

# MAFAP eLearning series launch: Monitoring public expenditure for food and agriculture



Food and Agriculture  
Organization of the  
United Nations

Monitoring and Analysing  
Food & Agricultural Policies  
(MAFAP) Programme at FAO

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# You may have heard...

- Spending in agriculture is key for growth and poverty reduction (e.g. Malabo Declaration).
- More spending is needed on agricultural public goods (e.g. Agricultural R&D, infrastructure).
- 87% of current agriculture support globally (USD 540 billion) include measures that are inefficient, inequitable, distort food prices and are bad for health and environment
- **If you are interested in these kinds of topics, this course is for you! This course walks you through the theory and practice behind these statements.**

# Structure of the course

- **Lessons 1-2: Why care about PE?**
  - Importance of policy monitoring
  - Review of theory on importance of public expenditures
- **Lessons 3: Why use the MAFAP methodology?**
  - Introduction of the MAFAP methodology
  - Why is the MAFAP methodology useful?
  - How does it compare to other methods?
- **Lessons 4-7: How to implement the MAFAP methodology?**
  - What data do you need and how to collect it?
  - How are the data classified?
  - How to construct the final dataset?
- **Lessons 8: How to use results of MAFAP methodology?**
  - What can you do with the results of MAFAP methodology?

# Lesson 1-2

2 MAFAP Public Expenditure Analysis: Theory and Concepts  
Not all expenditures are equal

How effective public spending is in improving agricultural performance depends on the following factors:

- Type of expenditure (irrigation, input subsidies, etc.)
- Targeted commodities/subsector
- Location of investments
- Effect of PEA on private investment
- Farmers targeted
- Stage of transformation of agriculture sector

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## ■ In lessons 1-2 you will learn:

- Impact pathways for ag. expenditure are complex
- Evidence seems that ag. expenditure is effective at increasing growth and reducing poverty, but impacts depend on:


- Type of expenditure
- Targeted commodity
- Geography (country and region within a country)
- Public-private linkages
- Farmers targeted
- Stage of ag. Transformation

- MAFAP can help providing evidence on these factors

# Lesson 3

3 MAFAP Public Expenditure Analysis: Methodology  
Indicators used to address policy information gaps

When assessing the effectiveness of PEA, analysts and policymakers may need to think about many issues:



1. How much is being spent on agriculture and is it enough (levels)?
2. What are the types of expenditure that are receiving more funding (composition - categories)?
3. Is the sector over-reliant on donor funding (composition - source of financing)?
4. Are funds allocated to the 'right' crops (composition - sector)?
5. Which regions receive the largest share of resources?
6. Is the government implementing projects efficiently (budgetary execution)?
7. Are the spending patterns observed in line with objectives (policy coherence)?
8. Are the expenditures likely to have the desired impact that the government wants?

To answer these questions, we need a methodology that provides a detailed breakdown of PEA. If the data collected are sufficiently disaggregated, this breakdown can help you to answer these questions, either directly (1-7) or through additional complementary analyses (8).

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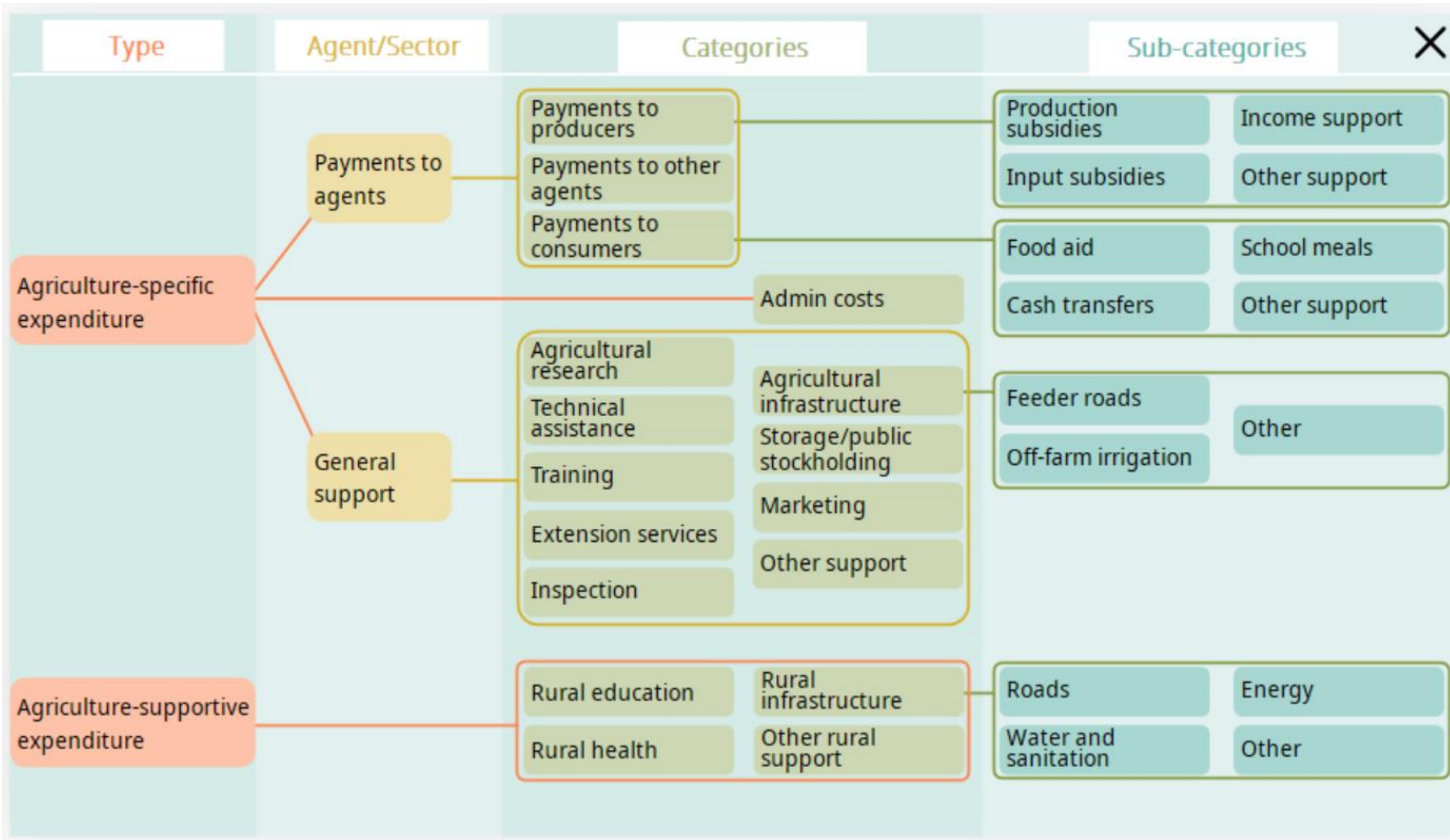
## ■ In lessons 3 you will learn:

- Policy-makers face:
  - Challenging choices
  - Data and evidence constraints
- The MAFAP methodology does not address all questions, but allows to have data on:
  - **Type of expenditure**
  - **Targeted commodity**
  - **Targeted agent**
  - **Geography (?)**
- This information is essential for the analyses needed by policy-makers

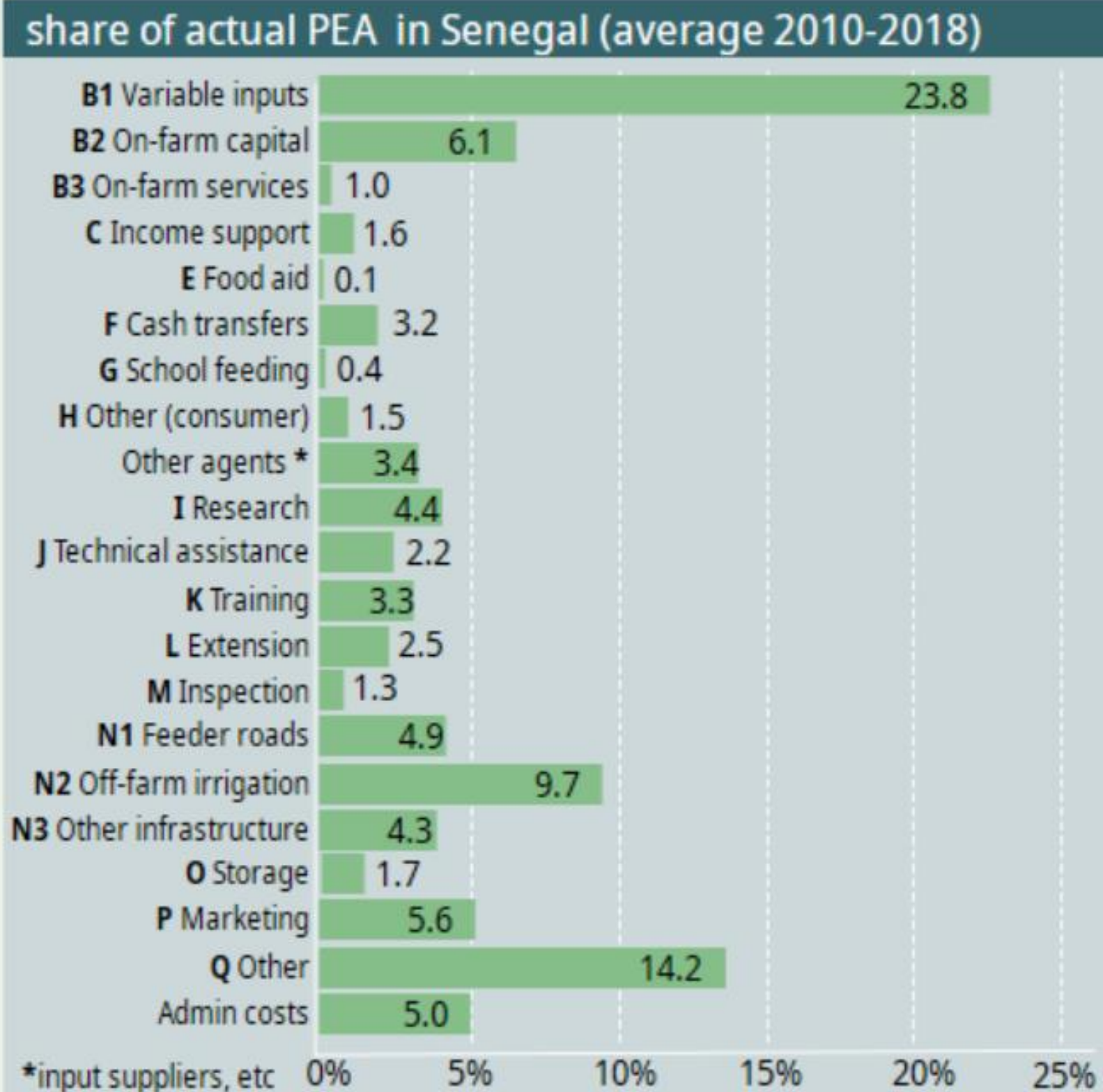
# Lesson 4-7

■ **In lessons 4-7 you will learn:**

- Ideally, line-item data need to be obtained for the whole budget (but partial data may be ok) [**Lesson 4**]
- How to identify key ministries and institutions to obtain the data from [**Lesson 5**]
- How to classify the data and make the classification highly disaggregated and analytical [**Lesson 6**]
- How to carry out the main data-management tasks in Excel [**Lesson 7**]



# Lesson 8



- **In lesson 8 you will learn:**

- How to compute key indicators, including:
  - **Levels of expenditures**
  - **Composition of expenditures (crop and category)**
  - **Intensity indicators**
  - **Execution rates**
- How to analyse these indicators and draw some basic conclusions from descriptive analysis
- How to use these indicators to carry out further analyses, including:
  - **Impact simulations (CGE, Investment planning)**
  - **Analysis of Policy Coherence**

# Share of spending

## SHARE OF ACTUAL PUBLIC EXPENDITURE ON FOOD AND AGRICULTURE (NARROW DEFINITION) OVER TOTAL BUDGET



- Countries analysed in sub-Saharan Africa spend on average **6.8%** on agriculture.
- CAADP target: 10%.

Sources: Pernechele *et al.*, 2021.



# Concluding remarks

- **We tried to develop a course that:**
  - Fits the needs of as many potential learners as possible
  - Summarizes the literature around public expenditures in an accessible manner
  - Has a strong focus on sub-Saharan Africa, while still being relevant for other regions
  - Can be followed irrespective of the level of prior knowledge on the topic
  - **You will enjoy and (hopefully) learn from!**
  
- **Let's now hear from someone who took the course to share their experience:  
Dr Nancy Laibuni from the Kenya Institute for Public Policy Research and Analysis (KIPPRA)**

# Thank you

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