

MOBILIZING CAPITAL FOR DEVELOPMENT IN AGRICULTURE & FOOD



WORLD BANK GROUP
Agriculture & Food



FOOD SYSTEMS
2030



Transforming food systems to reduce carbon emissions and achieve the Sustainable Development Goals requires a massive increase in investment across the agricultural value chain. Large, coordinated flows of public and private capital are needed to overcome decades of underinvestment, and to meet the challenges of the present and future.



We work to create an enabling environment and incentives for private investment in agribusiness, focusing on smallholders and SMEs. We advise governments on policy and regulatory measures to overcome market failures and create an enabling environment for investment. Our work helps to create new markets, strengthen market efficiency, boost productivity, support sustainable output, and encourage job creation in agricultural value chains.

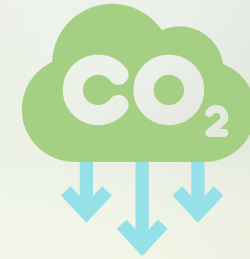


The World Bank Group is the global leader in mobilizing capital for development in agribusiness. We identify and leverage growth areas for productive investments, focusing on innovation and impact. And we design projects to ensure that financing boosts sustainable productivity gains, reaches smallholders and SMEs, and creates jobs to end poverty and hunger.



Hunger is on the rise, healthy diets are unaffordable for the world's poorest people, and **30%** of food produced is lost or wasted.

The global food system is responsible for **33%** of global greenhouse gas emissions



There is a **\$2 trillion gap** in private financing to meet the SDGs and create sustainable, green agricultural value chains.

The UN estimates that ending poverty and hunger requires additional financing in agriculture and rural development of **\$140 billion per year**, of which \$50 billion per year is needed from the private sector, primarily for on-farm and agro-processing investments.



\$140 billion needed



Transforming the current food system is a long-term, complex endeavor requiring private sector investment.

Most of the world's agricultural production is performed by the private sector, which includes about 500 million smallholders and large commercial enterprises.



In low and lower-middle-income countries, 95 percent of all farms are smaller than 5 hectares.

Smallholders produce one-third of the world's food supply and 70 percent of the food consumed in developing economies.



Smallholders therefore play a crucial role in global food security, but they require financial and technical support to be organized into commercially viable groups, boost output, and implement sustainable production practices.

Agriculture is the largest employment sector globally but two-thirds of people in extreme poverty are agricultural workers.



Across value chains, lack of access to finance is a key impediment to growth and transformation of agriculture.

Creating sustainable food systems requires a massive increase in investment and involvement of the private sector across the agricultural value chain.



Developing an effective approach to maximizing finance for development in agriculture requires integration, commitment, and action from governments and the private sector.



The World Bank Group aims to maximize financing for development in agricultural value chains by incentivizing private investment to bolster scarce public resources.

Crowding in more private investment requires increased space for private sector activity, an improved policy and regulatory environment, and options for using public financing to improve private incentives and to reduce transaction costs and risks.



We lead and contribute to global programs in order to share knowledge, invest in research and innovation, leverage public and private sector financing, and reach scale for maximum impact.

- ▶ The **FOLUR Impact Program** seeks to transform the production and value chains of eight priority commodities: palm, coffee, rice, livestock, wheat, corn, cocoa, and soy. It addresses gaps in knowledge, builds technical capacity, improves access to finance, promotes innovation, and advances policy engagement.
- ▶ Aquaculture accounts for more than half the seafood produced for human consumption. We aim to improve good practices through the **PROBLUE AqualInvest Platform**, which assesses investment readiness, develops guidelines for sustainable business development, and provides advisory services.
- ▶ **AgResults**, a \$152 million multi-donor initiative, uses pay-for-results prize competitions to incentivize the private sector to invest in high-impact agricultural innovations and technologies that will benefit smallholder farmers and reduce food insecurity.

