



World Bank: Scaling up Investments in Food Systems Transformation

Dina Umali-Deininger
Practice Manager for Agriculture and
Food, East Asia and Pacific
March 16, 2021

Outline

1. Challenges, Opportunities and Vision for the Food System
2. Leveraging impacts
3. Operational Responses
 - Short-term Responses to COVID-19
 - Longer-term Support: Healthy Economy, Healthy People, Healthy Planet

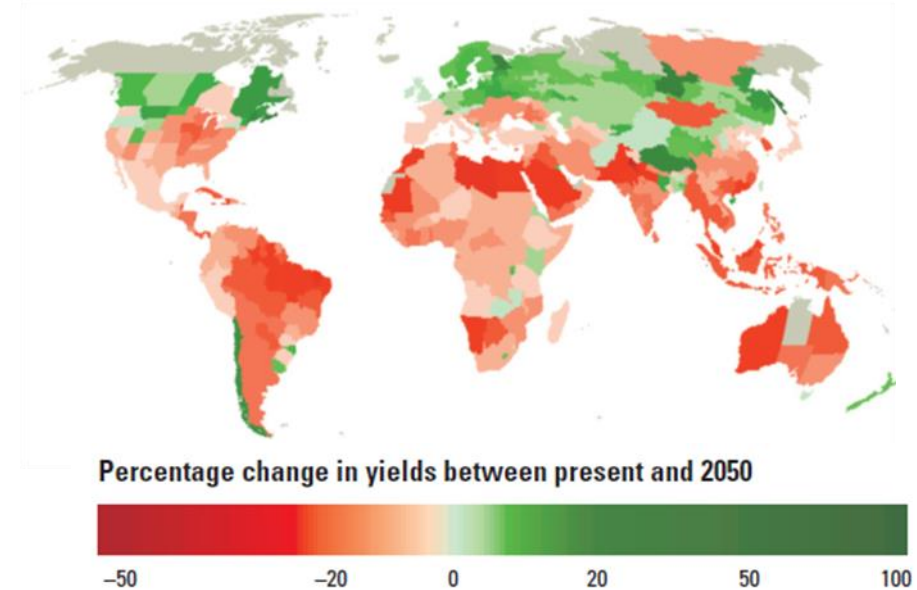
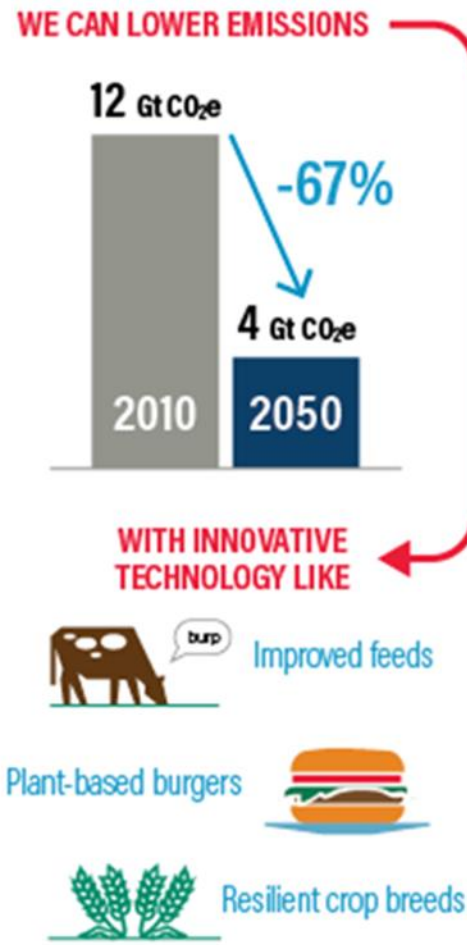
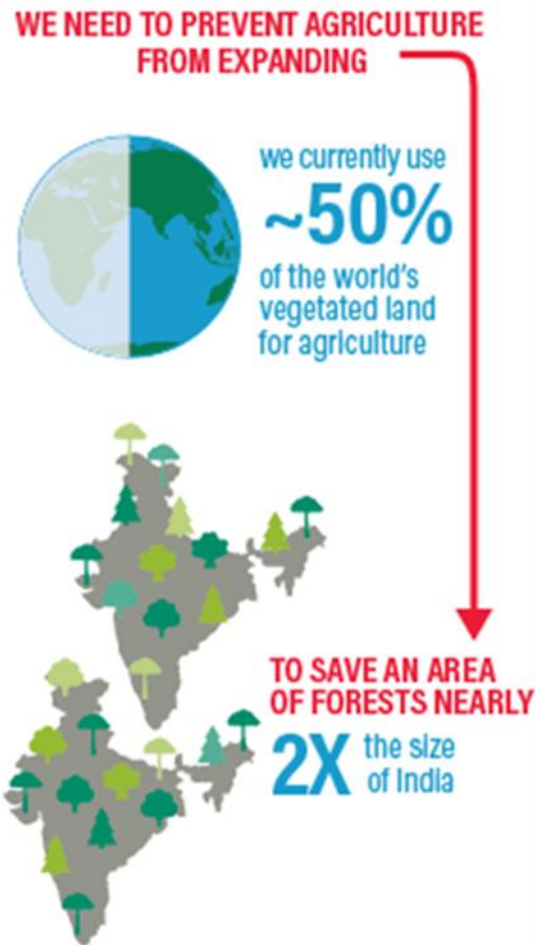
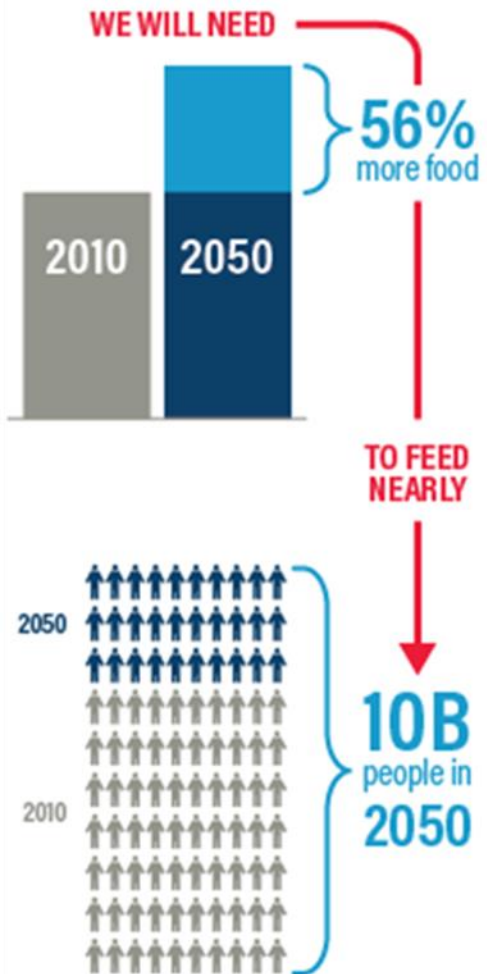
We face big challenges in the Food System

How do we feed 10 billion people...

...without using more land...

... while lowering emissions

... while improving climate resilience and reducing water stress



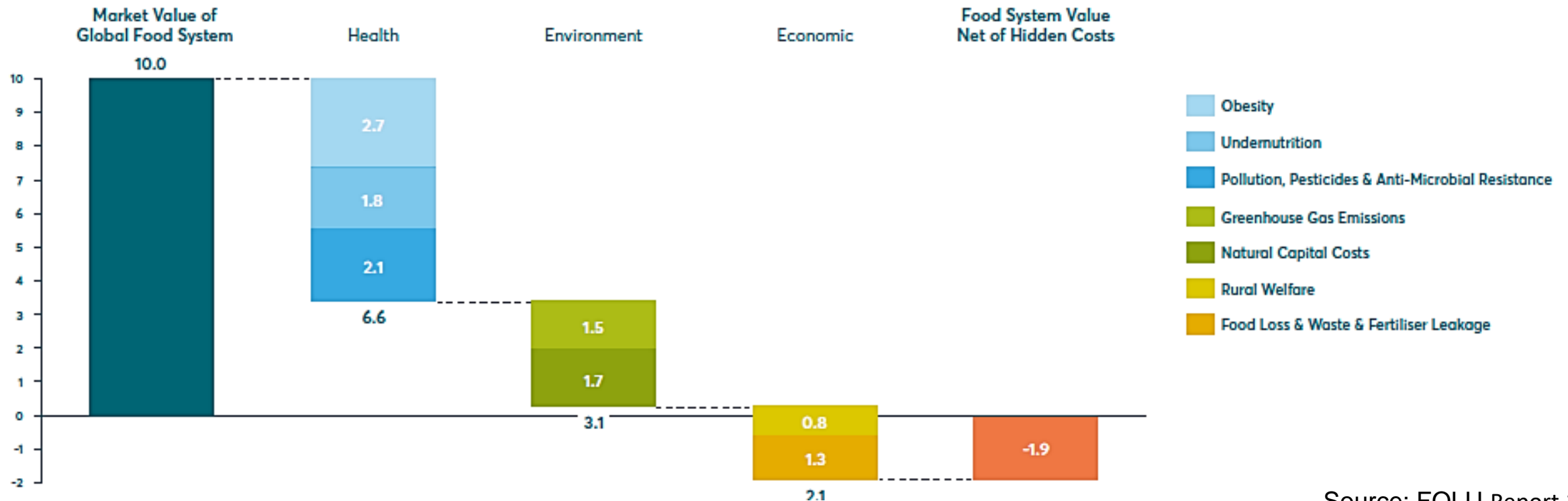
...and lifting the extreme poor who work in the food system out of poverty?

Not fit for purpose - need to reduce high costs of the food system

The 'hidden costs' of the global food and land use system sum to **\$12** trillion, compared to a market value of the global food system of \$10 trillion ...

... if continued on current trends these costs could increase to **\$13** trillion a year by 2030

Trillions USD, 2018 prices

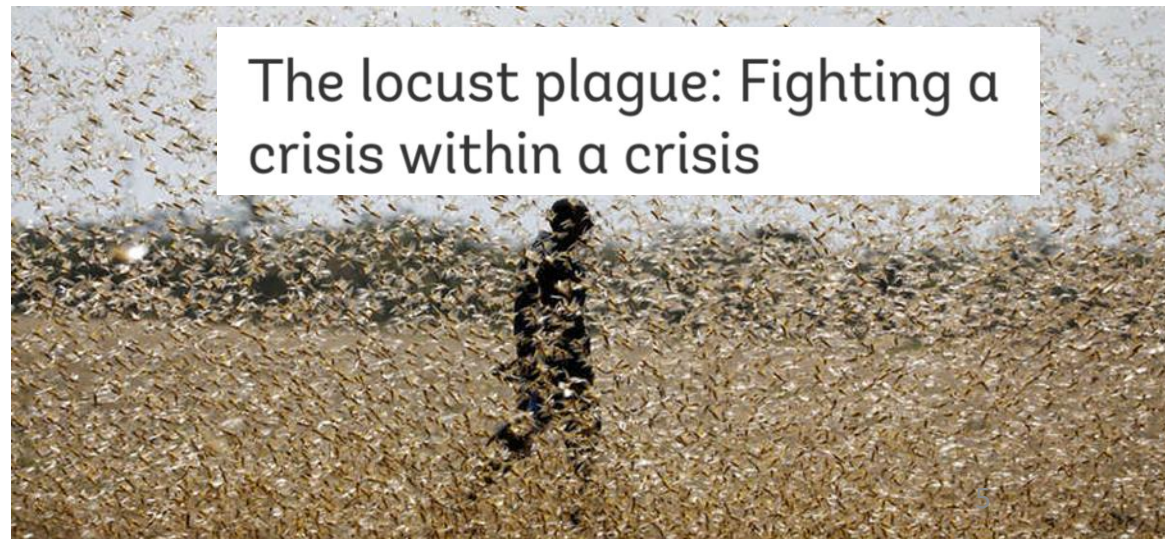


COVID-19 impacts exposed the food system weaknesses... and is making matters worse

- Inadequate measures contributed to **animal-to-human disease transmission**
- **Obesity** (and associated non-communicable diseases) increased severity of coronavirus
- **Malnutrition** weakened immune systems
- **Informal, weak and often restricted supply chains** disrupted the movement of food with significant food loss and waste
- The **locust outbreak** in many countries is already putting food security and livelihoods at risk. COVID-19 brings additional loss and associated movement restrictions hamper responses to curbing the locust outbreak.

Obesity Linked to Severe Coronavirus Disease, Especially for Younger Patients

Dumped Milk, Smashed Eggs, Plowed Vegetables: Food Waste of the Pandemic



The locust plague: Fighting a crisis within a crisis

There are big opportunities in the Food System

Business Opportunity
\$4.5 trillion annual opportunity for businesses associated with the ten critical transitions by 2030

Investment Requirements
\$300-\$350 billion required each year for the transformation of food and land use systems to 2030

Economic Prize
\$5.7 trillion economic prize by 2030 and \$10.5 by 2050 based on avoided hidden costs



Healthy People

Healthy Planet

Healthy Economy

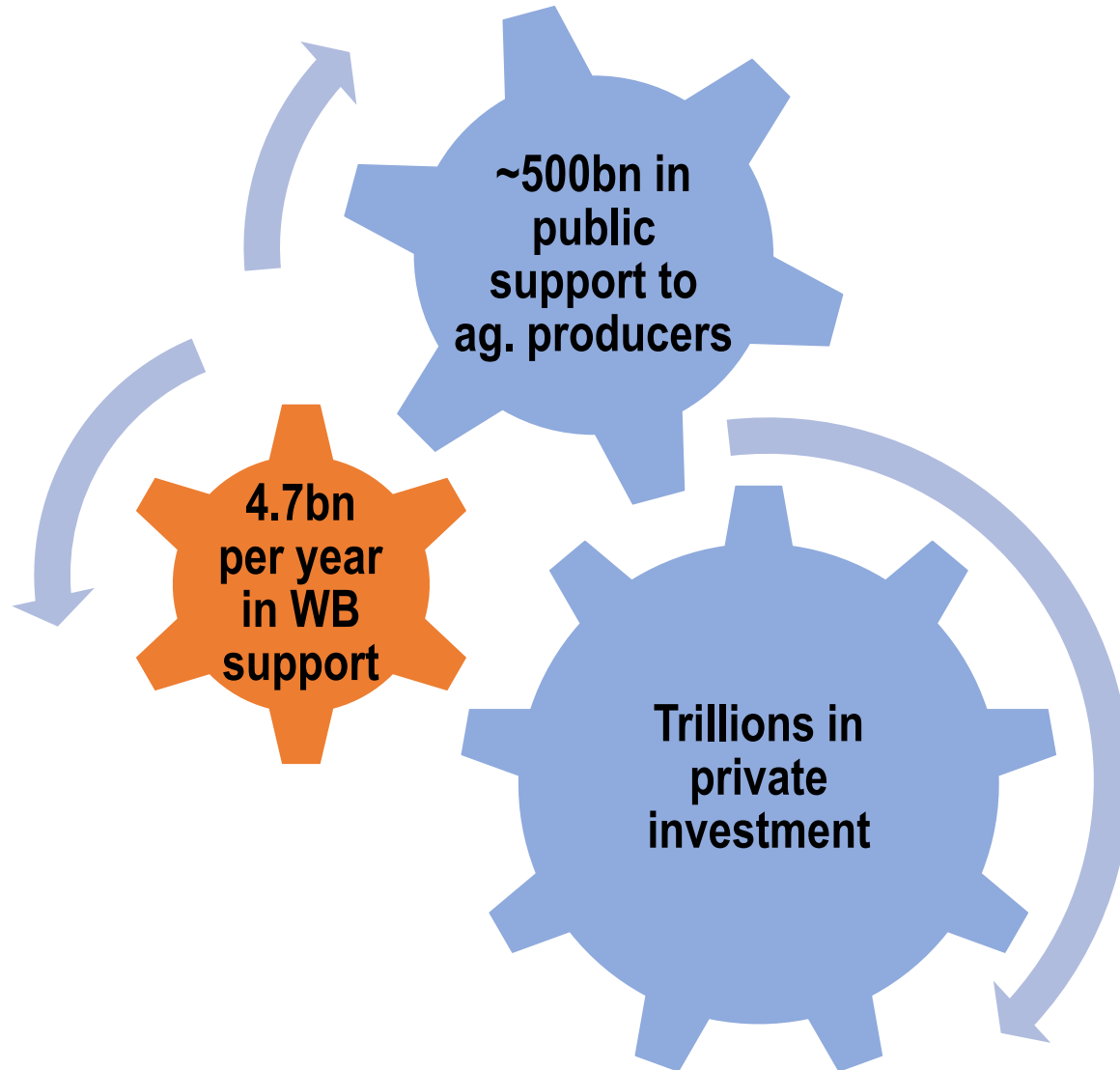
World Bank Vision for the Food System – Healthy Economy, People, and Planet



A food system that helps deliver by 2030	Vision/ interrelated targets	Currently off track
<p>Healthy economy (inclusive incomes, jobs & livelihoods)</p>	<ul style="list-style-type: none"> • Increase incomes of poor people that work in the food system • Support structural transformation 	<ul style="list-style-type: none"> • 2030 end poverty target unlikely to be met, significant lag in FCVs
<p>Healthy people (secure and safe food and nutrition)</p>	<ul style="list-style-type: none"> • End hunger and acute food insecurity • Improve health outcomes [lower micronutrient deficiency and obesity, improved food safety, less zoonotic disease, and reduced AMR] 	<ul style="list-style-type: none"> • Increase in hunger since 2015 • 135 million acutely food insecure • 2 billion micro-nutrient deficient • 2 billion overweight or obese • Increase in zoonotic diseases • Anti-microbial resistance
<p>Healthy planet (environmentally sustainable practices)</p>	<ul style="list-style-type: none"> • Operate within safe planetary boundaries for sustainable resource use 	<ul style="list-style-type: none"> • Land degradation • Water scarcity • Pollution • 25% of global GHG emissions • Biodiversity loss • High loss and waste`

2. Leveraging impacts

Leveraging improvements in public support & private investment



350 bn in additional investments needed/year
4.7 bn in additional WB support/year

Need to increasingly use support to:

- **Repurpose broader public support** to deliver better outcomes (better input & output market policies)
- **Crowd-in private investment.** On farms and along value chains

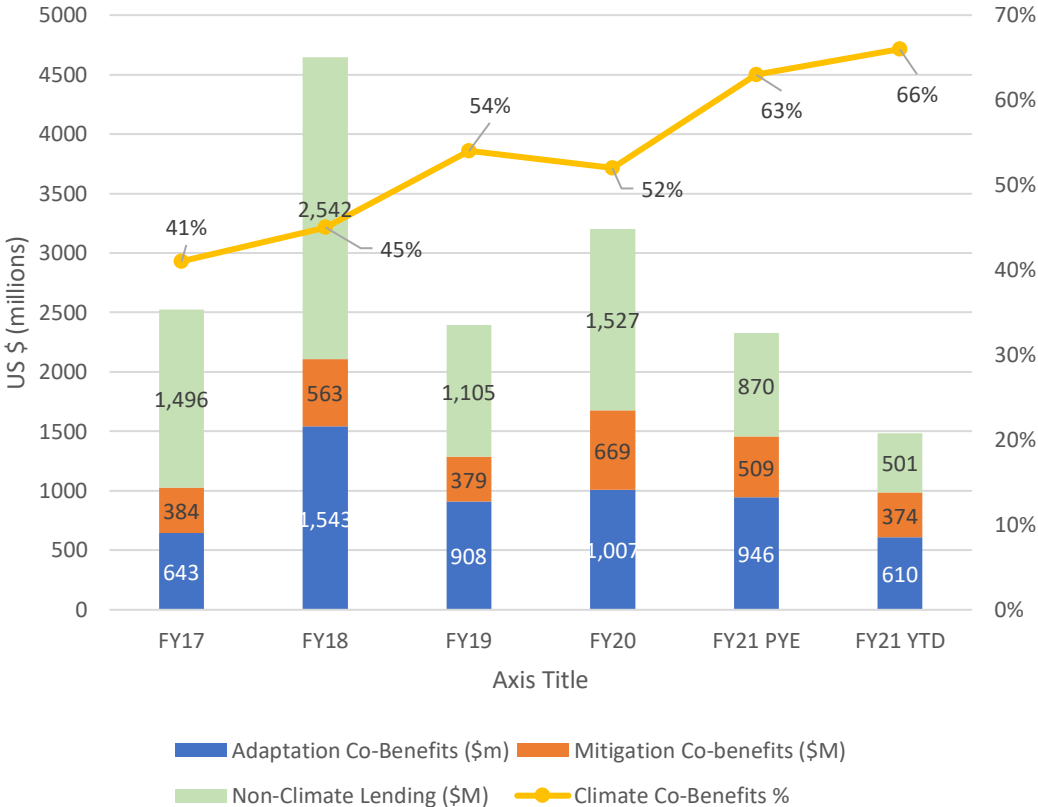
World Bank Agriculture & Food Global Practice Portfolio

ACTIVE PORTFOLIO		
Agriculture and Food GP	No. of Proj.	Net Com. Amt.
Total	153	\$21047.04M
Region		
Africa East	26	\$3290.87M
Africa West	27	\$2937.79M
East Asia And Pacific	25	\$3292.87M
Europe And Central Asia	15	\$2540.79M
Latin America And Caribbean	22	\$2104.46M
Middle East And North Africa	4	\$511.00M
South Asia	34	\$6369.26M
Project Financier		
Blend	8	\$2042.23M
IBRD Only	49	\$8643.34M
IDA Only	86	\$10083.04M
TF	10	\$278.42M

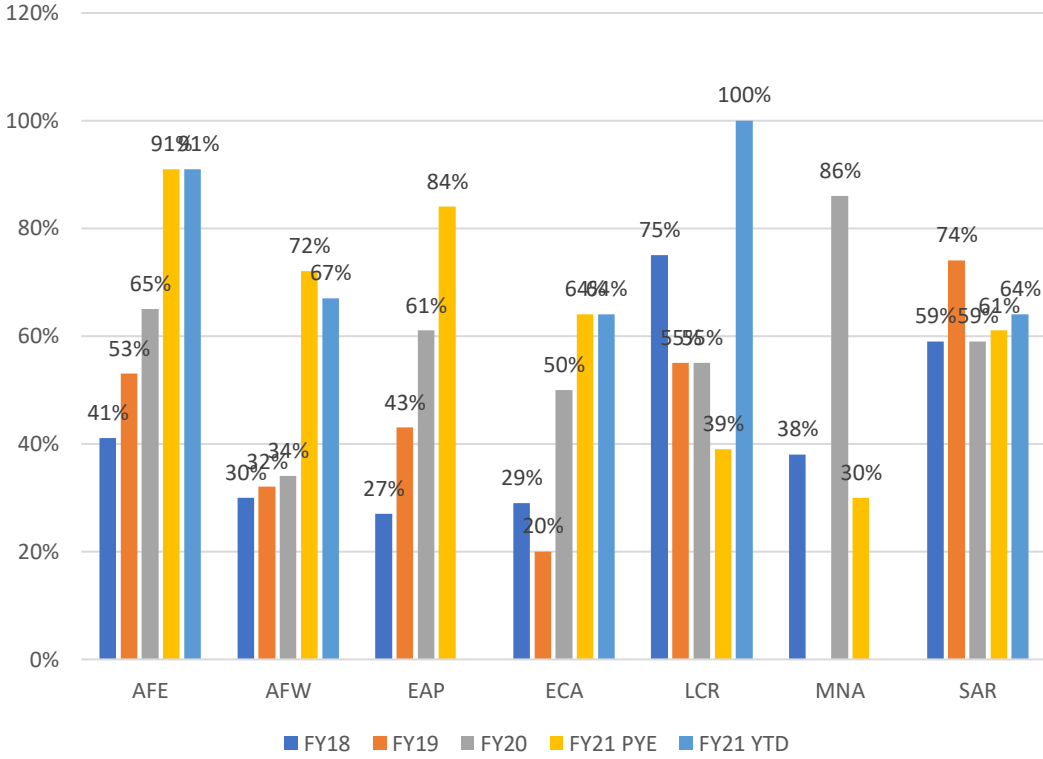
FY21 FULL LENDING PROGRAM						
Agriculture and Food Global Practice	Commitment Amount			No. of Projects		
	FY21 Total			FY21 Total		
	Actual	Pipeline	Total	Actual	Pipeline	Total
Total	\$2044.75M	\$1904.01M	\$3948.76M	13	15	28
Region						
Africa East	\$80.00M	\$266.69M	\$346.69M	0	4	4
Africa West	\$405.00M	\$695.00M	\$1100.00M	5	3	8
East Asia And Pacific	\$0.00	\$686.28M	\$686.28M	0	3	3
Europe And Central Asia	\$515.00M	\$57.54M	\$572.54M	2	2	4
Latin America And Caribbean	\$157.75M	\$3.51M	\$161.26M	1	1	2
Middle East And North Africa	\$250.00M	\$75.00M	\$325.00M	1	1	2
South Asia	\$637.00M	\$120.00M	\$757.00M	4	1	5
Project Financier						
Blend	\$0.00	\$0.00	\$0.00	0	0	0
IBRD Only	\$1000.00M	\$755.00M	\$1755.00M	4	3	7
IDA Only	\$1044.75M	\$1118.70M	\$2163.45M	9	8	17
TF	\$0.00	\$30.31M	\$30.31M	0	4	4

Strong Focus on Enhancing Climate Co-Benefits

Agriculture GP Co-Benefits Trend

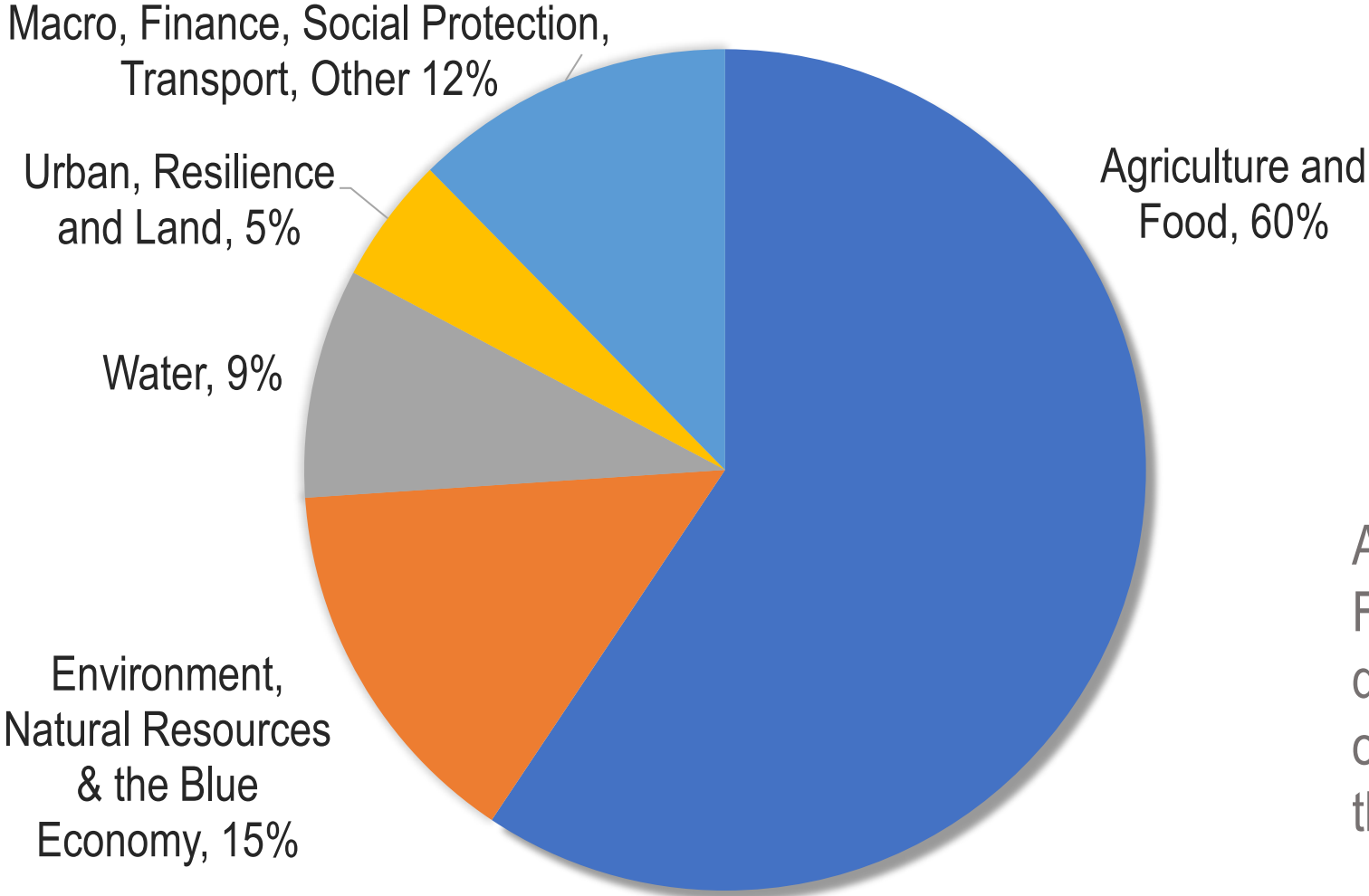


% Co-Benefits over Commitment by Regions for Agriculture



Leveraging through cross sector coordination within World Bank

Share of Agriculture and Food Related Lending FY17-19



About 40% of Agriculture and Food GP mapped projects are done with contributions from other GPs, especially within the SD Practice

Leveraging external partnerships and donor support

Technical partnerships

- CGIAR, FAO
- Agricultural Market Information System [AMIS] (G20 countries plus 10 international agencies)
- IFAD, Regional Development Banks, Bilaterals
- WTO
- World Business Council for Sustainable Development

Financing partnerships

- Food System 2030 Global Multi-Donor Trust Fund
- Global Agriculture and Food Security Program (GAFSP) MDTF
- AgResults

Implementation partnerships

- In high-intensity conflict countries e.g. With FAO in Yemen, South Sudan

3. Operational responses to COVID 19

Short term responses to COVID-19

- Weekly Food Security Monitoring Updates and technical advice to clients
- Repurposing new lending
- Portfolio restructuring towards COVID 19 emergency needs

Longer term support: Healthy Economy, Healthy People, Healthy Planet

- Priority to building back better
- Strong focus on greening food systems, gender, inclusion, and crowding in 'responsible' private sector finance
- Regional priorities in EAP: One Health, Plastics Pollution, Innovations and Digital technologies