



FINANCING FOR
DEVELOPMENT
HIGH LEVEL PANEL OF EXPERTS
IN THE FOR GLOBAL ACTION



Concept Note

Third International Conference on Financing for Development

14th July 2015, 13:15 - 14:45

Organised by the Africa-Caribbean-Pacific (ACP) Group, FAO and CTA

“Financing Investments and Agribusiness for Food and Nutrition Security: Public and Private Sector Coordination”

1. Background and Rationale

Resolving the challenges to achieving universal food and nutrition security in a sustainable manner will require significant and well-coordinated investments by the public sector, the private sector, and civil society. This is well-recognized in the 2002 Monterrey Consensus and the 2009 Doha Declaration. These two agreements highlight the critical importance of mobilizing domestic and international financial resources, leveraging international trade, and increasing international development cooperation in achieving sustainable development goals. This thinking prevails in the Framework for ACP Private Sector Development signed in 2014. Likewise, strategies to eradicate poverty, ending hunger and improving nutrition in ways that are truly effective and sustainable require a focus on systemic issues, partnership-based solutions, and adaptability to changing national and global environments.

Investing in the development of sustainable value chains and food systems offers key pathways to achieve food security and improve nutrition through: (1) linking commercial-oriented smallholder farmer to rewarding markets; (2) creating and facilitating entry to decent jobs for women and men, including for vulnerable groups; and (3) improving value creation for consumers in the form of nutritious foods at affordable prices and readily available. Taking a food systems approach allows investments to be targeted and effective, while achieving impact at scale. Such an approach facilitates broader interventions along the value chain, e.g. on food safety and quality standards, food losses and waste.

While the private sector and the investments it makes drive food system development, the public sector and public sector policies and investments play a critical role in facilitating and guiding private sector development. A framework for the latter was established in 2012 in the form of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests. The public sector, including intergovernmental organizations, can also facilitate private sector investment by leveraging their institutional procurement, including for school feeding programmes and emergency assistance distributions, to create an initial demand and lower market risk for supplying new input products, new food products or new support services. Another critical way in which the public sector can stimulate investment, most notably for small and medium-sized agro-enterprises (SMAEs), is by unlocking the entrepreneurial drive, especially for the young, through investments in education, special loan programmes, risk-tolerant innovation funds, and food innovation centers. Public and private sector investments also need to be coordinated in order to be effective and this can be achieved through various public private partnerships such as commodity platforms or growth corridors.

To further guide investment by SMAE and multinational agribusinesses toward sustainable development goals, the Principles of Responsible Agricultural Investment (2014) and the UN Food and Agriculture Business Principles (2014) provide frameworks that can be used on a voluntary basis in development and procurement programs as a means to simultaneously promote competitiveness, inclusiveness, and greenness and, ultimately, eradicate hunger and poverty.

While there is no debate on the need for both public and private sector investment in food system development, the specific nature of these investments and how to better coordinate them to achieve sustainable food and nutrition security, still represent many unanswered questions.

2. Objectives of the Side-Event

The specific objectives of the event are to:

- Highlight the importance of coordinated public and private sector investments in food value chains and food systems to achieve Sustainable Development Goal 2 on *'ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture'* and Goal 8 on *'inclusive and sustainable economic growth, full and productive employment and decent work for all'*;
- Share **best practices** and **identify priority areas** for coordinated public-private investments in food value chain and food system development, with beneficial returns for SMAE's, the agri-food sector and the overall economy, including in policies, knowledge and technology, capacity development;

3. Organizers:

This high-level side-event will be organized by ACP, FAO and CTA.

4. Format:

The side-event will bring together a panel of high-level speakers from national government, development partners and the private sector. Following opening remarks to set the scene, the high level panellists will engage in a moderated discussion on the issue of private and public sector coordination for financing investments and agribusiness for enhanced food and nutrition.
