

Title: Global Agriculture and Food Security Program (GAFSP)

Background

Poverty is still predominantly a rural phenomenon. More than three quarters of those living in extreme poverty are in rural areas, and nearly two thirds of those earn a living from agriculture. Multiple barriers are preventing the agriculture sector and the livelihoods on which it is based from transforming. These barriers are exacerbated by climate change. Increases in extreme weather events are predicted to reduce global harvests by 7% by 2050 – and possibly by as much as 20% by 2030 in some areas. Without concerted action to support agriculture to adapt to these changes, livelihoods are threatened, as are goals to improve food and nutrition security.

The Global Agriculture and Food Security Program's (GAFSP) overarching goal is to increase the incomes, and food and nutrition security of those in low-income countries through productivity improvements in agriculture, building their resilience and helping them adapt to climate change. The programme provides competitive grant financing to support governments to implement their food and nutrition security priorities; and concessional finance blended with commercial finance to stimulate private investment into agriculture. Gender, nutrition, climate change and targeted support to fragile and conflict affected states are four core cross-cutting issues across the programme.

Theme

Agriculture growth will play an important role in the economic development of many developing countries and help take millions of people out of poverty. In delivering this, both public and private sector agriculture programmes and initiatives face a range of risks that need to be managed. These include pests and diseases, volatile exchange rates and pricing, and weather related risks. Climate change is already impacting agriculture related livelihoods and the sector's growth potential via more extreme weather events. These risks need to be identified and appropriate actions and mitigation measures taken. GAFSP is supporting public and private sector organisations do this. This will help farmers and agribusiness adapt to current and future climate risks.

Local Context

GAFSP is a multi-donor, multi-stakeholder trust fund providing support to World Bank IDA-only countries. It has two funding windows – a public sector window, accessible to governments and a private sector window providing concessional finance to the private sector; 41 countries are currently in receipt of GAFSP funds.

What is being done

We are providing up to £136 million to GAFSP, a \$1.2 billion trust fund.

GAFSP:

- is financed by the Gates Foundation and the governments of Australia, Canada, the

Netherlands, Japan, Korea, Ireland, Germany, Spain, the United States, and the United Kingdom.

- providing over 40% of its portfolio directly towards promoting climate change co-benefits. For example, in Bangladesh, 100% of GAFSP funding will have climate co-benefits by increasing climate resilience in crops, fisheries, and livestock production through the introduction of new technologies, agronomic practices, and farm investments.
- private sector funding is committed to investing in projects that address the effects of climate change. For example, GAFSP recently provided a \$12.5 million subordinated loan alongside the IFC to help the Kenya Tea Development Agency (KTDA) provide renewable energy to its 350,000 smallholder farmers. The new hydropower plants will provide cheaper and more reliable energy, essential for high quality tea. .

Expected Results

During the first six years of operation, 5.1 million people have been supported via GAFSP public sector funds (33 percent women); 1,138km of all- weather roads have been constructed or rehabilitated; new or rehabilitated irrigation and drainage systems have been built over 200,000 hectares;; almost 30,000 rural households have been supported through cash transfer programmes; and 40 percent of funding has been spent on climate smart agriculture practices and technologies. These results are expected to ramp up (e.g. to 20 million beneficiaries) as existing projects continue to have an impact and deliver benefits.

While climate change is already one of four cross-cutting areas in GAFSP, financing from the UK's International Climate Fund (ICF) has helped embed climate change throughout the programme. DFID has supported the International Finance Corporation (IFC) embed climate change more systematically during its programme selection and appraisal. This has led to stronger reporting on climate so that we can track progress and monitor the impact of climate smart agriculture more rigorously. This support has meant the risks from climate change are more appropriately addressed in both the public and private sector funded projects.

Links to Further Info

- [GAFSP website](#)