# Concept Note Learning Event:

## Financing the Future of Food

### Introduction

The future of human health, tackling climate change and ensuring equitable economic development all require profound changes in how food is consumed, marketed, distributed and produced. At the same time population growth and increasing wealth in emerging economies is creating new market opportunities. Our entire food system needs to be rethought and transformed to ensure a prosperous and sustainable future for all. This will require new investments into food systems and the redirection of existing investments and economic incentives. Food systems transformation requires cooperation and collaboration across the entire agri-food sector and with the institutions financing the sector. Innovative financing mechanisms will be required including blended financing mechanisms that can enable effective public private partnerships.

In this context, the NFP is establishing a Community of Practice for Food Systems Finance to improve the mutual understanding of how innovative financing can help to drive food systems transformation. The community of practice will bring together stakeholders working at the interface of finance and food systems including financial institutions, impact investors, government officials and donors, along with relevant experts. The aim is to set common agendas enabling public & private capital to be used most effectively for food system transformation with impact in low and middle income countries.

The food systems concept is relatively recent, having been given prominence by the 2021 UN Food Systems Summit. NFP and partners feel that providing financial actors with insight in the concept of food systems transformation and putting a lens on the current and potential future role of the financial sector (both public, private and blended) in these transformation processes could benefit both the financial sector and other stakeholders in the transformation. For all actors there is still much to learn about the incentives, mechanisms and risk management needed to enable “transformative” investment in the agri-food sector.

NFP will launch its Financing for Food System Community of Practice with a Learning Event in the Netherlands on September 27, organised in cooperation with Foresight4Food, IFAD, FAO and Rabo Partnerships. The event will bring together Dutch public- and private-financial and relevant non-financial players in the food systems sector in low and middle income countries. The food system transformation scenarios of Nakuru, Kenya will be used as an example and a follow up event will be held in Kenya in Q4 2024.

The objectives of the learning event are:

1. Bring together public- and private-financial and relevant non-financial players in the agri-food sector who wish to learn about and exchange on: 'finance as a driver of food system transformation with impact in the global south'.
2. Outline the key aspects of a food systems approach.
3. Identify key issues and opportunities related to the future of financing of food systems transformation
4. Establish a forward agenda for the work of NFP and the community of practice.

This event aims to improve joint learning on the role of finance in food systems transformation, share the latest developments/insights by resource persons from FAO and IFAD, foster interaction between public- and private-financial and relevant non-financial players in the food systems sector and jointly put a finance lens on an actual food system transformation scenario in Kenya.

## Learning Event Programme

The learning event will be a half-day in-person conference with the following elements:

- **What is on the horizon for investing in the agri-food sector (food system)? Emerging issues, opportunities and risks – an investor's perspective**. Inputs from the finance sector how they see the future of investing in food.
- **What is the food system framing all about, and what needs to be transformed?** Introduction to the basic concepts of food systems, what is currently driving change, and the types of transformations needed for improved social, economic, health and environmental outcomes in the long-term
- **Presentation on SOFI 2024 by FAO**: the SOFI report is an annual report by FAO on the 'State of Food Security and Nutrition in the World'. In July 2024, the SOFI 2024, focussing on 'Financing to end hunger, food insecurity and malnutrition in all its forms' will be published. During the learning session, FAO will present the report.
- **Presentation on 'Financial Flows to Food Systems' (3FS) tool by IFAD:** The Tracking Financial Flows to Food Systems (3FS) tool, developed by IFAD and the World Bank, provides a harmonised methodology to measure financial flows to food systems. It generates updated

information on: how much financing goes to food systems at country and global levels, to which areas, is financing aligned with national priorities for food systems transformation, Where are the financing gaps? 3FS is currently under development. In a number of countries the public finance flows have been mapped, while the mapping of private finance flows is under development.

- **Interactive discussion around a real life case, Food System Scenario's Nakuru, Kenya by Foresight4Food:** Foresight4Food will present actual Food System Transformation scenarios of Nakuru County, Kenya. With the conference participants, through an interactive session, we will put a finance lens on the scenario(s): what could the role of public and private finance actors be in realising these scenarios? Which role can public and private finance already pick up and under which conditions? Where is the need for blended solutions? Where are the gaps and how can they be catered for?
- **Wrap up and joint agenda setting.** First conclusions on the role of public, private and blended finance will be jointly formulated. Desired follow-up actions will be jointly formulated, ranging from further more in-depth learning, follow-up face-to-face or online sessions organised by the CoP, support to 3FS private flows to FST, e-course development, organise similar sessions in LMIC countries, ….. etc. etc.

## Agenda

| **Time** | **Item** | **Remark** |
|---|---|---|
| 9:30 | Walk in & registration | |
| 10:00 | Start & Introduction by NFP and MoFa | |
| 10:10 | The future of financing food – emerging issues and challenges from the finance sector perspective | Rabobank |
| 10:25 | Introduction to food systems thinking and the challenges of transformation | Foresight4Food |
| 10:45 | Presentation on SOFI 2024 | FAO |
| 11:00 | Presentation on the 3FS tool | IFAD |
| 11:10 | Panel: What roles can the financial sector play in helping to transform food systems and what is needed for it to be effective in these roles | Moderator: Agnes Johan (Rabobank) |

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| | panellists: Rabo Partnerships, Invest International, FMO, MoFA | |
| 11:50 | Questions & reactions from the audience | |
| 12:00 | break | |
| 12:15 | How can Dutch institutions help to shift investment patterns in partner countries?<br>● Discussion kick of with example from Nakuru in Kenya<br>● Table discussions<br>● Plenary feedback and discussion | Foresight4Food, NFP, Rabo Partnerships |
| 13:00 | Setting a forward agenda and wrap-up | Facilitated by NFP, Rabobank |
| 13:15 | Lunch | |

## Target group:

50 participants at least 95% of participants will be from:

* the financial sector focussing on financing agri-food in/from LMIC's,

* impact investors

* government representatives focussing on agri-food-finance or FST finance

* donors, NGOs focussing on agri-food finance or FST finance

The other 5% of participants can be FST experts from for instance NGOs and knowledge institutes with a relevant interest in finance.

## Date and location:

Friday 27th of September 2024.

Location: Wicked Grounds, Amsterdam