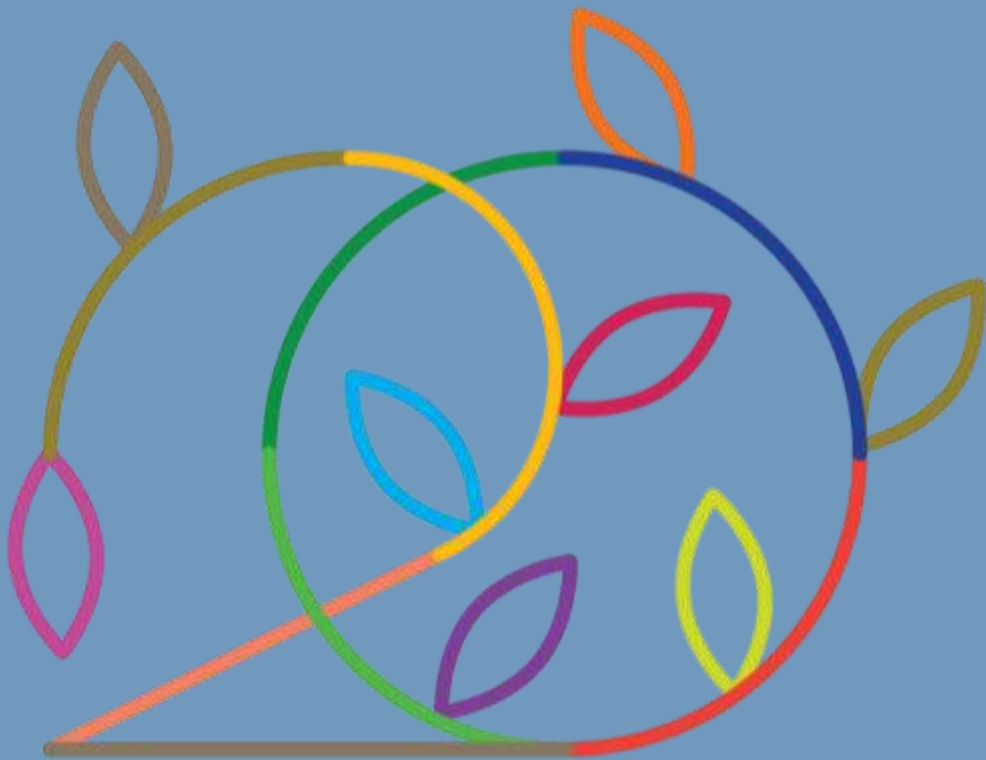




Global Donor
Platform for
Rural Development

Donor approaches in agricultural and rural development: Shifts and changes in recent decades

GLOBAL DONOR PLATFORM FOR RURAL
DEVELOPMENT: 20-YEAR REVIEW



This paper examines to what extent, and how, donor approaches in agriculture, rural development and food systems have changed over the past 20 years, what are the main emerging issues and what should be done to address these or other needs, and how these changes could continue to shape the activities of the Global Donor Platform for Rural Development.

Author

Brian Baldwin, Senior Advisor to the Global Donor Platform for Rural Development

Acknowledgements

In developing this paper, I have drawn on many of the ideas, perspectives and findings developed by myself and my co-authors, Uma Lele, Manmohan Agarwal and Sambuddha Goswami, in *Food for All: International organizations and the transformation of agriculture* (published by Oxford University Press).

I would also like to recognize the role and influence of Kevin Cleaver in both, with others, identifying the need for the Global Donor Platform for Rural Development in 2002/2003 and continuing his advocacy for the mandate of the Platform and support for its work during his tenure as Assistant President of the Programme Management Department at IFAD.

Contents

Chapter 1: Introduction and background	3
1. Introduction	3
2. Decline and reawakening: The first decade of the twenty-first century	6
3. 2015: The Sustainable Development Goals refreshed development ambitions	9
4. The changing focus of the Sustainable Development Goals from food security and nutrition to include agrifood systems	10
Chapter 2: Understanding the new agenda	12
1. Climate change and environmental issues	12
2. Conflict and fragility	15
3. South-South and Triangular Cooperation	17
4. Finance	20
5. Gender and youth	23
6. Aid effectiveness, coordination and alignment	26
Responses and implications for the Platform	29

Chapter 1: Introduction and background

1. Introduction

Donors and national governments have seen approaches to agriculture and rural development shift and become increasingly complex over the past two decades, as crises have reshaped geopolitical relations. Between 690 million and 783 million people faced hunger in 2022.¹ That was 122 million more than before the onset of the COVID-19 pandemic, which accentuated fragility and weaknesses in agricultural sectoral planning and implementation. In 2022, these effects were compounded by Russia's invasion of Ukraine. While world poverty has been substantially alleviated over the last several decades, and about 3.8 million fewer people suffered from hunger in 2022 than in 2021, recent crises are eroding progress, and many serious challenges must be overcome to meet the Sustainable Development Goals (SDGs).

The climate crisis has deepened amid geopolitical instability

Obstacles to progress have become tougher and more numerous. Firstly, the climate crisis has had increasingly severe consequences for individual countries, requiring both global and country-specific responses and changes in behaviour. Secondly, geopolitical instability – together with shifting geopolitics at the regional, national and subnational levels, and the influence of new and emerging donors – has required traditional multilateral and bilateral donors to review the effectiveness of their approaches. It has also highlighted the trend towards the strengthening of links between trade relations and political and diplomatic perspectives.

New donors emerge, but development assistance lags behind as needs evolve

A third key shift is in the donor landscape. Official development assistance (ODA) has increased over the past two years, but much of the increase has been in emergency food assistance in the context of the development-humanitarian nexus. Underlying ODA has neither grown in scale nor, arguably, evolved in content or style, especially when it comes to the vital long-term development of food systems. At the same time, development financing has become more diverse in a landscape of new financial instruments. New sources and modalities of lending have emerged that have implications for debt management: funders now include philanthropic entities and local and foreign private sector financing and investment.

Fourth, while the focus of ODA and concessional funding is increasingly on sub-Saharan Africa, many other countries are graduating to middle-income status as they reach thresholds of gross national income per capita defined by the International Bank for Reconstruction and Development. Yet without concessional ODA, these countries, particularly those in South and South-East Asia, Central America and parts of South America, find it hard to allocate sufficient resources from limited budgets to address subnational rural poverty and malnutrition. The trend towards aligning aid with

¹ FAO (Food and Agriculture Organization of the United Nations) et al., *The State of Food Security and Nutrition in the World: Urbanization, agrifood systems transformation and healthy diets across the rural–urban continuum* (Rome: FAO, 2023), <https://www.fao.org/publications/home/fao-flagship-publications/the-state-of-food-security-and-nutrition-in-the-world/en>.

trade and continued geopolitical engagement further hinders the development of more pragmatic strategies to assist middle-income countries (MICs), and to recognize the lessons learned by MICs as they address climate change, strive to achieve the SDGs and further expand South-South and Triangular Cooperation (SSTC).

Calls for reform are mounting as we fall short of widening goals

UN Secretary-General António Guterres has forcefully highlighted that “Halfway to the 2030 deadline, the SDGs are drifting further away by the day”² and that concerted action is needed to achieve the SDGs and mitigate and adapt to climate change. It is now widely recognized that the operating environment has changed, and concerns are compounded by the emergence of the interrelated themes of climate change, biodiversity loss, and food security and nutrition. This has led to growing calls, including from the Secretary-General,³ to reform the Bretton Woods institutions and other entities. The aim is to make them more widely accountable, without diminishing their traditional focus on poverty reduction and other SDGs. These calls, like the 2023 inaugural African Climate Summit in Nairobi, are symptomatic of a new era, and of a growing and broadening desire for real progress on the issues and challenges that need to be addressed.

The various changes now widely suggested would facilitate new approaches to formulating development strategies and policies, overcoming challenges, implementing interventions and mobilizing financing more effectively across domestic resources, for both the public and the private sectors. These calls have been reiterated by the Bridgetown Agenda, which emerged in 2022.⁴ Responding to a cost-of-living crisis, a worsening national debt crisis and the international climate crisis, the Bridgetown Agenda calls for the provision of emergency liquidity, the implementation of a debt-service suspension initiative, the expansion of multilateral lending, the implementation of a global mechanism for raising reconstruction grants for countries hit by climate disasters and increased private sector investment.

The Sustainable Development Goals and Paris Agreement laid the foundation for a new agenda

Many shifts in the development agenda were initiated in 2015, with the adoption of the SDGs and the Paris Agreement on climate change. It is clear that “[t]he narrative on food and nutrition had also now, in the last few years, changed from a single-minded focus on the productivity growth of cereals to sustainable and diversified food production and healthy food systems”.⁵ Today’s agenda, increasingly discussed and disseminated through social media, now includes environmental management, malnutrition/nutrition, and social justice and equality. At the same time, the rise of emerging economies, such as China and India, has contributed significantly to these changing processes, widening the global balance of power. Furthermore, as was noted at the 2023 session of

² United Nations Secretary-General, “Secretary-General remarks at the Paris Summit on a New Global Financing Pact”, 22 June 2023, <https://www.un.org/sg/en/content/sg/speeches/2023-06-22/secretary-general-remarks-the-paris-summit-new-global-financing-pact>.

³ United Nations Secretary-General, “Secretary-General’s opening remarks at press encounter at G7 summit”, 21 May 2023, <https://www.un.org/sg/en/content/sg/speeches/2023-05-21/secretary-generals-opening-remarks-press-encounter-g7-summit>.

⁴ <https://www.foreign.gov.bb/the-2022-barbados-agenda/>.

⁵ Lele, U. et al., *Food for All: International organizations and the transformation of agriculture* (Oxford: Oxford University Press, 2021), <https://global.oup.com/academic/product/food-for-all-9780198755173?cc=it&lang=en&>

the United Nations Economic and Social Council, “geopolitical tensions and the rise of nationalism in some parts of the world have made it more difficult to achieve international cooperation and coordination”.⁶ The operating environment for bilateral and multilateral aid has become very complex.

New funders and new beneficiary groups bring new insights

Shifts in the approaches and policies of emerging economies continue to modify the development working environment almost daily. New bilateral links, notably with China, and the growth in South-South engagement and financing, are increasingly important. So too are multilateral connections with the BRICS grouping (Brazil, China, India, Russia and South Africa) and other non-aligned countries. At the same time, philanthropic foundations have become increasingly important players in global governance. The Committee on World Food Security (CFS) established the Philanthropic Foundations Mechanism to coordinate its work with private donors.⁷ They exert growing influence, alongside civil society, international and national NGOs, and others representing broad constituencies, such as Indigenous Peoples organizations. As the development agenda becomes more all-embracing, the private sector – at both the international and the national levels – is yet another dynamic in the changing geopolitical scene, both in terms of financing and implementation capacity. Private firms bring new perspectives on the ‘how’ of effective development.

Examining the new agenda

This chapter concludes by examining the factors that shaped development assistance in the first two decades of the twenty-first century. The second chapter will examine in more detail five areas where attention is focused today and highlight the emerging needs and challenges.

Climate change, conflict and new cooperation

Clearly, the dominant concerns are driven by **climate change and environmental issues**. These have reduced the resilience of food systems, which now urgently need to be transformed. Climate change and natural resource degradation are accentuated by, and contribute to, **conflict and fragility**. This has been particularly evident during 2022 and 2023, both in South Asia and East Africa. The geopolitical changes that are often a consequence of conflict and fragility are also influenced by the growing engagement of emerging bilateral donors and the realignment of countries through **SSTC**. The August 2023 BRICS Summit in South Africa, discussions at the 2023 United Nations General Assembly to assess progress towards the SDGs and the subsequent International Monetary Fund (IMF)/World Bank meeting in Marrakesh provided further evidence of the realignment of countries and changes under way.

⁶ United Nations General Assembly, Economic and Social Council, *Progress towards the Sustainable Development Goals: Towards a rescue plan for people and planet* (2023), <https://hlpf.un.org/sites/default/files/2023-04/SDG%20Progress%20Report%20Special%20Edition.pdf>

⁷ <https://pfm-cfs.org/#what-it-is>.

Finance and equity

Finance has come to the fore, as the immense gap between the needs of the expanded development-humanitarian agenda and the inadequacy of resources has become more evident. The Bridgetown Agenda and other initiatives have focused on finance, in terms of how to raise and allocate finance for development, increase private sector financing, and provide additional approaches and ‘treatments’ to address growing levels of (mainly) bilateral debt as well as multilateral debt. But it is also increasingly evident that **women and young people** are most affected by the failure to address many development issues. They are also foremost among actors confronting these issues. Growing attention to gender equality and empowerment is especially important in rural Africa, where a huge surge in the number of young people coincides with the need to grasp the potential of food system reform to speed up rural development and provide employment across the value chain.

2. Decline and reawakening: The first decade of the twenty-first century

In 1999–2007, some of the lowest-ever levels of ODA in agriculture, forestry and fishing were recorded (Figure 1) as donors increasingly focused on the education, health and infrastructure sectors. The speed and success of economic development in China, Brazil and the “tiger economies” (Singapore, Hong Kong, Taiwan and the Republic of Korea) encouraged donors to expand their development investments to support industrialization. Advocacy for rural development also proved difficult. But poor progress in agricultural development, particularly in Africa, eventually spurred a coordinated revival of engagement with the sector, both at the European Forum on Rural Development Cooperation, which convened for the first time in 2002, and in the World Bank’s Rural Week.

The 2008 *World Development Report* (WDR),⁸ in particular, drew attention to the continuing relevance of agriculture as a fundamental instrument for sustainable development and poverty reduction, and as a vital development tool for achieving the Millennium Development Goals (MDGs).⁹ The report recommended the implementation of programmes that provide support in several areas that remain central to current donor initiatives, namely:

- improving price incentives and increasing the quality and quantity of public investments;
- making product markets work better;
- improving access to financial services and reducing exposure to uninsured risks;
- enhancing the performance of producer organizations;
- promoting innovation through science and technology.

⁸ World Bank, *World Development Report 2008: Agriculture for development* (Washington, D.C.: World Bank, 2007), <https://openknowledge.worldbank.org/entities/publication/ba969388-b5eb-5155-b8f2-6d323a6e5a52>.

⁹ It is no coincidence that the development and publication of the report (with a small financial contribution from the Platform) coincided with the development and structure of the Platform itself, to advocate for both the role of agriculture and rural development and the need for coordinated and strengthened donor support for the sector.

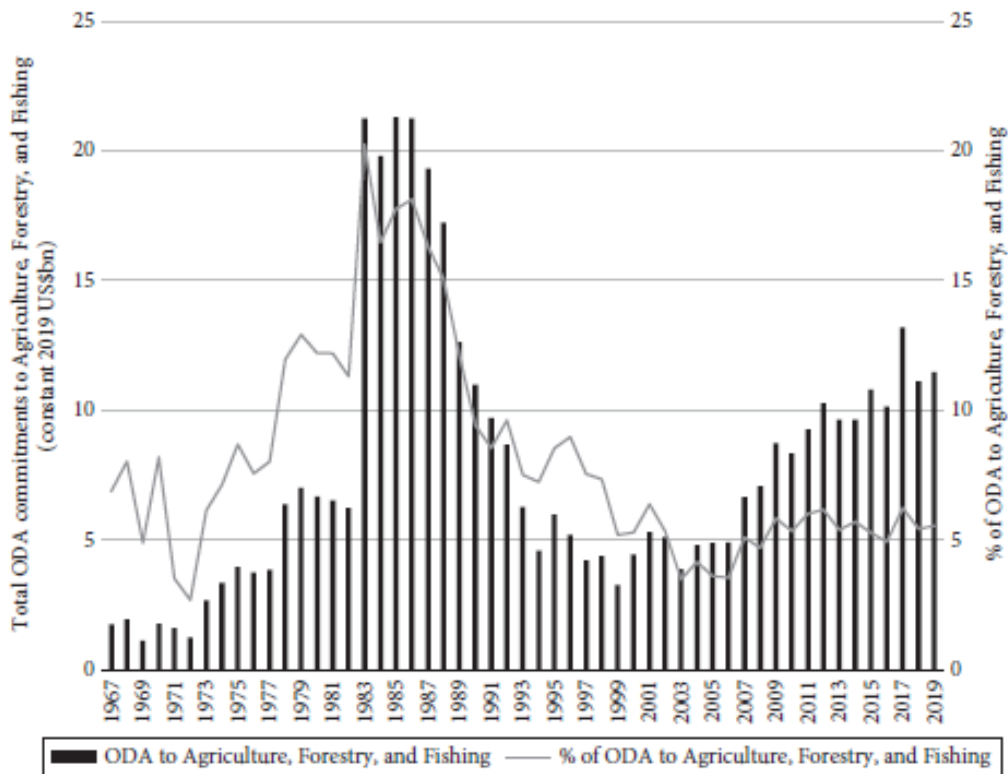


Figure 1 – Declining share of ODA dedicated to agriculture, forestry and fishing, 1967–2019. Source: Based on data from OECD.Stat (<http://stats.oecd.org/>)

The WDR highlighted a theme that emerged at the 1992 Earth Summit in Rio and is still prominent in donor programmes today: agriculture is a major provider of environmental services, sequestering carbon, managing watersheds and preserving biodiversity. It also noted that:

- agriculture’s environmental footprint can be reduced, and environmental services harnessed to create more sustainable production systems, with the right incentives and investments;
- agriculture can be made more sustainable, with minimum trade-offs on growth and poverty reduction, if the many promising technological and institutional innovations are adopted;
- sustainable resource management depends on getting incentives right;
- the widespread adoption of more sustainable approaches is often hindered by inappropriate pricing and subsidy policies and a failure to manage externalities.

The report emphasized that rural areas are economically and socially heterogeneous, and that programmes must also consider links with peri-urban and urban areas, recognizing that large commercial farmers coexist with smallholders. Fifteen years later, *The State of Food Security and Nutrition in the World* (SOFI) report for 2023¹⁰ notes that “increasing urbanization, with almost seven in ten people projected to live in cities by 2050, is driving changes in agrifood systems across the rural-urban continuum ... reflecting the growing connectivity and interlinkages across urban, peri-

¹⁰ FAO et al., *The State of Food Security and Nutrition in the World: Urbanization, agrifood systems transformation and healthy diets across the rural-urban continuum* (Rome: FAO, 2023), <https://www.fao.org/publications/home/fao-flagship-publications/the-state-of-food-security-and-nutrition-in-the-world/en>.

urban, and rural areas". This focus will be complemented by a forthcoming CFS High Level Panel of Experts report, to be presented at the CFS plenary session in 2024, entitled "Strengthening urban and peri-urban food systems".¹¹ This is a subject on which members of the Global Donor Platform for Rural Development (the Platform) have considerable combined expertise and many ideas to contribute.

The diversity of agricultural systems and rural societies continues to shape the operations of Platform members today: they increasingly recognize and respond to and are shaped by the country context. The WDR noted that appropriate programmes would be developed based on a combination of four policy objectives:

- improving access to markets and establishing efficient value chains;
- enhancing smallholders' competitiveness and facilitating their market entry;
- improving livelihoods in subsistence farming and low-skilled rural occupations;
- increasing employment in agriculture and the rural non-farm economy and enhancing skills.

The types of programmatic support, policy objectives and perspectives for developing environmental services advocated by the report, summarized as the "what" of development support, remain evident today. But as Platform members have stated, it is the "how" that remains the challenge. The WDR recognized this, highlighting that stronger governance is needed, particularly in agriculture-based and transforming countries, to implement better agricultural policies. Moreover, the report asserts that although global institutions created for agriculture in the twentieth century have many achievements, they remain poorly prepared to address today's interrelated and multisectoral agendas.

The WDR takes the discussion on "how" further, concluding that institutional reforms and innovations are needed to facilitate greater coordination across international agencies and with the new actors in the global arena, including civil society, businesses and philanthropists. But the report is pragmatic in recognizing that because donors are accountable to constituencies in their home countries they have incentives to support projects and programmes that can be attributed to them. As the Platform has recognized, this can often lead to fragmented, overlapping, discontinuous and sometimes contradictory donor interventions. It puts the Platform at the nexus of the "how" debate and the challenges to addressing it.

¹¹ The High Level Panel of Experts report will provide input to the proposed CFS work programme (subject to final approval in October 2023), which will include proposing a policy guidance document on the topic to members in 2025.

3. 2015: The Sustainable Development Goals refreshed development ambitions

While the objective of MDG 1 was “to eradicate extreme poverty and hunger”, none of the three targets talked of food production, security or nutrition. Moreover, in setting the scene for the development of the SDGs, the United Nations’ *Millennium Development Goals Report 2015* made limited reference to agriculture and concluded that “eliminating the remaining extreme poverty and hunger will be challenging”.

The objective of Sustainable Development Goal 2 (SDG 2), adopted in 2015, is broader in scope than MDG 1. SDG 2 aims to “[e]nd hunger, achieve food security and improved nutrition and promote sustainable agriculture”. Yet, while reflecting progress in conceptualizing food security and nutrition, this also illustrates the complexity of the task and, as discussions over food systems evolve, the narrowness of the ambition. Nevertheless, while SDG 2 is specifically about food security and nutrition, the targets specified by the other 16 SDGs are also indispensable for the success of SDG 2. In particular, income, poverty and gender-related SDGs profoundly affect SDG 2 outcomes. However, there is a lack of indicators on food availability and quality, political commitment and capacity. These could include a “right to food”, the share of the public budget spent on nutrition and allied programmes, early warning systems, and food and nutritional impact indicators (except for the prevalences of stunting and wasting among children, which are included in the targets). Also missing are direct micronutrient intervention indicators, and diagnostic indicators of inadequate food and nutritional outcomes. In particular, SDG 2 pays too little attention to the growing incidence of obesity. Furthermore, the sometimes causal interrelationships of the subtargets of SDG 2 are unclear: growth in agricultural productivity does not necessarily increase the incomes of smallholders or improve nutrition, nor does increased income necessarily enhance nutrition.

Many countries are already off track in achieving SDG 2, and some – particularly small, low-income countries, mainly in sub-Saharan Africa – are projected to remain off track in 2030.¹² In addition, future production will need to be resilient to climate change and natural resource degradation. Achieving more balanced nutrition will require a diverse diet, including fruits, vegetables, meat, fish and poultry, rather than simply increasing calories from four major grains (rice, wheat, corn and soybeans). Poor nutrition and better environmental protection are multidimensional challenges, requiring multisectoral and multilevel approaches.

Efforts to achieve SDG 2 have often lacked coherence. Resources at the disposal of trailing countries to reach the SDGs, especially for supporting food and agriculture, are gravely insufficient. Often, the dynamics of climate change, population growth and rural–urban migration compound the already stretched financial, human capital and institutional challenges that these countries are facing. Moreover, as country priorities (reflected in national plans and/or sectoral strategies) may not coincide with the goals, the domestic resources allocated may be inadequate or spent inefficiently, and donor and private sector funding may not materialize to fill the gap.

¹² Kharas, Homi, John McArthur, and Krista Rasmussen. 2018. “How Many People Will the World Leave Behind?” Report, September 14, Brookings Institution, Washington, DC. <https://www.brookings.edu/research/how-many-people-will-the-world-leave-behind/>.

4. The changing focus of the Sustainable Development Goals from food security and nutrition to include agrifood systems

In 2009, as part of the L'Aquila Food Security Initiative,¹³ the United Nations Secretary-General mobilized the High-Level Task Force on Global Food and Nutrition Security (HLTF) to address the food security challenge. While not formally including bilateral donors and philanthropic organizations, the HLTF has worked closely with the United Nations Rome- and Geneva-based agencies and supported the global development processes. It has placed particular emphasis on developing links between civil society, NGOs, the private sector, donors, regional bodies, development banks and the United Nations system at both the national and the regional levels.

The HLTF thus provided important lessons for the United Nations Secretary-General's 2021 Food Systems Summit, using multi-stakeholder dialogues to feed into the workstreams and discussions. The summit called for the total transformation of global food systems, to achieve environmentally sustainable food production, and nutritious, equitable, healthy food consumption – broadly defined as a “sustainable food system” – while ensuring the health of our planet.

Preparations for the SDG Summit at the September 2023 United Nations General Assembly have drawn attention to the question of “how” to address the challenges, and to questions around governance, meeting the SDGs, confronting climate change, conflict, natural resource degradation, income inequality, persistent poverty and growing hunger. “The achievement of the SDGs is in peril,” the draft declaration stated.¹⁴ “At the midpoint of the 2030 Agenda, we are alarmed that the progress on most SDGs is either moving much too slowly or has regressed below the 2015 baseline.” The draft declaration also notes that “of the roughly 140 targets with data, only about 12 per cent are on track to be achieved by 2030. More than half, though showing progress, are moderately or severely off track and nearly a third have either seen no movement or regressed below the 2015 baseline”.

Progress on SDG 17, “Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development”, a goal that reflects many of the Platform’s aspirations, has been mixed. Funding for development remains a major challenge, with “many developing countries battling record inflation, rising interest rates and looming debt burdens, competing priorities, and limited fiscal space”. In addition, as previously noted, geopolitical tensions and the rise of nationalism in some countries have made international cooperation and coordination harder.

With specific reference to SDG 2, the Secretary-General’s progress report highlights that “to achieve zero hunger by 2030, immediate and intensified efforts are required to transform food systems, ensure food security and invest in sustainable agricultural practices”. Targets 2.1 (access to food) and 2.2 (malnutrition) are off track, as detailed in the SOFI report for 2023. In the meantime, “investment in agriculture”, covered by Target 2.a, is falling. Government expenditure on agriculture

¹³ G7 Research Group, “L'Aquila Joint Statement on Global Food Security: L'Aquila Food Security Initiative (AFSI)”, 9 July 2009, <http://www.g7.utoronto.ca/summit/2009laquila/2009-food.html>.

¹⁴ United Nations General Assembly, Economic and Social Council, *Progress towards the Sustainable Development Goals: Towards a rescue plan for people and planet* (2023), <https://hlpf.un.org/sites/default/files/2023-04/SDG%20Progress%20Report%20Special%20Edition.pdf>.

relative to the agriculture sector's contribution to GDP declined from 0.50 in 2015 to 0.45 in 2021 in all regions except North America and Europe.

It is against this backdrop that the Secretary-General called for accelerated food systems transformation¹⁵ at the United Nations Food Systems Summit +2 Stocktaking Moment in July 2023. The call was addressed to leaders in governments, international financial institutions, farmers' associations, businesses, civil society, scientific institutions, young people, Indigenous farmers and the media. He demanded that they prioritize six areas of action to achieve the urgent overhaul of food systems.:

- Incorporating food systems strategies into all national policies for sustainable development; for people's livelihoods, nutrition, and health; for economic growth, climate action and nature; and to address post-harvest losses – while leaving no one behind.
- Establishing food systems governance that engages all sectors and stakeholders for a whole-of-society approach, combining the short and long term.
- Investing in research, data, innovation and technology capacities including stronger connections to science, experience and expertise.
- Deepening joined-up participatory design and implementation inclusive of women, young people, and Indigenous Peoples at the local level, with knowledge-sharing, cross-sector programming, multi-stakeholder partnering, context- and place-based actions, stronger and more diverse production, and mutual accountability.
- Promote the increased engagement of businesses, including through public-private partnerships, to shape the sustainability of food systems and establish and strengthen accountability mechanisms, recognizing their centrality in food systems.
- Ensure access to short- and long-term concessional finance, investments, budget support and debt restructuring.

Following up on the United Nations Food Systems Summit +2 Stocktaking Moment and assessing what more can be done to support the attainment of the SDGs through coordinated donor programmes, along with country-level SDG prioritization and "pathways",¹⁶ is a critical next step.

¹⁵ United Nations Secretary General, *Secretary-General's Call to Action for Accelerated Food Systems Transformation* (2023), <https://www.unfoodsystemshub.org/docs/unfoodsystemslibraries/stocktaking-moment/unsg-call-to-action-food-systems-summit-2-stocktaking-moment.pdf>.

¹⁶ A key action from the Food Systems Summit was supporting national mechanisms that develop and implement national pathways to 2030 that are inclusive and consistent with countries' climate commitments, building on the national food systems dialogues.

Chapter 2: Understanding the new agenda

1. Climate change and environmental issues

“Historically, [the] policy focus and actions on food security have been cyclical, with attention to food policies growing in periods of food shortages and waning with surpluses”.¹⁷ Today, climate change, soil degradation, biodiversity loss and increasing water scarcities have turned into long-term threats to agriculture and other sectors, becoming more frequent, and potentially perpetual.

The United Nations’ July 2023 report on progress towards the SDGs¹⁸ states “The world is on the brink of a climate catastrophe, and current actions and plans to address the crisis are insufficient. Without transformative action starting now and within the current decade to reduce greenhouse gas emissions deeply and rapidly in all sectors, the 1.5° C target will be at risk and with it the lives of more than 3 billion people”.

Where does that leave SDG 13, on climate action? Although SDG 2 includes strengthening capacity for adaptation to climate change and biodiversity conservation (Target 2.4), little detail is given about how this should be facilitated or monitored.

Climate change and natural resource degradation have reduced the resilience of food systems. But they have also sharpened our understanding of the complexity of food and nutrition security. The situation today calls for transformative change in research, information and outreach, political commitment, and financial and institutional capacity to achieve sustainable and equitable food systems. To date, change has been incremental, not transformative. A central message of the Food Systems Summit 2021, and the intensive discussions through the related action tracks and initiatives, such as the Agrobiodiversity Cluster, was that transformation is now imperative. The boundaries between the parts of the agrifood system vary depending on the problem: climate-smart agriculture requires the inclusion of different skill sets and stakeholders from health and nutrition, already largely mainstreamed into the food security agenda.

The summit also elucidated and validated the agrifood systems approach, illustrated in Figure 2. The diagram shows the interacting paths that food travels, from the farmer’s field to consumers’ plates. They involve growing, harvesting, processing, packaging, transporting and marketing, through a combination of production, trade and aid, consumption and disposal. The use of food systems as a basis for analysis enables the identification of the inputs needed to undertake the activities related to the production, processing, distribution, preparation and consumption of food. It also facilitates the identification of the outputs at each step of the food system and recognizes that food systems operate within, and are influenced by, social, political, economic and natural environments. But if we want to achieve sustainable and equitable food systems, we also need to transform research, information and outreach, political commitment, and financial and institutional capacity.

¹⁷ Lele, U. et al., *Food for All: International organizations and the transformation of agriculture* (Oxford: Oxford University Press, 2021), <https://global.oup.com/academic/product/food-for-all-9780198755173?cc=it&lang=en&>.

¹⁸ United Nations General Assembly, Economic and Social Council, *Progress towards the Sustainable Development Goals: Towards a rescue plan for people and planet* (2023), <https://hlpf.un.org/sites/default/files/2023-04/SDG%20Progress%20Report%20Special%20Edition.pdf>.



Agriculture is of course a contributor to adverse environmental impacts, for example greenhouse gas (GHG) emissions and loss of biodiversity through land use changes. In addition, agricultural practices can lead to soil degradation, water pollution and emissions. Yet, through improved policies and strategies, agriculture can protect the environment against each of these. The Strategy on Climate Change 2022–2031¹⁹ of the Food and Agriculture Organization of the United Nations (FAO), in endorsing an agrifood systems approach, further developed this idea, noting that agrifood systems can continue “producing, processing, marketing and consuming safe and nutritious foods”. But it must also “address concerns related to greenhouse gas emissions, particularly carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O)”. This can be achieved through reducing ecosystem conversion, by increasing the use of on-farm energy and by reducing food loss and waste.

The FAO strategy, recognizing that “climate change and biodiversity loss are interconnected challenges that should be addressed jointly”, also notes that “agrifood systems already contribute to climate change adaptation, mitigation and sustainable development”. This is achieved through “sustainable production of food and bioenergy, sustainable forest management, landscape restoration, reduced deforestation and forest degradation, agroforestry, sustainable management

¹⁹ FAO, *FAO Strategy on Climate Change 2022–2031* (Rome: FAO, 2022).

and restoration of high-carbon ecosystems, such as peatlands, wetlands, rangelands, mangroves and forests, reclamation of degraded soils, and reduced food loss and waste”.

The FAO strategy, endorsed by its member states, also recognizes two key perspectives of how the response to climate change should be implemented at the country level. These perspectives have implications for how Platform members may engage. The strategy states that it is important that countries themselves:

- implement, monitor and report their climate commitments as outlined in their agrifood system strategies and/or climate change strategies;
- mainstream climate resilience, adaptation and mitigation in their policies and legislation, plans, programmes, practices, and domestic and international investments across agrifood systems.

The country-driven commitments and plans in support of the 2015 Paris Agreement (adherence to the Busan principles of cooperation in support of development should not be overlooked) include nationally determined contributions (NDCs), national adaptation plans and nationally appropriate mitigation actions. The resulting formal submissions by Kenya and Rwanda are revealing: in line with the 2015 Paris Agreement, the submission of Kenya’s updated NDC in December 2020, which updated its December 2016 statement, commits it to abating GHG emissions by 32 per cent by 2030. These mitigation and adaptation actions are costed at US\$62 billion, with Kenya committed to meet 13 per cent of this budget. Rwanda’s updated NDC of May 2020 commits it to abating GHG emissions by 16 per cent by 2030. This was to be financed by mobilizing domestic resources (US\$4.2 billion), with the abatement of a further 22 per cent dependent on international funding and support (at a cost of US\$6.9 billion).

The submission of “intended NDCs” by both Kenya and Rwanda, as parties to the United Nations Framework Convention on Climate Change, confirms two points highlighted in the FAO strategy.

- First, there is a need at the country level for an effective measuring, reporting and verification framework, enabling the country to monitor the effectiveness of its mitigation and adaptation measures. This includes “supporting the development of monitoring and evaluation, and emissions and carbon sequestration measuring, reporting and verification systems, including CO₂ and other greenhouse gas metrics under the enhanced transparency framework and other international reporting frameworks”.
- Second, FAO states that it will provide countries with access to financial resources to carry out adaptation and mitigation measures at scale through leveraging evolving financing sources and mechanisms; and that it will support countries to prioritize and allocate international and domestic finance for climate action across agrifood systems.

Some innovative sources (financing carbon markets, public-private partnerships and ecosystem services such as rangeland carbon capture in northern Kenya) are being developed. Other sources of funding for biodiversity conservation and water management, such as taxes on transactions, airlines and carbon auctions, have rarely been explored. As noted by the FAO strategy, this would require “support to countries to identify and establish strategic public and private partnerships with regional, national and local organizations, including farmers’ organizations, civil society, RBAs

[Rome-based, food-related United Nations agencies] and other United Nations agencies, research organizations and financial institutions and ... South–South and Triangular Cooperation for accelerating climate action”. This offers ample opportunity for Platform members acting collectively at the country level.

2. Conflict and fragility

A surge in extreme hunger and malnutrition has been exacerbated by the grave situation in conflict-affected, post-conflict and fragile countries and regions, including Afghanistan, South Sudan, Yemen and north-eastern Nigeria, and, most recently, Ethiopia, Sudan and Niger.²⁰ Fragile states are particularly affected, notably among countries in sub-Saharan Africa that lack resources. Over the past decade, the number of fragile states has surged. Each has different internal dynamics and faces different challenges. When conflict interacts with the climate emergency, extreme weather events, infectious diseases and competition for access to valuable resources such as water and arable land, severe food insecurity deepens.²¹ Most of the largest emergency operations of the World Food Programme (WFP) take place in conflict-affected areas: 10 out of 13 of the world’s main food crises are driven by conflict.²²

In conflict situations, severe hunger and malnutrition often spread quickly to neighbouring places, resulting in forced displacement and migration; for example, the current conflicts in Sudan are affecting neighbouring Kenya. Without an urgent response, conflict-driven hunger not only kills people but also destroys food systems. Fragility, conflict and violence threaten efforts to end extreme poverty in both low-income countries and MICs.

The proportion of extremely poor people who live in conflict-affected situations is expected to rise by around half by 2030. According to the Organisation for Economic Co-operation and Development (OECD), countries in fragile situations were home to 460 million people living in extreme poverty in 2020, or 76 per cent of the worldwide total.²³ An estimated 23 per cent of the world’s population live in fragile situations, and even before the shock of COVID-19 most of these countries were on track to meet just one SDG: SDG 13, on climate action.²⁴ Progress was particularly poor on SDG 2 (zero hunger), SDG 3 (health) and SDG 5 (gender equality).

As the CFS noted in 2015,²⁵ a long-term, holistic approach is needed to solve structural problems that contribute to food insecurity, such as political and economic shocks, depleted natural resources and socioeconomic exclusion because of conflict. It thereby recognizes the continued and growing

²⁰ von Grebmer, K. et al., *Global Hunger Index: Hunger and food systems in conflict settings* (Bonn: Deutsche Welthungerhilfe, Dublin: Concern Worldwide, 2021), <https://www.globalhungerindex.org/pdf/en/2021.pdf>.

²¹ FAO and WFP. 2023. FAO-WFP Anticipatory Action Strategy. Scaling up anticipatory actions to prevent food crises – September 2023. Rome. <https://doi.org/10.4060/cc7635en>

²² WFP (World Food Programme), *Fact Sheet: Hunger & conflict* (Rome: WFP, 2019), <https://docs.wfp.org/api/documents/WFP-0000105972/download/>.

²³ OECD (Organisation for Economic Co-operation and Development), *States of Fragility 2022* (Paris: OECD Publishing, 2022), <http://www.oecd.org/dac/states-of-fragility-fa5a6770-en.htm>.

²⁴ The indicator for Target 13.2, “Integrate climate change measures into national policies, strategies and planning”, is the number of countries with NDCs. It should be noted that while the majority of parties to the United Nations Framework Convention on Climate Change have completed their NDCs, the funding for their implementation is largely absent.

²⁵ CFS (Committee on World Food Security), *Framework for Action for Food Security and Nutrition in Protracted Crises* (2015).

need for emergency assistance, particularly to tackle urgent unexpected challenges, including climate-related and other disasters, intrastate conflicts and the threat of terrorism originating in, and aided by, failed states.²⁶ Given the growing number of fragile/failed states, a more seamless transition is needed in international assistance from emergency relief to rehabilitation, reconstruction and development to ensure development gains are not reversed by humanitarian emergencies.

One problem is that in most donor countries humanitarian assistance comes from a different financial “pocket” than development assistance. Structurally, this raises concerns about where food assistance belongs within the food security architecture of the Rome-based institutions, the humanitarian and relief agencies of the United Nations and the NGO community, including humanitarian aid organizations such as the International Rescue Committee. The issue of financial sourcing is further complicated by actual aid flows: on average, a country that experienced 20 years of violence also experienced twice the volatility in aid of a country that did not experience violence. Revenue volatility is costly for all governments but particularly affects those in fragile situations, where it may derail reform efforts and disrupt institution-building.²⁷

Short-term humanitarian emergency responses are vital but ultimately insufficient. These operations typically address immediate crises but fail to build lasting and sustainable food systems. The distinction between humanitarian and development assistance has become increasingly blurred. Development assistance has begun to address food (in)security, while humanitarian assistance increasingly seeks to enhance resilience, using food assistance and cash transfers to create better livelihood security. Cash transfers have increased, and there is greater interest in moving from providing short-term relief towards providing longer-term social protection, safety nets and nutritional interventions (such as school lunches) and generating incomes.

The WFP, for example, has defined its resilience-building approach (the way activities are conceived and designed, and aligned with governments’ and partners’ plans and actions) to mitigate the damaging effects of shocks and stressors before, during and after crises. This approach minimizes human suffering and economic losses.²⁸ It focuses on the ability of countries to absorb, adapt and transform, ensuring that shocks and stressors do not have long-lasting adverse consequences for their development. The approach explicitly seeks to bridge the humanitarian and development divide.

Evolving discussions on the scope and content of resilience-building initiatives also recognize the weaknesses and vulnerabilities of agriculture and food systems, and the increasing number of calls to improve these systems, to enhance their resilience. This means making them more capable of recovering, adapting and transforming in the face of shocks – as well as more equitable and sustainable – so that they can support all dimensions of food security. It also means, at the operational level, supporting and diversifying sources of inputs, production, markets, the supply

²⁶ Neither the United Nations nor international financial institutions define or use the term “failed states”, preferring to use the term “fragile states” both due to definitional issues and due to the political and legal consequences of the term “failed states”. Nevertheless, the term is usually associated with state collapse, with a lack of political structure leading to the inability of the state to provide or manage functions such as education, security or governance.

²⁷ World Bank, “Fragility, conflict & violence”, <https://www.worldbank.org/en/topic/fragilityconflictviolence/overview>.

²⁸ WFP, *Draft Policy on Building Resilience for Food Security and Nutrition* (Rome: WFP, 2015).

chain and key players, and supporting the creation of small and medium-sized companies, cooperatives and other groups to ensure both agriculture and food value chains are more diverse, with more capacity for substitution in the event of disruption.

The growing understanding that fragile and conflict-affected states have their own internal dynamics and special challenges puts a premium on the analyses and diagnoses that are needed to develop customized solutions appropriate to country contexts and challenges. These are seen as key to implementation, providing feedback loops and enabling flexible responses.²⁹ New approaches are also needed for subnational conflicts (in both low- and middle-income countries), which are often not included in national definitions of conflict or fragility or national initiatives. A focus on national solutions may often fail because in fragile societies the capacity to implement change is very limited.

Programmes work best in districts with competent and engaged leadership. Though the capacity of provincial and district authorities may be limited, with help and capacity development, provincial and district governments can make local development happen.

This requires donors to have processes and procedures for providing additional (localized) capacity and budget support for programmes that can develop long-term capacity. Procedural reforms may also be needed so that more authority can be delegated to donor staff at the country level, allowing them to respond to and manage issues that emerge when implementing programmes, particularly in procurement, as they arise. This may also require donors to reassess internal staff promotion and deployment strategies to incentivize international and national staff to take up and stay in positions in fragile and conflict-affected countries. Donors may need to ensure assignments are of adequate duration to build the necessary relationships and trust with local institutions (both formal and informal). Subsequently, it also means recognizing in staff performance reviews the value of well-prepared and well-implemented programmes in challenging environments.

Finally, the development and use of results frameworks for programmes in fragile and conflict-affected countries may help identify when regions and/or countries are beginning to escape fragility and conflict. Conflict- or fragility-sensitive indicators should be based on a thorough assessment of drivers and risks of fragility and conflict. For example, if the identified drivers of fragility are weak state capacity or competition for natural resources such as land, possible fragility-sensitive indicators could be citizens' feedback about the quality of service delivery, citizens' perception of improvements in state capacity or citizens' grievances about land or other resources.

3. South-South and Triangular Cooperation

The antecedents of South-South and Triangular Cooperation (SSTC) initiatives include the Non-Aligned Movement, established in 1961.³⁰ SSTC has been given further prominence by the 2030 Agenda for Sustainable Development (including through its focus on multi-stakeholder

²⁹ Asian Development Bank, *2022 Annual Evaluation Review: Fragile and conflict-affected situations and small island developing states* (Asian Development Bank, 2022).

³⁰ The grouping of the world economies of BRICS, formed in 2010, can also be considered an expression of renewed interest by a number of emerging economies in influencing the world's development.

partnerships) and, more recently, the United Nations System-wide Strategy on South-South and Triangular Cooperation for Sustainable Development (2021). As noted by IFAD in its own SSTC strategy,³¹ agricultural and rural development provide many opportunities for countries to collaborate, often triggered by international cooperation in agricultural research and development. Research and development capacities in countries such as Brazil, China and India remain an underused resource for South-South cooperation.

The Brazilian Agricultural Research Corporation (Embrapa) led early South-South collaboration with African countries. Since 2010, it has evolved into the Africa-Brazil Agricultural Innovation Marketplace programme. This programme has now been superseded by the Building on the Successes of the Marketplace programme to extend the financing available and enable the wider adoption of positive practices. In 2023, the Forum for Agricultural Research in Africa and Embrapa announced a further partnership, building on MKTPlace and M-BoSs, to promote agricultural research and innovation and engage with other stakeholders, including the African Development Bank as a triangular partner.

China and India each have substantial bilateral and trilateral programmes in Africa, including collaborations in agriculture and climate change. Similarly, the Republic of Korea and Taiwan cooperate in rice production. An agriculture partnership (the Feed the Future – India Triangular Training programme, created in 2016) established a long-term farmer-to-farmer exchange programme including triangular cooperation to find innovative solutions to address food security and nutrition issues, with a pilot stage focused on Kenya, Liberia and Malawi. Like IFAD programmes and others, this programme recognizes the need to enhance non-lending activities such as knowledge management, policy dialogue and partnerships, which are particularly important in middle- and upper-middle-income countries as national incomes increase. Similarly, the WFP’s approach to SSTC, through its centres of excellence in Brazil, China, and Côte d’Ivoire, promotes the direct exchange of knowledge, experiences, skills, resources and technical know-how.

In recent years, the type and scope of SSTC engagement has continued to grow and evolve, particularly among emerging economies. This is in contrast with traditional ODA approaches developed by OECD donors. One advantage of SSTC is that it appears to be free of the frequent ties and sometimes implicit, if not explicit, political ramifications of bilateral aid. However, it is becoming increasingly clear that some cooperation has become more focused on bilateral capital transfers (of both public and private capital), especially for infrastructure investments promoted as “turnkey” investments. To date, this has largely been led by China, with terms and conditions that have implications for debt management. Consequences for debt relief and subsequent difficulties in obtaining debt treatments needed to restore debt sustainability are now emerging.

This evolution in the type and scope of engagement was also highlighted through a declaration at the BRICS Summit in Johannesburg in August 2023, under the theme “BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism”. The declaration’s 26 pages³² covered the complete spectrum of global issues and concerns and included

³¹ IFAD, IFAD South-South and Triangular Cooperation Strategy 2022–2027, <https://www.ifad.org/en/-/documents/sstc-strategy-2022-2027>.

³² BRICS, Johannesburg II Declaration, <https://www.thepresidency.gov.za/content/xv-brics-summit-johannesburg-ii-declaration-24-august-2023>.

the “commitment to strengthen agricultural cooperation and promote sustainable agriculture and rural development of BRICS countries for enhancing food security both within BRICS and worldwide”. In addition, and with reference to the previous discussion on financing for climate change in Kenya and Rwanda, the declaration called on “developed countries to fill outstanding gaps in means of implementation for mitigation and adaptation actions in developing countries”. This extends to support for the implementation of nationally determined contributions. The membership of BRICS is set to expand. The declaration at the summit invited Argentina, Egypt, Ethiopia, the Islamic Republic of Iran, Saudi Arabia and the United Arab Emirates to become full members of BRICS from 1 January 2024.

However, while this extended and diverse membership is an example of a change in the world order, the *Financial Times* observed that “enlarging a grouping does not automatically make it more powerful. The G20, which largely replaced the G7 as the world’s foremost economic policy forum in 2008 during the global financial crisis, is beset by entrenched differences. Consensus cannot be reached purely by fiddling with structures or expanding membership. A global steering committee needs to start with internal consensus.”³³

The United Nations system-wide strategy may not offer the best basis for comparative assessments, as the action plan and its results framework are explicitly designed “to allow the monitoring of [the] implementation of the strategy by the United Nations System”.³⁴ As the strategy does not provide dates or targets, there is limited scope for assessing the outcomes and impact of its objectives, which include strengthening the United Nations’ ability to respond to developing countries’ demands; strengthening institutional, human and technical capacities in countries of the South; improving the exchange of experiences, know-how and appropriate technologies; and increasing the number of SSTC programmes and initiatives developed and facilitated by countries from the South with support from the United Nations system.

There is a growing need to be able to assess SSTC initiatives, including through systematic comparative studies of how Northern and Southern countries cooperate both directly and through triangular programmes, in order to identify their strengths and weaknesses. Monitoring and evaluation would establish clear and transparent objectives and help traditional donors assess how they can change their policies. This raises the matter of how SSTC should be monitored, particularly at the country level and considering local contexts, and the role that the Platform could or should play.

³³ Financial Times, “The Brics don’t stack up as a committee to run the world”, 23 August 2023, <https://www.ft.com/content/dc227378-6e08-46bd-abc0-77344b1cac28>.

³⁴ United Nations Office for South-South Cooperation, *United Nations System-wide Strategy on South-South and Triangular Cooperation for Sustainable Development* (2021), <https://www.unsouthsouth.org/wp-content/uploads/2021/04/United-Nations-system-wide-strategy-on-South-South-and-triangular-cooperation-for-sustainable-development-2020-2024.pdf>.

4. Finance

Since the mid-1980s, aid to agriculture has fallen to US\$11.4 billion (constant 2017) from US\$20.8 billion. However, since the 2007–2008 crisis, the data have suggested that the decline has slowed: in 2017, aid to agriculture reached a peak among recent years of US\$12.8 billion (constant 2017).³⁵ The share of ODA invested in agriculture declined sharply from 20.2 per cent in 1983 to just 5.7 per cent in 2018 (see Figure 1). Over 2009–2018, aid flows to agriculture primarily targeted sub-Saharan Africa (39.3 per cent) and South and Central Asia (19 per cent).

Global development assistance has become less targeted towards agriculture over time. According to the OECD, in 2018³⁶ total aid commitments to agriculture, forestry and fishing³⁷ amounted to US\$11.4 billion (constant 2017), of which bilateral ODA from the OECD's Development Assistance Committee (DAC) countries amounted to US\$6.1 billion (54.8 per cent). Multilaterals contributed nearly US\$5 billion, or 44.2 per cent, down from 50.4 per cent in 1995. This seems to indicate that multilaterals are contributing less ODA. However, if all sectors (including rural development, developmental food assistance and emergency food aid) are included, then from 2016 to 2019 aid to agriculture and rural development and food security amounted to US\$18.8 billion per year on average. This is a vast increase from previous decades, amounting to more than double the US\$8.3 billion per year in 1995–2000, largely due to emergency food assistance.

The issue of financing becomes acute when a food systems lens is applied. The DAC Creditor Reporting System database is the main resource for understanding development funding flows, with the objective to “provide a set of readily available basic data that enables analysis on where aid goes, what purposes it serves and what policies it aims to implement, on a comparable basis for all DAC members”.³⁸ However, the database classifies all data by specific DAC purpose codes, and currently DAC codes do not clearly provide an understanding of funding flows to food systems. As the Platform highlighted, “Current data systems provide a limited capability to assess the balance and relative merits of different types of food systems investments.”³⁹ The Platform's analysis indicated that “investments in food systems ... remained proportionally consistent, at roughly 8 per cent of total aid”, from 2010 to 2019. An analysis by sector shows that emergency food aid has surged, but funding for rural development has fallen. Note that the DAC categorizes IFAD's funding as for agriculture, not rural development. In the short term, changes in DAC coding practices are unlikely to change. But there is a clear opportunity to provide support at the country level, especially with those countries that have developed national pathways, through national institutions, for monitoring and recording initiatives that finance food systems. This would help build capacity and create national databases.

³⁵ DAC Creditor Reporting System Aid Activity database, based on data from OECD.Stat (<http://stats.oecd.org/>).

³⁶ OECD, *Global Outlook on Financing for Sustainable Development 2019: Time to face the challenge* (Paris: OECD Publishing, 2018), <https://www.oecd-ilibrary.org/docserver/9789264307995-en.pdf>.

³⁷ The DAC's definition of aid to agriculture, forestry and fishing excludes rural development (classified as multisector aid), developmental food assistance (classified as general programme assistance) and emergency food aid (classified as humanitarian assistance).

³⁸ DAC Creditor Reporting System Aid Activity database, https://www.oecd-ilibrary.org/development/data/creditor-reporting-system_dev_cred_data-en.

³⁹ Global Donor Platform for Rural Development, *Donor contributions to food systems* (2021), <https://www.donorplatform.org/featured/report-on-donor-contributions-to-food-systems/>.

In summary, “traditional” OECD ODA has become a smaller part of overall funding flows to developing countries, since the peaks reached in the 1980s, and has declined in relative, and, in some cases, absolute terms. But even as the contribution of international organizations to total agricultural ODA has been shrinking, other financing sources have grown and diversified in recent years. Financing for agriculture comes from (i) the growing domestic economies of developing countries; (ii) increasing private (legal and illegal) capital flows from developed to developing countries; (iii) philanthropic organizations; (iv) increasing South-South cooperation; and (v) remittances. In addition, support for nutrition increasingly comes through direct nutrition programmes and cash transfers, and support for the environment through financing for biodiversity conservation, climate change mitigation and adaptation (through the Global Environment Facility (GEF) and the Green Climate Fund) and forest and landscape management.

As a result, the challenge for donors, particularly in the context of agrifood system transformation, is twofold. First, donors must identify and coordinate different funding flows into a programme that can leverage national government expenditures to promote well-coordinated interventions across multiple sectors. Second, interventions must recognize an evolving systems approach to agricultural productivity growth and poverty and hunger reduction. This also requires recipient countries to provide adequate funding to the agricultural sector. While signatories to the Maputo Declaration on Agriculture and Food Security committed to allocating at least 10 per cent of national budgets to agriculture and rural development, only 7 of 54 countries have committed consistently. As Kanayo Nwanze, then IFAD President, remarked in 2014: “Don’t just promise development, deliver it, and make it happen now. Make real, concrete progress toward investment that reaches all Africans. Investments that prioritize rural people.”

The mobilization of domestic private sector resources is vital to this approach, but economic growth in developing countries has not necessarily resulted in more resources for agricultural/rural development. Investment in agriculture is being crowded out by competition from other sectors that need large-scale capital and promise both quick disbursements from funders and quick returns for investors (such as tourism and local private health-care facilities). The result: public goods in agriculture have been, and continue to be, underfunded by donors, governments and local investors alike. How can private investments at the national and country level be developed through public-private initiatives? Can a collective donor approach combining advocacy and financial (and knowledge) engagement assist?

The new challenges arising from climate change and biodiversity loss have put sources and levels of financing at the centre of both the United Nations Framework Convention on Climate Change’s COP 27 and the Convention on Biological Diversity’s COP 15 discussions. At COP 27, new funding arrangements were proposed with an expanded donor base to help vulnerable communities facing loss and damage caused by climate change. But so far, following the Bonn meetings, no agreement has been reached on who should host the network to address loss and damage. Many developing countries called for the creation of a standalone fund for biodiversity. However, attendees of the Convention on Biological Diversity’s COP 15 in Montreal agreed rather to create a fund within a fund, with financing targets of US\$30 billion by 2030 and US\$20 billion by 2025. The GEF Council has since created the Global Biodiversity Framework Fund, launched in August 2023 at the GEF’s assembly in Vancouver, with an immediate focus on the scale of contributions from donors.

Changing and increasing financial needs continue to be a topic of discussion between multilateral development banks (MDBs), including the World Bank; shareholders; and borrowing countries. The debate centres especially around expanding the MDBs' focus on the climate and, indeed, on biodiversity. One concern is that the efforts to tackle climate change should not overshadow the broader objectives of MDBs. But the counter argument is that these global challenges are inextricably linked both to the traditional focus of MDBs on poverty reduction and to attaining the SDGs.

Approaches being considered include greater use of concessional resources and grants. This would allow middle-income countries (which are usually excluded from highly concessional borrowing from MDBs and IFAD) to receive concessional lending for climate change mitigation (in particular). The Asian Development Bank, in the meantime, is piloting a new model of raising funds that will let it lend an additional US\$15 billion for climate projects. The bank would take US\$3 billion in pledges and leverage it by borrowing the balance on capital markets. MDBs usually follow a country-based lending model (with some regional lending). But MDBs could support both global and regional entities, rather than only national governments. Similarly, multilateral banks could also lend to provinces.

There have been discussions, both at the IMF/World Bank 2023 spring meetings and subsequently as part of the Global Sovereign Debt Roundtable, about the need for debt relief. Some African countries have highlighted this issue during talks about MDBs and their practices, and at the Summit for a New Global Financing Pact in France in June 2023.⁴⁰ One issue has been that not all bilateral creditors, which in some instances have the most debt at the country level (for example, China is Zambia's biggest creditor, owed US\$4.1 billion out of a total debt of \$6.3 billion), have agreed to participate in modifying debt obligations. The rise of China as a global donor and investor is perhaps the most striking element of the changed landscape for MDBs and other international institutions. China has modified its previous position that MDBs should also write off part of the debts owed to their own institutions (taking a "haircut") and offer more concessional lending and grants to indebted nations (in line with the concepts of the Debt Sustainability Framework). However, this will put more pressure on MDBs' shareholders and members to compensate for reduced repayments of capital and interest.

In efforts to increase funding for biodiversity, an increasing number of developing countries have agreed to "debt for nature" swaps. For example, with support from the Inter-American Development Bank and the U.S. International Development Finance Corporation, Ecuador completed a debt conversion that will allow the country to re-allocate national financial resources from repayments to long-term marine conservation in the Galápagos Islands. This mechanism has also been used by Belize and Barbados, and the WFP is informally exploring "debt for food" approaches with national governments and bilateral donors.

⁴⁰ France Diplomacy, Ministry for Europe and Foreign Affairs, "France calls for the adoption of a New Global Financing Pact (22–23 June 2023)", [https://www.diplomatie.gouv.fr/en/french-foreign-policy/development-assistance/news/2023/article/france-calls-for-the-adoption-of-a-new-global-financing-pact-22-23-06-23#:~:text=2023-,France%20calls%20for%20the%20adoption%20of%20a%20New%20Global,\(22%20%E2%80%93%2023%20June%202023\)&text=At%20the%20initiative%20of%20its,22%20and%2023%20June%202023](https://www.diplomatie.gouv.fr/en/french-foreign-policy/development-assistance/news/2023/article/france-calls-for-the-adoption-of-a-new-global-financing-pact-22-23-06-23#:~:text=2023-,France%20calls%20for%20the%20adoption%20of%20a%20New%20Global,(22%20%E2%80%93%2023%20June%202023)&text=At%20the%20initiative%20of%20its,22%20and%2023%20June%202023).

The increased attention to donor support and debt levels has focused attention on the publication of financial information, data and debt details. Reporting on traditional sources of ODA for agriculture (through the OECD) is much easier than for ODA from emerging countries. Detailed data on China's growing financial engagement, and on foreign direct investment, land purchases and private philanthropy are scarce. In 2011, leading multilateral and bilateral donors, through the International Aid Transparency Initiative (IATI), committed in Busan to making their aid transparent. In 2020, IATI reported a significant improvement in aid donors' overall transparency compared with 2018. But while the transparency of major aid agencies has improved, the transparency of the IATI on the impact of its aid projects (in 2014, 2018 and 2020) has decreased. It also remains difficult to estimate support for the IATI's new themes, including nutrition and the environment, and for agricultural adaptation to climate change.

The discussion on progress towards the SDGs by 2030 and the SDG Summit at the autumn 2023 United Nations General Assembly focused on "financing for development". This included how MDBs should best respond to the need for additional finance to meet the SDGs and how to address and finance the global challenges of food security, climate change and conflicts, while at the same time addressing increasingly unsustainable levels of global and national debt. Suggested solutions include the Bridgetown Initiative, which proposes the creation of new instruments and the reform of existing institutions to finance climate resilience and the attainment of the SDGs through increasing liquidity (through special drawing rights). Also suggested are increasing lending (primarily through the MDBs), and the reform of international financial institutions. The Bridgetown Agenda⁴¹ includes disaster and pandemic clauses in all loans issued by major lenders, to ensure automatic debt suspension in the event of climate or other significant disruptions. Formal discussions of these proposals will take place at the IMF meetings in Morocco in October 2023, if they go ahead.

5. Gender and youth

In 2021, over 42 per cent of sub-Saharan Africa's population was below the age of 15. In contrast, under-15s comprised just 18 per cent in Europe, Central Asia and North America. In Africa, the median age is below the global average (25 years) at around 20 years, while in Europe the median age in 2022 was 44.

Therefore, in 2022 the CFS declared a continuing focus on young men and women, stating that "young people are key to promoting sustainable food systems, [and] ensuring renewal in the agricultural sector", and that "investing in young people and strengthening their participation in decision-making processes, is key to contributing to food security and nutrition, poverty eradication, employment generation, [and the] sustainability and resilience of agriculture and food systems".⁴² However, it noted that "many young women and men have limited access to, and control over land, natural resources, infrastructure, markets, insurance, finance, technology, knowledge and skills". The importance of gender equality and women's and girls' empowerment to achieve sustainable

⁴¹ <https://pmo.gov.bb/wp-content/uploads/2022/10/The-2022-Bridgetown-Initiative.pdf>

⁴² CFS, CFS Policy Recommendations on Promoting Youth Engagement and Employment in Agriculture and Food Systems for Food Security and Nutrition (2022).

development was emphasized by the international community through the adoption of gender equality as a stand-alone goal (SDG 5) in the 2030 Agenda for Sustainable Development. This perspective was also endorsed by the CFS, which noted that “a growing body of evidence demonstrates the mutually reinforcing links between gender equality and women’s and girls’ empowerment and food security and nutrition”.⁴³

FAO has estimated that productivity gains of up to 30 per cent can be achieved if farming systems treat women equally and use locally available resources and natural biophysical processes. According to estimates, on average 43 per cent of the agricultural labour force in developing countries is female. The FAO said: “The agriculture sector is underperforming in many developing countries, in part, because across countries and contexts, women have consistently less access than men to agricultural assets, inputs, and services and to rural employment opportunities.”⁴⁴ The implications are enormous: “Increasing women’s access to land, livestock, education, financial services, extension, technology, and rural employment could increase yields on their farms by 20–30 percent and raise total agricultural output in developing countries by 2.5–4 percent, which alone could lift 100–150 million people out of hunger and generate gains in food security, economic growth, and social welfare”.⁴⁵

However, other research has noted that the “average age of farmers in Africa is estimated by some sources to be as high as 60, and few in the large and growing African youth population are interested in agriculture”. Though more young people are being educated, “education systems do not prepare them for farming (and may even orient them away from it)”.⁴⁶ This suggests a tremendous need and opportunity to create employment in sustainable food systems for women and young people across the agrifood system, in rural, peri-urban and urban work environments. Opportunities need to be more youth-oriented, more open to women and more diverse. The increased demand for high-value crops, such as fruits and vegetables, and for value added processed products, including in rural areas, has led to a significant increase in longer, more formal and more complex food value chains. These provide greater income opportunities for off-farm employment, especially for women and young people, and increase the variety of nutritious foods that are produced.

For example, drawing on the 2023 SOFI report, the OECD states that in sub-Saharan Africa employment in off-farm agrifood systems is currently growing more rapidly than employment in farming itself.⁴⁷ This is seen as “a clear manifestation of agrifood systems transformation”. Employment in off-farm activities, most often in small and medium-sized enterprises (SMEs), includes post-farm gate jobs in food processing, wholesale, logistics, retail and food service, and

⁴³ CFS, CFS Policy Recommendations: Gender equality and women’s and girls’ empowerment (2023). <https://www.fao.org/3/nn162en/nn162en.pdf>

⁴⁴ Lele, U. et al., *Food for All: International organizations and the transformation of agriculture* (Oxford: Oxford University Press, 2021).

⁴⁵ FAO, *The State of Food and Agriculture: Women in agriculture – Closing the gender gap for development* (Rome: FAO, 2011).

⁴⁶ ACET (African Center for Economic Transformation), *African Transformation Report 2017: Agriculture powering Africa’s economic transformation* (Accra, Ghana: ACET, 2017), <http://acetforafrica.org/acet/wp-content/uploads/publications/2017/10/ATR17-full-report.pdf>.

⁴⁷ Allen, T., Heinrigs, P. and Heo, I., *Agriculture, food and jobs in West Africa* (Paris: OECD, 2018), <https://doi.org/10.1787/dc152bc0-en>, as quoted in the 2023 SOFI report.

non-agrifood systems jobs. Studies show that SMEs engaged in food processing, wholesale, transport and retail can make a significant contribution to the employment of women and young people.⁴⁸ Women are also heavily involved in SMEs, both as workers and as entrepreneurs; however, they systematically face constraints to scaling up their businesses due to financial, mobility and empowerment gaps.⁴⁹

While estimates of the numbers employed in food supply chains are scarce, several studies have estimated employment in agrifood systems for specific regions and subpopulations. One study estimates that youth employment rates in agrifood systems in Africa, Asia and Latin America are 61 per cent, 39 per cent, and 48 per cent, respectively.⁵⁰ Another study in western Africa estimates that agrifood systems account for 66 per cent of total employment and that employment in processing and food vending/services is disproportionately female, with women comprising over 80 per cent of workers in those sectors. In fisheries and aquaculture, half of those employed in the aquatic value chain (including pre- and post-harvest activities) are women.⁵¹ Furthermore, several studies show that especially in low- and middle-income countries, where agrifood systems employ the largest number of workers, agrifood systems transformation offers the promise of new jobs both downstream and midstream, particularly for large, young populations.⁵²

Finally, it is important to highlight that many studies in rural settings have found that women's empowerment is one of the most important pathways through which food production policies can have positive effects on access to nutritious foods and, in turn, on food security and improved nutrition, particularly in rural areas. Several studies have found positive correlations between women's empowerment and household dietary diversity.⁵³ This makes closing the gender gap in rural areas a key consideration for any food production policy that aims to improve access to affordable and healthy diets.

⁴⁸ European Commission, "The degree of urbanisation, a new global definition of cities, urban and rural areas", 2020, <https://ghsl.jrc.ec.europa.eu/degurba.php>; FAO, *The status of women in agrifood systems* (Rome: FAO, 2023), <https://doi.org/10.4060/cc5343en>.

⁴⁹ FAO, *Small and Medium Enterprises and Nutrition: Understanding linkages, seizing opportunities* (Rome: FAO, forthcoming).

⁵⁰ Dolislager, M. J. et al., "Youth and adult agrifood system employment in developing regions: rural (peri-urban to hinterland) vs. urban", *The Journal of Development Studies* 57, no. 4 (2021): 571–593, <https://doi.org/10.1080/00220388.2020.1808198>.

⁵¹ FAO, *The State of World Fisheries and Aquaculture 2022: Towards blue transformation* (Rome: FAO, 2022), <https://doi.org/10.4060/cc0461en>.

⁵² Townsend, R. et al., *Future of Food: Shaping the food system to deliver jobs* (Washington, D.C.: World Bank, 2017), <http://hdl.handle.net/10986/26506>; Tschirley, D. L. et al., "Africa's unfolding diet transformation: implications for agrifood system employment", *Journal of Agribusiness in Developing and Emerging Economies* 5, no. 2 (2015): 102–136, <https://doi.org/10.1108/JADEE-01-2015-0003>; Yeboah, F. K. and Jayne, T. S., "Africa's evolving employment trends", *The Journal of Development Studies* 54, no. 5 (2018): 803–832, <https://doi.org/10.1080/00220388.2018.1430767>.

⁵³ Chege, C.G.K. et al., *How Women's Empowerment Affects Farm Production and Dietary Quality in East Africa*, CIAT Publication No. 520 (Nairobi: International Center for Tropical Agriculture, 2021), <https://cgspace.cgiar.org/handle/10568/116818>; Kihui, E. N. and Amuakwa-Mensah, F., "Agricultural market access and dietary diversity in Kenya: gender considerations towards improved household nutritional outcomes", *Food Policy* 100 (2021): 102004, <https://doi.org/10.1016/j.foodpol.2020.102004>.

Donor/government/research interventions that include a focus on gender and youth should do the following.

- Review existing policies, strategies and secondary data (reports) on gender and youth and identify gaps to inform the framing of gender mainstreaming/equity issues and the empowerment of young people in the dairy subsector.
- Collect data disaggregated by sex and age group (including youth) in at least five domains of the gender assessment, including access to and control of resources (revenues, employment, land, etc.); roles, responsibilities and use of time; norms, beliefs and perceptions; laws, policies and institutional practices; and decision-making processes.
- Ensure the results framework has suitable objective-level and outcome-level indicators that include gender and youth, and baseline values and end-of-project targets based on the previous policy analysis and data collection.
- Ensure the collection, monitoring and reporting of gender- and youth-disaggregated data.

6. Aid effectiveness, coordination and alignment

Aid effectiveness and the importance of country leadership were highlighted by Afshan Khan, United Nations Assistant Secretary-General and Coordinator of the Scaling Up Nutrition Movement, at the Platform's High-Level Dialogue on Donor Coordination for Food Systems Transformation in June 2023.⁵⁴ Her keynote address emphasized the persisting value of the Busan principles, agreed at the Fourth High-Level Forum on Aid Effectiveness in Busan, Korea, in 2011. These include:

- ownership of development priorities by developing countries;
- a focus on results and having a sustainable impact;
- partnerships for development;
- transparency and shared responsibility.

If, a decade later, country ownership, results, partnership and transparency remain valid parameters, it is worth reflecting on how they guide the current approaches of donors and how they will affect their future approaches, and how they have evolved since the Paris Declaration on Aid Effectiveness of 2005. The Paris agenda included strengthening national ownership and government leadership; aligning donor support with government priorities and procedures; harmonizing government and donor processes; managing resources to achieve development results; and ensuring mutual accountability. The annual OECD surveys⁵⁵ monitoring the implementation of the declaration and their evaluations and broader evaluation⁵⁶ provide an opportunity for Platform members to look at what has and has not worked, and the lessons learned for the Platform going forward, as suggested in the Annual General Assembly 2023 concept note. What is the scope for

⁵⁴ European Commission, IFAD and Global Donor Platform for Rural Development, *High-Level Dialogue on Donor Coordination for Food Systems Transformation: A forward agenda*, https://www.donorplatform.org/wp-content/uploads/2023/06/CL-Coordination-Event_CN_27June2023.pdf.

⁵⁵ OECD, *2008 Survey on Monitoring the Paris Declaration: Making aid more effective by 2010* (Paris: OECD Publishing, 2008), <https://doi.org/10.1787/9789264050839-en>.

⁵⁶ Evaluation of the Implementation of the Paris Declaration: Synthesis Report (Copenhagen: Ministry of Foreign Affairs of Denmark, 2008).

donors to realistically re-examine approaches to aid effectiveness, particularly concerning “harmonized” approaches and need for alignment?

National ownership and government leadership

The OECD evaluation pointed out:

“While national ownership is strong in countries, it is also narrow. In practice, it remains heavily weighted in favour of central government players rather than provincial and local authorities, even in fields that are supposed to be devolved At the same time, most donors’ own political and administrative systems are found to set differing limits on their actual behaviour to support country ownership.”

While national ownership of the response to climate change and reporting on SDG implementation appears strong, there is a solid case for promoting collaborative governance across national sectors and institutions to achieve more effective, resilient and inclusive agriculture and food systems at all levels. Furthermore, the capacities and public resources required for the decentralization of local governance arrangements to regional and district bodies are not always available.

Aligning donor support with government priorities and procedures

“Progress is more visible in aligning aid strategies with national priorities, less so in aligning aid allocations, using and building country systems and coordinating support to strengthen capacity. Among bilateral donors, there is only sparse evidence of improvements in aid predictability and untying.”

The levels of “conditional funding” and the current gaps, as shown in the NDC submissions of Kenya and Rwanda, suggest that this remains a critical area.

Harmonizing government and donor processes

“Basic issues of confidence and trust in others’ systems need to be satisfied for harmonisation to meet expectations. This is true even for those donors who do not have to overcome ‘harmonisation’ problems within their own systems, major formal restrictions on entering harmonised arrangements, or strong pressures for maintaining direct visibility and accountability for their own aid.”

The key messages and the recommendations of the Platform’s High-Level Dialogue on Donor Coordination for Food Systems Transformation include that donors should “acknowledge the value of a more structured approach to collaborative planning at the national level; [and] ... utilize national food systems transformation pathways as a basis for collaborative planning”.⁵⁷

⁵⁷ Draft findings and key messages from the Global Donor Platform for Rural Development’s workstream on donor coordination.

Managing resources for development results

“The evaluations are virtually unanimous that progress is slow.”

“Donors need to ... gear their own systems and their active support to more effective country systems ... it may not be surprising that different frameworks for results on the two sides are seen as a constraint to progress.”

Results-based management in development cooperation that builds on both the Managing for Development Results principles (pre-Paris declaration) and the Paris declaration’s own focus on managing resources for development results has continued through the work of the DAC Results Community and its publications. This theme recurs in the DAC’s Guiding Principles on Managing for Sustainable Development Results⁵⁸ and its annual results community workshop, with the engagement of both multilateral and bilateral donors, and researchers and other results practitioners. One of the guiding principles is to “enhance country ownership, mutual accountability and transparency” to ensure, at the partner country level, “development organizations align their indicator framework to partner country results frameworks, prioritizing national indicators that are aligned to the SDGs”. Nevertheless, while this links back to the Busan principles, the community noted that “many development partners also align to nationally defined results and targets in ‘soft’ terms, which often contributes to inconsistencies between national strategies and sector policies, the creation of parallel systems and persistent data gaps and data siloes”.

Ensuring mutual accountability

“In this pivotal commitment area of mutual accountability, the obstacles limiting progress are political in nature, primarily related to the potentials for embarrassment or interference. Political leaders need to re-engage to get it on track.”

This principle has also been taken up by the DAC Results Community, which has set the following twin goals.

- Development organizations should foster mutual accountability when engaging in partnerships, with a clear understanding of the common goal and each party’s contribution to achieving shared outcomes and sharing risks, while regularly assessing the effectiveness of the partnerships.
- Development organizations should promote transparency by sharing their results frameworks and ensuring that results, information and data are available to all stakeholders involved and the broader public, including specific target groups. They should be available in an understandable language and through appropriate communication channels.

⁵⁸ OECD, *Managing for Sustainable Development Results: Guiding principles* (n.d.), <https://www.oecd.org/dac/results-development/docs/mfsdr-guiding-principles.pdf>.

Responses and implications for the Platform

(This section was drafted taking into account member feedback received and the inputs expected throughout the Annual General Assembly.)

The preceding chapters were developed on the premise that approaches to agriculture and rural development have shifted and have become increasingly complex over the past two decades, particularly as crises have reshaped geopolitical relations. This is increasingly being referred to as the “new normal”. In preparation for the IMF/World Bank annual meetings in Marrakech in October 2023, the Development Committee reiterated that “the international community’s efforts to end poverty and achieve the Sustainable Development Goals (SDGs) by 2030 have fallen off track”.⁵⁹ The report of the committee has joined others, including Platform members, in noting that “[p]eople in many parts of the world face widespread hunger, water and energy scarcity, and fragility, conflict, and violence” and that “[t]hese crises – many with impacts across country borders – require a massive change in how we work together to support countries and address global challenges”.

Platform members have echoed these concerns, noting “the challenge of maintaining focus on long term structural change in the midst of an ever more uncertain, volatile, multi shock global context” and whether resilience building becomes a key, or the main, approach. Moreover, the Food Systems Summit +2 Stocktaking Moment qualified food systems as **sustainable, resilient, equitable** and **healthy**, and recognized the centrality of nutrition and healthy diets within them. This also highlights the increasing attention being given to nutrition-sensitive agriculture and the importance of education, awareness and support for decision-making within the household by consumers to address both malnutrition and obesity.

The focus therefore remains on the “how” and the need for adjustments and/or reforms in legal, policy and institutional frameworks to be considered, and grassroots-level interventions and concomitant capacity development and support. This, of course, poses the question of how ODA can finance this type of transformation, while continuing to evolve the modalities for financing both food systems transformation and climate action. But how can the trade-offs be identified and assessed? As the Annual General Assembly will discuss, is this an opportunity for ODA to play a catalytic role in leveraging private finance and in de-risking in blended finance? With the need to accelerate progress towards the achievement of the SDGs, how can the implementation of the Platform’s agreed 2021–2025 strategic plan be a catalyst for members to, collectively and in a “safe space”, identify pathways for coordinated or individual action and, at the same time, ensure rapid sharing and communication of knowledge and experiences.

⁵⁹ Development Committee, *Ending Poverty on a Livable Planet: Report to governors on World Bank evolution* (Development Committee, 2023), <https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/2023/Final%20Updated%20Evolution%20Paper%20DC2023-0003.pdf>.