As part of the OECD horizontal project on food prices (managed by TAD and DCD), we are proposing to hold an event (date to be decided, possibly December) on how donors are responding to the food prices situation. This Room Document sets out a very preliminary secretariat draft, for information and feedback, both on the content as well as concerning possible lead speakers and resource persons who would help animate the discussions.

POVNET members are also invited to circulate this draft more widely in their agencies for comments and suggestions. Please provide feedback to Peter Bieler [peter.bieler@oecd.org] by 31 October.

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DRAFT ANNOTATED AGENDA

December 2008

OECD Conference Centre, Room, Paris
POLICY DIALOGUE EVENT
DONOR RESPONSES TO HIGH FOOD PRICES

High food prices risk up to 100 million people falling back into poverty, equivalent to a seven year setback in progress towards meeting MDG1. To make matters worse, the policy responses of developing and developed countries are hampered by new global stresses related to financial crises, high fuel prices, climate change and a deteriorating macroeconomic outlook in relation to growth, balance of payments and inflation.

How should donors be responding to high food prices in such an environment? The short-term response is focusing on humanitarian aid in terms of food supply (in-kind or cash for food) in line with the comprehensive framework for action of the UN High Level Task Force.

But focusing on the medium/long term response, what objectives should donors be supporting and how can they better deliver that support in more effective ways? The report of the DAC Network on Poverty Reduction on the contribution of agriculture to pro-poor growth (2006) emphasises the need to improve productivity and market opportunities, to promote more diversified livelihoods and to reduce risk and vulnerability. Yet donor support in the agricultural sector has proven to be particularly difficult, and bilateral aid to agriculture has dropped off considerably over the last decade, now standing at €3 billion, 3% of total bilateral ODA. Conscious of this reality, how can donors respond? If there were to be much more aid to agriculture, what should donors spend it on and how can they deliver it more effectively and for greater impact?

Focusing on the ability of developing country agriculture to provide a supply side response, key questions for policy makers and farmers alike are how to increase production, productivity, diversification and returns to agriculture in an environment previously characterised by disincentives and underinvestment? How can higher food prices be exploited to tackle longstanding problems in areas such as the cost and availability of seeds and fertilizers, limitations from land tenure and land fragility, difficult financing and the weak take up of technology and innovation? What can we expect from the private sector and from public-private partnerships and how can donors better support them to deliver their contributions?

In response to the keen interest in this issue from the 2008 OECD Ministerial Council Meeting (MCM), the DAC is organising this expert level policy dialogue as part of a broader OECD horizontal project on food prices. This will combine with broader OECD policy advice on tackling the food prices situation in a report to the 2009 OECD Ministerial Council Meeting.

The present event focuses on how donors should best respond in the medium and long term to the food prices situation in developing countries. It will bring together donors, and developing country and other high level experts. Following a review of causes and consequences, it will focus on two questions concerning donors’ approaches – are they doing the right things, and are they doing them right? The meeting will thus be structured around the following themes:

- Review the causes high food prices, the medium term outlook and the consequences for poor people and poor developing countries;
- Identify what donors wish to promote and achieve with their assistance to tackle high food prices; and
• Agree on how to support partner countries’ policies to tackle high food prices in ways that fully implement the Paris Declaration principles on aid effectiveness.

Participation

The meeting is essentially set up as an event for donors, to identify how they are responding to the situation and to share information and ideas with each other. We therefore look to senior participation from experts and policy makers in aid agencies. These will be supplemented by experts and resource persons from other areas:

• Multilateral agencies (e.g. World Bank, UNHLTF, IFAD, FAO WFP, ISPRI)
• Developing countries (including NEPAD/CAADP, Rural Development Hub)
• Civil society (e.g. Green Revolution, Farmer Platform), private sector (e.g. John Deere, Monsanto, Cargill) and Foundations
• Other resource persons/organisations (e.g. IDS, ODI, Centre for Global development)
DRAFT AGENDA

Day 1

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<th>Time</th>
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<td>9:00-9:30</td>
<td>Registration</td>
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<tr>
<td>9:30-10.00</td>
<td>Welcome and Opening Remarks</td>
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<td>Keynote Address [Secretary General/IFAD?]</td>
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**Session I: Setting the scene: Causes and consequences**

*This session reviews the causes of rising food prices and their impacts on poor countries and poor people. It considers the medium-term implications on growth, incomes, poverty reduction and nutrition. It will also provide an outlook on possible scenarios on how food prices and global food markets are likely to evolve in the medium term.*

Setting the scene

*Issues to discuss:*

- What are the causes of high food prices and what is the outlook?
- What are the impacts on developing countries and poor people?
- How can we reduce vulnerability to global food price peaks and short term shortages?
- How can domestic production better meet demand?

*Lead speakers from:*

- 
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*Open discussion*

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<th>Time</th>
<th>Session II: Are donors doing the right thing?</th>
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<td>14.30</td>
<td>What should be the overall objective?</td>
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This session discusses the overall objectives that developing countries have for their agriculture sectors (e.g. food affordability/security, higher and more productive domestic food production) and the ways in which donors can best support those objectives. What are the appropriate roles for donors and how can they engage in a broader dialogue beyond government and including farmers’ organisations and the private sector? Will there be more aid for agriculture and how can donors best spend such financial support? What are their responses to date?

Sharing the overall objective

Issues to consider include:
How are developing countries and donors responding to the medium/long term challenges? What are the key directions for development co-operation; where should donors invest?

• How can we help assure that food is affordable and available for poor people?

• What services need to be provided to whom and who pays for them?

Lead speakers from:

Open discussion

Day 2

9.30 Session III: Are donors doing it right?
What does the Accra Action Agenda means for how donors need to work with governments and other stakeholders in agriculture?

How can donors improve aid delivery for agriculture? Based on the aid effectiveness principles agreed in the Paris Declaration and the Accra Action Agenda, what do donors need to do better and differently in respect of e.g. aligning with country/sector programmes, coordinating their interventions in partner countries and contributing to the capacity development and dialogue needed for more effective responses to the challenges posed by high food prices. How can donors work better with the private sector and support public-private partnerships?

How to deliver aid for agriculture?

Issues to consider include:

• The do’s and don’ts of donor support for agriculture – lessons from experience?

• What have donors done so far in adapting their allocations and delivery mechanisms?
• How can donors better support actors, in a coordinated approach that promotes shared objectives?

Lead speakers from:
•
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Open discussion

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<th>12.00</th>
<th>Concluding Session</th>
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<td>Policy recommendations for donors</td>
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This session wraps-up the main findings and sets out the key policy recommendations for donors to improve and make more effective their efforts with developing countries to tackle the food prices problem. These might cover areas such as:

• What needs to be done beyond HLTF recommendations on increasing production? Are there agreed priorities?

• How will donor approaches need to differ among different rural worlds and across countries at different stages of development?

• If there are new, additional funds, what should they be spent on?