Leveraging Change: The Role of Donors in Food Systems Transformation

Donors have a unique role in improving food systems, in being able to support initiatives that can leverage change and provide the foundations for collaborative efforts. Optimizing this potential requires donors to carefully consider the lessons from the Food Systems Summit process and the related dialogues, and to align their future programming with emerging opportunities to drive transformation.

This independent high-level food systems event of the Global Donor Platform for Rural Development (GDPRD) co-hosted by the European Commission, the International Fund for Agricultural Development (IFAD) and the United States Agency for International Development (USAID), was a contribution to ensure donors and their partners collaborate to realize the full leveraging potential of donor funding.
SESSIONS AND SPEAKERS

KEYNOTE SPEAKER

Jemimah Njuki
Director for Africa, International Food Policy Research Institute, IFPRI

Moderator

Henry Bonsu
International Broadcaster and Media Consultant

HIGH-LEVEL PANEL

High-level speakers

Gerda Verburg
United Nations Assistant Secretary-General and Coordinator
Scaling Up Nutrition (SUN) Movement

Alvaro Lario
Officer in Charge, Associate Vice-President for External Relations and Governance, and Associate Vice-President and Chief Financial Officer
International Fund for Agricultural Development (IFAD)

Giorgio Marrapodi
Director-General for Development Cooperation
Ministry of Foreign Affairs and International Cooperation of Italy

Carla Montesi
Director, Green Deal, Digital Agenda, Directorate-General for International Partnerships (DG INTPA)
European Commission

Jim Barnhart
Assistant to the Administrator
USAID Bureau for Resilience and Food Security

Andrew Campbell
Chief Executive Officer
Australian Centre for International Agricultural Research (ACIAR)

LAUNCH OF THE STOCKTAKING REPORT

Presentation by

Jim Woodhill
Director, AgriFoodNexus Consulting, and Honorary Research Associate, Environmental Change Institute, University of Oxford

Tristan Armstrong
Senior Sector Specialist, Agricultural Development and Food Security
Department of Foreign Affairs and Trade (DFAT) – Australia
Co-chair of the GDPRD

Conrad Rein
Policy Officer, Directorate-General for International Partnerships (DG INTPA)
European Commission
Co-chair of the GDPRD
HIGHLIGHTS

KEYNOTE SPEAKER

Ten per cent of the world’s population go hungry, but it is still difficult for people to grasp the enormity of the crisis. It requires having the right resources at the right time to escape the cycle of poverty.

We cannot transform our food systems without investments that are based on evidence-based country priorities, without investing in small businesses, SMEs, without investing and directly investing in women and in young people.

We cannot continue as if things are the same. Of all the food systems actors, donors have the greatest ability to turbochange action, to address this runaway hunger and malnutrition.

Three broad areas identified as requiring radical change for donor funding to work:

1. **Prioritization – prioritization – prioritization.** Priorities need to be identified and designed with ownership at the country level. Adhere to top priorities to have the most impact on diverse populations.

2. **Targeting – make sure funding reaches those who need it most.** Existing funds are not always accessible to the most vulnerable groups, such as women farmers in India categorized as wives or daughters of farmers as opposed to bona fide farmers.

3. **Coordination – between multiple players working within the same sector but in different countries.** Smooth coordination and accountability across all entities ensures better delivery of resources, accelerated development, and minimizes duplication of efforts and wastage.

HIGH-LEVEL PANEL

What are the top three priorities for donor focus to help drive food systems transformation?

1. **Focus on country needs**, rather than being driven by your own priorities

2. **Focus equally** on nourishing people and on nutrition, prioritize women and youth

3. **Think global** – don’t focus only on programmes and projects

1. **Catalyse** additional funding

2. **Build synergies** to target investments

3. **All global challenges must be targeted through coordinated response**
The most successful programmes are ones that are owned and led by host-country partners, and I include government, civil society, private sector. If the donors are not allowing the host-country partners to lead the agenda, [...] we end up having to impose solutions – I see it all the time. Donors have solutions looking for problems, we go around the world looking for problems.”

Jim Barnhart
USAID

1. **Ownership** by governments of national-led agendas
2. **Multilateralism**
3. **Inclusiveness** in agenda setting

Achieving food system transformation will clearly be our work, our investment in research, and innovation for sustainable practice. We need to do much more in promoting climate sensitive agriculture, to identify new technology that will take into account climate change in agriculture.”

Carla Montesi
European Commission

1. **Invest more** in making value chains economically, socially and environmentally sustainable
2. Invest in **research** and **innovation** for sustainable practice
3. **Pay attention** to the most **vulnerable people** living in food crisis

To establish a robust and resilient value chain, it is important to understand the weakest link in every chain. What are the risks that other actors do not want to take? You need to take all the stakeholders, farmers, banking, private sector into account.”

Alvaro Lario
IFAD

1. Increasing the financial investment, **leverage the power of public development banks**
2. Catalysing and **de-risking financing**
3. Promote **decent working conditions** and **decent wages** for all food system workers

There is no point doing a big complicated collaboration if you only move at the speed of the slowest partner. It is important that if you are going to invest in the transaction cost of collaboration, that you actually take more risks and build more critical mass than each of the partners could on their own.”

Andrew Campbell
ACIAR

1. **Business as usual will not** get us there
2. Take a **systems perspective**. Understand not just the technology but also the **social, cultural, policy and institutional dimensions**.
3. **Collaborate and innovate** as never before
INSIGHTS

What does systemic thinking look like?

We have to be willing to talk about systems amongst ourselves, openly with a lot of our taxpayers and donors around the world and be willing to address the fact that we are looking at long-term systemic change and not trying to help that very basic emergency appeal approach.

In Europe, we have launched a clear strategy, the Farm-to-Fork Strategy, to move away from this traditional mindset characterized by different policies and to ensure an integrated approach. If we really want to succeed in this food systems transformation, each country needs to prepare their national pathway.

How do we finance the food system and catalyse and de-risk donor funding?

We can do this through multilateralism. I think coordination comes from the new UN Resident Coordinator system, but the United Nations system could be a way of getting all of these priorities together - including the national pathways.

Changing food systems is a matter of political will. If there is no political commitment or political traction, the international community and donors can do what they want but there will be no systemic change.

Too many of our subsidies at the moment drive the wrong systemic changes, so that is a very prospective place to start.

How can we streamline donor efforts?

My experience with multilateral efforts is that they often get stuck at the corporate, headquarters level, and they don’t have the effects on the ground that we want to see. That is why it is critical that we go back to the basics. We can model at headquarters level, as we are doing on this panel, the way we want to work together, but make sure that is also happening in the field, collaborating across the multiple platforms but in lockstep with the host-country government.

We should stop thinking in projects and programmes. This is not bringing the change. Rethink subsidies, focus on and align behind country governments, and create ownership for the people in the country or for the country itself.

With all the difficulties and the challenges, we hope that putting together the Food System Summit Action Plan, the follow-up actions, and having the financing come together, might be the way to bring this together.
Consensus building – the who and the how

“You need the middle part of the Venn diagram to be big enough to create a critical mass and do some really interesting things. But some of the real innovation comes from people at the edges who are on a different part of the curve than others and are stretching the boundaries.”

Andrew Campbell
ACIAR

I have been impressed with the amount of agreement around the big issues, in terms of the urgency of the crisis, the willingness of partners to get outside of thinking of business as usual, and being open to figuring out creative solutions on how we address really the global challenge.”

Jim Barnhart
USAID

What are the entry points for food systems transformation?

“We invest so much in research and innovation and it is the largest single piece of our portfolio. We believe this is the long-term solution to try to get help to smallholder farmers and other farmers to get through this rapidly changing climate.”

Jim Barnhart
USAID

“Mobile banking has been one of the innovations we have been trying to support, which has helped with logistics, financing, collateral, and with the movement of cash. In general, I would say one of the clear changes in the last decades has been mobile technology.”

Alvaro Lario
IFAD

“We are finding in some countries, agriculture has played a fantastic shock-absorber role, in the face of COVID-19, absorbing a lot of people with rapid movement away from the cities and back to the countryside, giving them meaningful work to do and improving local food systems at the same time.”

Andrew Campbell
ACIAR

How do we make sure capacity and knowledge are scaled up and reach people who need it the most?

“You need to follow the lead of your host country [where your investment portfolio is] in listening to exactly what it is that they are looking for, and then figure out a learning-by-doing method that actually helps the individuals and institutions in question upgrade their skills.”

Jim Barnhart
USAID

What message would you like to go forward from here to the Food Systems Summit?

“We need to look much more at the synergies across the entire food system in terms of livelihoods, nutrition and the environment.”

Alvaro Lario
IFAD

“We need to focus on how the outcomes to the Summit can be embraced in the field and integrated into all the things we do.”

Jim Barnhart
USAID

“We are going to have to science this to the level that we have never done before. We need better, deeper and wider partnerships. We need to skillfully broker those partnerships – up and down and sideways, from the smallest farmer to the biggest multinational. That will require investment in those skills and the people and time to do it. But there will be a very high return on investment.”

Andrew Campbell
ACIAR

We invest so much in research and innovation and it is the largest single piece of our portfolio. We believe this is the long-term solution to try to get help to smallholder farmers and other farmers to get through this rapidly changing climate.”

Jim Barnhart
USAID
The report provides an overview of the scale of food systems-related funding and actions currently supported by donors. This contributes to one of the core objectives of the Donor Platform’s engagement in the Summit, to help optimize donor coordination and alignment.

Donors and other stakeholders can use the report as a basis to better understand the current contribution of donors to food systems across areas such as bilateral programme support, governance, research and development, civil society and private sector engagement, and financing and support for multilateral organizations.

“We need to support people right across the global food system, to strengthen the enabling environment and work to reduce risks faced by those least stable. Then we can make the critical changes that are necessary. How do we empower food sector stakeholders to adopt new ideas and technologies? How do we drive much greater empowerment of women in the food system? Without that, we will simply not succeed.”

— Tristan Armstrong
Australia

“This stocktaking report clearly illustrates how central food is to poverty alleviation and many other development challenges. It thoughtfully covers the concept of food systems, from production to food consumption. It will serve as a good basis for the work of the donor community, united through the Donor Platform in responding to the outcomes of the UN Food Systems Summit.”

— Conrad Rein
European Commission

Download: Stocktaking report: donorplatform.org/stocktakingreport2021
Donor profiles: donorplatform.org/donorprofiles2021
The Global Donor Platform for Rural Development (GDPRD) is a network/partnership platform of 40 bilateral and multilateral development agencies, international financial institutions, intergovernmental organizations and foundations. It was established in 2003 to lobby for increased public and private investments in agriculture and rural development.

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