



2 CONTEXT

Across the world, countries are facing escalating crises brought about by climate change, regional conflicts and the COVID-19 pandemic that are collectively disrupting ecosystems, agrifood production and value chains. The ongoing conflict between Russia and Ukraine has also stretched the limits of multilateralism, disrupting food and fuel supply chains and contributing to rising inflation globally. Together, these factors have contributed to an unprecedented rise in global hunger, malnutrition, poverty and distress migration.

The numbers speak for themselves. The *Global Report on Food Crises 2023* estimates that in 2022 a quarter of a million people across 58 countries faced acute food insecurity and needed urgent food assistance.¹ Similarly, the World Food Programme (WFP) estimates that 345 million people across 79 countries where it operates² will experience acute food insecurity in 2023. WFP warns that the world is facing a food crisis of unprecedented proportions, the largest in modern history.³ With only seven years to achieve the Sustainable Development Goals (SDGs) for 2030, there is an urgent need to shift attitudes and approaches to addressing the world's food security and hunger crisis. At the heart of this is addressing how we think about food and food systems.

In recent years, the international debate on food and nutrition, including the deliberations of the 2021 UNFSS and COP27, has highlighted the vital importance of a food systems approach to addressing the global food, nutrition and hunger crisis. These conversations have made it abundantly clear that food systems transformation will not be achieved without the coordination of different actors – governments, donors, the private sector, civil society and others – alignment of investments and initiatives, integration across sectors and a commitment to policy coherence. Further, to achieve this, effective coordination will be needed at, and across, the country, regional and global levels.

Donor coordination has been an opportunity for and a challenge to effective development for nearly two decades. While several declarations and high-level forums on aid effectiveness have emphasized the need for donor coordination and harmonization, in practice coordination continues to be a challenge, particularly at the country level. In the current scenario, donor resources are increasingly under strain from competing domestic pressures as governments deal with rising inflation, unemployment and the prospect of a global recession. The decline/reduction in overseas development assistance funding and the closer alignment of development/aid assistance with foreign policy have been accompanied by a shift towards bilateral modalities of engaging with country governments and partners (see FIGURE 1).

On the ground, this has made donor coordination more complex, with multiple donors engaging with the same government ministry or department, often through parallel governance arrangements and financial modalities – raising questions about capacity, efficiency, effectiveness, transparency and accountability. Governments are also not the only development partners working in-country. The decline in bilateral aid budgets and the merging by many donors of their development agencies with their foreign and trade offices (e.g. the mergers of the United Kingdom's Department of International

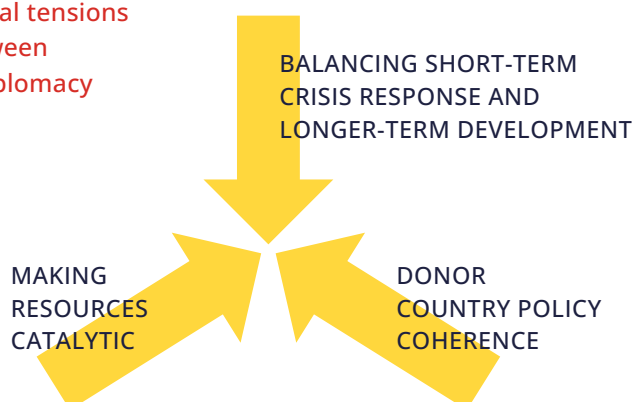
¹ Food Security Information Network (2023), *Global Report on Food Crises 2023* (Rome: Food Security Information Network).

² World Food Programme (2023), "A Global Food Crisis", <https://www.wfp.org/global-hunger-crisis>.

³ Ibid.

FIGURE 1 CURRENT CONTEXT OF DONOR COORDINATION

- ▶ Food systems agenda
- ▶ Increasing demands
- ▶ Decreasing resources
- ▶ Increasing geopolitical tensions
- ▶ Increasing links between development and diplomacy



Development with the Foreign and Commonwealth Office and of the Australian Agency for International Development with the Department of Foreign Affairs and Trade) have been accompanied by a rise in new donors and actors, including corporations, private sector foundations and companies. This has raised new questions and challenges for in-country coordination and has highlighted issues around the interface between traditional and new forms of donor support. Donors face the dilemma of having to meet increasing demands with decreasing resources, as geopolitical tensions increasingly make donor coordination and alignment more complex. Donors and other development partners also need to recognize that working from a systems perspective is inherently more complex, often requiring more time and enhanced processes for stakeholder engagement and context analysis.

In the context of food systems and the national pathways at the country level, to support systemic change there is a critical need for donors to collaborate on aligned initiatives to support the gathering of necessary data, research, policy innovation and collective efforts by alliances of stakeholders. Investments in individual “field-level projects”, which often have a relatively short-term poverty reduction focus, need to be balanced with more strategic investments that can underpin longer-term structural change. These challenges bring a renewed demand for donor coordination in the agrifood, rural development and food systems spaces.