

## 23<sup>rd</sup> Session of the Committee of Experts on Public Administration on

### Written inputs by Food and Agriculture Organization of United Nations (FAO)

*Agenda Item 3 – Institutional aspects of the theme of the 2024 session of the ECOSOC and the 2024 HLPF on sustainable development: New governance insights to advance the Sustainable Development Goals and eradicate poverty*

Agrifood systems transformation has been identified as one of the key accelerators to achieve the Sustainable Development Goals (SDGs). In its role as the world's largest employer and provider of food security and livelihoods, the agrifood systems<sup>1</sup> however face multiple challenges, including food insecurity linked to rural and urban poverty, unhealthy diets, loss of biodiversity, pollution and climate change. These challenges cut across disciplinary, sectoral, and institutional boundaries, and are influenced by changing socio-economic, environmental, and political circumstances, including multiple and interconnected crises.

The interactions of key stakeholders and other relevant agrifood systems actors – at local, national, regional and global level - shaped by the characteristics of the unique settings in which they operate determine the extent to which agrifood systems can deliver accessible, affordable, safe and nutritious food, generate and equitably share wealth, and sustainably manage natural resources (including land, water and energy), increasing resilience and adaptability to climate change and shocks thus sustaining peace and security.

This increasing complexity of challenges requires collective and integrated action. Policymakers are calling for tools and support with innovative policy options and governance and institutional mechanisms and arrangements that can facilitate systemic approaches and enhanced relations and capacities that can reinforce the implementation of the 2030 Agenda.

#### **Strengthening policy coherence and cross-sectoral coordination for balancing economic, environmental and social objectives**

Perhaps the greatest challenge in advancing agrifood systems transformation and achieving Agenda 2030 is managing key trade-offs between: increasing food and agriculture profitability while promoting healthier diets; eradicating poverty and supporting social equity and inclusion; and protecting biodiversity and eco-system services, ensuring sustainable use of natural resources and promoting climate change adaptation, mitigation and resilience, peace and security.

Governments tend to deal with development issues by sector, with often limited capacity for integrated planning for transformation. Sectoral divides persist in terms of both structure and planning and budgeting processes deterring functional cross-sectoral and multi-stakeholder coordination. In most countries, cross-sectoral coordination mechanisms exist but with limited effectiveness.

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<sup>1</sup> The agri-food system covers the journey of food (for example, cereals, vegetables, fish, fruits and livestock) from farm to table – including when it is grown, harvested, processed, packaged, transported, distributed, traded, bought, prepared, eaten and disposed of. It also encompasses non-food products (for example forestry, animal rearing, use of feedstock, biomass to produce biofuels, and fibres) that also constitute livelihoods and all of the people as well as the activities, investments and choices that play a part in getting us these food and agricultural (nf243en.pdf (fao.org) - 42nd session of FAO conference).

Appropriate data, monitoring indicators and information systems are key for addressing trade-offs between economic, environmental and social objectives and building common understanding for informed decision-making. The science, knowledge and data relating to agrifood systems should become more transparent and accessible to all countries. Integrated geospatial, biophysical and socioeconomic data - at an appropriate level of disaggregation - combined with advanced systems-based analytics, can help to identify and evaluate trade-offs across objectives and enable more targeted investments and actions. The FAO Hand-in-Hand Geospatial Platform provides free access to millions of data layers and tools to inform policy, innovation and investment.

Facilitated coordination and collaboration between different sectors and actors can bring together different experiences and knowledge, stimulating the exchange of best practices and facilitating learning. Collaboration and exchange of knowledge and experience is helpful in gaining a holistic understanding of the problems faced across the system and can stimulate innovations to address them. By facilitating and mobilizing participation and partnerships with all stakeholders including small-scale producers and more vulnerable groups, Member States can improve the legitimacy of decisions and achievements. It is also a recommended approach to minimize trade-offs, improve policy coherence as well as overcome polarization and power dynamics among actors.

### **Creating enabling environment to promote responsible investment in agriculture**

Responsible investment plays a crucial role in advancing sustainable livelihoods, especially for smallholders and members of marginalized and vulnerable groups. It creates opportunities for decent work among agricultural and food workers, contributes to poverty eradication, promotes social and gender equality, eliminates the worst forms of child labor, fosters social participation and inclusivity, and drives economic growth, thereby facilitating sustainable development (CFS, 2014).

While smallholders are the primary investors in agriculture, their capacity to invest is constrained by various factors, including technical risks like plant pests or climate variability (HLPE, 2013). This limitation is particularly significant for the most vulnerable smallholders. Rural institutions, such as cooperatives and Producer Organizations (POs), play a pivotal role in overcoming these constraints and enabling smallholders to invest (Vicari, Berranger, and Rinaldi, 2020). Cooperatives and POs have been recognized as instrumental in enhancing smallholders' investment capacities (HLPE, 2013). However, it is crucial to address barriers preventing producers, including women and youth, from joining rural organizations. Establishing relationships with the private sector, including buyers and financial actors, is also essential.

A strategic approach to promoting responsible investment in agriculture involves prioritizing investments that not only benefit smallholders but also include measures for strengthening collective action, organizational development and capacities. Policymakers and their partners can contribute to creating conditions for rural institutions, such as POs and cooperatives, to engage in responsible investment by implementing policies and programs that help the poorest overcome barriers to membership and enable them to benefit from collective action.

### **Repurposing and reforming agricultural support to drive transformation**

Economy and finance are key levers for change. Government support for agriculture needs repurposing. Globally, support to agricultural producers accounts for almost \$540 billion a year, or 15 per cent of total agricultural production value. Support is often biased towards distortive measures, unequally distributed and harmful to environmental and human health (FAO, UNDP and UNEP, 2021).

Repurposing agricultural support could be a game-changer by optimizing the use of scarce public resources, with incentives for food systems to be more productive and conducive to healthy lives for all, while preserving natural resources and addressing climate change. At the same time, directing financial capital to more sustainable technologies, industries and practices, and reforming the financial system with sustainable standards could encourage investment in agrifood system transformation.

### **Linking interventions for agrifood systems transformation with robust climate actions**

While our paramount focus is anchored in realizing the right to food for all, the path to sustainable achievement of all SDGs intertwines inseparably with climate actions. This symbiotic relationship establishes the crucial link between providing nourishment for today and ensuring a sustainable food supply for tomorrow. In this vein, it is key to strengthen transformative local, national, regional and global partnerships and put in place innovative governance and institutional arrangements across sectors, actors and geographies on the basis of mutual trust, solidarity and collaboration.

### **Providing timely responses and adequate social protection**

Social protection measures are needed to address short-term needs and taking the necessary steps towards inclusive rural transformation and longer-term sustainable development. Social protection measures prove especially effective in supporting vulnerable groups as they often face challenges accessing traditional risk management tools like credit or insurance services. Furthermore, social protection mechanisms can be customized to address the specific vulnerabilities of women, children, older individuals, and those with lower economic means residing in rural areas. In this regard, an important factor to address is the insufficient public funding for social protection programs. This issue may be mitigated by utilizing climate financing to support climate-focused social protection initiatives, thereby enhancing the level of social protection for vulnerable rural populations (FAO, 2024).

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