Food and Agriculture Organization of the United Nations

ISSN 2709-006X [Print]
ISSN 2709-0078 [Online]

FAOSTAT ANALYTICAL BRIEF 118

Government expenditures in agriculture 2001–2024

Global and regional trends

>> FAO Statistics Division

HIGHLIGHTS

→ **In 2024, global public expenditures totalled USD 40 trillion in nominal terms, or 36 percent of the global gross domestic product. Of this amount, an estimated all-time high USD 725 billion went to agriculture.**

→ **Reflecting the rise in the real value of government expenditure, spending on agriculture also grew over time. Its overall share in the total expenditure in 2024 (1.97 percent) was stable compared with 2023.**

→ **Asia maintained the highest percentage of government expenditure allocated to agriculture (4.85 percent in 2024), with Central Asia and Southern Asia driving the increase.**

→ **In 2023–2024, the countries with the highest share of agriculture in government expenditure were Bhutan (9.6 percent), Bangladesh (8.6 percent), Malawi (8.6 percent), the Central African Republic (7.4 percent) and Eswatini (7.0 percent).**

* The term “agriculture” includes forestry and fishing.
** The term “government” refers the highest level of government for which data are available: if general government expenditure figures are available for a given country, these would be used in the calculation, whereas countries that only report on central government expenditures will continue to use central government figures only.

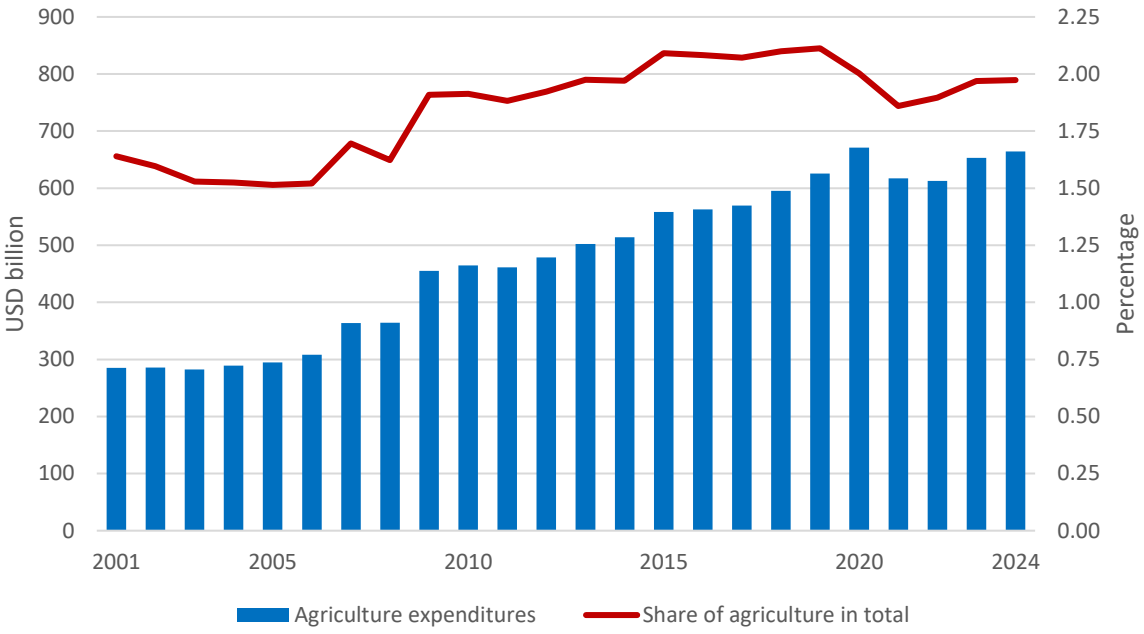
FAOSTAT GOVERNMENT EXPENDITURE IN AGRICULTURE

GLOBAL

In 2024, global government expenditures were estimated to have reached USD 40 trillion in nominal terms, representing 36 percent of the global gross domestic product (GDP). In USD 2015 prices, total government expenditures rose from USD 17 trillion in 2001 to USD 34 trillion in 2024. Throughout this period, government expenditures accounted for 35 to 42 percent of the global GDP.

These expenditures are reported according to their economic and functional classifications, which makes it possible to analyse budget execution and track patterns over time. The Classification of the Functions of Government (COFOG) distinguishes ten major divisions corresponding to the areas of intervention. Agriculture, which falls under the Economic Affairs function, accounted for 1.4–2.1 percent of total government expenditure between 2001 and 2024 while the sector contributed 3.2–4.3 percent of the global GDP during the same period.

Figure 1: Agriculture sector expenditure and share in total expenditure (USD 2015 prices)



Note: The number of countries with data available may vary over time. Global estimates include imputed data.
Source: FAO. 2025. FAOSTAT: Government Expenditure. [Accessed December 2025]. http://www.fao.org/faostat/en/#data/IG. Licence: CC-BY-4.0.

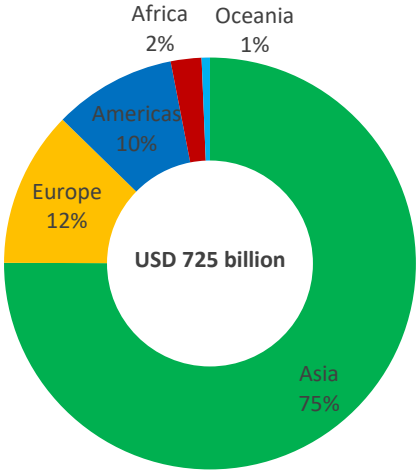
In 2024, government spending on the agricultural sector reached USD 725 billion in nominal value. When measured in 2015 prices, agriculture spending in 2024 stood at USD 664 billion, slightly lower to the USD 671 billion reported in 2020, an all-time high.

In most countries, the share of the agricultural sector in total spending is 2–6 percent. At the global level, agriculture spending relative to the total peaked in 2019 at 2.11 percent and declined to 1.86 percent in 2021 before rebounding to almost 2 percent in 2024 (Figure 1).

REGIONAL

Asia has represented the majority of global public spending in agriculture since 2001. In 2024, it accounted for 75 percent of the global agricultural expenditure in nominal values, even though its share in global total expenditure was only 28 percent. The relative importance of Asia is due to its size. Europe contributed around 12 percent to the global agricultural expenditure but held a significant 32 percent share in global total expenditure. Similarly, the Americas had a share of 10 percent in global agricultural expenditure and of 35 percent in global total expenditure. Meanwhile, Africa and Oceania made contributions of 2 percent and 1 percent, respectively, to the global agricultural spending (Figure 2).

Figure 2: Agriculture sector expenditure by region in 2024 (current prices)



Note: Global estimates include imputed data.
Source: FAO. 2025. FAOSTAT: Government Expenditure. [Accessed December 2025]. http://www.fao.org/faostat/en/#data/IG. Licence: CC-BY-4.0.

In 2024, the USD 725 billion allocated to the agriculture sector represented only 1.83 percent of the total global public expenditure. At the regional level, the agriculture spending relative to total expenditure varied from 0.5 percent to 4.7 percent: 0.5 percent in the Americas, 0.6 percent in Oceania, 0.7 percent in Europe, 2.8 percent in Africa and 4.8 percent in Asia.

Table 1 shows that global agricultural spending had an average annual increase of 2.0 percent between 2015 and 2024. Consistently with the global trends, all regions recorded growth except the Americas: it was the fastest in Africa (3.5 percent), followed by Europe (2.3 percent), Asia (2.1 percent) and Oceania (1.6 percent). The picture at the subregional level is less homogeneous. Northern Africa and Western Africa showed increases while Eastern Africa, Southern Africa and Middle Africa showed decreases. In the Americas, Northern America is the only region exhibiting growth; however, agricultural spending in the United States of America and Canada, which had increased just after the pandemic, decreased in 2023 and 2024. Economic challenges and declining purchasing power relative to the dollar in several Latin American countries contributed to an overall reduction in spending measured in dollars, with the largest recorded in Central America (by 4.9 percent on average each year), though the most recent data suggest an improvement in agriculture spending. Asia as whole recorded growth, which was the fastest in Central Asia and Southern Asia, and the slowest in South-eastern Asia. Key contributors to the overall growth include China, India, Kazakhstan and Uzbekistan. Bucking the trend is Western Asia that showed a declining growth, primarily driven by Türkiye as 2024 expenditure is relatively lower in dollar term compared to the previous years. The subregion of Oceania (excluding Australia and New Zealand), composed mainly of island states, achieved an annual growth of 3.2 percent, driven primarily by expenditures in Papua New Guinea.

Table 1: Expenditures on agriculture and average annual change by region

Region	USD 2015 prices (million)		Compounded annual growth rate (percent)
	2015	2024	2015–2024
World	**558 077**	**664 119**	**2.0**
Africa	**13 509**	**18 414**	**3.5**
Eastern Africa	2 576	2 427	-0.7
Northern Africa	5838	8 793	4.7
Middle Africa	784	716	-1.0
Southern Africa	1 984	1 859	-0.7
Western Africa	2 327	4618	7.9
Americas	**54 579**	**54 564**	**0.0**
Caribbean	3 398	2 375	-3.9
Central America	6 911	4 402	-4.9
Northern America	31 324	36 232	1.6
South America	12 946	11 555	-1.3
Asia	**428 686**	**515 934**	**2.1**
Central Asia	2 843	4 490	5.2
Eastern Asia	347 945	407 605	1.8
Southern Asia	45 616	69 957	4.9
South-eastern Asia	18 605	20 342	1.0
Western Asia	13 677	13 540	-0.1
Europe	**57 930**	**71 308**	**2.3**
Eastern Europe	15 529	18 125	1.7
Northern Europe	10 390	15 879	4.8
Southern Europe	11 310	13 978	2.4
Western Europe	20 702	23 317	1.3
Oceania	**3 374**	**3 908**	**1.6**
Australia and New Zealand	3 199	3677	1.6
Oceania excluding Australia and New Zealand	174	231	3.2

Note: The number of countries with data available may vary over time. Global and regional estimates include imputed data.
Source: FAO. 2025. FAOSTAT: Government Expenditure. [Accessed December 2025]. http://www.fao.org/faostat/en/#data/IG. Licence: CC-BY-4.0.

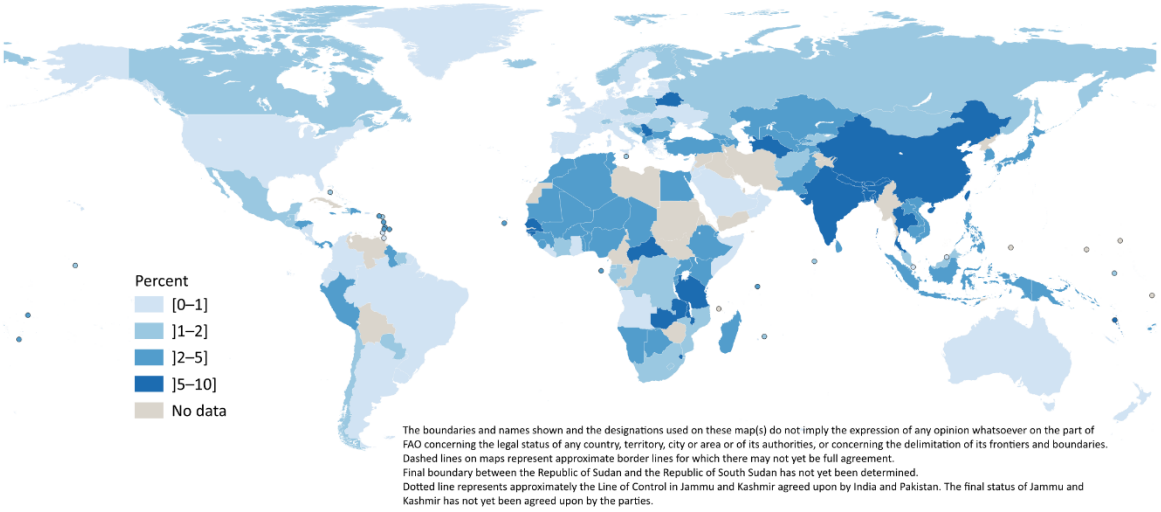
COUNTRY

Government expenditure on agriculture plays a crucial role in addressing market failures. In Africa, the Comprehensive Africa Agriculture Development Programme (CAADP) established by the African Union recognizes that enhancing investment finance in agriculture, especially public expenditures in agriculture, is a fundamental instrument for the African governments to achieve agricultural and food systems transformation (CAADP, 2024). In 2003, African states endorsed the Maputo Declaration on Agriculture and Food Security, committing to allocate 10 percent of their expenditures to agriculture and

rural development. The fourth CAADP Biennial Review Report showed that no Member State that reported on the thematic area of enhancing investment finance in agriculture, was on track.

Figure 3 shows that, among countries and territories with the highest share of agriculture in government expenditure in 2023–2024, many belong to the least developed countries (LDCs) and Land Locked Developing Countries (LLDCs) categories. The top ten countries and territories comprise of Bhutan (9.6 percent), Bangladesh (8.6 percent), Malawi (8.6 percent), Central African Republic (7.4 percent), Eswatini (7.0 percent), India (6.8 percent), China (6.6 percent), Senegal (6.4 percent), Belarus (6.4 percent) and Turkmenistan (6.3 percent). Four of them are LDCs, three from Africa and one from Asia.

Figure 3: Share of agriculture in government expenditure (2023–2024 average)



Note: The number of countries with data available may vary over time. May include imputed data.
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The agriculture orientation index (AOI), which was adopted as Sustainable Development Goal (SDG) Indicator 2.a.1, measures the extent to which government expenditures in agriculture reflect (or not) the importance of agriculture in overall government outlays, and the government contribution to the agriculture sector compared to the sector's contribution to GDP.

Table 2 shows that the AOI decreased in most of the SDG regions and subregions between 2015 and 2024. The global baseline AOI was 0.50 in 2015. It fell to 0.46 in 2020 during the COVID-19 pandemic and further declined to 0.45 in 2024. During the pandemic years of 2020 and 2021, governments allocated more resource and higher expenditures to non-agricultural activities such as social spending (health, education and social protection) (IMF, 2021). As the share of agriculture in total expenditure went down, it led to a decrease in the global AOI value.

Compared to the 2015 baseline, Western Asia and Northern Africa, Oceania, and Northern America and Europe regions improved their AOI. However, the more populous regions of sub-Saharan Africa, Eastern and South-eastern Asia, Latin America and the Caribbean, and Central and Southern Asia reported a decline of their AOI in 2024.

Among subregions, increases in the AOI were observed between 2015 and 2024 in Northern Africa (from 0.24 to 0.31), Central Asia (from 0.33 to 0.39), and Oceania (excluding Australia and New Zealand) (from 0.12 to 0.13) – these subregions mostly include lower-income countries. Australia and New Zealand and Europe, which comprise high-income countries, also reported an increased AOI. SDG subregions with a declining AOI include Eastern Asia, South-eastern Asia, Central America, South America, and the Caribbean. Countries in Latin America reported declining agricultural spending relative to the total, hence the decrease in the AOI.

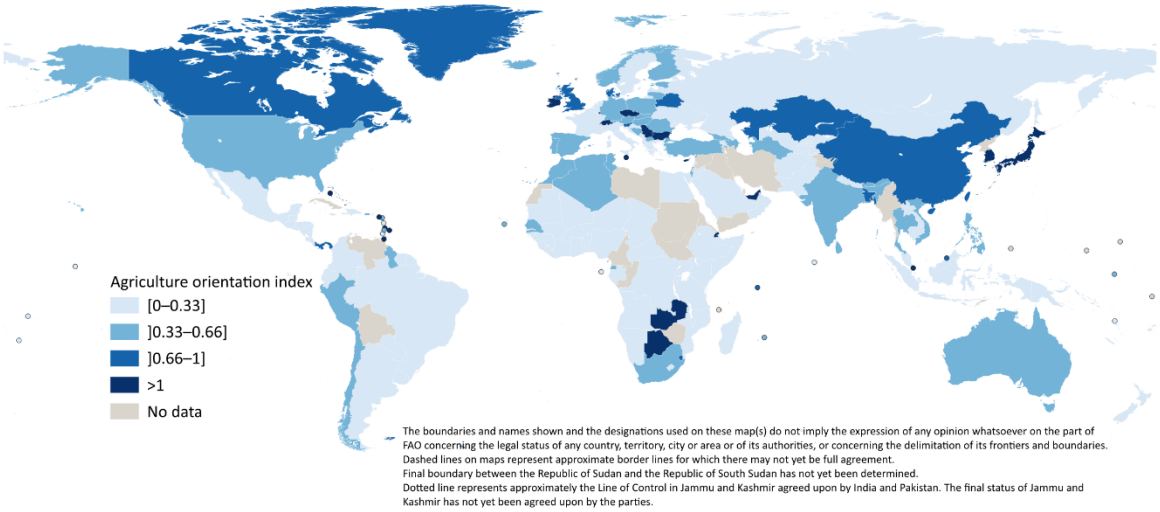
Table 2: Agriculture orientation index by SDG region

	SDG baseline		
Region	**2015**	**2020**	**2024**
World	0.50	0.46	0.45
Sub-Saharan Africa	0.15	0.11	0.13
Western Asia and Northern Africa	0.29	0.23	0.31
Western Asia	0.33	0.26	0.32
Northern Africa	0.24	0.20	0.31
Central and Southern Asia	0.42	0.32	0.38
Central Asia	0.33	0.37	0.39
Southern Asia	0.42	0.31	0.38
Eastern Asia and South-eastern Asia	0.90	0.80	0.84
Eastern Asia	1.02	0.91	0.96
South-Eastern Asia	0.35	0.30	0.29
Latin America and the Caribbean	0.31	0.19	0.21
Caribbean	0.86	0.86	0.76
Central America	0.55	0.20	0.25
South America	0.22	0.13	0.15
Oceania	0.22	0.19	0.22
Australia and New Zealand	0.23	0.19	0.24
Oceania (excluding Australia and New Zealand)	0.12	0.16	0.13
Northern America and Europe	0.41	0.52	0.43
Northern America	0.41	0.81	0.42
Europe	0.39	0.36	0.41
Landlocked developing countries	0.26	0.22	0.23
Least developed countries	0.19	0.18	0.23
Small Island Developing States	0.75	0.67	0.62

Note: The number of countries with data available may vary over time. Global and regional aggregates may include imputed data.
Source: FAO. 2025. FAOSTAT: Government Expenditure. [Accessed December 2025]. http://www.fao.org/faostat/en/#data/IG. Licence: CC-BY-4.0.

At the country level, the AOI varies considerably depending on the economic structure of the economy as shown in Figure 4.

Figure 4: Agriculture orientation index (2023–2024 average)



Source: FAO. 2025. FAOSTAT: Government Expenditure. [Accessed December 2025]. http://www.fao.org/faostat/en/#data/IG. Licence: CC-BY-4.0.

EXPLANATORY NOTES

Since 2012, the Food and Agriculture Organization of the United Nations (FAO) collects government expenditure on agriculture (GEA) data through a questionnaire sent annually in May to more than 190 countries. The questionnaire was jointly developed with the International Monetary Fund (IMF), using the Classification of the Functions of Government (COFOG) as outlined in the *Government Finance Statistics Manual* (IMF, 2014). For some countries that do not report the GEA questionnaire to FAO, data are sourced directly from IMF Government Finance Statistics database or from official country websites and publications.

Government expenditure in this note refers to expenditure by the highest level of government for which data are available. In other words, if consolidated general government expenditure figures are available for a given country, these would be used in the calculation, whereas for countries that only report central government expenditures the AOI is calculated using central government figures only. Further information is available in the technical note on the methodological changes of government expenditure (http://www.fao.org/faostat/en/#data/IG). FAO also cautions that the level or definition of government to which expenditures pertain can differ, thus affecting the cross-country comparability of the AOI. Moreover, not all countries report GEA data according to the COFOG. As not all countries report timely data for the most recent years, regional aggregates for the latest years are computed using projected data. These are estimated starting from GDP data – which are more frequently updated, and time series models; particularly the Holt-Winters approach, applied to the share of agricultural expenditure in total expenditure.

“Agriculture” refers to COFOG Group 042, which includes agriculture, forestry, and fishing subsectors, and aligns to Section A and B of the International Standard Industrial Classification (ISIC) Revision 4.

The regional aggregates have been compiled using a combination of the official data sourced from countries and the imputed data for missing values, and following the classifications prescribed for SDG reporting.

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Required citation: FAO. 2025. *Government expenditures in agriculture 2001–2024 – Global and regional trends*. FAOSTAT Analytical Briefs, No. 118. Rome. https://doi.org/10.4060/cd8032en

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CD8032EN/1/12.25