

Donor and Investor Convening

Boosting Food Systems
Transformation through Agroecology

October 2023 Rome, Italy





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Executive summary

In a world grappling with formidable challenges such as biodiversity loss, ecosystem degradation, growing malnutrition, inequality and climate change, securing sustainable food sources has emerged as a paramount concern. The imperative to reconstruct our food systems into more sustainable, productive, resilient and equitable systems cannot be overstated. Agroecology, including regenerative agriculture rooted in all of the 13 principles of agroecology defined by the High-Level Panel of Experts (HLPE) of the Committee on World Food Security (CFS), can be a powerful lever for solving these major challenges.

On 20 and 21 October 2023, more than 70 donors and investors met in Rome in advance of the Committee on World Food Security deliberations to discuss how to boost food system transformation through investing in agroecology. This meeting was attended by government members of the Agroecology Coalition, bilateral and multilateral development cooperation agencies, multilateral development banks and financial institutions, private philanthropic organizations and impact investors. The energy in the room was impressive. It demonstrated both the robust political endorsement as well as a strong appetite to better understand how we can link the different funding opportunities to the various financial needs of an agroecological food system transformation.

As indicated by a forthcoming study of the Global Alliance for the Future of Food, we're nowhere close to attending to the financing needs of transforming our food systems towards more regenerative and agroecological ones. To successfully make this transition, investments needs are estimated around \$430 billion annually, whereas actual investments are at around \$44 billion - that is 10 times less than what's needed. But the target becomes much more attainable when we look at what's already being spent on harmful agricultural subsidies - more than \$400 billion a year. The transition costs dwarf when compared to the \$12-19 trillion dollars estimated in negative externalities of our current mismanaged food systems, in other words, the cost of business as usual. The imperative for increasing investments - public, private, and philanthropic - in agroecology is clear.

An increasing number of governments from different regions are launching ambitious agroecology strategies and policies. International financial institutions are increasing their knowledge on how their investments contribute to an agroecological transformation, and it is expected that their investments will increase to accompany transitions at the national level. Donor agencies and philanthropic organizations are tailoring their programs to this ongoing momentum, exploring how to be catalytic and supportive of public and private investments.

One of the main discussions in the meeting was to explore which kind of investments are needed for which aspects of agroecological transformation. Participants acknowledge that agroecology is a deep and systemic approach, and therefore requires more holistic thinking, more patient capital that is flexible and long-term (beyond the usual 3-year project cycles) funding, and more participatory and inclusive approaches that support the agency of those that are leading agroecology transitions on the ground. Here investments are critical in farmers organizations and networks, small and medium enterprises, social movements, and the enabling ecosystems of actors providing technical assistance, market support, and other types of support.

Whereas private investments will certainly expect financial returns, we must recognize a) that some capital will have to take higher risks (and to get there, public finance institutions can help private investors can come in), b) that grants will be needed to support certain enabling factors (and come up with types of grants that are fit for in a given phase of transition), and c) that returns will need to be assessed beyond a financial dimension only. We need to call on and mobilize national and multilateral development banks to invest in agroecology - this is where the frontier of agroecology investments currently is.

This underscores the need for diversity in our investment approaches -> a diverse ecosystem of funders, connected and aligned with each other, funding the diversity of approaches to a robust agroecological transformation, rather than isolated projects.

Increasing investment in agroecology is also not simply about mobilizing new money. It is also about shifting existing funds in the right direction (e.g., repurposing agriculture subsidies currently allocated to high-input agriculture); about exploring impact investments and divestment from unsustainable practices, and about promoting internal alignment and coherence within institutions - both public and private financing institutions. Networking, shared metrics and evaluations will be key, as will be fund pooling and alignment. This is true of the national level as well where Finance, Budget, Development, Planning, Agricultural and Environmental Ministries must find common ground.

We concluded the meeting assessing how to support this collaboration into the future. Participants agreed unanimously to use a common tool to track agroecology investments and that the Agroecology Coalition's working group on finance and investments is best placed to host the work going forward. With that we have taken an important step towards deepening collaboration amongst us, which is a pre-condition for the food systems transformation so urgently needed.

Opening Remarks

Jo Puri, Associate Vice President, IFAD

One third of food in the world is produced by smallholder farmers. There is overwhelming evidence of the potential of agroecological practices in terms of social outcomes, employment and biodiversity. Agroecology has become a sweet spot, where IFAD is able to focus on research and development, agriculture, and sustainability together (in IFAD's 13th replenishment), all based on the demands of countries.

People in critical areas, blocked in conflict are the people we should invest in more; in these areas farmers are most likely to sustain and adopt agroecology and build resilience. The return on that investment is between 7 to 30\$ for every 1\$ invested.

A key focus for IFAD is the positive outcome agroecology has on resilience. In our portfolio of investments, agroecology is relatively small. More than 60% of IFAD's portfolio however has elements of agroecology. The main offer we make is that we work with governments on the ground and we are able to aggregate their portfolio of investments. Our strategy is about catalyzing, aggregating, and accelerating investments. IFAD's Food Systems Integrated Program is operational in 32 countries (230M to 1.2B USD) with GEF, FAO etc.. Investments in countries will start to be designed in 2024; and the idea is to develop projects that have an agroecology component.

How can we as public institution de-risk investments of other parties? The PDB platform offers technical assistance, training, and peer-to-peer support to Public Development Banks (PDBs) in order to build their capacity so that new financing products can be developed. A major objective of the support is to extend credit lines to the last mile client. We need to focus on the rural poor.

High Level Panel

Question: Why are you investing in agroecology?

Ms. Carla Montesi, Director, Directorate General International Partnerships, European Commission:

A growing number of scientific publications is giving us key elements of evidence for agroecology. We also can observe agrarian realities worldwide and draw lessons from large scale government interventions. All of this is providing evidence of the multiple benefits of agroecology. The vision of agroecology of the European Commission is embedded in the HLPE's 13 principles, which are aligned with FAO's 10 elements of agroecology. It's not a dogmatic approach. We don't believe that there is a single solution that is valid for everyone and everywhere. There is a need to promote locally adapted solutions with the participation of key local actors and based on local knowledge. We hear sometimes that agroecological approaches are opposed to science, but this is not the case. The agroecology approach relies on science, on new technologies, on new visions, linking for example to breeding and digital technologies. At the European Union, we support the development of agroecology. We are engaged in more than 70 initiatives. For example, we are supporting research in Africa (through CGIAR) and we have a program to invest in agroecological approaches of 80 million euro. For example, we are supporting research and innovations projects in Africa, Asia and Latin America through several initiatives including DeSIRA, DeSIRA+, two programmes in partnership with IFAD and support to CGIAR.

Mr. Victor Suarez, Undersecretary of Agriculture, Mexico:

Between 1982-2018, neoliberal policies resulted in food dependence, malnutrition/anemia and epidemic of obesity and overweight due to the eating model based on ultra-processed products and soft drinks, inequality, poverty and dependency in rural areas; as well as migration, corruption, violence, capture of the State by private-corporate interests, the exploitation of natural resources and CO2 emissions. The

government of President Andrés Manuel López Obrador wants to leave this neoliberal model behind and build a new welfare state of which the central objective is the wellbeing of the entire population, the poor first. Energy sovereignty and food sovereignty are the two axes of national sovereignty. Priority is given to the internal market and economic growth with justice. Rural food self-sufficiency is promoted under the principles of agroecology with a human rights focus. A Presidential Decree stipulates the prohibition of the commercial planting of GM crops, the prohibition of the use of GM corn for human consumption, a ban on glyphosate by March 2024 and an agroecological transition as a State policy.

Mexico's high-impact priority programs with most public subsidies:

- Production for Wellbeing: support 2 million small producers of basic grains, coffee, cocoa, sugar
 cane and honey, totaling 5 million hectares. Direct economic support without intermediaries,
 technical support for the agroecological transition and access to financing: 900 million USD/year.
- Seeding life: support to 450,000 producers of 2.5 hectares for the establishment of agroforestry systems without agrotoxics. Annual budget: USD2.1 billion. Monthly support US\$350/planter, technical support, nurseries, equipment and tools.
- Government purchases from small producers of corn, beans, wheat, rice and milk at guaranteed prices. Distribution in a network of rural stores and in urban and suburban dairies. Public investment: 1 billion USD.
- CONACHYT program of technological innovation for the agroecological transition. Investment in projects to replace glyphosate and spread agroecological practices.
- Welfare programs in rural areas: direct unconditional transfers: universal pension for older adults (65 and +), universal pension for people with disabilities; universal educational scholarships for upper secondary education students; Program Youth Building the Future gives work scholarships; among others.
- Network of Banco de Bienestar branches (3,000) and internet program (free) for all.

Several new laws are put in place: Front warning labeling on ultra-processed foods and beverages, a Healthy School Environments Law, a General Law of Adequate and Sustainable Food and regulations for the prohibition of highly dangerous pesticides.

Obviously supporting agroecology and healthy food is not a technical decision: it is a political decision. Facing this change of the model, we know we will face internal and external corporate pressures and lobby, media and judicial campaigns with a lot of money from corporations: saying... "There are no alternatives", "production is going to collapse", "it is going to raise consumer prices", "trade agreements are violated", "agroecology is not based on science; It is ideology", etc.

Mr. Gerald Mweli, Permanent Secretary at the Ministry of agriculture, Tanzania:

In Tanzania, we have doubled the budget for agriculture. We have been self-sufficient in food for the past 10 years. The question is no longer how to feed ourselves, but how to increase the nutritional value of our food. Agroecology is a key pathway, so in Tanzania agroecology policies have been developed. How are we financing agroecology? Everyone wants a return on investment. Your work as donors is to make sure that you are investing in countries which are ready, those who have the right system and legal framework in place. At the same time, agroecology is a new phenomenon for some of us, so capacity building is key: of governments, of farmers and of civil society.

Vijay Kumar Thallam, Executive Vice-Chairman, RySS, Government of Andhra Pradesh, India:

Since 2016, the Government of Andhra Pradesh has been supporting natural farming. The present food system is broken and we need to do things differently. The question is not if you should do agroecology or not, but *how* to do it. With agroecology, the cost of cultivation goes down, yields go up and the health risk of farmers goes down. Unfortunately, farmers and all of us have been conditioned to think that food cannot be produced without chemical fertilizers. It looks as if this 'chemical' addiction has gotten into our brains and is not allowing us to think of other alternatives. When we farm with natural farming, we don't need any external fertilizers – either chemical or organic. We depend on activating soil biology to make all the

nutrients that a plant requires to be bioavailable to the crop. Natural farming leads to significantly higher incomes for farmers and increase in biodiversity and production of more nutritious and highly diversified food leads to much better health outcomes. In addition, there are multiple positive environmental impacts. The crop water requirement has decreased very significantly, up to 50%. The risk of crop failure has decreased. What is required to scale this farming is knowledge sharing and handholding support to farmers to make this transition. About 90% of the budget we spend on natural farming goes to developing the institutional setting, to organizational capacity building, towards farmer to farmer knowledge sharing costs. Strong grassroots, indigenous women-led self-help groups have been critical in our process to scale up agroecology. The importance of co-innovation in agroecology cannot be underestimated. Building social capital is the key.





After the High Level Panel, **Gabriel Ferrero de Loma-Osorio**, **Chairperson of the UN Committee on World Food Security**, made a short intervention highlighting the importance of agroecology for food systems transformation and expressed his personal support to the work of the agroecology coalition.

Funding flows and cost of transition (Lauren Baker)

A presentation of the current funding flows in food systems and the current level of investments in agroecological transitions was made and compared with the overall costs to society of current food systems and the financing needs for an agroecological food systems transformation. The key figures are:

- The annual hidden cost of our current food systems is between 12nand 19 trillion USD.
- Annual subsidies to agriculture amount to 635 billion USD. Of those, 385 BUSD are considered distortive and causing harmful environmental outcomes.
- The annual transition cost to regenerative/agroecological approaches is between 250 and 430 billion USD.
- Total annual funding for regenerative/agroecological approaches is 44 BUSD of which 29 BUSD by the public sector, 11.4 BUSD by the private sector, 3.18 BUSD by Development Financial Institutions and 0.78 BUSD by Philanthropy.

The details can be found in the **PowerPoint presentation** shown during the convening.

Funders Panel

Question: How are you investing to scale agroecology up and out?

Jane Maland Cady, McKnight Foundation:

Since the 1990's, we invested in collaborative processes to support sustainable agriculture and since 2011 we have been explicitly committed to agroecology. Our focus is to contribute to systems change entering through research. We see research as a way for people involved in place-based agroecology to cogenerate knowledge. Our work has been focused on scaling up and deep, and in the past years scaling out through support of and engagement in philanthropic and cross sector collaborations. It is very context-specific, we do a lot of trust building and support of local leaders and networks. Our community-based approach, in three global south regions, totals about 11,3 billion US\$ per year. The grounded work is driven by the local context and priorities, which in turn inspire a global process. The title of our program currently is the Global Collaboration for Resilient Food Systems.

Daniel Moss, Agroecology Fund:

Informal networking between philanthropic organizations led to the creation of the multi-donor Agroecology Fund in 2011. We have a strong interest in social and environmental impacts. The niche of the Agroecology Fund is our movement focus. The % of funding generally going into grassroot organizations and networks is very small, but we believe that we need to prioritize investment into movements of small-scale farmers. The Agroecology Fund brings together 40+ donors and works closely with 13 expert advisors with diverse roles and perspectives on the global agroecology movement. The advisors, participating donors and long-term grantee partners jointly develop the overall strategy. Advisors discern among dozens of proposals to recommend final grantees. One of our key strategies is to decentralize our funding approaches with local advisors who are embedded in networks and regions who better understand the local context and landscape. We currently have set up regional funds in Mexico, West Africa, and East Africa.

Thouraya Triki, Public Development Banks Coalition:

IFAD supports agroecology (AE) through its sovereign program and other thematic programs (notably one funded by EC and Belgium), we also leverage our convening power to promote AE through various platforms notably the PDB coalition that we are leading in coordination with AFD and where AE was identified as a key priority for our members.

Agroecology needs to make business sense. Interventions should not focus only on the production side. Peer to peer learning is the best tool to advance agroecology - notably between banks. Furthermore, the Agri-PDBs Platform is establishing a new working group on Agroecology. The objective of this initiative is to demonstrate the commitment of the PDBs towards Agroecology, as well as various ways through which public banks can integrate Agroecology into their business and operational strategies. This will also facilitate the adoption of Agroecological approach by the agri-PDBs' clientele.

Mauricio Benitez, Big Valley GmbH:

The agriculture transition is subsidized in Western societies but not in developing countries. Biochar is a technology that uses waste to produce agricultural inputs. It is attractive for carbon offsets. Biochar can be an entry point for the implementation of agroecology practices.

Phemo Kgomotso, UNDP:

We have conducted an 'Agroecology Stress Test' to assess how well/or not, our programs and projects integrated agroecology. Our entry point into working on agroecology is through an 'environment' lens, on account of the funding mechanisms through which we support a lot of the work we do on agriculture and food, namely GEF, GCF and similar financing mechanisms. We see many of the barriers to transition towards agroecology emerging from policy incoherence. Public investments, including investments in

harmful practices and perverse incentives conflict with the agenda and goal of agroecology, some discourage traditional and cultural practices that may be supportive of agroecology goals. Land tenure insecurity is another key barrier, which leaves some groups (women, poor men, indigenous people, agro-pastoralists). Demonstration of agroecological practices on the ground is key to making the case for this, and in some cases, governments pick up on these good practices and finance upscaling with their own budgets, but it is important to help generate evidence and document the impacts of these investments to further inform policy decision and public budgeting processes and investments.

Mathiew Le Grix, AFD:

AFD is a French public development bank for international development, with 12 billion euros of new commitments, yearly, for SDGs. About 10% in the area or agriculture, rural development, and biodiversity with an increasing part of it to support the agroecological transition.

AFD has funded agroecological projects for a few decades. We first focused on research and extension of innovative practices, like no-till farming and plant covers, especially in western and central Africa, southeast Asia and Madagascar. About ten years ago, we developed a broader approach of agroecology, integrating various practices and systems, depending on local contexts. Based on this track record, we made three significant moves in the last few years to enhance our investment in agroecology and promote scaling up.

- 1) First one was to give high priority to agroecology in our new strategy for agriculture, rural development, and biodiversity, released in 2022. More than ever, the ecological transition of agricultural systems has become one of the main focuses of our sectoral strategy, in order to meet higher impacts on climate and biodiversity, in particular.
- 2) The second move has been to diversify our portfolio. We go beyond ground-based projects on research and promotion of agroecological practices which remain critical. We want to capitalize better and to address policy issues. Concretely, this means:
 - Supporting elaboration of national strategies for agroecology (for example in Burkina Faso)
 - Financing practitioners' networks at national or regional level (for example the DyTAES in Senegal, ASSET project in southeast Asia)
 - Providing policy-based loans integrating agroecology (Costa Rica, Philippines)
 - Supporting regional organizations, for instance ECOWAS, in their initiatives to promote national policies for agroecology.
- 3) The third move we made was to define a clear position on agroecology. We released in July a specific document defining precisely (i) how we address agroecology, (ii) what is an "agroecological project" for AFD (we all know that there can be endless discussions on definitions), and (iii) how we account for our activity on this topic I think we will discuss accountability and finance tracking.

Before closing, I want to highlight three remaining challenges, from our point of view, to really scale up agroecology:

- 1) Providing evidence of the economic performance of agroecology. There is a lot of work on this issue, but we lack a consolidated, useful case for public policy dialogue.
- 2) Mobilizing private sector, I mean agribusiness (which is not committed enough, to date).
- 3) Mobilizing the financial sector, and in particular public banks, as an incentive for agroecology.

Jasmin Hundorf, GIZ:

There are diminishing public funds due to multiple crises. In Germany, support for agroecology has both national and international components in around 80 projects. BMZ is also increasing its investment in agroecology. There is a strong link between technical and financial collaborations, we support peer to peer approaches, we work with multiple stakeholders, and we see agroecology as a way to connect different sectors from production to consumption and in the landscape (including, for instance, biodiversity, education, employment, etc.). Agroecology is about more than investing in agroecology practices, we also

need to take on board its social and cultural components. We can show evidence of agroecology for resilience and the wellbeing of rural communities. For us it is important to also involve those who are not convinced yet in these dialogues because agroecology is an inclusive approach to us and we need to address the finance gap for a just and sustainable transformation jointly.

Mohamed Bakarr, Global Environment Facility:

Countries consistently recognize agroecology in their projects seeking to transform agriculture and food production. In 2016, the GEF launched a Resilient Food Systems program focusing on smallholder farmers, with twelve countries in the drylands of sub-Saharan Africa. Since then, the focus on food systems transformation has continued to garner interest from countries in all GEF regions. We need a governmental approach to link agroecology and environmental issues. In the latest GEF program on Food Systems, we are emphasizing integration across geographical scales, and ways to connect regenerative agriculture, sustainable livestock, and aquaculture. In addition, we are looking to help countries integrate vertically to align institutional and policy dimensions.

Thematic Conversations





How Agroecology can Help Address the Climate and Biodiversity Crises

Contrary to "conventional agriculture" agroecology corresponds perfectly with climate adaptation and mitigation strategies. The three Rio Conventions are an important opportunity to integrate agroecology as a solution to the challenges addressed by all three conventions and to make further connections with food & nutrition security. The landscape level can be a good connecting factor. The potential of agroecology for land and ecosystem restoration, including a biocultural restoration approach should be highlighted. It is noted that lack of secure land tenure is a major challenge. True cost accounting and the circular economy are other concepts that are linked to agroecology, as well as a focus on the livelihoods of Indigenous communities. In relation to large scale ecosystem restoration, it is important to document better examples of large-scale farms that implement agroecological principles. In promoting food systems transformation, we can consider the climate, biodiversity, and forest communities as allies, as we share some of the same objectives. More attention is needed to mobilize climate funding (e.g., from the Green Climate Fund), but methods are still being tested. Biodiversity credits are another option to consider. The contributions of agroecology to the objectives of the three Rio Conventions come together with the provision of diverse nutritious diets.

Innovative Finance Mechanisms

There are different levels of finance, from the global to the farm level. Buckets of finance exist for a) farmers, b) promoting organizations such as NGOs, c) transition and extension. We need to look in more depth at what works in each context and how we can improve access to funding for farmers. Are we duplicating?

How to scale? The fragmentation of funding is calling for us to create linkages and dialogue to share experiences and relationships. Blended finance, where public and private funding is combined, needs to be explored more. We should link performance outcomes to policy change and to cyclical funding. We are also interested in creating funding mechanisms for the nexus between energy, food and water. We aim to build power and self-determination through our investments. We must focus financing on areas that are most at risk. Long-term systemic approaches are needed, where we differentiate between project and transition finance. We must also diversify our grant making mechanisms to differentiate between funding for farmer organizations and small CSOs (Civil Society Organizations) on the one hand and BINGOs (Big International Non-Governmental Organizations) on the other. There is respect-based funding versus trust-based funding (the latter being high risk/ high return). Can we set up a revolving risk mitigation fund? Example of GIZ: country-led multi-stakeholder processes of peer-to-peer learning (be careful of underrepresentation of farmers). Innovation is also needed in the area of governance, e.g., the Agroecology Fund grantmaking strategy through advisors: this is more effective and creates visibility of grassroots actors.

For such innovative funding for agroecology, it is important to change investor expectations. We must rethink Risk, Efficiency, Return and Scale. Private capital incentives are often not a match with agroecology principles. There is a misconception (e.g., with investors and policy makers) that agroecology is about premium products rather than affordable food. We see a logic of standard return on investment/ profit versus a logic of popular economies. There is often a mismatch between investors' expectations of returns and those of agroecological producers and businesses. We need new narratives and new data on the real cost of food. It is important that the fundraising capacity of grassroots actors is increased. Champions at the country level can play a big role. Innovation goes beyond blended finance: it is market support mechanisms, changes in mindsets e.g., of consumers.

Questions: Can consumer behavior change lead to new finance innovation opportunities, e.g., through alliances of producers and consumers? How are we stopping the harm? What can we learn from other transformations, e.g., energy? How can we use public funding to leverage private finance? How can we bring large sums to smallholders through a reliable mechanism?

Transdisciplinary, Participatory Research

There are many fragmented efforts and initiatives for agroecological research and knowledge building to contribute to systems change, such as evolutionary & participatory seed systems, the Transformative Partnership Platform of Agroecology framework, the development of agroecology principles, mapping efforts such as by Regen10, TCA/ TEEB-Agrifood. But are they connected to each other? It is challenging to combine biophysical and socio-cultural change. There are not many examples of genuine participatory research work; most is top-down. Participatory research is underfunded, and that funding is not institutionalized but rather 'projectized', even though evidence is often only available 5 years post-project funding. The timeline of funding is essential for participatory research.

Other challenges are:

- Limitations of existing tools to assess agroecology since the 13 principles, such as tradeoffs/externalities, and combining the biophysical with the socio-cultural aspects.
- Little understanding of systems thinking, and especially of the importance of social capital.
- Lack of clarity about whether in participatory research, it is the numbers that count, or rather the story/ narrative.
- Current structures (of funding, research incentives, education) do not enable systemic participatory research to flourish.
- It is hard to discuss the personal, cultural, and spiritual dimensions of agroecology in research.
- o The continuum between research and extension is fluid, and sometimes broken.

Ideas for collaboration include working on curricula in the education system, connecting big picture thinking with food, building on examples (e.g., Farmer Field Schools in Ecosur, use of digital data tools, integrating agroecology in agronomy courses), differentiating between types of research and ways to engage in

research, making agroecology more evident or known to general consumers, labeling and agroecological certification across the value chain.

Supporting Frontline Actors

We need to bring agroecological knowledge to non-initiated people. Question: Should we focus on those who are already ready to farm differently?

We know that financial and market incentives are instrumental in the shift to agroecology. Challenges include: the capacity of frontline organizations in describing and communicating their work (documenting impact), the administrative capacity challenges of smaller organizations, fostering dependency on grants and the right size of funds. Opportunities include moving from grantmaking to partnership approaches, fast financing mechanisms based on long-term partnerships, GEF & UNDP small scale grants programs, readiness programs, micro-finance, an existing basis of self-help groups through which communities know how to invest in themselves and who have their own governance mechanism, broadening the focus on agroecology, e.g. through an integrated landscape approach.

Harvest of ideas for collaborations

Broadening the Scope

- Emphasizing the relevance of agroecology beyond food: in fiber, fuel, medicine, cosmetics etc.
- Explain the multiple benefits of agroecology (productivity, environment, climate, health, equity etc..) and the harm of high input industrial agriculture to provide a bigger reference frame.
- Introduce diversity of species and varieties adapted to future climates.

Funding

- Climate funds for agroecology.
- Loan/grant blending approaches.
- Supporting micro-finance organizations for lending at lower rates for agroecological projects/initiatives.
- Making joint investments more systematic with grants to de-risk loans, to strengthen the economic fabric, to ensure sustainable financing and to enable scaling up.
- The Neycha Accelerator and Fund as an example.
- Networking among funding organizations that have a similar approach: Rainforest Foundation & Agroecology Fund & GEF/ UNDP: small grants that are effective for local organizations.

Education and Communications

- · Synthesizing what we have and know.
- Changing education curricula, from primary education onwards, including in MBAs.
- Socializing agroecology through popular culture, television, theatre (e.g. sitcom in Brazil).
- Emphasize and connect lighthouse farms in different countries.
- Traditional cuisine with a story for school lunches.
- Exploring linkages beyond 'us', e.g., with supermarkets and retailers.
- Tailoring our narratives better to different audiences (e.g., farmers, policy makers, business).

Frameworks and Metrics

- Agroecology certification across the chain, such as participatory guarantee systems.
- RAFT (Regenerative Agroecological Food Systems Transformation).
- Developing KPIs for projects with a focus on incomes for farmers.
- Coordinated field tracking among funds and networks.

Capacity Building

- Capacity building for networks to communicate with governments and donors: good role for philanthropy.
- Developing a Community of Practice around blueprints/best practices.
- Training service providers on agroecology to better address the needs of farmers.
- 'One-by-one' transition problem solving for finance, and then sharing results/ ingredients.

Reflections

Reflections from Anna Lappé, Global Alliance for the Future of Food

- The cost of the agroecological transition of food systems is estimated at 14T US\$. We need to fund the transition. But once it's achieved, it pays for itself.
- This room embodies what we need: a diverse ecosystem of funders and financiers. What's the best use and special role of each of us in this ecosystem of funders?
- For agroecological transformation, we need a systems approach. What is that ecosystem of actors that we need to bring in for the transformation we need to see?

Reflections from participants

- Investments are important, but we also need to talk about divestments. It can be useful to reflect on what happened in other movements.
- More evidence is not needed. Instead, we need to make significant efforts to communicate the abundance of evidence we have and improve on targeted communication.
- We need to adapt the type of financing to the different situations; financing for transition is different
 for each phase, with different requirements/flexibility. The logic of particular situations and the logic
 of financing do not always match.
- We must look at the different scales are we operating at a country or continental level; what's the plan of action and responsibility of each stakeholder at the different scales?
- It's great that there are so many new faces in the meeting compared to the 2020 Berlin meeting. What is missing are small and medium scale agroecological enterprises and the farmers themselves as well as more development banks.

Introduction to the Agroecology Coalition

The "Coalition for Food System Transformation through Agroecology" - or "Agroecology Coalition" for short - was launched in 2021 to accelerate the transformation of food systems through agroecology, guided by the 13 principles of agroecology defined by the High-Level Panel of Experts (HLPE) of the Committee on World Food Security (CFS) that are aligned with the 10 Elements of Agroecology adopted by FAO.

These principles and elements serve as the Coalition's compass to accelerate food systems transformation. The Coalition endeavors to support the implementation of country pathways for food systems transformation and to make visible and amplify the efforts of its members in transforming food systems through the following three workstreams:

- Facilitating co-creation and exchange of knowledge and experience
- Pushing for increased investments in agroecology; and
- Seeking political engagement and increased commitment to agroecological transformation

As a multi-stakeholder group, the Coalition calls for governments and all actors engaged in food system transformation to join forces and catalyze collaborative action on important and existing instruments and initiatives to scale up agroecology on the ground.

As of October 2023, the Coalition brings together 47 countries, three regional commissions and more than 140 organizations, including farmer's organizations, research organizations, indigenous people's organizations, civil society groups, UN agencies, SMEs and philanthropic foundations (See here the <u>list of Coalition members</u>). A <u>Steering Committee</u> has been established from among the members and reports to the full membership. It guides the work of the Coalition and supervises the Secretariat of the Coalition. The permanent <u>Secretariat</u> of the Coalition has been operational since February 2023 and is hosted by Bioversity International in Rome, Italy. A Hosting Agreement has been signed between Bioversity International and the Coalition. The Secretariat operates independently, is financed independently and reports only to the Steering Committee of the Coalition.

In order to operationalize the Coalition and drive forward its work, five Working Groups were formed and Coalition members decide to join the Working Group(s) they want to contribute to. These Working Groups are: 1) Research, co-innovation and education; 2) Policies; 3) Finance and investment; 4) Communications and 5) Implementation. The Working Groups are supported by the Secretariat; they determine their own way of functioning and regularly report to the Steering Committee. Additional working groups may be formed as appropriate. https://agroecology-coalition.org/

Introduction to the Agroecology Finance Assessment Tool

With the growing interest in agroecology, divestment from industrial agriculture and a re-thinking of funding modalities in support of food systems transformation, there is some evidence that investments in agroecology are growing. Yet, we have lacked the ability to track the volume and quality of these funding streams.

To address this need, an innovative methodological framework, rooted in an initial proposal by the Centre for Agroecology, Water and Resilience at Coventry University, has been developed by a community of practice on tracking finance flows to agroecology. This framework aims to assess to what extent particular projects or initiatives contribute towards agroecological transformation. The framework's development was endorsed by the Financing and Investment Working Group of the Agroecology Coalition, uniting a diverse cohort of 20 experts from various organizations and backgrounds, encompassing researchers, donors, and civil society stakeholders.

Based on this methodological framework, the online tool to assess how much funding is going to agroecology was developed by Statistics for Sustainable Development (Stats4SD) on behalf of a broad network of collaborators including the Agroecology Coalition.

- The tool is evaluating projects/initiatives for their support to agroecological transformations by rating their contribution to the implementation of each of the 13 principles.
- The tool can be used to evaluate individual projects/initiatives, or entire portfolios of projects.
- The tool can also be used to guide agroecological project development by giving examples of actions that contribute to the implementation of each of the 13 principles.
- The tool will be accessible to any institution wishing to use it to assess their own projects / portfolios. Any donor, investor or implementer can upload their investment information.
- The tool is based on the widely used open source framework Laravel, and all code written specifically
 for this tool will be made available via a permissive open license on GitHub. Sophisticated security
 measures are in place to safeguard data integrity.

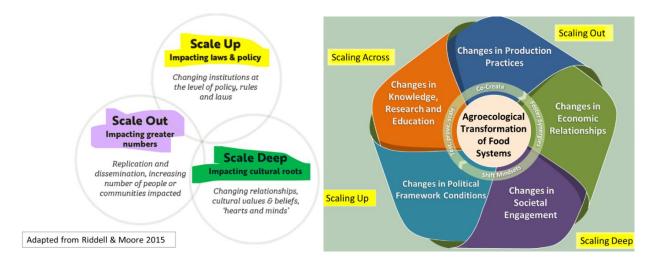
- While the tool is open source, no institution-level data will be available outside of the institution that
 entered the data without explicit and formal consent by the institution itself through an authorized
 officer.
- Reports based on aggregate analysis will be published regularly to track investment trends in agroecology.

The methodology is also very useful to guide the *design* of projects/initiatives for agroecological transformations. More details about the methodology and the way it was developed can be found in <u>an academic article</u>. To access the guide and the tool: https://agroecology-coalition.org/agroecology-finance-assessment-tool/

Scaling Agroecology

There are three ways to look at scaling agroecology: scaling out, scaling up, and scaling deep.

Biovision has identified 5 levers, or drivers, for scaling in these three dimensions:



How Can we Scale Agroecology in the Regions?

Asia Pacific

Opportunities include: rise in fertilizer prices, the vulnerability of supply chains, existing evidence from the region (e.g. on promoting drought resilience through agroecology), country champions.

Challenges include: A country focus on productivity increase, with little emphasis on nutrition, no linkage between food security and climate policies/ conversations, the mindset that agroecology is not able to address food security, lack of recognition of agroecological products among consumers, absence of link between agroecology and the blue economy.

Synergies are:

- Exploring linkages (co-investments, co-financing) in the region.
- Peer to peer exchanges on agroecology (e.g., 'mentoring' by people from Andhra Pradesh).
- Reducing risks, rewarding good mechanisms, practices, instruments.
- Increasing consumer demand through education and awareness.
- Mainstream agroecology in existing national (climate, biodiversity, agriculture) strategies.
- Bridging narratives (climate, blue food, resilience), cf. Pacific Islands.
- Mobilizing and effectively communicating evidence from the region.

- Linking the dispersed 'below the radar' movement.
- Working with existing regional mechanisms e.g., ASEAN, SPC and regional social movements

Latin America and the Caribbean

Opportunities include: LAC countries are on average middle to high income countries with the capacity to invest in food systems transformation (the challenge here is that most donors do not provide grant funding to these countries although it is needed in some cases). Agroecology can be linked to other important/ popular initiatives in the region- Indigenous peoples' movements, climate change, food security and nutrition linked to NCDs, One Health Approach. The provision of global environmental services (e.g., protection of rainforests) can be leveraged by these countries to access funding for food systems transformation through agroecology. Governments can leverage the presence of UN Agencies to convene national stakeholder dialogues by requesting FAO/IFAD to facilitate this. The GEF8 Food Systems Integrated Programme focuses on Agroecology and Regenerative Approaches to transform food systems. Several LAC countries are included, which provides an opportunity and significant resources to scaling up agroecology (SUA) in the region. (Grenada, Ecuador, Mexico, Argentina, Peru, Costa Rica, Chile). Regional agricultural and agroecology events are hosted in the region with the participation of social movements, academics, government officials and others.

Eastern and Southern Africa

Opportunities include: High number of smallholder farmers, increasing interest and political will as indicated by the number of countries developing agroecology strategies and policies (Kenya, Uganda, Tanzania, Zambia, Zimbabwe and conservation agriculture policy in South Africa), African Union considering developing food policies, African Development Bank as a potential investor, increasing concerns around food systems at national levels (donor forums, R&D support), harmonization of policies and regulations at the regional level, local certification practices (PGS), the youth workforce, renewed culinary traditions (e.g., AFSA's My Food is African campaign), agroecological entrepreneurs as inspiration for youth, existence of competent research institutes.

Challenges include: Insecurity about ownership of means of production, access to finance and the fragmented nature of current funding mechanisms where different donors are funding in silos, access to capital/ skills/ knowledge/ markets, competition versus complementarity, weak land tenure and often land grabbing, conflicting interests in governments, youth not keen on doing agriculture, urbanization + change in consumption habits of youth, seeds dependency.

Synergies are:

- Communities of Practice for impact fund managers and for agroecology business development service providers.
- GPSIR (IFAD grants and loans) alliances.
- Coordinating curriculums and agroecology training.
- Cross-regional exchanges.
- Mapping and promoting existing experiences.
- Combining funding sources to scale up.
- Territorial approaches & synergies (local to local exchanges).
- Utilizing existing platforms (such as the Agroecology Fund) to be more strategic and so funders can learn about each other's priorities.
- Supporting local research and evidence.
- Learning from other transitions (energy, smoking).
- Country level donor convenings and developing a common infrastructure for e.g. data on soil health to support implementation of national agroecology strategies (NAS).
- Creating an inclusive agroecology narrative in the region to counter the productivist narrative.
- Agroecology Coalition to convene the region to go to AGRF 2024 in Kigali with a joint narrative

West Africa and Central Africa

On Western Africa

In this region, considering food security issues and the very low current level of use of inorganic inputs, agroecological intensification should not be opposed to a better access to fertilizers. Land restoration and organic fertilization are key for the agroecological transition in this region.

Opportunities include:

- Strong network of farmers organizations (ROPPA).
- Regional agricultural policy (ECOWAP) and regional plan for agroecology.
- Existing dynamics in some countries (e.g., Burkina Faso, Senegal).
- Synergies with the AFD-UE co-funded initiative DeSIRA+ for research and development for sustainable agriculture and adaptation to climate change.

On Central Africa

Challenges include:

- Land use planning issues (forest, mining, agriculture).
- Weak capacities of farmers organizations.
- No regional policy on agroecology, and few dedicated national policies.

Opportunities and synergies are:

 Central African Forest Initiative: important amounts available for forests and to reduce drivers of deforestation, including agriculture and agroecology.

Commitments and Announcements

Commitments

- ✓ BMZ is planning to use the Agroecology Finance Assessment Tool for its portfolio analysis in 2024. Experiences can be shared after application.
- ✓ The McKnight Foundation will organize a zoom call on country level collaborations, possibly as a subgroup of the Working Group on Finance and Investment of the Agroecology Coalition.
- ✓ The McKnight Foundation is very committed to being engaged in a donor coordination event in Tanzania, where they have been working for decades.
- ✓ In October 2024, the McKnight Foundation will host an event in Western Kenya on funding mechanisms for agroecology.
- ✓ The Agroecology Fund will host a webinar on how to use the Agroecology Finance Assessment Tool for the Working Group on Finance and Investment of the Agroecology Coalition.
- ✓ GIZ highlights the need to broaden the scope of participants of the future donors' convenings and is going to support the transition of the Convening to the AEC WG on Finance and Investment.
- ✓ AP-CNF will share a zoom invite to show how farmers have become drought-proof in Andhra Pradesh, and how to cope with droughts and floods.
- ✓ IDRC's representative will bring the tool within its own organization so that colleagues use it, and is keen to think creatively how to scale up complex agroecological systems.
- ✓ Biovision will work with public development banks to shift their money towards agroecology (and they have a new agroecology program starting in 2024).
- ✓ CIFF will work on policy messages on agroecology and try to mitigate opposite messages promoted by big enterprises who defend polluting agrosystems.
- √ The IKEA Foundation is keen to reflect on the Common Theory of Transformation (RAFT) and feed it into the work of the Agroecology Coalition.
- ✓ Biovision is working with a private foundation initiative in Uganda (the Accelerator Fund). They will share insights and challenges and create a community of practice.
- √ The Agroecology Fund will be supporting storytelling: donors and investors coming together, as well as general communications strategies of grantees.

Announcements

- November 29 December 2, 2023 in Oaxaca, Mexico, the International Conference on Food Self-Sufficiency and Agroecology in a Multipolar World will take place.
 www.biodiversidad.gob.mx/planeta/Conagro2023/
- On 28 February 2024, the Regenerative Agriculture Forum will take place in Brussels.
- At COP28, there will be a Food Day: a good opportunity to connect agroecology, regenerative agriculture and climate change issues.
- On November 15, there will be a meeting of the Working Group on Finance and Investment of the Agroecology Coalition.
- The Agroecology Finance Assessment Tool will be launched at CFS 51 on 25 October (<u>read the press release</u> and <u>watch the recording</u>).

Participants list

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Ralf	Sanftenberg	GIZ - German International Cooperation
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Dr. Roy	Steiner	Rockefeller Foundation
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