

# ENDING RURAL HUNGER

Canada's food and nutrition strategies

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## Acronyms

AAFC	Agriculture and Agri-Food Canada
AFSI	L'Aquila Food Security Initiative
AMS	Aggregate Measure of Support
AoA	Agreement on Agriculture
CIDA	Canadian International Development Agency
DAB	Domestic Agriculture and Biofuels
DFAIT	Department of Foreign Affairs and International Trade
DFATD	Department of Foreign Affairs, Trade and Development
DFQF	Duty-Free Quota-Free
ERH	Ending Rural Hunger
FAC	Food Assistance Convention (2013)
FAO	Food and Agriculture Organization
FSS	Food Security Strategy
FNS	Food and Nutrition Security
G-8	Group of Eight
G-20	Group of Twenty
GAC	Global Affairs Canada
GAFSP	Global Agriculture and Food Security Programme
IAE	International Assistance Envelope
IFAD	International Fund for Agriculture Development
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PSE	Producer Subsidy Estimate
NTB	Non-Tariff Barriers
TRQ	Tariff Rate Quota
WFP	World Food Programme
WTO	World Trade Organization

## Preface

This report, which analyzes Canada's global food and nutrition security policies and domestic agriculture and biofuel policies from 2009 to 2014, was written prior to the government of Canada's launch of its *Feminist International Assistance Policy* in June 2017. As such, this report does not analyze the new policy statement in detail.

Up until June 2017, increasing global food security was among the government's top official international development priorities. Indeed, over the past decade, Canada has been a champion of and exercised considerable leadership in international development cooperation for food security. The *Feminist International Assistance Policy* clearly states the government's intention is now to champion gender equality through its international assistance. This is a commendable and inspiring objective. However, the government of Canada has yet to fully articulate where ending hunger, achieving food and nutrition security, and promoting sustainable agriculture fit with its new vision for international development.

The months ahead will be pivotal in transforming the *Feminist International Assistance Policy* into concrete and deliverable policies. This requires creative but serious thinking about how Canada's new policy direction can support achieving Sustainable Development Goal 2 (End hunger, achieve food security and improved nutrition, and promote sustainable agriculture). While Canada's new international assistance policy statement acknowledges the importance of improving women and girls' access to nutrition under the core action area of human dignity, there is little reference in the policy statement to sustainable agriculture. The government of Canada is well aware of the crucial role that rural women play in ending hunger and poverty. Therefore, the objectives of achieving gender equality and ending hunger should be seen as complementary and mutually supportive goals.

This report offers policymakers some food for thought on the strengths and weakness of Canada's food and nutrition security policies and domestic agriculture and biofuel policies, including recommendations to improve the quality, targeting, and coherence of international development assistance going forward.

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Edinburgh, July 2017

## Summary

- This report analyzes Canada's global food and nutrition security (FNS) policies and domestic agriculture and biofuel (DAB) policies during the 2009-2014 period drawing on quantitative and qualitative data and research.
- The Brookings Institution's Ending Rural Hunger framework ranks Canada as a top FNS performer and middling DAB performer relative to other developed countries.
- In 2009 Canada made food security one of its five top development aid themes in response to the 2007-2008 Global Food Crisis. Yet many years on, Canada does not have clearly articulated goals and a long-term policy for world food security.
- Canada's FNS aid increased significantly from 2009 to 2014 with over CA\$4 billion spent during this period; over 40 percent of which has been focused on smallholder agriculture and emergency food assistance.
- Over half of Canada FNS aid is delivered through multilateral channels such as international and regional organizations, as well as through Canadian civil society organizations working with local partners.
- Canada does not make predictable, long-term FNS aid spending commitments, thus making it difficult for Canada's aid partners to plan and implement FNS projects.
- The process of selecting Countries of Focus and priority areas of focus lacks transparency and robust criteria. There is no evidence that a recipient country's FNS aid needs are systematically incorporated into the selection process.
- There has been a lack of independent evaluation of the government of Canada's FNS aid programming since 2009. This limits the information available about FNS policy successes and failures or the lessons learned.
- Canada's spending on farm support programs has been significantly reduced over the past decade; however, these declines in government spending were a result of high international commodity prices and favorable market conditions and not an explicit change in government policy.
- Canada has a progressive preferential trade regime that provides duty-free and quota-free market access for nearly 99 percent of its tariff lines for eligible lower-middle income developing and least developed countries.
- Canada's agriculture and trade policies, which provide protection primarily to the domestic dairy sector, do not have significant negative effects on global FNS markets.
- In June 2017, the Canadian government released its *Feminist International Assistance Policy* with the stated goal of positioning Canada as a global leader on gender equality. Canada's new direction for its development assistance emphasizes women and girls' access to nutrition; however, global food security was not identified as a core action area for Canada's future aid policies. This marks a significant shift in aid priorities given Canada's notable leadership role in development cooperation for global food security over the past decade.

# Introduction

## Purpose of the report

The purpose of this report is to provide an in-depth case study of Canada's approach to global food and nutrition security (FNS), including relevant national policies and their implementation. A quantitative and qualitative analysis of Canada's FNS policy and its agricultural and trade policies is undertaken and evaluated against the Canada-specific findings of the Brookings Institution's Ending Rural Hunger (ERH) framework and database.

## Overview of research undertaken

This report is based on research undertaken by the author undertaken between August and November 2016 that included:

- Reviewing the ERH framework and undertaking additional analysis of raw and final ERH data.
- Reviewing Canada's FNS and DAB policies with a focus on the 2009-2014 period, including analysis of legislation and programs, official policy documents, government reports, and secondary sources such as reports by international organizations, think tanks, and civil society organizations (CSOs).
- Quantitative analysis of Canadian aid and agricultural policy microdata obtained from the OECD Query Wizard for International Development Statistics, World Trade Organization (WTO) statistics, Food and Agriculture Organization (FAO) data, and the Canadian government's Historical Projects Data Set.
- Four interviews with government of Canada officials and one interview with a Canadian CSO official.
- Review of the academic literature on Canada's FNS and DAB policies.

This report was prepared prior to the government releasing *Canada's Feminist International Assistance Policy*. As such, this report does not assess the new international assistance policy.

## Context

In 2009, the government of Canada made increasing global food security a development aid priority when it launched a new FNS flagship policy, the *Food Security Strategy* (FSS). The FSS initiated a period that saw Canada's FNS aid spend reach a total of more than CA\$4 billion over the five years from 2009 to 2014. During that period, Canada emerged as one of the leading supporters of G-8-led FNS efforts such as the L'Aquila Food Security Initiative (AFSI) and Global Agriculture and Food Security Programme (GAFSP). Indeed, former Prime Minister Stephen Harper regularly referred to Canada as a global leader in fighting world undernutrition and malnutrition.

Until recently, the government stated publicly that increasing world food security was a top aid priority. Yet Canada's FNS aid spending peaked in 2010 and spending has been declining since 2013. Indeed, Canada has not made a major FNS resource announcement since 2012. Neither the previous Conservative government nor new Liberal government has made a long-term budgetary commitment for FNS aid. The lack of a long-term strategy and dedicated resources raises significant questions about the sustainability of Canada's FNS aid programming. It also raises the important question of whether Canada will continue to prioritize FNS in its international aid strategy.



In late 2016, the aid community began to receive positive signals about the future of Canada's international aid programming when the government announced a CA\$256 million increase over two years for the International Assistance Envelope (Canada's aid budget).<sup>1</sup> This proposed increase could return Canada's (nominal) aid spending to 2010-2011 levels, and there were suggestions of future additional planned increases to aid spending. However, expectations of greater aid spending have since diminished following the March 2017 federal budget statement in which the government did not commit new increases to the International Assistance Envelope.<sup>2</sup> Canada's lack of a long-term and predictable aid spending commitment has been widely criticized by Canadian civil society organizations and development experts.<sup>3</sup> The low level of ambition on aid spending in the 2017 federal budget has raised concerns that Canada's relative global performance as an aid donor is expected to decline.<sup>4</sup>

In June 2017, the Canada released its *Feminist International Assistance Policy* following an extensive multi-stakeholder. The stated goal of the policy is to position Canada as a global leader on gender equality. There is an emphasis on women and girls' access to nutrition under the core action area of Human Dignity; however, food security is not an overarching development focus nor does the issue feature prominently in the policy. At the time of writing, the government had yet to earmark long-term aid spending for FNS. All of this suggests that the Liberal government has downgraded the place of global food security in its development assistance priorities compared to the previous decade of Canadian aid policy, during which food security was a top development priority and supported by significant aid spending. It also signals a potential retreat by Canada from its internationally-recognized position of global leadership for food security.

## ERH framework: Overview of the Canada-specific findings

The ERH framework and database provide the starting point for this case study of Canada. As such, it is important to contextualize how Canada's FNS and DAB policies ranked according to the indexes created by the ERH team.<sup>5</sup> The picture of Canada's FNS and DAB policies revealed by the ERH framework is shown in Table 0.1 that reports both the score for each policy field (with 0 typically the worst score and 100 the best score) and its ranking for that policy field relative to the other 28 DAC members analyzed by the ERH team.<sup>6</sup> Canada's FNS policy score was 52 placing it 8th out of the 29 DAC members developed countries. Canada's DAB policy score was 74, placing it 16th out of 29.

Table 0.1: Canada's FNS aid and DAB policy scores and rankings 2016

<b>Canada's overall score</b>	<b>FNS Aid Policy score (relative ranking)</b>	<b>DAB Policy score (relative ranking)</b>
<b>2016 data</b>	52 (8/29)	74 (16/29)

Source: ERH Report 2016, additional data provided by ERH team to author

This report provides an in-depth analysis of Canada's FNS aid and DAB policies and considers whether the wide gap in its FNS and DAB policy scores reveals potential policy incoherence (see Sections 2 and 4). An assumption in the ERH framework is that countries with greater domestic agricultural and trade policy distortions contribute to greater distortions in global FNS markets. This assumption is consistent with the consensus among agricultural trade policy experts that developed countries' agricultural policies, especially producer subsidies, can distort trade and lead to an uneven playing field for farmers in the developing world that reduces their ability to benefit from local, regional, and international market opportunities.<sup>7</sup> Therefore, the large gap between Canada's relative policy

rankings *could* be indicative that its DAB policies may be working at cross-purposes with its FNS aid (this is discussed further in Section 4).

## Limitations of the report

The main limitation of this report is data scarcity; there is a lack of high quality and publicly available data on Canada's FNS aid policies. The author encountered certain difficulties obtaining information when undertaking the research, some of which are general to the study of donor's aid policies but some of which are specific to the recent Conservative government's practice of restricting information. Some of the limitations due to data scarcity include:

- A dearth of information available about the rationale and decisionmaking process behind Canada's FNS aid policies and related programs. Most of the documents obtained by the author contained limited or poor quality information; most publicly available documents obtained were intended for communications/public relations purposes.<sup>8</sup>
- The government has not undertaken any independent evaluations of its FNS aid programming. The lack of high quality evaluation reports makes it difficult to assess the effectiveness of programs and their results.
- Canada has its own standards for reporting FNS aid spending to public audiences. This standard is different from the OECD's Development Assistance Committee (DAC) standard for donor reporting (which is the data source for the ERH framework). As a result, the two sets of data reveal different information. This makes direct comparison difficult between Canada's public reporting and OECD DAC data used by the ERH team. The author relied on FNS aid microdata provided by the government; however, the differences in reporting standards and other data translation issues leads to unresolvable discrepancies between FNS aid spending reported by Canada to the DAC and to Parliament and the Canadian public.<sup>9</sup>
- There is limited data on the quality of Canada's FNS aid. DAC data only provides total aid allocations in value figures; it does not assess the quality and results of specific aid allocations. Canada publicly reports FNS aid results in high-level terms without context or in-depth analysis of how closely programs met goals and targets.
- CIDA's Historical Projects Data Set, which is the principal source for Canadian aid microdata analysis, is not formatted in a user-friendly way for secondary analysis. The data contains some inconsistencies and the criteria for coding the data is not always clear. A 2012 change in formatting makes multi-year comparison with pre-2012 data difficult. The author had to reformat the Historical Project data for undertaking the statistical review, which was a labor-intensive process, and the statistical analysis is limited to what could be reasonably undertaken given the parameters of the case study.
- There is incomplete data for Canada's agricultural policies due to the lag of submissions of domestic subsidy spending reporting to the World Trade Organization (WTO).
- There is limited public data available that clearly categorizes and reports annual government support to the biofuel sector.

## Outline of report

The structure of the report is as follows: Section 1 provides an overview of Canada's development policy regime and its FNS aid policies, including a review of the key institutions and legislation. Section 2 analyzes Canada's FNS aid microdata and compares this to key findings from the ERH framework. Section 4 reviews how Canada targets and budgets its FNS aid and discusses practical challenges facing Canada's FNS policies in regards to prioritizing needs. Section 4 examines Canada's domestic agriculture and international trade policies, and also considers how Canada manages policy coherence across FNS and DAB policy. A conclusion and recommendations are provided at the end.

# 1. Overview of Canada's development and FNS policies

This section reviews Canada's development assistance and FNS policies. A brief historical background is provided which is followed by a more extensive review of key policies, institutions, and legislation.

## 1.1 Overview of Canada's FNS aid policies

### 1.1.1 Brief overview of Canada's development assistance and its management

#### 1.1.1.1 CIDA and other federal departments

From 1968 to 2014, the Canadian International Development Agency (CIDA) was the lead federal department in charge of policy design, spending, and delivery of Canada's international assistance. A major institutional reform took place in 2014 when CIDA was amalgamated with the Department of Foreign Affairs and International Trade (DFAIT) into a new mega-department, which is now known as Global Affairs Canada (GAC) with the stated objective of increasing the policy coherence of Canada's foreign policy, development, and trade interests.<sup>10</sup> Historically, CIDA had been the federal department with the largest development assistance portfolio and budget.<sup>11</sup> Several other federal departments also contribute to development assistance (including ODA reported to the DAC).<sup>12</sup>

CIDA designed and managed Canada's FNS aid policies during the most of the period covered by this study (2009-2014). Therefore, understanding CIDA's aid policy planning and programming is relevant to the targeting and quality of Canada's FNS aid. CIDA's aid operations were organized around three branches, each with a separate mandate and responsibility for a suite of programs (this basic structure has been incorporated into GAC). The three branches included:<sup>13</sup>

- Multilateral and Global Programs Branch (now Global Issues and Development) that managed core contributions to and representation at multilateral development institutions, such as the World Bank. Multilateral branch also managed humanitarian assistance. The branch established a Global Food Security and Environment division after 2009 that led Canada's international food security policymaking;
- Geographic Programs Branch managed bilateral aid programming. The branch was organized around four regionally-based divisions: the Africa, Europe and Middle East, Americas, and Asia desks. Amalgamation into GAC kept this basic structure in place; however, the mandate for each division was expanded to cover trade and diplomacy issues in addition to development;
- Canadian Partnership Branch (now Partnerships for Development Innovation) supported cost-sharing partnerships with Canadian civil society and private-sector organizations for development aid.

Geographic branch is the unit responsible for bilateral aid programming. Two key considerations have guided recent bilateral programming decisions. The first was whether a recipient country is on Canada's *Countries of Focus* list (discussed further below). The second consideration was that country programming must fall under one or more of GAC's five aid priority programming "themes" of 1) increasing food security; 2) safe and secure futures for children and youth; 3) stimulating sustainable economic growth; 4) advancing democracy; and, 5) peacebuilding, stability, and security.<sup>14</sup> The five aid priorities were defined broadly and intended to provide general guidance for country-level programming. Aid programming most relevant to ending rural hunger mostly (but not exclusively) fell under the theme of increasing food security.<sup>15</sup>

Geographic's branch does not earmark *ex ante* specific quantities of monies by country or aid priorities. In practice, it has been at the discretion of country desk officers to design country aid plans and for senior managers to decide which priority themes to include in country-level programming and their relative place within a larger suite of bilateral programs. In an effort to encourage aid concentration at the country level, the government required that the majority of bilateral spending be allocated to recipient countries on the Countries of Focus list. A 2009 policy required 80 percent of bilateral spending on 20 countries, and this was increased in 2014 to 90 percent on 25 countries.<sup>16</sup>

Whereas bilateral programming has typically accounted for approximately 70 percent of Canada's international development spending during the period under study, FNS aid spending follows a slightly different pattern.<sup>17</sup> In the early to mid-2000s, 25 percent of FNS aid was reported as bilateral; however, this increased to over 50 percent by 2010.<sup>18</sup> But Canada's bilateral FNS aid is unique in that a significant proportion has been channeled through multilateral organizations such as the United Nations agencies. Indeed, Canada, more so than other DAC countries, channels a significant proportion of its bilateral aid through multilateral and regional organizations.<sup>19</sup>

Food assistance has long been a top priority of Canada's multilateral aid, which is managed by the multilateral branch. There was a significant increase of emergency food aid spending in absolute and relative terms as a proportion of Canada's international assistance spending between 2009 and 2014. Emergency food aid was the second-largest sector of Canada's FNS aid spending since 2009 and was the single largest sector in fiscal year 2013-2014.<sup>20</sup> Most emergency food aid is channeled through the World Food Programme (WFP), which has been Canada's preferred partner for FNS-related humanitarian assistance.

The Canadian Partnership Branch/Partnerships for Development Innovation provides development assistance in response to project proposals developed by Canadian civil society organization (CSOs) and the private sector. FNS aid was a relatively small component of CIDA/GAC's partnerships program. For example, only CA\$24 million was reported as FNS aid under the Partnerships branch in 2008-2009 and 2010-2011.<sup>21</sup> The partnership branch, however, has played a significant role in supporting research and development for FNS aid as the branch co-manages the Canadian International Food Security Research Fund (CIFSRF) alongside the International Development Research Centre (IDRC).

#### 1.1.1.2 Budgeting for development assistance

The operating budgets for all federal departments are determined annually through the government's budget-making process, known as the Expenditure Management System. A federal department submits a Main Estimate that details the monies required for the upcoming year, and a Report on Plans and Priorities, which outlines in detail how the money will be spent. Budgets are presented to, and must be approved by, Parliament. Prior to amalgamation CIDA submitted a Main Estimate and Report on Plans and Priorities to Parliament to secure financial resources for international development assistance. Since 2014, GAC has prepared the budgeting requests and plans for Canada's development portfolio.

The key source for funding for Canada's development aid is the International Assistance Envelope (IAE). The IAE is a budgetary and planning tool earmarked for funding development assistance by all federal departments. It is a pool of funds that is apportioned to departments in response to proposals and aid priorities of the government. The IAE funds official ODA and non-ODA activities. The IAE includes what are known as core contributions (i.e., long-term institutional support to multilateral organizations) and non-core contributions (i.e., funds for immediate responses such as G-8 commitments or humanitarian emergencies). The IAE is subdivided into five pools—development, international financial institutions, peace and security, research and development, and crises—each

managed by a different federal department.<sup>22</sup> The annual value of the IAE pool is determined by Parliament during the budget process. A joint panel of senior managers of four departments decides the spending allocations to individual departments and for each of the five pools annually: the panel includes GAC (formerly CIDA and DFAIT were represented individually), Finance, The Treasury Board Secretariat, and the Privy Council Office.

Canada doubled the value of IAE in nominal terms between 2001 and 2010.<sup>23</sup> However, after the government met its target of doubling the IAE to CA\$5.1 billion in 2010, it subsequently reduced IAE funding to CA\$4.6 million by 2014 as part of a cost-cutting measure.<sup>24</sup> The Liberal government announced in the 2016 Budget an additional CA\$256 million over two years to increase the IAE.<sup>25</sup>

The IAE was the key source for funding for Canada's post-2009 FNS aid efforts. The IAE does not in general ring-fence a certain amount of funding for FNS aid. Decisions to allocate funding for FNS aid were made at the branch level within CIDA. Exception have been made, for example, when Canada has made extraordinary commitments that are earmarked from non-core funds. This was the case with the major FNS aid commitments that Canada made in 2008 as part of the G-8 L'Aquila Food Security Initiative (AFSI) and its contributions to the GAFSP.

#### 1.1.1.3 Aid effectiveness and accountability

Calls for improving aid effectiveness and accountability were a common refrain in Canadian aid policy throughout the 2000s. As an OECD Development Assistance Committee (DAC) member, Canada participated in the process of defining aid effectiveness as initially set out in the 2005 Paris Declaration on Aid Effectiveness and later in the 2008 Accra Agenda for Action and the 2011 Busan Partnership for Effective Development Co-operation. Canada adopted the OECD DAC principles on aid effectiveness; however, its aid policies have been criticized for adopting a more restricted understanding of effectiveness, which emphasizes the contributions of aid to economic growth.<sup>26</sup> More recently, aid effectiveness has been communicated by the government to the Canadian public in terms of accountability to taxpayers.

Canada institutionalized aid effectiveness with the passing of Bill C-293 (*Act respecting the provision of official development assistance abroad*) by Parliament in May 2008. More commonly known by its short name of the *Development Assistance Accountability Act*, Bill C-293 established the legislative mandate for Canada's international assistance policy. Prior to this bill CIDA lacked a clear legislative mandate that defined its priorities. Bill C-293 rectified this situation by stipulating that Canadian aid focus on poverty reduction and meet criteria set out in the act, including transparency and accountability to ensure aid 1) contributes to poverty reduction; 2) takes into account the perspectives of the poor; and 3) is consistent with international human rights standards.<sup>27</sup>

Since 2011, Canada sought to improve the accountability of its ODA, including launching an open data portal that provides a single webpage that links to reports and databases related to development assistance.<sup>28</sup> It is important to distinguish aid transparency from the quantity, quality, and efficacy of actual aid spending. The latter is not captured in CIDA's accountability reporting. Indeed, Canada is frequently cited for lacking robust measurement and reporting of the development outcomes and results of its aid.<sup>29</sup>

#### 1.1.1.4 Selection of recipient countries

A key element of Canada's approach to allocating aid is the process for selecting of aid recipients. Like many other donors, this approach was based on the premise that aid results will be maximized when aid is scaled-up, harmonized among donors and results-oriented. Canada's aid programming and planning increasingly followed this approach under its "Countries of Focus" recipient selection.

Starting in 2002, this Countries of Focus list has been utilized to concentrate bilateral aid on a smaller number of countries and prioritizing those with highest needs.

The Countries of Focus list has undergone constant change since its inception. Table 1.1 below provides an overview of Canada's countries of focus since 2002, including the total number and list of countries selected and country by region. This does not include what the government has referred to as other "partner countries" with whom Canada maintains significant bilateral aid programs. Most countries designated as "partner countries" have tended to be low-income developing countries but there are several middle-income countries such as Ukraine and Indonesia.

As Table 1.1 shows, a small number of countries have remained consistently on the list between 2002 and 2014 (e.g., Ethiopia, Ghana, Mozambique, and Bangladesh) although a high rate of change and turnover of the countries selected is more common. With respect to focus by region, sub-Saharan African countries were relatively prioritized in the early to late 2000s but less so after 2009. Latin America became a region of greater focus after 2009. Several countries have been listed, delisted and subsequently relisted. In sum, Canada's approach to selecting Country of Focus has lacked continuity. Constant changes to the list have been cited as a key reason for the lack of continuity and predictability of Canadian aid.<sup>30</sup>

Table 1.1: Canada's countries of focus by region, 2002-2014

Year	Regions					Total number of Countries of Focus
	Sub-Saharan Africa	Latin America and the Caribbean	Asia	Middle East and North Africa	Other	
<b>2002</b>	Ghana, Ethiopia, Mali, Mozambique, Senegal, Tanzania (n=6)	Honduras, Bolivia (n=2)	Bangladesh	None	None	9
<b>2005</b>	Ghana, Ethiopia, Mali, Mozambique, Senegal, Tanzania, <i>Benin</i> , <i>Burkina Faso</i> , <i>Cameroon</i> , <i>Kenya</i> , <i>Malawi</i> , <i>Niger</i> , <i>Rwanda</i> , <i>Zambia</i> * (n=14)	Honduras, Bolivia, <i>Guyana</i> , <i>Nicaragua</i> * (n=4)	Bangladesh, <i>Cambodia</i> , <i>Indonesia</i> , <i>Pakistan</i> , <i>Sri Lanka</i> , <i>Vietnam</i> * (n=6)	None	Ukraine (n=1)	25
<b>2009</b>	Ethiopia, Ghana, Mali, Mozambique, Senegal, Tanzania, <i>Sudan</i> (n=7)**	Honduras, Bolivia, <i>Caribbean Region</i> , <i>Colombia</i> , <i>Haiti</i> , <i>Peru</i> * (n=6)***	Bangladesh, Indonesia, Pakistan, Vietnam, <i>Afghanistan</i> * (n=5)****	<i>West Bank and Gaza</i> * (n=1)	Ukraine (n=1)	20
<b>2014</b>	Ethiopia, Ghana, Mali, Mozambique, Senegal, Tanzania, <i>Burkina Faso</i> , <i>Benin</i> , <i>Democratic Republic of Congo</i> , <i>South Sudan</i> * (n=11)*****	<i>Caribbean Region</i> , Colombia, Haiti, Honduras, Peru (n=5)*****	<i>Afghanistan</i> , Bangladesh, Indonesia, Vietnam, <i>Burma</i> , <i>Mongolia</i> , <i>Philippines</i> * (n=7)	West Bank and Gaza, <i>Jordan</i> * (n=2)	Ukraine (n=1)	25

Source: CIDA/GAC

Notes: \*Italicised countries note additions

\*\* Benin, Burkina Faso, Cameroon, Kenya, Rwanda, Malawi, Benin, Niger and Zambia removed from list

\*\*\* Guyana and Nicaragua removed from list

\*\*\*\* Cambodia and Sri Lanka removed from list

\*\*\*\*\* Sudan removed from list

\*\*\*\*\* Bolivia removed from list

Canada has not publicly disclosed the rationale or detailed criteria used to add or remove individual countries from the Countries of Focus list. Government officials have stated that the process takes into account an assessment of country needs, capacity to benefit from development assistance, and their alignment with Canadian aid priorities. However, the robustness and transparency of the selection process has been questioned by development experts from the OECD as well as by the Parliamentary Standing Committee on Foreign Affairs and International Development.<sup>31</sup> Some countries' selection is driven by foreign policy considerations, such as Afghanistan due to Canada's military presence in that country and the Ukraine for geopolitical reasons.

Despite the increasing number of countries selected for foreign policy and commercial reasons, the data shows that a growing proportion of Canada's aid was directed toward least developed countries (LDCs). This would suggest that although the list has been expanded to include many lower-middle income developing countries, aid dollars have been directed to countries with the greatest needs.<sup>32</sup>

Over time, there has been an increasing concentration of aid spending among a smaller number of countries. There is a debate over whether concentration of Canada's aid has been effective. Members of Parliament, who studied the issue in 2016, noted that while the Country of Focus list has improved administrative efficiency; however, there is little evidence to suggest the strategy has enhanced development outcomes or positioned Canada as a top donor among countries on the list (an intended goal of aid concentration).<sup>33</sup>

With respect to Countries of Focus and FNS spending, there is no evidence to suggest that FNS aid needs was a criteria explicitly taken into account when selecting countries. The selection process was not transparent and the author could not confirm if the government incorporates benchmarks, such as FAO's database on undernutrition or the International Food Policy Research Institute's Global Hunger Index, when countries are assessed for inclusion or removal on the list. Given that increasing global food security was a major priority in development assistance, it would have been reasonable to expect FNS-relevant criteria to be incorporated into the process of selecting Countries of Focus.

#### 1.1.1.5 Canada's aid priorities

The government of Canada announces its development aid priorities in Development Policy Statements. Typically, the government will identify several key sectors (e.g., health, agriculture, education, etc.) as priorities and it will provide a rationale and general goals for aid programming. There is no fixed timing for these announcements; they are determined by the cabinet with political expediency in mind and do not generally correspond with budget cycles, etc.

Canada's aid priorities have changed frequently between governments and over time. In 2002, the Liberal government's aid policy statement announced basic education, HIV/AIDS, and (later in 2003) rural development and agriculture as key development priorities. After coming into power in 2006, the Conservative government never released a development policy statement. Instead, it reorganized the aid priority sectors to focus on good governance, health, basic education, private sector development, and environmental sustainability. In 2009 the Conservative government replaced the existing sectors with three priority programming themes—increasing food security, safe and secure futures for children and youth, and sustainable economic growth—as part of its *Aid Effectiveness Action Plan*. Each theme was accompanied by a short policy document that described the general goals and plans for aid programming. In general, these policy documents are very broad and do not contain specific budget commitments.

A 2012 DAC peer review of Canada's development aid encouraged the former Conservative government to issue a clear, top-level statement that sets out a vision for development cooperation and provide transparent decisionmaking criteria.<sup>34</sup> Experts argue that the constant changes to Canada's list of priority sectors has led to volatility and unpredictability of aid and has undermined its commitment to the principles of aid effectiveness.<sup>35</sup>

The Liberal government, elected in 2015, released its new feminist development policy in June 2017. This policy is commendable for making gender equality the overarching framework for Canada's development assistance. However, the recent policy statement confirms the trend of constantly shifting government aid priorities, in this case with gender equality supplanting previous aid priorities such as global food security.



### 1.1.2 Brief historical overview of FNS aid policies

Canada's food assistance policies, similar to those of the United States, date back to the post-World War II period. As a major wheat producer and commercial agricultural exporter, Canada adopted a policy of exporting surplus wheat production as food aid to developing countries in the 1950s. Canada was an original member of the 1967 *Food Aid Convention* and early supporter of the creation of the WFP. From the 1950s until the late 2000s, Canada was consistently among the top donors of international food aid.

Canada's food assistance policy underwent major reforms in the 1990s and early 2000s. The key elements of these reforms included a programmatic shift from a primarily bilateral program toward channeling a growing share of FNS aid through multilateral agencies (mostly through the WFP) and CSOs; refocusing its food assistance programs away from bulk transfers of food toward greater emphasis on micronutrients and nutrition-based interventions; and, the gradual untying of its international food aid and all development aid. Canada fully untied its food aid in 2008, opening 100 percent of its food assistance budget to international procurement and supporting local food purchases.<sup>36</sup>

### 1.1.3 Analysis of FNS aid policies

It is important to differentiate Canada's FNS aid policies that came before and after the 2007-2008 Global Food Crisis. The Food Crisis was a watershed event that prompted many donors, including Canada, to prioritize and scale-up FNS aid.

#### 1.1.3.1 Pre-2008 FNS aid policies

Canada's FNS aid policies underwent a major period of reform during the late 1990s and early 2000s. It is beyond the scope of this report to provide a detailed analysis of pre-2008 FNS policy therefore only key policy changes are highlighted below.

In 1998, Canada launched its *Action Plan for Food Security* as part of the follow-up to the 1998 Rome Declaration on World Food Security and the World Food Summit Plan of Action. The Action Plan set out Canada's obligations to meet the summit's goal to reduce world hunger by half in 2000 and committed the government to report on its domestic and international food security activities to the FAO. Canada's key commitment toward international food security included, for example, maintaining or exceeding the 25 percent ODA target for investments in basic human needs, the promotion of access to safe and nutritious food, and fair trade.<sup>37</sup>

International food aid has been historically a major component of Canada's FNS aid. Canada undertook major changes to its international food aid policies in the 1990s and 2000s to enhance targeting and efficacy. Canada eliminated the use of program food aid—this is food aid provided on a government-to-government basis that is not targeted at specific beneficiary groups, sold on the open market, and/or provided either as a grant or as a loan<sup>38</sup>—as a delivery channel in 2003. It refocused the provision of bulk food shipments primarily toward emergency humanitarian and project food aid, both of which are targeted to beneficiaries provided in grant form and channeled primarily through the WFP and Canadian and foreign CSOs.

While Canada has been a champion of international food aid, it also has urged the international donor community to place a greater focus on nutrition rather than calories. In particular, CIDA advocated for greater emphasis of malnutrition in international FNS policy circles in order to address micronutrient deficiencies among vulnerable and poor populations.<sup>39</sup> An example of this is CIDA's role in founding the Micronutrient Initiative in 1992, originally as an arm's length organization, but that today is a non-

profit organization that advances research, policy and distribution of micronutrients (e.g., multi-micronutrient powders, fortification of staple foods, and dietary supplementation).<sup>40</sup>

A past aid policy of particular relevance to the ERH project is CIDA's 2003 policy statement on *Promoting Sustainable Rural Development Through Agriculture*. A unique feature of the 2003 policy was that it was directly framed as a means to support the achievement of the U.N. Millennium Development Goals of eradicating hunger and poverty. In this policy CIDA emphasized the need for improving agricultural productivity, strengthening the institutional and scientific capacity in developing countries, assisting developing countries to compete in regional and international markets through trade facilitation and overcoming trade barriers, and promoting sustainable and diversified agricultural systems. Canada committed to increasing its aid to agriculture from its 2002-2003 level of CA\$95 million to CA\$300 million in 2005-2006 and CA\$500 million by 2007-2008. The 2007-2008 target was equivalent to more than a 500 percent increase in agricultural and rural aid at the time.<sup>41</sup> Despite some initial progress, with aid nearly doubling between 2003 and 2005, programming support for agriculture rural development stalled and was subsequently reversed when agricultural and rural development was designated as no longer a priority by the incoming Conservative government.<sup>42</sup> The *Promoting Sustainable Rural Development Through Agriculture* illustrates that a rural-focused Canadian aid policy is possible; however, it also demonstrates the frequency of change in development priorities and discontinuity in Canada's FNS aid programming.

#### 1.1.3.2 Post-2008 FNS Aid Policies

Canada's FNS aid policies and the institutions charged with implementing changed significantly after 2008. While some policy shifts were direct responses to the 2007-2008 Global Food Crisis, others have been driven by other development policy objectives.

Canada's first response to the Food Crisis was to fully untie its international food aid in 2008 (all other forms of ODA were not expected to be fully untied until 2012/2013). The WFP and Canadian CSOs welcomed this policy change because untied food aid provided greater flexibility in sourcing food aid and for partners to use local purchases and triangular shipments.

By 2007, improving food security and nutrition were gaining greater prominence in CIDA's health sector programming. However, food security was made a stand-alone priority when it was announced as a priority theme in 2009. Food security gained even further prominence with the launch of the *Food Security Strategy* (FSS) in 2009.<sup>43</sup> CIDA positioned the FSS as a response to recurrent food crises, as well as to address new threats to linked climate change risks and the effects of the 2008 global economic recession.<sup>44</sup> The FSS identified three areas of programming (referred to as "paths" in the FSS policy document):

- i. *Sustainable agricultural development*. This included a focus on the rural poor and increasing productivity and resiliency of small-scale farmers in developing countries. Working closer with the World Bank and International Fund for Agriculture Development (IFAD) was emphasized.
- ii. *Food assistance and nutrition*. This included a focus on emergency nutrition assistance, supporting the mainstreaming of nutrition in food security programs, strengthening regional and national food reserves, and implementing food security programs and food crisis prevention systems.
- iii. *Research and development*. This included leveraging Canadian expertise to support agricultural research to increase productivity and world food supply. Canada established the Canadian International Food Security Research Fund (CIFSRF) to support applied research on crop resilience, the nutritional value of crops, and infectious diseases related to crops and animal production. In addition, Canada committed to doubling contributions to IFAD and the Consultative Group on International Agricultural Research (CGIAR).<sup>45</sup>

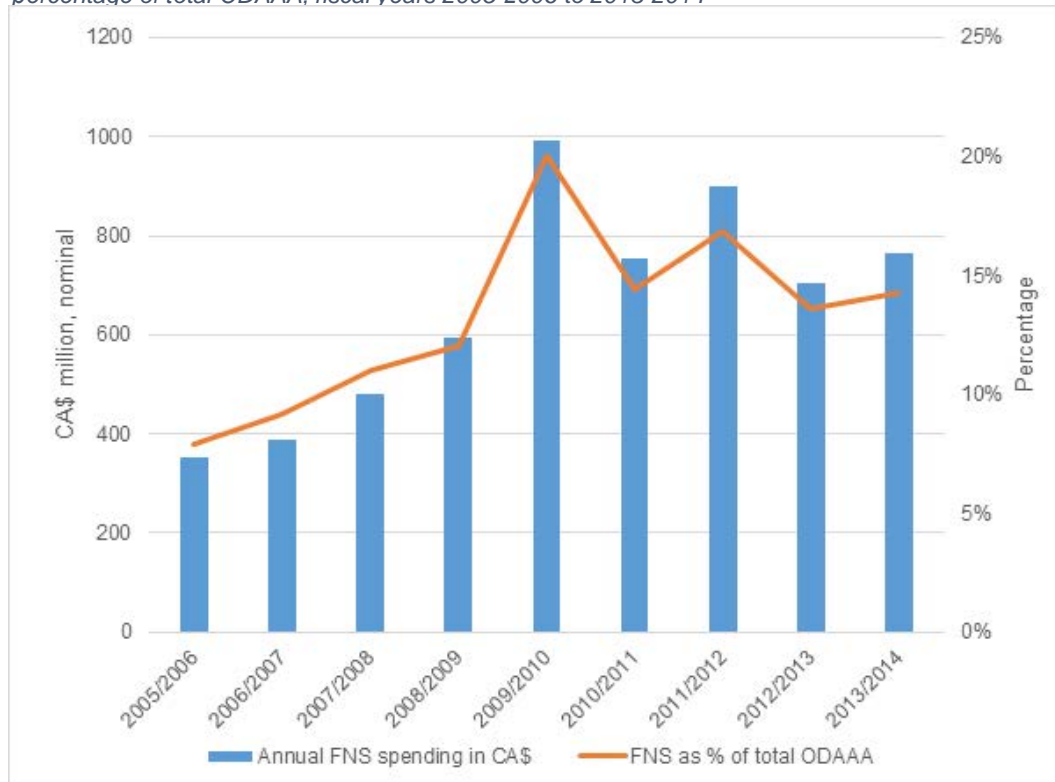
The FSS signaled a renewed focus of Canadian development assistance to reduce rural hunger and poverty as it included an explicit programmatic focus on small-scale farmers.<sup>46</sup> However, unlike earlier policy statements, the FSS lacked specificity, a long-term financial commitment and a statement of expected results. The version of the FSS policy document that is available publicly is quite general and does not contain operational or technical details of policies and programming; it is more of a communications piece than a policy framework.<sup>47</sup>

In parallel with the FSS strategy, Canada made complementary commitments to doubling its investment in sustainable agricultural development. This commitment was not contained within the FSS but was instead made in the context of the 2009 G-8 L'Aquila summit. At L'Aquila Canada announced an additional CA\$600 million in funding in order to reach a target of a CA\$1.2 billion FNS aid spend between fiscal years 2009-2010 and 2011-2012.

Figure 1.1 below illustrates the change in Canada's FNS aid spending between fiscal years 2005-2006 to 2013-2014. It shows that FNS aid spending started to increase in 2007-2008 and 2008-2009, reflecting increased food aid and food security programming in response to the food crisis. 2009-2010 was the peak year of FNS spending at CA\$994 million as a result of the government spending related to the FSS and to meet its G-8 commitments, more specifically, its contribution to the GAFSP.

Since the launch of the FSS the available data shows that Canada's FNS aid has remained above 2008-2009 (i.e., pre-Global Food Crisis) levels; however, FNS aid spending has never equaled the record level set in 2009-2010. FNS spending was higher in 2013-2014 after falling in 2012-2013, but this is due to the fulfilment of G-8-related FNS commitments (these commitments do not extend beyond 2014).<sup>48</sup> This suggests the importance of G-8-led FNS work to the government of Canada in terms of encouraging greater aid generosity.

Figure 1.1: Canada's annual FNS spending in CA\$ million (nominal) and FNS spending as percentage of total ODAAA, fiscal years 2005-2006 to 2013-2014



Source: CIDA, GAC, author's calculations

Notes: Canada uses two definitions of ODA, the OECD-DAC and that defined under the Official Development Assistance Accountability Act, the latter of which is similar to the OECD DAC definition but includes some non-ODA as well. FNS spending is calculated using the methodology developed by Tomlinson (2013) that sums OECD DAC purpose codes 12240, 31100-31195, 52010, and 72040 for a particular year from the CIDA/GAC Historical Projects dataset.<sup>49</sup>

In addition to growing FNS aid in absolute terms, the FSS made Canada's FNS aid spending a growing proportion of the overall aid budget. From 2005 to 2008 (prior to the FSS), Canada's FNS spending accounted for approximately 9 percent of all aid spent. For the 2009 to 2014 period, FNS spending accounted for approximately 15 percent of all ODA. 2009-2010 was the peak year when FNS aid spending accounted for 20 percent of Canada's total aid.<sup>50</sup>

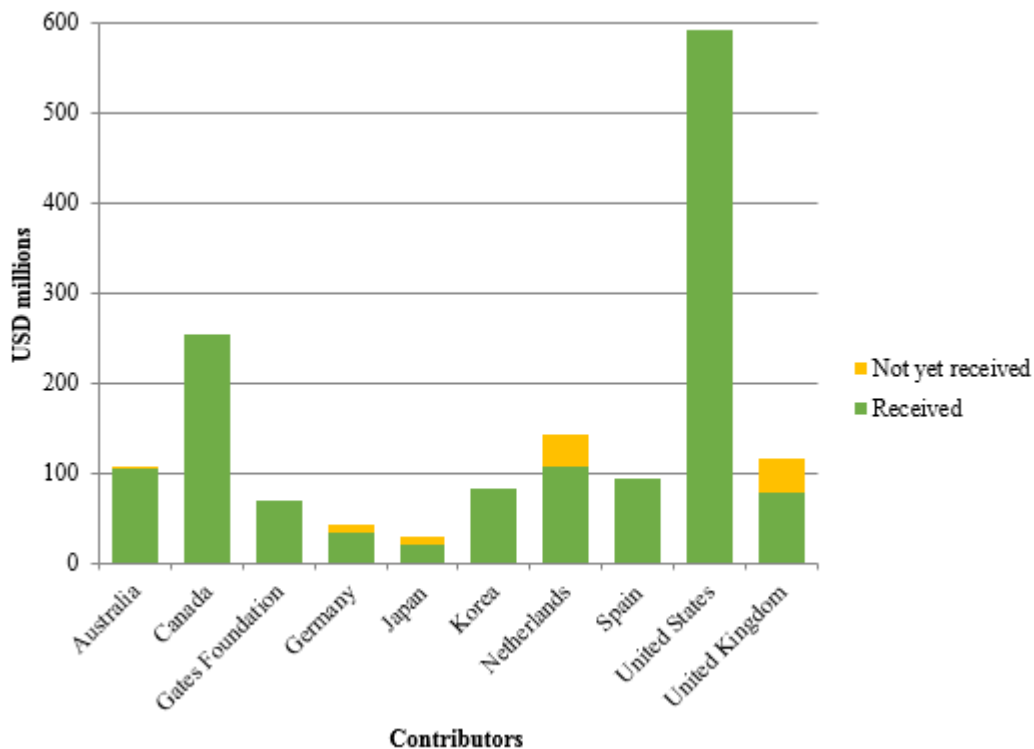
International food aid was a significant "path" for FNS aid under the FSS. Canada's spending on project food aid (e.g., school feedings—a significant portion of this is bilateral aid) and emergency food aid (primarily multilateral) between 2009 and 2014 has averaged CA\$35 million and CA\$246 million, respectively.<sup>51</sup> Between 2009 and 2014, food aid and emergency food aid combined accounted for approximately 40 percent of Canada's total annual FNS aid spending.<sup>52</sup> In 2011, Canada committed CA\$350 million over five years to food aid and nutrition schemes by the WFP and the Canadian Food Grains Bank (CFGB), a Canadian CSO. The commitment included CA\$25 million for the WFP's emergency food aid programs and an additional CA\$25 million to support school meal programs.<sup>53</sup> According to an independent study, the multilateral component of CIDA's FNS Aid as a percentage of total FNS spending was 57 percent, 70.7 percent, and 62.3 percent in fiscal years 2008-2009, 2009-2010, and 2010-2011, respectively.<sup>54</sup> As discussed above, some of Canada's international food aid transactions (e.g., nutritional support, schools feeding programs, etc.) are recorded by Canada as bilateral spending, even when in cases where it is delivered by multilaterals such as the WFP. Canada's use of multilateral and regional partners to implement bilateral aid can make it difficult from a distance to distinguish bilateral from multilateral FNS aid.

The FSS and Canada's participation in the G-8 (and, since 2014, G-7) FNS work streams overlap significantly. Since 2008, Canada has preferred the G-8/G-7 rather than the U.N. system as the main intergovernmental platform for deliberations on global FNS aid policy.<sup>55</sup> The G-8/G-7 has also come to serve as the key pledging forum for new FNS aid spending. At the 2009 summit, Canada made the following commitments as part of its contributions to the L'Aquila Food Security Initiative (AFSI):

- CA\$37.5 million in additional funding over three-years for IFAD.
- CA\$32.5 million over three years in new funds to CGIAR's Challenge Programs.
- CA\$62 million over five-years for CIFSIRF.

Canada committed CA\$230 million (equivalent to \$205 million) over three years for the GAFSP as part of its pledge to double its FNS aid.<sup>56</sup> Canada has been one of the most steadfast supporters of the GAFSP, which is a multi-donor trust fund that provides financing to boost agricultural productivity and improve incomes and FNS in low-income countries.<sup>57</sup> Canada is the second-largest donor to the GAFSP after the U.S. and its contribution is more than double the size of other major donors such as the U.K., Japan, and Germany (see Figure 1.2 below). Canada was the first G-8 member to fulfil its GAFSP commitment back in 2010. Other donors took several years to fulfil their GAFSP commitments such as the U.S., and several donors (e.g., U.K., Netherlands) have yet to meet their 2009 pledges (this is shown in Figure 1.2 by the yellow portion of each bar—the “not yet received” contributions).

Figure 1.2: G-8 commitments and contributions to GAFSP as of August 2016 (\$)



Source: GAFSP (2016)

Canada made additional FNS aid commitments at the 2010 G-8 Summit, when it held the G-8 presidency. At the summit, Canada launched the Muskoka Initiative for Improving Maternal, Newborn and Child Health, which included an additional CA\$75 million for the Micronutrient Initiative to improve maternal and child health through nutrition programming.<sup>58</sup> At the 2012 G-8 summit at Camp David,

Canada pledged CA\$219 million over three years for the New Alliance for Food and Nutrition Security (NAFNS).<sup>59</sup> The NAFNS like the GAFSP was a flagship/legacy FNS project. Announced in the G-8 communiqué *Action on Food Security and Nutrition*, the NAFNS is intended to support improving agricultural productivity in Africa. The NAFNS is a public-private partnership that is largely focused on African countries, especially countries that are part of the Comprehensive Africa Agriculture Development Programme (CAADP). It is intended to forge partnerships among African governments, donors, the private sector and international organizations to create an enabling business environment for sustainable food security.<sup>60</sup> Canada is one of only nine country donors supporting the NAFNS.<sup>61</sup> Canada's 2012 G-8 pledge of CA\$219 million included the following items:

- CA\$169 million to bolster ongoing bilateral food security programming in Ghana and Ethiopia.
- CA\$25 million in new funding for a new Canadian nutrition initiative.
- CA\$25 million in new additional funding for the GAFSP Public Sector Window.

Only CA\$50 million (less than 25 percent) of the 2012 pledge was actual new money for FNS, the rest were re-announcements of already planned spending.<sup>62</sup>

Also in 2012, Canada committed to support a new G-8 pilot public-private partnership called AgResults. AgResults is self-described as an initiative that seeks to promote the “adoption of innovative technologies with high-yield development impact” to increase agricultural productivity and food security in developing countries.<sup>63</sup> Canada committed CA\$40 million over five years to AgResults. It is the single largest donor to the \$118 million multilateral fund.<sup>64</sup>

Detailed FNS aid spending microdata for 2015-2016 was not available at the time of writing, and thus it is difficult to determine if there have been recent changes to Canada's FNS aid. A likely scenario is that FNS aid spending has been flat given that the Conservative government did not make specific FNS aid financial commitments extending past 2014 (with the exception of renewing the CIFSRF until 2019). The Liberal government, elected in 2015, has not yet made any long-term FNS aid commitments at the G-7 or other international fora.<sup>65</sup>

### 1.1.3.3 Sustainable Development Goals

The U.N. adopted the 2030 Agenda for Sustainable Development in September 2015 and launched the Sustainable Development Goals (SDGs) in 2016. Canada has previously stated that it would support “efforts to confirm a significant place for food security, nutrition and agriculture in the Post-2015 Agenda while ensuring that targets capture the multi-dimensional nature of food security.” Canada has not yet released an official plan on how it will contribute to achieving the SDGs. Most relevant for FNS aid is SDG 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.

Canada announced in May 2014 an additional commitment of CA\$3.5 billion over five years (2015–2020) to extend the MNCH initiative to support women and children as part of the 2030 Agenda.<sup>66</sup> Part of the new MNCH commitment included a renewed commitment of CA\$150 million to the Micronutrient Initiative to support child vitamin A and zinc supplementation programs and administer iron and folic acid supplements to pregnant women in sub-Saharan Africa and South Asia.

At the time of writing, the Canadian government has not announced any new long-term financial commitments for FNS aid nor has the Liberal government indicated in the *Feminist International Assistance Policy* how it will directly support achieving SDG 2. Indeed, Canada's new aid policy statement barely mentions sustainable agriculture.

## 1.2 Summary of key changes to Canada's FNS aid policies 2008-2014

The key changes to Canada's FNS aid policies and programs between 2009 and 2014 are summarized as follows.

- *Greater prominence of FNS as an aid priority.* As of 2009, increasing food security became a top priority theme.
- *Increased financial support to FNS aid.* For the 2008-2014 period, Canada's average FNS aid spending was approximately CA\$785 million annually—this is nearly double compared to the preceding 2005-2008 period.
- *Most of Canada's FNS aid was delivered by multilateral organizations.* Key partners include the WFP, IFAD and World Bank (which administers the GAFSP).
- *International food aid was a key element of Canada's FNS aid.* In particular, emergency food aid was a growing as a proportion of Canada's total FNS aid spending.
- *Key supporter of G-8-led FNS aid initiatives.* Canada was a disproportionately large donor (relative to GDP) to G-8 FNS initiatives such as the AFSI, GAFSP, and NAFSN.

## 2. Analysis of Canada's ERH rankings and FNS aid microdata

In this section the ERH findings and Canada's FNS aid is analyzed in greater detail. The analysis in this section is based on the data made available by the Brookings ERH team, DAC, and CIDA/GAC.

As discussed in Section 1, Canada's FNS policy score for the period 2010-2014 was 52, placing it 8th out of the 29 DAC members developed countries. Canada's DAB policy score was 74, placing it 16th out of 29. What follows is a more in-depth look at the composition of Canada's performance across ERH scores and rankings.

### 2.1.1 Canada's performance across FNS score sub-categories

The FNS aid policy score is based on an index that includes three sub-indexes of volume, targeting and quality of implementation (each of these in turn are constructed from various indicators). Table 2.1 shows Canada's score for each sub-index. Canada performs comparatively well on volume, which is expected, given the significant volume and proportion of FNS aid as a total of all aid between 2010 and 2014. Canada's middle of the pack ranking on targeting may be explained by the fact that some of Canada's FNS aid during the 2010-2014 period went to middle-income countries (e.g., Ukraine) in addition to aid going to LDCs with high FNS needs.

*Table 2.1: Canada's FNS aid scores and rankings, 2010-2014*

<b>Data</b>	<b>Volume Score (rank)</b>	<b>Targeting Score (rank)</b>	<b>Quality of implementation Score(rank)</b>
<b>2010-2014</b>	50.54 (6)	56.38 (14)	50.42 (7)

Source: ERH

#### 2.1.1.1 Volume of FNS aid

The ERH database shows Canada as ranking overall sixth in terms of Volume which is measured as FNS aid per Gross National Income (GNI). For the three indicators that make up the FNS volume sub-index, Canada results for 2010-2014 are:<sup>67</sup>

- Share of food security in GNI: 0.015 percent (15/29)
- Share of nutrition aid in GNI: 0.009 percent (1/27)
- Share of agricultural research aid in GNI: 0.007 percent (6/29)

These results are consistent with general trends and priorities in Canada's FNS aid since 2009 when food security became a key priority theme, and it increased its FNS aid.

Canada's top performance in the share of nutrition aid in GNI is consistent with the fact that nutrition was a priority area of programming in both the FSS (Canada's flagship FNS initiative) and the MNCH (Canada's flagship global health initiative). The FNS and MNCH received the lion share of CIDA/GAC's aid budget since 2009 and these programs substantially ramped up spending on nutrition. This explains why Canada's nutrition aid is high in absolute and relative terms in the 2009-2014 period.



Canada made agricultural research one of the three paths of the FSS and increased its core and non-core contributions to CGIAR, FAO, and IFAD to support agricultural research. Canada also established the CIFSRF and supports agricultural research in its bilateral programs.<sup>68</sup> These likely explains its relatively strong performance in the share of agricultural research aid in GNI.

It is difficult to directly compare the ERH results with Canada's own report spending because of major differences in data reporting between the DAC database and Canada's official statistics.<sup>69</sup> However, some generalizations can be offered. The fact that FNS peaked in 2010 but was much lower in following years explains Canada's relatively weaker performance in share of food security in GNI (without nutrition and agricultural research taken into account). The DAC and Canadian data, although showing different figures and changes for respective years, both confirm a general decline in this aspect of Canada's FNS aid. Table 2.2 shows this below.<sup>70</sup>

*Table 2.2: Canada's FNS spending without nutrition or agricultural research as reported by DAC and Canada, selected years*

DAC reports			CIDA/GAC reports	
Years	Total (real 2013 \$ million)	Percent Annual Change (real terms)	Fiscal Year	Percent Annual Change (real terms)
2006	105.4		2005/2006	130.1
2007	156.4	48%	2006/2007	177.0
2008	234.4	50%	2007/2008	276.2
2009	157.3	-33%	2008/2009	287.2
2010	389.9	148%	2009/2010	482.7
2011	243.2	-38%	2010/2011	374.8
2012	207.7	-15%	2011/2012	337.4
2013	220.5	6%	2012/2013	328.6
2014	149.3	-32%	2013/2014	216.0

Source: OECD DAC QWIDS, CIDA/GAC Historical Projects Database

Note: Deflator for 2012/2013 CA\$ arrived at as follows: CANSIM table 380-0066, use implicit price index of GDP at market prices. Select time frame Quarter 2, 2005 to Quarter 1, 2016. Select annual average, select "use fiscal year ending with last month retrieved." Then divide all values by 2012/2013 value to change deflator to 2012/2013 CA\$

Another reason for Canada's reported weaker performance on food security is that the ERH FNS volume sub-index, as well as the ERH FNS definition overall, does not capture emergency food aid spending as part of food security, which was a major component of Canada's food security spending.<sup>71</sup> CIDA/GAC committed to increasing food aid, especially emergency food aid through multilateral organizations, as a key objective of the FSS. As discussed above, international food aid, and emergency food aid in particular, increased as a relative proportion of Canada's total FNS aid spend when emergency food aid is included. Table 2.3 shows this rising trend. In 2007-2008, emergency food aid only accounted for 22 percent of total FNS aid spending. This increased to 39 percent of total FNS aid spending by 2013-2014, thus making emergency food aid the single largest component of Canada's FNS aid. In short, Canada was apportioning a greater share of its FNS aid spending, and total ODA, toward emergency food aid.

Table 2.3: Emergency food aid as a percentage of Canada's total FNS spending, selected years

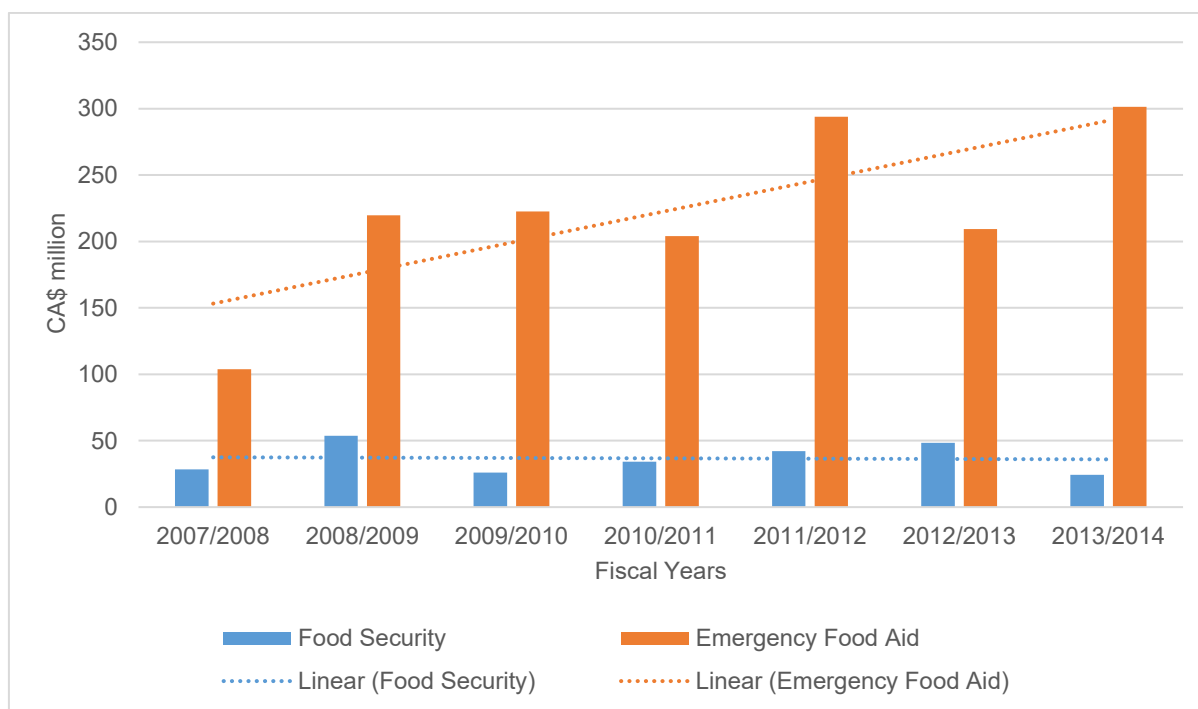
<b>Fiscal year</b>	<b>Emergency food aid as percent of FNS aid</b>
<b>2007/2008</b>	22%
<b>2008/2009</b>	37%
<b>2009/2010</b>	22%
<b>2010/2011</b>	27%
<b>2011/2012</b>	33%
<b>2012/2013</b>	30%
<b>2013/2014</b>	39%

Source: CIDA, GAC, author's calculations

Note: These figures were calculated by summing up all Emergency Food Aid (DAC purpose code 72040) for each fiscal year and calculated as a total percentage of total FNS aid. Total FNS aid is calculated using the methodology developed by Tomlinson (2013) that sums OECD DAC purpose codes 12240, 31100-31195, 52010 and 72040 for a particular year from the CIDA/GAC Historical Projects dataset.

Figure 2.1 further highlights the differences in levels between Canada's disbursement to Food aid/ Food Security Programmes and emergency food aid between fiscal years 2007-2008 and 2013-2014. It clearly shows Canada's increased resourcing of emergency food aid and that spending was on a positive growth trend since 2007-2008. In contrast, Figure 2.1 shows greater variability of food security sector spending during the same period. The trend line for food security spending appears almost flat with a major drop in 2013-2014, whereas emergency food aid spending increased significantly but varied from year to year.

Figure 2.1: Canada's Food Security and Emergency Food Aid Spending in CA\$ million, Fiscal Years 2007/2008 to 2013/2014



Source: CIDA Historical Project Data Set

Notes: Canada uses two definitions of ODA, the OECD-DAC and that defined under the Official Development Assistance Accountability Act, the latter that is similar to the OECD DAC definition but includes some non-ODA as well.

### 2.1.1.2 A wider view of Canada's FNS aid spending

As mentioned before and highlighted in the preceding section, a particular challenge in analyzing Canada's FNS aid are different methodologies to measure what aspects of a donor's ODA counts as "FNS aid." For the purposes of this report, one difficulty is that the method adopted, and data sources utilized, by the ERH framework are different from those used by Canada to calculate and report FNS aid to Parliament and the public. The ERH framework relies on DAC data in order to facilitate comparisons among donors. DAC data for project level ODA is reported in nominal or constant U.S. dollars on a calendar year (January 1 to December 31) basis.<sup>72</sup> The government reporting of FNS aid to Parliament and the public (i.e., in its official reports, national statistics, and official statements) differs; it reports FNS aid spending in nominal Canadian dollars (CA\$) and by fiscal year (April 1 to March 31). In addition, Canada reports both ODA and non-ODA elements (which Canada classifies as ODA).<sup>73</sup> Another consideration to take into account when comparing the data is that the value of the Canadian dollar fluctuated considerably during the 2009-2014 period. The volatility of the Canadian dollar has significant consequences for aid spending given that spending commitments are announced and budgeted in Canadian dollars. The volatility of the Canadian dollar also effects how Canada's aid spending is calculated by the DAC. It is possible, for example, according to DAC data for Canada's aid spending for a given year to be reported as in decline while Canada's own reporting shows spending has stayed flat or even increased due to currency value fluctuations. In short, exchange rate fluctuations and different reporting periods (i.e., calendar year versus fiscal year) result in divergences in the volumes of aid reported in DAC publications and those produced by Canada. As a result, direct comparison of aggregate aid spending between the DAC data (on which the ERH analysis draws on), and Canada's own reporting is difficult.

Another difficulty in analyzing Canada's FNS aid spending for this report are different methodologies to calculate FNS aid spending. This is most visible in the different sectors (based on common DAC Purpose Codes) used by the ERH study to calculate FNS aid spend compared with other methodologies used to calculate Canada's aid spending. This study used the methodology established by Brian Tomlinson,<sup>74</sup> which approximates CIDA/GAC's own method of accounting FNS aid spend and how it reports it publicly. These two methodologies notably include different sectors and thus do not overlap perfectly, which Table 2.4 illustrates. As discussed above, the ERH framework excludes emergency food aid, which is included in Canada reports. In addition, the ERH includes Fisheries, Agro-Industries and Rural Development, which are omitted in the Tomlinson method (and in many Canada reports).

*Table 2.4: Data sources and DAC codes selected in calculating Canada FNS aid spending, ERH framework, and Canada reporting*

<b>Sector</b>	<b>OECD DAC Purpose Codes</b>	<b>ERH Database</b>	<b>Government of Canada Reporting</b>
<b>Agriculture</b>	031110-031195	Yes	Yes
<b>Basic Nutrition</b>	12240	Yes	Yes
<b>Food aid/food security programs</b>	52010	Yes	Yes
<b>Rural Development</b>	043040	Yes	No
<b>Emergency Food Aid</b>	72040	No	Yes
<b>Fisheries</b>	031310-031382	Yes	No
<b>Agro-Industries</b>	032161	Yes	No

Source: Communication with the ERH team, Tomlinson (2013)

To illustrate the different stories the two methodologies reveal about FNS aid, below I compare Canada's FNS aid spending since the launch of the FSS. To reduce some of the differences in FNS aid accounting, I limited the analysis to include only the sectors used by both the ERH and Tomlinson methodology (the original discrepancies in reporting periods and currency remain). Table 2.5 shows the results.

Table 2.5: Canada's reported FNS spending reported by DAC and Canada, selected years

DAC data			CIDA/GAC data		
Years	Total (real 2013 \$ million )	Percent Annual Change (real terms)	Fiscal Year	Total (real 2012/2013 CA\$ million)	Percent Annual Change (real terms)
2006	337		2005/2006	405	
2007	429	27%	2006/2007	436	8%
2008	536	25%	2007/2008	520	19%
2009	552	3%	2008/2009	631	21%
2010	905	64%	2009/2010	1,063	68%
2011	642	-29%	2010/2011	787	-26%
2012	680	6%	2011/2012	910	16%
2013	675	-1%	2012/2013	705	-23%
2014	585	-13%	2013/2014	753	7%

Source: OECD DAC QWIDS, CIDA/GAC Historical Project Data Set

Note: (1) The two data sets are not directly comparable but provided for illustrative purposes (see discussion above). The average annual change in FNS aid spend is calculated for both data sets. FNS aid spending is calculated by summing data from OECD purpose codes 12240, 31100-31195, 52010, and 72040. (2) Deflator for 2012-2013 CA\$ arrived at as follows: CANSIM table 380-0066, use implicit price index of GDP at market prices. Select time frame Quarter 2, 2005 to Quarter 1, 2016. Select annual average, select "use fiscal year ending with last month retrieved." Then divide all values by 2012-2013 value to change deflator to 2012-2013 CA\$.

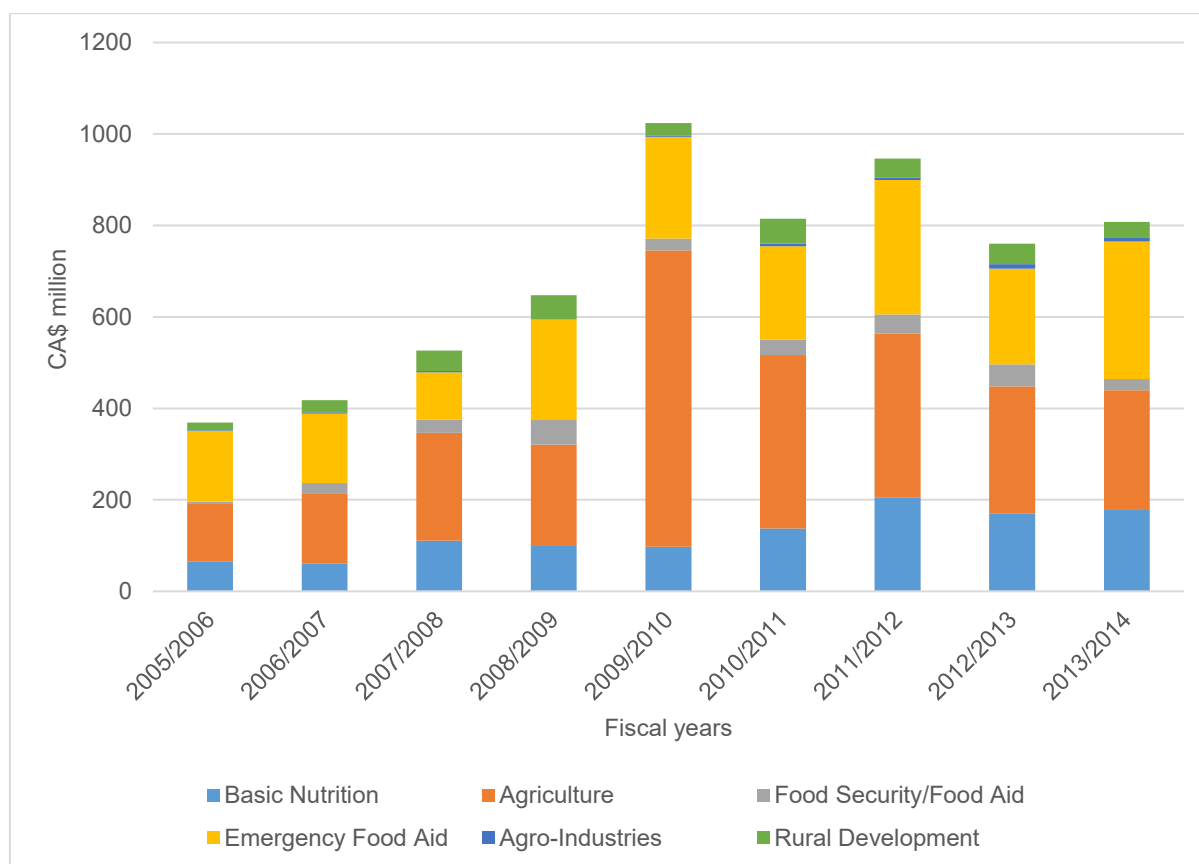
Both the DAC and CIDA/GAC data show roughly the same trends. First, FNS aid was already on the increase before the launch of the FSS between 2006 and 2008 (due to increases in food aid spending during the Food Crisis). The absolute level of FNS aid spending jumps up significantly in 2010 with DAC data showing a 64 percent increase year on year, while the Canadian data shows a 68 percent increase for the 2009-2010 fiscal year; this is the peak for Canada's FNS aid spend. But the pattern of FNS aid reported diverges between the two methodologies after 2010. While the DAC data presents a steady pattern of gradual decline post-2010, Canada's own data shows a much more staggered but punctuated pattern of declining spending with large drops reported in 2010-2011 and 2012-2013. There are some striking divergences in the two approaches for the last two years of available data; the DAC shows a negligible decrease of 1 percent in 2013 and a moderate decline of -13 percent in 2014. In sharp contrast, the CIDA/GAC data shows the opposite with a substantial decline of -23 percent in FNS aid spending in 2012-2013 and a slight increase of 7 percent for 2013-2014. However, the longer-term trends are similar: both methodologies show that Canada's FNS aid has been declining in absolute terms since 2010.

While the DAC data allows for comparability, it is much more limited for in-depth case study analysis. Most importantly, Canada makes its FNS commitments and policy choices, and communicates these choices to recipients and partners, in Canadian dollars and for fiscal years. Therefore, it could be argued that a more accurate picture of Canada's FNS aid policy emerges if CIDA/GAC data and reporting is used as the primary data source. In addition, it is important to analyze Canada's FNS aid on its own terms, which this report does and includes its food aid spending given it is a key area of its FNS policy and arguably one of Canada's comparative advantages as a donor.

While Table 2.5 provides an aggregated view of Canada's FNS aid spending, it is also important to unpack this data. While Canada's overall FNS has increased since 2009; however, this does not mean that all FNS sectors have received equal support across the board. Figure 2.2 below breaks down Canada's reported FNS aid spending by summing spending on six key sectors : Basic Nutrition (12240); Agriculture (31100-31195); Food Security/Food Aid Programs (52010); Emergency Food Aid (72040); Agro-Industries (32161); and Rural Development (43040). Data was collected from the CIDA/GAC Historical Projects Data. Figure 2.2. shows that Agriculture (e.g.,

agricultural services, research, reform, etc.) and Emergency have been the two largest components of Canada's FNS since fiscal year 2008-2009. Agriculture spending was disproportionately greater in terms of total FNS aid through 2009-2010 to 2011-2012. In 2009-2010, Agriculture spending relative share of FNS aid spend was 65 percent. Agriculture aid spending has decreased in absolute and relative terms since 2012- 2013 (when it accounted for a 39 percent share of total calculated FNS aid spending). Emergency food aid grew sharply in absolute and relative terms in 2008-2009 (when it reached 37 percent share of calculated FNS spend). In fiscal year 2011-2012 there was a marked increase in Emergency Food Aid spending in absolute and relative terms. By 2013-2014 Emergency Food Aid was the largest single sector of Canada's FNS aid (39 percent share of calculated total FNS aid spend).

Figure 2.2: Canada's FNS aid spending by sector, selected fiscal years in CA\$ million (nominal)



Source: CIDA/GAC Historical Projects Data Set

Spending on Basic Nutrition increased in absolute and relative terms starting in 2007-2008. Spending stayed nearly flat until 2011-2012 when it reached a record level, after which it has stayed constant at a 23 percent share of total FNS aid spend. The prominent share of nutrition spending corresponds with the fact that there was a focus on nutrition in both Canada's FNS aid portfolio but also its health aid portfolio where nutritional support to mothers and school feedings were priority programs.

Rural Development showed a marginal average increase in absolute terms between 2008 and 2009 and in 2012-2013 but declined as a relative share of total calculated FNS spend.<sup>75</sup> Table 2.6 below shows a sharp increase in Rural Development aid between 2005 and 2009 followed by a drop of half from CA\$52 million in 2008-2009 to CA\$28 million by 2009-2010. Spending peaked in 2010-2011,

but subsequently declined in absolute terms. The trends in Canada's aid to rural development suggests it was not a major feature of its FNS aid. It is possible that some rural development aid is not captured in the statistics where it recorded under other DAC codes. Nonetheless, the volume of aid to the rural development sector is a fraction of other FNS aid sectoral spending.

*Table 2.6: Canada's rural development sector spending in CA\$ million and annual percentage change, fiscal years 2005-2006 to 2013-2014*

<b>Fiscal year</b>	<b>Aid to rural development in real 2012/2013 CA\$ million</b>	<b>Percent Annual Change, real terms</b>
<b>2005/2006</b>	18.75	
<b>2006/2007</b>	29.88	59%
<b>2007/2008</b>	49.20	65%
<b>2008/2009</b>	55.60	13%
<b>2009/2010</b>	29.93	-46%
<b>2010/2011</b>	56.96	90%
<b>2011/2012</b>	41.81	-27%
<b>2012/2013</b>	45.24	8%
<b>2013/2014</b>	34.57	-24%

Source: CIDA/GAC, author's calculations

Note: (1) No comparable data available for 2003/2004 and 2004/2005, no data for 2014/2015 or later yet available. (2) Deflator for 2012/2013 CA\$ arrived at as follows: CANSIM table 380-0066, use implicit price index of GDP at market prices. Select time frame Quarter 2, 2005 to Quarter 1, 2016. Select annual average, select "use fiscal year ending with last month retrieved." Then divide all values by 2012-2013 value to change deflator to 2012-2013 CA\$

To sum up, we can observe what might be labeled "sector-shifting" in Canada's FNS aid spending. The significant increase in FNS aid spending post-2009 has not been distributed equally across sectors but has been concentrated in two sectors—Agriculture and Emergency Food Aid. While other FNS aid sectors also experienced increases in spending from 2009 onwards, such as nutrition, this has been significantly less, in absolute and relative terms compared to Agriculture and Emergency Food Aid spending.

### 2.1.1.3 Targeting

Canada ranked 14th overall with a score of 56 when it comes to targeting. For the three indicators that make up the FNS targeting sub-index, Canada's scores and rankings for 2010-2014 were as follows:<sup>76</sup>

- Needs targeting: 73 (8/29)
- Policies targeting: 35 (22/29)
- Resources targeting: 61 (13/29)

These scores are based on the indicators specifically created by the ERH framework project. The aggregate data were made available for the purpose of this report and some general comments are provided below.

The ERH ranking should to some extent reflect Canada's bilateral FNS aid programming. As discussed above, Canada's approach to targeting of recipient countries for bilateral aid is shaped by several factors. This includes whether a recipient country is on the Countries of Focus list (since CIDA/GAC Geographic branch is required to spend 90 percent of bilateral aid on this select group of countries).

As discussed earlier, there is no evidence that a country's relative FNS aid need is a criterion used to determine a recipient country's inclusion in the Countries of Focus list (or eligibility as a Partner Country). If we were to count which countries on the 2014 list have high FNS needs, for example, by using a minimum FNS Needs score of 60 and over (this would be roughly equal to moderately high to very high FNS needs), this would include Afghanistan, Benin, Burkina Faso, Congo, Ethiopia, Haiti, Mali, Mozambique, Senegal, and Tanzania.<sup>77</sup> These account for 10 out of the 25 Countries of Focus or roughly 40 percent of recipient countries identified by the ERH database as having highest FNS needs. Taking fiscal year 2010-2011 as an illustrative example, the top 10 countries receiving bilateral FNS aid were: Ethiopia (CA\$71.2 million); Afghanistan (CA\$55.3 million); Ghana (CA\$51.7 million); Mali (CA\$24.6 million); Haiti (CA\$24.4); Senegal (CA\$16.2 million); Mozambique (CA\$15.7 million), Honduras (CA\$14.1 million); Ukraine (CA\$11 million); and Sudan (CA\$10.3 million).<sup>78</sup> The majority of these countries do score as high needs with the exception of Ghana (score of 54), Honduras (score of 42), and Ukraine (score of 31). Of the three countries, which received the highest levels of bilateral FNS aid from Canada—Ethiopia, Afghanistan, and Ghana—only two score as having moderate to high FNS needs in the ERH database.<sup>79</sup> In sum, there is very good but not perfect overlap with Canada's concentration of FNS aid spending on countries with the highest FNS needs and its Countries of Focus. A further discussion of Canada's targeting efforts follows in Section 3.

#### 2.1.1.4 Quality of implementation

Canada scored poorly in the FNS aid Volatility indicator with a score of 31 (ranking 26th out of 29). The ERH measure of FNS aid volatility is relative to ODA variation per recipient country.

A frequent critique of Canada's aid is its unpredictability and volatility. This is a criticism regularly made by academics, CSOs, parliamentarians, and evaluations by the OECD DAC. The three principal factors identified for the unpredictability and volatility of Canada's aid include frequent changes in programming priorities; changes in the list of recipient countries of focus; short-term nature of aid commitments and projects; and, lack of an overarching development assistance policy framework.

The FSS, when introduced in 2009, provided policy direction and thrust for Canada's FNS aid efforts. However, once the government fulfilled its commitments to double agricultural development by 2012, the FSS became less of a priority and FNS aid efforts began to lose momentum. The loss of momentum is reflected in the decreasing volume of FNS aid and the fact that the government last announced a major FNS aid commitment in 2012.

The FNS aid Volatility score is the only indicator that tracks policy over a longer-time period whereas most ERH data for Canada is specific to 2010-2014 period. That Canada scored poorly on FNS aid volatility over the 2009-2014 period is less surprising given that during this period FNS aid dropped sharply after 2010 given the frontloaded spending commitments of the FSS.

## 2.2 Reviews and evaluation of Canada's FNS policies<sup>80</sup>

Canada's FNS aid policies have undergone significant changes in recent years. As discussed in Section 1, Canada made increasing food security a priority development theme and increased FNS aid spending between 2009 and 2013. Evaluations of aid policies and programs provide information relevant to assessing the overall performance and quality of Canadian FNS aid and planning for future improvements. At present, there are no independent evaluations of the FSS that have been commissioned by CIDA/GAC.<sup>81</sup> Several inquiries were made to GAC officials about whether unreleased internal evaluation of recent FNS policies existed, and it was confirmed that no internal evaluation of FNS aid policies had been undertaken.<sup>82</sup>



The absence of commissioned independent evaluations of Canada's FNS aid policies is notable, especially in the context that this was a top priority for the government since 2009 and that nearly CA\$4 billion was spent. Without a robust evaluation of its recent FNS aid policies and programs, Canada lacks a sober assessment of what has worked well or worked poorly. As a result, GAC has a limited opportunity to assess the lessons learned, which is integral for continual improvement of FNS aid policy.

This subsection discusses key findings from the limited number of available internal and external reports of Canada's FNS programs.

### 2.2.1 CIDA/GAC evaluations

Of all the CIDA/GAC country reports available and analyzed by the author, only one internal report reviewed Canada's FNS aid efforts in a moderate level of detail. This was the *Synthesis Report – Ethiopia and Ghana Country Program Cluster Evaluation* prepared by GAC.<sup>83</sup> Ethiopia and Ghana have been the top two recipients of Canada's FNS aid and its GAC report provides insight and context into Canada's FNS aid.

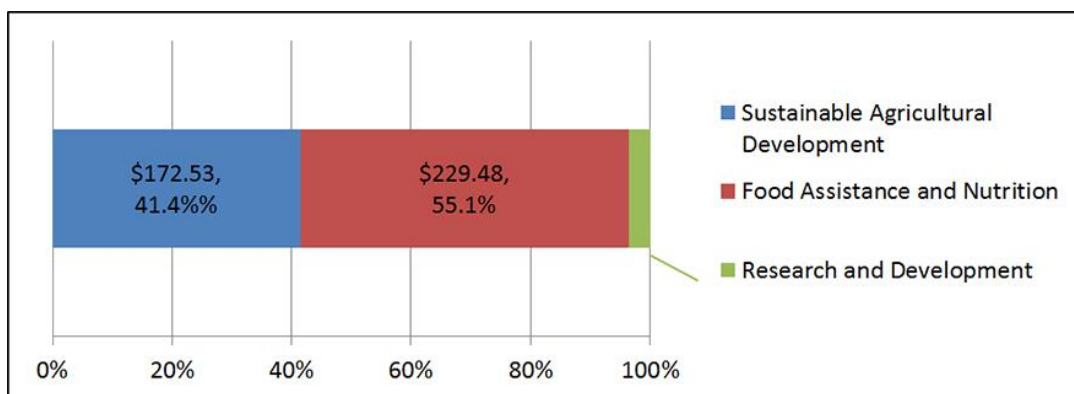
The scope of the *Synthesis Report* was to "to assess the performance of the Ethiopia and Ghana Country Programs against the standard evaluation criteria of relevance, effectiveness, efficiency, and sustainability, as well as crosscutting themes of gender equality, environmental sustainability and governance. The implementation of DFATD's food security strategy in the two countries was also examined." The report included a sampling of 20 projects in each country; in Ethiopia the sample included 82.3 percent of food security disbursements and in Ghana the sample covered 92.5 percent of food security disbursements.

Canada provided CA\$416 million in FNS-related aid to Ethiopia between fiscal years 2008-2009 and 2012-2013. This total figure includes aid provided by GAC geographic, multilateral, and partnership branches and thus covers both bilateral aid but also FNS aid provided through, for example, the AFSI commitments, WFP, and NAFSN. The Synthesis Review included multilateral aid, including emergency food aid, in its calculations of FNS aid spending.<sup>84</sup>

Figure 2.3 breaks down CIDA's reported FNS aid spending across the three paths of the FSS as follows: 55.1 percent for Food Assistance and Nutrition; 41.4 percent Sustainable Agricultural Development; and, 3.5 percent for Research and Development. A further breakdown of FNS aid for these years provided by GAC are the disbursements by subsector: development food assistance (29.1 percent), agronomic and post-harvest activities (26.1 percent), enabling activities and support services (15.4 percent), emergency food assistance (12.7 percent), nutrition (12.5 percent), and agricultural research for development (3.5 percent).



Figure 2.3: Canada's food security disbursements in Ethiopia by FSS path, fiscal years 2008-2009 to 2012-2013 in CA\$ million



Source: GAC

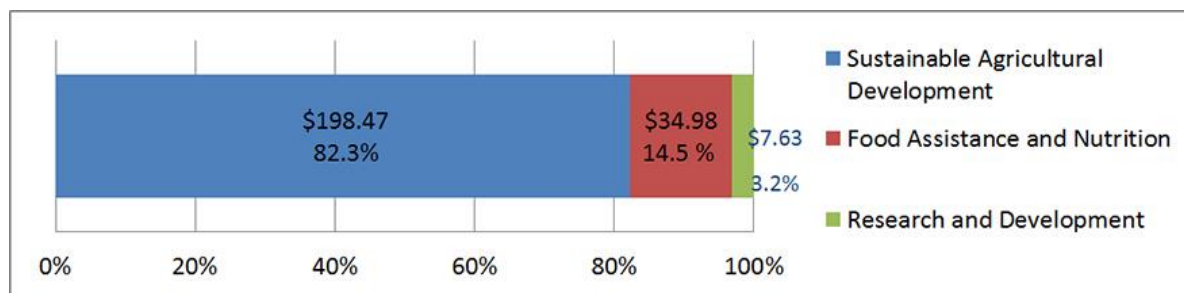
In Ethiopia more than half of Canada's FNS programming (CA\$176 million) was spent on supporting just two projects implemented by the Ethiopian government, the Productive Safety Net Program (PSNP)—which Canada indirectly supported through contributions to the WFP for food for work schemes—and Safety Net Support Facility (SNSF) to which GAC funded technical assistance.

The PSNP is a national social safety net program that responds to chronic food insecurity among Ethiopia's poor and shorter-term shocks—mainly droughts (which have been a recurrent challenge in Ethiopia)—through targeting of highly climate-vulnerable populations. A 10-donor working group—which includes Canada and that oversees a multi-donor trust fund to which Canada has been one of the five largest contributors—manages PSNP. Successes of the PSNP noted by CIDA include that the program provided 6.8 million people with food assistance in 2012-2013 and reduced the need for forced asset sales from 51 percent in 2006 to 34 percent in 2010 and to 20 percent in 2014.

The SNSF supports the delivery of the PSNP and Household Asset Building Programme. The facility supports the food aid component of the PSNP by providing emergency food assistance. An estimated 3.7 million people received food assistance during 2008-2010. CIDA reported that its aid supported nutrition schemes such as the WFP's school feeding program in Ethiopia that provided over a half million children with nutritionally fortified meals during 2007-2011. Canada's FNS aid to supporting agricultural development was concentrated in the areas of the rehabilitation of degraded land and small-scale irrigation projects. Canada also supported the Ethiopian government's Agricultural Growth Program (AGP), which introduces new production methods to increase farm productivity.

Canada provided CA\$241 million for FNS-related aid to Ghana during the same period. Canada's FNS support has a different profile than its FNS aid to Ethiopia. In Ghana, the sustainable agricultural development path of the FSS accounted for 82 percent of disbursements. Food assistance and nutrition and research and development accounted for 14.5 percent and 3.2 percent, respectively (see Figure 2.4 below).

Figure 2.4: Canada's food security disbursements in Ghana by FSS path, fiscal years 2008-2009 to 2012-2013 in CA\$ million



Source: GAC

Canada reported it supported the Ghanaian government to implement its second Growth and Poverty Reduction Strategy (GPRS-II) that set out the country's Food and Agriculture Sector Development Policy. A key objective of Ghana's policy has been to accelerate growth through private sector development of agriculture. Canada reports that it provided bilateral and multilateral support to Ghana, including working with Ghana to develop its Country Cooperation Framework to become a member of the New Alliance for Food Security and Nutrition and in the development of Ghana's National Nutrition Policy. Canada's Ghana Program unit aided the development of the Medium-term Agriculture Sector Investment Plan, including the drafting of seed and fertilizer policies and a new performance measurement and monitoring framework to measure progress toward implementation.

The *Synthesis Report* stated that sector budget support by the Ghana Program led to an increase of 11.9 percent in the number of farmers accessing fertilizers, improved seeds, mechanized services, and agriculture technologies between 2009 and 2010. It also reported some mixed results, including inadequate resourcing and coordination across Ghanaian levels of government in its implementation of its sustainable land management, good agricultural practices, improving agricultural commodity standards, and reducing post harvest losses schemes. The review also noted little progress had been made in increasing the number of agriculture extension agents. With respect to nutrition programming, Canada reported it provided CA\$33.6 million to support improved nutrition schemes. This included significant support for the WFP's country program aimed at reducing the level of malnutrition among pregnant and lactating women and children under-five years of age and UNICEF's work on community management of acute malnutrition, which included the training of community volunteers to identify and treat malnutrition (with a reported decline in acute malnutrition of 50-58 percent between 2008 and 2011 in key targeted regions).

### 2.2.2 Auditor General of Canada

The Auditor General of Canada audits federal government departments and agencies, and reports to Parliament. There have been two Auditor General reports in 2009 and 2013 relevant to Canada's FNS aid. The most relevant is the 2009 report. The 2009 Auditor General's report included a chapter on "Strengthening Aid Effectiveness—Canadian International Development Agency." While not specific to FNS, the report identified general strengths and features of Canada's international assistance policies. The report, primarily focused on CIDA's activities as the lead department on aid, undertook an audit of Canada's aid programs and policies based on full access to internal documents and reporting. The research for the Auditor General report took place before the announcement of increasing food security as a priority theme and the launch of the FNS in 2009.

The Auditor General found that CIDA had made significant strides toward narrowing its aid to a smaller number of counties and adopting a programs-based approach to bilateral aid. The report also noted

that CIDA had updated its process for selecting recipients and programs under a new Country Strategies approach.<sup>85</sup>

The 2009 Auditor General Report identified the persistent lack of a clear statement of direction for Canada's aid policy and the constant shifting of priorities as having resulted in weaker Canadian ODA delivery and implementation. In particular, the report singled out that the lack of clear goals and targets prevented CIDA staff, other donors, and recipients from maximizing the quality and effectiveness of aid. It also cited constantly changing aid priorities as leading to aid unpredictability. The Auditor General also called for CIDA to undertake more robust and transparent evaluation and reporting of program spending.

### 2.2.3 DAC

The OECD DAC undertakes a peer review of Canada's ODA policies every five years. While DAC reviews do not focus exclusively on FNS aid, they provide a robust and informative overview of key aid policy issues relevant to FNS policy. The DAC 2012 peer review is considered below (the 2007 DAC Peer Review of Canada's aid policies is omitted because it does not cover the 2009-2014 period).

The 2012 Peer Review highlighted key improvements to Canada's aid policies, especially the full untying of food aid, the coordination and implementation of whole-of-government responses to disasters, and increases to nominal aid for FNS. The review also noted the increase in joint evaluation at the country level to better align and coordinate aid with other donors and partners, including participation in the OECD DAC Evaluation Network and the Multilateral Organization Performance Assessment Network (MOPAN).<sup>86</sup>

The review also noted several persistent concerns about Canada's aid policies. The DAC highlighted the continued unpredictability of Canada's aid by recipients and other donors; it pointed to the unpredictability of country-level programs as a particular concern. The DAC identified several contributing factors behind the unpredictability in Canada's aid, such as vague program goals, lack of robust targets, internal delays in approving projects, and that country strategies did not include annual or medium-term budget frameworks.<sup>87</sup> The latter prevented field teams from communicating forward financial plans to recipient governments and other donors, which detracted from efforts at coordinated and sequential planning of development programs with partners.<sup>88</sup>

The DAC also flagged the "frequently changing priorities" of Canada's aid as a longstanding weakness.<sup>89</sup> The review noted that the frequent turnover of Canada's aid priorities has resulted in a situation where CIDA and other departments were constantly reviewing, reorienting, and redesigning policy. This had impacts on the ground because of the lag between policy design and implementation. In short, Canada's cycle of constantly reinventing its aid priorities has promoted programs with short life spans and a short-term perspective rather than a long-term approach to aid programming.

### 2.2.4 Canadian CSOs

The Canadian Council for International Cooperation (CCIC), an umbrella organization of Canadian CSOs, commissioned four assessments of the FSS.<sup>90</sup> Below, key findings and conclusions from the four assessments are summarized.

#### 2.2.4.1 2012 Review

A 2012 review of the international dimensions of the FSS found that a significant proportion of the FSS was being delivered through multilateral channels. For example, disbursements through multilateral organizations comprised 65.8 percent of total FNS aid spending in 2010-2011. The assessment

argued that although Canada's food security priorities and multilateral channeling aligned "on paper," it flagged concerns about the inconsistencies, for example, of providing a significant proportion of FNS aid through the World Bank, which does not have an explicit mandate to achieve food security, or in the case of the CGIAR that is known for focusing on traditional crop-specific research and weaker on applying integrated approaches to agriculture such as the agro-ecology and biological diversity emphasized in the FSS.<sup>91</sup> The assessment concluded that further study of Canada's FNS aid was required; however, the Conservative government's policy of restricting information on aid programming to the public and the restrictions placed on civil servants to communicate with researchers would make this difficult.

#### 2.2.4.2 2013 Review

A second 2013 report provided a statistical review of the FSS with data covering up to 2012. The review showed that CIDA's total program resources for FNS aid increased significantly after 2005-2006 and that this development reflected the importance of the food security theme for CIDA.

The review highlighted that after 2008 other federal departments and agencies in addition to CIDA increased food security-related aid disbursements, most notably the Department of Finance and IDRC.<sup>92</sup> The review identified key shifts in CIDA's relative distribution for food security since 2005, including greater fluctuation of food aid funding, the growing proportion of disbursements for long term investments in agriculture (to account for nearly half of programming by 2011), and that disbursements for the basic nutrition and development food aid/food security sectors remained relatively constant as a share in overall food security disbursements (comparing 2005-2006 with 2010-2011).<sup>93</sup> With respect to the top recipients of Canada FNS, the report found a high degree of concentration of Geographic branch disbursements with the top 15 countries accounting for 86 percent of all FNS aid spending in 2010. Eight of the 15 countries were in Africa in 2010 and accounted for 52 percent of Geographic branch disbursements (and more than 60 percent of the top 15 country disbursements). Of the top 15 countries in 2010 that received FNS aid, only three countries—Cambodia, Rwanda, and Sri Lanka—were not on Canada's Countries of Focus list.<sup>94</sup>

#### 2.2.4.3 Review of FSS in Ethiopia

A 2013 independent assessment was undertaken of Canada's FSS programming in Ethiopia. This provides a comparative data point to the GAC Synthesis Review discussed above. The Ethiopia assessment found that aid funding for agriculture and food security accounted for 73 percent of the total country program budget.<sup>95</sup> Canada is not among the top five overall aid donors to Ethiopia; however, Canada is the third-largest bilateral aid donor for FNS. The assessment examined the same programs reviewed in the GAC Synthesis Report such as the PSNP to which Canada provided some support, and confirmed that Ethiopia's programs were "among the best of their kind compared to similar programs in other developing countries" and had "a significant impact on production and productivity."<sup>96</sup>

The assessment estimated that GAC's support for food security for the 2007-2017 period (based on current commitments) will reach CA\$743 million across 166 different projects and programs.<sup>97</sup> The majority of Canada's FNS aid (76 percent) is channelled through multilateral organizations in Ethiopia with the remainder through Canada CSOs (13 percent) and international research institutes (11 percent).<sup>98</sup> A large proportion share of Canada's FNS aid went to a multi-donor trust fund to support the PSNP, as well as food aid and nutrition programs implemented by the WFP. A unique feature of Canada's FNS aid to Ethiopia is that 61 percent of aid to the food security sector is specifically earmarked for private sector development compared to 18 percent for nutrition-related programming, 14 percent for emergency food aid/relief, and 7 percent for research.

The assessment concluded that Canada's FNS aid was well aligned with the Ethiopian government's priorities to support small-scale farmers and that Canadian aid in general contributed to the success of the PSNP and related programs in producing positive food security outcomes. The assessment noted that there was a lack of evidence of the impact of Canada's contribution to research and development on smallholder farmers with most of the technologies supported by Canadian aid being too costly for widespread adoption by resource poor, small-scale farmers. The report suggested that future research and development efforts should take into account how to scale up traditional technologies, farmer-led innovations and extension services, and for research to be "demand-driven and prioritized according to the needs of rural populations and smallholder farmers."<sup>99</sup> Among the report recommendations for the government of Canada were to increase support to small-scale irrigation to address smallholder farmer risk, incorporate civil society in policy design and implementation, and address the gap in impact assessments and results monitoring.

#### 2.2.4.4 Review of FSS in Honduras

A second country assessment was of Canada's FNS aid in support of the Honduran government's food security efforts. Canada's FNS aid programming in Honduras began in 2010 and was designed to support implementation of the Honduran government's National Food and Nutrition Security Strategy (ENSAN). Canada is among the top three bilateral donors in the food security sector in Honduras, with a targeted contribution of approximately CA\$10 million per year from 2011-2015 as part of the CIDA-Honduras Country Food Security Strategy 2.0 to "increase sustainable agricultural production and consumption of quality nutritious food by Honduran women, men, boys and, girls."<sup>100</sup> Canada's programming in Honduras is centered on the themes of improving rural agricultural productivity, diversity and incomes, and nutrition (especially by supporting school feeding programs). Unlike other donors, Canada's FNS aid primarily goes to the poor and drought-prone dry corridor in Southern Honduras and is one of few donors contributing substantially to this region. In Northern Honduras, Canada's aid supports the production of cash crops such as coffee and cocoa. Similar to Ethiopia and Ghana, Canada partners with the WFP as an implementing partner for school feeding programs and nutrition schemes targeted to pregnant and lactating women and children under the age of five. Approximately 25 percent of Canada's total FNS aid to Honduras (estimated at CA\$20 million) is channeled through the WFP. The remainder falls under the Geographic (Americas) and Partnerships branches. A relatively high proportion of partnerships branch funding in Honduras goes for FNS aid (CA\$1.65 million in 2011-12). Two of the largest funded projects by Canada were the "Promoting Food Security in the Choluteca and Rio Negro Watersheds" project (CA\$14 million over six years), implemented by CARE International that provides credit and financing schemes to poor farmers and supports farmers to grow sorghum instead of more drought prone corn, and the "Promoting High-Value Cacao Agroforestry Systems in Honduras" project (CA\$7 million over 6.5 years) that funds the adoption of higher-value varieties of cacao (including support to meet international certification standards) and promotes environmentally sustainable practices.<sup>101</sup> The independent assessment concluded that Canada's FNS aid was well targeted at small-scale farmers and supported "most of the priorities and strategies mentioned by farmers" (such as research for climate resilient agriculture, crop diversification, grains storage, credit, and value-added processing and markets).<sup>102</sup> It also identified several shortcomings, including that programs did not always target the most food insecure (especially programs aimed at the cacao export sector), limited evidence of substantial impact on the empowerment of women farmers, and the lack of impact evaluations of programming on the food security of the poor and poorest farmers. The authors called for additional research to determine if value export-oriented programs in fact support food insecure populations.<sup>103</sup>

### 3. Additional discussion: Challenges of targeting Canada's FNS efforts

This section further analyzes practical bottlenecks facing Canada's FNS policies in regard to prioritizing needs across and within recipient countries.

#### 3.1 Overview of Canada's approach to targeting FNS aid

Aspects of Canada's approach to selecting recipients and budgets were described in the preceding sections. Canada delegates the targeting of multilateral FNS aid to international organizations. The most relevant point for this report for bilateral FNS aid is that while increasing food security has been one of Canada's aid priority themes since 2009, food security concerns have not been the principal driver of aid budgeting and the selection of recipient countries but instead only come into consideration at the latter stages of the aid policymaking process. There was no distinct policy track for allocating FNS aid or a special pool of funds reserved for FNS aid activities despite its status as a top development priority theme. Canada employed standardized policies and processes for making aid allocation and programming decisions. These apply to FNS aid.

There has been significant debate over whether the current IAE allocation model is optimal for aid budgeting. However, there is consensus that the IAE model undermined "the effectiveness of CIDA as the principal provider of development assistance" and that it did not "foster complementary relationships and synergies across the key departments."<sup>104</sup> Decisions taken by senior managers with respect to allocating the IAE are not publicly available and as such it is not known to what extent FNS aid and the targeting of specific countries were discussed and directly influenced IAE allocations in any given year. Discussions with CIDA/GAC staff suggest that the only times that FNS aid received specific attention at the IAE allocation stage was during the years in which Canada made specific international FNS aid commitments, for example, at the G-8. These commitments would have been calculated into the funding allocated to each of the five pools since the FNS aid commitments were not limited to the Development pool managed by CIDA but spread out across the Crises (e.g., emergency food aid), International Financial Institutions (e.g., GAFSP) and Research and Development (e.g., CIFSRF) pools.

While the IAE allocation process determines much of the available federal aid budget, the next stage of spending decisions takes place internally within departments. In the case of CIDA/GAC, management further allocates the levels of assistance to be provided by the suite of programs operated by the Multilateral, Geographic, and Partnership branches. As discussed above, multilateral branch does not make direct country-level decisions about targeting FNS aid to specific countries even though the branch managed up to 50 percent of annual FNS aid spending. This spending covered core and non-core contributions to multilateral and regional organizations such as the WFP, FAO, and IFAD, and multi-donor trust funds such as the GAFSP and NAFNS. In order to gain approval from Treasury Board to fund non-core projects, CIDA/GAC must consider the capacity of the organization, and it is standard policy for due diligence to be undertaken.<sup>105</sup> The FNS needs of specific countries could inform CIDA's preference for non-core contribution allocations but are not an explicit consideration that influences the budget approval process set by Treasury Board. The situation is different in Geographic branch where CIDA/GAC staff have considerable influence over the targeting of FNS aid. As discussed above, there are several considerations to the selection of countries and the range of programming, including if potential recipient countries are already listed as a Country of Focus, which is intended to ring-fence bilateral aid to a small number of countries. This means that aid-spending choices are driven primarily by eligibility rather than FNS needs. Canada can still provide FNS aid to countries that are not on the list; however, this is severely constrained by the 90 percent requirement that all bilateral assistance be provided to Countries of Focus.

A second layer influencing how FNS aid targeting took place occurred at country level planning. In 2008-2009, Canada began to change how it planned and funded bilateral programs. It switched from an emphasis on funding individual projects at the country level toward a Country Strategy processes that identifies several key priority areas of programming intended to guide aid spending decisions over medium-term planning and ensure alignment with the government's aid priorities across the five themes (increasing food security, safe and secure futures for children and youth, sustainable economic growth, advancing democracy, and peacebuilding stability). A Country Strategy is not fixed but subject to periodic review and updating. CIDA/GAC staff in country missions design Country Strategies and forward them to headquarters for approval. CIDA/GAC staff make bilateral programming decisions about which of the themes will be prioritized in a particular country.

In the case of FNS aid, staff decisions tended to be informed by the quality of the recipient country government's food security and agricultural plans, CIDA/GAC's local capacity in the field and its experience working in the country, and the scope for effective coordination with other FNS aid donors.<sup>106</sup> A decisive factor for including FNS aid is whether a recipient government has a clear national strategy for agriculture and food security because FNS aid was intended to support a recipient government's self-identified priorities. Relative FNS needs was not necessarily a key factor in driving FNS spending in Country Strategies. For example, Canada's Country Strategy for Bangladesh and Haiti did not include food security as a priority theme even though both countries have among the highest levels of malnutrition and food insecurity. This does not mean that Canada did not provide FNS aid to these countries; it did, but increasing food security was not a priority theme at the country level and thus not the top focus of aid programming. Some GAC staff suggested that the selection of priority themes by senior managers reflect political priorities. Local staff do their best in practice to ensure programming meets local needs. However, it was noted that by not listing a certain priority theme for a Country of Focus does make it more difficult for local staff to get senior management approval for programming in areas outside the designated priority theme(s). In other words, the selection of priority themes may work to lock-in certain patterns of aid spending that may be more theme rather than needs driven.

At the time of writing, Canada had not yet completed Country Strategies for all 25 Countries of Focus.<sup>107</sup> Based on a cursory review of the GAC website (at the time of writing) only 7 out of the 25 Countries of Focus included increasing food security as a programming thematic priority, most of which were in region of sub-Saharan Africa.<sup>108</sup> This included Honduras, Vietnam, West Bank and Gaza, Ethiopia, Ghana, Mali, and Senegal. Canada's FNS bilateral aid focused on a small number of countries where it has long-term experience, expertise and sufficient local capacity (i.e., Ethiopia, Ghana, Haiti, and Senegal).

The Country Strategies are an improvement on CIDA's previous approach to bilateral aid planning; however, the strategies lack long-term budget commitments that results in the unpredictability of FNS aid. Country Strategies have been critiqued for being highly fragmented and for not adequately aligning with multilateral programming and aid provided by other federal departments (an example is Ethiopia where 40 percent of Canadian aid it received was not captured in its Country Strategy).<sup>109</sup> GAC has made greater efforts to better align bilateral and multilateral aid at the country level. A recent example has been to design programming in Ethiopia, Ghana, and Senegal consistent with NAFNS projects in these countries.

Of note is that the DAC found that spending among Countries of Focus did not significantly change after the adoption of the five themes. This suggested that bilateral aid was "a continuation of programming rather than a point of departure for Canada's aid."<sup>110</sup> This appears to be the case for FNS aid with CIDA/GAC staff confirming that Canada has continued to provide FNS aid to countries where it has considerable field experience in the agriculture and/or food security sectors. It appears that significant in-country experience with agricultural and food security programming is a highly influential factor in the decision of whether FNS aid is included as a programming theme in a Country Strategy.



## 3.2 Practical challenges in targeting and selecting recipients

The review of secondary literature and interviews with GAC staff point to several challenges to targeting FNS aid.

### 3.2.1 Administrative delays

A first challenge are bottlenecks created by the administrative process that lead to major lags between when field staff submit funding proposals for aid projects and when they are approved. This challenge is not specific to FNS aid but applies across Canada's bilateral aid programming. Several studies have pointed out that Canada's approval process for new aid programming is both lengthy and unpredictable. According to the DAC, the delays in approvals have "caused problems for partnerships and made CIDA's aid less effective." The DAC further found that "compliance requirements, information demands, parliamentary reporting and public communication efforts have expanded since 2007" and that "the burden of this on staff appear to be heavier than in some other DAC members."<sup>111</sup> CIDA staff identified the administrative processes as highly burdensome and noted that the lack of authority delegated to staff in the field constrains their ability to be responsive to changing FNS situations on the ground. CIDA/GAC staff also noted the delays in approval by headquarters can be considerable; this creates uncertainty for recipient governments and other partners. Much of Canada's aid is implemented in partnerships, including other donors and multilateral and regional organizations; delays in approval undermine collectively-resourced projects if partners are waiting for Canada to deliver its share before programming can start. The County Strategies require a higher level of authority than previous programs, including approval from the Minister of International Cooperation or the Treasury Board, which has contributed to a lengthy decisionmaking process and delays in approval of FNS aid that stall efforts at field level.<sup>112</sup> In short, CIDA/GAC administrative processes for approving aid disbursements constrain the responsiveness of FNS aid programming to conditions on the ground and create bottlenecks in the implementation and delivery of Canada's FNS aid projects and those of its partners.

### 3.2.2 Field capacity

A challenge identified by CIDA/GAC to improving the targeting of FNS aid is reduced field presence. To achieve cost-saving measures, the government of Canada closed several embassies and country missions. Another policy shift that affects field capacity is that CIDA changed how it resources existing field missions with locally-engaged staff; it recently switched to a Field Services Support model that operates on a fee for service and it has closed its long-standing Project Support Units (PSU) that provided support to project delivery, monitoring, and assessment. The rationale for this change was to reduce CIDA's field costs. However, CIDA's PSUs were widely recognized as one of Canada's comparative advantages in the field and attributed with improving the efficacy of aid.<sup>113</sup> CIDA/GAC staff identified that the Field Services Support model has led to an increase in service provision by large international consulting firms. This was contrasted with the previous PSU model where locally-engaged staff would make up a large part of the in-country team. PSU staff often worked long-term with CIDA staff and were a key source of local expertise and institutional memory (since CIDA staff are rotational and only in-country for several years). There is a concern that under the Field Services Support model that CIDA/GAC is losing vital local knowledge and corporate memory. Moreover, it was PSU staff that established long-term working relationships and trust with recipient governments and local CSOs, which is an important dimension of project success at the field level. Given the importance of local knowledge and expertise to the success of Canada's FNS aid efforts, GAC staff expressed a concern that a combined reduction of presence in the field and change in the way locally-engaged staff are hired is diminishing Canada's capacity to design and deliver FNS aid programs.



### 3.2.3 FNS aid expertise at headquarters

A related concern identified by CIDA/GAC staff is the lack of in-house technical expertise to inform FNS aid policy design and implementation. Cutbacks in staffing levels at CIDA were amplified with the amalgamation of CIDA with DFAIT that has, according to GAC staff, led to a major reduction in the numbers of technical experts available to review FNS aid policy proposals. GAC appears to have insufficient numbers of in-house experts to review FNS aid policy proposals, and there have been multiple instances where GAC's lack of technical expertise to evaluate FNS aid program proposals led to delays in approving proposals. In some cases, GAC staff now turn to external experts, either in other federal departments (such as Agriculture and Agri-Food Canada) or in academia, to evaluate FNS aid program proposals. There are concerns that the technical capacity gap, and constraints in policymaking, is likely to increase going forward.

Amalgamation resulted in CIDA staff being absorbed into DFAIT and adopting its administrative and human resources policies. At the staffing level, this translates into the hiring of foreign service officers, who are generalists, into development positions that ideally require more specialized backgrounds in agricultural development or development policy. Some see this as diminishing Canada's capacity to design and implement high quality FNS aid programs. While GAC staff recognize the importance of having staff with expertise across trade, diplomacy, and development in policy units, there is a concern that the development element, especially the more technical dimensions of development programming, are not equally prioritized by GAC management and being staffed accordingly.

Another illustration of Canada's diminished capacity to implement and oversee FNS aid programs is the growth of "outsourcing" projects that CIDA would have managed in the past." GAC staff noted that Canada now routinely delegates major projects to other developed countries' development agencies, such as the Strengthening Irrigated Agriculture project in Mali that is being delivered by Germany's Gesellschaft für Internationale Zusammenarbeit (GIZ).

### 3.2.4 Future direction of the FSS

GAC staff commented that the FSS had lacked a clear policy direction and long-term plan since 2013. Canada's FNS aid strategy was start-stop between 2013 and 2015 during a period when three different individuals held the portfolio of minister for international cooperation. Each new minister sought to change the focus of FNS aid programming, resulting in rapid changes in the policy issues that Canada's FNS aid was expected to address. In short, Canada's FNS aid efforts have experienced policy drift. This is unlikely to be rectified until the current minister of international cooperation makes a clear announcement of a long-term FNS aid strategy accompanied with a budget commitment. Canada's future FNS aid policy direction remains uncertain given that food security nor sustainable agriculture featured prominently in the *Feminist International Assistance Policy* statement.

## 4. Canada's DAB policies and policy coherence

This section examines how the goals of Canada's domestic agriculture, biofuels, and international trade policies align with its global efforts to promote FNS, and how coherence is promoted. An assumption in the ERH framework is that countries with greater distortions in domestic farm policies result in greater distortions in global FNS markets. The consensus among agricultural trade policy experts is that developed countries agricultural policies, especially producer subsidies, can distort trade and lead to an uneven playing field for farmers in the developing world that reduces their ability to benefit from local, regional, and international market opportunities.<sup>114</sup>

### 4.1 Canada's domestic agriculture, biofuel and international trade policies

Whereas Canada ranked among the top 10 developed countries when it came to its FNS aid policies, its performance on the ERH's DAB Policies index is lower. Canada ranked 16th out of the 29 donors (Table 4.1).

Table 4.1: Developed countries DAB policy score and ranking, 2010-2014

<b>Country</b>	<b>DAB Policy Score (out of 100)</b>	<b>DAB Policy Score ranking</b>
Australia	99	2
Austria	71	21
Belgium	56	25
<b>Canada</b>	<b>74</b>	<b>16</b>
Czech Republic	81	5
Denmark	71	20
EU	74	15
Finland	78	10
France	73	17
Germany	62	23
Greece	80	7
Iceland	76	13
Ireland	76	12
Italy	72	19
Japan	51	26
South Korea	44	27
Luxembourg	38	29
Netherlands	81	4
New Zealand	99	1
Norway	60	24
Poland	79	9
Portugal	72	18
Slovakia	80	6
Slovenia	79	8
Spain	77	11
Sweden	75	14
Switzerland	42	28
UK	67	22
<b>USA</b>	<b>82</b>	<b>3</b>

Source: ERH website

The DAB policy score is made up of the Producer Subsidies sub-index score and Trade Restrictions sub-index score (see Table 4.2). Looking at Canada's scores at this sub-level shows that its Producer Subsidies sub-index score is 87 and ranks 11th best. Its Trade Restrictions sub-index score is 60; however, here Canada ranks near the bottom at 25th. This would suggest that Canada's tariff rates and tariff policies might have negative consequences for global FNS markets. This issue is addressed in greater detail in the sections below.

Table 4.2: Canada's DAB policy, producer subsidies, and trade restrictions scores, 2010-2014

	<b>Domestic Agriculture and Biofuel Policy (rank</b>	<b>Producer Subsidies (rank out of 29)</b>	<b>Trade Restrictions (rank out of 29)</b>
<b>Canada 2010- 2014 rescaled scores</b>	74 (16)	87 (11)	60 (25)

Source: ERH data, rescaled DAC scores 2010-2014

#### 4.1.1 Review of domestic agriculture policy

Canada is a major agricultural producing and exporting country. In 2014, Canadian agriculture generated CA\$108.1 billion and accounted for 6.6 percent of Canada's Gross Domestic Product (GDP). The sector contributes to 1 in 8 jobs in Canada.<sup>115</sup> Canada is the world's fifth-largest exporter of agriculture and agri-food products. Key exports include grains (wheat, corn) and oilseeds (canola, soy), and meat. Canada is the world's sixth-largest importer of agriculture and agri-food products, accounting for 2.9 percent of the total value of world agriculture and agri-food imports (of this the U.S. accounted for 61.4 percent of Canada's exports).

The federal and provincial/territorial governments share responsibility for agricultural policy, which means program design and cost sharing is split between the two levels of government, generally shared at a ratio of 60:40.<sup>116</sup> Agriculture and Agri-food Canada (AAFC) is the main federal department responsible with managing Canada's agricultural programs. Canada's agricultural policy framework from 2008 to 2013 was the *Growing Forward Framework Agreement* (generally known as *Growing Forward 1* [GF1]). The GF1 framework promoted three strategic outcomes: competitiveness and innovation; contributing to society's priorities; and, minimizing and managing business risk.<sup>117</sup> Canada's current agricultural policy framework, *Growing Forward 2* (GF2), provides the basis for federal and provincial programs from 2013 until 2018. GF2 has three priority areas—innovation, competitiveness, and market development—and includes a suite of programs to support R&D, reduce trade barriers, develop new market opportunities and manage risks associated with market volatilities, production losses, and disaster situations. In addition, provinces also provide complementary programs. Québec's *Programme d'assurance stabilisation des revenus agricoles* (ASRA) and Ontario's Risk Management Program (RMP) both provide price insurance to producers of specific agricultural commodities.<sup>118</sup>

Canada's domestic agricultural programs reflect the heterogeneity of its agricultural production by region and commodity groups.<sup>119</sup> Canada's Western provinces are characterized by the production for export markets. This includes key export commodities such as wheat, coarse grains, oilseeds (and related products), pork, beef, and live cattle. These sectors receive little government assistance and protection. Farming in the Central Provinces of Ontario and Quebec is primarily for domestic consumption and in the so-called "supply-managed" sectors, namely smaller-scale production of dairy, poultry, and eggs. These are the most regulated sectors of Canada's agricultural economy.

#### 4.1.2 Agriculture subsidies

Like most developed countries, Canada provides support to farmers through a combination of measures, including direct subsidies, loans, R&D, and other marketing programs. Of most direct interest are Canada's agricultural subsidies since these are measured by the ERH framework and have the most bearing on Canada's DAB policy score. Analyzing Canada's agricultural subsidies must take into account the various terminology and methodologies used at the international level. This includes the two most common approaches to measuring and reporting agricultural subsidies, the

World Trade Organization's (WTO) Aggregate Measurement of Support (AMS) and the OECD's Producer Subsidy Estimate (PSE).<sup>120</sup> The WTO's AMS and OECD's PSE have similar origins; however, they capture different dimensions of agricultural support to farmers. The key difference is that PSE, unlike AMS, accounts for all agricultural program spending and does not distinguish between programs based on a measure of their relative distortions to international trade. By comparison, the WTO categorizes subsidies along a continuum of least to most trade distorting, which despite debate about the shortcomings of this method, has nonetheless become the accepted international standard by which governments determine how "good" or "bad" a specific agricultural policy or program is and its potential adverse consequences to world trade.<sup>121</sup>

#### 4.1.2.1 Agricultural subsidies reported to the WTO

Canada has WTO domestic and export agricultural subsidy commitments that set binding limits on the total volumes of subsidies it can provide in any given year. There is also a list that further specifies which agricultural products may receive support (and how much). The 1994 *Agreement on Agriculture* (AoA) required all developed country WTO members to reduce the total level of farm support by an average of 20 percent from 1986-1990 levels. As a result of the Agreement, Canada's total AMS is currently capped at CA\$4.3 billion per year.

AMS does not fully capture Canada's agricultural spending since the WTO has different categories for agricultural subsidies and not all subsidies count toward a country's final reported AMS totals. The WTO system of classifying and reporting agricultural subsidies is most commonly known by a traffic light color-coded set of "boxes".<sup>122</sup> This includes the "Green Box" support measures, such as government service programs and decoupled payments to producers, which are considered non- or minimally trade distorting. Such payments are deemed acceptable by the international community and currently exempt from reduction commitments. The next category is the "Blue Box," which includes payments to farmers that are designated under WTO law as a "less trade-distorting" form of agricultural support compared to other types of subsidies. Blue Box subsidies are those that require producers to limit production. Blue Box payments are subject to spending limits; however, Canada does not have any domestic support programs that fall under Blue Box. The next category is known as "Amber Box," which captures subsidies considered to most distort production and trade. Amber Box subsidies are subject to strict spending limits and these are expressed in AMS terms in the WTO agreements. Canada makes significant use of amber box. Finally, there are the "Red Box" programs that are prohibited under WTO law.

Canada is one of 34 WTO members permitted to provide AMS support. All WTO members with AMS spending must report the levels of subsidy to the WTO annually. Table 4.3 below shows Canada's reported domestic support spending for the period from 2009 to 2011 (there is a major lag between when agricultural spending occurs and when it is reported to the WTO). Table 4.3 shows that Canada's reported Amber Box support—its most trade distorting support—has been consistent in recent years at a value of CA\$3 billion. However, after its product specific and non-product specific *de minimis* limits (5 percent of AMS spending) are subtracted, only roughly half of Canada's AMS spending is counted against its bound total AMS.<sup>123</sup> Most product-specific AMS support goes toward the supply-managed sectors, particularly dairy.<sup>124</sup> Canada's agricultural spending is well below its AMS annual limit of CA\$4.3 billion.

Table 4.3: Canada's domestic support spending in CA\$ million, 2009-2011

Box category	2009	2010	2011
Green Box	2,688	2,854	2,727
Amber Box	3,016	3,108	3,068
<i>De minimis</i>	1,621	2,616	2,546
Current total AMS	1,395	492	522
Bound total AMS	4,301	4,301	4,301

Source: WTO (2016) Trade Policy Review – Canada.

Canada's and other countries' existing subsidy limits and payments that can be made under each of the boxes are currently under discussion as part of the WTO Doha Round negotiations. This has been an issue of major disagreement and a new multilateral agricultural trade deal to reduce domestic farm spending appears unlikely to be completed.

Canada also has agricultural export subsidy reduction commitments for 11 product groups.<sup>125</sup> Canada is not a major user of agricultural export subsidies and currently provides export subsidies for a sub-category of dairy-related products. However, the export subsidy commitment levels have been reached for two categories: milk products and incorporated products.<sup>126</sup> Agricultural export subsidies are expected to be phased out in the future under the 2015 WTO Nairobi package.<sup>127</sup> According to Canada's subsidy notifications to the WTO, it provides the majority of trade-distorting support to the dairy sector. Canada is not a significant exporter of dairy products. It is a small market for dairy imports. There is wide consensus that liberalization of Canada's dairy sector will likely result in lower retail prices for Canadian consumers. There is unlikely to be any significant impact on global FNS markets from the elimination of Canada's agricultural export subsidies.

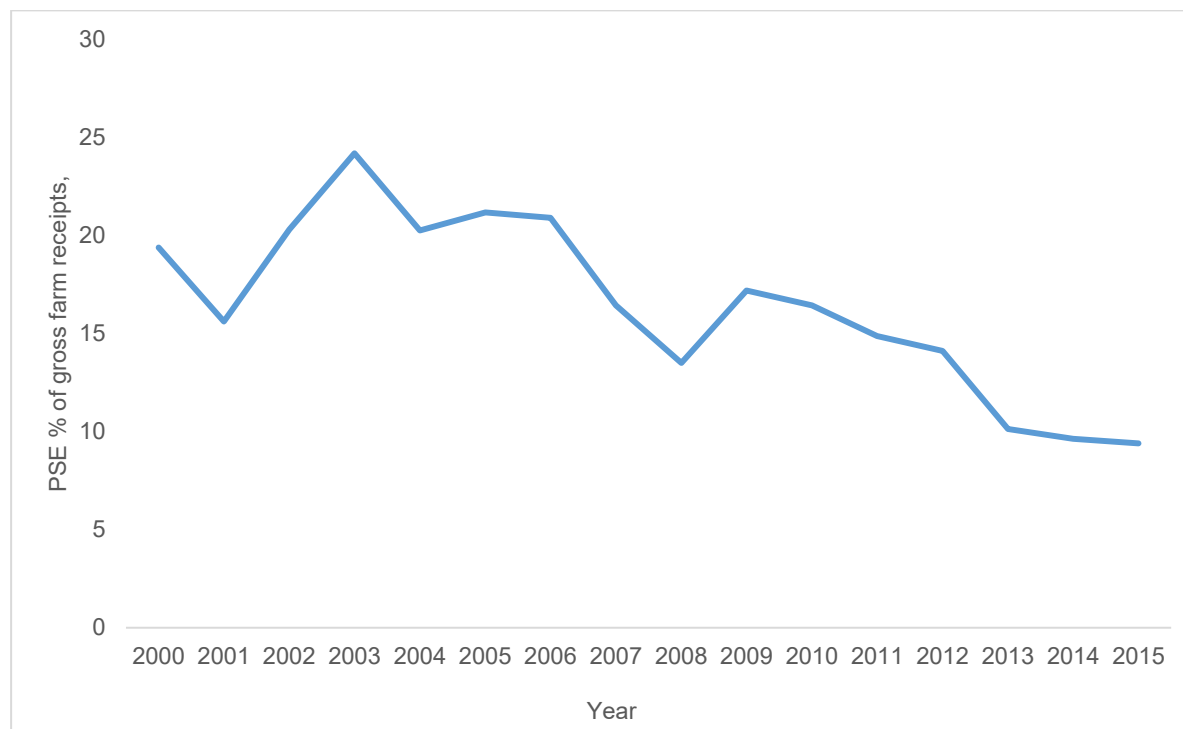
#### 4.1.2.2 Agricultural subsidies measured by the OECD

Canada also reports its agricultural subsidies to the OECD, which in turn produces the PSE. This data is provided for transparency purposes and to support agricultural trade policy research. The OECD does not regulate international agricultural trade and its primary function is as an information clearing house. The OECD calculates agricultural subsidies differently than the WTO. The PSE is an aggregate measure of a country's agricultural and fisheries subsidies and other support to producers, however, is not gradated like the WTO's green, blue, and amber boxes to signal variegated levels of influence on world trade. Given that the OECD's PSE index is a major input into calculating a country's DAB policy it is worth analyzing Canada's PSE levels in detail.

The OECD reports that Canada's PSE declined from 36 percent of gross farm receipts in 1986-1988 to 10 percent in 2013-2015. Figure 4.1 shows Canada's reported PSE from 2000-2015; this illustrates the longer-term decline of PSE (with the exception of a sharp rise between 2001 and 2002). Canada's PSE is consistently below the OECD average.<sup>128</sup> Canada's PSE increased in 2008-2009 due to various factors, including falling world agricultural prices (many of Canada's agricultural programs are counter-cyclical and this automatically causes support to rise) and increased input costs.<sup>129</sup> Most of the rise in PSE from 2008 to 2009 was due to increased subsidy support to the dairy sector. The longer-term trend has been one of declining government support to farmers.

There are limitations to the PSE for understanding a country's farm policies. Unlike WTO reports, the PSE data does not directly show if countries are utilizing less or more trade-distorting policies. The PSE only aggregates spending and allows for cross-country comparison. The OECD, for example, reported that GFI programs are designed to be less trade distorting than earlier versions of programs. However, there is no way to test this with PSE data and this measure cannot establish the degree of effects on world trade. By extension, this also means the ERH Producer Subsidy sub-score is also not sensitive to the effects of countries' specific policies, which limits the capacity of the ERH framework to directly gauge potential consequences to global FNS markets.

Figure 4.1: Canada's PSE, 2000-2015



Source: OECD

#### 4.1.2.3 Agricultural subsidies measured by the ERH framework

The ERH framework assessment of DAB is composed of two sub-indexes, Producer Subsidies and Trade Restrictions.

The ERH database ranked Canada 11th among developed countries on the Producer Subsidies sub-index with a score of 87. There are five indicators that constitute the Producer Subsidies sub-index; however, the key one is the PSE as a percent of agricultural GDP value, where Canada's value was 23 percent and was ranked eighth.

Canada's PSE fell sharply during the 2009-2014 period and this resulted in a flattering score for Canada (Canada ranked eighth among DAC members in the ERH's Producer Subsidy Estimate sub-score). As discussed above, Canada's falling PSE is not due to any change in policy but is explained by the counter-cyclical relationship between food prices and agricultural subsidies. The price for many of Canada's key agricultural exports reached record levels between the 2007-2014 period; according to the FAO's Food Price Index world prices for cereals nearly doubled, the price of vegetable oils tripled in 2012, and meat prices nearly doubled by 2014. As a major exporter of cereals, vegetable, and meat, Canada's agricultural export revenues benefitted from higher prices. Indeed, Canada's production of agricultural (primary and processed) goods has increased sharply and exports nearly doubled in value between 2005 and 2014.<sup>130</sup> In 2014, total farm receipts in Canada reached CA\$55.7 billion, the highest level in a decade.<sup>131</sup> The increase in market receipts in 2014 was due to the combination of strong crop receipts of CA\$30 billion and record livestock receipts of CA\$25.7 billion. The single largest area of growth was a 284 percent increase in the value of oilseeds and oilseed product between 2005 and 2014. Farm cash income reached CA\$14.2 billion, which was 32.5 percent

above the 2009-2013 average.<sup>132</sup> Canada's program payments declined by 21.8 percent in 2014 due to the "healthy market returns in the last few years."<sup>133</sup>

Canada's experience is not unique and it is worth recalling that the ERH's Producer Subsidies sub-index has captured an unusual moment in world agricultural markets (2009-2014) where high prices have been the norm. This happens to paint developed countries DAB policies in a favorable light. Whether Canada's PSE levels will remain at record low levels going forward likely depends on current and future trends in prices for grains, oilseeds, and meat, as well as its future agricultural policy. World food prices have been on the decline since 2014, while remaining well above their pre-2008 levels. Recent reports show that declining world food prices are already prompting the U.S. to sharply increase its agricultural subsidy spending.<sup>134</sup> Canada's farm programs are counter-cyclical, similar to those of the U.S., and therefore it would be expected for future reported agricultural subsidy spending to increase.

#### 4.1.3 Review of domestic biofuel policy

Canada has had policies in place to support the production and consumption of ethanol since the mid-1990s. Canada is not a major producer or consumer of biofuels in global terms. Key domestic biofuel programs are the 2003 *Ethanol Expansion Program* that supported investments in building and enlarging ethanol plants and a 2006 energy strategy requiring biofuels to account for five percent of total fuel consumption in Canada by 2010.<sup>135</sup> In 2010, the Canadian government introduced the *Renewable Fuels Regulations* as part of its international commitment to reduce total greenhouse gas emissions by 17 percent from 2005 levels by 2020.<sup>136</sup> Canada produces around 1,730 million liters of ethanol annually, which accounts for almost two-thirds of current consumption. The remainder is imported from the US.<sup>137</sup>

## 4.2 International trade policies

Canada's trade policy is set by GAC (formerly DFAIT). Canada is a member of the WTO and has completed 12 free trade agreements (FTAs) and recently concluded another two (i.e., Ukraine and the Canada-EU Trade Agreement [CETA]). Canada is currently negotiating seven FTAs. Canada is a major advocate for free trade. Sensitive trade sectors include the supply-managed agricultural sectors, health, cultural goods, and automobiles.

#### 4.2.1.1 Tariffs and tariff rate quotas

Like all developed country members of the WTO, Canada bound its agricultural tariffs and converted agricultural quantitative import controls to tariff-rate quotas (TRQs) in 1995. Its tariffs and TRQ rates were incorporated into a schedule of commitments. Canada has 1302 tariff lines for agricultural goods that were subject to an average reduction of 36 percent between 1995 and 2000. These TRQs are administered by GAC.

Tariffs and TRQs are one policy tool that Canada uses to protect certain agricultural sectors. Canada's 2015 simple average applied most-favored nation (MFN) tariff for agriculture was 16.7 percent. This compares with, for example, 10.7 percent for the EU, 14.3 percent Japan, 36.1 percent for Switzerland and 5.2 percent for the US.<sup>138</sup> The overall trend is a decline in its applied average agricultural tariffs.<sup>139</sup> Canada ranks 24th out of 29 for the average applied MFN (Agriculture) indicator in the ERH Trade Restrictions sub-index. Canada's score of 71 is only marginal lower than the majority of countries (i.e., EU member states) that had a score of 77.

All imports within tariff quotas are subject to an applicable tariff that varies depending on the origin of the imports. Agricultural imports originating from the countries with which Canada has FTAs and most



developing country suppliers under the General Preferential Tariff (GPT) enter at preferential rates. It is a handful of tariff lines that skew Canada's average MFN rate. As Table 4.4 below shows, for all agricultural imports that entered Canada in 2015 nearly 60 percent (import value terms) came in at duty free tariffs and 25 percent at tariff rates above zero to 10 percent. Five and a half percent of all imports came in at tariffs of over 100 percent. The 100 percent higher tariffs applied to a small group of agricultural goods that have TRQs and minimum access commitments, which mostly includes Canada's supply-managed sectors. For example, certain dairy, cream, and butter products have over quota tariff rates between 201.5 percent and 314 percent; some eggs enter at over quota tariffs ranging between 163.5 percent and 238 percent; certain cuts of chicken meat enter at over quota rates of 238 percent; certain cuts of turkey enter at over quota rates of 154.5 percent; and, certain cuts of bovine meat enter at tariff rates of 26.5 percent.<sup>140</sup>

*Table 4.4: Canada's distribution of agricultural tariffs*

	Tariff lines and import values (in percent)							
	Duty-free	0 <= 5	5 <= 10	10 <= 15	15 <= 25	25 <= 50	50 <= 100	> 100
<b>Final Bound Rate</b>	46.0	15.9	20.8	7.8	1.8	1.9	0.7	5.1
<b>MFN applied 2015</b>	59.6	8.9	16.1	6.0	1.3	1.8	0.7	5.5
<b>Imports 2014</b>	52.4	15.0	17.9	10.0	0.4	2.3	0.2	1.9

Source: WTO World Tariff Profiles 2016.

Canada's TRQ regime is the subject of negotiations at the WTO Doha Round. Canada's main competitors in these sectors—namely the U.S., EU, Brazil, Australia, and New Zealand—wish to secure additional access to Canada's domestic market for dairy, eggs, poultry, beef, and pork. Both New Zealand and the U.S. have filed WTO trade disputes challenging Canada's TRQ regime.<sup>141</sup> Canada's TRQ regime is potentially subject to further reform depending on the outcome of the WTO Doha Round negotiations and other FTA negotiations.

Canada's average applied MFN rate on agricultural goods results in an ERH Simple Average Applied MFN tariff, Agricultural Goods score of 71 and rank of 24. However, the applied rate is skewed upwards by a handful of TRQs for the supply-managed sectors. It is unlikely that those TRQs have significant impacts on global FNS markets for the same reasons discussed with respect to agricultural subsidies—small-scale farmers in developing countries with high FNS aid needs are unlikely significant exporters of perishable items such as eggs and dairy products, or major players in the processed chicken and meats sectors.<sup>142</sup>

#### 4.2.1.2 Duty-free, quota-free

Another important aspect of Canada's tariff policies is preferential access. While Canada maintains high tariffs on a small number of products from direct agricultural competitors, it is one of a number of developed countries that provide significant preferential market access for developing countries. Canada operates three unilateral preference regimes: the General Preferential Tariff (GPT); a Least Developed Country Tariff (LDCT); and a Commonwealth Caribbean Country Tariff (CCCT).

Preferential regimes are especially important for LDCs, which only account for about 1 percent of world trade. At the launch of the WTO Doha Round in 2001, members promised to provide duty-free, quota-free (DFQF) market access improvements for LDCs. DFQF applied to agricultural and non-agricultural market access. WTO members subsequently agreed in Hong Kong in 2005 that developed countries and developing countries declaring themselves in a position to do so shall provide DFQF market access for at least 97 percent of products originating from LDCs.

Canada has a comparatively progressive DFQF regime, especially its Market Access Initiative for Least Developed Countries which provides DFQF for nearly 99 percent of its tariff lines (this is higher

than the WTO's recommended 97 percent).<sup>143</sup> It provides DFQF by simplifying rules of origin so LDCs can make use of its preferential schemes. Under the GPT scheme, Canada provides DFQF for all goods from LDCs with the exception of some over-quota tariff lines for dairy, poultry, and egg products. Under the LDCT, the average applied agricultural tariff rate was 17.6 percent in 2014.<sup>144</sup> It should be noted that LDCs and developing countries have access to preferential rates for in-quota tariffs and Canada does not place any restrictions on the extent to which LDCs imports can fill WTO in-quota tariffs (this would suggest greater scope for LDCs to access even Canada's most protected agricultural sectors).

Canada completed a review of its GPT regime in 2013 that led to the withdrawal of benefits to 72 trading partners that were considered to have graduated to higher income such as India and China.<sup>145</sup> As a result of these changes, 104 countries are eligible for the GPT, of which 48 are LDCs.<sup>146</sup>

#### 4.2.1.3 Agricultural tariff peaks

Tariff peaks are unusually high tariffs on sensitive products. Despite having TRQs in place on supply-managed sectors, Canada has far fewer tariff peaks across its agricultural tariffs lines (26.7 percent) compared to the EU (97.7 percent), Japan (85.1 percent), and U.S. (36.6 percent). Canada was assigned a score of 94 and ranked fourth in the ERH sub-score on the share of agricultural tariff peaks).<sup>147</sup>

#### 4.2.1.4 Biofuel tariffs

Canada scored poorly on biofuel tariffs. Canada is a net-importer of biofuels and imports almost exclusively from the U.S.<sup>148</sup> Under NAFTA biofuel imports enter duty free and thus Canada's tariff is zero on fuel ethanol imported from the U.S.<sup>149</sup> As a result, some developing country biofuel exporters have less market access and are subject to higher import tariffs. This would most likely effect countries such as Brazil, which is a major ethanol exporter.

#### 4.2.1.5 Non-tariff barriers

The use of agricultural non-tariff barriers (NTBs) is included in the ERH framework to assess developed countries' trade restrictions. NTBs, also more commonly known as non-tariff measures, are defined as "policy measures other than ordinary customs tariffs that can potentially have an economic effect on international trade in goods, changing quantities traded, or prices or both."<sup>150</sup> NTBs include technical measures (e.g., health, sanitary, and/or environmental protection measures), traditional trade policy measures (e.g., quotas, price control, exports restrictions, and contingent protection), and other behind-the-border measures (competition policy, trade-related investment measures, and government procurement). NTBs have become more important to the regulation of international trade due to the lowering of tariffs following successive GATT trade rounds. Whereas many NTBs are widely accepted as necessary to protect public health and consumers, some NTBs, such as technical standards, are seen by some countries as increasing "red tape" and restricting trade.

As discussed above, Canada maintains several TRQs in agriculture. In addition, Canada maintains the following other NTBs:

- *Rules of origin:* Canada's non-preferential rules of origin distinguish MFN imports from those under the General Tariff.
- *Customs import duties* (e.g., General Tariff, the MFN tariff, and several preferential tariff).
- *Import licenses* for the administration of tariff quotas and monitoring purposes such as Food and Drugs Act to ensure that the imported food meets Canadian standards for safety, quality, and labeling.

- *Anti-dumping and countervailing measures:* The Canada Border Services Agency (CBSA) initiated 43 anti-dumping (AD) investigations between 2011 and 2014; CBSA initiated 21 countervailing duties (CVD) investigations between 2011 and 2014. The majority of these were for manufactured products. There is only one CVD investigation on agriculture (EU refined sugar imports).
- *Sanitary and phytosanitary requirements:* Canada submitted 394 notifications under the WTO SPS Agreement between 2011 and 2014. This included 58 regular notifications of new or changed regulations and five emergency notifications. The only contentious notifications were related to import of beef and poultry from Argentina.

All of Canada's non-tariff measures are consistent with WTO rules. Canada does not make extensive use of NTBs in agriculture beyond import licenses as part of its TRQ regime and SPS to regulate food safety, the latter of which is common practice in all developed and many developing countries.

### 4.3 Alignment of Canada's trade and domestic agricultural policies with FNS efforts

There is considerable academic and policy debate about the alignment of Canada's trade and domestic agricultural policies with FNS efforts. Like most DAC members, Canada has attempted to increase policy coherence across its development and trade ministries. There have been considerable improvements in inter-departmental consultations across development, agriculture, and trade officials. The amalgamation of CIDA with DFAIT is likely in the long-term to enhance whole-of-government approaches to decisionmaking; however, whether development aid will continue to be driven by recipient government needs or Canadian government foreign policy and trade priorities remains to be seen. This subsection further considers the issue of coherence.

#### 4.3.1 Policy coherence

Policy coherence has been a focus of development policy debates since the late 1990s. Two commonly used definitions of policy coherence include the consistency of policy objectives and instruments applied by OECD countries individually and collectively in the light of their combined effects on developing countries.<sup>151</sup> A commonly used definition is the one provided in the 2001 DAC Journal of Development Co-operation that states:

*"Policy coherence means different policy communities working together in ways that result in more powerful tools and products for all concerned. It means looking for synergies and complementarities and filling gaps among different policy areas so as to meet common and shared objectives."*

The 2008 OECD Ministerial Declaration on Policy Coherence for Development has been a driving force in advancing the policy coherence for development (PCD) agenda. This has included providing tools and guidance for policymakers to maximize coherence and minimize incoherence across a range of sectors—agriculture, fisheries, trade, regulations, and development cooperation—and most recently for food security.

At the core of the coherence agenda is ensuring the complementarity of efforts and avoiding duplication (in order to prevent the inefficient use of scarce resources) and to maximize the collective benefits of policy choices (by avoiding or reducing negative spillovers and/or externalities that impose costs on third parties). In short, the policy coherence agenda aims to improve harmony of goals and actions to maximize shared benefits. In the field of development cooperation, policy coherence is expected to operate across multiple scales, including:

- Coherence between recipient government's development policy priorities and donor's development assistance.

- Coherence across donor policies and coordination to ensure policy is not working at cross-purposes or that policies in one field do not undermine efforts in another policy field (“whole-of-government”).
- Coherence among donors to ensure coordination on the ground, effective pooling of resources, and avoiding duplication.

#### 4.3.2 Canada’s approach to policy coherence for development

This section is focused on the second scale—coherence across a donor’s policies.

Canada has not issued a policy coherence framework to guide its engagement with the developing world. The Conservative government never released an official document outlining its approach to coherence in development aid over 10 years in power. As a result, Canada has lacked an overarching plan to its development policies. One study by the North-South Institute found Canada’s announcements of new aid policies and initiatives are fragmented, noting that “new policy directions are not taken in the context of an official development policy framework that guides the Canadian International Development Agency (CIDA) and other government departments in their engagement with the developing world.”<sup>152</sup> Similar concerns have been expressed by Canada’s Auditor General and the DAC.<sup>153</sup> Canada’s lack of a coherence framework is identified as an Achilles’ heel of its development policy. It has been argued that Canada’s approach to development, which focuses on aid effectiveness and accountability, is “insufficient as an overarching framework” because the current framework “only captures a small part of Canada’s engagement with the developing world.”<sup>154</sup> In short, without a clearly defined overarching development strategy Canada lacks a benchmark upon which to assess the coherence of its policies.

#### 4.3.3 Coordination across departments

There is limited information made publicly about how policy coherence is being implemented generally across federal departments. Debate about whether enhanced coordination and cooperation across government in and of itself will promote better development outcomes remains ongoing. In recent years, development experts have raised serious concerns about the government’s motives behind some of its aid decisions, including the selection of recipient countries based on trade interests. The water has been further muddied by recent ministers of international cooperation that have stated that there is no difference between trade and foreign policy interests and Canadian development goals<sup>155</sup> and that Canadian aid should support Canada’s economy.<sup>156</sup> In 2009, Canadian aid emphasized supporting private sector development, which saw a major shift in aid spending under the Sustainable Economic Growth theme toward enabling markets and less aid directed toward investing in people and ensuring that aid reduced poverty. A highly controversial policy adopted by the Conservative government in 2011 saw development aid directed to support the operations of Canadian mining firms in developing countries, for example, by funding community development programming in localities where Canadian firms had or intended to open operations. This scheme has been criticized for providing limited benefits to the local community and greater benefits, in the form of an indirect subsidy, to Canadian firms by making it easier to expand their operations.<sup>157</sup>

Commentators on Canada’s aid policy often point to the ad hoc use of whole-of-government approaches to development in Afghanistan and other fragile states. In Afghanistan, a network of aid, military, and diplomatic officials made Canadian aid decisions. However, as Stephen Brown argues, whereas Canada’s aid was initially responsive to the priorities of the Afghan government, after 2007 the majority of Canada’s aid was targeted to winning the hearts and minds of local Afghans to support Canada’s military presence in the country and this was accompanied by an inefficient and ineffective aid strategy.<sup>158</sup> Others point to the fact that the whole-of-government approach is only one form of coherence (typically focused on coordinating departments in a specific country toward a specific end)

and that it is not a substitute for a “broader system of coherence and coordination that can be or has been applied to all developing countries that Canada engages with.”<sup>159</sup>

#### 4.3.3.1 FNS coordination and cooperation

With respect to FNS aid, there has been a notable increase in formal and informal consultation and coordination among different federal departments. Much of this would be classified as an *ad hoc* all-of-government approach. A catalyst for greater cooperation for FNS was Canada’s participation in the G-8 process. In 2008, DFAIT, CIDA, Finance, and AAFC set up a new Interdepartmental Task Force on food security to contribute to the G-8 development works stream and to provide better information for IAE allocation decisions. While departments had consulted previously on an ongoing basis, the task force increased the frequency and depth of inter-departmental cooperation and coordination.<sup>160</sup>

Canada was among the first countries to implement this approach to managing the new G-8 work streams on development and food security. CIDA and DFAIT staff noted that the task force increased knowledge exchange and encouraged co-development of policy and communications strategies. The task force consisted of a small but stable team of individuals that formed a hub that networked across the government, and because of the high profile of Canada’s G-8 FNS commitments, the work of the task force was prioritized by senior management. The task force also had strategic value for the respective departments since it positioned Canada to take on a major leadership role in the G-8 food security technical group and later on the G-20 work streams.

The task force is notable as it contributed to addressing some of the long-standing challenges to enhancing policy coordination across departments, including CIDA’s difficulty communicating with other departments and its limited influence over IAE decisionmaking, and the tendency for CIDA and DFAIT to make contradictory policy statements.<sup>161</sup> However, it should be noted that the task force’s work was specifically driven by G-8 and G-20 food security commitments, most of which have been fulfilled. The impetus for the task force has declined in recent years and it is no longer as active as it was in the immediate wake of the 2007-2008 Global Food Crisis.

In addition to formal coordinating structures such as the task force, there is regular and extensive informal coordination and cooperation across departments on FNS aid. The food security policy team in the Multilateral branch provisionally leads this work. This is particularly the case in the design of FNS aid policy and coordinating on multilateral initiatives. GAC staff noted an improvement in the division of labor between GAC and AAFC on agricultural issues based on available expertise and resources. Partnerships Branch also reports regular consultation with AAFC and the Canadian Food Inspection Agency (CFIA) for technical expertise in evaluating project proposals.

GAC staff in the development section report that following the amalgamation of CIDA and DFAIT there is more “cross-fertilization” than existed previously with increased consultation of, and incorporation of feedback from, diplomatic and trade experts on FNS development policy. This augments rather than replaces existing patterns of inter-departmental consultations and other whole-of-government approaches. However, the amalgamation of CIDA with DFAIT is not considered universally positive. The process has not been a smooth one and many former-CIDA staff have expressed concerns that GAC senior management does not take development issues as seriously.<sup>162</sup> Many have expressed concerns that the folding of CIDA and not having an independent development agency may erode development policy as a priority for the government. Stephen Brown, for example, argues the amalgamation has further marginalized development priorities. There is anecdotal evidence to confirm this view. In 2013, there was greater pressure on GAC staff by the minister of international cooperation to place a greater emphasis on agricultural growth instead of agricultural development. As a result, several new FNS aid projects were rolled out that were primarily focused on agricultural production and supporting job creation, and included efforts to export Canadian agricultural innovation

to developing countries (with the implicit goal of creating commercial and market opportunities for Canadian businesses in the longer-term).

#### 4.4 FNS considerations within DAB and trade policy

Certain trade policy priorities have influenced Canada's development policies, in particular when it comes to selecting Countries of Focus. The picture is less clear whether FNS aid considerations are taken into account in Canada's DAB and trade policies.

Canada's DAB policies are considered by Canadian government officials as primarily domestically-focused and having limited international dimensions beyond ensuring agricultural subsidy levels are in line with Canada's WTO commitments.

There are international dimensions to Canada's agricultural policies that matter for global FNS. One dimension comes from a global public goods perspective; as a major exporter of grains and oilseeds, Canada's agricultural exports contribute to overall world food supplies and production and its export volumes influence world food prices. Therefore, Canada's DAB policy can have indirect international effects to the extent that ensuring the stability and resilience of the Canadian agricultural sector can have positive externalities. However, developed countries DAB policies might be the source of instability in global FNS markets.

On the other hand, some have argued that Canada's trade policies do not sufficiently take into account the FNS needs of developing countries. As a major agricultural exporter, Canada seeks to increase market access for its agricultural producers in developing countries. There is a major debate over whether agricultural trade liberalization supports or undermines food security in developing countries.<sup>163</sup> Research suggests this issue is not straightforward and outcomes are shaped by myriad local and international factors. Most relevant for FNS aid considerations is the relative proportion of small-scale farmers in a country that depend on agriculture, if developing countries are net-food importers or exporters (as food import dependency can result in balance-of-payments problems), and the availability of safety-nets for losers of agricultural liberalization, and so on. There are not just academic questions as disagreements over the relationship between food security and trade have been a key source of discord at the WTO negotiations on agriculture.

Canadian CSOs have long advocated for Canada to ensure that its position at the WTO and in other trade negotiations do not undermine smallholder farmers in developing countries. However, there is little evidence to suggest that GAC and AAFC, which co-leads on agriculture trade issues, take this perspective into consideration when preparing negotiating positions or in actual trade negotiations. Canada has not pro-actively supported efforts by developing countries at the WTO to create more flexible rules to support food security and rural development. Canadian CSOs have claimed that this reveals incoherence between Canada's trade and development policy.

FNS aid policy coherence is also relevant for trade facilitation programs supported by GAC. Canada provides significant amounts of aid for trade facilitation. Development staff in GAC do not appear to be well aware of trade facilitation programming supported by Canada in the area of agriculture and fisheries (some of which is managed by AAFC) nor is there active discussion on how this might be leveraged to support Country Strategies.

## Conclusion and recommendations

This report has presented a review of Canada's FNS and DAB policies and analyzed Canada's FNS aid programming in detail for the 2009-2014 period. The ERH framework ranked Canada as a strong performer on FNS aid. Canada significantly increased its FNS aid between 2009 and 2014 and the aid had a significant focus on small-scale farmers and nutrition. However, Canada's FNS policy score can be considered overly flattering because it overlaps with an atypical and peak period of FNS aid spending. Real FNS spending has been in sharp decline in recent years. Moreover, Canada has not revised or renewed FNS aid commitments since 2012.

The ERH framework ranked Canada's DAB policies as middle of the pack. The discussion above shows that a handful of tariff lines that support Canada's TRQ regime for supply-managed products, which are of limited consequence to global FNS markets, skewed Canada's reported weakness in terms of its applied average MFN tariff on agriculture. At the same time, one of Canada's DAB policy strengths, its declining producer subsidies, was shown not be a result of any virtuous policy change but due to the counter-cyclical design of its farm programs that responded to recent record increases in world food prices.

It is difficult to assess the quality and results of Canada's FNS aid due to the lack of independent evaluation of the FSS and limited publicly available high quality data. CIDA/GAC's lack of an "evaluation culture" means that Canada and its aid partners cannot learn from policy successes and failures and apply those lessons into future programming. Although the government has made some efforts to improve data transparency, decisionmaking within CIDA/GAC for FNS remains largely a black box for those outside government.

Canada's FNS and DAB policies do not appear to be actively working at cross-purposes; however, they do not appear to be working in lock step either. Interdepartmental cooperation and coordination on FNS food aid has qualitatively improved since 2009. Yet this remains *ad hoc* because Canada has yet to implement a coherence framework. The amalgamation of CIDA and DFAIT in 2014 with the stated aim to improve policy coherence across trade, aid, and diplomacy has the potential to improve the alignment of Canada's FNS efforts and its DAB policies. However, this will not happen automatically. Ensuring coherence across FNS and DB policies requires GAC put in place policies to ensure that development principles guide development policy.

## Recommendations

The following recommendations are based on the research conducted for this report:

- Canada should undertake an independent evaluation of the Food Security Strategy (FSS) and make such an evaluation available to researchers and the public. To ensure independence, the study should be undertaken under the auspices of the Standing Committee on Foreign Affairs and International Development or Office of the Auditor General.
- Ensuring food security remains a Canadian development priority. The FSS should be updated and its objectives aligned with the 2030 agenda, in particular Sustainable Development Goal 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.
- Make Canada's FNS aid programming predictable by establishing a long-term FNS plan with clear goals and targets. This should include budgetary commitments that run up and through

2030 and directly support efforts to end hunger, achieve food security and improved nutrition, and promote sustainable agriculture.

- The criteria for selecting aid recipients should include a systemic evaluation of recipient countries' FNS aid needs. This includes incorporating internationally recognized benchmarks for measuring FNS aid needs, such as data provided by the Food and Agriculture Organization and/or the International Food Policy Research Institute's *Global Hunger Index*.
- GAC should develop a policy coherence framework that ensures development priorities guide development policy and that trade and foreign policy considerations follow rather than lead.
- GAC and AAFC should review Canada's trade policy positions at the WTO and in FTA negotiations to ensure that they support food security safeguards and provide flexibilities to developing countries with high FNS needs and large rural populations.
- Canada should provide 100 percent duty-free, quota-free access to all least developed countries (LDCs) and provide greater assistance to farmers in LDCs through trade facilitation to better take advantage of market opportunities provided by Canada's DFQF scheme.



# Endnotes

- <sup>1</sup> Government of Canada. 2016. Growing the Middle Class. Ottawa: Government of Canada, p. 197. Available at: <http://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>
- <sup>2</sup> Government of Canada. 2017. Building a Strong Middle Class. Ottawa: Government of Canada, p.182. Available at: <http://www.budget.gc.ca/2017/docs/plan/budget-2017-en.pdf>
- <sup>3</sup> See Canadian Council for International Cooperation. 2017. Budget 2017 lacks long-term strategy and undermines Canadian leadership in global sustainable development. Ottawa: CCIC. Available at: [http://www.ccic.ca/files/en/media/2017\\_03\\_22\\_Reaction\\_%20to\\_Budget\\_2017.pdf](http://www.ccic.ca/files/en/media/2017_03_22_Reaction_%20to_Budget_2017.pdf); McLeod Group. 2017. Budget 2017: Old wine in new bottles. Available at: <http://www.mcleodgroup.ca/2017/03/24/budget-2017-old-wine-in-old-bottles/>.
- <sup>4</sup> Michelle Zilio. 2017. Ottawa has no plans to bump up foreign aid, minister says. The Globe and Mail. 11 April. Available at: <http://www.theglobeandmail.com/news/politics/ottawa-has-no-plans-to-bump-up-foreign-aid-in-the-short-term-minister-says/article34677287/>
- <sup>5</sup> A full explanation of the ERH methodology is available here: <https://endingruralhunger.org/methodology/>
- <sup>6</sup> The Ending Rural Hunger project uses DAC-29 as the sample of DAC countries, omitting the most recent addition of Hungary for DAC-30 due to timing.
- <sup>7</sup> Brookings Institution. 2015. *Ending Rural Hunger*, Washington, DC: Brookings Institution, p.64, "The consequences of these subsidies are crop-specific and hence location-specific, but in general they distort and depress global prices, leading to lower earnings for farmers in developing countries. They prevent global agricultural markets from functioning freely and fairly, leaving farmers in the developing world with the field tilted against them." See also Anderson, K., G. Rausser, and J. Swinnen (2013), 'Political Economy of Public Policies: Insights from Distortions to Agricultural and Food Markets', *Journal of Economic Literature*, 51(2): 423–477.
- <sup>8</sup> Other authors have expressed similar concern about the lack of publicly available documents about Canada's FNS aid policies and programs. See Morton, Bill. 2012. The Multilateral and International Dimensions of CIDA's Food Security Strategy. Ottawa: Canadian Food Security Policy Group.
- <sup>9</sup> Official Development Assistance (ODA) represents the vast majority of Canada's international assistance. Canada accepts two definitions of ODA: 1) ODA, as defined by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC). This definition is used in comparing ODA with other donors; 2) ODA, as defined by Canada's Official Development Assistance Accountability Act (denoted as ODAAA). This definition is used in government of Canada publications. DAC data is reported in U.S. dollars (\$) whereas CIDA/GAC aid spending is reported in Canadian dollars (CA\$). The high degree of fluctuation of the value of the Canadian dollar against the U.S. dollar makes it difficult compare differences in reported annual FNS aid annually. For further discussion see Canadian International Development Platform, Canada and the OECD-DAC aid statistics available at: <http://cidpnsi.ca/canada-and-the-oecd-dac-aid-statistics-2015/>
- <sup>10</sup> Between 2014 and 2015 the new mega-department was known as the Department of Foreign Affairs, Trade and Development (DFATD). It was renamed Global Affairs Canada (GAC) by the new elected Liberal government of Prime Minister Justin Trudeau in November 2015 (see: <http://www.embassynews.ca/news/2015/11/06/dfatd-gets-a-new-name/47842>); The decision was not communicated in advance to CIDA and Canadian CSOs; it has been controversial inside and outside the government.
- <sup>11</sup> The precise share of CIDA's of all Canadian development assistance varies year by year. In recent years (pre-amalgamation) it was typically for 70% or more of Canada's development assistance to be managed by CIDA.
- <sup>12</sup> This includes DFAIT (now GAC), Department of Finance (which manages core contributions to and represents Canada at the World Bank and regional development banks), International Development Research Centre (IDRC), Department of Defence, and Agriculture and Agri-Food Canada (AAFC) that manages Canada's relations with the CGIAR, FAO and IFAD.
- <sup>13</sup> This is based on the latest publicly available Organization chart from October 2015.
- <sup>14</sup> These were the five priorities for CIDA/GAC since early 2009.
- <sup>15</sup> According to GAC staff the aid themes are defined quite broadly that can mean that FNS aid targeted at rural agricultural development, depending on the nature of the program, might either be categorised as increasing food security, stimulating sustainable economic growth or increasing environmental sustainability.
- <sup>16</sup> Global Affairs Canada. 2016. "Development Priorities". Available at: <http://www.international.gc.ca/development-developpement/priorities-priorites/aidagenda-planaide.aspx?lang=eng> Accessed 20 November 2016.
- <sup>17</sup> 2009-2010 figure is cited from OECD (2012). 2013-2014 ratio calculated by author from data available at: <http://www.international.gc.ca/gac-amc/publications/odaaa-lrmado/sria-rsai-2013-14-a.aspx?lang=eng>
- <sup>18</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.
- <sup>19</sup> The 2010/2011 fiscal year was exceptional in this regard as Canada channeled approximately CA\$3 billion out of the CA\$5.2 billion it spent on international assistance through multilateral organizations (this included bilateral programming with multilaterals as an implementing partner). The OECD reported that between 2006 and 2012 the

share of Canada's bilateral ODA unallocated by country was, on average, 37 percent of its total gross bilateral disbursements each year.

<sup>20</sup> Author's calculation.

<sup>21</sup> See Table 6 in Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.

<sup>22</sup> For example, CIDA managed the "Development" pool (now GAC), the Department of Finance manages the "International Financial Institutions" pool, DFAIT (now GAC) manages the "Peace and Security" and "Research and Development" pools, and CIDA and DFAIT co-managed the "Crisis" pool. See the OECD (2012) *OECD DAC Peer Review: Canada*, Chapter 3 for additional information. There is no sub-pool for FNS aid; FNs aid spending cuts across the Development, IFI, Research and Development and Crises pools.

<sup>23</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 46.

<sup>24</sup> Canadian Council for International Cooperation. 2016. Update on Canadian official development assistance: Time for Canadian aid to really bounce back. Available at:

[http://www.ccic.ca/files/en/what\\_we\\_do/2016\\_01\\_Update\\_on\\_Canadian\\_ODA.pdf](http://www.ccic.ca/files/en/what_we_do/2016_01_Update_on_Canadian_ODA.pdf)

<sup>25</sup> Government of Canada. 2016. Growing the Middle Class. Ottawa: Government of Canada, p. 197. Available at:

<http://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>

<sup>26</sup> Brown, Stephen. 2012. "Aid effectiveness and the framing of new Canadian aid initiatives." Pp. 79-107 in *Struggling for effectiveness: CIDA and Canadian foreign aid*, edited by Duane Bratt and Christopher J. Kukucha. Toronto: Oxford University Press. See also Burnside, Craig, and David Dollar. 2000. "Aid, growth, the incentive regime, and poverty reduction." Pp. 210-27 in *The World Bank: Structure and Policies*, edited by Christopher L. Gilbert and David Vines. Oxford: Oxford University Press; Easterly, William, Ross Levine, and David Roodman. 2003. "New data, new doubts: A comment on Burnside and Dollar's" aid, policies, and growth"(2000)." Cambridge: National Bureau of Economic Research; Hansen, Henrik, and Finn Tarp. 2001. "Aid and growth regressions." *Journal of Development Economics* 64(2):547-70; Easterly, William. 2003. "Can Foreign Aid Buy Growth?" *The Journal of Economic Perspectives* 17(3):23-48.

<sup>27</sup> Library of Parliament. 2008. "Notes on Bill C-293: An Act respecting the provision of official development assistance abroad (Official Development Assistance Accountability Act)". Ottawa: Library of Parliament; Aaron Freeman. 2008. "Official Development Assistance Accountability Act: Plain Language Overview". Available at: [http://www.ccic.ca/files/en/what\\_we\\_do/002\\_aid\\_2008-12\\_oda\\_act\\_plain\\_language.pdf](http://www.ccic.ca/files/en/what_we_do/002_aid_2008-12_oda_act_plain_language.pdf)

<sup>28</sup> Global Affairs Canada, "Aid Transparency". Available at: <http://www.international.gc.ca/development-developpement/aidtransparency-transparenceaide/index.aspx?lang=eng> Accessed 17 October 2016. This effort supplements existing CIDA tools such as the Historical Projects Data Set, which is a database that codes spending by project, sector and branch, and the Project Browser, which provides brief descriptions and some data about individual aid projects. These information resources provide project-level and aggregated information about Canada's bilateral and partnership FNS aid programming.

<sup>29</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD.

<sup>30</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD; Brown, Stephen. 2012. "Aid effectiveness and the framing of new Canadian aid initiatives." Pp. 79-107 in *Struggling for effectiveness: CIDA and Canadian foreign aid*, edited by Duane Bratt and Christopher J. Kukucha. Toronto: Oxford University Press.

<sup>31</sup> Standing Committee on Foreign Affairs and International Development. 2016. *Development cooperation for a more Stable, inclusive and prosperous world: A collective ambition*. Ottawa: House of Commons, ps. 6-9.

<sup>32</sup> See Brown, Stephen. (2016). The instrumentalization of foreign aid under the Harper government. *Studies in Political Economy*, 97(1), 18-36.

<sup>33</sup> Standing Committee on Foreign Affairs and International Development. 2016. *Development cooperation for a more Stable, inclusive and prosperous world: A collective ambition*. Ottawa: House of Commons; McLeod Group. 2016.

Canadian Development Assistance: The Issue of 'Focus'. Available at: <http://www.mcleodgroup.ca/wp-content/uploads/2014/12/McLeod-Group-briefing-note-3-%E2%80%93-A-Question-of-Focus.pdf>; CCIC. 2016. Focus with Purpose: Submission to House of Commons Standing Committee on Foreign Affairs and International Development Study on Countries of Focus. CCIC: Ottawa.

<sup>34</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 10.

<sup>35</sup> Brown, Stephen. 2012. "Aid effectiveness and the framing of new Canadian aid initiatives." Pp. 79-107 in *Struggling for effectiveness: CIDA and Canadian foreign aid*, edited by Duane Bratt and Christopher J. Kukucha. Toronto: Oxford University Press.

<sup>36</sup> Brown, Stephen and Michael Olender, 2013. "Canada's Fraying Commitment to Multilateral Development Cooperation," *Multilateral Development Cooperation in a Changing Global Order*, Hany Besada and Shannon Kindornay, eds., New York, Palgrave Macmillan, 158-88; Government of Canada. 2008. "Canada Fully Unties its Development Aid". 5 September. Available at: <http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAT-9583229-GQC>

<sup>37</sup> Canada's *Action Plan for Food Security*. 1998. Available at:

[http://publications.gc.ca/collections/collection\\_2013/aac-aafc/A2-190-1999-eng.pdf](http://publications.gc.ca/collections/collection_2013/aac-aafc/A2-190-1999-eng.pdf)

<sup>38</sup> WFP. Glossary and Abbreviations. Available at: <http://www.wfp.org/fais/quantity-reporting/glossary>

<sup>39</sup> For additional background on nutrition in development assistance see World Bank. 2006. *Repositioning*

*Nutrition as Central to Development. A Strategy for Large-Scale Action.* Available at: <http://siteresources.worldbank.org/NUTRITION/Resources/281846-1131636806329/NutritionStrategyOverview.pdf>

<sup>40</sup> By 2000, the Micronutrient Initiative split off from IDRC and became an independent not-for-profit organization.

<sup>41</sup> CIDA. 2003. *Promoting Sustainable Rural Development Through Agriculture*. Ottawa: CIDA. See tables on page 18.

<sup>42</sup> Canadian Foodgrains Bank. 2008. *Canadian international aid for agriculture: A brief to Members of Parliament Rev February 2008*.

<sup>43</sup> CIDA. 2007. *Sustainable Development Strategy 2007-2009*. Ottawa: CIDA; In 2009 CIDA thematic priorities in the following order: 1) increasing food security; 2) stimulating sustainable economic growth; and 3) securing the future of children and youth. Thematic priorities are broad and not clearly defined. They differ from CIDA's past historical focus on specific sectors. The government of Canada continues to use thematic priorities to guide aid rather than specific sectoral commitments.

<sup>44</sup> CIDA. 2009. *Increasing Food Security: Canada's Food Security Strategy*. Ottawa: CIDA.

<sup>45</sup> CIDA. 2009. "Minister Oda Unveils CIDA's Food Security Strategy" 16 October. Available at: <http://www.acdi-cida.gc.ca/acdi-cida.nsf/eng/NAD-1019134236-NS7>

<sup>46</sup> CIDA. 2009. "Minister Oda Unveils CIDA's Food Security Strategy" 16 October. Available at: <http://www.acdi-cida.gc.ca/acdi-cida.nsf/eng/NAD-1019134236-NS7>

<sup>47</sup> Other versions of the FSS document with more programming details have been created for internal use within CIDA/GAC, however, these have not been made publicly available nor were they accessible to the author.

<sup>48</sup> Canadian Council for International Cooperation. 2015. *What does Canada's Aid spending look like?* Ottawa: CCIC. Available at: <http://foodgrainsbank.ca/wp-content/uploads/2015/01/summaryofcanagspending-June.pdf>

<sup>49</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.

<sup>50</sup> Based on author's calculations. Average based on annual FNS spending as percent of reported ODA in CIDA's statistical reports for selected years. This 2010 peak is explained by the one-off commitments made by Canada at the 2009 G-8 L'Aquila summit (mostly starting capital for the GAFSP).

<sup>51</sup> Author calculations based on CIDA self-reporting in statistical reports to Parliament for OECD DAC Purpose Codes 52010 (Food Aid/Food Security Programs) and 72040 (Emergency Food Aid).

<sup>52</sup> Author calculations based on CIDA self-reporting in statistical reports to Parliament for OECD DAC Purpose Codes 52010 (Food Aid/Food Security Programs) and 72040 (Emergency Food Aid).

<sup>53</sup> Canada. 2011. "Canada increases support for global food security through the World Food Programme and the Canadian Foodgrains Bank,". 26 October. Available at: <http://news.gc.ca/web/article-en.do?nid=633179>

<sup>54</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.

<sup>55</sup> Matias E. Margulis. 2015. "Canada at the G8 and UN Committee on World Food Security: forum-shifting in global food security governance." *Canadian Foreign Policy Journal* 21(2):164-78.

<sup>56</sup> Government of Canada. 2009. "Prime Minister Stephen Harper announces Canadian participation in G-8 food security initiative". 9 July. Available at: <http://reliefweb.int/report/world/prime-minister-stephen-harper-announces-canadian-participation-g-8-food-security>

<sup>57</sup> GAFSP. 2016. "About." Available at: <http://www.gafspfund.org/content/about-gafsp>

<sup>58</sup> Government of Canada. 2016. "The Muskoka Initiative: Background." Available at: [http://mnch.international.gc.ca/en/topics/leadership-muskoka\\_background.html](http://mnch.international.gc.ca/en/topics/leadership-muskoka_background.html)

<sup>59</sup> Global Affairs Canada. 2016. "International Assistance Commitments". Available at: [http://www.international.gc.ca/departement-ministere/open\\_data-donnees\\_ouvertes/dev/international\\_assistance\\_commitments-engagements\\_matiere\\_internationale.aspx?lang=eng](http://www.international.gc.ca/departement-ministere/open_data-donnees_ouvertes/dev/international_assistance_commitments-engagements_matiere_internationale.aspx?lang=eng) Accessed. 28 October 2016.

<sup>60</sup> NAFNS. 2016. "About". Accessed 31 October 2016. Available at: <https://new-alliance.org/about>

<sup>61</sup> Many donors have refused to support the NAFSN due to disagreements over whether the initiative is sufficiently pro-poor and supports small-scale farmers.

<sup>62</sup> As detailed in Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.

<sup>63</sup> AgResults. 2016. "About". Accessed 31 October 2016. Available at: <http://agresults.org/en/265/about>

<sup>64</sup> World Bank. 2016. "AgResults Initiative." Accessed 31 October 2016. Available at: <http://fiftrustee.worldbank.org/Pages/agr.aspx>

<sup>65</sup> [http://international.gc.ca/world-monde/issues\\_development-enjeux\\_developpement/priorities-priorites/politique.aspx?lang=eng](http://international.gc.ca/world-monde/issues_development-enjeux_developpement/priorities-priorites/politique.aspx?lang=eng)

<sup>66</sup> Government of Canada. 2016. "Canada's Ongoing Leadership to Improve the Health of Mothers, Newborns and Children (2015-2020)." Available at: <http://mnch.international.gc.ca/en/topics/leadership-ongoing.html>

<sup>67</sup> ERH. 2016. Available at: <https://endingruralhunger.org/data/rankings/>

<sup>68</sup> CIFSRF was established in 2009 as a CA\$62 million five-year program part of Canada's AFSI commitments. The fund supports applied research with partners in eligible developing countries that addresses food and nutritional insecurity problems. The fund has supported 39 large applied agriculture and nutrition research consortia in 20

countries. CFSRF was renewed for a second phase of programs with an additional CA\$62.5 million provided jointly by GAC (Partnerships for Development Innovation) and IDRC.

<sup>69</sup> This includes for example, the use of different currencies (\$vs. CA\$), a different annual reporting system (calendar year vs. fiscal year), and that non-ODA is not captured in the DAC statistics. In addition, there are inconsistencies with how Canada codes and reports projects to the DAC which in some cases may under or over report FND aid spend.

<sup>70</sup> Agricultural Research is defined by the ERH project as FNS projects that fall under Agricultural extension (31166), Agricultural education/training (31181), Agricultural Research (31182, Agricultural Services (31191), Plant and post-harvest protection and pest control (31192), Agricultural financial services (31193), Agricultural co-operatives (31193), Livestock/veterinary services (31195), Fishery education/training, Fishery research (31382), Fishery services (31391). This is consistent with the broader AR4d definition used here <https://www.oecd.org/tad/agricultural-policies/Bill%20Nicol-Brochure%20final.pdf> and adds the matching purpose codes for fisheries.

<sup>71</sup> Food security/food aid and emergency food aid are classified as different sectors by the DAC.

<sup>72</sup> The DAC has a methodology for establishing real exchange rates when converting DAC members aid spending into U.S. dollars.

<sup>73</sup> See note 9 above.

<sup>74</sup> See Tomlinson in note 18.

<sup>75</sup> CIDA/GAC does not count Rural Development in its reported FNS aid spending. The DAC defines rural development as covering the following activities: regional development planning; promotion of decentralized and multisectoral competence for planning, co-ordination and management; implementation of regional development and measures (including natural reserve management); land management; land use planning; land settlement and resettlement activities; functional integration of rural and urban areas; and, geographical information systems

<sup>76</sup> ERH. 2016. Available at: <https://endingruralhunger.org/data/rankings/>

<sup>77</sup> ERH. 2016. Available at: <https://endingruralhunger.org/data/rankings/>

<sup>78</sup> Fiscal 2010/2011 year is taken as an illustrative year as it falls midway through the two periods for which the ERH team collected data (2009-2013). Country figures are from Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group.

<sup>79</sup> It is important to note that the ERH FNS Needs score is intended to provide a comparative analytical tool. The FNS Needs score takes into account multiple criteria and the final score is calculated by a formula designed by the ERH team. The ERH Needs score is not an internationally agreed upon benchmark for ranking countries according to greatest food security needs and for prioritizing among countries. In the Canada context, recent aid policy discussions have suggested moving away from making aid decisions at the country level based on per capita data but instead to focus aid spending on identifiable vulnerable groups. This discussion has been shaped by the changing "geography of poverty". For example, see Standing Committee on Foreign Affairs and International Development. 2016. *Development cooperation for a more Stable, inclusive and prosperous world: A collective ambition*. Ottawa.

<sup>80</sup> Some data on certain aspects of Canada's FNS aid efforts is available in country program reports. Since 2010 Canada has undertaken and made publicly available some country program reviews, including those for Peru, Columbia, Pakistan, Haiti, Ethiopia, Ghana Mali, Bolivia, the West Bank and Gaza, and Ukraine. The author analyzed all of these country reports. Country reports provide an overview of aid programming across multiple sectors (e.g., health, education, sustainable economic growth, governance, food security, environment sustainability, etc.) and as such they either provide very limited analysis or no discussion of FNS aid. Several of the country reports covered pre-2009 programming decisions, which is before the launch of the FSS (e.g., Bolivia, Columbia, Peru). FNS aid is only discussed in country where increasing food security was a major programming theme; this amounted to only ten countries. Even for these countries, the reports tended to provide high level data on food security programs delivered by other partners and less detail about Canada's bilateral FNS aid efforts. In sum, the CIDA/GAC country reports provided very limited useful information about Canada's FNS aid efforts.

<sup>81</sup> The reasons for why Canada has not undertaken a formal review of the FSS have not been made public. It has been suggested by some experts that the lack a results-based element in the FSS is a contributing factor; if the FSS had included concrete targets for results, then it would have been required under government policy to review the program. The MCNH did include a results-based element was subsequently evaluated in 2015. The last publicly available CIDA evaluation was published in 2011 (CIDA. 2011. *A Review of Evidence of the Effectiveness of CIDA's Grants and Contributions 2005/06 – 2010/11*. Ottawa: CIDA; this tracked delivery of ODA commitments but did not provide any FNS-specific analysis). Previously CIDA made evaluation documents publicly available online, however, that practice ceased with the Harper government.

<sup>82</sup> The consultant confirmed this observation with government officials, NGO officials and academics familiar with

<sup>83</sup> GAC. 2016. *Synthesis Report – Ethiopia and Ghana Country Program Cluster Evaluation Fiscal year 2008/09 to 2013/14*. Available at: <http://www.international.gc.ca/departement-ministere/evaluation/2016/Ethiopia-Ghana.aspx?lang=eng>

<sup>84</sup> Including international food aid sending is why the government's calculated figure of CA\$416 million is almost four times greater than the bilateral figure calculated by the ERH project team for 2009-2013 of \$ 70 million for Ethiopia.

<sup>85</sup> Office of the Auditor General. 2009. *Strengthening Aid Effectiveness: Canadian International Development Agency*. Ottawa: OAG.



- <sup>86</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 71.
- <sup>87</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 74.
- <sup>88</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 18.
- <sup>89</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 26.
- <sup>90</sup> The evaluation reports are available at: [http://www.ccic.ca/working\\_groups/food\\_e.php](http://www.ccic.ca/working_groups/food_e.php)
- <sup>91</sup> Morton, Bill. 2012. *THE MULTILATERAL AND INTERNATIONAL DIMENSIONS OF CIDA'S FOOD SECURITY STRATEGY*. Ottawa: Canadian Food Security Policy Group.
- <sup>92</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group, Pp. 4-5.
- <sup>93</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group, p.6.
- <sup>94</sup> Brian Tomlinson. 2013. *A statistical review of CIDA's food security theme 2008/09 to 2010/11*. Ottawa: Canadian Food Security Policy Group, p.9.
- <sup>95</sup> Reach Consult Ltd. 2013. *Assessment of CIDA's Food Security Strategy and Funding in Ethiopia*. Ottawa: Canadian Food Security Policy Group, p.6.
- <sup>96</sup> Reach Consult Ltd. 2013. *Assessment of CIDA's Food Security Strategy and Funding in Ethiopia*. Ottawa: Canadian Food Security Policy Group, p.14.
- <sup>97</sup> Reach Consult Ltd. 2013. *Assessment of CIDA's Food Security Strategy and Funding in Ethiopia*. Ottawa: Canadian Food Security Policy Group, p.16.
- <sup>98</sup> Reach Consult Ltd. 2013. *Assessment of CIDA's Food Security Strategy and Funding in Ethiopia*. Ottawa: Canadian Food Security Policy Group, p.17.
- <sup>99</sup> Reach Consult Ltd. 2013. *Assessment of CIDA's Food Security Strategy and Funding in Ethiopia*. Ottawa: Canadian Food Security Policy Group, p.22.
- <sup>100</sup> Bunch, Angela J. and Alexandra Lenton. 2013. *Independent Assessment of CIDA's Food Security Strategy and Programming in Honduras*. Ottawa: Canadian Food Security Policy Group, p.7.
- <sup>101</sup> Bunch, Angela J. and Alexandra Lenton. 2013. *Independent Assessment of CIDA's Food Security Strategy and Programming in Honduras*. Ottawa: Canadian Food Security Policy Group, p.11.
- <sup>102</sup> Bunch, Angela J. and Alexandra Lenton. 2013. *Independent Assessment of CIDA's Food Security Strategy and Programming in Honduras*. Ottawa: Canadian Food Security Policy Group, p.13.
- <sup>103</sup> Bunch, Angela J. and Alexandra Lenton. 2013. *Independent Assessment of CIDA's Food Security Strategy and Programming in Honduras*. Ottawa: Canadian Food Security Policy Group, p.18-19.
- <sup>104</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 48.
- <sup>105</sup> Office of the Auditor General. 2013. *Official Development Assistance through Multilateral Organizations*. Ottawa: OAG, p.12.
- <sup>106</sup> The author was unable to gain access to the internal country strategy planning template. These are not publicly available.
- <sup>107</sup> The list of countries and priority themes are likely to be revisited and aligned with the 2017 development assistance policy statement.
- <sup>108</sup> GAC. 2016. 'Countries of Focus.' Available at: <http://www.international.gc.ca/development-developpement/countries-pays/index.aspx?lang=eng> Accessed 20 November 2016.
- <sup>109</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 25.
- <sup>110</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 53.
- <sup>111</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 15.
- <sup>112</sup> Office of the Auditor General. 2009. *Strengthening Aid Effectiveness: Canadian International Development Agency*. Ottawa: OAG, p.28.
- <sup>113</sup> OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD, p. 65.
- <sup>114</sup> Brookings Institution. 2015. *Ending Rural Hunger*, Washington, DC: Brookings Institution, p.64, "The consequences of these subsidies are crop-specific and hence location-specific, but in general they distort and depress global prices, leading to lower earnings for farmers in developing countries. They prevent global agricultural markets from functioning freely and fairly, leaving farmers in the developing world with the field tilted against them." See also Anderson, K., G. Rausser, and J. Swinnen (2013), 'Political Economy of Public Policies: Insights from Distortions to Agricultural and Food Markets', *Journal of Economic Literature*, 51(2): 423-477.
- <sup>115</sup> AAFC. 2016. *An Overview of the Canadian Agriculture and Agri-Food System 2016*. Ottawa: AAFC.
- <sup>116</sup> Canada's provinces are Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, and Saskatchewan. There are three territories: Northwest Territories, Nunavut, and Yukon,
- <sup>117</sup> AAFC. 2008. *Growing Forward: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-food and Agri-based Products Policy*. Ottawa: AAFC.
- <sup>118</sup> WTO. 2011. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO, pp. 97-98; WTO. 2015. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO, pp. 111-116.
- <sup>119</sup> Skogstad, Grace D. 2008. *Internationalization and Canadian agriculture: Policy and governing paradigms*, Toronto, University of Toronto Press.

<sup>120</sup> According to the OECD: “The *Aggregate measurement of support* (AMS) is the indicator on which the domestic support discipline for the Uruguay Round Agreement on Agriculture is based. It is determined by calculating a market price support estimate for each commodity receiving such support, plus non-exempt direct payments or any other subsidy not exempted from reduction commitments, less specific agricultural levies or fees paid by producers.” And “The *Producer Support Estimate* (PSE) is an indicator of the annual monetary value of gross transfers from consumers and taxpayers to support agricultural producers, measured at farm gate level, arising from policy measures, regardless of their nature, objectives or impacts on farm production or income. AMS differs from PSE in many respects. The most important difference is that price gaps in the AMS calculation are estimated by reference to domestic administered prices and not to actual producer prices, and that external reference prices are fixed at the average levels of the 1986-1988 base period. In addition, many budgetary transfers included in PSEs are excluded from the AMS.” Available at: <https://stats.oecd.org/glossary/detail.asp?ID=65> and <https://stats.oecd.org/glossary/detail.asp?ID=2150>

<sup>121</sup> For example, Green Box subsidies which covers programs such as domestic food aid and the provision of extension services are generally seen to support desirable policy goals (reduce hunger, provide rural farmers with new knowledge and technology) and have minimal effects on trade in developed and developing countries alike. PSE does not distinguish between programs themselves but captures the total level of government expenditure to show the financial cost of such programs for consumers.

<sup>122</sup> For additional background see: [https://www.wto.org/english/tratop\\_e/agric\\_e/negs\\_bkgnd13\\_boxed\\_e.htm](https://www.wto.org/english/tratop_e/agric_e/negs_bkgnd13_boxed_e.htm); see also Michael Holden. 2005. *Canada's domestic agricultural supports and the World Trade Organization*. Ottawa: Library of Parliament. Available at: <http://www.lop.parl.gc.ca/content/lop/researchpublications/prb0536-e.htm>

<sup>123</sup> For more detail on how AMS is calculated see: [https://www.wto.org/english/tratop\\_e/agric\\_e/ag\\_intro03\\_domestic\\_e.htm](https://www.wto.org/english/tratop_e/agric_e/ag_intro03_domestic_e.htm)

<sup>124</sup> WTO. 2015. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO.

<sup>125</sup> This includes: wheat and wheat flour, coarse grains, oilseeds, vegetable oils, oilcakes, butter, skim milk powder, cheese, other milk products, vegetables, and incorporated products.

<sup>126</sup> WTO. 2015. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO, p. 116.

<sup>127</sup> WTO. 2015. “Briefing Note: Agricultural Issues.” Available at: [https://www.wto.org/english/thewto\\_e/minist\\_e/mc10\\_e/briefing\\_notes\\_e/brief\\_agriculture\\_e.htm#exportcompetition](https://www.wto.org/english/thewto_e/minist_e/mc10_e/briefing_notes_e/brief_agriculture_e.htm#exportcompetition)

<sup>128</sup> OECD. 2016. *Agricultural Policy Monitoring and Evaluation 2016*. Paris: OECD, p. 70.

<sup>129</sup> OECD. 2010. *Agricultural Policy Monitoring and Evaluation 2010*. Paris: OECD, p. 48.

<sup>130</sup> AAFC. 2016. *An Overview of the Canadian Agriculture and Agri-Food System 2016*. Ottawa: AAFC, p. 35.

<sup>131</sup> AAFC. *Farm Income, Financial Conditions and Government Assistance Data Book 2015*. Ottawa: AAFC.

<sup>132</sup> AAFC. 2016. *An Overview of the Canadian Agriculture and Agri-Food System 2016*. Ottawa: AAFC, p. 45.

<sup>133</sup> AAFC. 2016. *An Overview of the Canadian Agriculture and Agri-Food System 2016*. Ottawa: AAFC, p. 45.

<sup>134</sup> Bridges. 2016. “US Farm Subsidies Increased to \$14 Billion in 2013, New Data Suggests”

2 June. Available at: <http://www.ictsd.org/bridges-news/bridges/news/us-farm-subsidies-increased-to-us14-billion-in-2013-new-data-suggests> Accessed 1 November 2016.

<sup>135</sup> Frédéric Forge. 2007. *Biofuels - An Energy, Environmental or Agricultural Policy?* Ottawa: Library of Parliament.

<sup>136</sup> Natural Resources Canada. 2016. “Biodiesel – Government Regulations and Programs”. Available at: <http://www.nrcan.gc.ca/energy/alternative-fuels/fuel-facts/biodiesel/3515> Last accessed 18 November 2016.

<sup>137</sup> USDA, *Canada Biofuels Annual Report 2016*. Washington, DC: USDA. Available at: <http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Biofuels%20Annual%20Report%20Canada%208-9-2016.pdf>

<sup>138</sup> WTO. 2016. *World Tariff Profiles*. Geneva: WTO.

<sup>139</sup> Based on WTO reported simple average agricultural tariffs. The exact reason for this increase could be to various factors, including greater imports outside tariff rate quota commitments and/or increased imports of certain agricultural products in 2015 that enter at on average higher tariff rates.

<sup>140</sup> Data compiled from Canada Border Service Agency. Chapter by chapter customs tariffs. T2016-3. Available at: <http://www.cbsa-asfc.gc.ca/trade-commerce/tariff-tarif/2016/html/tblmod-3-eng.html> Accessed 1 November 2016.

<sup>141</sup> This includes US-Canada *Measures Affecting the Importation of Milk and the Exportation of Dairy Products* dispute from 1997-2003 and New Zealand-Canada *Measures Affecting Dairy Exports* from 1997-2003.

<sup>142</sup> For most LDC agricultural exports, the major trade concerns are more likely to be health and food safety standards and tariff escalation on processed agricultural goods such as refined sugar or roasted coffee that discourage value-added processing in developing countries.

<sup>143</sup> For further details, see UNCTAD. 2009. *Handbook on Duty-Free Quota-Free and Rules of Origin*. Geneva: UNCTAD.

<sup>144</sup> WTO. 2015. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO.

<sup>145</sup> For a complete list see: <http://canadagazette.gc.ca/rp-pr/p2/2013/2013-10-09/html/sor-dors161-eng.php> and for the legislation see: <http://www.cbsa-asfc.gc.ca/publications/dm-md/d11/d11-4-4-eng.html>

<sup>146</sup> WTO. 2015. *Trade Policy Review: Canada. Report by the Secretariat*. Geneva: WTO.

<sup>147</sup> Kimberly Anne Elliot. 2015. *Trade Preferences for the Least Developed Countries: Opportunities Not Panaceas*. Geneva: ICTSD.

<sup>148</sup> USDA, *Canada Biofuels Annual Report 2016*. Washington, DC: USDA.

- <sup>149</sup> IISD. 2009. *Biofuels: At What Cost? Government Support for Ethanol and Biodiesel in Canada*. Montreal: IISD. Available at: [http://www.iisd.org/gsi/sites/default/files/Canadian\\_biofuels\\_May\\_2011.pdf](http://www.iisd.org/gsi/sites/default/files/Canadian_biofuels_May_2011.pdf)
- <sup>150</sup> UNCTAD. 2012. Classification of non-tariff measures. Geneva: UNCTAD, p. 1.
- <sup>151</sup> Fukasaku, Kiichiro, and Akira Hirata. "The OECD and ASEAN: Changing economic linkages and the challenge of policy coherence." *OECD and ASEAN Economies, The Challenge of Policy Coherence*. OECD, Paris (1995): 19-40.
- <sup>152</sup> Bülles, Anni-Claudine and Shannon Kindornay. 2013. *Beyond Aid: A Plan for Canada's International Cooperation*. Ottawa: North-South Institute, p.1.
- <sup>153</sup> Office of the Auditor General. 2009. *Strengthening Aid Effectiveness: Canadian International Development Agency*. Ottawa: OAG, p. 21; OECD. 2012. *OECD DAC Peer Review: Canada*. Paris: OECD,
- <sup>154</sup> Bülles, Anni-Claudine and Shannon Kindornay. 2013. *Beyond Aid: A Plan for Canada's International Cooperation*. Ottawa: North-South Institute, p.2.
- <sup>155</sup> Payne, Elizabeth. 2012. "Questions Raised About Foreign Aid Link with Resource Development." *Montreal Gazette*, January 27.
- <sup>156</sup> Minister Paradis quoted in Brown, Stephen. (2016). The instrumentalization of foreign aid under the Harper government. *Studies in Political Economy*, 97(1), p.25
- <sup>157</sup> Brown, Stephen. "Undermining foreign aid: The extractive sector and the recommercialization of Canadian development assistance." *Rethinking Canadian Aid* (2014): 277-95.
- <sup>158</sup> Brown, Stephen. (2016). The instrumentalization of foreign aid under the Harper government. *Studies in Political Economy*, 97(1), pp. 19-20.
- <sup>159</sup> Bülles, Anni-Claudine and Shannon Kindornay. 2013. *Beyond Aid: A Plan for Canada's International Cooperation*. Ottawa: North-South Institute, p.25.
- <sup>160</sup> Matias E. Margulis. 2015. "Canada at the G8 and UN Committee on World Food Security: forum-shifting in global food security governance." *Canadian Foreign Policy Journal* 21(2):164-78.
- <sup>161</sup> Bülles, Anni-Claudine and Shannon Kindornay. 2013. *Beyond Aid: A Plan for Canada's International Cooperation*. Ottawa: North-South Institute, p.29.
- <sup>162</sup> Essex, Jamey, and Logan Carmichael. "Restructuring development expertise and labour in the CIDA-DFAIT merger." *The Canadian Geographer/Le Géographe canadien* (2016).
- <sup>163</sup> For example, see Morrison, Jamie, and Alexander Sarris, eds. WTO rules for agriculture compatible with development. Rome: FAO, 2007; Chilowa, Wycliffe. "The impact of agricultural liberalisation on food security in Malawi." *Food Policy* 23, no. 6 (1998): 553-569; Pyakuryal, Bishwambher, Devesh Roy, and Y. B. Thapa. "Trade liberalization and food security in Nepal." *Food Policy* 35, no. 1 (2010): 20-31; Valdés, Alberto. "Trade liberalization versus food security? Observations on Latin America." *Quarterly journal of international agriculture* 39, no. 4 (2000): 379-393.