



UNITED NATIONS  
FOOD SYSTEMS  
COORDINATION HUB

# Financing Food Systems Transformation

## Global Opportunities & Local Needs

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**Rethink**

Way food systems are financed



# Food Systems Summit | Financing “Differently”

\$6-12 trillion annually Hidden environmental, health, social & economic costs

## Not fulfilling right to adequate food for all

811M suffer hunger  
2B w/o regular access sufficient, safe, & nutritious food  
Greater number overweight/obese

**1/3 Greenhouse Gas Emissions**  
**80% Biodiversity Loss**

## Financing for Food Systems Transition

Short term

Medium term

Long term

## Pressure on farmer incomes

Not able to compete or make sustainable livelihoods

## 84% farms worldwide small farms less 2ha

Up to 80% domestic food production  
Livelihoods for majority of population



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## Not loose sight of Remarkable Progress

- Tripling of agricultural production since 1960
- Feeding world population (from 3 billion in 1960 to about 7.5 billion today)
- More food available per capita than ever before
- Technical & structural change benefitting farmers & consumers
- Improved – availability, access, reliability & nutrient adequacy

Accomplishments not universally shared

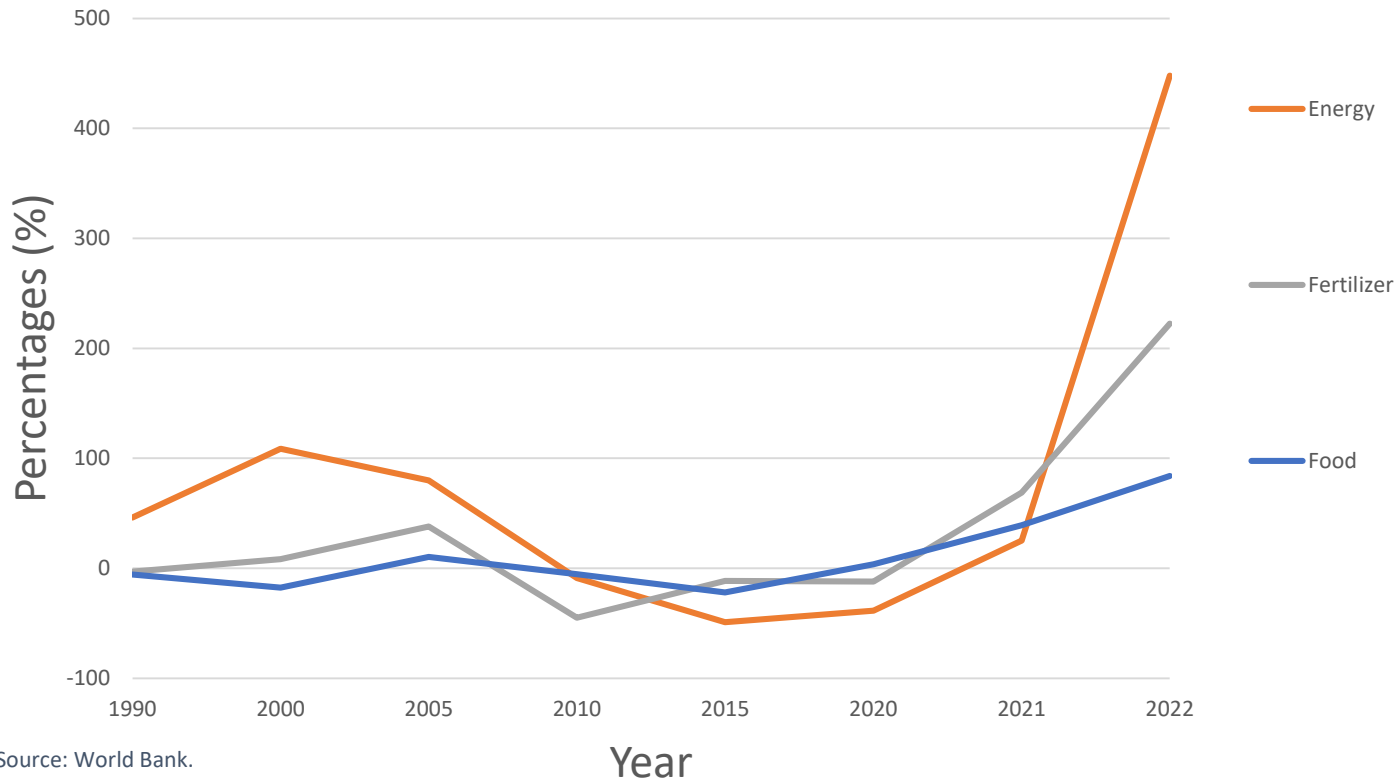
US\$ Trillions hidden environmental, health, social and economic costs

# Food Systems Summit| Financing “Differently”

\$6-12 trillion annually Hidden environmental, health, social & economic costs

## COVID-19 & Ukraine war additional stresses on food systems

### Food, Energy & Fertilizer Prices



Source: World Bank.

### Exacerbate Costs

- Increase in food insecurity
- Rising food prices add to global inflationary pressure
- Stretching household spending
- Reducing narrow fiscal space & increasing debt vulnerability
- Issue not confined to poor countries
- High-income countries about 60 million people - 7% population use food banks

# 2022 Meltdown of Food Systems | Immediate Interventions

## GOVERNMENTS & INTERNATIONAL COMMUNITY

- Functioning of supply chains
- Countries means to maintain food availability & access

## INTERNATIONAL FINANCIAL INSTITUTIONS ACTION PLAN



ADB

IFAD

### Coming together

- Financing, policy engagement, technical assistance
- Leverage tools & programs in fast-tracked & scaled up manner
- Repurpose & prioritize relevant programs
- Launch new specific initiatives

# Food Financing Windows

Existing, Repurposed and Prioritized Programmes and New Initiatives

Windows	Originators	Objective	Expected Funding	Target
1 Actions for Global Food Crisis Response	<b>World Bank</b>	Agriculture and social protection	\$30 billion	Africa, Middle East, Eastern Europe, Central Asia, and South Asia
2 Food and Agriculture Resilience Mission Initiative	<b>EU/France</b>	Rural transformation	\$10 billion	Member States of African Union
3 African Emergency Food Production Plan	<b>AfDB</b>	Agricultural productivity	\$1.3 billion	Africa
4 Crisis Response Initiative/PoLG	<b>IFAD</b>	Productive livelihoods	\$10.9 billion*	Worldwide
5 ADB's GMS Sustainable Agriculture and Food Security Program	<b>ADB</b>	Fertilizer	\$5.5 million	Cambodia, LAO PDR, Myanmar, PRC, Thailand, Viet Nam

\* This figure includes the Programme of Loans and Grants (PoLG) value until 31/12/2021 and the IFAD12 (2022-2024) PoLG project pipeline plan.

# 2022 Meltdown of Food Systems | Immediate Interventions

**Immediate response to crisis**

**Not loose sight**  
**Need to transition to high-performing**  
**Food systems**

**Cannot be done without proper Finance**

Short term

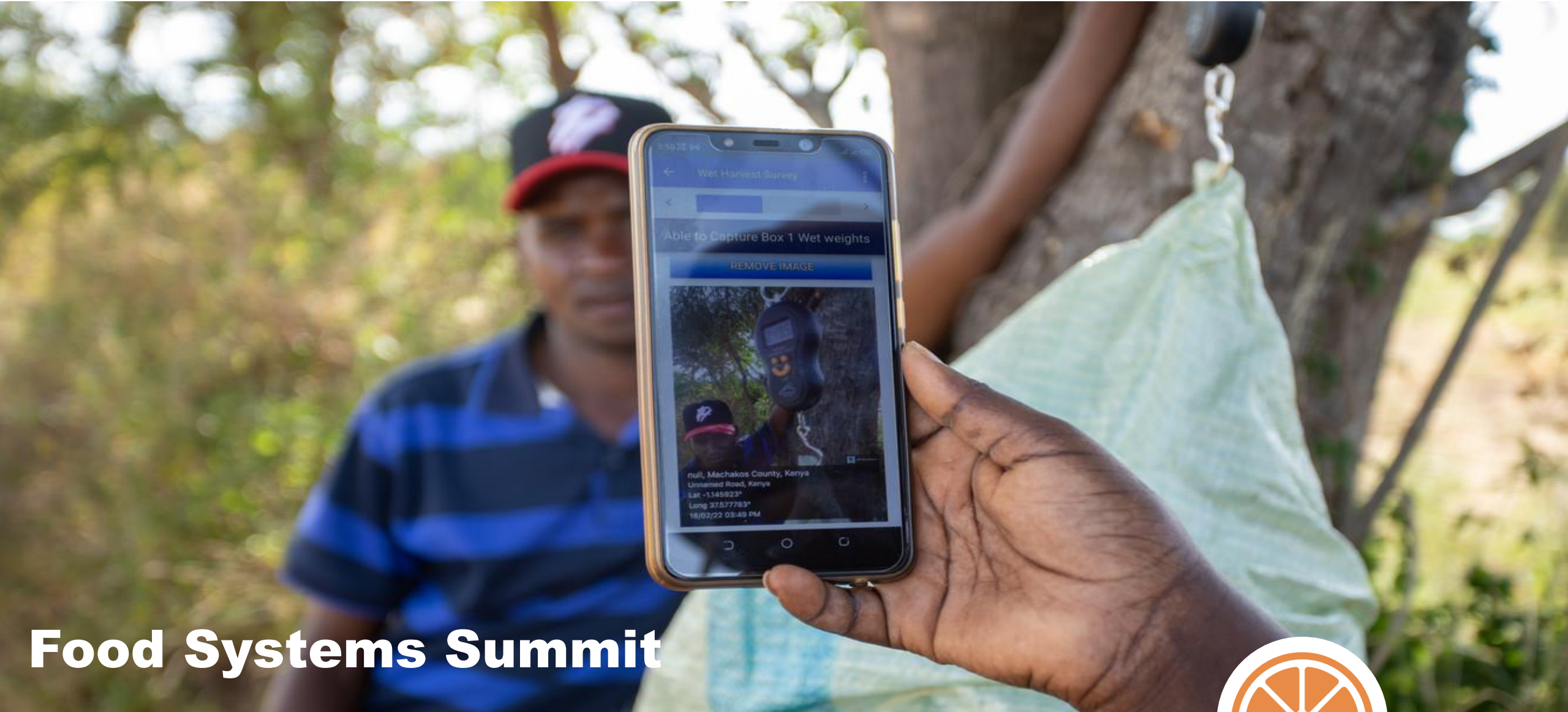
Long term

## Six priority goals

- Support vulnerable people
- Promote open trade
- Mitigate fertilizer shortages
- Support food production Now
- Invest climate-resilient agriculture
- Coordinate for maximum impact

- Equitable
- Sustainable
- Healthier
- Profitable
- Resilient to shocks & crises



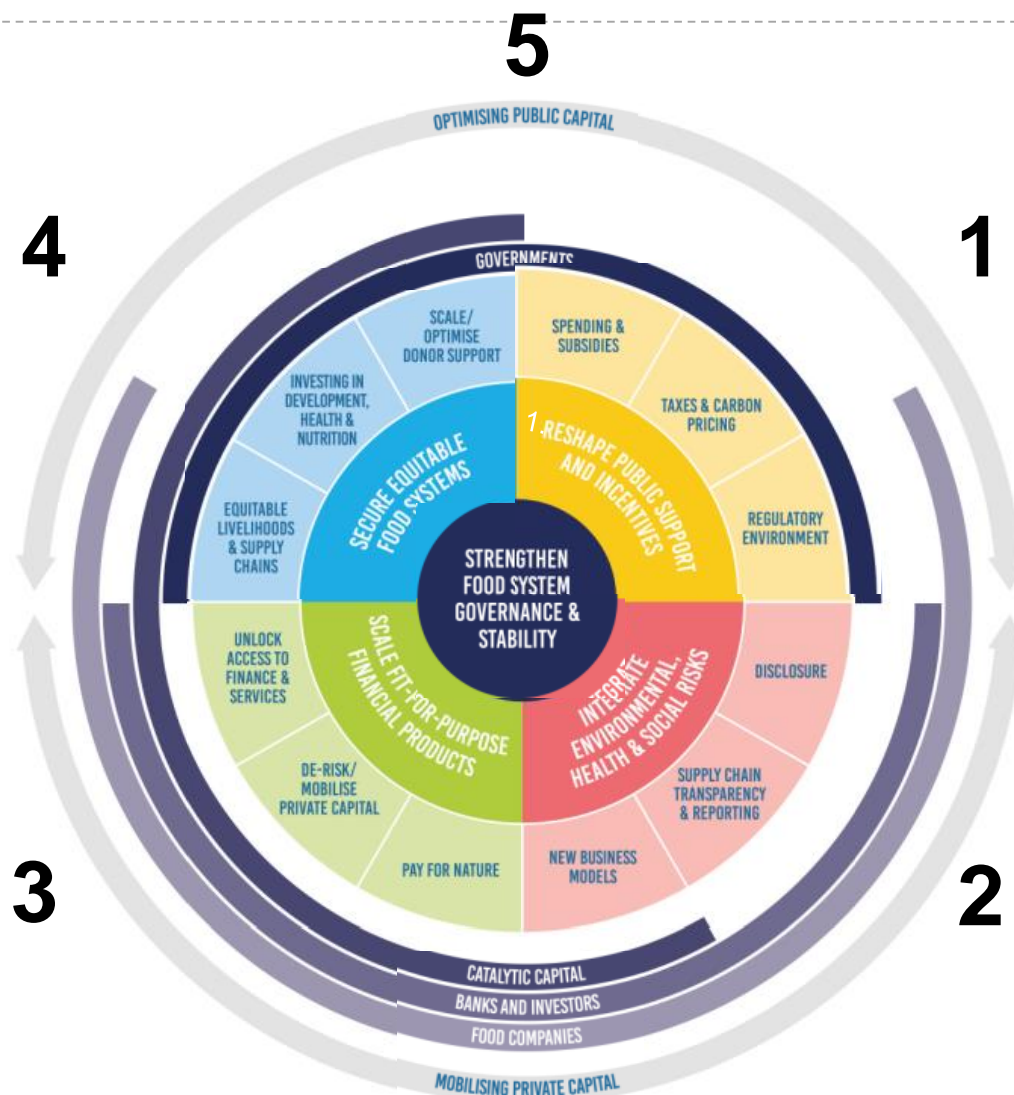


**Food Systems Summit**

**NEW Food Finance Architecture**



# Food Finance Architecture



## Five Imperatives

**Move away from short-term investment practices** that fail to price in climate, health, social and environmental risks

**Invest into long-term investment solutions** that account for trillions dollars of hidden costs relating to climate, biodiversity, human health & livelihoods

Change What gets financed & How it gets financed

# States & Stakeholders Acting individually & collectively

Must have Means of Implementation  
for Food Systems Transformation



Designated Lead  
on behalf of UN



Coordinator  
& Connector



Co-lead

Bring know-how & resources  
Coordination of UN Hub

## Clear goal

### Finance Food Systems differently

1. Public capital needs to be optimised & repurposed
2. Private capital needs to be scaled & redirected

Means of  
Implementation  
Finance

## Aim

Mobilize Global Community for  
Global shift towards new **Food Finance  
Architecture**

– Member States, Producers, Businesses,  
Financial institutions, Civil society, Donors –

# Means of Implementation - Finance

## Six Priorities



### 1. New Food Finance Architecture

Co-create vision for success & inclusive deliverables



### 2. Enabling Principles

Shared commitments financing food systems differently



### 3. Back 10-15 countries

Broker granular packages linking public-private funding meeting new imperatives



### 4. Influence at least 2 development finance windows

To optimise public finance & leverage private capital



### 5. Shared Food Finance Markers

Inform & Monitor progress  
Uphold Mutual Accountability



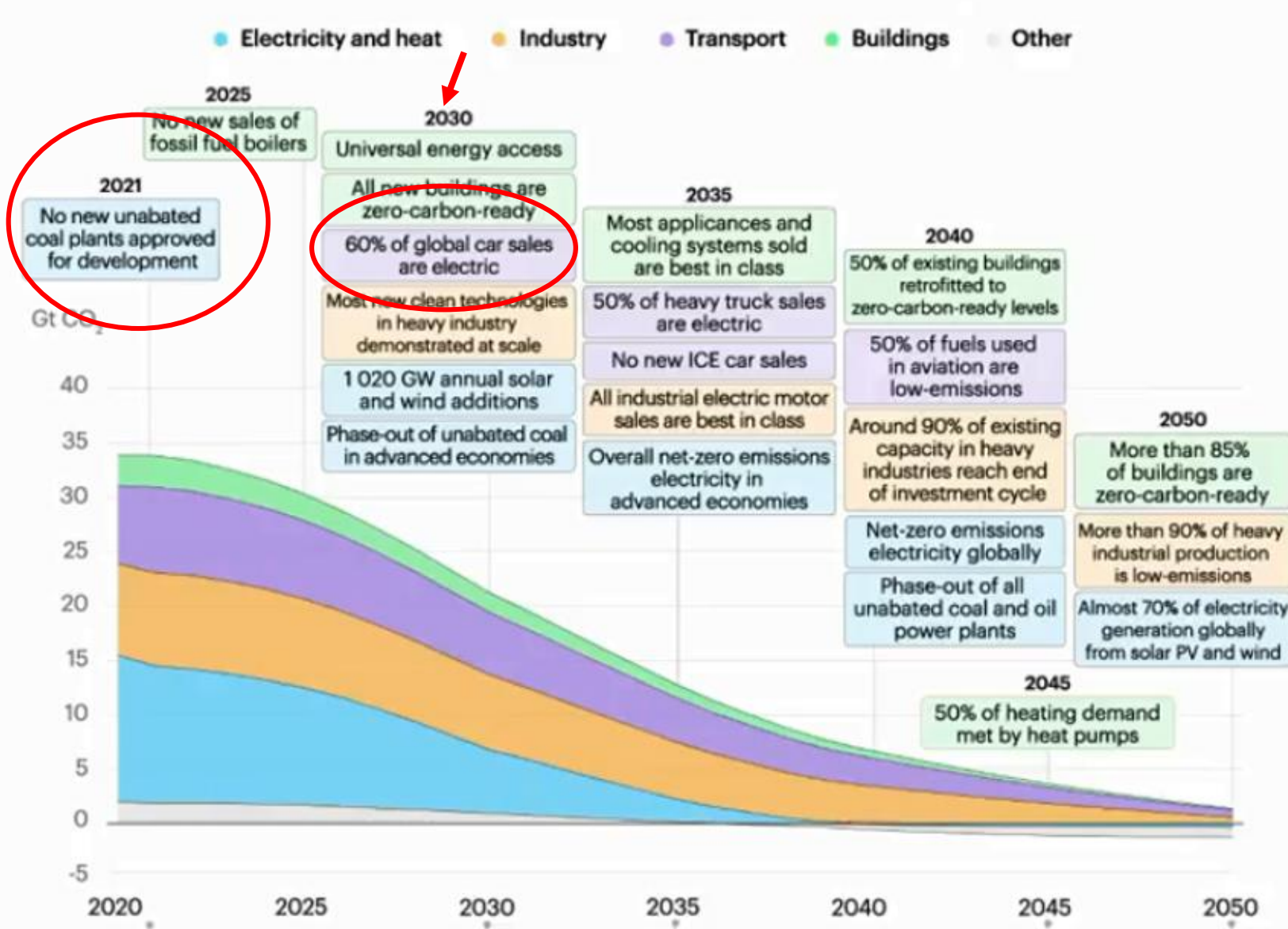
### 6. Sustain Global & National Commitments

Synergies with High-level Political Forum & Financing for Development Forum



# Enabling Principles & Food Finance Markers

for profitable, equitable, sustainable & resilient food financing



## Learning from Paris Alignment

### Set Pathway to Net Zero Key milestones

- Shared Targets
- Inform National Pathways
- Monitoring & Adjusting
- Reporting
- Uphold Mutual Accountability

# Back 10-15 countries | Financing Differently

- **Aim:** Broker granular packages linking public-private funding & shift financing landscape
- **System wide approach**  
Operational framework bringing together critical elements in a package tailored to country conditions





**Sequence of Engagement**



**Means of Implementation**  
**Finance**

# Inclusive Sequence of engagement

## Means of Implementation – Finance



### **HUB**

Overall responsibility to leverage the MOIs

### **IFAD**

Designated agency to move forward new FFA

### **WB**

Co-Lead to move forward a new FFA

### **Imperative Champions**

Leverage resources & know-how from food finance community

### **Food Finance Experts Group**

Provide a space for inclusive dialogue on work of MOI-F, commitments & implementation

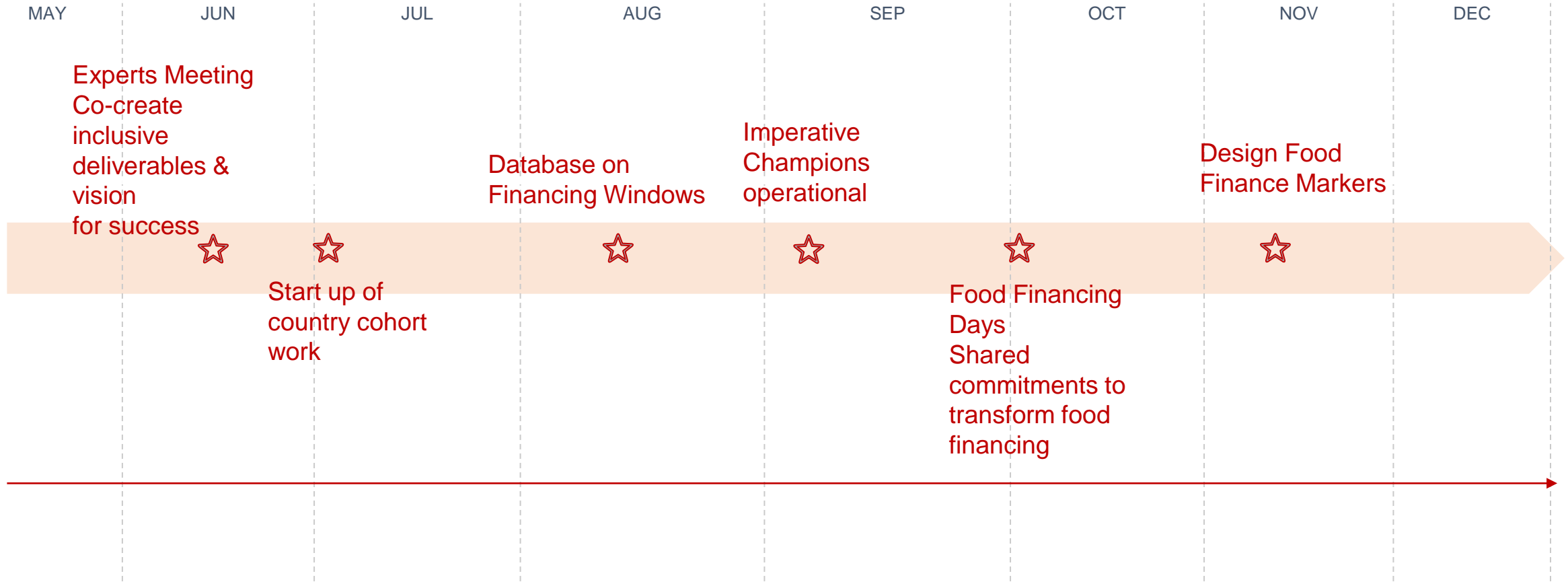
### **FSS Stakeholder Engagement and Networking**

**Advisory Group** Leverage guidance & feedback from stakeholders



# Key Milestones 2022

## Months





Thank You

