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# How to Increase Food Security through Smallholder-Sensitive Investment in Agriculture

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## More and better investment in smallholder farming is urgently needed to achieve food security

- Small farmers themselves are the main investors in primary food production.
- Investing in small farms on a large scale is the most effective way to increase and secure food availability (and reduce rural poverty) in most agriculture-based countries.
- Increasing and changing demand from booming urban markets is both a challenge and an opportunity for millions of smallholders. They need new production capacity and better market linkages through infrastructures and inclusive value chains.



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- Food production is facing new risks, both market-related and climate related. New investments on and off-farm are needed to address them.
- Rural women and youth want less drudgery, more remunerative jobs. Modern farm equipment, access to services and ICT are key.
- Agriculture needs to become a knowledge-intensive activity - hence the need to invest in Science & Technology and Knowledge Management.



## 37 Priority Areas:

- Smallholder-oriented research and innovation systems.
- Rural infrastructure (transport, irrigation, communication, post-harvest storage, ...).
- Access to financial services.
- Strong, inclusive, farmers organizations with bargaining power and management capacity
- Supportive policy environment.
- Strengthened security of smallholder asset base.



## 37 Take home messages:

- Small scale farmers must be supported as investors in primary food production but major investments are also required in upstream and downstream value chain activities that go beyond smallholders' capacity.
- Complementarity and synergies (rather than competition and grabbing) have to be ensured between diverse investors in food systems (farmers, processors, retail industry, governments...).

- More smallholder-sensitive corporate investment in food value chains depends on good governance and public policy, spaces for dialogue and negotiations and institutional innovation. Facilitation is often needed.
- Forthcoming CFS consultation on responsible investment in agriculture is an opportunity. IFAD with its experience in smallholder-centered investment is committed and engaged in the field and here with you.

THANK YOU