
One Year update to individual recommendation responses:

This is the one year update, 12 months after the publication of the UK Government Response to the 2013 Report of the International Development Committee on Global Food Security.

In that response the UK Government agreed or partially agreed with 37 out of the 39 report recommendations. The Government disagreed with two of those recommendations. These were:
- That the Government should set mandatory targets for food waste reduction for producers and retailers and introduce sanctions for failure to meet the targets;
- The Government should consider under what circumstances it would be appropriate for a national government to pursue strategic stockholding for national food security purposes.

This one year update provides a report on progress against those recommendations with which the Government either agreed or partially agreed. It does not provide an update against those recommendations with which the Government disagreed.

The report was divided into subsections which are reflected in this document. The original text of the Recommendations and the original Government response has been retained as these are on public record. The Updates are additions in highlighted boxes following the original text.

**IDC Report Subsection Heading: 'Demand'**

**RECOMMENDATION 1.** Biofuels are driving higher and more volatile food prices and are having a major detrimental impact on food security. In some cases biofuels may be even more damaging to the environment than fossil fuels. We recommend that the Renewable Transport Fuel Obligation (RTFO), which commits the UK to consuming biofuel equivalent to 5% of transport fuel volumes, be revised to exclude agriculturally produced biofuels. We recognise that the revision of the RTFO would make it more difficult for the UK to meet its EU target of deriving 10% of transport energy from renewable sources.
However, the EU target does not apply until 2020. Consequently there is nothing to stop the UK from revising the RTFO now. (Paragraph 16)

Partially agree: In the context of rising populations, and against the backdrop of climate change, biofuels have been cited as potentially increasing risks to food security over the medium term. The Government believes that food production must remain the primary goal of agriculture and the production of biomass for bioenergy must not undermine food security, in the UK or internationally.

To the extent that biofuels and biomass policies result in an increase in aggregate demand for agricultural feedstocks and/or agricultural land, then they will result in higher agricultural product prices than would otherwise have been the case. Analysis by Defra’s modelling team using the OECD-FAO Aglink-Cosimo model suggests that the removal of biofuels support at the EU level could have a modest (yet significant) medium-term price reduction impact on the feedstocks used for biofuels production. For example, when EU biofuels mandate support is removed, on average over the projection period, projected EU wheat prices are around 7% lower than in the baseline scenario, vegetable oil prices around 12% lower on average, and oilseed prices approximately 4% lower than baseline levels. This is broadly consistent with earlier modelling by the OECD (2008).

Over and above medium term impacts on agricultural product prices, there is a distinct question about the extent to which biofuel policies have contributed to recent international agricultural price spikes. In that context, a thorough cross-Whitehall analysis of the agricultural price spikes of 2007/8 concluded that biofuels had a relatively small contribution in 2008, particularly as far as wheat was concerned. Nevertheless, the report also concluded that the additional global demand for biofuels has and will put upward pressure on the prices for those agricultural commodities used in biofuels production.

The cross-Whitehall report also raised a question about the extent to which the inelasticity of demand for biofuels makes an important segment of agricultural product demand more inelastic so that international prices are more volatile than they would otherwise be.

In respect of the impact of biofuels on emissions, the Government’s desired outcome on the issue of Indirect Land Use Change, (ILUC) the application of ‘ILUC factors’, is designed to recognise that not all crop based biofuels are the same. An ‘ILUC factor’ approach aims to differentiate between higher ILUC

---

risk biofuels (such as biodiesel from oil crops) and lower ILUC risk biofuels (such as bioethanol from wheat or sugar).

In addition, the ongoing uncertainty around ILUC has led the Government to take a cautious approach to setting RTFO targets. There is a risk that any changes made in advance of a resolution would need to be readdressed in the wake of the final ILUC outcome, adding to the uncertainty felt by industry. Furthermore, the legality of implementing a target or cap which differentiates between feedstocks other than through the criteria set out in the Renewable Energy Directive (RED) is uncertain and would require thorough investigation.

**Update:** The Renewable Transport Fuel Obligation target currently remains at 4.75% and no changes of this level are planned in the legislation, pending EU agreement on addressing ILUC. In the latest statistics released on UK biofuel supply, 49% was sourced from waste and residue materials, the overall biofuel mix delivering Greenhouse Gas savings of around 60% compared to fossil fuels, when indirect land use change impacts are included.

**RECOMMENDATION 2.** In addition to revising RTFO, the UK must continue to push its European partners to revise the target under the Renewable Energy Directive (RED) which requires EU countries to derive 10% of their transport energy from renewable sources by 2020. This reform could include introducing Indirect Land Use Change (ILUC) factors into the RED, and imposing a cap on the level of food-based biofuel which can count towards the RED target. The introduction of ILUC factors and the imposition of a cap are not mutually exclusive options: both can be pursued concurrently. We recommend that the UK Government push for both, and that it push for the cap to be set at as low a level as possible. (Paragraph 17)

**Partially agree:** The Government agrees with the Committee’s assertion that UK must continue to push for robust action on ILUC at European level.

However, the Government remains of the opinion that the twin goals of applying an ‘ILUC factor’ to greenhouse gas accounting and extending the multiple counting of ‘non land using’ feedstocks to the overall targets is the most appropriate response. Such an outcome will both act as a sophisticated cap on food crop-derived biofuels and hasten the transition towards ‘advanced’ feedstocks, thus reducing the direct competition for food feedstocks. If a cap is set, it should not be at a level that encourages unsustainable behaviour.

**Update:** In June (2014) the EU Council of Ministers reached a political agreement on the Greek Presidency’s compromise text on the proposal to amend the Renewable Energy Directive and the Directive relating to the quality of petrol and diesel fuels. The UK voted in favour while indicating disappointment with the agreement’s lack of ambition. Other Member States made a statement that the cap on first generation biofuels must not be lowered from 7% during negotiations with the European Parliament. Whilst the Government considers it regrettable that the cap on food crops in the Council proposal is as high as 7%, it supported the compromise package as it
represented the best compromise possible and is preferable to the status quo that would place no restriction on the expansion of food based fuels.

While seeking to conclude negotiations in the first half of 2015, the Government will continue to push for improvements on the ambition of the final text during second reading.

RECOMMENDATION 3. We were pleased to receive the Parliamentary Under-Secretary of State for International Development’s assurance that biofuels would be discussed at the ‘Nutrition for Growth’ event. We also urge the Government to raise the issue at the G8 summit itself, and at the meeting of the EU Energy Council on 6 June. The Government should explain the outcome of these discussions to us in its response to this report. (Paragraph 18)

Neutral: The Secretary of State for International Development said at the Nutrition for Growth event that ‘We’re also clear that the production of biofuels must not undermine food security. We want to ensure that support only goes to biofuels that are significantly better than fossil fuels.’ The focus though of this event was on securing global commitments to nutrition as a top development priority and securing new financial and policy commitments to help tackle undernutrition.

The key focus of the G8 Summit was tax, trade and transparency and the global economy. The G8 communique contains commitments relevant to good land governance as well as the Nutrition for Growth outcomes and the New Alliance. Biofuels were not however mentioned in the communique, nor discussed at the summit.

Biofuels were on the agenda at Energy Council on 7 June, however, the Presidency used the session to deliver a ‘progress report’ on the ILUC negotiations. In spite of this, a handful of Member States, not including the UK, intervened to both support and reject the Presidency’s proposal for a 2% advanced biofuels sub-target.

Biofuels were also the subject of discussion at Environment Council June 18. Lord de Mauley represented the Government and intervened to reiterate the UK’s position as well as to stress the importance of continuing to seek consensus.

Update: n/a. Recommendation in the past

RECOMMENDATION 4. We welcome the Government’s support for non-food-based biofuels. We recommend that the Government give particular support to the use of biofuels such as those derived from waste products, whose production does not require land. (Paragraph 20)
**Agree:** The Government agrees that waste derived biofuels are desirable and worthy of particular support. Indeed, the Government is committed to increasing energy from wastes.

Domestically, the UK’s means of supporting biofuels, the Renewable Transport Fuel Obligation, includes a certificate trading system to increase the efficiency of compliance. Two Renewable Transport Fuel Certificates (RTFCs) are awarded for each litre of waste derived biofuel supplied, double that of non-waste biofuels.

At European level efforts to extend the multiple counting of ‘non-food’ feedstocks to the overall RED and FQD targets is designed to hasten the transition towards ‘advanced’ feedstocks, including wastes and other non-land using feedstocks, thus reducing the direct competition for food feedstocks.

In addition, the Government is currently exploring measures to encourage the uptake of advanced biofuels in the UK.

**Update:** The current design of incentives within the RTFO has led to around half of the UK’s biofuel supply originating from waste and residues.

Additionally, the Government has announced £25 million of capital funding to enable the construction of demonstration-scale waste to fuel and other advanced biofuel plants in the UK. The funding will be provided over three years from 2015 following a competition to identify the best and most suitable industry proposals.

At European level, the UK welcomes that the Council of Ministers’ first reading position on ongoing ILUC negotiations includes strengthened incentives for advanced biofuels. These included an extension of the multiple counting of advanced biofuels to the overall RED targets and an indicative sub-target of 0.5% for these fuels by 2020, thus effectively enabling a reduction of the contribution from crop-based feedstocks.

**RECOMMENDATION 6.:** The rate of increase in global meat consumption is unsustainable: the consequence is a growth in the production of grain-fed livestock, with crops used to feed livestock instead of humans. Clearly this does not mean that the world should stop consuming meat: this would be disproportionate and unrealistic. However, in the longer-term it may be appropriate to focus on sustainable systems such as pasture-fed cattle rather than on grain-fed livestock, with meat promoted as an occasional product rather than an everyday staple. (Paragraph 22)

**Partially agree:** The Government provides guidance on meat consumption from the point of view of healthy diet and nutrition in the Eatwell Plate. The key to a healthy diet is getting the balance right; this means eating a wide variety of foods, and in the right proportions.

The Committee raises the issue of focusing on systems such as pasture-fed livestock which do not use crops that could be used for human consumption.
Defra coordinated the Green Food Project last year to bring together a wide range of interested parties to look at the issue of how to increase food production while improving the environment. The Green Food Project report published in July 2012 recommended a wider, more sophisticated debate across the whole food chain about the role that diet and consumption play in the sustainability of the food system. A number of interested organisations came together to follow up this recommendation and their report is expected to be published this summer.

The global impact of reducing meat consumption in developed countries is not straightforward. The EU represents around 15% of world meat production and 14% of world meat consumption. Since the UK is integrated into the global market for meat products, the impact of changes in domestic meat consumption on crop utilisation at the global level will depend on the responses of producers and consumers around the world.

A scenario was run in the OECD-FAO maintained Aglink-Cosimo model of the global agricultural sector, to simulate the effect of reducing EU meat consumption by 20%. The result is that meat production in the EU falls but by less than 20%, such that there is a marked rise in exports which reduces international livestock prices by between 3 and 11%. This causes meat consumption in the rest of the world to rise slightly.

The reduction in EU meat production leads to a fall in the amount of grain used as animal feed in the EU and a large rise in grain exports. International prices for cereals fall modestly, by 4%, but EU grain production levels remain largely unchanged. Around the world, the projected changes in agricultural area and land-use are negligible.

**Update:** The Sustainable Consumption report was published in July 2013, and included eight principles of a healthy and sustainable diet, which are being reviewed by the Global Food Security Programme and will be published as part of their Insight series in due course.

**RECOMMENDATION 7.** The global population continues to increase, and food production is expected to have to increase by 60-70% by 2050. In future population growth is expected to be concentrated amongst the poorest and least food secure countries; this will have implications for both chronic hunger and vulnerability to shocks. While detailed discussion of population-related policies is beyond the remit of this report, we urge DFID to maintain the strong focus on women’s reproductive rights shown in last year’s Family Planning Summit and maintain this sector as a priority for expenditure. (Paragraph 26)

**Agree:** Reproductive health and rights remains a high priority for the Government.

**Update:** Nothing further to report than last year’s statement as this remains a high priority for the Government.
RECOMMENDATION 8. Agricultural extension services play a critical role in improving smallholders’ food security. In order to be sustainable, extension services should be funded from locally generated revenue flows. DFID should devote a greater proportion of its budget to supporting the development of agricultural extension services, particularly those targeted at women. (Paragraph 30)

Partially agree: Public funded extension services have a poor track record of delivery in Africa. Speeding up the pace in which new technology is taken up by small-holders, particularly women, is a priority for DFID and will be critical if development objectives are to be met.

Generating evidence of what works in getting new technology to farmers is a priority for DFID’s research efforts and spending has been doubled in this area over the past 3 years. This has supported testing new and innovative approaches to getting technology into use among small-holders, assessing novel ways of incentivising the private sector to invest and by generating and synthesising robust evidence by funding evaluations and systematic reviews of on-going extension programmes in order to test their effectiveness in delivering impacts for women and small-holders and to establish a comprehensive evidence base.

Update: DFID continues to expand its work in generating evidence of what works in getting technology to farmers. We are scoping out the use of development impacts bonds in Uganda to address sleeping sickness by treating cattle, we have commissioned a £10m programme to test the effectiveness of social enterprises as ways of pulling technology into rural markets, and made a £10m contribution to the Agri-tech Catalyst being led by Innovate-UK and the Biotechnology and Biosciences Research council, (BBSRC). This project will use matching funding to stimulate investment and innovation from the private sector to develop and deploy new technology. In addition we are continuing to lead the AgResults programme which looks at the effectiveness of pull mechanisms as ways of up-scaling the application of technology.

We have commissioned new Randomised Control Trial studies to assess what works in getting technology into use. We are testing the effectiveness of mobile phones in getting extension messages to farmers through m-Nutrition and through our support to CABI (an international not-for-profit organization that improves people’s lives by providing information and applying scientific expertise to solve problems in agriculture and the environment) and of ICT enabled extension systems through the ICT Grand Challenge programme with Gates and USAID. In each case these programmes will be evaluated to generate evidence of the effectiveness in addressing both gender and social barriers to innovation.
RECOMMENDATION 9. We recommend that DFID ensure that the agricultural extension workers whose work it supports address the issue of land degradation in their work. (Paragraph 31)

Agree: Current DFID support to agricultural extension is delivered through NGOs and other civil society organisations, private sector company partnerships, investment in key multilateral organisations and support for agricultural research initiatives. DFID also supports IFAD’s Adaptation for Smallholder Agriculture Programme (ASAP). This is a programme launched by IFAD in 2012 to channel climate and environment finance to at least 8 million smallholder farmers so that they can increase their resilience. Tackling land degradation can be an important part of this work, so where appropriate, extension activities will be focused on soil and water conservation as a major priority for sustainable, climate-smart development.

Update: The ASAP programme is continuing to take action, promoting better land management including soil and water management, which by implication will reduce the risks of land degradation. Several countries including DFID Zambia are in the process of designing programmes in conservation agriculture to address increasing productivity and reducing land degradation.

RECOMMENDATION 10. If we are to help smallholders to engage with large corporations, supporting the development of farmer organisations, including co-operatives, is vital. We recommend that DFID support the formation of farmer organisations, and seek to ensure that such organisations are fairly and transparently governed, with fair representation for women and marginalised farmers. (Paragraph 33)

Partially agree: The UK Government recognises that farmer organisations can play a valuable role linking smallholder farmers to large corporations by reducing the transaction costs for companies and for farmers and by strengthening farmers’ bargaining position. However, the Government recognises that there are a wide range of institutional arrangements that can support such linkages in addition to farmer organisations, including contract farming.

DFID already supports a wide range of programmes aimed at establishing new or building the capacity of existing farmer organisations. These include, for examples, the Livelihoods and Food Security Trust Fund in Burma co-financed by DFID, which builds the capacity marketing and management skills of farmer organisations. Farmer organisations are supported through the “making markets work for the poor” activities, for example in Tanzania. Through the Food Retail Industry Challenge Fund, DFID also support the development of farmer organisations and linkages with the UK food retail industry. Multilateral funding on agriculture, for example through the Global Agriculture and Food Security Programme, funds country-owned plans which sometimes include specific support to farmer organisations.
The Government recognises that to be sustainable and competitive in global value chains, farmer organisations need to help farmers to operate efficiently and meet the exacting standards demanded by global markets. The Government supports the development of inclusive business models and believes that a wide range of interventions are required in agriculture as well as supporting opportunities outside of agriculture, to promote sustainable growth that benefit subsistence and commercial smallholder farmers.

**Update:** DFID supports various mechanisms where farmers are organised into cooperatives or associations to achieve more effective access to markets. For example, support for the Agricultural Development Company's (AgDevco) work with Phata Sugar Cooperative in Malawi, a programme aimed at improving the governance and overall productivity of the cooperative. DFID is making progress on agricultural policy and identifying priorities for women’s economic empowerment in agriculture. We are also identifying inclusive business models that are most effective in leveraging private sector investment into agriculture and in supporting women in agriculture and agribusiness.

**RECOMMENDATION 11.** The Africa Enterprise Challenge Fund (AECF), part-funded by DFID, has played a key role in helping smallholders to engage in corporate value chains. DFID should scale up its funding for initiatives such as AECF which help smallholders to engage with corporations. (Paragraph 34)

**Agree:** The Government welcomes the IDC’s recognition of the valuable role played by the Africa Enterprise Challenge Fund (AECF) in assisting smallholders to connect to corporate value chains. DFID is already taking action to scale up finance for initiatives which help smallholders to engage with corporations in Africa. On 8th June 2013, DFID’s Secretary of State announced the provision of £50m to help the Agricultural Development Company (AgDevCo) set up a new fund which will invest in agricultural Small and Medium Enterprises (SMEs) small holder farms and new agribusiness ventures in Africa. AgDevCo, an agricultural development and investment company, provides investment finance and management advice to develop African agri-business that are profitable and create benefits for rural communities through increased incomes, jobs and agricultural productivity. A key part of AgDevCo’s business model is to broker commercial links between the companies they invest in and corporates.

The Secretary of State also announced on 8th June 2013 funding for the FoodTrade programme. This is a major regional staple-food markets initiative, which is already operational in Eastern and Southern Africa and will be expanded to West Africa later this year. The FoodTrade programme recognizes the importance of staple food markets, such as maize, sorghum and cassava, for smallholders’ incomes and food security of African countries. FoodTrade Eastern and Southern Africa works with both the public and private sector to bring down the barriers that prevent African farmers from getting a better price for their surplus crops through sales in neighbouring countries; and prevent consumers benefitting from lower food prices at times
of local crop shortages. FoodTrade will also encourage private sector to invest in innovative business projects that will get regional staple crop markets to function well such as storage facilities, seeds and fertilisers.

**Update:** DFID continues to engage with the private sector using various mechanisms to better incorporate smallholders into supply and value chains, and in particular supporting responsible investment principles which should underpin those investments.

The African Enterprise Challenge Fund (AECF) itself continues to grow. The fund has now funded 195 projects with companies to engage smallholders in rural value chains. In 2013 (the last reporting period) the fund increased the number of rural poor benefitting from its work by 50% compared to the previous year to reach 3.7m people. The total development benefit during the year was estimated to be $66m and the cumulative benefit since the fund’s inception is estimated at $190m.

The new fund set up by the Agricultural Development Company (AgDevCo) to invest in Small and Medium Enterprises (SMEs), small holder farms and new agribusiness ventures in Africa has already assisted 3,000 smallholders in its first six months with access to irrigation, processing infrastructure, modern inputs etc. with the aim of increasing their integration into commercial agribusiness.

The FoodTrade programmes are now operational in West, East and Southern Africa where many poor people in rural areas of Africa depend on small scale grain production for subsistence and income. A first review of benefits generated so far will be carried out in November 2014. The programmes aims to stimulate more farmers and traders to invest, produce and sell more in the regional markets, increasing trade of staple food and allowing more people to benefit from participation in national and cross border staple food value chains. The programme is intended to benefit farmers – who will access better inputs and have more market information and choice when they sell, capturing a larger share of the final price than the current farm gate - and consumers, who will benefit from a steadier regional flow of grains potentially reducing seasonal price volatility.

**RECOMMENDATION 12.** Smallholders should be provided with information on global markets. We welcome the Parliamentary Under-Secretary of State for International Development’s acknowledgement of the potential of mobile technology; this can play a key role in providing access to market information to smallholders. (Paragraph 35)

**Agree.** The UK Government recognises that improved access to market information, on global, regional and local markets, is necessary to enable smallholder farmers to negotiate fair prices. The Government also recognises that mobile technology has the potential to improve smallholder farmers’ access to market information, particularly if it is linked to other interventions, such as promoting collective action among farmers and developing commodity exchanges. The Trade at Hand programme in Liberia supports a
mobile phone based application linking women market traders to farmers in rural areas and export markets outside the country.

**Update:** DFID has commissioned new Randomised Control Trial studies to assess what works in getting technology into use. We are testing the effectiveness of mobile phones in getting extension messages to farmers through m-Nutrition and through our support to CABI (an international not-for-profit organisation that improves people’s lives by providing information and applying scientific expertise to solve problems in agriculture and the environment) and of ICT enabled extension systems through the ICT Grand Challenge programme with Gates and USAID.

Access to market information via mobile phones is also an important component of DFID’s East and Southern Africa Staple Food Markets Programme.

**RECOMMENDATION 13.** We support the recommendations of the Fairtrade Foundation: companies which purchase crops from smallholders should contract to offer payment in regular instalments throughout the year, rather than simply paying at harvest time, and companies should also consider contracting to pay smallholders in advance. (Paragraph 36)

**Partially agree:** The UK Government recognises that smallholder farmer and farmer organisations often face significant challenges accessing working capital to invest in farm production or finance crop purchases. The Government supports the Fairtrade International model that encourages importers to pre-finance crops to address short-term gaps in financing. However, in the long-term the Government believes that such arrangements cannot be a complete substitute for local commercial credit markets. The Government also supports fair and transparent contracting practices between private companies and smallholders, ideally based on long-term trading relationships.

**Update:** No further updates to add to the prior response.

**RECOMMENDATION 14.** Offering smallholders a guaranteed price for their crop encourages them to invest in their farms, but price guarantees offered by the public sector are often problematic. Price guarantees offered by private companies are preferable. We recommend that DFID encourage more of its private sector partners to offer guaranteed prices to smallholders, or to guarantee to buy a certain quota of crop. (Paragraph 37)

**Partially agree:** The UK Government believes there are many different ways buyers and smallholder farmers can share and manage price risks, including forward contracting, fixed or guaranteed prices and access to hedging facilities. Different measures will be appropriate for different contexts. The priority should be to enable farmers to access and negotiate the optimal arrangement that meets their specific needs.
Update: Our position on this remains unchanged

RECOMMENDATION 15. Both small- and large-scale farms have a role to play in feeding a growing population sustainably and in reducing rural poverty. For most countries a mixture of the two will be most appropriate. Determining the precise balance between small-scale and large-scale farms is a matter for each individual country: it is not our place to lecture developing countries about how their agricultural sectors should be structured. In some cases, a shift towards somewhat larger farms is likely to increase food production and improve the efficiency of the agricultural sector. However, in many cases, smallholders will retain a key role. In all cases, the generation of employment and the productive use of land will be paramount. (Paragraph 40)

Agree: Both small- and large-scale farms have a role to play in feeding a growing population sustainably and in reducing rural poverty. Smallholders will retain a key role in food production and a gradual consolidation of farm holdings will be linked to growth in off-farm employment opportunities, contributing to more sustainable and productive use of land. Any land consolidation process and associated land transactions must be conducted in accordance with the principles set out in the UN Voluntary Guidelines on the Governance of Tenure.

Update: DFID continues to support programmes that are aim to increase the agricultural productivity of smallholder farmers, particularly by building effective and sustainable market links. These include via mechanisms such as the African Enterprise Challenge Fund (see response to recommendation 11), and also through support to the New Alliance for food security and nutrition in Africa. Under the New Alliance in the two years since it was launched in 2012, partnership has expanded from three to 10 African countries and some 180 African and international companies. These companies have signed letters of intent to invest $7.8 billion in African agriculture, $1.1 billion of which was realized in 2013. Private investments have reached 3 million smallholders and created over 36,000 jobs. A key principle of the New Alliance is to align on African countries’ own priorities and each country decides their own model. The priority of New Alliance is to include smallholders and promote inclusive growth.

RECOMMENDATION 16. We welcome the G8’s focus on transparency. We recommend that the Government require UK-domiciled corporations to be transparent about land deals, and that it use its influence to ensure that the World Bank meets adequate standards of transparency and consultation in its own investments. (Paragraph 41)

Partially agree: In relation to UK-domiciled corporations, both Companies and Communities lose out when land deals go bad. At the heart of this agenda is the promotion of responsible investment, and support to better shareholders’ stewardship of the companies they own – rather than have Government step in to fulfil this function.
The Government is encouraging UK corporates to better manage the risks they face when investing or operating overseas. In June, the Department for Business Innovation and Skills tabled important changes to narrative reporting requirements for companies publicly listed in the UK. These new reporting requirements are not specifically focussed on land deals, but are more broadly aimed to draw shareholder attention to material environmental, social and human rights issues that impact on company performance.

The UK Government supports the efforts the World Bank is making to be more transparent in its agricultural lending programmes, which involve land acquisitions. The Government is actively engaged in discussions with the World Bank on the policies and procedures underlying the Bank’s investments, including on agriculture, through regular ministerial level discussions, through an active presence on the board and through a wide-range of working-level contacts. Through these channels, the Government will continue to push for the implementation of robust performance standards and safeguards.

**Update:** Our strong commitments on land transparency under the UK G8 Presidency were welcomed among a wide range of stakeholders and have been taken further since. In 2013, the Prime Minister also committed us to work hard “to get our own house in order”. We have done this, not just by revising the reporting requirements for larger companies under the UK Companies Act. We have also included better protection of land tenure rights in the first UK National Action Plan to implement the UN Business and Human Rights Principles published in late 2013. This new UK commitment is important because transparency about land deals and more broadly compliance with the Voluntary Guidelines is essential for human rights to be upheld where companies invest. The NAP commits the UK Government to “support, motivate and incentivise UK businesses to meet their responsibility to respect human rights throughout their operations both at home and abroad”. We are working with other Government Departments to make this happen. The Voluntary Guidelines are already the recommended guidance for UK business interested in land-related investments anywhere in the world. We are also working with a range of national and international donor partners, businesses, investors and NGOs to operationalise the Guidelines. The Prime Minister’s appeal to G8 “to get our own house in order” was heard across the world. A number of G7 and non-G7 initiatives are now working towards more coherence in land transparency and compliance with the Voluntary Guidelines as the global minimum practice standard on land investments, both public and private.

We are also working closely with other donors, UK NGOs and the interested public to make sure that the World Bank safeguards review fulfils best practice standards of transparency, consultation and as applicable consent when it comes to land tenure rights protection and involuntary resettlement.

We are proactively feeding into the process and are working with others to ensure a satisfactory outcome.

**RECOMMENDATION 17.** Implementation of the UN Voluntary Guidelines on the Governance of Tenure would help to mitigate current concerns about
commercial land acquisitions. We welcome the Government’s support for the Voluntary Guidelines, and were pleased to be told by the Parliamentary Under-Secretary of State for International Development that the issue would be discussed during the forthcoming G8 summit. We ask the Government to explain the outcome of these discussions to us in its response to this report. (Paragraph 42)

**Explanation of outcome of discussions**

The outcome of the G8 discussions are captured in the published communique (https://www.gov.uk/government/publications/2013-lough-erne-g8-leaders-communique) and make explicit reference to Land and the Voluntary Guidelines on land.

At the Lough Erne Summit, G8 leaders agreed to support greater transparency in land transactions and good land governance by helping developing countries to implement the Voluntary Guidelines. The G8 endorsed the Voluntary Guidelines in 2012 and agreed to form partnerships with seven developing countries to support their national implementation: Tanzania (UK-led), Nigeria (UK) Senegal (France), Burkina Faso (US), South Sudan (EU), Namibia (Germany) and Niger (EU). The partnerships will be tailored to the needs of each country, but they share the overall aim of improving land registration processes and the security of land tenure for communities and commercial investors. This will help to ensure future land investments respect the rights of existing land users and contribute to economic growth and poverty reduction.

The country partnerships were announced ahead of the G8 Summit, at the “Open for Growth” event in London on 15 June, following a dedicated session on land which was chaired by the Secretary of State of the Department for International Development. The session generated support for the G8 land agenda from a range of partners, including: Heads of State and ministers from developing and donor countries; representatives from the Food and Agriculture Organisation, the Committee on World Food Security and the Economic Commission for Africa; corporates; and civil society.

**Update:** Eight country partnerships to improve land governance through the implementation of the globally negotiated Voluntary Guidelines started in 2013: UK-Tanzania, UK-Nigeria, UK-US-Germany-Ethiopia, Germany-Sierra Leone, France-Senegal, US-Burkina Faso, EU-Niger, EU-South Sudan. The first official review point will be for the G7 Summit 2015, and we are working closely with Germany to finalise a reporting format. The pace at which the partnerships have progressed varies, for a number of reasons, with some such as South Sudan having been delayed by internal conflict, others such as Sierra Leone only having started in recent months and now being hampered by the ebola outbreak, and others such as Burkina Faso and Tanzania progressing well at a steady pace. We are currently working with Germany on this, towards their 2015 Presidency.

We have also worked hard to ensure consistent awareness raising and implementation of the Voluntary Guidelines outside of the G7/G8. We are now
funding the FAO to raise awareness, sensitive and work with countries to progressively implement their principles and adjust their legislative systems and practice. We are also working with like-minded partners to pilot operationalization for a number of countries and business sectors. We are liaising across the UK Government to ensure that the Voluntary Guidelines continue to be introduced as a the minimum standard for all land related investments, wherever they are. The UK has engaged with the EU and the wider global community in the negotiations for principles for responsible agricultural investments. These are now finalised and are expected to be endorsed at the UN Committee for Food Security on 15 October 2014. Where they concern land tenure, the “rai” refer to the Voluntary Guidelines as best practice guidance for all investments.

RECOMMENDATION 18. Work to establish land registers which improve smallholders’ security of tenure, such as that conducted by DFID in Rwanda, has a dual benefit: it enables smallholders to invest in their land while also providing them with greater security against so-called ‘land grabs’. We welcome the news that DFID is designing a similar programme in Ethiopia, and we suggest that it consider launching additional projects of this nature elsewhere. (Paragraph 43)

Agree: Since 2010, DFID has improved land and property rights for 2.5 million men and women across Rwanda, India, Nepal and Mozambique. By 2015, DFID has committed to improve access to land and property rights for more than 6 million people.

DFID is actively identifying new opportunities for further work to support land tenure security in six additional countries where UKAid can have a transformational impact. Ethiopia is one example.

Alongside country level programmes, DFID is also looking to scale up research and evidence work in this area and work with partners globally to develop new technologies, refine best practice and enhance the private sector contribution to good land governance.

Update: DFID is committed to scaling up programmes that improve the security of land tenure rights in developing countries, particularly for women and girls. In 2013/14 DFID helped 1.6 million people to secure their land and property rights. The programmes contributing to this indicator tackle specific challenges to the security of rights to land and property, especially for the poor.

In July 2014, the Secretary of State approved a new centrally managed programme for £20 m over five years, with a range of outcomes, all aiming to improve land tenure security for women and men farmers, including smallholders, and for responsible businesses, in support of the overarching goal of sustainable economic development. About half of the programme amount will provide support for scaling up our bilateral programme portfolio in at least six more priority countries, to replicate success stories from our
programmes, e.g. in Rwanda and Ethiopia, and to deliver more land tenure security for a larger number of vulnerable people.

**RECOMMENDATION 19.** We warmly welcome the discovery of large-scale groundwater reserves in Africa by the British Geological Survey. In the long-term, this discovery may have major benefits for food security. DFID should support the development of scientific knowledge and capacity in these areas. For example, DFID could support an increase in the number of climate stations, and the training of hydrogeologists. (Paragraph 46)

**Agree:** The study by British Geological Survey synthesised existing groundwater data but did not discover new groundwater resources and offers new insights into groundwater management and development. DFID in partnership with UK Research Councils is funding the Unlocking the Potential for Groundwater for the Poor (UPGro) research programme. This will run for 7 years with a budget of £12 million, with the first projects due to start in July 2013.

In Ethiopia DFID supported capacity development in groundwater resources management, including training of hydrogeologists, focusing on the arid and semi-arid Somali Region. DFID also supported the development of climate risk screening of rural water supplies in Ethiopia including practical guidance on assessing groundwater recharge. In Tanzania DFID is funding groundwater assessments in highly water stressed areas and building the capacity of river basin organisations to undertake hydrogeological studies.

At a regional level, DFID funds the Cooperation on International Water in Africa (CIWA) programme managed by the World Bank. As a demand-led programme, this supports work on groundwater where this is identified as a priority by partner countries. DFID also funds the SADC Transboundary Water Management programme. This provides training and strategy development to increase awareness and action on climate change impacts concerning water resources, including groundwater.

DFID is investing to improve the quality and type of hydro-meteorological data available and build African technical expertise. DFID supports the Africa Climate Policy Centre (ACPC) which is assessing climate monitoring requirements across Africa and identifying cost-effective solutions to the chronic lack of robust hydro-meteorological data. The programme is identifying major gaps, rescuing historical data, improving data storage and identifying strategic investments in climate monitoring stations. This programme is also working to improve the demand for climate information through capacity building and technical assistance. This will help develop African technical expertise through programmes such as Climate Science Research Partnership, and decision support tools, such as early warning and water resource planning.

**Update:** The UPGro programme has funded 15 catalyst projects during its initial phase (2013-15). The projects are investigating different aspects of how the use and understanding of groundwater in Africa interacts with socio-
economic conditions. These are now concluding and starting to report results. More information on these projects can be found at www.upgro.org/catalyst-projects. The programme is now establishing large scale long term research consortia which will be operational in 2015. UpGro has also funded and launched the Groundwater Atlas which comprises a ‘wikipedia style’ gateway for every country in Africa pulling together Environmental data and hydrogeological data to give an overall picture of groundwater resources for every African country.

In Ethiopia the project on providing capacity development in groundwater resources management, ended in 2013. The training helped participants from the Somali region and that of the Federal Ministry to improve their skills in groundwater exploration, development and management. In the long term it is expected that this training will improve knowledge in water resources management in Somali regional state and elsewhere in Ethiopia.

DFID commissioned ODI to undertake a short analytical piece to explore the impacts of climate change on DFID wash investments and to set out the costs and benefits of adaptation options to make WASH infrastructure more climate resilient. This undertook case studies in Malawi, Tanzania and Sierra Leone. The final report “Adaptation to Climate Change in Water, Sanitation and Hygiene - Assessing risks, appraising options in Africa” issued in January 2013 is attached for information. This also draws on some experiences from Ethiopia but was not focussed on Ethiopia.

DFID is improving the quality of hydro-meteorological observation and climate records in African countries (with pilots in Ethiopia, Tanzania and Gambia), as well as building African technical expertise to interpret and produce climate information, through our support to ClimDev and Africa Climate Policy Centre (ACPC).

**RECOMMENDATION 20.** Improving rural infrastructure would have a dramatic effect on food security. Across much of the developing world, inadequate roads and storage facilities lead to large scale post-harvest crop losses. Particularly in Africa, a lack of irrigation undermines agricultural productivity. DFID should give a higher priority to these issues. (Paragraph 49)

**Agree:** Irrigation infrastructure boosts agricultural productivity and DFID works with Governments and companies to leverage public and private investment into irrigation. The UK supports the Comprehensive African Agriculture Development Plan which helps over 30 African Governments to improve their agriculture planning and to increase the amount of domestic resources invested in agriculture, including agriculture infrastructure.

On 8 June, the Secretary of State announced that DFID will provide a further £50 million for the African Agriculture Development Company (AgDevCo) over the next 5 years. AgDevCo invests in early-stage agricultural SMEs and new agribusiness ventures that give smallholder farmers access to affordable modern inputs and irrigation and guarantee a market for their produce. DFID
funding will benefit 650,000 people across Africa with jobs and income, improve access to irrigation and agro-processing infrastructure for 49,000 small holder farmers and ensure that 30,000 additional hectares are under irrigation and 94,000 additional metric tonnes in processing throughput/capacity are available by 2018.

In the framework of the new FoodTrade initiative announced on 8 June and boosting UK investment in African regional staple food markets to benefit 2.5 million people in West, East and Southern Africa, the Secretary of State launched a new challenge fund window for private companies willing to invest in Eastern and Southern Africa staple food markets. The UK will offer matching grants to companies willing to invest in storage and collateral systems, input markets, coordination and information systems and services for cross-border trade in staple foods. The aim is to boost rural productive infrastructure and improve regional food security facilitating food movement from surplus to deficit areas.

**Update:** DFID recognises the importance of rural access and has recently procured a scale up of the Africa Community Access Project (AFCAP) which is an applied research programme into rural roads and transport services. The new project will work in up to 12 African countries and up to five Asian countries working with partner Governments to improve the design, construction and maintenance of rural roads through applied research.

**RECOMMENDATION 21.** We recognise that genetically modified organisms (GMOs) are controversial and clearly not a panacea. However, it could be argued that GMOs have the potential to make a valuable contribution to food security. DFID should ensure that any support it gives is beneficial to the poorest and most food insecure, and that any commercialisation or extension of GM seeds to smallholder farmers does not undermine their ability to save and store traditional seed varieties. (Paragraph 54)

**Partially agree:** The Government believes that the safe and responsible use of GM technology could play an important role alongside other options to meet the long term challenges ahead on global food security, climate change and the alleviation of poverty. There is good evidence that the use of existing GM crops has helped small farmers in developing countries to operate more efficiently and sustainably, and research is underway to develop new types of GM crop that could provide further benefits to smallholders in Africa and elsewhere. For example, this includes disease-resistant bananas and cowpea, drought-tolerant maize, and nutritionally-enhanced varieties of sorghum, cassava and rice. The key point is that developing countries should have fair access to such technology and be able to make their own informed decisions on its use, taking account of their particular needs and circumstances.

In relation to the specific issue of farm-saved seed, farmers should be free to decide whether or not to plant GM varieties. The Government supports the principle that farmers should be given clear information so that they can
determine if it makes economic sense for them to adopt GM cultivation, relative to the alternative options that are available.

**Update:** This position remains unchanged

**RECOMMENDATION 22.** Agricultural research has a key role to play in ensuring food security. We support the recommendation of the Food Ethics Council: DFID should make agricultural research a high priority. We welcome the Government’s current work on this, and we urge DFID and DEFRA to ensure that their work in this area is joined-up. Progress in agricultural research will have benefits in the UK as well as in developing countries. (Paragraph 56)

**Neutral:** DFID and DEFRA already work closely with the Global Food Security Champion, Prof Tim Benton and both Departments are actively engaged in the Global Food Security Programme. This programme, hosted by the BBSRC, coordinates UK food security research and seeks to identify areas of research where departments and agencies can coordinate more effectively. It is implemented by Programme Coordination Group on which DEFRA and DFID are both active.

Outcomes of this engagement are amongst others:

- a commitment for DEFRA and DFID to work closely to develop a new UK-China-Africa partnership which will develop new agriculture technology for use in Africa
- a commitment to investment in agricultural research through projects on global food security modelling and improving understanding of price transmission and related poverty outcomes.
- Ensure that coordinated activity on research on international aspects of food security is included as a priority action in the new GFSP Strategy refresh, currently in development.

**Update:** DFID and Defra are collaborating with BIS on the implementation of the UK Agri-Tech Strategy. All three departments are represented on the Leadership Council. DFID is contributing £10m to the Agri-Tech Catalyst to facilitate technology transfer to developing countries. This aims to pull the best UK science and technology into developing country markets. DFID Deputy Chief Scientific Advisor, Professor Tim Wheeler is on the Leadership Council. The first project is looking to improve ways of developing new wheat varieties, with particular reference to varieties suitable for India and Pakistan. The techniques will also have benefits in the UK.

DEFRA and DFID have fed into the Global Food Security Programme’s strategy to ensure that coordinated activity on research on international aspects of food security is included as a priority action in the new GFSP Strategy refresh, currently in development.

A cross departmental team, led by DFID and including BBSRC, DEFRA, and RCUK-China are currently working together to deliver a scoping study for a
new Africa-Britain-China research partnership which will develop new agriculture innovation for use in Africa

DFID sits on the Food Research Partnership which is chaired by the DEFRA Chief Scientist, which sets out UK wide research objectives in the sector.

**RECOMMENDATION 23.** We welcome the Government’s pledge to provide £1.8 billion of funding to tackle climate change over the next two years. Making detailed recommendations as to how this money should be spent is beyond the remit of this report; however, it is crucial that the Government sticks to its pledge. The Government should also work with its international partners to ensure that the commitments made at the Copenhagen conference are met. (Paragraph 58)

**Agree:** The Government is sticking to its pledges on climate finance, and is working with its international partners to ensure the commitments for 2020 made at the 2009 Copenhagen conference are met.

**Update:** There is no change in the UK’s commitments on climate finance.

**RECOMMENDATION 24.** While much discussion focuses on the implications of climate change for agricultural productivity, DFID should not lose sight of the fact that agriculture can in fact make a valuable contribution to climate change mitigation. Agroforestry, for example, can help to improve carbon sequestration. Where appropriate DFID should support models of agricultural production that have the potential to contribute to emissions reductions. (Paragraph 59)

**Agree:** DFID recognises the potential contributions of agriculture to climate change mitigation. DFID programmes are supporting practices that can provide farmers with crops and incomes and help sequester carbon. For example DFID’s support to the International Fund for Agriculture Development’s Adaptation for Smallholder Agriculture Programme (ASAP) will support agroforestry and other practices that sequester carbon while supporting up to 6 million farmers cope with the impacts of climate change.

**Update:** DFID continues to lead in this area. We have joined the Global Alliance for Climate Smart Agriculture (GACSA) This was launched at the UN Secretary-General’s Climate Summit on 23rd September 2014 in New York. The objective of the GACSA is to help build the resilience of 500 million farmers, many of whom are women, to the risks of climate change while improving their livelihoods, delivering economic growth and helping mitigate greenhouse gas emissions from agriculture.

**RECOMMENDATION 25.** For farmers, improving levels of resilience to climate change is vital. DFID should help farmers to boost their resilience through techniques such as crop diversification, insurance, improved land management, more appropriate planting dates, and the use of more resilient crop varieties. (Paragraph 60)
**Agree:** DFID’s development and research programmes are already helping farmers to do this. DFID research programmes are helping develop more resilient crops varieties, for example drought tolerant maize and rice varieties that better tolerate flooding. Development programmes such as the Adaptation for Smallholder Agriculture Programme and the Climate Resilient Agriculture in Africa Programme are putting these technologies into use and supporting improved land management and wide range of technologies to help farmers cope with climate change.

**Update:** There is no change in this area

**IDC Report Subsection Heading: ‘Recent shocks and their impact’**

**RECOMMENDATION 27.** The launch of the Agricultural Market Information System (AMIS) is a major step forward in the fight against food price volatility. We commend all participant countries for supporting this initiative, but we recognise that its long-term success will depend upon the quality of information provided by participant countries. (Paragraph 71)

**Agree:** The AMIS Rapid Response Forum promotes early discussion between countries concerning abnormal market conditions and allows for the development of shared strategies. AMIS will not necessarily prevent price increases or some level of volatility but can help improve understanding of markets and enhance policy coordination in times of crisis. The UK is an active participant in all aspects of AMIS’ work and encourages the contribution of timely and high quality data around key indicators, such as stock levels, from all members through the Global Food Information Group.

**Update:** The UK will be chairing AMIS for a year from October 2014. UK priorities for the year ahead include supporting AMIS secretariat in its aim to enhance market transparency through the continuous improvement of supply and demand estimates and improving its governance to ensure AMIS continues to be an effective organisation to its members and globally.

**RECOMMENDATION 28.** The introduction of export controls by certain countries was regrettable, and served to make an already bad situation worse. The decision by the G20 to remove any export bans for food purchased by the World Food Programme is a welcome step in the right direction, but more needs to be done. The UK should encourage its international partners to remove any remaining export bans and to dissuade them from introducing any new ones. It should also commit to raising this issue at the forthcoming G8 summit. (Paragraph 72)

**Agree:** Agree with the Committee’s analysis linking export bans to reduced food security at a global level. The Government’s own analytical paper, “Can trade improve food security?”, published jointly earlier this year by the Department for International Development and the Department for Business, Innovation and Skills, noted that “export bans will always have negative
international consequences, (though some) governments use them in an attempt to keep domestic food prices low at little cost to their budgets. (But) farmers lose from lower prices, and incentives are reduced to invest in future production”.

DFID will continue to use appropriate opportunities to encourage open trade and discourage the use of export bans on agricultural commodities. At the G8 “Open for Growth” event held in London on 15 June, the Prime Minister encouraged our partners to reduce impediments to trade, especially within regions. At the G8 Summit itself, agreement was reached on the need to continue to resist protectionism and to find ways to help developing countries eliminate barriers to trade.

Update: Nothing further to report in terms of developments over the last year.

IDC Report Subsection Heading: ‘Speculation’

RECOMMENDATION 29. Evidence as to the impact of speculation on food prices is inconclusive. While there has been a proliferation of recent research on this topic, there is still no consensus. We recommend that the Government study the latest research in detail, and that it use this research to inform its future policy on this issue. (Paragraph 74)

Partially agree: The Government recognises that there is a range of views in respect of the role that may have been played by commodity speculation in recent food price spikes. The Government continues to monitor relevant research with interest.

At the same time, it is clear that there have been a number of fundamental market factors driving commodity prices, a view supported by the report of the G20 Commodity Study Group, published following the Cannes Summit. It is also important to note that trading in commodity markets plays an important role in providing liquidity in these markets and that liquidity is essential to the effective functioning of these markets. Against the backdrop of climate change, and the possibility that international agricultural prices may become more volatile over time, the role of agricultural futures and options markets, and the liquidity they rely on, become more important.

Update: The position remains the same

IDC Report Subsection Heading: ‘Social Protection’

RECOMMENDATION 30. When shocks occur, social protection plays a vital role in protecting the food security of the poorest. In 14 of the 29 countries in which it has bilateral programmes DFID does not currently plan to fund social protection. We ask the Department to explain the thinking behind this. (Paragraph 79)
The primary decision for this rests with the developing country governments. DFID believes country offices are in the best place to judge which programmes offer the best value for money in achieving objectives. Social protection instruments are a way of achieving outcomes in areas such as food security and nutrition, rather than being an end in themselves. DFID is already following an ambitious expansion plan, from seven countries with social protection programmes in 2009 to 16 in 2015.

Local contexts change all the time and new countries may be added to the list of those supporting programmes. DFID will continue to monitor this. It is important that DFID does not move ahead of local political and practical reality in seeking to support social protection programmes.

**Update:** DFID’s approach to social protection support in its bilateral programmes remains the same as above. Support is driven by developing country government demand and priorities, and where programmes offer the best value for money in achieving objectives.

Currently DFID is funding social protection programmes in 15 countries. No new countries have been added in the last year, but DFID remains open to social protection support in new countries if local contexts and priorities change.

**IDC Report Subsection Heading: ‘Humanitarian Assistance’**

**RECOMMENDATION 31.** Where emergency interventions are needed to protect food security, cash- and voucher-based schemes are preferable to in-kind food aid provided markets are accessible and functioning. Where appropriate, we recommend that DFID and its partner organisations favour cash- and voucher-based schemes over in-kind food aid. (Paragraph 80)

**Agree:** DFID is already viewed as a strong implementer of cash transfer programmes in development policy. This is through funding support to social protections programmes, such as the Productive Safety Net Programme (cash and food) in Ethiopia and the Hunger Safety Net Programme (cash only) in Kenya. DFID humanitarian policy has committed us to work with partners to ensure cash based responses are given full consideration and where appropriate become much more widely adopted. This is being implemented by embedding cash transfer policy and programmes in the Conflict, Humanitarian and Security Department in DFID. Alongside this, DFID is funding research to improve the evidence base for: 1) cash transfers through social protection as a first response to a shock and 2) the link between cash programming and nutrition outcomes.

**Update:** DFID is building a strong evidence base to use cash transfers in emergency response. This is through a Value for Money study, partnering with ECHO, testing ‘pure’ cash against vouchers, food aid and non-food items. Case studies have been carried out in Ethiopia, Philippines and...
Lebanon. Early indications demonstrate that in most contexts cash is more efficient, effective and economical than the other transfer options. DFID is carrying out research to test the design modalities for social protection programmes and cash transfers as the first responder to stresses and shocks. This is based on experience from social protection programmes, such as the Productive Safety Net Programme (cash and food) in Ethiopia, and the Hunger Safety Net Programme (cash only) in Kenya. This work will focus on the Sahel Region in West Africa. DFID is also studying the link between cash programming and nutrition outcomes. DFID is currently designing a High Level Cash Panel to test the political, institutional and financial blockers to significantly scale-up the use of cash in emergency response. As this work evolves DFID is focusing more and more on the multi-purpose nature of ‘pure’ cash and moving away from ‘near’ cash, such as vouchers.

**RECOMMENDATION 32.** WFP’s ‘Purchase for Progress’ scheme has a double benefit: it supports WFP’s humanitarian work while also supporting local economies in developing countries. We were pleased that the Parliamentary Under-Secretary of State agreed to consider scaling up DFID’s support, and we reiterate our belief that this would be a wise thing for DFID to do. (Paragraph 81)

**Partially agree:** WFP is expected to use DFID funding for food aid in the most cost-effective and locally productive manner whilst still meeting humanitarian needs in all contexts. Where P4P exists, this is a useful option to enable this to happen. DFID is comfortable with the P4P in Ethiopia so far but there are concerns with scale and quality that need to be addressed before it can play a more substantial role in ensuring predictable supply of cost-effective food aid. An evaluation of the P4P initiative is planned for 2014/15 and it is recommended to wait for these findings before scaling up direct support for this initiative. In the meantime, WFP will be encouraged to continue to use this option as and when necessary to help get best value for money for this aspect of DFID humanitarian assistance.

**Update:** No additional developments on this since last year’s response.

**RECOMMENDATION 33.** Given that urban food insecurity is increasingly common, we urge DFID to give more consideration to how it provides social protection in urban areas. Cash and voucher-based schemes are especially important in urban settings. (Paragraph 82)

**Agree:** DFID is currently funding social protection in predominantly rural contexts. Strong evidence shows urbanisation will continue in Low Income Countries in the future and there will be an increasing case-load of urban poor. DFID will explore increasing effort on working with governments to develop urban social protection programmes. Cash transfers will be the first option to be considered.

**Update:** DFID’s position and approach has not changed over the last year.
RECOMMENDATION 34. The maintenance of food stocks for humanitarian purposes is of critical importance. These stocks should be managed by individual countries, as this gives the countries concerned greater ownership of the policy. Stocks should be stored on a decentralised basis. We recognise that some countries may lack the capacity to store and manage stocks satisfactorily; in these cases, we recommend that DFID support capacity building. (Paragraph 83)

Partially agree: DFID does support some food and nutrition security through food assistance interventions. Food transfers in emergency settings need to be justified alongside cash and vouchers transfers through high quality response analysis taking into account food market analysis, food prices and peoples access to the markets. Where markets function and food is available cash transfers should be the first option. Where access to food is problematic, only then should food distributions be considered. There is a danger food distribution will become the default when there is easy access to food stocks, and driven by the need to turnaround food stocks.

From the supply side there is considerable work, cost and logistical efforts needed to set up food stocks and the storage component (stock turnaround, effective storage, market implications and who agrees when to activate distribution). Furthermore, if stocks are government managed, donors would want oversight on when distributions happen and transparency regarding targeting mechanisms. Some governments have been encouraged to close down their strategic reserves by the IMF and others, in part to encourage stronger and more resilient markets.

Update: This position has not changed from last year.

IDC Report Subsection Heading: ‘Nutrition’

RECOMMENDATION 35. Undernutrition affects over 30% of the world’s population, and 26% of all the world’s children suffer from stunting. We find this quite shocking and wholly unacceptable. Undernutrition has long-term health implications; more broadly, it also represents a barrier to development. Combating the scourge of undernutrition should be a top priority for the international community. We welcome the forthcoming ‘Nutrition for Growth’ event, and urge participants in the event to make substantive commitments. (Paragraph 87)

Agree: DFID agrees that tackling undernutrition should be a top global political priority. At the Nutrition for Growth event which DFID co-hosted with Brazil and the Children’s Investment Fund Foundation on 8th June, a high level Global Nutrition for Growth Compact was launched, and was endorsed by more than 90 stakeholders. The Compact confirmed that nutrition is a top development priority and made commitments to reduce stunting by 20 million and save 1.7 million children’s lives by 2020.
The specific responsibilities of governments, international organisations, civil society, business and science to achieve these targets were set out in the Compact. A significant number of countries and organisations also made financial and policy pledges, raising up to £2.7 billion additional funding for nutrition between now and 2020 with a further £12.7 billion secured for programmes which support nutrition indirectly. These commitments will help implement the Compact and enable real progress to be made on tackling undernutrition.

**Update:** The UK is currently supporting the launch of the first Global Nutrition Report which will hold more than 100 compact signatories accountable for their commitments made at N4G in 2013 (including reducing stunting by 20 million and save 1.7 million children's lives by 2020). The report will be launched in the margins of the second International Conference on Nutrition (ICN2) in Rome in November 2014. The UK has also been working closely with the Government of Brazil to develop a strategy for a N4G follow-up event at 2016 Rio Olympics.

Since N4G the UK has made significant advances on its own commitments; DFID secured agreement on a donor wide method for tracking nutrition spend and applied this to its spending 2010-2012, and will continue to track this annually; 4 new nutrition specific programmes were launched since June 2013; investments in research scaled up (e.g. scale up of biofortified crops in multiple geographies, AgResults programme in Nigeria, Kenya, Zambia, which explores how “pull” mechanisms – results based incentives designed to stimulate private sector investment - can stimulate innovation in the development and delivery of agricultural technologies.

**RECOMMENDATION 36.** The importance of nutrition in the 1,000 day period between conception and a child’s second birthday is well-recognised, but the latest evidence stresses the extent to which maternal nutrition on the day of conception influences the risk of her child suffering from stunting. Nutrition programmes should therefore focus on meeting the nutritional requirements of all women of childbearing age. (Paragraph 88)

**Agree:** The science is clear that the first 1000 days after conception are the most important for determining whether a child will be well-nourished. There is also a strong political consensus on this through the Scaling up Nutrition (SUN) movement, launched in September 2010 with the backing of global leaders, including the UK, which committed to give 1000 days of strong political momentum to scale up nutrition interventions in the first 1,000 days of a child’s life. DFID’s bilateral programmes see the first 1000 days as a critical window for ensuring lifelong good health. However DFID nutrition programmes do not just focus on children under five but also on pregnant and breastfeeding women and adolescent girls. For example, in Bangladesh, DFID is working through the Government of Bangladesh’s health sector to incorporate nutrition specific interventions into all primary health care.
**Update:** The UK maintains its commitment to the first 1,000 days after conception but programmes continue to also deliver nutritional results for pregnant and breastfeeding women and adolescent girls. For example, a new 3-year, £4.8 million programme in Mozambique aims to improve nutrition practices among more than 600,000 women, adolescent girls and young children, including promoting good practice on nutrition among women. Overall, from 2010/11 to 2013/14 the UK reached 19.3 million pregnant or breastfeeding women and young children with nutrition-related interventions.

**RECOMMENDATION 37.** At the ‘Nutrition for Growth’ event on 8 June 2013, DFID should launch additional bilateral nutrition programmes. The Executive Director of WFP suggested to us that DFID could operate bilateral nutrition programmes in any country which has committed to the Scaling Up Nutrition (SUN) initiative: we accept that this is unrealistic, since it would include a number of countries in which DFID has no bilateral presence. However in four SUN countries (Ghana, Kyrgyzstan, Rwanda and Sierra Leone), DFID has a bilateral presence but does not have a bilateral nutrition programme. In these countries, bilateral nutrition programmes should be launched, with a particular focus on nutrition during pregnancy and early years. (Paragraph 90)

**Partially agree:** The ‘Nutrition for Growth’ event on 8th June was about establishing political commitment to nutrition as a top development priority and securing new financial and policy commitments to help tackle undernutrition. 16 countries worked with the Scaling Up Nutrition Movement to agree national nutrition costed plans in advance of the event which contributed to the event financing target. On the day, DFID committed to triple investment in nutrition specific programmes between 2013 and 2020; a total of £375million additional to 2010 levels of investment. Decisions on new programmes will be taken by DFID country offices. Officials in Whitehall will work closely with country offices, partner governments, donors and the Scaling Up Nutrition (SUN) movement as part of the decision making process. Membership of SUN will obviously be a factor in decision making for new nutrition programmes, as will the prevalence of stunting and the requests from the country government for support.

**Update:** DFID is supporting the SUN Civil Society Organisation alliances in a number of countries (including Ghana, Sierra Leone, Mozambique, Kenya, Ghana, and Zambia) and is developing new programmes in Rwanda. DFID is also working to better integrate nutrition into health and other sector programmes in all high-burden countries, rather than focus solely on standalone nutrition programmes.

**IDC Report Subsection Heading: ‘Adaptation to extreme weather events’**

**RECOMMENDATION 38.** Climate change and disaster risk reduction are of the utmost importance for food security, and it is important that the UK maintain its current proactive approach to these matters. Forecasting tools such as remote sensing also have an important role to play. (Paragraph 92)
**Agree:** DFID maintains a strong commitment to focus on climate change adaptation and mitigation and disaster risk reduction, recognising the strong interactions between the two policy areas. This relates to food and nutrition security as well as other sectors. DFID has a number of initiatives to address this. The Strategic Programme Reviews (SPRs) is a corporate and country office process to raise awareness and change behaviour in the office, ensuring that programmes are appropriate to address future climate predictions and that DFID partners act in the same way. A corporate initiative called Future Fit aims to embed climate change and resource scarcity analysis to change how DFID does business in the future.

DFID is funding a number of programmes relating to forecasting and remote sensing with the Hadley Centre (funding for this ended in May 2014), through the Climate and Development Knowledge Network and the Integrated Phase Classification, a food security emergency early warning system.

**Update:** During the last year DFID has taken further action. For example DFID launched the £140m BRACED (Building Resilience and Adaptation to Climate Extremes and Disasters) programmes working to build the resilience of over 5 million people to extreme weather events, such as floods, storms and droughts, in Africa and South Asia. We are developing new programmes to improve seasonal forecasting and bring this into use in disaster preparedness.

**RECOMMENDATION 39.** While forecasting is important in itself, ensuring adequate responses to forecasts is equally crucial, and this should be a priority for the international community. We recommend that DFID ensure appropriate accountability mechanisms are in place for triggering, escalating, recording and justifying responses to forecasts. The international response to the 2011 Somalia famine was inadequate. This was due to a variety of factors: we recognise the inherent difficulties in operating in insecure environments such as Somalia, but this does not absolve the international community entirely. We commend FAO for recognising certain shortcomings in its own advocacy work. More broadly, there is some disagreement as to whether agencies responded to forecasts as promptly as they should have done. DFID should press relevant actors to ensure that these allegations are fully investigated, with a view to minimising the risk of any such situation occurring in future. (Paragraph 93)

**Partially agree:** A number of reviews investigating the performance of different agencies before and during the 2011 Somalia famine have already been undertaken, including by the Inter Agency Standing Committee and the UK’s Independent Commission for Aid Impact (ICAI). DFID accepted ICAI’s recommendations in full, including a commitment to work with selected partners in Kenya, Ethiopia and Somalia to agree triggers for future early action.

DFID Kenya is therefore supporting an initiative with the National Drought Management authority to establish a system for triggering a scale-up of safety nets by October 2013. In Somalia, work to develop an early warning
accountability system with key partners is underway and will also be completed by October 2013. In Ethiopia, multi-year funding for WFP, the Productive Safety Net Risk Financing Mechanism and monthly disaster risk roadmaps developed with FAO now do provide triggers for early action. Internal DFID guidance is also being piloted regarding the consideration of preapproved contingency budgets and triggers for early action in other relevant DFID humanitarian and development programmes.

**Update:** In Somalia, work to develop an early warning accountability system with key partners is underway and will be completed in 2014. To complement this work an internal Risk Financing Mechanism that provides DFID Somalia with resources to support early action once early warnings are agreed has been established for 2013-2017.