

10th BUSINESS OPPORTUNITIES FAIR 2019

ADB

Rural Development and Food Security

Michiko Katagami
**Sustainable Development and Climate
Change Department, ADB**
27 March 2019





Overview



- Key development agenda
- ADB's strategic focus
- Sector portfolio
- Overview of business opportunities



Rural Development



- **Poverty incidence** remains high in rural areas
- Widespread **unemployment**, limited access to **reliable energy** solutions, **clean water and sanitation**, quality **education and health services**, **finance**, and **digital connectivity** in rural areas, and accelerating the rural-urban migration
- Vulnerable to **adverse impacts of climate change and disaster risks**
 - ➔ *Improving the access to basic services, building climate resilience, and generating an enabling environment for private sector investment in rural area to spur economic growth are key*



Food Security Challenge



ADB

- **500 million (2/3 of the global total)** in Asia and the Pacific are hungry, and the prevalence is on the rise
- Micronutrient deficiency (“**hidden hunger**”) and rising child **overweighs** and adult **obesity** co-exist
- Global food supply needs to **increase by 60%** in 2050 to feed more urban and affluent population
 - unprecedented levels of **business opportunities for farmers** in the region
 - shrinking and **degrading natural resources, climate change and disaster risks**, a changing **labor profile** and demographics, and **price and market volatilities**



ADB's Strategy 2030: Rural Development and Food Security Operational Plan



- Focus its investments to transform the entire food system “*from farm to folk*” to achieve higher incomes for farmers, provide safe and nutritious food to consumers and spur economic growth in rural areas
- **Focus areas:**
 - Rural development
 - Modern agricultural value chains
 - Food security



Overview of the Sector in ADB



ADB's investment portfolio in 2018:

- Agriculture and Natural Resources (ANR) lending:
\$1.1 billion
 - \$0.9 billion sovereign
 - \$0.2 billion nonsovereign investments
- Climate finance investments in ANR: **\$479.42 million**
- Food security investments: **\$3.1 billion**



Overview of Sector Opportunities



Climate Smart Agriculture: collaboration with private sector
(seed, climate investments, conservation finance etc.)



Agribusiness Market Value Chains:
(food traceability, digital agribusiness services, food waste reduction, policy analysis, value chain finance etc.)



We look forward to doing business
with you.

mkatagami@adb.org



Rural Development: improving access to services, attracting private sector investments and generating jobs in rural areas

- rural-urban connectivity;
- reliable power supply including off-grid solutions;
- expansion of water supply and sanitation access;
- rural waste management;
- cost-effective health and education services;
- promote sustainable tourism, food distribution hub and emerging consumer market development in rural areas



Modern agricultural value chains: *distributing food efficiently from farmers to consumers, improving farmers' profitability and providing safe, nutritious, and affordable food to consumers*

- market, cold-chain and modern retail infrastructure development; off-grid energy solutions for cold chain including waste to energy solutions;
- integration of farmers, agribusinesses, and consumers into efficient and sustainable value chains;
- local value addition for both domestic and export markets;
- food safety and traceability development;
- upscaling dissemination of good agriculture practices by digital agriculture services including the practices and technology solutions to reduce water, energy, and greenhouse gas footprints of agribusiness and postharvest management to minimize food wastes;
- sustainable and safe biotechnology solutions; and improved access to agribusiness and rural finance



Food security: building food system to produce more with less resources sustainably and address malnutrition



- irrigation infrastructure and water delivery services improvement and resilience building;
- climate-smart and low carbon food system solutions;
- promotion of better-quality farm inputs and mechanization;
- promotion of modern sustainable and responsible corporate farming models;
- support for youth and women empowerment in modern agriculture;
- knowledge-intensive agriculture;
- increased focus on water-food-health nexus to address prevalent malnutrition