### actionaid



## Failing the rural poor

Aid, agriculture and the Millennium Development Goals



### 1. Introduction

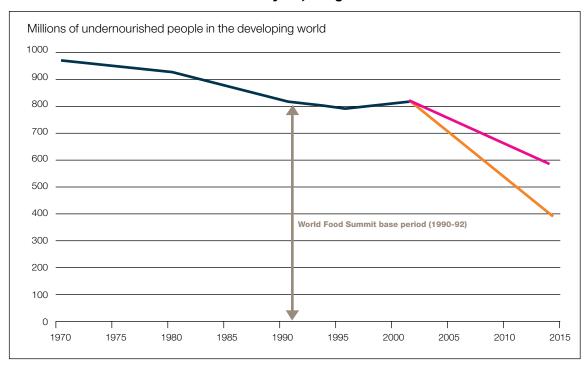
As global leaders gather in New York to review progress towards the Millennium Development Goals (MDGs), the world is in the grip of a food crisis which threatens to derail progress towards all of the goals.

The cost of staple foods has risen by an average of 80% in two years. As a result 100 million more people have joined the ranks of the hungry, and a further 750 million are newly at risk of chronic hunger.¹ ActionAid calculates that as many as 1.7 billion people, or a quarter of the world's population, may now lack basic food security. Since women and girls are overrepresented among poor and excluded people, the food crisis is having a particularly harsh impact on them. According to the FAO, even before the current crisis women made up 60% of the chronically hungry.²

But the current situation is, in fact, a crisis within a crisis. Hunger was already a fact of life for more than 850 million people worldwide before the explosion in the cost of food.

At the World Food Summit in 1996, the global community committed to halve the numbers of hungry people by 2015. The MDGs, agreed in 2000, include a commitment to halve the proportion of hungry people. Although there has been some progress in reducing the proportion of hungry people, both targets were critically off-track even before the food price crisis. Ten years after the World Food Summit the number of hungry people in the world has risen from 800 million to 850 million. In this new context, both targets will almost certainly be missed unless there is a major change from business as usual.

### Since the World Food Summit baseline year, hunger has increased



1 ActionAid, Cereal offenders: how the G8 has contributed to the global food crisis and what they can do to stop it, July 2008.

2 FAO, The state of food insecurity in the world 2006, Rome: 2006.

TrendPath to the Millennium Development Goal targetPath to the World Food Summit target

Source: FAO

### The right to food

Everyone has the right to food. It is the most fundamental and enabling human right of all. Without food we cannot live, function or thrive. Hunger hinders education and development and thwarts productivity. It prevents societies from realising their potential and it is responsible for more deaths globally than AIDS, malaria and TB combined.

Hunger is the violation of the right to food. It is the result of gross inequality:

- in ownership and access to arable land and water resources;
- in access to public goods such as infrastructure – irrigation, roads and energy;
- in access to markets, credit, information, training and extension facilities and services:
- in access to education, health and social protection;
- in access to legal, political and economic decision-making processes, offices and the powerful people who control them.

In all these areas, women and girls are particularly discriminated against and excluded, making them disproportionately represented among hungry people. The historical foundations of hunger are rooted in how societies are structured, and how local elites, allied with former colonial powers and their modern-day equivalents, have shaped rural economies for their own benefit.

This briefing focuses on a sector that is critical in ending hunger – agriculture. In particular, it focuses on the role of aid to agriculture in developing countries. Aid is not the only instrument of inter-government policy that impacts on agriculture and the ability of people to feed themselves adequately – trade and private investment are also of central importance.

This briefing shows the ways that aid has helped to cement the current food crisis.

It also makes a series of recommendations to national governments and donors on how to reshape their support for this critical sector.

### 2. The role of aid in the current crisis

Aid policies have helped cement the foundations of the current crisis in four main ways. First, the amount of aid to agriculture has declined steeply over the past two decades. Second, aid has been used to impose a damaging macroeconomic framework, based on the orthodoxy of free markets. This has diverted aid away from what it should be spent on, in particular making smallholder farming systems resilient, and helping farmers access local markets and productive resources. Third, aid has been badly administered and coordinated, as donors themselves admit. Finally, the policies that have guided aid, predominantly under the rubric of Poverty Reduction Strategy Papers (PRSPs), have failed to target those who need it most.

### Decline in quantity of aid

Since a high point in the late 1980s, aid to agriculture has declined dramatically. Both the total volume of aid for agriculture, and the percentage of the overall aid pot allocated agriculture, have fallen precipitously. As a proportion of all aid, agricultural aid now amounts to just 3.4% compared to 16.8%

in 1980 – a fivefold reduction. This is a trend across all the major OECD donors.3

Spending by national governments has followed a similar trend. In most developing countries, public spending on agriculture is stagnant or declining compared to spending on other sectors. From 1989 to 2004, the share of agriculture in national budgets declined from 7% to 5.3% in sub-Saharan Africa, from 15% to 7.4% in Asia and from 8% to 2.5% in Latin America.4

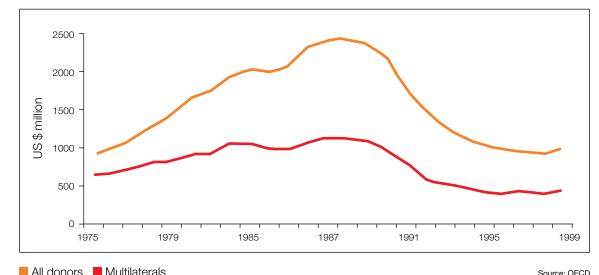
### Aid focused in the wrong areas

Not only has the quantity of aid to agriculture fallen dramatically, it has been spent on the wrong things. It has not prioritised reducing hunger - the 10 countries that account for 69% of the world's hungry receive only 20% of all agricultural aid.5

Over the past 30 years, aid to agriculture has been used to dismantle state involvement in agriculture, including states' ability to regulate markets effectively.

In the 1960s and 1970s, in most developing countries, the state had a primary role in

### Aid to agriculture in sub-Saharan Africa, 1975-1999



- 3 oecd.stat database of the Creditor Reporting System, accessed 16 May 2008, www.oecd.org (NB figures are rounded).
- 4 Fan. S et al. 'How to mobilise public resources to support poverty reduction', 2020 Focus brief on the world's poor and hungry people, IFPRI, Washington DC, 2007.
- 5 FAO, The state of food insecurity in the world 2006 Rome: 2006, Table 1, P.33ff; oecd.stat database of the Creditor Reporting System, accessed 16 May 2008, www.oecd.org (NB figures are rounded)

Source: OECD

Table 1: Ten hungriest countries - by number of hungry people

Countries with largest number of undernourished people	Number of hungry people (2006 figures) (proportion of population)	Agricultural aid in constant 2005 US\$	Agricultural aid per hungry person (2006)	
1. India	212 million (20%)	\$261 million	\$1.23	
2. China	150 million (12%)	\$19 million	\$0.13	
3. Bangladesh	43 million (30%)	\$89 million	\$2.07	
4. Democratic Republic of Congo	37 million (72%)	\$65 million	\$1.76	
5. Pakistan	35 million (23%)	\$67 million	\$1.91	
6. Ethiopia	32 million (46%)	\$94 million	\$2.94	
7. Tanzania	16 million (44%)	\$104 million	\$6.5	
8. Philippines	15 million (19%)	\$9 million	\$0.6	
9. Brazil	14 million (8%)	\$19 million	\$1.36	
10. Vietnam	14 million (17%)	\$79 million	\$5.64	
TOTAL	568 million	\$806 million	\$1.42	

Source: FAO, The state of food insecurity in the world, 2006 Table 1, p.33ff; oecd.stat database of the Creditor Reporting System, accessed 16 May 2008, www.oecd.org. NB: figures are rounded

Table 2: Percentage of total agricultural aid by activity

	1980	1990	2000	2006
Agricultural policy and administration	6.4%	20.7%	46.3%	19.9%
Agricultural development	15.8%	12.3%	12.8%	21.6%
Agricultural land resources	1.3%	2.1%	5.4%	2.5%
Agricultural water resources	29.2%	12.6%	10.6%	19.5%
Agricultural inputs	11.3%	3.3%	3.5%	1.9%
Food crop production	7.4%	6.6%	4.9%	3.3%
Industrial crops/export crops	5.6%	3.8%	0.7%	4.0%
Livestock	3.8%	2.0%	2.9%	4.3%
Agrarian reform	0.0%	7.1%	0.2%	1.3%
Agricultural alternative development	0.0%	0.0%	0.0%	4.5%
Agricultural extension	1.3%	0.8%	1.1%	4.8%
Agricultural education/training	1.8%	1.3%	1.6%	1.4%
Agricultural research	2.9%	4.3%	4.3%	5.5%
Agricultural services	4.4%	16.7%	0.1%	0.5%
Plant and post-harvest protection and pest control	0.1%	0.0%	0.7%	0.3%
Agricultural financial services		5.1%	2.9%	1.8%
Agricultural cooperatives	2.0%%	0.4%	0.5%	0.8%
Livestock/veterinary services	0.5%	0.8%	0.7%	1.8%

Source: oecd.stat database of the Creditor Reporting System, accessed 16 May 2008, www.oecd.org. NB. figures may not add up to 100% due to rounding

agriculture, buying and selling farm produce at fixed market prices; providing training, extension support and subsidised inputs such as fertiliser and credit to farmers; and imposing trade tariffs on agricultural imports. New aid conditionalities required that the state withdraw from these functions and allow agriculture to be driven by market forces.

The largest proportion of agricultural aid in the 1990 and 2000 snapshots was allocated to agricultural policy and administration (see Table 2). Much of this has been used to promote liberalisation under structural adjustment programmes rather than providing direct support to smallholder farmers. The table also shows:

- a halving of the proportion of aid devoted to food crop production, including staples such as maize and rice, mainly produced by women smallholder farmers. Support for this activity has collapsed from US\$564 million in 1980 to just US\$133 million in 2006. This decline is especially serious given structural food deficits in many African countries.
- the collapse of aid for agricultural inputs such as seeds, fertiliser and machinery from 11.3% of all agricultural aid in 1980 to a miniscule 1.9% in 2006. In volume terms, donors provided just US\$66 million for agricultural inputs in 2006, compared to US\$860 million in 1980 – a 13-fold reduction.
- the collapse of support to agricultural financial services, including rural credit for farmers, a vital resource that enables them to borrow small amounts of money to buy inputs or to diversify into other crops, for example. Access to credit is especially important for small-scale women farmers. Donors provided just US\$71 million for this in 2006 compared to US\$466 million in 1980.6 The UN noted in 2005: "Far from improving food

security for the most vulnerable populations,

these programmes [ie liberalisation reforms] have often resulted in a deterioration of food security among the poorest."7 An analysis for DFID notes that most African countries' per capita agricultural GDP fell throughout the reform period in the 1980s and 1990s.8

Policy reforms in agriculture have been particularly detrimental to food security because of the failure to recognise that food systems in rural areas depend on both income earned from selling crops as well as subsistence farming, where food is grown for household consumption. Women are mainly responsible for subsistence crop farming, but this has been viewed as household work, which does not receive investment, rather than an economic activity.

Market-based reforms have focused on export-oriented agriculture to the detriment of food self-sufficiency. The emphasis on cash crops for export rather than for domestic consumption has also meant changes in land use and land ownership patterns, and changes in who controls agricultural markets. Market-based reforms in agriculture were particularly supported by aggressive trade liberalisation, particularly the WTO Agreement on Agriculture. These policies have increased the concentration of agricultural markets in the hands of multinationals, undermined local and national economies, eroded the environment and damaged local food systems. The latest manifestation of this is the EU's Economic Partnership Agreements, which could eliminate what little protection remains for local agriculture and agri-processing sectors.9

Structural adjustment has been accompanied by high levels of support from donors for agribusiness. While most farmers are smallholders, the global food system is controlled by a handful of giant corporations.<sup>10</sup> The top ten seed companies control almost half the US\$21 billion global commercial market, while the ten leading retailers control around a

- 6 All US\$ figures used in preceding paragraph are from oecd.stat database of the Creditor Reporting System, accessed 16 May 2008, www.oecd.org.
- 7 The right to food: Report of the Special Rapporteur on the right to food. Jean Ziegler, UN. Economic and Social Council, 16 March 2006, paragraph 39.
- 8 Akroyd, S. 'Effective policy and public expenditure reform for pro-poor agricultural development', working paper for DFID, June 2004, p3.
- 9 ActionAid, SelFISH Europe: How the Economic Partnership Agreements would further contribute to the decline of fish stocks and exacerbate the food crisis in Senegal, June 2008.
- 10 See ActionAid, Power hungry: six reasons to regulate global food corporations,

quarter of the US\$3.5 trillion world food market. This means smallholders are unable to capture a fair share for high-value agricultural products such as fruits, vegetables and meat.<sup>11</sup>

#### **Poor aid administration**

Aid programmes in agriculture are plagued by poor management and coordination among donors. The few evaluations that have been done on agriculture and rural development aid found that most programmes did not have a positive impact on increasing agricultural productivity, nor in creating long-term sustainability.

The Independent Evaluation Group (IEG) of the World Bank undertook a major review of the Bank's aid to African agriculture from 1991 to 2006. The review stated that "the central finding of the study is that the agriculture sector has been neglected by both governments and the donor community, including the World Bank". But furthermore, the review concluded that Bank projects "have not been able to help countries...develop a long-term strategic approach to address the basic factors that create food insecurity – that is to help countries increase agricultural productivity sufficiently to arrest declining per capita food availability". 13

Whilst the World Bank acknowledges that women farmers in particular face barriers to access to land, agricultural inputs and credit, the independent evaluation concludes that, "in most cases, when a farmer is mentioned in project documents, it is difficult to tell whether a male or female farmer is being discussed".<sup>14</sup>

An evaluation of the European Commission's (EC) aid to rural and agricultural development covering the period 1995-2005 concludes that despite some successes, EC aid is "limited... fragile...or hardly visible" while projects "fail to achieve significant global impact".<sup>15</sup>

The National Audit Office report on DFID agriculture aid concludes that "DFID should have more explicit recognition of the rural

poor in its analysis, planning and monitoring of country assistance."<sup>16</sup> An internal DFID evaluation also concluded that the agency's Country Assistance Plans generally failed to provide a rationale for supporting or not supporting agriculture.

### Weak policy processes

Since the 1990s, donors have required poor countries to develop Poverty Reduction Strategy Papers (PRSPs) as a condition of their support.

Many PRSPs fail to sufficiently prioritise agriculture, in part because agricultural ministries often lack clout in the policy process.

PRSPs are supposed to be democratically owned and be inclusive of poor women and men – and the civil society organisations that represent them – in their formulation. However, as many evaluations show, this has largely remained an unfulfilled aspiration.

Organisations representing women and rural poor people have often found it difficult to influence policy negotiations at country level.<sup>17</sup> This means that perhaps the most important stakeholders have not had their voices heard.

Food security is the first step to poverty eradication. During the time that PRSPs have been implemented, many countries have increasingly faced food shocks and food shortages – prior to the current food price crisis. Changing climate patterns have created further hardships for a weakened agricultural sector. These crises have often made media headlines, but have been treated as isolated cases rather than as a systematic problem.

11 Cohen, M. Coping with crisis, IFPRI, July 2007, p15.

12 World Bank Independent Evaluation Group, World Bank assistance to agriculture in sub-Saharan Africa: an IEG review, World Bank: 2007.

13 ibid, p.xxvi.

14 ibid, p38.

15 ADE, Evaluation of EC cooperation in the field of rural and agricultural development in partner countries, June 2007.

16 National Audit Office, Tackling rural poverty in developing countries: Report by the Comptroller and Auditor General, 14 March 2007, p25.

17 UK Gender and Development Network, Women's rights and gender equality, the new aid environment and civil society organisations, January 2008.

## Agriculture in Malawi: Edna's story

"If we have one meal a day then we count ourselves as lucky. Poverty has come to stay in our homes."

**Edna Metani**, smallholder farmer, Malawi.



"I first started farming when this country was still a British colony and I've seen so many things change over the years. If farming had continued the way it was, then I'd be having a good life now. But over the last ten years things have been spinning out of control."

Edna Metani, 64, has been a smallholder farmer in Malawi since independence. In a country dependent upon agriculture, Edna's experience over the last 50 years has been inextricably bound to the agriculture policies of government and international donors.

After Malawi become independent "things were pretty good," says Edna. "From farming I was able to build a good house. I was able to own nice chairs and a table. I even put glass in the windows and put in some beautiful curtains.

"The government taught us new technologies of farming. The system was so good. We were able to access credit schemes and get fertiliser at a reasonable price. We were able to produce a lot of rice and we were very happy."

The mid-1970s marked a turning point for Malawi, as foreign debts mounted and the country underwent a structural adjustment programme imposed by international donors.

The effects began to bite in the early 1990s and Edna felt "government support disappeared, just like that." Credit schemes suddenly ended, while fertiliser and seeds leapt in price.

Edna went from producing over 30 bags to just three – not nearly enough for her family. "Buying the fertiliser we needed was simply impossible. If we had one meal a day, then we counted ourselves as lucky."

Government and donor policy towards agriculture over the last 25 years has taken its toll as Edna continues the day-to-day struggle to support her two daughters and their four children. "Look at me – I'm an old lady. I'm wasting away with age. Every time I get a scratch in the fields it takes a long time to heal. Life is very difficult. Poverty has come to stay in our homes."

But since the Malawi government introduced targeted subsidies for the poorest farmers in 2005, things have started to look brighter. Although Edna can only afford to buy one of the two bags of fertiliser allocated to her, her maize yield has increased from 3 to 10 bags – just enough to feed her family. "I am dying. I don't mind for me," says Edna. "But there is hope with the direction we're going in."

# 3. Recommendations for governments

So far this briefing has catalogued the multiple failings of aid to agriculture. But this aid does not exist in a vacuum – it is shaped by agricultural and other policies adopted by governments north and south. In the south, agricultural policy, like all policy, should not be formulated by donors, but by developing country governments, in close consultation with their citizens. Moreover, since agriculture is a huge sector, with massive variations from one context to the next, it cannot be developed through a rigid set of one-size-fits-all policy prescriptions.

However, it is possible to identify some key elements of sustainable and equitable agriculture, which should form the basis for agricultural policy. This section identifies those key elements, giving examples of ActionAid's work and of where countries have successfully tackled the specific problems they face. These examples show that donors can and should do much more to support southern countries to adopt effective policies for their own situation, not force poor countries down policy routes that, even according to their own assessments, have failed.

19 High-level taskforce on the food crisis, 'Comprehensive Framework for Action', July 2008, p9.

Against Women (articles 14g/h)

and the Convention on the Rights of the Child (article 24c).

18 See the Universal Declaration of Human Rights

(1948); the International

Covenant on Economic, Social and Cultural Rights;

the Convention on the Elimination of Discrimination

20 Hazell, P et al. 'The Future of Small Farms for Poverty Reduction and Growth', IFPRI 2020 discussion paper no.42, May 2007, p1.

21 See for example: High-level taskforce on the food crisis, 'Comprehensive Framework for Action', July 2008, p17; DFID, 'Agriculture and poverty reduction: unlocking the potential', 2003.

22 FAO Focus: Women and Food Security, www.fao.org/FOCUS/E/ Women/Sustin-e.htm.

23 DFID, Land: better access and secure rights for poor people, 2007, p9.

24 DFID, Growth and poverty reduction: the role of agriculture, 2005, p10.

## 1. Base national food security strategies and policy on the right to food

Agricultural policy should have the right to food, as enshrined in numerous international human rights treaties, as its foundation. In order to fulfil the right to food, poor countries should be enabled to achieve food security, which means focusing on food crop production, rather than exclusively on export agriculture.

### 2. Focus on smallholders and subsistence farmers

The biggest shift in policy must be to reprioritise smallholder agriculture. Three quarters of poor people in developing countries live in rural areas and most of them reside on small farms (less than two hectares).<sup>19</sup> These small farmers include half the world's undernourished people, three quarters of Africa's malnourished children and the majority of people living in absolute poverty.<sup>20</sup>

It is widely recognised that smallholder farmers are central to the solution for the food crisis and the long-term problems of poverty and hunger, but to date this has not been reflected in donor and government policy.<sup>21</sup>

Providing a platform for smallholders to increase their productivity and output will necessarily entail tackling the huge inequalities in land ownership and distribution that exist in most countries. Land reform, particularly to benefit women, is a vital component of agricultural policy.

## 3. Recognise and address gender inequality and the role of women in food production

Up to 80% of smallholder farmers are women. It is estimated that women produce up to four fifths of all food in developing countries and it is usually their responsibility to ensure adequate food for their families.<sup>22</sup> Women's labour is either unpaid or poorly paid.

Despite their pivotal role in food production, women often have little control over the resources needed to conduct these tasks. For example, in Kenya, women provide 70% of agricultural labour, but only 1% own the land they farm.<sup>23</sup> Not only is this highly inequitable, it also means that women are less able to access credit for essential inputs such as seeds and fertilisers, which reduces agricultural productivity.

Research shows that agricultural production in Burkina Faso could be increased by up to 20% if there were a more gender-equal, intrahousehold allocation of agricultural inputs.<sup>24</sup>

### **Burkina Faso**

In Bam province, on Burkina Faso's central plateau, millet and sorghum yields rose 50% between 1988 and 2000. Local people reported much-improved household food security and a reduction in poverty levels.

Several interlinked factors explain these gains. Soil and water conservation, tree planting and manure use were important and the role of indigenous social networks has been key. These enabled land borrowing and labour exchange. Women's networks also enabled seeds and livestock to be exchanged, and ploughs, carts, draught animals and cash to be lent between communities. Local institutions responsible for collective natural resource management, wells, cereal banks and schools have been established.<sup>25</sup>

### 4. Support appropriate technology and infrastructure

Priorities include irrigation systems and water management, the development of rural roads and improving storage facilities. The idea of a second 'green revolution' based on genetically modified crops, promoted by agribusiness as a quick-fix solution to hunger, must be rejected.

### 5. Facilitate investment in research

Investment in agricultural research is critical. Yet the entire group of 50 least developed countries (LDCs) received only US\$22 million worth of aid funding for agricultural research in 2003-05.<sup>26</sup> Agricultural research and dissemination is needed for agro-ecology approaches as is research into neglected grains, such as sorghum and millet. This research must address the specific challenges that farmers face in adapting to climate change.

Existing alliances between the research community in developing countries and

smallholder and women's organisations must be strengthened so that the experiences, insights, analyses and voices of the primary stakeholders become the basis of recommendations on how to achieve food security and the right to food for everyone.

## 6. Enable the development of sustainable agriculture at local and regional levels

Soil fertility strategies and agro-ecology practices offer real potential to increase agricultural productivity, while safeguarding the environment (see page 11).

#### Malawi

The government of Malawi has recently succeeded in transforming a chronic food crisis into an agricultural surplus through a fertiliser subsidy programme.

The government under Bingu wa Murtharika introduced the Malawi Growth and Development Strategy, with "agriculture and food security with subsidies for fertiliser and other farm inputs especially designed for the poorest people in rural areas" as its first priority.<sup>27</sup>

In 2005, after another dry spell, harvests collapsed and the country experienced its worst-ever food shortage. Food aid was delivered, but insufficient fertiliser and seeds to help with the next growing season. The government acted against donor advice and spent US\$60 million to provide a farm subsidy programme designed to make inputs more affordable to smallholders.

As a result of the subsidy and with favourable rains, maize harvests reached 2.6 million metric tonnes, more than the annual national requirement of 2.1 million metric tones, thus averting famine (see Edna's story).<sup>28</sup>

25 Wiggins, S. 'Effective Aid for Agriculture in Sub-Saharan Africa', unpublished paper commissioned by ActionAid, August 2008, p13.

26 Curtis, M. 'The crisis in agricultural aid: how aid has contributed to hunger', unpublished paper commissioned by ActionAid, May 2008, p18.

27 Murtharika, B. Speech to Global Leaders Forum, September 2007.

28 Chinsinga, B. 'Reclaiming policy space: lessons from Malawi's fertiliser subsidy programme', paper presented at the workshop of the Future Agricultures Consortium, Brighton UK: 2007.

"Thousands of families have been able to achieve food security."

Planting cashew nuts, Paraiba, Brazil.

PHOTO: SOPHIE EVANS/NB PICTURES/ ACTIONAID



### Agro-ecology projects in Brazil

In Brazil, ActionAid and partner organisations have helped smallholder farmers adopt an 'agro-ecology' approach to farming. By working with local farmers in Paraiba, the poorest region of Brazil, to select and store the best local crop varieties, yields increased by 50%.

Agro-ecology builds upon traditional knowledge, with new scientific insights. Irrigation, natural fertilisers and seed banks, rather than expensive inputs or technology, are promoted. Unlike many traditional donor programmes, the approach isn't applied through technological recipes, but constantly adapts, learning from shared experiences and

recognising that conditions vary from farm to farm. A 'farmer to farmer' learning process lies at its heart, ensuring benefits for whole communities.

In the semi-arid Paraiba region, the approach is paying dividends. Thousands of families have been able to achieve food security, while farmer to farmer training guaranteed access to drinkable water for 20,000 people. Eight community seed banks have been created, preserving native varieties and ensuring the possibility of future planting if harvests are lost, while a new market selling agro-ecological produce is being used by 250 families.

"Membership of the network is over 11,000 and its influence has moved beyond agriculture"

Women harvesting rice in Bumbwisudi, Tanzania.

PHOTO: ACTIONAID



### Bagamoyo Women's Network, Tanzania

Achieving food security through strengthening the capacity of civil society is key to ActionAid Tanzania's approach.

Eighty percent of poor people in Tanzania live in rural areas. Agriculture accounts for nearly half the country's GDP and is the largest employer. Women are responsible for family food crop production, but government assistance for agriculture is focused on male-headed households and cash crop production. The government credit scheme for agriculture often excludes smallholder farmers, predominantly women, who are unable to meet the strict conditions required.

To address these challenges, ActionAid Tanzania supported the establishment of the Bagamoyo Women's Development Network. The Network identified the provision of female extension workers as a key issue, so ActionAid worked closely with them and local government to recruit 10 women extension officers to train women farmers in horticulture and rice cultivation.

In addition, ActionAid facilitated meetings between the network and Bagamoyo district council. Through these meetings, the network discovered that the council's Women's Development Fund was not reaching women in the village.

In response, the council agreed to channel this money through the network to fund women's agriculture projects, income generating activities and to develop a credit facility for women in the area. Membership of the network is now over 11,000, and its influence has moved beyond agriculture. It is now campaigning to improve school enrolment and conditions for female pupils.

While state subsidies, such as those in Malawi, have been crucial in averting the immediate crisis, enabling farmers to produce organic fertilisers is a more sustainable long-term solution to this problem (see Edna's story, page 8).

### 7. Strengthen smallholder farmers' organisations

The development of producer organisations and farmers' cooperatives destroyed by liberalisation should be promoted. These organisations help to manage common resources, facilitate farmer to farmer learning and can enable poor rural people to have a voice in policy making processes. <sup>29</sup> This is achieved through their participation, along with other stakeholders, in national food security councils. Particular attention must be paid to ensuring women are represented in these organisations and networks (see Bagamoyo Women's Network, p12).

### 8. Support social protection measures

Short-term social protection measures, including emergency food aid, must be provided immediately to prevent deaths from starvation. In the longer term, in accordance with FAO voluntary guidelines on the right to food, are needed. These might include social protection programmes might include free school meals, cash transfers, public works employment schemes, unemployment benefits and pensions. Free school meals, are fundamental in most developing countries. These measures should be developed by governments in consultation with civil society. The Zero Hunger Programme in Brazil is a good example of how social protection can help to achieve food security.

### **Zero Hunger**

In 2003 the Brazilian government launched 'Fome Zero' (Zero Hunger) – an ambitious attempt to eradicate hunger and exclusion. Based on realising the right to food, the programme followed a multi-sector approach, addressing both the immediate needs of hungry people and the structural causes that keep them trapped in poverty.

To implement the programmes, the federal government not only engaged state and municipal governments, but also NGOs, trade unions, companies and local communities themselves. Over 11 million of the poorest people benefited from direct cash transfers, as part of the Bolsa Familia Program, while a focus on reducing hunger has been applied to agriculture, education and health policies.

# 4. Recommendations for donors

At the UN High Level Meeting on the MDGs in September 2008, governments will decide on how to catalyse action from all countries to achieve the MDG goals.

If the goals of reducing the number and proportion of hungry people are to be met, particularly in the context of the current crisis, business as usual on the part of donors and governments is out of the question. These recommendations outline how aid can stop being part of the problem and become part of the solution to hunger.

### 1 Make the right to food the foundation of support to agricultural policy

Aid to agriculture has been used to achieve different objectives, including changing the shape and direction of developing country agriculture to fit global markets and liberalisation doctrines. Instead, aid to agriculture needs to be based firmly in supporting poor people and southern governments to achieve the right to food for those who are hungry, and to attain long-term food security for poor households. The FAO voluntary guidelines can be used to guide both governments and donors.

In the short term, social protection and food aid is needed. But achieving longer term food security requires more than this. Donors must radically increase their accountability and transparency. They must work with civil society stakeholders, researchers, international and national Non-governmental organisations, women's organisations and peasant and urban poor associations. This will help ensure that the experience of those whose right to food is violated informs all analysis, reviews and decisions relating to agricultural aid policy.

### 2 Support better politics and processes

Donors need to support and respect a countryled, evidence-based, multi-stakeholder approach to policy and practice in agriculture, as a basis for the development of new strategies in achieving the right to food.

The voices of smallholder and women farmers must be strengthened in policy review and decision-making fora. Not only must they be at the policy table, their organisations should be supported to conduct their own evidence-gathering, and to present their evidence and analyses to decision makers.

### 3 Stop pushing harmful agricultural policies

Aid has been used to support flawed agricultural policies, which have caused enormous damage to poor countries, shifting many from self-sufficiency in food to being reliant on food imports. As the current food crisis shows, this has left many countries in a very vulnerable position.

Donors need to learn from the mounting evidence of the havoc wreaked by the liberalisation and privatisation agenda in agriculture.

Development of agricultural policy must be driven by developing country governments and citizens and not by donors. Many of the problems that have beset agriculture over the past three decades are due to misguided donor interference. This means:

- donors must call a halt to economic policy conditionalities and harmful trade agreements. In the absence of political will to do so, civil society organisations in rich and poor countries should work together, with their parliaments, to hold rich countries accountable for this disastrous liberalisation agenda.
- donors must stop using other forms of aid to maintain their control over technical

knowledge. As ActionAid has argued in our *Real Aid* reports, technical assistance, which has been shown to be ineffective, over-priced and donor-driven, but constitutes between a quarter and half of all aid, must be reformed.<sup>30</sup>

### 4 Better aid to agriculture

As well as increasing the quantity of aid, donors must improve the quality of it. The evidence from donors' own evaluations is that their aid to agriculture is too often fragmented and poorly targeted. In addition, the fact that the distribution of aid to agriculture does not reflect where hungry people are shows that tackling hunger and achieving food security has not been a primary aim of donors' support to date. There are three areas in which donors can improve their aid.

### Allocate aid on the basis of need

Aid should be focussed on those countries and people most in need. Donors should avoid creating aid 'orphans' and 'darlings' and move to predictable allocation criteria so countries can know how much they are going to receive. The amount of hunger in a country would be a key indicator of need.

### Make aid predictable

This is particularly important in a sector like agriculture where long-term investment is required.

#### Untile aid

Aid must be untied and all emergency food aid should be provided in cash, not in kind, so that supplies can be procured locally or regionally.

#### 5 More aid

At the most basic level, donors are duty bound to increase levels of aid overall. This would increase the total resources available to all key areas of expenditure, including agriculture. Donors should set out timetables for meeting their long-standing pledge to devote 0.7% of gross national income to aid.

ActionAid International is an international anti-poverty agency working in over 40 countries, taking sides with poor people to end poverty and injustice together.

HungerFREE is ActionAid's global campaign that will force governments to deliver on their commitment to halve world hunger by 2015.

ActionAid International Postnet Suite 248 Private bag X31 Saxonwold 2132 Johannesburg South Africa

#### **Telephone**

+27 11 713 4500

### Facsimile

+27 11 880 8082

#### Email

mail.jhb@actionaid.org

#### Website

www.actionaid.org

#### **International Secretariat**

Johannesburg

#### **Asia Region Office**

Bangkok

### **Africa Region Office**

Nairobi

### **Americas Region Office**

Rio De Janeiro

#### **Europe Office**

Brussels

If you require this publication in a large print format please contact us on +44 (0)1460 23 8000. All publications are available to download from our website: actionaid.org.uk

ActionAid International is incorporated in South Africa under section 21A of the Companies Act 1973, registration number 2004/007117/10. ActionAid UK is a registered charity no. 274467.

#### **Contributors**

Belinda Calaguas
Jesse Griffiths
Anne Jellema
Chris Jordan
Nancy Kachingwe
Sarah Palmer
Francisco Sarmento
Tom Sharman
Laura Turquet
Alex Wijeratna

September 2008