

Rural Development Report 2021: **Transforming Food Systems for Rural Prosperity**



Pathways to Sustainable and Inclusive Food Systems

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Something isn't working –

811 million people are hungry and 2.4 billion food insecure ...

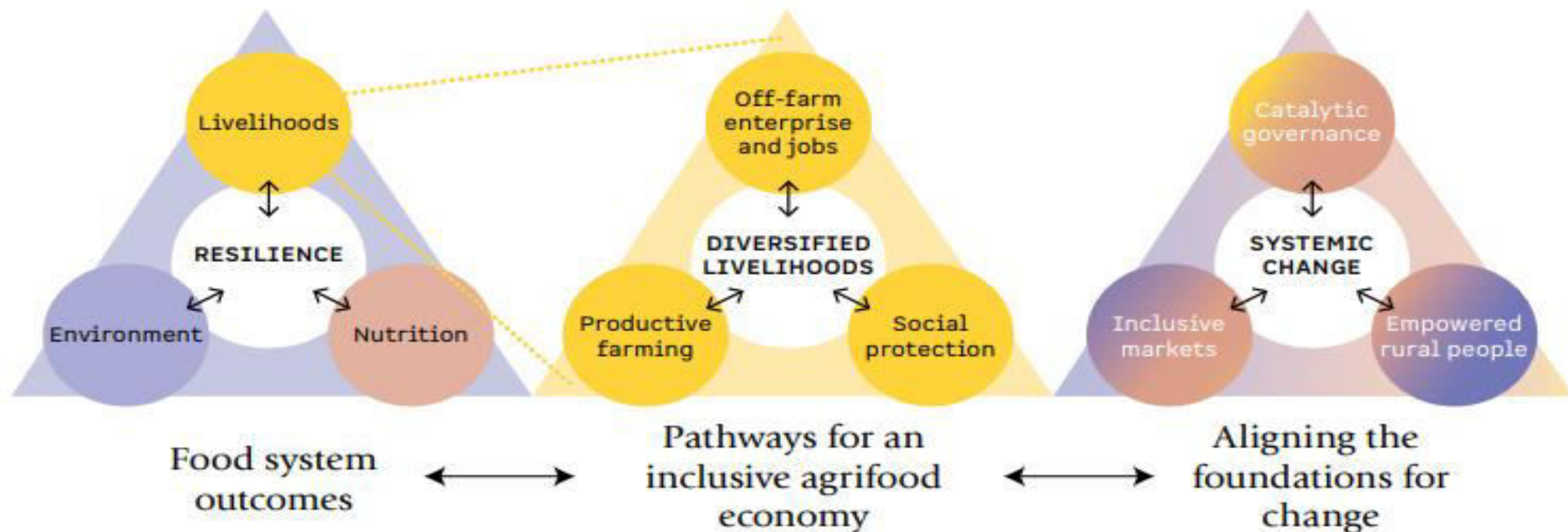
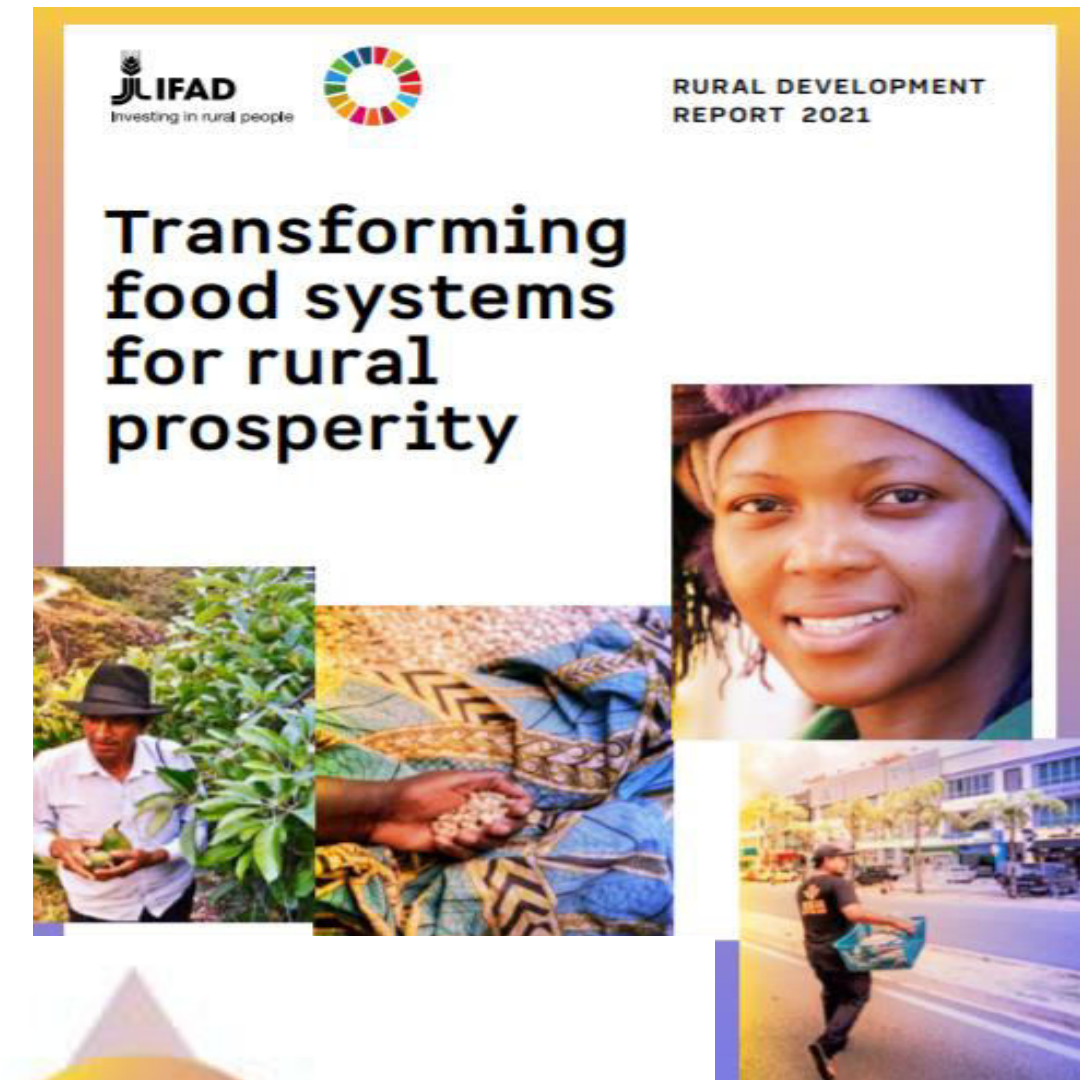
...obesity and micronutrient deficiencies also rising

Environmental footprint very high

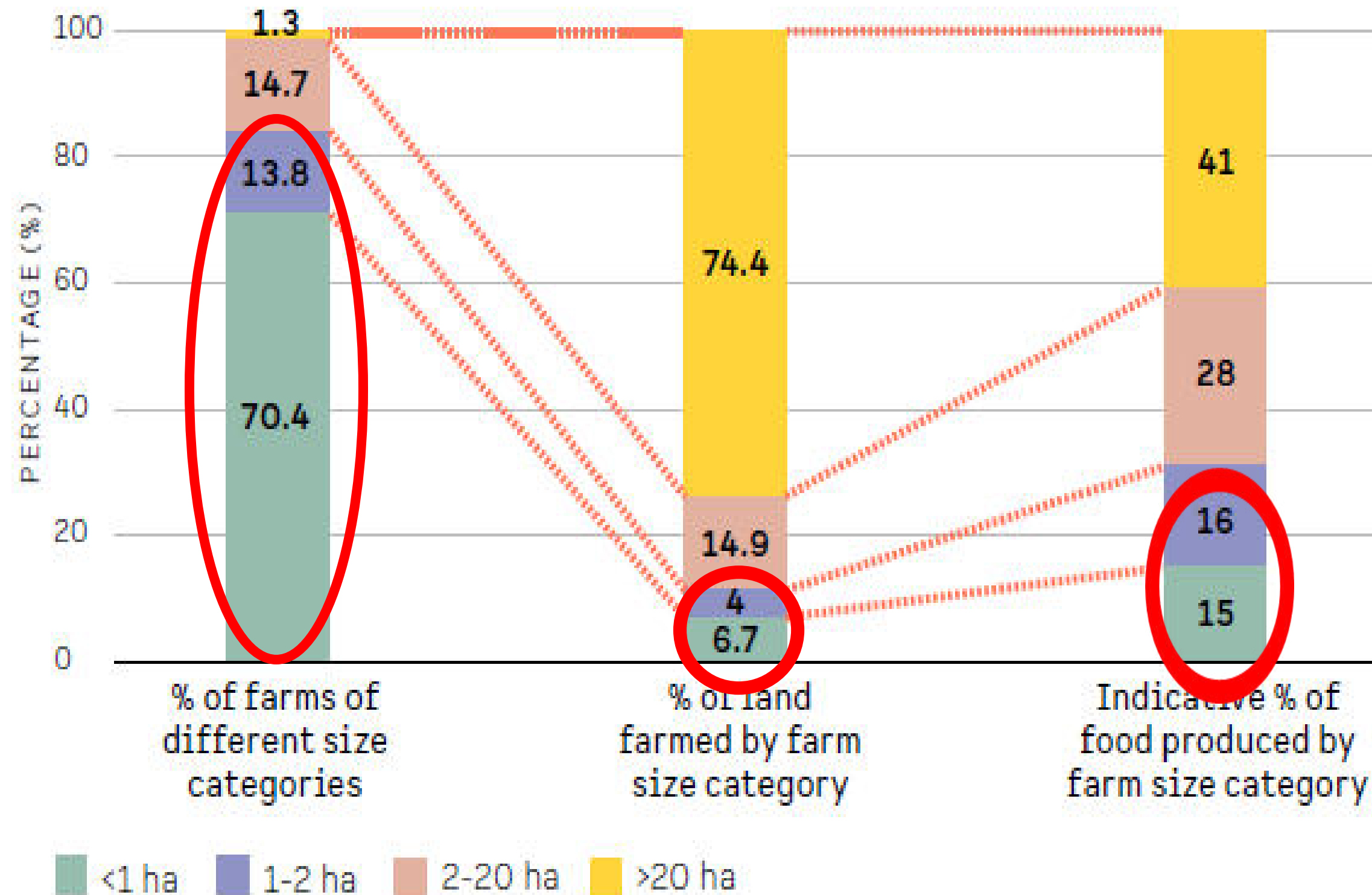
- **Unfair** – those who feed us go hungry or do not make a decent living
- **Inadequate** – tremendous increase in production but triple burden of nutrition
- **Inefficient** – FS contributes to 37% of GHG emissions and has a high environmental footprint



Transforming food Systems for Rural prosperity

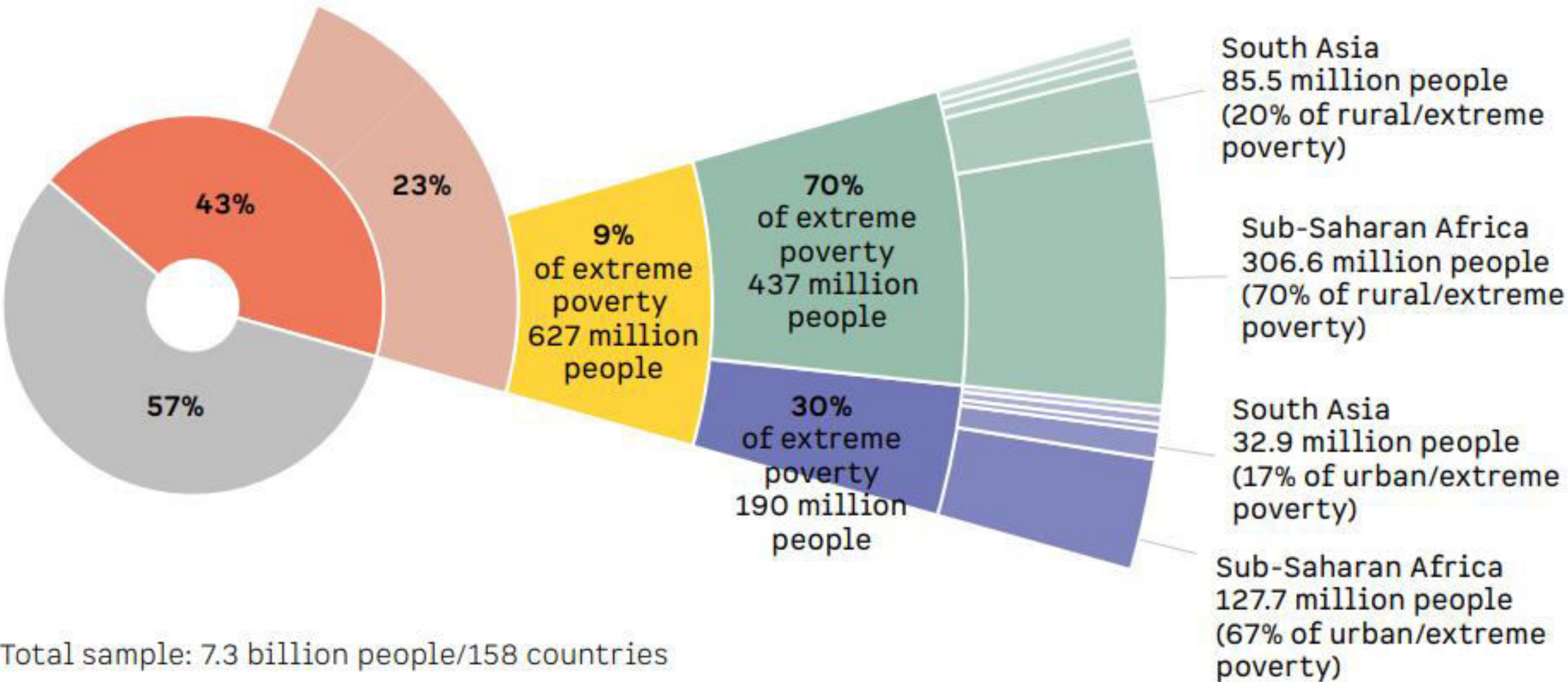


A focus on rural small-scale producers



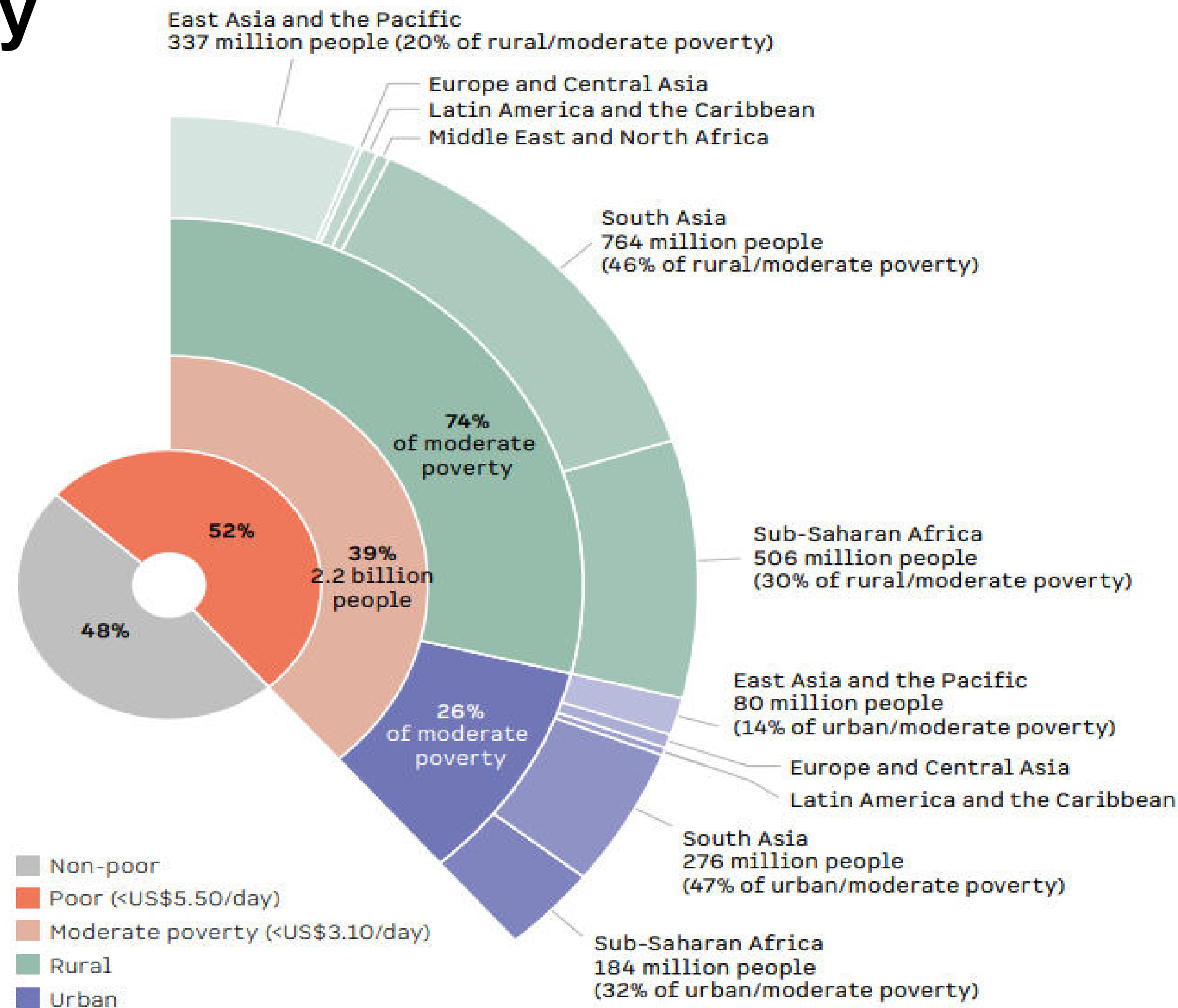
- 3.2 billion people live in rural area of low and middle income countries.
- More than 500 millions work less than 2 ha of land

Extreme poverty



■ Non-poor ■ Poor (<US\$5.50/day) ■ Moderate poverty (<US\$3.20/day)
■ Extreme poverty (<US\$1.90/day) ■ Rural ■ Urban

Moderate poverty



Enhance productivity of small-scale farmers within planetary boundaries.



Enhance productivity of small-scale farmers within planetary boundaries.

- **Shift towards nutrient dense and diversified food production**
 - Neglected and under-utilized species;
 - Fiber and protein rich foods
 - Why? most of what we eat come from only three crops!
- **Support nature-based solutions and knowledge-based agriculture.**
 - Greater resilience.
- **Provide adoption, advisory (weather, market, financial) and adaptation services (precision);**



Paris Agreement – 3 goals interconnected:



Mitigation (2°C target)

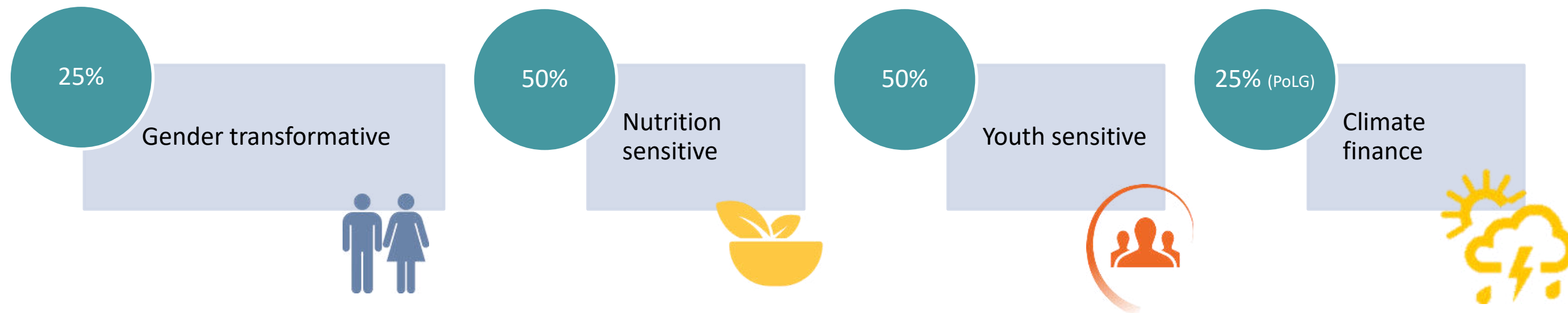
Adaptation (fostering climate resilience)

Finance flows

(consistent with low-GHG and climate-resilient pathways)

Themes & targets IFAD11

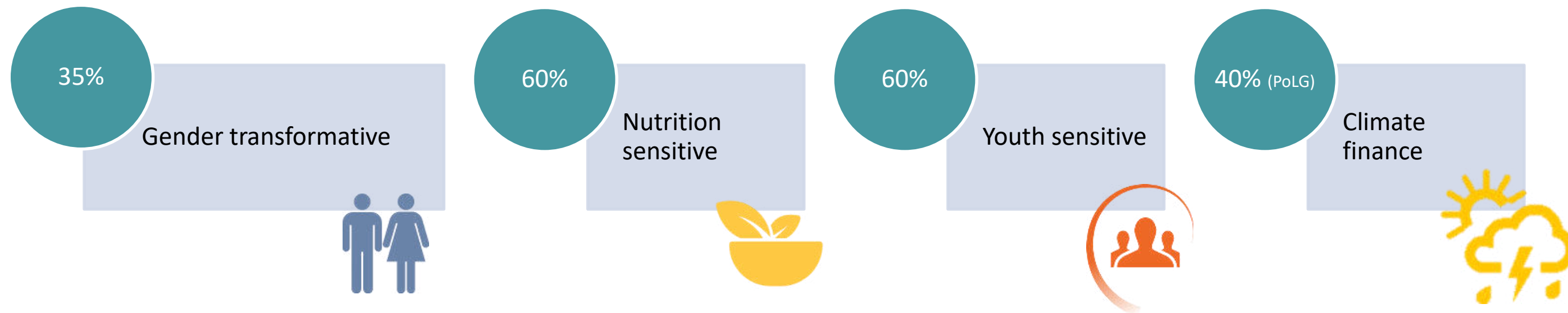
IFAD11 (2019-2021)



DEDICATED STRATEGIES & ACTION PLANS

Raising the bar in IFAD12

IFAD12 (2022-2024)



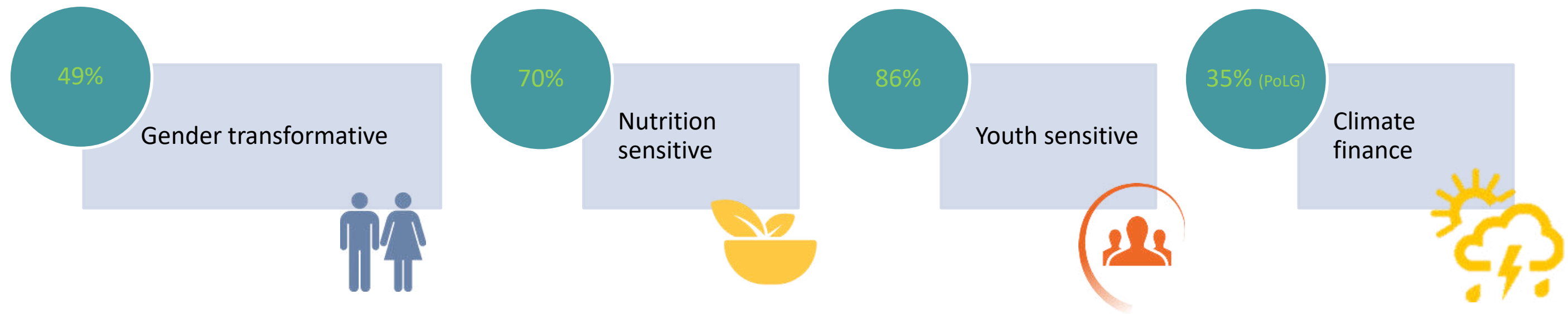
NEW STRATEGIES & ACTION PLANS

Biodiversity Strategy

People with Disabilities Inclusion Strategy

Results to date

(RIDE 2021)



Examples of IFAD climate investments



Agroforestry



**Rangeland
management**



**Watershed
management**



**Conservation
agriculture**



Drip irrigation



**Rainwater
harvesting**



Biogas



**Reforestation &
Afforestation**

Examples of IFAD climate investments:

Introducing new elements to agricultural investments



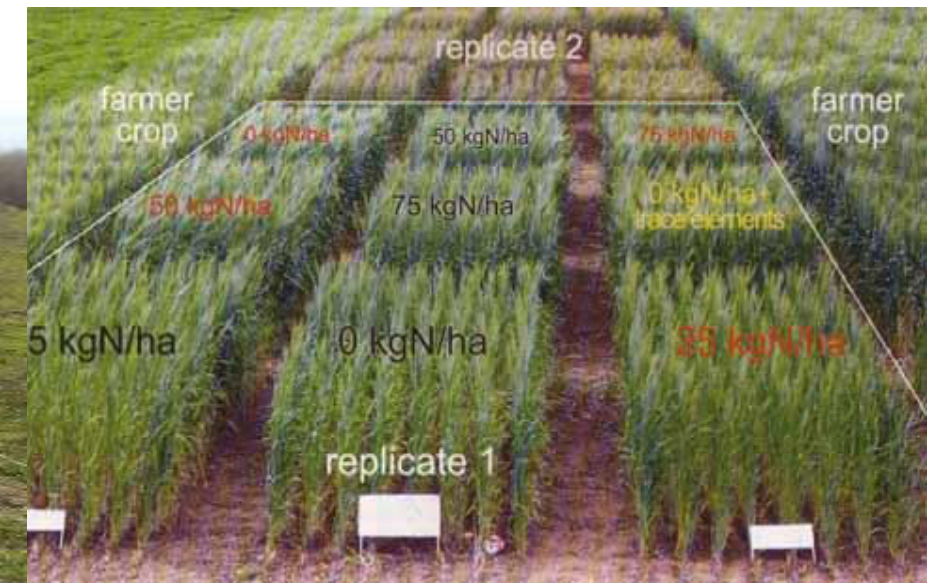
Early Warning systems



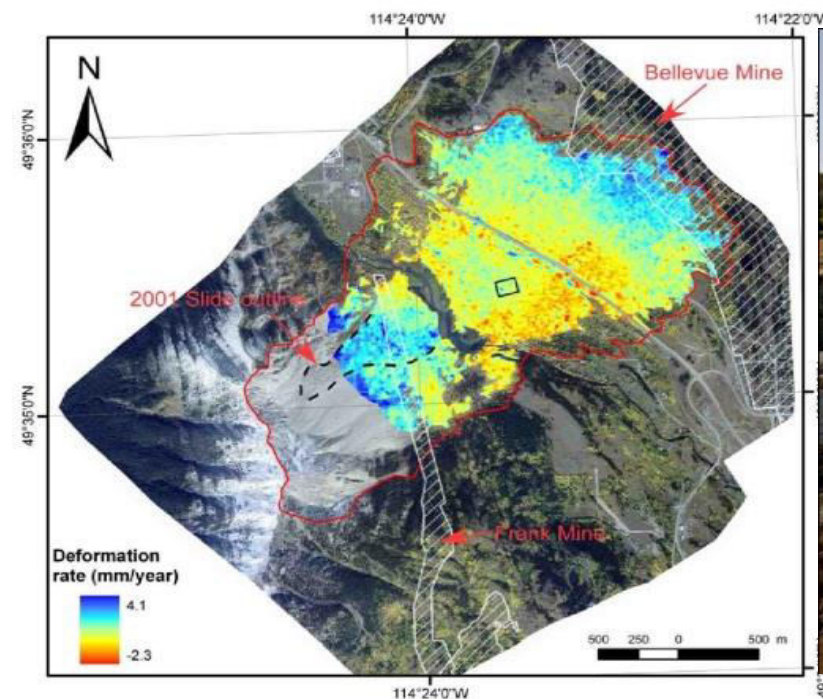
Financial services for
risk management & transfer



Access to better
weather information



Drought/salt/flood -
tolerant crop options



Risk analysis



More robust/flexible
infrastructure

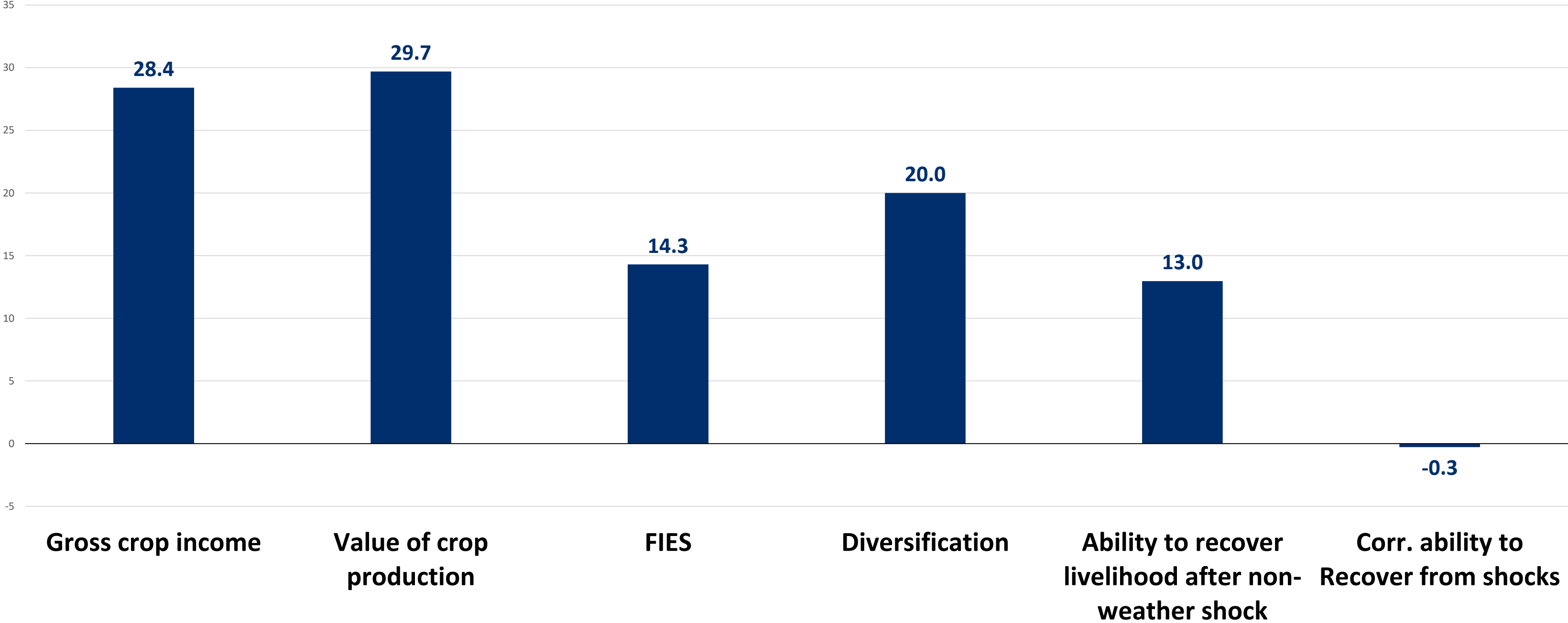


Post-harvest
protection



Green technologies

Results: AMD in Viet Nam



CCDP Indonesia



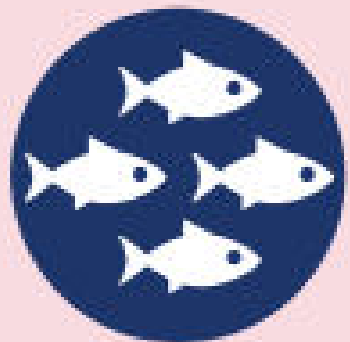
+33%
Total income
for fishers per year



+43%
Fishing income
per year



+28%
Fish and marine
product sales



+79%
Fish productivity

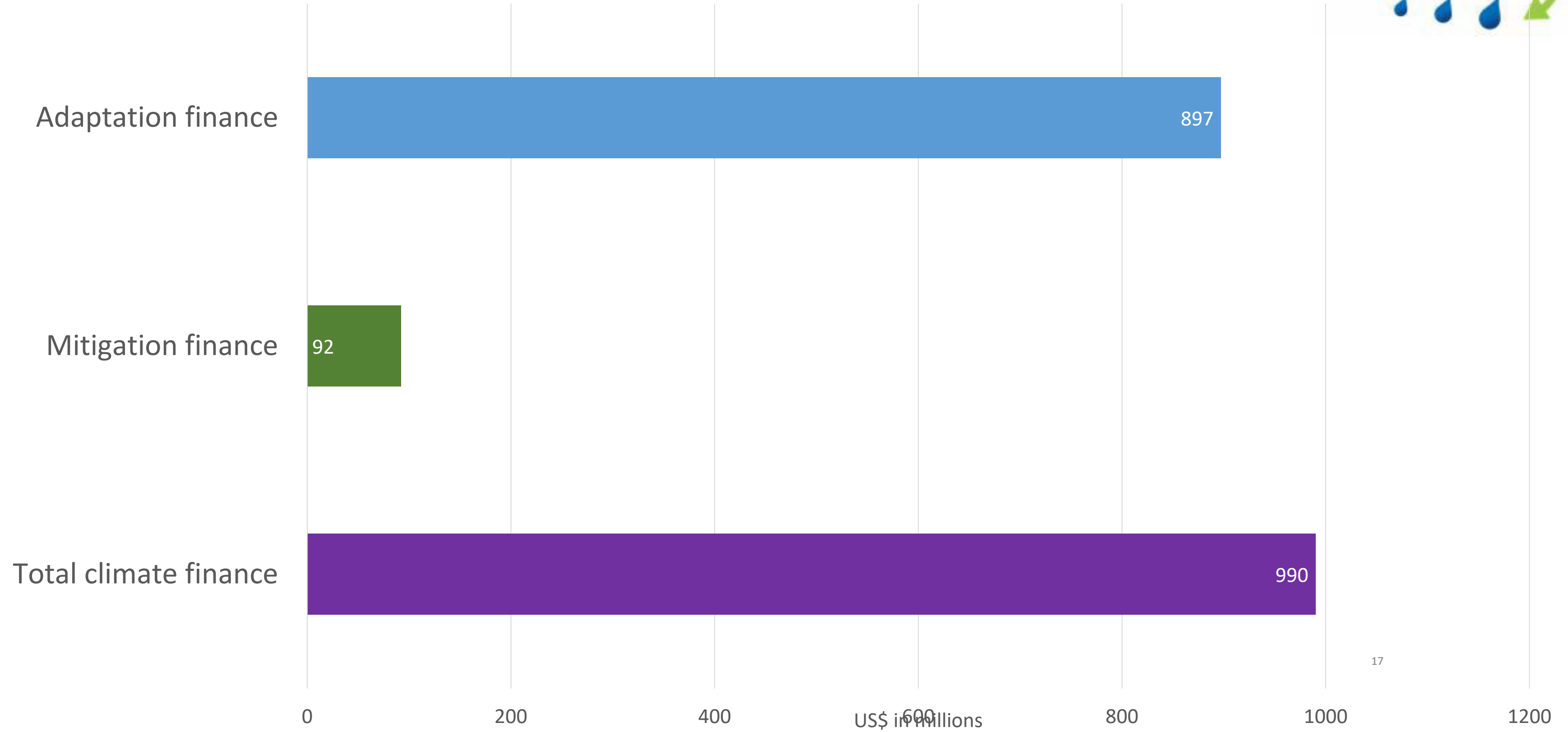


+27%
Women's
empowerment¹



+6%
Dietary diversity

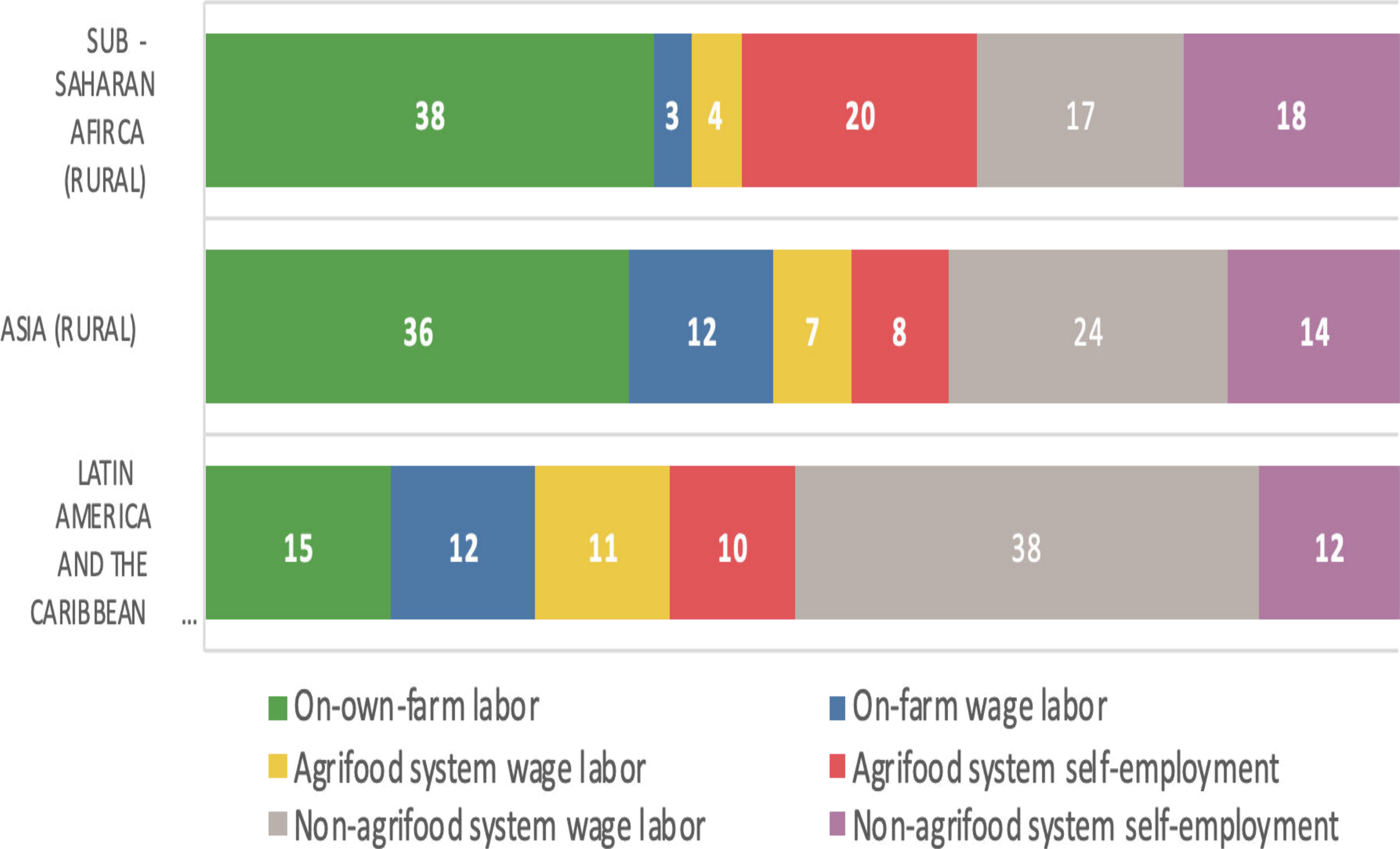
IFAD11 climate finance



Midstream: agribusiness



Shares of employment:



Agrifood midstream: **opportunities**

- Local midstreams can involve **local populations** and be inclusive (e.g. women, youth, indigenous peoples).
- Midstream can connect rural to urban areas through **peri-urban**
- **Midstream SMEs link small-scale farmers to markets:**
- They can improve the **quality and diversity of food**
- They can **generate employment**, female entrepreneurship and livelihood opportunities
- They can support **circular and sustainable food systems**
- Midstream SMEs can **hold standards** for safety, quality, sustainability and social responsibility.

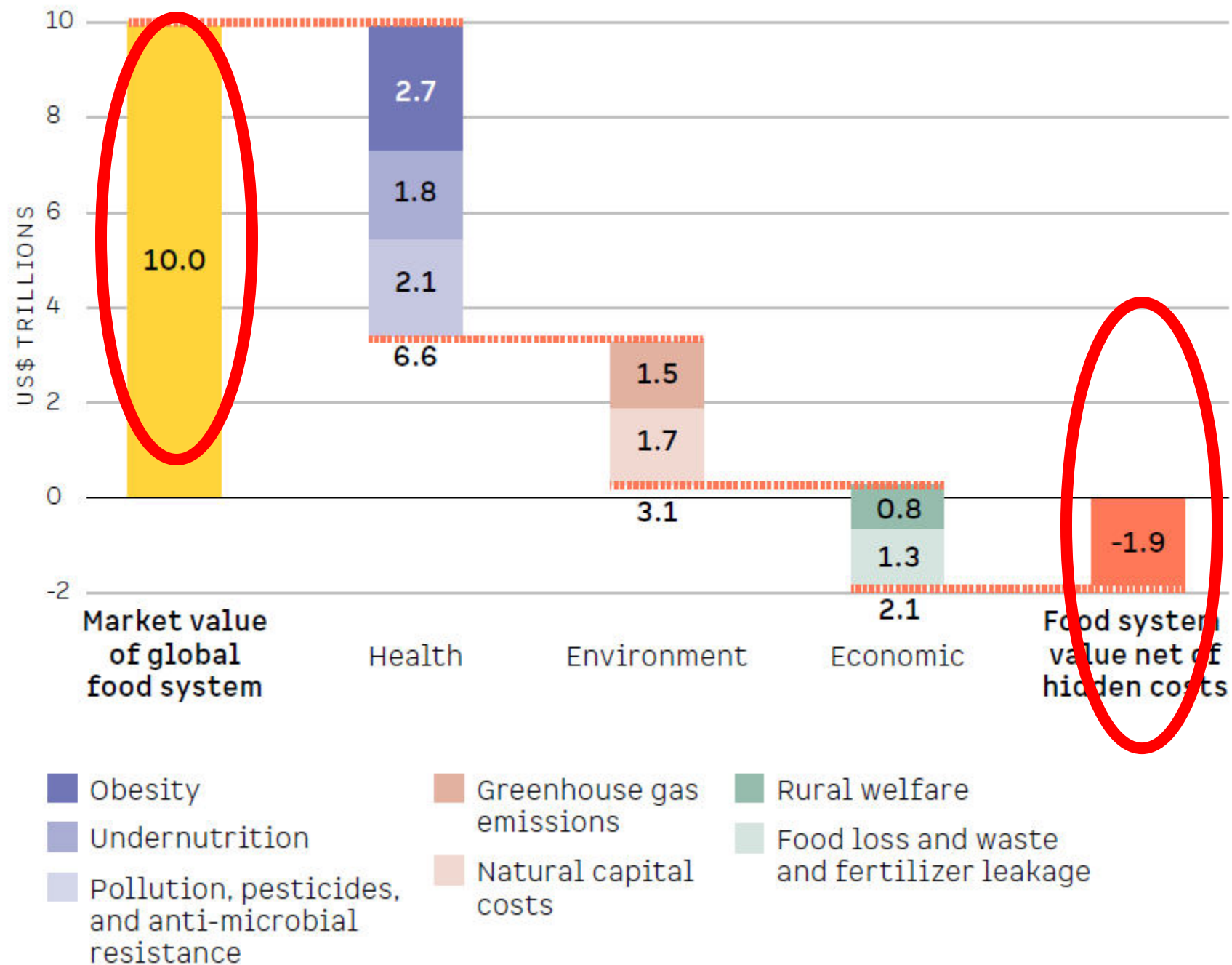


Agrifood midstream: **Challenges**

- Reducing **market transaction costs**,
- **Effective value chains**: Issues for perishable nutrient-dense products
- **Food processing and packaging practices** : higher nutritional quality and longer shelf life
- **Midstream employment**: volatile and informal: low incomes working conditions far from decent. Rules and regulations needed.
- **Midstream sustainability** a long walk to take: education of midstream constituencies, long term contracts.
- **Infrastructure** still largely lacking.
- **Access to finance**: still limited



The *true cost of production*



- Total *value* of food (with environmental, health and social costs) estimated 10 trillion.
(But priced at 8 trillion.)
- **Remove distortions** in trade and markets prices away from unhealthy or Ultra processed foods.
- Society must pay **for global good generation** - ecosystem and carbon sequestration services (mostly small holder farmers).

Key foundations

- **Innovation and entrepreneurship** in the food system midstream key to realizing this potential.
- **Gender equality and women's** economic empowerment and for indigenous people.
- **Youth-centred rural transformation** needs to focus on connectivity to markets, information and social networks, productivity in education, skills and access to productive resources, and agency in civic and political participation and empowerment.



Conclusions

- Small-scale farmers are still the foundation of food supply across all low- and middle-income countries – a better combination of innovations, policies and incentives are key.
- SME play a critical role in reducing rural poverty and ensuring national food and nutrition security.
- Investing in and creating the conditions for productive, economically viable and environmentally sustainable small-scale family farming must be at the core of the agenda to transform food systems.



• **Thank you**

