



Ending hunger, supporting farmers, building resilience:

The case for the Global Agriculture and Food Security Program

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Acknowledgements

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The U.S. must support an effective and innovative program for international food security, agriculture development and climate change adaptation in the **Global Agriculture and Food Security Program (GAFSP)**. Although relatively small, the GAFSP offers a flexible and proven way to support farmers to reduce hunger and poverty, and prepare for climate change in a way that aligns with country priorities and producers' organizations.

Background

GAFSP was established in April 2010 in response to the global food price crises of 2007-08 which led to increased hunger and food riots around the world. With leadership from the US, GAFSP was set up to fill the gap in investments for small-scale food producers in developing countries to improve food security and reduce poverty in the world's poorest countries. Since its launch, GAFSP has channelled US\$1.7 billion in public and private sector investments to fight hunger, malnutrition, and poverty in more than 45 low-income countries.

In 2020, GAFSP launched its [replenishment](#) period to raise US\$1.5 billion over five years (2020-25). This financing will allow GAFSP to issue predictable calls for proposals each year and support farmers globally to meet the new challenges of COVID-19, climate change, and growing hunger. Thus far the Program has raised more than US\$300 million, however several key donors failed to participate for various reasons, including the USA, the UK, the Netherlands, South Korea, and Canada, each of whom previously supported GAFSP.

As one of the only multilateral funds that provides grant funding directly to farmers' organizations and small-scale producers, GAFSP plays a unique and important role in the international agriculture architecture. GAFSP provides flexible, country-oriented funding, and puts farmers in decision-making roles, supporting them to design projects as well as participate in and benefit from them.

Therefore, we are calling for a new commitment from the United States to the GAFSP as part of a renewed commitment to ending hunger: \$125 million per year over the next four years.

Fighting hunger

After decades of decline, chronic hunger is on the rise globally. Progress toward the historic global goal to end hunger (SDG2) is now moving backward. Investing in agriculture development is a critical tool to end hunger; it has a double benefit of directly addressing hunger and malnutrition through production of more nutritious food, but also through reducing poverty by improving agricultural livelihoods. Agriculture growth reduces poverty 2 to 4 times more effectively than economic growth in other sectors.¹ Evaluations of GAFSP projects show income gains ranging from 18 to 44 percent in countries such as Haiti, Liberia, Nepal, and Rwanda.

With hunger looming as a threat during the COVID-19 crisis, GAFSP moved quickly to allocate nearly US\$60 million in additional funding in September 2020 to 16 ongoing public sector and producer organization-led projects. Activities have focused on preventing farmers' businesses from collapsing, implementing cash-for-work opportunities, and securing safety nets in order to tackle disrupted livelihoods.² In 2021, GAFSP launched a new Call for Proposals to strengthen the resilience and sustainability of the agriculture sector and food systems in the face of the pandemic and a changing climate, with an expected allocation of approximately US\$150 million to support this call.

1. <https://www.worldbank.org/en/topic/agriculture/overview#1>

2. [GAFSP Annual Report, 2020](#)

Climate resilience

Most of the world's 570 million small farmers depend on the weather for their livelihood and food, with very limited access to irrigation or technology. Agriculture is both a major contributor to greenhouse gas emissions (up to 25 percent) and highly susceptible to its effects: floods and heatwaves, and slow-moving events, such as soil erosion, rising temperatures, and changes in water supply. Small farmers are being hit first and hardest as extreme weather events increase.

Climate-resilient agriculture is a priority for 95% of countries that are eligible for GAFSP projects, according to their national climate change plans (Nationally Determined Contributions or NDPs).³ In fact, all public sector projects in GAFSP's most recent Call for Proposals in 2019 included climate adaptation and/or mitigation activities. GAFSP-supported projects can help prepare farmers to adapt to and mitigate climate impacts through strategies like resilient seed varieties, efficient irrigation, drought resistant mulching, increased intercropping, and climate resilient and agro-ecological techniques.⁴ Building resilience is a key goal for GAFSP projects, but they also help prevent future climate change. A 2021 analysis of the climate mitigation impact of GAFSP projects found an overall reduction in greenhouse gas emissions, removing a net 7.58 million metric tonnes of CO₂—even though carbon removal was not a primary purpose of the projects.⁵

Women's empowerment

Many GAFSP projects have a high proportion of female beneficiaries—as high as 70 percent in Nepal and above 50 percent in several other countries. In fact, almost 40 percent of all farmer partners are women. In addition, 90 percent of GAFSP public-finance projects practice good gender mainstreaming, including gender analysis and related consultation during preparation, inclusion of gender-informed actions in project design, and gender-disaggregated monitoring and evaluation.⁶

Putting food producers first

Since 2010, more than 16 million small scale food producers and their families have benefitted from GAFSP public sector projects in 47 countries. In addition, more than 6.3 million women farmers were provided support.⁷ Importantly, GAFSP has ensured that producers are part of its governance and decision-making structures and has worked to ensure robust engagement and consultation at the country- and project level as well. More than any other major fund, GAFSP provides support directly to small-scale farmers and

3. [Green House Gas Accounting Analysis of GAFSP Public Sector Window](#), GAFSP, March 2021

4. [GAFSP Investment Case 2019](#)

5. [Green House Gas Accounting Analysis of GAFSP Public Sector Window](#), GAFSP, March 2021

6. [Paper on the Proposed Restructuring of the Global Agriculture and Food Security Program Financial Intermediary Fund.](#)

7. [GAFSP Annual Report](#), 2020

prioritizes the inclusion of civil society voices, particularly those from grassroots producers' organizations.⁸ Independent GAFSP program evaluations confirm that "projects were indeed reaching smallholders and poor, food insecure communities."⁹

Aid effectiveness & innovation

GAFSP follows good practice principles to ensure "country-ownership" of funded projects - alignment with national plans, active stakeholder involvement, and cross-sectoral engagement. GAFSP uses an open, competitive process to provide funding to country-led projects, business-led projects, and producers' organization projects. The grant recipients select which international institutions to work with, which fosters a healthy competition among the multilateral agencies.

GAFSP has a unique and inclusive governance model which includes donors, recipients, multilateral agencies, civil society, and farmers organizations in decision-making. They help to "ground-truth" the projects and make sure they are high quality, inclusive, and benefit small producers. Projects are aligned with national strategies and private sector opportunities, with extensive consultations with domestic stakeholders. Funding can be provided to both public and private actors in food value chains. Every \$1 from GAFSP has helped leverage \$2.1 from other public sources and \$5.5 for every \$1 invested in private sector. An independent evaluation in 2018 found GAFSP represents good practice of inclusive, multi-stakeholder governance with an effective balance between stakeholder inclusion and decision-making efficiency.

During the COVID-19 pandemic, GAFSP swiftly adapted, allocating nearly US\$60 million to keeping farmers' businesses intact in the face of logistical challenges, securing safety nets and farmers' livelihoods and proactively addressing emerging risks to protect future harvests.

GAFSP targets funding to countries with higher needs and the ability to put funding to use quickly. GAFSP's portfolio is allocated to developing countries with higher than average rates of poverty (40%, compared with 22% for all developing countries) and hunger (27%).

Engaging the private sector

GAFSP uses several tools to engage and support the private sector to develop food and agriculture projects. This includes blended concessional finance and advisory services to support investments to improve livelihoods that have a high potential for impact, but typically do not attract commercial funders due to perceived high risks associated with agricultural activities. GAFSP has embraced a small grants modality to empower small farmers by strengthening their own autonomous farmers' and producers' organizations for improved access to inputs, markets, finance, technology, and information. The initiative recognizes the innovation and ideas of farmers themselves. GAFSP expects to work more and more to support local development by enhancing small and medium enterprises, farmers' led cooperatives, and the local private sector.

8. ActionAid, et al: [With Everyone at the Table: The Global Agriculture and Food Security Program: A Recipe for Achieving Zero Hunger](#)

9. [GAFSP program evaluation final report](#), 2018.

GAFSP 2.0

The GAFSP Steering Committee has undertaken an intensive effort to ensure that the Program is fit for purpose to deliver on the SDGs through 2030. In April 2019, after an extensive working group process that included all GAFSP stakeholders—donors, recipient representatives, civil society, and supervising agencies—the Steering Committee approved a revised operational model to better link public and private sector activities. The new operational model offers additional, flexible tools to achieve the SDGs and to empower smallholder farmers in low-income countries.

The Program’s values, aspirations, and goals remain unchanged. GAFSP will continue to support investment plans where needs are greatest and where additional funds can make the largest, sustainable impact. GAFSP will continue to work to empower producers’ organizations, support recipient-led projects, and invest along the entire value chain. Lessons learned from GAFSP’s small grants modality to producers’ organizations help bridge the gap between public and private sector investments and development, catalyzing additional investment from other sources

Why GAFSP?

GAFSP does not implement projects but rather relies on the multilateral agriculture institutions to deliver and implement. As such, GAFSP partners on the ground are multilateral and regional development banks and the institutions working in the area of food security, agriculture development, and climate change resilience, like the UN Food and Agriculture Organization, the International Fund for Agricultural Development, the African Development Bank and others. GAFSP does not compete with these multilateral agencies – rather, it provides an additional and complementary source of funding. GAFSP’s innovation is putting recipient countries, farmers’ organizations, and businesses “in the driver’s seat” by allowing them to design and lead projects, working with the institution they prefer. Recipients can select among 7 international organizations as a “supervising entity” to serve as an implementation and financial partner. This helps foster friendly and creative competition among the institutions.

Higher ambition

With new funding commitments of \$1.5 billion, GAFSP will be able to support 30 countries to build sustainable food systems, deliver a 20% increase in income for an additional 10 million farmers and improve the food security status of their households, create 1.1 million farm jobs, and support climate change adaptation and mitigation as part of the funded projects. Additionally, GAFSP will support ongoing COVID-19 response and recovery, strengthen women and girls’ empowerment, and ensure improved nutrition outcomes.

In May 2021, GAFSP has launched a new Call for Proposals to support medium- to long-term COVID-19 response efforts for a more sustainable, inclusive, and resilient recovery of agriculture and food systems in a changing climate. This includes country-led projects as well as producer organization-led projects.

Table 3. Global Agriculture and Food Security Program (GAFSP) Budget Requests and Appropriations, FY2010-FY2016

(\$ Millions)

Fiscal Year	Requested	Enacted
FY2010	67	67 ^a
FY2011	408	100
FY2012	308	135
FY2013	134	128 ^b
FY2014	135	133
FY2015	—	— ^c
FY2016	43	43

Source: Various annual President’s Budget Requests (Requested) and congressional appropriations (Enacted) made under annual State, Foreign Operations (SFOPS) appropriations acts.

Notes: na = not available. Appropriations are made to the U.S. Treasury for distribution to the World Bank’s Global Agriculture and Food Security Program (GAFSP). The data in this table are not adjusted for inflation. Data in this table do not match data for corresponding years in **Table I** because they reflect Administration requests and enacted appropriations rather than international commitments and funds disbursed.

- USAID transferred the \$66.6 million in FY2010 from the Development Assistance account to the U.S. Treasury. Additional transfers were made in FY2011 of \$25 million, and in FY2012 of \$14.2 million.
- FY2013 appropriations occurred under a continuing resolution. The enacted numbers shown in this table are pre-sequestration estimates based on the previous year’s (FY2012’s) funding level.
- A precise GAFSP funding level was not identified; instead funds appropriated under title III—Food Security and Agricultural Development fund component—of the FY2015 Appropriations Act may be used for GAFSP, but not to exceed 33% of the total amount.

Source: CRS: <https://fas.org/sgp/crs/row/R44216.pdf> see also: <https://fas.org/sgp/crs/misc/RS20792.pdf>

U.S. contributions for GAFSP

Since GAFSP’s launch, the U.S. has been the largest single donor to the fund, providing close to \$100 million annually from 2010 to 2016. However, under the Trump Administration, no support was provided to GAFSP. **We therefore urge a U.S. contribution of \$125 million, with additional funding to follow in the next four years.**

For any further clarification, please contact Alberta Guerra, Senior Policy Advisor at ActionAid USA alberta.guerra@actionaid.org and visit the GAFSP website <https://www.gafspfund.org/>