





Sustainable Food System and Value Chain Development - work and experiences at FAO

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Overview

- Sustainable food system approach in our work
- FAO-UNIDO 3ADI+ programme
- What do we/SMART do? Program work



Sustainable Food System Approach

- The starting point:
 - What is a food systems approach?
 - Why take a food systems approach?
- The evolution of food systems
- Definition and key concepts
- Ten guiding principles



What is a food system approach in our work?

 Adopting integrated solutions to food system challenges based on a holistic framing and deeper analysis of problems by a multidisciplinary team.



Why take a food system approach?

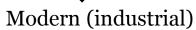
- Food systems are rapidly changing, getting more global, complex and interconnected – we need to change along with this
- It allows for better framing, analysing and solving of problems to tackle challenges or take advantage of new opportunities



Evolution of Food Systems

Population growth, urbanization, globalization, technological innovations, lifestyle changes, sustainability concerns

Traditional (pre-industrial)

















Food system definition

Food systems encompass the entire range of actors and their interlinked value-adding activities involved in the production, aggregation, processing, distribution, consumption and disposal of agri-food products that originate from **agriculture**, **forestry** or fisheries, and parts of the broader economic, **societal and natural environments** in which they are embedded.



Sustainable food system (SFS) definition

A **sustainable** food system is a food system that delivers food security and nutrition for all in such a way that:

- It is profitable throughout → economic sustainability
- □ It provides broad-based benefits for society → social sustainability
- It has a positive or neutral impact on the natural environment → environmental sustainability



The concept of sustainability

ECONOMIC IMPACT

Food supply
Consumption, food
security, nutrition
Profits
Jobs/incomes
Tax revenues

SOCIAL IMPACTS

Gender,
youth, indigenous...
Cultural traditions
Nutrition and health
Decent working condition
Animal welfare
Institutions

SFS

Green growth

Toxicity

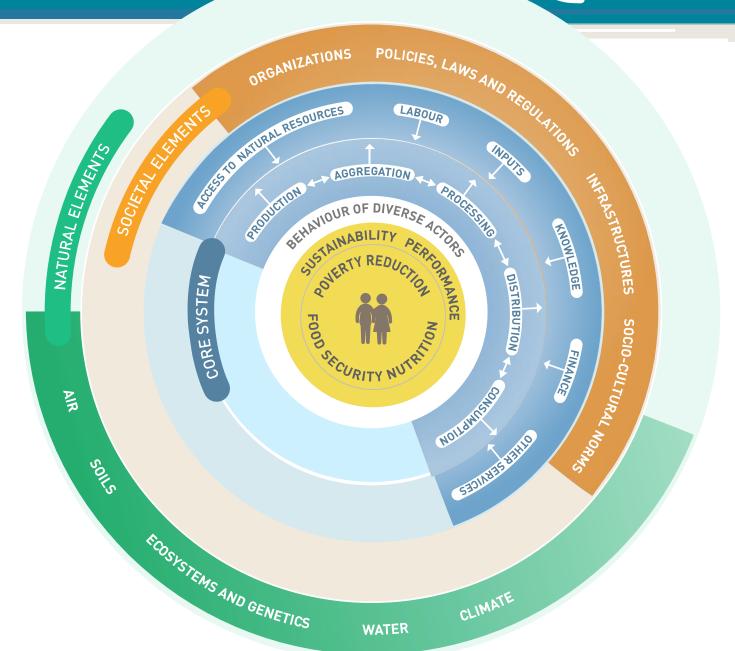
Inclusive growth

Ecosocial progress ENVIRONMENTAL IMPACTS

Carbon, emissions
Water, soil
Other natural resources
Animals, plants,
Ecosystems
Biodiversity
Food loss and waste

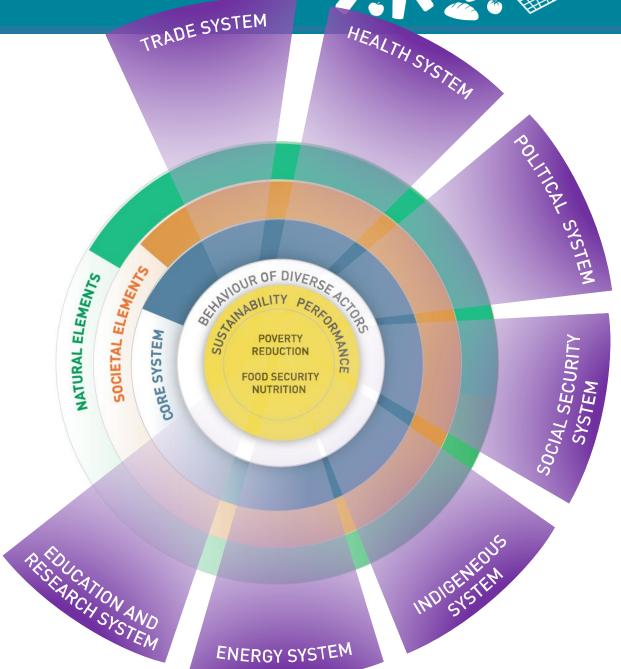


The Food System Wheel



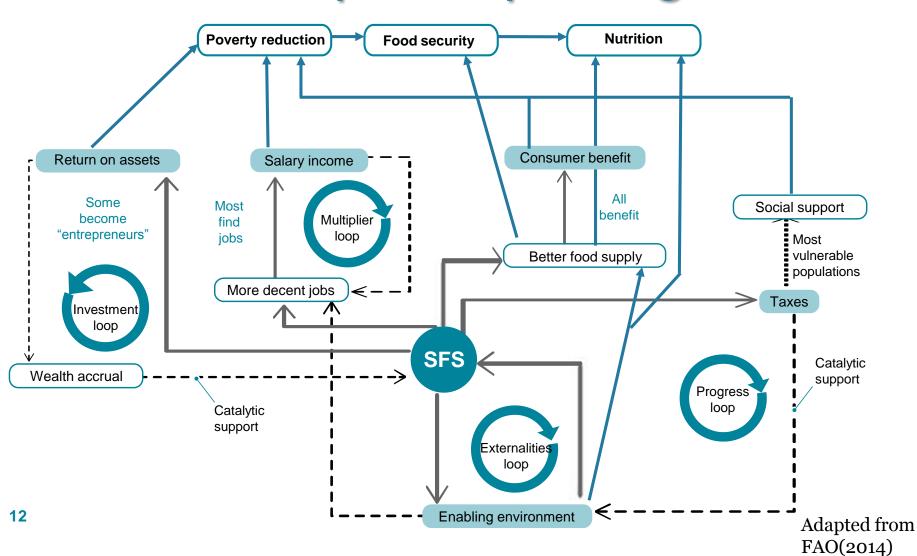


The Food System Wheel





SFS development paradigm



- Big picture & evolutions
- Elements, linkages, purpose
 - Feedback loops
- Mapping core, support, social & natural environments
 - Root causes, binding constraints, leverage points

evelonment

- Behavioural change
- Incentives and capacities
- Trust, market power, rules and norms

Sustainability

- Trade-offs
- Sub-system focus
- Value chain selection

1. Economically sustainable (profitable)

2. Socially

3 . Environmentally sustainable (green)

Facilitation

Measu

Adaptation

sustainable (inclusive)

> 7. Vision/strategy driven

8. Upgrading **Focused**

9. Scalapie

10. Multilateral

Implementation Principles

Improving performance



- Trade-offs, synergies, dyssynergies
 - Inter-ministerial policy and program alignment
- Public & private sector, civil society



FAO-UNIDO 3ADI+ programme in Bangladesh, Suriname and Tanzania

The Accelerator for Agribusiness and Agro-industry Development and Innovation plus (3ADI+)

What is 3ADI+

3ADI+ system approach at work

3ADI+, pilot and implementing countries

3ADI+ in Bangladesh, Suriname and Tanzania



3ADI+

ACCELERATED AGRICULTURE AND AGRO-INDUSTRY **DEVELOPMENT INITIATIVE PLUS**















3ADI+



ACCELERATED AGRICULTURE AND AGRO-INDUSTRY DEVELOPMENT INITIATIVE PLUS



• https://www.unido.org/our-focus-creating-shared-prosperity-agribusiness-and-rural-entrepreneurship-development/3adi-accelerator-agriculture-and-agroindustry-development-and-innovation





FAO and UNIDO SDG Indicators

2 ZERO HUNGER



2.1.1 Prevalence of undernourishment

2.1.2 Severity of food insecurity

2.3.1 Productivity of small-scale food producers

2.3.2 Income of small-scale food producers

7 & 1 Annicultural sustainahility

2.5.1 Conservation of food and aggenetic resources

2.5.2 Risk status of livestock breeds

2.a.1 Public investment in agriculture

2.c.1 Food price volatility



5.a.1 Women's ownership of agricultural land

5.a.2 Women's equal rights to agricultural land ownership



6.4.1 Water use efficiency **6.4.2** Water stress



INDUSTRY, INNOVATION



9.2.1 Manufacturing value added

9.2.2 Manufacturing employment

9.3.1 Small-scale industries in total value added

9.3.2 Small-scale industries with loan or line of credit

 $9.4.1\,\mathrm{CO2}$ emissions per unit of value added

9.b.1 High-tech industry value added

12 RESPONSIBLE CONSUMPTION AND PRODUCTION





15 LIFE ON LAND

14.4.1 Fish stocks sustainability

14.6.1 Illegal, unreported unregulated fishing

14.7.1 Value added of sustainable fisheries

14.b.1 Access rights for small-scale fisheries

15.1.1 Forest area

15.2.1 Sustainable forest management

15.4.2 Mountain Green Cover





The value propositions of 3ADI+

3ADI+ takes a SYSTEM proach to value chain and market system development

- Create partnerships and facilitate linkages
- Develop an enabling policy environment
- Leverage and de-risk investment
- Build capacities and share knowledge







IMPLEMENTATION

Implement the activities identified in the action plan to develop inclusive and sustainable value chains, including the provision of technical assistance by the 3ADI+ core team and local implementation teams. Conduct monitoring and evaluation.

INVESTMENT PROMOTION

Present the action plan to the private sector to ensure private sector interest. Seek development bank loans to de-risk public and private investments.

POLICY SCUSSIONS

Present an action plan to the Government with the necessary investments and incremental policy changes required to create an enabling business environment.

VALYSIS

Engage all stakeholders in a value chain and market systems analysis to identify development opportunities, policy changes and funding needs.

FPTIO

Seek Government endorsement of the 3ADI+ programme and selected value chain.

3ADI+ methodology





3ADI+ pilot and implementation countries

- Bangladesh: dairy and beef
- Suriname: pineapple
- Tanzania: palm oil
- Upcoming fishery sectors in 10 countries funded by EU





3ADI+: Dairy and Beef in Bangladesh

- Objectives
 - Improve nutrition and food security
 - Increase income and market access for businesses in the sector at scale
 - Reduce environmental impact of milk and beef production and processing
- 3ADI+ Pilot phase, 2017-18
 - Value chain assessment and diagnostics
 - Upgrading business models, action plan and strategies





3ADI+: Dairy and Beef in Bangladesh

- 3ADI+ funded through IFAD South-South Cooperation grant, 2019-2021
 - Partnership development
 - Multi-stakeholder platform
 - Knowledge exchange hub
 - Capacity development and knowledge exchanges
 - South-south expert and knowledge exchange with Chinese scientists and institutions
 - Policy alignment
 - Investment promotion





3ADI+: Pineapple in Suriname

Objectives

- Increase income through decent work on the farms and in the collection and processing centers
- Sustain economic growth through diversified exports, improved market access and value addition
- Safeguard the environment by promoting environmentally sound production and processing





3ADI+: Palm oil in Tanzania

- Objectives
 - Reduce poverty through increased incomes for at least 3000 of the 30 000 smallholder palm oil producers.
 - Promote gender equality by reducing women's work burden and valuing women's work.
 - Develop sustainable palm oil production and reduce pressure on forests and water.



Food systems and value chains: Program work at SMART/FAO

SMART work overview

SFVC

Training packages and capacity development

SFVC technical network and online platform

3ADI+, pilot and implementing countries

3ADI+

3ADI+ pilot

3ADI+ phase II, funded by IFAD South-South Cooperation

Contract farming

Territorial development

Public Private Partnerships

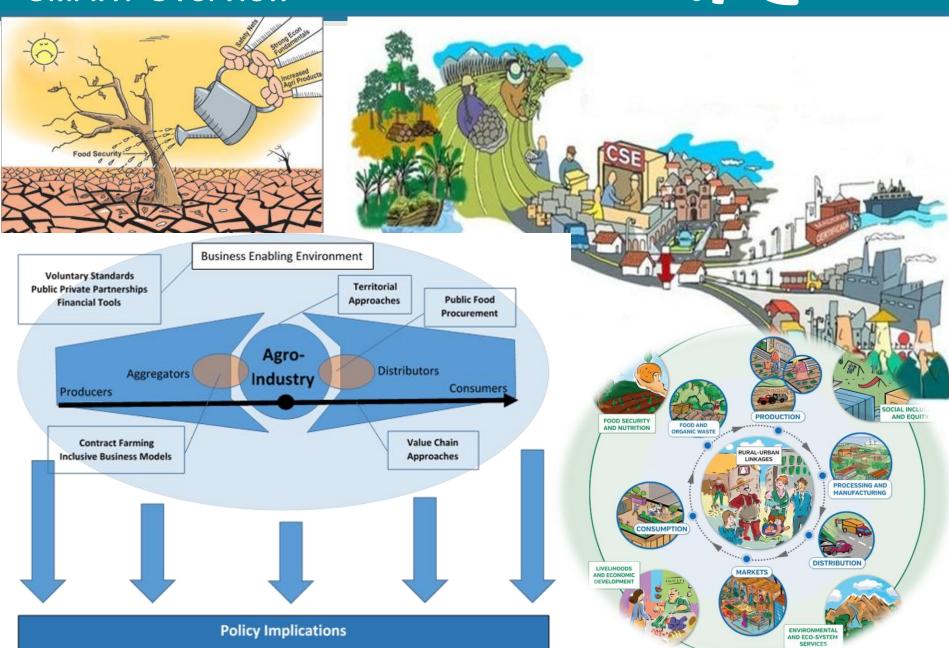
Urban food systems

Inclusive business models, gender- and youth-focused VC development, entrepreneurship

Digital innovations for value chain development (e.g blockchain)

SMART Overview







Food system and value chain work in SMART/ FAO

- 3ADI+ (& AgInvest)
- Contract farming
- Territorial development (ago-industry park, agricultural/rural transformation centres...)
- Urban food systems
- Inclusive business models, gender- and youthfocused value chain development, entrepreneurship
- Public-private partnerships
- Digital innovations for value chain development



- Sustainable food system
 - Sustainable Food Value Chain (SFVC) Approach
 - Value chain field projects
 - SFVC Knowledge Platform

http://www.fao.org/sustainable-food-value-chains/home/en/

SFVC publication series

 3ADI+ (Accelerator for Agriculture and Agroindustry Development Innovation) (FAO & UNIDO)

Coordination, policy, investment and knowledge





Promoting sustainable food systems and value chain approaches at FAO:

- Training package (eLearning coming)
- Practitioner's handbooks
- FAO SFVC Technical Network (internal) – JOIN!
- Online SFVC knowledge platform (Community of Practitioners) – JOIN!

Contact: sfvc@fao.org





Online SFVC knowledge platform

- Library
- Training & learning center
- News & events
- Member area

www.fao.org/sustainable-food-value-chains



Cooperative

Developed jointly by the

International Trade Centre and the

International Labour Organization,

this training will help existing and

Gender assessment of dairy value chains:

This report presents the findings

from a gender assessment of dairy

value chains in Ethiopia, which is

part of a series of similar studies

evidence from Ethiopia

Contact us

sfvc@fao.org



Contract farming

- Contract farming resource center
 - Training materials
 - Case studies and sample contracts
 - New updates and recent CF publications and events
- Publications

Contract farming

Partnerships for growt

- The model agreement for responsible contract farming (with IISD)
- Legal Guide on contract farming (UNIDROIT, FAO, IFAD)
- Legal aspects of contract farming agreements (UNIDROIT, FAO, IFAD)
- Contract farming for inclusive market acc Contract Farming Resource Centre
- Contract farming: partnership for growth



New Sample Contracts

Contract for rubber in Ghana

agricultural production?

...reduces risks related to

· ...can lead to significantly

fluctuating prices or natura







() IISD

Key Documents

Farming - with commentary
The Model Agreement for Responsible Contract

Model Agreement for Responsible Contract



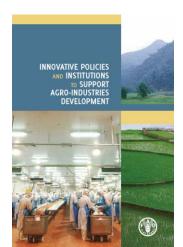
Contract farming

- Field projects/requests
 - Training and capacity building
 - Legal framework and dispute resolution (with LEG)
 - Model agreements for CF
- Recent development: digital solutions, smart contract, blockchain

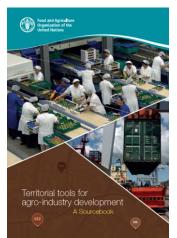


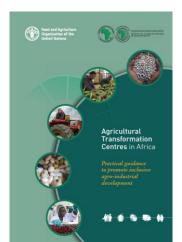
Territorial development

- Publications/normative work
 - Innovative policies and institutions to support Agro-industries development, 2011
 - Making economic corridors work for the agricultural sector, 2014
 - Territorial tools for Agro-Industry development: a sourcebook, 2017
 - Agricultural Transformation Centres in Africa: Practical guidance to promote inclusive agro-industrial development, 2019 (AfDB)
- Field projects/requests (recent)
 - IAIPs in Ethiopia
 - Case studies, request from AfDB
 - Agri-economic zone development in Philippines











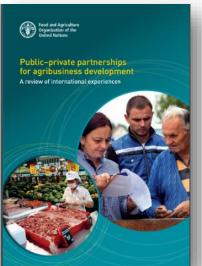
Urban food systems

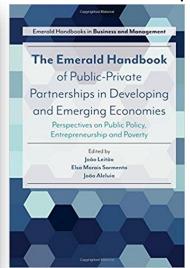
- Urban Food Actions Platforms
 http://www.fao.org/urban-food-actions/en/
- Urban food governance and action platforms (20 cities and towns in Africa, Asian, LAC)
- NADHALI project: Nairobi, Kenya, Dhaka, Bangladesh and Lima, Peru
- Save Food Cities program: reducing food looses and waste in urban centres through sustainable and circular bioeconomy (10 cities in different countries)
- Urban Food Environments and Green space program
- Agri-Food Innovation Towns program (investing in inclusive agri-food industries and services for functional and prosperous territories)
- Urban Food Policy Assistance—supporting national and local government to design urban food policy and attract investment
- Local Food Production and Marketing



Agri-PPPs

- Publications
 - PPPs for Inclusive Agricultural Growth, 2016
 - Chapter on Agri-PPPs and rural transformation in the Emerald Handbook of PPPs in Development and Emerging Economies, 2018
 - Guidelines/Framework for Agri-PPPs (upcoming, request from AU)
- Projects/requests
 - SE Asia 2014-16 Vietnam restructuring project
 - IFAD Asia policy project
 - Multi-stakeholder PPP platform



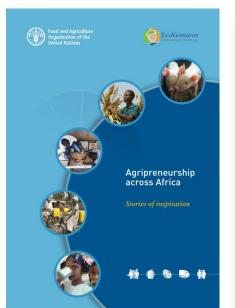




Agripreneurship and SMEs Inclusive Business Models

- SMEs
- Gender-sensitive value chain development (with ESP)
- Youth-employment and value chain development (with ESP, UNIDO)











Selected ongoing SMART work in OIC

- Uganda
 - Ongoing: Youth-focused value chain development in coffee sector
 - Upcoming: Blockchain technology for agrifood value chain development
 - Assessment: relevance, feasibility and opportunities
 - Capacity development
 - Policy alignment
- Senegal: youth platforms (youth-focused value chain development)
- Gambia: 10 value chains—VC assessment and development
- Bangladesh:
 - 3ADI+: dairy and beef
 - NADHALI urban food system project in Dhaka
- Suriname: 3ADI+ Pineapple
- --Ghana: potential application and feasibility of blockchain for cocoa value chain development (→ potential implications for cocoa VC in Cote d'Ivoire.)



Thank you!

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Presenter: Lan Li (lan.li@fao.org)

SMART team: sfvc@fao.org

Contract farming: Contract-Farming@fao.org