or technical and material assistance that could reduce the vulnerability of these groups and avoid them becoming a target for transfers.

## **>3 Agriculture and humanitarian policy**

- The Humanitarian policy is concerned with improving the effectiveness of humanitarian responses, improving the quality of aid given and reducing risk and vulnerability. Reducing vulnerability involves providing safety nets, social security systems and making transfers.
- Although the agriculture policy does not deal explicitly with humanitarian issues or discuss support for agriculture that reduces vulnerability, there is a link through social protection. As already noted, the agricultural policy prioritises social protection that complements growth and this has implications for the types of technical and material assistance that might be given to vulnerable or distressed agricultural populations.

## **>4 Agriculture and disaster risk management**

- The integration of risk management into development policy and planning is an explicit objective of the Disaster Risk Management policy
- In the agriculture policy the link is again through social protection activities that reduce vulnerabilities, though this is not explicitly discussed.
- The tools suggested for building resilience in the disaster risk reduction policy, such as well planned infrastructure and use of technology to improve production systems, are similar to those included in the agriculture. However, in the former policy they are directed at livelihoods rather than growth with implicitly different target groups.

## **>5 Agriculture and climate change**

- There are no obvious inconsistencies between the agricultural policy and the plans for climate change. The agriculture policy recognises the existing and potential impact of climate change on agriculture and it also notes the contribution of agriculture to climate change. It recognises climate change as a sustainability issue within its principles for agricultural strategies, and it recognises the need for research on the climate change as a long term issue.

- The DFID approach to climate change is in the form of practical plans that emphasise improving knowledge about the causes and impacts of climate change, benefiting from acquired knowledge and the importance of adaptation. Also, there is explicit provision for research on the impact of climate change on the agriculture policy, also noted as important in the agriculture policy

#### **>6 Agriculture and growth**

- The growth policy makes the same case appearing in the agricultural policy paper that growth is the best means of reducing poverty.
- It also establishes the importance of agriculture in achieving growth, especially in Africa, although the section is short and its main message is to emphasise a central role for technological innovation and a need for reform of markets, both for inputs and outputs.
- There are no major inconsistencies between the papers and, although the growth policy post dates the agricultural one, the latter can be seen as implementing the growth policy in its sector.

#### **>7 Agriculture and nutrition**

- The agriculture policy does not consider nutritional issues whilst the draft nutrition policy, presently out for public consultation, makes frequent reference to the ways in which agriculture has important responsibilities under nutrition.
- For example, the point is made that agricultural research needs to take account, not simply of appropriateness to poor farmer agronomic needs, but also of their dietary needs. This refers both to the types of crops that poor farmers should be given an incentive to grow, and to the need to research and improve micronutrient content of staple crops.
- The nutrition documents also warn against considering the fact that a country is a net food exporter necessarily means that its population is adequately nourished.

#### **>8 Agriculture and infrastructure**

- The importance of infrastructure to agricultural and rural development, especially irrigation, roads and marketing infrastructure is well argued in both the agricultural and the infrastructure policies documents.
- The infrastructure document emphasises the provision of technical assistance to deal with capacity building, accountability, public-private joint ventures and the use of subsidies, environment, employment and mobilising finance. Some project involvement is also envisaged, though no sectors are prioritised. The agriculture policy has a similar emphasis on capacity building and technical support on resource allocation.

#### **>9 Agriculture and land**

- The fundamental nature of land distribution and tenure problems to agriculture and poverty alleviation makes it one of the 8 DFID priorities established in the agriculture policy. Support is through EU guidelines and providing technical assistance.
- The land policy has a similar emphasis, although it deals with both urban and rural issues through national and international channels and emphasises the rights and needs of small poor agricultural populations.

**>10 Agriculture and water**

- Although the water policy is combined with sanitation and is concerned with domestic water issues, it also deals with water resource management and the use of water in production, especially agriculture.
- It is particularly concerned with water management practices and the impact of climate change and the role of water in conflict.
- The role of water is not given prominence in the agriculture policy, but where it is mentioned, the preoccupation is also with sustainability in its management and use.

**>11 Agriculture, markets and the private sector**

- The agricultural and the private sector policies are very similar in their approach the role of the private sector in agriculture. Quite apart from the fact that farmers themselves are generally part of the private sector, private sector organisations, formal and informal, provide inputs, markets, intermediary buying and selling services, processing, transport and finance.
- Both policies concentrate on the need for support in two principal areas. The first is in dealing with market failure and improving the way markets work. The second is improving access to private sector technology, including seeds for crops and pharmaceuticals for livestock.
- Many of the same issues and mechanisms appear in both papers. Both emphasise the use of public private partnerships as an intervention tool.

**>12 Agriculture and research**

- The Agricultural Policy identifies research as one of the main drivers of growth and it is one of DFID's 8 priorities.
- The Research Strategy also recognises the link. At least four of the five of the areas prioritised (growth, sustainable agriculture, climate change and governance) have direct consequences for the agricultural sector. All of these also appear in the agriculture policy and several have technical areas that need to be solved through research.
- The relationship between sustainability in agriculture and mitigation and adaptation to climate change, discussed in the research strategy, is particularly important for the livelihoods of some of the poorest who rely on agriculture.

## 2.4 Conclusion

42. The number of policy areas covered in this section indicates the variety of linkages that agriculture has and the breadth of the role it can play. This overlap makes it all the more important to ensure that there is enough coordination to avoid conflicting messages coming to country offices, multilateral partners and other users from different policies.

43. The general impression is that, although the agriculture policy is functionally linked with many areas, it often does not recognise this fact or try to ensure that it is consistent with them.

44. In fact, the problem does not seem to be so much that there are serious inconsistencies, but more in that the agriculture policy does not always take account of the needs and assumptions of the policies related to it. This is the case even though some of those other policies, most notably food security and nutrition, are themselves explicit about the role of agriculture and the need for coordination with it.

45. Sometimes this may be because the related policies have been written since the agriculture document, but even some of those written before it are not taken into account. Even in the case of the newer policies there is little point in a new policy identifying a responsibility for agriculture that the agriculture policy does not recognise.

46. A number of options might be considered to deal with this problem. They range from a full integration of policies to a series of different, but still more closely coordinated set of policies, that are considered in the next section.

### 3. Options

*Key Question 3. What are DFID's options for taking forward its medium term agenda on agriculture and food security (including instruments partners and approaches)?*

The discussion points at several areas where there are options for DFID to consider when deciding whether or to adapt its agricultural policy so that it addresses the challenges of the food crisis more effectively.

#### 3.1 Objective - policy use.

47. A properly focussed and practical policy cannot be formulated without a clear vision of its purpose. Even with such a plain substantive objective for agriculture as poverty reduction, decisions need to be made about the purpose of the policy statement itself: who it aimed at, and what it is intended to achieve. Only then will it be possible to decide on the best way of serving that purpose.

48. Alternative policy purposes include: influencing country office strategies; informing multilateral partners; providing advocacy material, demonstrating DFID's response to the food crisis; creating a framework within which to design related policies. Examples would include setting out the role of government and /or the public sector and addressing issues of policy hierarchy and succession<sup>19</sup>; improving the profile and budgets allocated to agricultural and rural development interventions by DFID, and so on.

49. It may be possible to serve several of these objectives at once, so long as the content needed for each is consistent with that needed for others. Where this is not possible, priorities will have to be established.

50. Table 1 offers options for different objectives that DFID might consider, and their implications. For convenience, they are divided into loose categories, although some of these overlap and are not necessarily significant.

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<sup>19</sup> That is: decisions about reaffirming, replacing or dropping earlier policies when new ones are developed.

**Table 1: Alternative Objectives of Policy**

<b>Purpose of policy</b>	<b>Content of policy for that purpose</b>	<b>Principal target audience</b>
<b>Internal objectives</b>		
Increase allocation of budget to agricultural development	<ul style="list-style-type: none"> <li>• Providing options that will be attractive to those who allocate resources.</li> </ul>	<ul style="list-style-type: none"> <li>• DFID management</li> </ul>
Provide opportunity for discussion and organising of ideas around agriculture	<ul style="list-style-type: none"> <li>• Consultation and discussion process</li> </ul>	<ul style="list-style-type: none"> <li>• DFID staff.</li> <li>• Development community generally.</li> </ul>
Provide reference for related sectoral policies	<ul style="list-style-type: none"> <li>• Guidance on policy objectives.</li> <li>• Establishing role of government and private sector.</li> <li>• Establishing policy flows and hierarchy</li> </ul>	<ul style="list-style-type: none"> <li>• DFID technical section staff.</li> </ul>
Ensure coordination and consistency of policy objectives in all DFID sections.	<ul style="list-style-type: none"> <li>• Cross referencing of responsibilities between policies.</li> </ul>	<ul style="list-style-type: none"> <li>• Other DFID sections</li> </ul>
<b>Implementation objectives</b>		
Improve policy take up (effectiveness) in aid recipient countries / ensure that financial interventions follow policy	<ul style="list-style-type: none"> <li>• Technical guidance.</li> <li>• Policy objectives relevant to locally perceived needs.</li> </ul>	<ul style="list-style-type: none"> <li>• DFID country offices</li> <li>• Recipient governments</li> </ul>
Ensure influence on multilateral partners and processes	<ul style="list-style-type: none"> <li>• Clarification of position on technical and political issues</li> </ul>	<ul style="list-style-type: none"> <li>• Multilateral partners</li> <li>• Recipient government</li> </ul>
Provide guidelines on funding possibilities	<ul style="list-style-type: none"> <li>• Guidelines on types of funding that DFID will provide and what partners it will work with.</li> </ul>	<ul style="list-style-type: none"> <li>• Recipient governments</li> <li>• NGOs &amp; development practitioners</li> </ul>
<b>Public information objectives</b>		
Provide basis for scrutiny of government expenditure	<ul style="list-style-type: none"> <li>• Options attractive to political expediency and tax payers.</li> </ul>	<ul style="list-style-type: none"> <li>• Politicians</li> <li>• Public</li> </ul>
Provide information advocacy of government policy at international level.	<ul style="list-style-type: none"> <li>• Clear, and convincing arguments for the policies includes easily understandable and subject to effective communication</li> </ul>	<ul style="list-style-type: none"> <li>• Senior UK politicians and negotiating officials.</li> </ul>
Ensure fulfilment of commitments to international obligations on spending	<ul style="list-style-type: none"> <li>• Explanation of how specific commitments will be fulfilled</li> </ul>	<ul style="list-style-type: none"> <li>• Other donors</li> <li>• Recipient governments</li> </ul>
Ensure recognition that DFID is responding to food crisis	<ul style="list-style-type: none"> <li>• Guidance on interventions balancing short and long term relief and development needs.</li> <li>• Understanding role of government in promoting agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Recipient governments</li> <li>• International aid bodies</li> <li>• Concerned public</li> <li>• DFID country offices</li> </ul>

### 3.2 Scope

51. When there is clarity about the purpose of the policy, attention can be given to the options available on its scope and content and how it relates to other policy documents.

#### **Comprehensiveness of content**

52. Table 2 suggests four main alternatives in respect of the scope of a policy that might include the agriculture sector. The first two are at either end of the range from focused to wide and comprehensive, whilst the other two are variations.

53. The existing policy deals with growth as it relates to a single sector that includes arable crops and livestock but excludes fisheries or forestry. Its priorities do not include rural off-farm development or the ways in which linkages between rural areas and local towns impact on rural development.

54. The first option is to maintain this approach, perhaps in an updated form, and continued development of individual policies of equal status on different aspects of poverty reduction. So there would be separate policies for growth in agriculture and for areas that complement growth, including food security and social protection. They would be supported by others on cross cutting themes such as gender, social exclusion, inequality, the role of children in agriculture, sustainability, risk management etc.. Further ones cover linked technical issues such as climate change, environmental degradation, the use of water resources, biotechnology, integrated planning for food and bio fuels, etc. There would be others on policies that are affected by agriculture, such as nutrition and health.

55. The other extreme would be a policy that deals with all the interlinked areas mentioned in one framework. A case could be made for including any one of the policy areas reviewed in Section 2.4, in addition to strategy that considers the relative merits of different aid delivery mechanisms and how they might influence practical policy formulation, the alternatives being bilateral programmes, participation in multilateral programmes and dealing with international policy frameworks and initiatives<sup>20</sup>.

56. There is also any number of possibilities short of completely comprehensive, covering some of the issues mentioned, but not others. Decisions would have to be made about what should be included or not, based on criteria dependent, for example, on the amount of overlap between agriculture and the other issues or relevance to poverty. It would be still also be necessary to ensure that there are no inconsistencies between the policy developed and other policy papers.

57. Successive inclusion of wider issues would inevitably lead to a more cumbersome policy and it would be impractical to develop a single document to replace all those that presently exist, since each topic contains areas that are not related to others. It is nevertheless important that there is consistency and coordination amongst policies and there may be some scope for integration.

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<sup>20</sup> There is a growing number of international initiatives, many of which DFID has already expressed support for. These include the CFA, IAASTD, GPAFS and, as mentioned below, support for these already has implications for the broadening of focus.

58. The third main option is a hierarchical system with a (relatively simple) overall policy statement that indicates the focal means through which poverty will be served. This would specify target groups and a target theme, such as food security, agriculture, rural development etc. and then individual sectoral and thematic policy papers prepared to fulfil the central policy.

59. This option is similar to the first, since there could be any number of related policies, all of equal status, but with the difference that they all serve a single theme, such as food access, production or a combination of the two.

60. A final option is to be less concerned with policy, simply to specify an objective, such as poverty reduction, and to leave decisions about interventions aimed at poverty reduction for country offices to develop at a strategy level in consultation with the host governments. This would make it possible to take greater account of local perceptions of problems and needs, though it would also lead to variations in approach from country to country. If this resulted in inconsistencies they may be hard to justify at central level.

### **Policy consistency and updating**

61. Whichever option is chosen, the problem of updating and retiring policies, and making sure that all policies remain consistent with one another, also needs to be dealt with, not just during the initial policy making process, but continuously. There must be constant reviews of what policies are related to newly made policy statements to identify other policies that are related to it, ensure consistency and establish which should be reaffirmed as complementary, which should be dropped altogether and which are being replaced by the new policy.

**Table 2 - Options on Scope (Coverage) of Policy**

Content	Advantages	Disadvantages
<p><b>Multiple equal status policies</b> A series of more or less related policies that may or may not take account of one another. (approximately the status quo - but work will be needed on areas where there are complementarities amongst the policies, to make sure they all fit together properly).</p>	<ul style="list-style-type: none"> <li>• Each interest group is free to develop policy according to its own criteria without having to take note of the goals of other groups</li> </ul>	<ul style="list-style-type: none"> <li>• Different interest groups not necessarily all working toward the same goals.</li> <li>• Danger that there will be inconsistencies.</li> <li>• Too many unrelated policies for country offices and other stakeholders to have to take into account.</li> </ul>
<p><b>Comprehensive approach</b> A fully integrated policy aimed at some higher goal, such as food security, rural development, and dealing with all, or many interlinked subject areas (as in a PRSP).</p>	<ul style="list-style-type: none"> <li>• Ensures all are working toward the same goal.</li> <li>• Provides one document to work to.</li> </ul>	<ul style="list-style-type: none"> <li>• Difficulty of coming to an agreement, not only on the overall policy focus, but the detailed priorities within the policy.</li> <li>• Danger of much confusing complexity and detail.</li> </ul>
<p><b>Hegemonic/hierarchical policy approach</b> A general broadly focussed policy document outlining overall goals for a target theme, such as Food Security, Food and Rural Development supplemented by more detailed sectoral papers clearer on sectoral policy, strategy and implementation.</p>	<ul style="list-style-type: none"> <li>• Provides an overall view of DFID aims and approach, accessible to the public and allows flexibility at the sectoral and subject level. For feeding into country level action plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Danger that individual policy papers do not take note of, or even reject, the overarching policy focus.</li> </ul>
<p><b>Minimalist approach</b> Minimal expression of pro poor objective with decisions about interventions appropriate to local conditions for country offices or development partners in individual issues.</p>	<ul style="list-style-type: none"> <li>• Maximum flexibility ability to respond to local conditions and specific issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Danger of inconsistencies developing in responses and interventions.</li> </ul>

### 3.3 Focus

62. The next stage is to consider options available in respect of the mechanisms through which agriculture can contribute to poverty reduction. Although there is still a substantial opinion that pursuing growth is desirable, even at the time the policy was written there were doubts about whether a focus on growth alone is enough. Since the crisis, these doubts have been reinforced by the movement of opinion towards including issues of access within agricultural policy more explicitly and alongside those of maximising productivity gains.

63. The case for maintaining a narrow focus, such as growth in a single sector, or one that is broadened to include rural development, is that it concentrates attention on a single problem and its solutions. Since this approach is open to criticism for all the things it omits, however, it is most feasible where DFID can show that it has policies that deliver on all the areas that have been omitted, and it can be made clear that the one in question is one of many, providing detail in a limited aspect of DFID policy.

64. The alternative would be to widen the focus by choosing a theme that is directed more at the ends than the means. For example if the concept of food were the centre of attention rather than agriculture as an end in itself, all pro poor issues related to the production of food and to the means of populations, especially poor populations to obtain it, could be covered and all relevant sectors could be referenced.

65. It would also be possible to widen the sectoral focus, from agriculture to rural development, for example, allowing the analysis to take into account broader issues of the rural economy, including off farm issues and even the impact on rural development of linkages between rural and urban areas. An alternative would be to provide an indication of both the ends and means by choosing a theme such as Food and Rural Development.

66. This would allow the policy to deal not only with production, but also with the means that poorer farmers have to obtain the food needed by their households. Poorer and more marginal farmers would become a more explicit target than they are under the present policy, for help with short term access, to improve their productivity and reducing vulnerability. Less viable farmers could be given encouragement to become more viable, and those who are already viable and have the highest potential for productivity growth could be helped to achieve it.

67. A broader focus also makes it easier to deal with some of the problems that concentrating on a single objective can lead to. For example, the tendency of growth, efficiency and targeting market opportunities to lead to greater specialisation. This may have potential costs in terms of nutrition (if food crops are neglected) and for the livelihoods of small farmers who can become marginalised by the success of larger, more efficient ones or those with better developed power relationships.

68. A similar impact to choosing a single, wider theme, might be achieved by taking a multiple track approach. This option would be to have a policy that has a section directed at viable farmers that might concentrate on growth potential, and other sections for poor farmers that have less potential, and another with the agricultural aspects of humanitarian and disaster responses. Cross cutting issues and related sectors would also be dealt with separately.

69. The options therefore include remaining with a single theme, either a narrow one that emphasises the solution of a single problem, or a wider one that brings it more into line with the weight of opinion that has been expressed both in the international and other policies and in the submissions, reviewed in the first section above. Alternatively a multiple track approach would make it possible to tailor pro-poor interventions depending on the needs of different target groups. Table 3 summarises the options mentioned.

**Table 3 - Options for "Focus"**

Option	Issues
<p><b>1 Single track</b></p> <p><b>a. Maintain single narrow focus</b> Growth to remain the main objective, as now, with DFID efforts aimed at the impact agriculture will have on poverty, allowing other DFID policies and agencies to focus on difficulties created by the food crisis</p> <p><b>b Establish single focus on wider pro-poor target: e.g. food, rural incomes, food security etc.</b> Change focus on growth in agriculture to one with wider sector and a theme that addresses the main problems of the food crisis and vulnerable farmers.</p>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• Provides clarity of objectives and measurement of impact.</li> </ul> <p><b>Problems</b></p> <ul style="list-style-type: none"> <li>• Even if protection and vulnerability issues are left to other policies, those other policies may still need to deal with technical agricultural issues, the correct place for which is in an agricultural policy.</li> <li>• Less inline with general approaches to the food crisis.</li> </ul> <p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• Provides clarity of objectives and measurement of impact.</li> </ul> <p><b>Problems</b></p> <ul style="list-style-type: none"> <li>• Even if protection and vulnerability issues are left to other policies, those other policies may still need to deal with technical agricultural issues, the correct place for which is in an agricultural policy.</li> <li>• Less inline with general approaches to the food crisis.</li> </ul>
<p><b>2. Multiple focus</b> Include separate policies targeted at:</p> <p>a. Viable farmers - maximise productivity</p> <p>b. Marginal farmers / agricultural workers Possibly subdivided depending on the nature of vulnerability identified.</p> <p>c. Cross cutting issues: gender, social exclusion, climate change, environmental degradation etc (some of which may be linked with other DFID policies in next section)</p>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• Clarity over the needs of different types of poverty and their solutions</li> </ul> <p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>• more complex policy development and implementation process</li> </ul>

### 3.4 Delivery Strategy

70. Much of the analysis referred to above has addressed what is needed to stimulate agricultural growth and livelihood security. But the discussion has been about what needs to be done, with little emphasis on how to get it done, including in DFID's 2005 policy. This is despite a widespread perception of underperformance in the agriculture sector at country level and a lack of desired reforms having taken place. There has been very little new thinking on how to break this cycle and get the agriculture sector moving.

71. Three key dimensions of the 'how', based on only a limited review of experience, are discussed briefly here:

- Which aid instruments work best for agriculture?
- Which development processes work best for agriculture?
- Which types of partnerships are most effective for agriculture?

### **Aid instruments**

72. The options for aid instruments to support agriculture, directly or indirectly, are well known and include the following:

- General Budget Support
- Sector Budget Support
- Sector Pooled Funds
- Projects using Government systems
- Projects using parallel systems
- Projects using NGO / private sector providers

73. **General Budget Support.** Although the overall evaluation of GBS is positive, there is little analysis of its effect on the agriculture sector. GBS assumes that policy is adequate and that putting money through the system is the answer. However this is not valid for agriculture in many countries<sup>21</sup>. Where this is the case sector engagement needs to be strengthened and supported, not abandoned. Indicators for agriculture in PRSP monitoring systems are usually inadequate and do not reflect intended outcomes.

74. **Sector Budget Support.** While not being as effective as GBS at using Government resource allocation systems SBS to agriculture is quite common, usually accompanying a SWAp process.

75. **Sector pooled funds.** These were in vogue a few years ago but their performance was mixed, and they do not score highly against Paris criteria. In some cases their development and management distracted seriously from the policy dialogue and reform that they were intended to support.

### **Development processes**

76. Country-level agricultural development support has been provided through the following development processes:

- PRSPs
- Sector-wide Approaches (SWAps)
- Projects

77. **PRSPs.** These have been disappointing for agriculture<sup>22</sup>, often following a 'business as usual' approach and often not well integrated within countries' wider development visions despite frequently aggressive rhetoric. The agriculture component of PRSPs is usually drafted or heavily influenced by Ministries of Agriculture, reflecting weak sector policy.

<sup>21</sup> OECD 2006 ; GDPRD May 2008; EC 2007

<sup>22</sup> GDPRD May 2008; OPM 2007

78. **SWAps.** Much has been written on the difficulties of SWAps in agriculture and a recent review <sup>23</sup> has reiterated the difficulties with existing examples. Nevertheless, this new agriculture sector SWAps have been developed and are in their early stages in Africa.

79. **Projects.** The evolution in aid effectiveness thinking has meant a reduction in the popularity of project support to agriculture. Nevertheless, project approaches are still widely used in support of non-State actors, and to provide smaller amounts of off-budget flexible support within a wider harmonised framework. Aligned projects are also used by donors which have withdrawn from failed attempts at harmonisation such as SWAps but which want to continue support for agriculture; in some cases these can retain a policy influencing function outside of any wider process.

## Partnerships

80. The common partnership arrangements for agriculture sector support have been:

- Bilateral in wider harmonised processes, or projects
- Multilateral organisations
- Civil society
- Private sector – smallholder or large commercial focus
- Regional initiatives
- 'Non-agricultural' models

81. There have been few major breakthroughs that suggest that new models have more potential than existing approaches. One of the key reasons is that it has been hard to avoid the importance of public goods in agriculture, especially policy and the enabling function, and Ministries of Agriculture have a critical role in this. And yet they have repeatedly failed to respond sufficiently to efforts to improve their performance.

82. NGO and civil society models are insufficient because they tend to struggle to influence policy, and their own delivery efforts are necessarily on a scale that is too small to make big differences. An evaluation by CIDA detected no difference in the development effectiveness of aid channelled bilaterally or via partners.

83. Private sector models have tended to have limited effect on the poor in the shorter term at least, and their efforts have usually failed to overcome the need for scale.

84. Multilateral models have been hindered by the lack of effective multilateral organisations as the vehicle for support. FAO, IFAD and WFP are all organisations that DFID finds hard to partner with effectively, and the World Bank has been subject to many of the factors above related to instruments and development processes. Experiences with supporting international agricultural research through the CGIAR, and with Regional programmes such as CAADP have not been reviewed here.

85. The lack of progress in working with Ministries of Agriculture has stimulated some to advocate for public expenditure on 'non-agricultural' enablers of agriculture such as roads, markets, and access to financial services. In the absence of evaluations it may be observed that, while these are useful contributions, they still neglect the potential of policy to influence agricultural outcomes.

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<sup>23</sup> GPRD 2007

86. Only two options are offered in Table 4 to be considered for a revised policy document either to include, or not to include, a delivery strategy within a policy document that indicates when the alternatives shown above might be used. If DFID does decide to include delivery strategy then a more substantial investigation of the options will be needed<sup>24</sup>.

**Table 4: Options on inclusion of aid delivery in policy**

Option	Issues
<p><b>1. Incorporate strategy.</b> Incorporate guidance on instruments, processes and partnerships in revised policy document</p>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• Uniform delivery strategy.</li> </ul> <p><b>Problems</b></p> <ul style="list-style-type: none"> <li>• May complicate adaptation to local systems favoured locally by recipient government and or partners.</li> </ul>
<p><b>2. Do not include strategy.</b> Leave delivery strategy outside policy as either to be determined at country or programme level or providing guidance in other ways</p>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• . Maximum flexibility to country offices.</li> </ul> <p><b>Problems</b></p> <ul style="list-style-type: none"> <li>• May lead to greater variety of delivery mechanisms and complicated administrative and political procedures.</li> </ul>

## C. CONCLUSIONS AND RECOMMENDATIONS

87. The purpose of this review has been to look into the relevance of the agriculture policy in the light of the food crisis and suggest options available for the future. The way forward depends a great deal on institutional priorities. Whilst the questions have been answered and options have been provided therefore, including an indication of their advantages and disadvantages where appropriate, it is not intended to make recommendations about which options are preferable.

88. Nevertheless, this final section summarises some of the main conclusions that can be drawn out of the discussion and it ends with a brief enumeration of recommendations that are implicit in the discussion.

### General policy issues

89. The report has highlighted a number of issues that refer to general policy making and implementation in DFID, as well as to the content of agriculture and food security policies in particular. If an effective choice is to be made amongst the options for formulating agriculture and food security policies, then the general issues must also be dealt with.

90. These general policy issues include the relative status of the various sources of policy and near-policy statements. Several matters have been discussed in this respect.

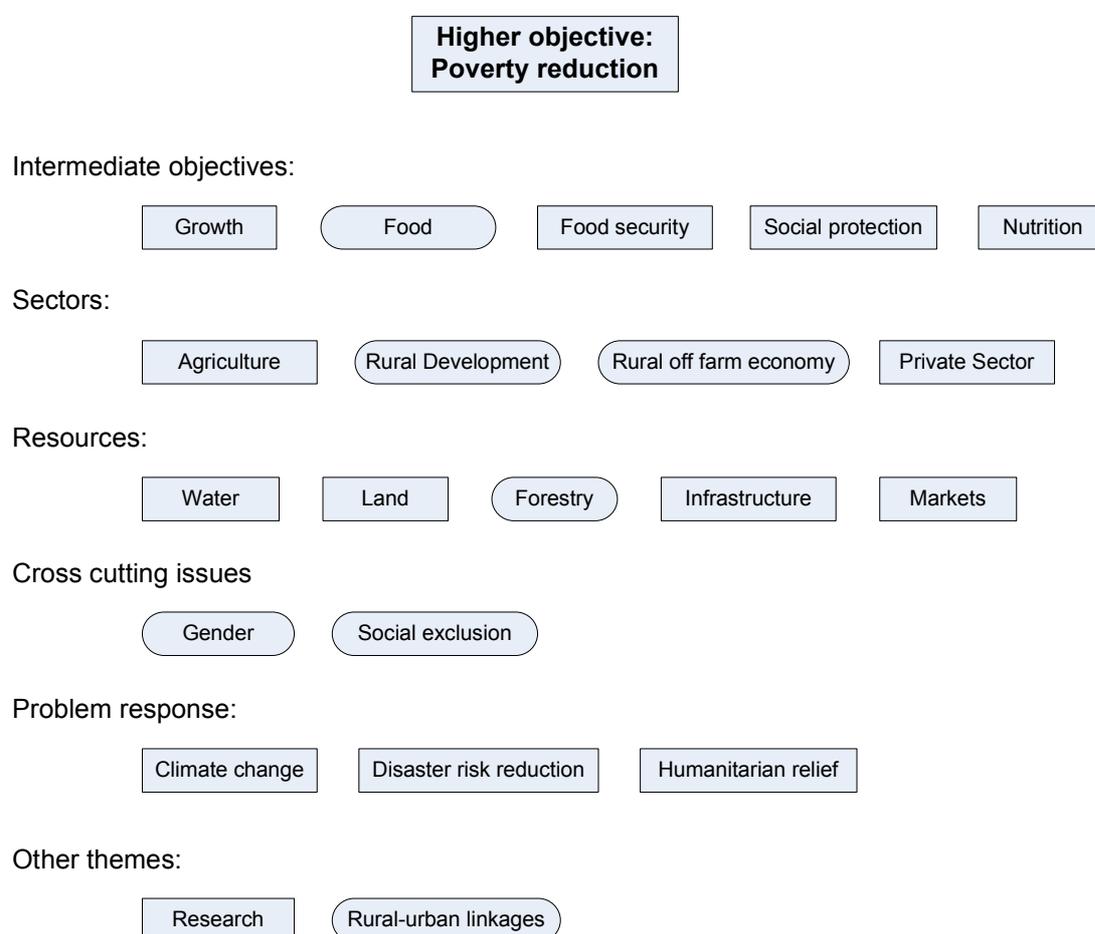
<sup>24</sup> This could include the evaluation already planned in this area. See Topic 1 Development Effectiveness in "List Of Potential Evaluation Topics For 2009-2012: Consultation Draft. December 2008

91. The first is the hierarchy and the relationship amongst the various sources of policy mentioned. A desirable goal would be to develop an approach that establishes a stable policy allowing long term planning on the one hand, but provides the flexibility needed for making effective responses to rapidly changing situations even where this may lead to some inconsistency with the established policy.

92. The second issue, related to the first, refers to the problem of policy longevity, reaffirmation and retirement. New policies need to identify other related policies and to be clear about how they impinge on one another, what their mutual relationships are and the extent to which existing policies are being complemented or replaced.

93. The policy areas identified within DFID that have some relationship with agriculture are summarised in Figure 1.

**Figure 1: Summary of related policy areas.**



N.B. Square boxes: existing policy areas. Rounded boxes: areas with no existing formal policy statement

94. All of these are areas of policy discussion within DFID even though not all of them are associated with officially established policy statements. Those that are have been reviewed and areas of overlap with agriculture have been identified.

95. The main point made is that there does not seem to be any system for cross referencing these common areas of interest. This is potentially problematical for two reasons.

96. One is the possibility that inconsistencies of approach could arise between the related policies, and the second is that where responsibilities are conferred on agriculture by a related policy, those responsibilities might not be recognised and allowed for within the agriculture policy.

97. In practice, whilst the potential remains, not many inconsistencies were found, On the other hand there were some notable areas where responsibilities assumed for the agriculture sector by a related policy was not dealt with in the agriculture policy.

98. A system needs to be established that deals with these issues: the relationship of the various sources of policy, how it is possible to tell whether a policy is still valid in whole or in part, and the need to ensure consistency and mutual recognition of responsibilities between related policies.

99. In fact it is necessary not only to establish such a system, but also to see that its rules and conventions are widely disseminated, understood, known and practised. This will ensure that the status of individual policy sources is clear, and it will avoid situations where policy statements migrate into a limbo in which different types of stakeholders find it hard to know what notice they should be taking of them.

### **The future for agriculture and food security policy**

100. The main question of the Terms of Reference was whether the 2005 agriculture policy remains relevant in the light of the high food and commodity price rises. From the investigation made of analyses of the food crisis by the development community, the short answer would appear to be yes, as far as it goes, but that the focus needs to be broadened from a narrow one on growth to something that encompasses the problems facing poor farmers more broadly.

101. When detailed options in respect of how this broadening should take place are investigated however, further questions arise about the purpose of the policy, who it is aimed at and how it will be used.

102. The report has identified a number of areas which need to be considered by DFID in clarifying these issues as well as what the content of the policy should be, and it suggests specific options in each of these areas. The options have been set out in Section 3 above and they are summarised in Figure 2.

103. A response to the analysis outlined in this report would therefore be for DFID to answer the following questions:

### a. What is the purpose of the policy and who is the target?

A prior condition for making an effective decision about revising the policy is clarity by DFID on what it is trying to achieve through the policies and whether changing the current ones is likely to be a necessary and / or sufficient action to achieve this.

**Figure 2: Options for policy making in agriculture and food security**

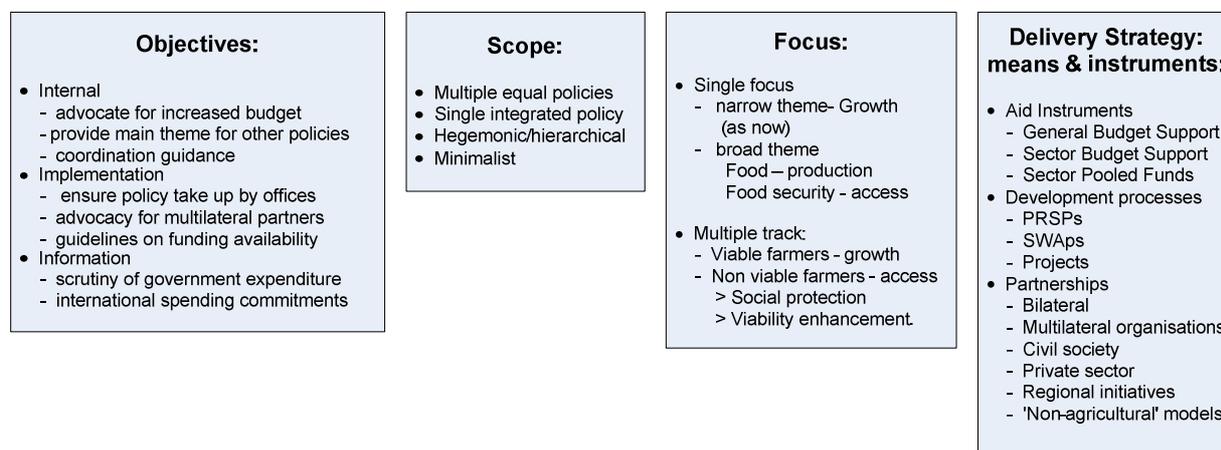


Table 1 in Section 3.1 above provides a wide range of options and it may well be that it is desirable for the policy to serve more than one of them. This would be possible, so long as the content necessary to serve the multiple purposes does not make the document too long or complex.

Finally, the answer to this question will also make it clear what different parts of the organisation are expected to do with the policy

### b. If a decision is taken to revise policy, then what kind of policy would be most appropriate to meet that option?

- Should it be a comprehensive one that covers all possible issues?
- Should it be a series of complementary policies of equal status?
- Should it be an overarching one around which more detailed sectoral policies should be developed?

Whatever choice is made here some basic principles need to be adhered to:

- Complementarities should be recognised and consistency and cross responsibilities respected.
- Decisions must be made about whether past and or related policies are reaffirmed, updated or retired altogether.

### c. What focus on technical content should the policy take?

Several options are offered for the technical focus that the policy might take. Work by the international donor community, broadly supported by the submissions to the report team suggests that the food crisis and general approaches to agriculture offer a broadening of scope in two senses.

The first is in too exclusive a focus on growth potential. It is still important to pursue growth, but the food crisis suggests that there is a complementary need to take account of the specific problems of more marginal farmers. This may lead to consideration of additional more pro-poor growth objectives, or other types of targets, such as social protection, in directions that the Government has already been moving through commitments to a number of international initiatives

The second is in too narrow a focus on agriculture since it is becoming increasingly difficult to analyse and work on the sector effectively in isolation from non farm issues, rural development, or linkages with urban areas. Again, the way in which the terms of reference considers both agriculture and food security together already suggests an understanding of the broadening of scope on broader issues such as food that sectors like agriculture can serve, rather than a narrow sectoral focus.

- d. **What means and instruments are the most appropriate** for delivery of the policy established and should they be discussed in the policy.

It has been hard to find an aid delivery strategy that has proved effective in agriculture. It is not in any case clear that a policy paper should deal with strategic issues relating to delivery means and instrument. A decision does need to be taken on whether or not to include such guidance, however, and this will depend to an extent on the decisions already taken about the objectives of the policy. For example:

- Delivery through multilaterals may be best where it is important to be part of a wider influence - but this will only be appropriate if there can be certainty that the multilateral will deliver on the policy established.
- Bilateral channels, delivered through projects, programmes or wider processes, and funded through appropriate means

104. The answer to some of these questions discussed above will lead to others. For example: if a decision is taken to develop a series of interrelated policies, what should be included and what should not be included? Would cross cutting themes such as gender have their own policies?

## **Summary of Recommendations**

105. A number of recommendations arise out of the discussion and they can be summarised in two groups, as follows:

### ***i. Clarification of policy making procedures.***

Irrespective of decisions about the agriculture policy itself, it is important for DFID to clarify the role of policy within the institution and establish norms about policy formulation and implementation. This involves specifically taking decisions that::

- a. Clarify the status of policies arising from different sources, formalising the role of different types of document and statements that can be interpreted as policy.

- b. Clarify the validity of policy over time as new policies emerge. The simplest way of doing this would be to establish policy making procedures that ensures existing related policies are identified and an assessment is made about how they are affected by the new policy.
- c. Ensure related policies are cross referenced in order to ensure that :
  - › There is consistency amongst the policies .
  - › Responsibilities assigned to policies by other policies are properly provided for .
  - › There is clarity about which policies are complemented, superseded or retired when new policies are established.
 Again, this would be achieved by having procedures for identifying the policies affected and ensuring that the work is done to establish the necessary cross references.
- d. Disseminate the policy making practices and procedures so that they become part of the culture of policy development in DFID.

## ii. ***Choosing amongst options for agriculture policy development***

The report has set out the options facing DFID when deciding whether or not to revise policy in respect of agriculture and food security and, if so, what form it should take. The main recommendation that emerges is that DFID consider each of the groups of option in turn. Since content depends on purpose options have been ordered accordingly.

- a. The first decision to be taken therefore refers to the purpose of the policy. A variety of possible purposes have been suggested, and whilst more than one can be chosen, it is important that they do not lead to inconsistencies in content or to a policy that becomes too complex.
- b. A decision on purpose will feed into how small or how comprehensive the policy needs to be. One aimed at advocacy for example, may need to be simple and clearly argued, a policy aimed at providing a reference for related policies may also need to be simple, but leave openings for connections with detailed sectoral policies.
- c. The focus of the policy refers to technical content and it has been pointed out that a decision here needs to take into account of international commitments already made by government. Those and the more general trend of thought in the development community is to be more inclusive and have a focus that encompasses access as well as production.
- d. The final decision, about whether to include strategy guidance on delivery mechanisms, will depend not only on decisions taken about the purpose of the policy but also institutional norms about the role of country offices.