

REPORT

2020 ANNUAL GENERAL ASSEMBLY

(AGA)

2-5 NOVEMBER 2020

**Strengthening
coordination towards
SDG2: Pathways for
food systems
transformation**



Global Donor Platform
for Rural Development

ACKNOWLEDGEMENTS

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The Global Donor Platform for Rural Development (GDPRD) is a network of 40 bilateral and multilateral donors, international financial institutions and foundations with a common vision of the important role that agriculture, food systems and rural development play in combating hunger and poverty and achieving the 2030 Agenda for Sustainable Development. Formed in 2003, the GDPRD convenes donors and other stakeholders across sectors to promote coordinated public and private investments in agriculture and rural development.

The Annual General Assembly (AGA) of the Global Donor Platform for Rural Development (GDPRD) provides an open forum for dialogue among members, partners and guests on critical issues and emerging trends that affect the lives of rural people.

In preparation for the **Food Systems Summit** (FSS) in 2021, the **2020 AGA**, held from 2 to 5 November 2020, focused on the theme “Strengthening Coordination towards SDG2”. Speakers and participants discussed the processes needed at the local, national, regional and global levels to spur food systems transformation – and the role donors can play in catalysing change.

Food Systems Summit

In 2021, the Secretary-General of the United Nations will convene the **Food Systems Summit (FSS)** – a platform to launch bold new actions to transform how we produce, consume and think about food, delivering progress on all 17 Sustainable Development Goals. The FSS is for everyone everywhere – a people’s summit – focused on concrete solutions that mobilize all players, from producers to consumers, to take action in transforming the world’s food systems.

Bringing together key players from science, business, policy, health care and academia, with farmers, indigenous peoples, youth organizations, consumer groups, environmental activists, and other key stakeholders, the FSS is focused on generating solutions along five interdependent

Action Tracks: (1) Ensure access to safe and nutritious food for all; (2) Shift to sustainable consumption patterns; (3) Boost nature-positive production; (4) Advance equitable livelihoods; and (5) Build resilience to vulnerabilities, shocks and stress.

Because of the COVID-19 pandemic, the 2020 AGA was held virtually. This report summarizes the key outputs of these discussions, which will be used by the GDPRD to develop its input for the upcoming FSS.

The AGA concept note and agenda are available [here](#). Full profiles of the speakers are available [here](#).

The AGA comprised four sessions:

2 NOVEMBER 2020: HIGH-LEVEL EVENT

Transforming food systems: implications for coordination and financing

Understanding the processes, coordination and financing needed for food systems transformation to be sustainable, equitable and resilient.



3 NOVEMBER 2020: INTERACTIVE SESSION

Pathways for food systems transformation

Shaping the GDPRD's contribution to the FSS.



4 NOVEMBER 2020: PANEL DISCUSSION

Food systems: data for evidence-based policymaking

Raising awareness and building capacity for using data to support agricultural policymaking.



5 NOVEMBER 2020: PANEL DISCUSSION

Catalysing responsible private-sector investments for food systems transformation

Exploring how donor support can mobilize private investment for food systems transformation.



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Transforming food systems: Implications for coordination and financing



Moderator:

Jim Woodhill,

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

Opening remarks:



Paul van de Logt,

Head, Food and Nutrition Security, Netherlands, and Co-Chair, Global Donor Platform for Rural Development



Agnes Kalibata,

Special Envoy of the Secretary-General of the United Nations on the Food Systems Summit



Michelle Nunn,

President and CEO, CARE USA



Marie Haga,

Associate Vice-President, External Relations and Governance Department, International Fund for Agricultural Development (IFAD)

Panellists:



Hanneke Faber,

President, Foods & Refreshment, Unilever



Hamady Diop,

Head of Natural Resources Governance, Food Security and Nutrition, New Partnership for Africa's Development



Carla Montesi,

Director, Planet and Prosperity (DEVCO.C), Directorate-General for International Cooperation and Development, European Commission



Johan Swinnen,

Director-General, International Food Policy Research Institute



Joan Valadou,

Head, Human Development Department, Ministry for Europe and Foreign Affairs, France



Martien van Nieuwkoop,

Global Director, Agriculture and Food Global Practice, World Bank

The high-level event introduced the upcoming FSS, raised key issues related to the Action Tracks, and explored their implications for donors.

Key messages that arose from the discussion are summarized below.

TOWARDS THE SUSTAINABLE DEVELOPMENT GOALS:

MAKING UP LOST GROUND

Launched in 2015, the 2030 Agenda for Sustainable Development set ambitious targets. Even before the COVID-19 pandemic, there were serious concerns about whether the Sustainable Development Goals (SDGs) – especially SDG 2 (zero hunger) – could be reached by 2030. Critical indicators of progress are significantly off track, leaving millions of vulnerable people at risk of continuing hunger, food insecurity and poverty. Transforming food systems is key to achieving the SDGs, ensuring long-term prosperity and protecting our planet.

“Ending extreme poverty and hunger and recovering from COVID-19 require **more investment and innovative approaches**. With the right policy and funding, we can tackle this as a global community.”

Marie Haga, IFAD



THE FOOD SYSTEMS SUMMIT: A CRITICAL OPPORTUNITY

The FSS will provide a platform for engaging all stakeholders and achieving consensus on an action agenda for change. There is a recognized need to rethink the way food is consumed and produced, and move from discussion of “what” needs to be done to practical strategies for “how” to make it happen.

“This Summit is a major global milestone in **moving to sustainable food systems** and we are ready to engage in all the Action Tracks to achieve really ambitious outcomes.”

Carla Montesi, EU



“In a nutshell, this Summit needs to be about **building consensus, engaging people, and coming up with ambitious solutions** that will help us find a new path forward.”

Agnes Kalibata, FSS



TOWARDS SUSTAINABLE FOOD SYSTEMS:

A TRANSFORMATIVE APPROACH

“ Women are just one of the vulnerable groups whose livelihoods are impacted by inequity in food systems. **Youth and indigenous peoples also face significant barriers, and we will need to be vigilant to ensure their inclusion.** As we work towards next year’s Food Systems Summit, we will build solutions to tackle these roadblocks together.”

Michelle Nunn, CARE USA



The food systems approach signals the shift towards a more integrated way of thinking about food that crosses sectors and moves beyond business as usual. This paradigm shift requires fundamental advances in policy and financing, cross-sector knowledge-sharing and high-level coordination. It also requires breaking down the barriers between humanitarian and development financing, plant, animal and ecosystem health, and public- and private-sector investment. It includes all voices and interests, especially smallholder farmers, youth, women and other groups who are often marginalized – ensuring that no one is left behind.

“ We are not just looking at food security, we are looking at **resilience**, we are looking at **access to markets**, we are looking at **nutrition**, we are looking at **policy** ... That is where the issue of alignment really needs to be strengthened.”

Hamady Diop, NEPAD



“ The concept of systems thinking is really well accepted, which means **technology has to be accompanied by policy and vice-versa** ... They have to go together, and reinforce each other, particularly from a value chain perspective. I see that as the heart of the solution.”

Johan Swinnen, IFPRI



ROLE OF THE DONOR COMMUNITY: CATALYSING ACTION, INVESTMENT AND COORDINATION

“ The donor community has a catalytic role in helping understand the pathways to transform food systems. For example, through supporting innovation and new ideas, helping different actors coordinate, creating conditions for responsible private sector investments, contributing to government programmes and reducing risk.”

Marie Haga, IFAD



Donor investments can be critical for enabling and incentivizing other actors to play their part. However, global donor investments in food systems are relatively small compared to the resources mobilized by farmers, food-sector businesses and national governments. Therefore, it is vital that donor investments be used in the most catalytic way possible. In moving towards the FSS, and following it up with actions, the donor community needs to engage with all actors to review how resources can best be allocated to support food systems transformation.

“ Putting your support behind a **sector-wide approach rather than having stand-alone projects** will provide a platform for donors to work more effectively together, so you can achieve synergies between the donor support in each particular country.”

Martien van Nieuwkoop, WB



“ We need to document good practices so that they can be shared and contextualized, to help smallholder farmers to learn from each other, or to learn from region to region. We also need to facilitate self-diagnosis at the national and regional levels so that people can develop strategies that are context-specific.”

Hamady Diop, NEPAD



MUTUAL LEARNING AND SHARING AMONG DIVERSE STAKEHOLDERS

There is no “silver bullet” solution for feeding the world sustainably. To transform food systems in the short time frame required to meet the SDGs, actors need to learn and innovate rapidly. From across the food system and rural spaces, diverse stakeholder groups need to come to the table, exchange ideas and create synergies. The challenges are too great to exclude anyone from the table. Through the food systems approach, stakeholders from agriculture, environment, nutrition and business can share their unique knowledge to bridge this immense gap.

“ Alignment with partner countries’ strategies and policies is key in order to be efficient and strengthen partner countries’ institutions, especially local authorities ... For us, this is really critical to ensure the sustainability of our investment results.”

Joan Valadou, Ministry for Europe and Foreign Affairs, France



OPTIMIZING THE POTENTIAL OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

Digital technology has huge potential to provide services to poor and vulnerable groups, and to generate data and evidence for decision-making. Smallholder farmers can benefit from information and communications technology through greater access to financial services, market information, technical advice, weather information, shared machinery use, and collective marketing. Big data, drone technology, satellite imagery and blockchain all have the potential to provide a better understanding of food systems and inform policy and business decisions. Initiatives such as [Ceres2030](#) and [5x2030](#), supported by GDPRD members, are helping to narrow data gaps and inform policies.

“ There is a whole variety of new technologies that are important. But it is not only the fact that the technology is there, but also access to the information for smallholders – so we need better-quality information, but also to ensure poor people’s access to that information.”

Johan Swinnen, IFPRI



CATALYSING PRIVATE-SECTOR ENGAGEMENT

Food production, processing and distribution are largely private-sector activities. Food and agriculture businesses – from small-scale, family enterprises to large international firms – are all important drivers of change. Their engagement and buy-in are crucial moving forward. This requires bringing the private sector to the table and connecting with these partners' valuable knowledge to tackle critical challenges and design innovative solutions. Donors need to understand the risks for business in sustainable food systems, as well as the benefits of engagement in order to incentivize responsible private-sector investment.

“Most of our food systems are probably 70 to 90 per cent run by private sector. We need their engagement. **We need to ensure that private sector understands what is at stake** and we need to ensure that they engage.”

Agnes Kalibata, FSS



“It has been said that we know the “what”, and we now need to figure out the “how”. In this space, we are beginning to understand the “how”. **The “how” is public-private partnerships – that is how we really move things forward.**”

Hanneke Faber, Unilever



ALIGNING DONOR ENGAGEMENT: THE GLOBAL DONOR PLATFORM FOR RURAL DEVELOPMENT

In the lead-up to the FSS, the convening power of the GDPRD can be crucial in fostering donor support for FSS processes, connecting donors with the emerging thinking and experiences of other actors, and enabling those in the donor community to harmonize their efforts.

“A donor platform like this is very much needed. I believe that we have not been organized enough on SDG 2 and there have been a lot of initiatives, but I feel that **we can do better in getting these initiatives off the ground.**”

Paul van de Logt, GDPRD



“I am talking to you as donors – it is extremely critical because, for example, **coming through on SDG 2 is going to require a lot of financing**, and a lot of new ways of thinking about financing, as illustrated by the CERES report.”

Agnes Kalibata, FSS





Action Tracks: Shifting from the “What” to the “How”

Panellists were invited to reflect on each of the FSS Action Tracks and their implications for donors. Their responses are summarized below.



ACTION TRACK 1:

ENSURE ACCESS TO SAFE AND NUTRITIOUS FOOD FOR ALL

aims to end hunger and all forms of malnutrition, and reduce the incidence of non-communicable diseases, enabling all people to be well-nourished and healthy.

Reflections from Carla Montesi, EU:

“ Food systems sustainability is not only economic, but social and environmental as well. This integrated approach, exemplified in the EU **Farm to Fork Strategy**, involves a strategic shift to fair, healthy and environmentally friendly food systems. **While this large paradigm shift from the traditional sector approach toward integrating multiple sectors and multiple actors is not easy to achieve, it is critical to ending hunger and malnutrition.** To drive this shift, donors should step up investments in research and accelerate innovation in sustainable practices, paying special attention to the most vulnerable people to ensure that no one is left behind.”



ACTION TRACK 2:

SHIFT TO SUSTAINABLE CONSUMPTION PATTERNS

will build consumer demand for sustainably produced food, strengthen local value chains, improve nutrition, and promote the reuse and recycling of food resources, especially among the most vulnerable people.

Reflections from Hanneke Faber, Unilever:

“ The private sector can contribute to this shift through product reformulation – reducing sugar, salt and calories, and adding micronutrients. One direction is encouraging consumers towards more plant-based diets, which involves both consumer education and increasing the availability of plant-based products. **Perhaps the greatest challenge – with the greatest potential for impact – is in reducing food loss and waste.** By some estimates, one third of all food is wasted along the value chain. Donors can support the reduction of waste and unsustainable packaging – from producers to processors and consumers.”





ACTION TRACK 3:

BOOST NATURE-POSITIVE PRODUCTION

is focused on optimizing environmental resource use in food production, processing and distribution to reduce biodiversity loss, pollution, water use, soil degradation and greenhouse gas emissions.

Reflections from Joan Valadou, Ministry for Europe and Foreign Affairs, France:

“Realizing nature-positive production entails a transition towards agroecology in agriculture, livestock farming and fisheries. **With agroecological practices, farmers can sustainably manage natural resources without compromising yields, while consumers are able to access healthy foods.** This shift requires: ambitious agricultural policies with clear environmental targets; tools to support farmers in reaching those targets; agricultural and related training for rural producers; and strengthening the links among food, biodiversity and human, animal and plant health.”



ACTION TRACK 4:

ADVANCE EQUITABLE LIVELIHOODS

will contribute to the elimination of poverty by promoting full and productive employment, and decent work for all along the food value chain – reducing risks for the world’s poorest people, enabling entrepreneurship, and addressing inequitable access to resources and distribution of value.

Reflections from Hamady Diop, NEPAD:

“Achieving equitable livelihoods starts with greater alignment at the national level among policies, strategies and programmes. **Multi-sectoral approaches are critical, but to be effective, they require a clear definition of stakeholders’ responsibilities, a strategic focus on results and clear objectives.** Donors can help to build farmers’ capacity to play a meaningful role in coordination mechanisms and integrate them into these interventions. Donors can also contribute to governments’ capacity for harmonizing diverse initiatives and can ensure that the private sector is involved in a sustainable and inclusive manner.”





ACTION TRACK 5:

BUILD RESILIENCE TO VULNERABILITIES, SHOCKS AND STRESS

seeks to ensure the continued functionality of food systems in areas that are prone to conflict or natural disasters. It will also promote global action to protect food supplies from the impacts of pandemics.

Reflections from Johan Swinnen, IFPRI:

“ Resilience involves limiting the frequency and magnitude of shocks, better anticipating future shocks and absorbing shocks that do occur more efficiently.

Fostering inclusiveness is an important means to build resilient food systems. For example, since conflict is a major driver of food shocks, inclusiveness prevents these shocks. **Digital technologies and financial instruments can help smallholders to absorb the impact of shocks, with longer-term investments in research leading to more enhanced technologies for boosting resilience.**



On the demand side, social safety nets enable consumers to mitigate economic shocks and continue accessing nutritious foods – sustaining markets.”



SESSION 2

Pathways for food systems transformation



Moderator:

Ron Hartman,

Director, Global Engagement, Partnership and Resource Mobilization Division, IFAD

Panellists:



Tristan Armstrong,

Sector Specialist, Agricultural Productivity and Food Security,
Department of Foreign Affairs and Trade, Australia



Conrad Rein,

Policy Officer, Directorate-General for International Cooperation and Development,
European Commission



Paul van de Logt,

Head, Food and Nutrition Security, Ministry of Foreign Affairs, Netherlands

“Deep dive” into key issues and needed actions

Building on the high-level session, session 2 dived into the main issues, with discussions aimed at developing concrete contributions to the FSS. This brainstorming session sought to clarify where donors should focus their efforts and what ideas should shape future donor thinking on food systems. The issues identified included:

COORDINATION AND ALIGNMENT OF ACTORS: A top priority for initiating transformative action and the basis for all the areas discussed, such as supporting policy, brokering value chain innovation, and coordinating crisis response.

CATALYSING AND DE-RISKING FINANCING: Recognizing that financing systems are highly dynamic and complex – and carry risks for each actor along the value chain – donors can deliver financing that mitigates risk and benefits all actors.

SUPPORTING POLICY INNOVATION: By engaging to forge a deep understanding of each stakeholder’s needs, the donor community can work together to create an enabling policy environment, ensuring that the benefits of investments in food systems reach smallholders.

BROKERING INNOVATION IN AGRICULTURAL VALUE CHAINS:

Conventional approaches have thus far not brought systemic change. The donor community needs to support value chain innovation that maximizes opportunities for small-scale farmers and incentivizes private investment.

BUILDING THE KNOWLEDGE BASE AND CAPACITY: Strengthening smallholders’ capacity for value chain integration is critical, but governments, private-sector actors and other stakeholders – including donors – require knowledge in order to support food systems that leave no one behind.

COORDINATED CRISIS RESPONSE: Conflict, climate and now COVID-19 are hindering food systems transformation. However, the COVID-19 pandemic has also spurred innovation around crisis response. This experience can be built upon to tackle longer-term crisis risks and build resilient food systems.

FOSTERING AN ENABLING INFRASTRUCTURE AND IT: Beyond just bringing produce to market, targeted infrastructural investments bring digital technologies the last mile to smallholders, and ensure that they benefit through greater connectivity to value chains and use of data.



SESSION 3

Food systems: Data for evidenced-based policymaking

This special session focused on the importance of reliable, accurate and timely data to drive food systems transformation – and the actions needed by the global donor community to strengthen data systems. The session highlighted two promising initiatives promoted by the SDG2 Roadmap Donor Working Group. The Ceres2030 initiative has brought together 84 researchers from 25 countries and 53 organizations to build an evidence base for informed policymaking. Hosted by the World Bank, 5x2030 has engaged several countries and donor agencies to scale up agricultural surveys in 50 countries by 2030. Both these initiatives show how the GDPRD supports the generation of high-quality data – and the capacity for all stakeholders to make use of these data.

The session also introduced a country-level perspective on how data – and capacity for utilizing it – can facilitate the design of enabling policies underpinning agricultural transformation.

Donors have a crucial convening role in putting innovations in data to work: sharing best practices across regions and strengthening capacity to use data wisely.

SDG 2 Roadmap Working Group

Comprising more than one third of the members of the Global Donor Platform for Rural Development (GDPRD), the SDG2 Roadmap Working Group brings together senior representatives from donor agencies active in the agriculture, food security and nutrition space with a common vision for eliminating rural poverty, hunger and malnutrition. This informal group is tasked with advocating for the use of data to achieve SDG 2 and addressing data gaps hindering these efforts. A thematic working group of the GDPRD since 2019, the SDG 2 Working Group engages with a range of stakeholders outside the GDPRD, including academic and research institutions, and private-sector partners.



Moderator:

Ammad Bahalim,

Policy Officer, Bill & Melinda Gates Foundation

Panellists:



Jaron Porciello,

Co-Director, Ceres2030, and Cornell University

KEY MESSAGES

- Ceres2030 was built as an inclusive design project so that scientists, researchers and donors can utilize its components to create new evidence syntheses.
- Looking beyond the scientific literature, Ceres2030 is exploring ways to listen to the global community through machine-running models to widen the scope of use.
- Working together, we need to sensitize both researchers and donors to the importance of discussing the discrete costs of transforming food systems.



David Laborde,

Co-Director, Ceres2030, and International Food Policy Research Institute

KEY MESSAGES

- The value chain approach also applies to data: moving from data to knowledge, to evidence, and finally to action, this value chain must be well-coordinated in order to deliver the final product, which is better livelihoods for smallholders.
- Moving from data to knowledge, we need a better-integrated prediction system, with the understanding that global transformation through enabling policies takes time.
- While our work is primarily focused on the public sector and policymaking, many of the data we generate are useful for other stakeholders, including smallholders and companies.



El Iza Mohamedou,
Program Manager, 50x2030

KEY MESSAGES

- To adequately plan, implement, monitor and report on progress on agricultural data-related initiatives, we need an integrated portfolio of interventions and a coordinated approach among donors and other stakeholders.
- We are hungry for partnerships with the private sector, both in terms of funding and in sharing technologies and research on fresh new approaches to data collection and use.
- Using the COVID-19 crisis as an opportunity, we need to work collectively on putting statistical capacity development for agriculture at the forefront of the agenda.



Thule Lenneiye
Coordinator, Agriculture Transformation Office,
Ministry of Agriculture, Livestock, Fisheries and Cooperatives, Kenya

KEY MESSAGES

- We not only need to focus on collecting data, but on making sure that they are useful. Donors are encouraged to share best practices to ensure that our policy interventions in this sector are data-driven.
- While we had a lot of support for COVID-19 impacts, it was mostly short term – resilience requires looking to the medium-to-long term to ensure culture change.
- In addition to capacity-building and resilience, we need support for change management to bring data into our everyday operations.



SESSION 4

Catalysing responsible private sector investments for food systems transformation

The final session of the 2020 AGA brought together pre-eminent voices from the public, private and financing sectors to discuss how the private sector and the donor community can together bring about tangible transformation. The dialogue explored how donors and private actors can mobilize concrete multi-stakeholder action to accelerate progress towards the SDGs.

Panellists stressed the need to incentivize public-private partnerships that lay the groundwork for sustainability, including through innovative financing arrangements. The donor community can facilitate this by convening partners and providing the necessary liquidity to transform value chains. The panellists also explored how innovations in digital data can catalyse rural transformation while fostering inclusivity. The insights gained from these discussions will inform action-oriented recommendations in the lead-up to the FSS, nurturing the emerging ecosystem of next-generation, multi-stakeholder partnerships.



Moderator:

Jim Woodhill,

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



Opening remarks:

David Hegwood,

Senior Advisor, Global Engagement Bureau for Resilience and Food Security, United States Agency for International Development

KEY MESSAGES

- The food system approach requires us to think differently about how we are trying to tackle challenges in meeting SDG 2.
- We need to think bigger, and think together. There are some great entry points with a focus on multi-stakeholder platforms, digital technologies and de-risking.
- Many donors are increasing their efforts to engage more effectively with the private sector.
- Working together, the donor community and the private sector can mobilize multi-stakeholder actions that will enable the FSS to accelerate progress towards the SDGs.
- We as donors need to be prepared to take some risk.

Panellists:

**Sean de Cleene,**

Head, Food Systems Initiative and Member of the Executive Committee,
World Economic Forum

KEY MESSAGES

- We have only nine harvests left until we meet the SDGs, so this is going to require an unprecedented effort; we need to think quickly about our strategy.
- A next generation of multi-stakeholder partnerships is going to be key to addressing the complexity of food systems.
- The wider enabling environment for change needs significant attention, for example, the use of digital technology. However, beyond individual technology, we need an ecosystem of new technologies.
- The challenge is figuring out how to scale some of these solutions in a way that does not leave people behind.
- The FSS is a launch pad to take some of these innovations to scale – in terms of partnerships, platforms, policy, data and digital.

**Leesa Shrader,**

Program Director, AgriFin Accelerate and AgriFin Digital Farmer,
Programs, Mercy Corps

KEY MESSAGES

- We need to acknowledge that the commercial banks are not going to be the drivers of transformation at the speed required.
- Donors also need to look to agtechs, fintechs and other kinds of social enterprises that are demonstrating breakthroughs.
- It is incredibly important to educate farmers – giving them information about their options in an inclusive and accessible manner.
- There are increasing structural risks related to climate change. However, a convergence of emerging technologies can help to manage risks and provide information for response.
- It is critical to recognize a fundamental gap in liquidity that cannot be filled by commercial banks.

**Ishmael Sunga,**

Chief Executive Officer, Southern African Confederation of Agricultural Unions

KEY MESSAGES

- For change to be inclusive, we need to ensure that farmers are part of the change process.
- Systems change is needed, and this requires multi-stakeholder conversations, including farmers, at multiple different levels to create vision and ownership.
- Infrastructure is critical, so public financing is needed for infrastructure that can be transformational and unlock private investment.
- You need an honest broker; and for that to happen, you need rules and procedures that govern the interactions, a common purpose and a common destination.
- We do not have much time left, and we need to demonstrate quickly that this change can happen. We can demonstrate the possibilities through flagship initiatives that can be scaled up.

**Berry Marttin,**

Member of the Managing Board, Rabobank

KEY MESSAGES

- What we have learned as Rabobank is that robust and resilient value chains are key, and for this, it is critical to identify and overcome weak links.
- The fundamental challenge is for donors, governments and the private sector to work together to de-risk the investments needed to create inclusive and sustainable value chains.
- Coalitions of the willing are needed to establish “flagship” projects that can demonstrate the possibilities and then be scaled up.
- Ultimately, we must consider the welfare of the farmers, who are the producers of our food, but who also often face the biggest risks.

**Chea Serey,**

Assistant Governor and Director General of Central Banking,
National Bank of Cambodia

KEY MESSAGES

- The impacts of changes in climate and environment are already affecting us, but we can only respond with a multi-stakeholder approach that brings governments, companies, donors and others together.
- Innovation is critical, but we need financing to turn good ideas into action.
- Everyone agrees that food systems are important, but nobody works together. Could we have a platform like the International Monetary Fund for the food sector?
- As digitization will be key to helping farmers and food sustainability in general, donors should focus on how to bring these farmers into the digitized world.
- We need to ask ourselves: What are the best practices in terms of policymaking to encourage food systems transformation? What can be done in terms of logistics? What can be done with farmers?



The discussions during the AGA helped to identify **seven priority issues** that the donor community is called to engage around. The discussions of each issue summarized here constitute critical inputs for the GDPRD to continue engaging the donor community and other stakeholders in preparation for the FSS.

ISSUE 1

Coordination and alignment of actors

The issue

Enhanced coordination among actors is a necessary basis for all other actions to promote resilient and sustainable food systems. This includes the promotion of dialogue on development strategies and policies, the harmonization of country-level approaches, and alignment with the FSS Action Tracks.

The donor community has a crucial role in transforming food systems by: supporting and promoting innovation; helping development actors coordinate; creating conditions for responsible private-sector investment; contributing to government programmes; and reducing risk. The AGA and similar dialogues are contributing to this agenda, but greater alignment is needed to overcome the often-fragmented nature of global coordination efforts and identify strategic actions to transform food systems.

Required actions

Results-oriented strategy: Guided by a multi-sector approach, donors should agree on a harmonized set of principles, with a clear definition of stakeholder responsibilities and funding mechanisms, alignment of interventions and mutual support – focused on achieving clear outcomes.

Involvement of countries: To transform food systems, even well-aligned donor efforts require buy-in and harmonized, enabling policies at the country level. Potential focus areas for a coordinated donor response include: establishing an enabling environment to incentivize private-sector investment in rural areas; creating harmonized trade standards; and capacity-building of smallholder farmers.

KEY POINTS OF DISCUSSION

- A joint long-term commitment to transforming food systems needs to be defined before investments can be made.
- Actors need to break down sectoral silos and work in an interdisciplinary manner, ensuring that farmers' voices are heard, and that governments' diverse priorities are considered.
- While a harmonized strategy requires engagement of the private sector, this can be challenging; enhanced donor coordination can incentivize optimal public-private partnerships.
- Stronger global governance can enable more robust policy and regulatory frameworks, along with regional integration – facilitating trade and enhancing food security.
- A robust evidence base is critical for strategic decision-making – moving beyond sector- or project-based results towards programmatic, higher-level results.

ISSUE 2

Catalysing and de-risking financing

The issue

In order to achieve SDG 2, donors need to take a greater role in de-risking financing to drive investment. Given how much ground needs to be covered in the next 10 years, the donor community will have to explore innovative ways of thinking about overcoming this problem.

To establish robust, resilient value chains, it is critical to understand the weakest link in every chain – and there may be more than one. A solid multi-stakeholder analysis can indicate the risks that the various actors do not want to take. These may be related to financing, productivity, logistics, trade restrictions, or the sustainability of demand. All stakeholders need to be involved to understand the true scope of risk, including farmers, banking and the private sector. Only together can donors find ways to address these risks.

Required actions

Multi-stakeholder dialogue: For de-risking support to be effective, it is important to listen to and understand all stakeholders' needs – including banks and smallholders – and ensure that farmers have the information they require to overcome the significant risks they face.

Solution-based approach: By focusing on each stakeholder’s challenges, donors can collaboratively find solutions that engage new actors and technologies throughout the value chain. These may include investments in critical infrastructure and extending equity to smallholders through public-private partnerships. Rather than focusing on individual projects, it is more efficient to embed this support into broader national programmes.

KEY POINTS OF DISCUSSION

- Catalysing investment begins with smallholders – investing in equity and services for farmers to improve their yields and bring their produce to market.
- It is very expensive for public development banks to reach smallholder farmers because of high transaction costs.
- Private financial institutions may not see smallholders as a business opportunity – both banks and smallholders need information about the benefits of engagement as well as de-risking.
- Catalysing investment sustainably means finding a middle ground for the “right” public-private partnerships, which balance government and private-sector objectives with smallholders’ needs and the protection of natural resources.
- Dialogue is critical to build trust: donors can be “honest brokers” for convening partners, coordination and mutual learning that lowers the perceived risks of engagement.
- The solutions to these challenges will only be workable if they involve all stakeholders from the planning stage and are built for scale from the beginning.

ISSUE 3

Supporting policy innovation

The issue

The global donor community has a fundamental role in supporting policy dialogue and country-level engagement – building an enabling environment to incentivize rural investments. Innovations such as evidence-based analytics ensure that policymakers have the data they need to make informed decisions regarding policies that facilitate food systems transformation.

Ending extreme poverty and hunger and recovering from the COVID-19 crisis require more than just innovative policymaking. Tackling these complex challenges requires alignment across ministries and institutions, and innovative financial instruments that support private-sector investments. The COVID-19 crisis has created space for innovation in policy among governments that previously resisted reform.

Required actions

Multi-stakeholder engagement: Supporting governments in policy reform is not sufficient – the private sector and financial institutions are critical enablers of policy innovation. If the investments needed and risks for all parties are clear, the path to supporting enabling policies will be evident. Similarly, policy interventions in producer countries should be accompanied by efforts in consumer countries to curb consumption of products that contribute to exploitation and environmental degradation.

Data-driven decision-making: Research is required to identify and quantify specific bottlenecks to transformation, and the policy reforms that address them. Global platforms like the FSS are crucial for providing evidence to promote food systems transformation, anchored in a harmonized and supportive regulatory environment.

KEY POINTS OF DISCUSSION

- Donors need to begin by asking fundamental questions: Does funding to governments reach smallholder farmers? Do financing institutions trust smallholder farmers, and see them as a viable market? These questions highlight the constraints and opportunities for policy innovation.
- Policy support necessitates understanding the often-hidden costs of large producers' impacts on the environment and health, and ensuring greater accountability from the local to the global levels.
- Innovative policies are also needed on the demand side. For example, education is fundamental to curbing demand for non-nutritious foods and those that harm the environment.
- Greater coordination will enable all stakeholders to understand the benefits of transforming food systems, especially critical actors that may be risk adverse, such as financial institutions.
- Discrete policies on agriculture and health may no longer suffice. Transforming food systems necessitates eliminating policy silos and focusing on what needs to change and how.

ISSUE 4

Brokering value chain innovation

The issue

It is increasingly recognized that applying conventional theory to food systems does not deliver systemic change. To achieve true sustainability, innovative value chain approaches must start with the poorest and the most vulnerable people, and link small-scale producers into value chains.

Working towards the FSS, the donor community needs to foster the partnerships necessary to overcome this enormous challenge. Young people and indigenous peoples face particularly significant barriers to equitable livelihoods across the food value chain, and it is critical that they be included in all dialogues on value chain integration.

Required actions

Digital technologies: There is huge potential for digital technologies to integrate different value chain segments – including smallholder farmers. They range from e-marketing platforms and early warning systems to digital service provision and financing. However, these technologies can only be useful if donors first identify the value chains with greatest potential and make sure smallholders are integrated in meaningful ways and not just as producers.

Supply-chain resilience: While crises can lead to supply-chain breaks, they can also be opportunities to create more-resilient value chains. For example, in Ghana, a private processing company has managed the process of bringing all production to international standards. This has expanded the market for Ghanaian chocolate, strengthening smallholders' participation in the value chain.

KEY POINTS OF DISCUSSION

- As brokers of value chain innovation, donors should go beyond project-based thinking and adopt a more systemic approach, recognizing that farmers and consumers often engage at different nodes in food systems and face unique risks.
- To make sure that smallholders are empowered and engaged, experience and good practice highlight the crucial role of farmers' organizations and producers' organizations. It may be necessary to revisit participatory approaches by integrating farmers and organizations.
- Information and communications technology holds significant potential for empowering value chain integration and focusing donor investments on integrating small-scale farmers into value chains.
- Donors have an important role in furthering the understanding and coherence of value chain integration from the local to the global levels, and in crowding in actors.
- We need to ensure that the transformation we are promoting is inclusive of all – small-scale producers need to be remunerated for their efforts on a par with the benefits conveyed to other actors.

ISSUE 5

Building the knowledge base and capacity

The issue

While smallholder farmers constitute the backbone of global food production, they often lack the capacity for a shift towards greater sustainability. Yet, there are few avenues available for capacity-building as smallholders are often excluded from multi-stakeholder dialogue and coordination mechanisms.

Capacity for sustainable food systems entails more than just finding technical solutions or increasing yields. While traditional extension services are on the decline, farmers' capacity-building needs are greater than ever in order to work with larger private actors, meet international standards, and utilize new technologies. Relatively small investments in capacity can yield huge dividends in food security and livelihood sustainability through better value chain integration.

Required actions

Systems focus: The thinking around knowledge and capacity needs to focus on entire food systems – not just one-off solutions. This involves a thorough understanding of these systems, how they work, and the roles of all actors. Innovative funding mechanisms can ensure that donor investments in capacity reach the local level and facilitate smallholder farmers' integration throughout value chains.

Holistic knowledge base: While there is a strong need to improve both the quality and quantity of agricultural training, the methodology must embrace a systems approach and the curriculum should be broad, covering areas such as agroecological farming practices and international quality standards. The capacity of other food system actors also needs to be strengthened to engage smallholders in mutually beneficial ways.

KEY POINTS OF DISCUSSION

- As smallholder farmers often lack the funds and technology to change the way they work, capacity and knowledge must be accompanied by access to other critical enablers.
- Information exchange is crucial for smallholder farmers in remote areas – digital technologies are revolutionizing farmers' access to information but there is more to be done.
- Innovative funding mechanisms are needed to ensure that funds and knowledge reach end-users.
- Rather than just delivering capacity, donors need to encourage open innovation at the local level, so that farmers can access and benefit from promising technologies like information and communications technology, and strengthen their resilience.
- At the global level, donors need to build capacity among all actors in order to ensure that investments reach small-scale farmers – building the global knowledge base on food systems transformation.

Using data for decision-making

The issue

The AGA session of 4 November was dedicated to exploring how data can drive food systems transformation. The session highlighted two initiatives using data-smart agriculture to support decision-making: Ceres2030 and 50x2030. This issue had already arisen in previous sessions and there was consensus that sound decision-making for the scale of transformation required would not be possible without robust data.

Representatives from donor agencies were collectively struck by the ambition of SDG 2 – and by the lack of data to measure progress towards its targets. A small group came together to tackle this challenge, and this group evolved into the SDG2 Roadmap Working Group, hosted by the GDPRD.

Required actions

SDG focus: While the global community generates an impressive amount of data in science and agriculture, research continues to push forward many solutions without a unified focus. Less than 10 per cent of the studies the working group has reviewed included farmers or other beneficiaries in their analysis. These critical but excluded voices need to be heard, and research needs to be linked with impact.

Data usability: The lack of data for key agricultural indicators is exacerbated by a lack of disaggregation (e.g. by gender or region). The Food and Agriculture Organization of the United Nations, the World Bank and IFAD are supporting a flexible service system to facilitate disaggregated data collection and ensure its use to inform enabling policies. However, local capacity and skills gaps in data collection and use persist. Efforts are focused on making data collection part of “business as usual” – and embedding its use in policymaking.

KEY POINTS OF DISCUSSION

- Capacity-building should not be restricted to data collection – the users of data also need the capacity to understand it. Users include not only policymakers but a variety of stakeholders including civil society and academia.
- Stakeholders need to see investments in data as investments in national infrastructure. All stakeholders should recognize the costs and benefits of data, and resulting evidence needs to be structured so that it reaches the right audience.
- The importance of data to decision-making will only be evident when stakeholders see the data actually being used by policymakers; however, designing enabling policies takes time.
- An integrated portfolio of interventions, including by policymakers, researchers and the private sector, is critical, as are coordinated monitoring and reporting on progress in each country.
- In terms of data architecture, the global community should focus on how data collected in the short term can be used by the global community in the future.

ISSUE 7

Promoting responsible private-sector investments in food systems

The issue

The AGA session of 5 November was dedicated to discussing how donor support can catalyse private-sector investments in food systems transformation. As food is largely produced, processed, distributed and retailed by the private sector, transforming food systems is fundamentally about business models and the incentives that shape them.

Commercial banks are not going to drive this transformation by themselves, because the perceived risks are too great. Donors need to demonstrate to these and other actors that they can de-risk the value chain by working together. The FSS provides an opportunity to design a new ecosystem of partnerships aimed at tackling these complex challenges and driving systemic change.

Required actions

De-risking: Fostering responsible private investments requires an understanding of the risks present in each country and region, and working with governments to mitigate them. These may include trade restrictions, unstable demand and the high cost of liquidity. Multi-stakeholder platforms can crowd all players early on to address these challenges. Private actors are realizing that multi-stakeholder approaches are driving long-term sustainability.

Infrastructure: Farmers in developing countries face starkly underdeveloped basic infrastructure for market-oriented production, transport and more. They also lack digital infrastructure to connect with other value chain actors. An optimized data infrastructure is required for reaching scale – we need to bring farmers into the digital space. This in turn requires innovative private-public partnerships and financing.

KEY POINTS OF DISCUSSION

- Donors can help governments to look at incentives in a smart way – and promote business models and consumer behaviours that drive real change.
- The digital innovation space has potential to shift the dialogue. Farmers are beginning to use information and communication technologies, but the benefits of data must be spread among all users. Demonstrating responsible use of farmers' data and the tangible benefits encourages farmers to share their data.
- Policy innovations can encourage responsible investment, including advantageous financing to "green" initiatives and encouraging farmers' digital integration. These initiatives need to be linked together for real transformation.
- Responsible governance connects stakeholders, generates mutual trust, and fosters partnerships based on mutual accountability. The upcoming FSS is a launch pad for innovative partnerships that can bring innovations to scale.



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