

# Key messages from DFID's new Agriculture policy paper



RNR & Agriculture Team  
Feedback event  
8 Sep 2005

# Summary

- Purpose
- Rationale
- Principles
- Priorities
- Implementation
- Conclusions



# Purpose

- 2005 Agenda
- Clarify DFID's approach, work towards harmonisation
- Build on our understanding of livelihoods
- Fill gaps – the growth picture
- Answer scepticism
- Help advisers to make difficult choices
- Tool for policy dialogue



# Rationale

- Mass initial poverty reduction starts with increased agricultural productivity
- Growth from increased land productivity more pro-poor than other sectors
- Employment generated by small-scale, labour-intensive agriculture
- Overall growth reduces rural and urban poverty faster when agriculture grows



## Agriculture...

- provides labour-intensive employment at low cost in poor areas
- stimulates non-farm economy where growth is faster
- lowers and stabilises price of staple food
- capitalises on key assets of the poor: land and labour



# Principles

1. Reflect the stage of a country's development
2. Work where potential productivity gains and links to the wider economy are strongest
3. Focus on farmers who can increase productivity and employment
4. Target market opportunities
5. Make links with social assistance
6. Ensure sustainable use of resources



# Priorities

1. Get the policy framework right
2. Target public spending
3. Make markets work better for the poor
4. Fill the agricultural finance gap
5. Spread the benefits of technology
6. Improve access to land and property rights
7. Reduce distortions in international markets



# Implementation

- Priority accorded to actions is a country office decision
- Change is needed, but must happen within country-owned processes
- Not sector advocacy: guidelines for broader growth and poverty reduction strategies



# Conclusions

- Agriculture matters:
  - for growth, poverty, hunger and inequality
  - at different stages of development
  - for DFID's strategic objectives
- Changes in policy and investment decisions needed
- DFID's approach suits this type of intervention
- Vital to work within existing country processes, facilitate learning, build dialogue



## Feedback welcomed on whether the paper:

- presents a clear rationale for DFID's support to agriculture
- misses any important aspects of agriculture's role in growth and poverty reduction
- is likely to be useful to the work you do
- is accessible and communicates clearly





# The Agriculture Policy Paper and Africa

- Wide-ranging collaboration including DFID country offices
- Especially **Ethiopia**, Kenya, **Malawi**, Nigeria, Zambia and DFID-SA in Pretoria



# Malawi

- Growth and Social Protection Strategy
- Achieving productivity gains, making input and output markets work, importance of social protection
- Meeting needs of DFID Malawi



# Ethiopia

- Focus on agriculture's role in growth
- Roles of state and market respectively
- Working with DFID Ethiopia to build dialogue with governments, strengthen the role of private sector and civil society in policy discussions, and build consensus among donors



## What did we learn from each other?

- Relevance of key messages in policy paper
- Demand to support and add value to in-country processes
- Need to articulate principles and priorities in non-prescriptive manner
- Critical future facilitative role for RNR & Ag team
- We can make agriculture more visible in CAPs and PRSP-type processes
- Challenge is managing trade-offs and synergies between supporting agricultural growth and without jeopardising immediate needs of poor people



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