



Global Donor
Platform for
Rural Development



GLOBAL DONOR PLATFORM FOR RURAL DEVELOPMENT WORKSTREAM ON SUSTAINABLE/BLENDED FINANCE

Innovative financing for food systems

The Global Donor Platform for Rural Development (GDPRD) and The Shamba Centre for Food & Climate have undertaken a consultation on how to make donors and public funds more catalytic for food systems through innovative financing approaches.

The investigation included a series of interviews to explore how donors, philanthropic organizations, public funds and blended capital funds can make their funding effective and act as an incentive for achieving SDG 2.

The core message of the enquiry indicates that **if donors and development banks take higher risks with their grants and lending, every donor dollar has the potential to generate four dollars in commercial finance**. When this happens, agri-food small and medium-sized enterprises (SMEs) will have more financing, domestic lenders will participate, and markets will have more liquidity.

This is the catalytic power of aid.

FOR MORE INFO:
GDPRD workstream:
www.donorplatform.org/workstreams-overview/workstream-finance/

Contact secretariat@donorplatform.org for more information and join in future events.

An additional US\$33 billion in public spending is needed to trigger US\$52 billion in private investment every year.

The **Ceres2030: Sustainable Solutions to End Hunger** Summary Report, published in 2020, states that to achieve SDG 2, middle-income countries and donors will need to increase their spending on food systems each year by US\$19 billion and US\$14 billion respectively.

Donors, philanthropic organizations, and public funds are working to increase the impact of their funds. As climate change, water scarcity and biodiversity losses intensify and are further compounded by economic uncertainties, food security remains a critical issue.

The challenge is to accelerate the transition to sustainable global food systems and achieve the SDGs. The time is now to figure out how to make donors and public funds more catalytic for food systems through innovative financing approaches.



The Shamba Centre for Food & Climate:
www.shambacentre.org



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