

# CANADIAN INTERNATIONAL AID FOR AGRICULTURE

*A brief to Members of Parliament*  
*Rev February 2008*



## Canadian agricultural and rural development assistance

### Overview

The Canadian International Development Agency (CIDA) is responsible for most of Canada's current development assistance program. Along with focussing on certain countries of concentration, the Agency has sectoral priorities for health, education, private sector development and good governance. Agriculture, briefly a CIDA sectoral priority in 2003, is vital as the economic engine driving many least developed country economies and should be restored as a sectoral priority. The rapid food price increases and price spikes underline the urgency of helping the poor in developing countries feed themselves. We urge the government to take this important step in ensuring the effectiveness of Canadian aid.

With 60-80% of the livelihoods in developing countries dependent on farming (compared to less than 4% in Canada), assistance directed to increasing agriculture-related incomes has always been an essential step in reducing hunger and poverty. The UN Millennium Development Goals (MDG), whose first goal is to halve hunger and poverty by 2015, have added urgency to this task.

The current CIDA sectoral priorities - education, health, private sector development and good governance, are key elements to long term sustainable development. But agriculture remains the most important engine of the economy in many developing countries. CIDA's private sector development focus may assist those farmers who produce mainly for the market. However, for the many farmers in remote areas, subsistence agriculture is vital and is unlikely currently to receive Canadian assistance.

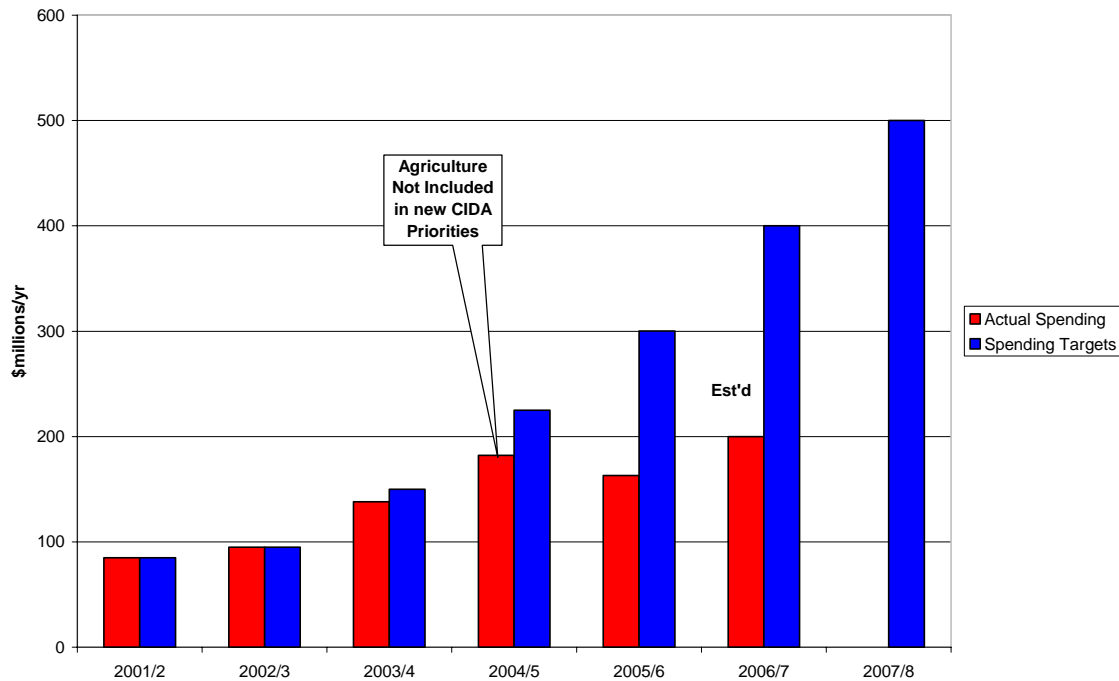
The need for this assistance has never been clearer. Global food production has failed to keep up<sup>1</sup>, falling behind consumption in seven of the last eight years. Recent sharp increases in global food prices, the absence of any significant food stocks to buffer prices spikes and the challenges to agriculture everywhere as a result of climate change underscore the need for increased agricultural development assistance with a strong focus on strengthening the livelihoods of the small farm sector.

After a decade long steep decline in aid for agriculture and rural development, CIDA's 2003 policy, "*Promoting Sustainable Rural Development through Agriculture*" expressed a commitment to reverse this trend and increase aid for agriculture from only \$85 million/yr to \$500 million/yr by 2008. The initial progress was encouraging with a near doubling in the first two years but this progress flagged and reversed itself. When CIDA identified its sectoral priorities in 2005 as part of the Canada's International Policy Statement, agriculture was no longer included. We are concerned that this has already resulted in declining interest at CIDA in supporting agricultural development and progress on meeting the CIDA targets on agricultural development spending has ground to a halt.

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<sup>1</sup> World Agricultural Supply and Demand Estimates Reports, US Dept of Agriculture

CIDA Agriculture Spending Progress



Source: CIDA

## Getting Back on Track - Recommitting to CIDA's Agricultural Strategy

In February 2007, the Standing Committee for Foreign Affairs and International Development unanimously resolved that:

*"The Committee recommend to the Government that the Canadian International Development Agency (CIDA) establish agriculture as a priority sector using the strategies and policies developed in the CIDA policy document entitled "Promoting Sustainable Rural Development" focusing on sustainability and the reduction of poverty and hunger."*

Both to respect Canadian public support for addressing hunger and poverty and Canada's commitment to the Millennium Development Goals, Canada should:

1. **Identify agriculture as one of CIDA's key sectoral priorities.**
2. **Ensure that new agriculture and rural development related expenditures are targeted to reducing hunger and poverty in line with the first UN Millennium Development Goal.**

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February 2008

For further information

Stuart Clark, Senior Policy Advisor  
 Canadian Foodgrains Bank  
 (204) 944.1993s\_clark@foodgrainsbank.ca