



LEARNING ABOUT
2 **a.1**
INDICATOR

SDG Indicator 2.a.1 - Agriculture Orientation Index

Lesson: Countries' role in compiling government expenditure data

Text-only version

The interactive version of this lesson is available free of charge at: <https://elearning.fao.org>



Some rights reserved. This work is available under a CC BY-NC-SA 3.0 IGO license (<https://creativecommons.org/licenses/by-nc-sa/3.0/igo/>)

© FAO, 2018



Food and Agriculture
Organization of the
United Nations



working for Zero Hunger

In this lesson

Learning objectives	3
Introduction	3
Compiling the GEA questionnaire	4
Collecting data	4
Challenges	4
Mapping government's activities against COFOG	5
The COFOG categories	5
Mapping government's activities against COFOG	7
Summary	7

Countries' role in compiling government expenditure data

The aim of this lesson is to illustrate the major challenges that Government Expenditure on Agriculture (GEA) questionnaire compilers may face in collecting GEA data for all the levels of government, and in mapping government activities against the Classification of the Functions of Government (COFOG).

Learning objectives

At the end of this lesson, you will be able to:

- describe the major challenges that GEA questionnaire compilers may face;
- describe the COFOG categories included in the GEA questionnaire;
- describe how to map government activities against COFOG.

Introduction

The GEA questionnaire seeks to collect disaggregated data pertaining to government expenditure on agriculture and on environmental protection. In order to compile the GEA questionnaire with the key aggregates that support calculating SDG Indicator 2.a.1, a country needs to **collect expenditure data on programs** and activities concerning agriculture and related categories for **all levels of government** (including central, state and local, and all ministries and agencies within each level of government).

The GEA questionnaire is **based on well-established international methodologies and classifications**, which is essential to ensure globally comparable statistics.

In principle, all countries should adopt these standards and provide comprehensive expenditure data for the consolidated general government and each of its subsectors, as relevant.

Unfortunately, as many countries lack source data for subnational governments, this scenario occurs very rarely, and questionnaire compilers may face some challenges.

Compiling the GEA questionnaire

Collecting data

Let's go through the process of compiling the GEA questionnaire with Clara, head of the governmental office in charge of the task, and Steven, Clara's assistant. They are discussing how to collect the data. Let's hear what they have to say.



"At the moment, I have identified the ministries and agencies within each level of government that may have programmes or activities related to agriculture, forestry, fishing and environmental protection, so that we can contact them." - Steven

"Good! I think the best way to proceed is to ask each ministry/agency to provide a list of the departments, branches or divisions they are made up of. Then we will directly contact the divisions to obtain information on all their activities related to agriculture. It wouldn't be so complicated if we had centralized information on all government programmes and activates." –Clara



Challenges

The major challenges that questionnaire compilers may face are:

➔ **Obtaining exhaustive information on the structure of all government ministries and agencies, and on their expenditure.**

Governments may not have centralized information regarding their programmes and activities, or may lack coordination among their ministries and agencies in sharing expenditure data.

➔ **Matching each government programme or activity with the most appropriate COFOG category.**

Even if the information about the government structure is available, it may not be aligned with the international classification, or may not have been designed for reporting purposes.



How can these difficulties be overcome?

It is essential to ensure coordination and cooperation across the different levels of government. Governments should underline the importance of **agreements** between ministries and agencies **regarding data sharing**.

Additionally, they could implement new legislation to enable efficient and secure ways of sharing data across agencies and to **align expenditure data with the classifications** and methodologies adopted by the **international community**. Finally, countries often use an **inter-agency task force** to coordinate data sharing and coding across responsible ministries and agencies.

Mapping government's activities against COFOG classifications

“Here is the list of activities and programmes and their expenditure, as they relate to agriculture for each ministry.” - Steven

“Perfect! Now we need to match each activity or programme with the most appropriate COFOG category. So, let's start familiarizing ourselves with the COFOG categories included in the questionnaire, so we can see which kind of programme should fall into each category.” - Clara

The COFOG categories

COFOG categories included in the GEA questionnaire:

Agriculture (includes crops and livestock) (70421)

➔ Administration of agricultural affairs and services; conservation, reclamation or expansion of arable land; agrarian reform and land settlement; supervision and regulation of the agricultural industry.

➔ Construction or operation of flood control, irrigation and drainage systems, including grants and subsidies for such works.

➔ Operation or support of programmes or schemes to stabilize or improve farm prices and farm incomes; operation or support of extension services or veterinary services to farmers, pest control services, crop inspection services and crop grading services.

➔ Production and dissemination of general information, technical documentation and statistics on agricultural affairs and services.

➔ Compensation, grants or subsidies to farmers in connection with agricultural activities, including payments for restricting or encouraging output of a particular crop or for allowing land to remain uncultivated.

Forestry (70422)

➔ Administration of forestry affairs and services; conservation, extension and rationalized exploitation of forest reserves (including forest crops in addition to timber); supervision and regulation of forest operations and issuance of tree-felling licenses.

➔ Operation or support of reforestation work, pest and disease control, forest firefighting and fire prevention services and extension services to forest operators.

➔ Production and dissemination of general information, technical documentation and statistics on forestry affairs and services.

➔ Grants and subsidies to support commercial forest activities.

Fishing and hunting (70423)

➔ Administration of fishing and hunting affairs and services; protection, propagation and rationalized exploitation of fish and wildlife stocks; supervision and regulation of freshwater fishing, coastal fishing, ocean fishing, fish farming, wildlife hunting and issuance of fishing and hunting licences.

➔ Operation or support of fish hatcheries, extension services, stocking or culling activities, etc.

➔ Production and dissemination of general information, technical documentation and statistics on fishing and hunting affairs and services.

➔ Grants and subsidies to support commercial fishing and hunting activities, including the construction or operation of fish hatcheries.

➔ This category excludes: control of offshore and ocean fishing (70310).

R&D Agriculture, forestry, fishing and hunting (70482)

➔ Administration and operation of government agencies engaged in applied research and experimental development related to agriculture, forestry, fishing and hunting.

➔ Grants and subsidies to support applied research and experimental development related to agriculture, forestry, fishing and hunting undertaken by non-governmental bodies, such as research institutes and universities.

Protection of biodiversity and landscape (7054)

➔ Administration, supervision, inspection, operation or support of activities relating to the protection of biodiversity and landscape.

➔ Grants and subsidies to support activities relating to the protection of biodiversity and landscape. These activities are related to the protection of species of fauna and flora (including the reintroduction of extinct species and the preservation of species at risk of extinction), the protection of habitats (including the management of natural parks and reserves), and the protection of landscapes for aesthetic value (including the reshaping of damaged landscapes for the purpose of strengthening their aesthetic value and the rehabilitation of abandoned mines and quarries).

R&D Environmental protection (7055)

↪ Administration and operation of government agencies engaged in applied research and experimental development related to environmental protection.

↪ Grants and subsidies to support applied research and experimental development related to environmental protection undertaken by non-governmental bodies, such as research institutes and universities.

Mapping government's activities against COFOG

“Well, now that we know more about the COFOG categories included in the questionnaire, let's start mapping our government projects against COFOG. What category would you match with the programme on aquaculture strengthening?” - Clara

“I think "Fishing and hunting". Take a look - this category includes "Operation or support of fish hatcheries".- Steven

Summary

While most countries can provide – or quickly develop the capacity to derive - the two key aggregates used to calculate Indicator 2.a.1 for the budgetary central government, some of the major challenges that GEA questionnaire compilers may face include:

- obtaining exhaustive information on the structure of all government ministries and agencies that comprise general government units as defined in *GFSM 2014*;
- obtaining exhaustive information on current and capital expenditure related to agriculture and environmental protection within each relevant ministry/agency and across each level of government, as relevant;
- matching each government programme or activity with the most appropriate COFOG category.

In order to overcome these difficulties, governments could implement legislation to enable data sharing across agencies, and establish inter-agency task forces to compile expenditure data consistent with GFS methodology, and coded with the most appropriate COFOG category.

Governments may also request assistance from FAO and the IMF in developing COFOG data.

This lesson has provided a description of the COFOG categories included in the GEA questionnaire and has explained how to map government activities against COFOG.