



Global Donor
Platform for
Rural Development

**CFS: Collaborative Governance Dialogue on
Financing for Food Security and Nutrition**

Catalysing the Future Financing of Food Systems Transformation

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15 April 2025

Food systems are facing critical challenges



Food security and health

Cost of malnutrition
~US\$5.3 trillion/year
(5% of global GDP)



Livelihoods poverty and inequality

30% of the world's
population cannot
afford a healthy diet

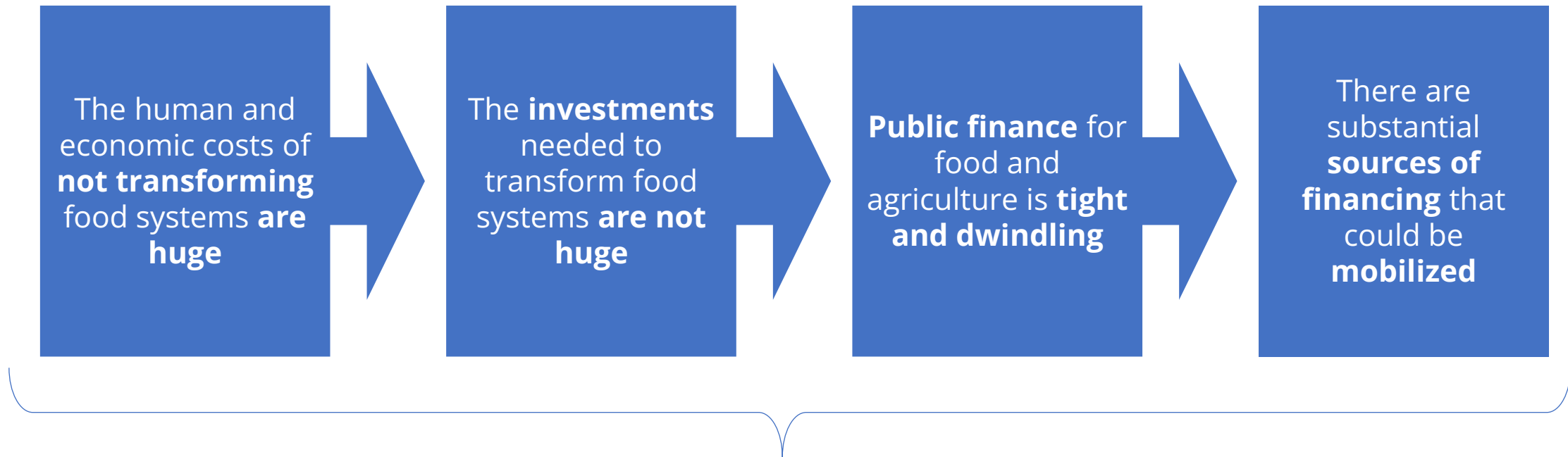


Climate change and environment

>30% GHG emission
are from agrifood
sector

The hidden cost of food is ~12 trillion US\$/year

The basic story

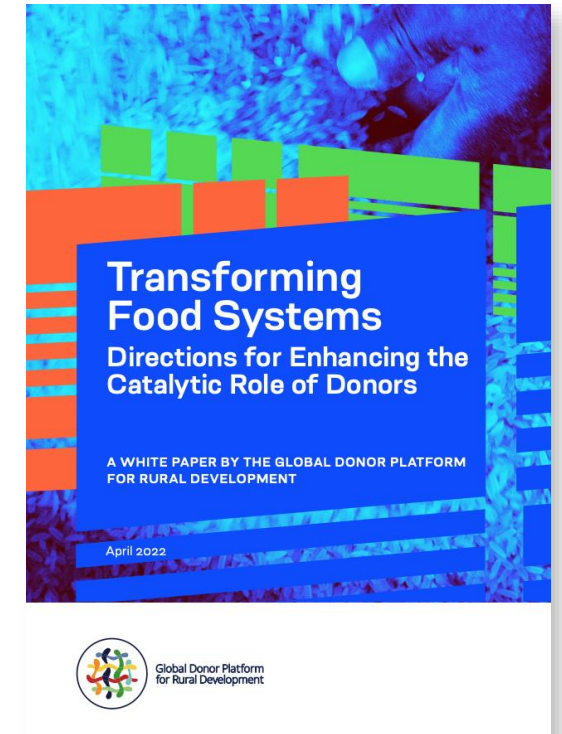
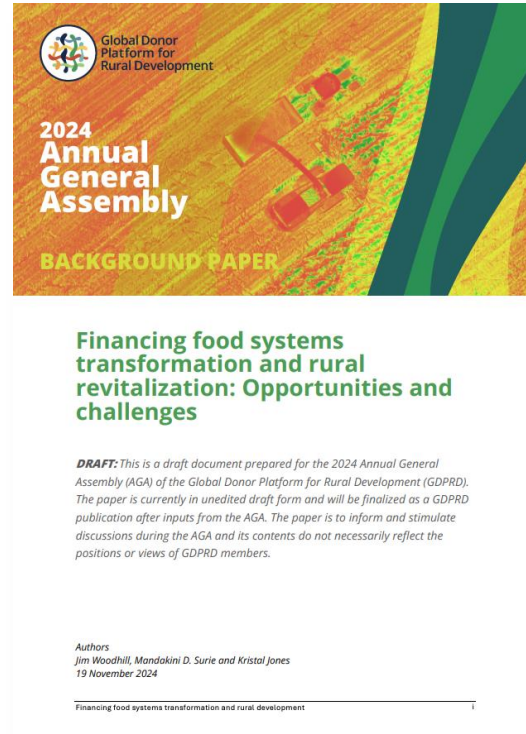
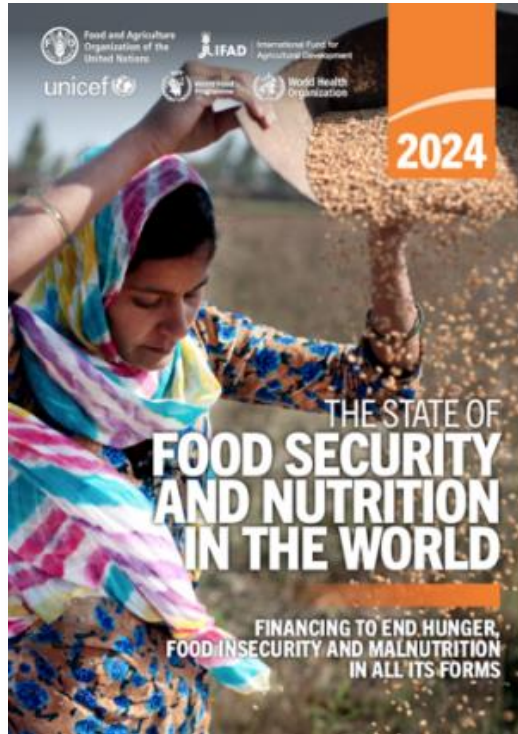


Public financing must be **catalytic**

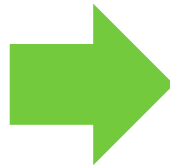
Public resources must be **repurposed**

Coordination is critical

Background documents



Upcoming

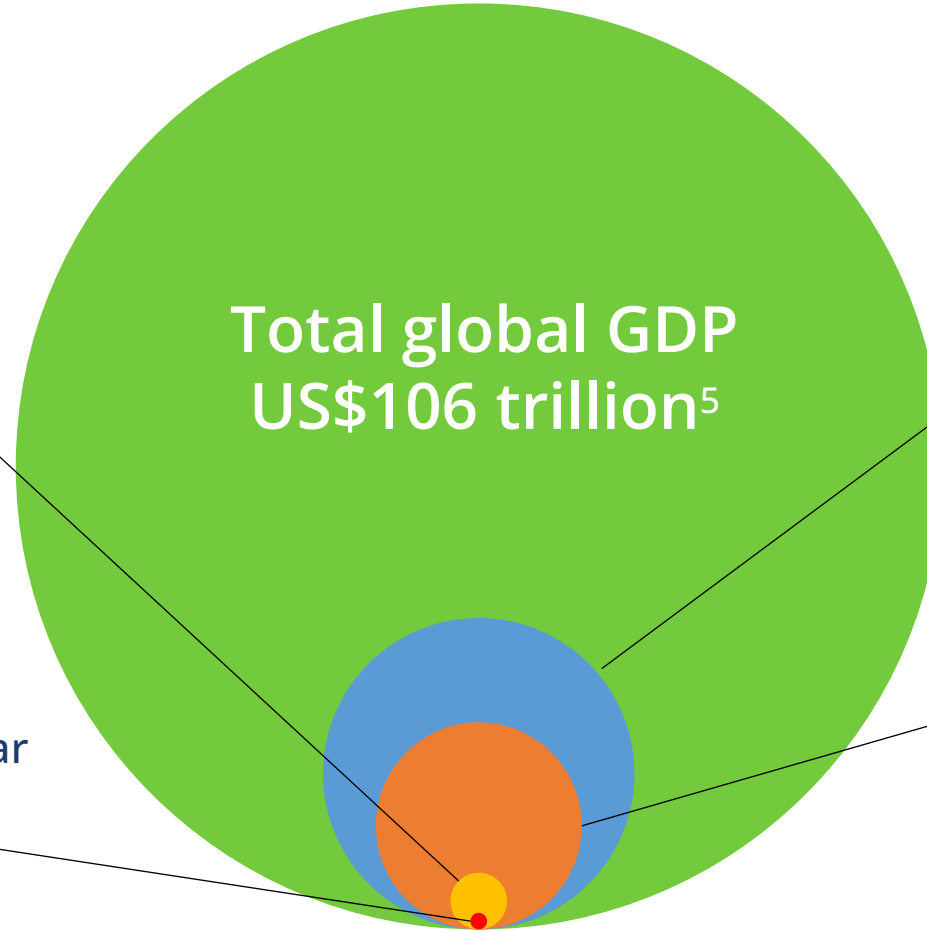


GDPRD 2025 White Paper on Financing Agri-Food Systems

Costs of transformation

Cost of transforming food systems:
~US\$400 billion/year
(0.4% of global GDP)¹

Cost of achieving SDG2:
~US\$33 billion additional/year
(0.03% of global GDP)²



The hidden cost of food:
~US\$12 trillion/year³

Cost of malnutrition:
~US\$5.3 trillion
(5% of global GDP)⁴

Investing in transformation

Current investments

Investment by informal producers and SMEs in L&MICs:
US\$412 billion⁶

Climate finance to agrifood sector:
US\$28 billion (<5%)⁷

ODA to agriculture, forestry and fisheries:
US\$14 billion annually⁸
(5-6% of ODA,
0.012% of global GDP)

Private capital leveraged by blended finance:
~US\$240-500 million/year⁹

Global agrifood sector
US\$12.7 trillion¹⁴

Potential investment sources

US\$1.57 trillion¹⁰

Impact investing

US\$1.3 trillion¹¹

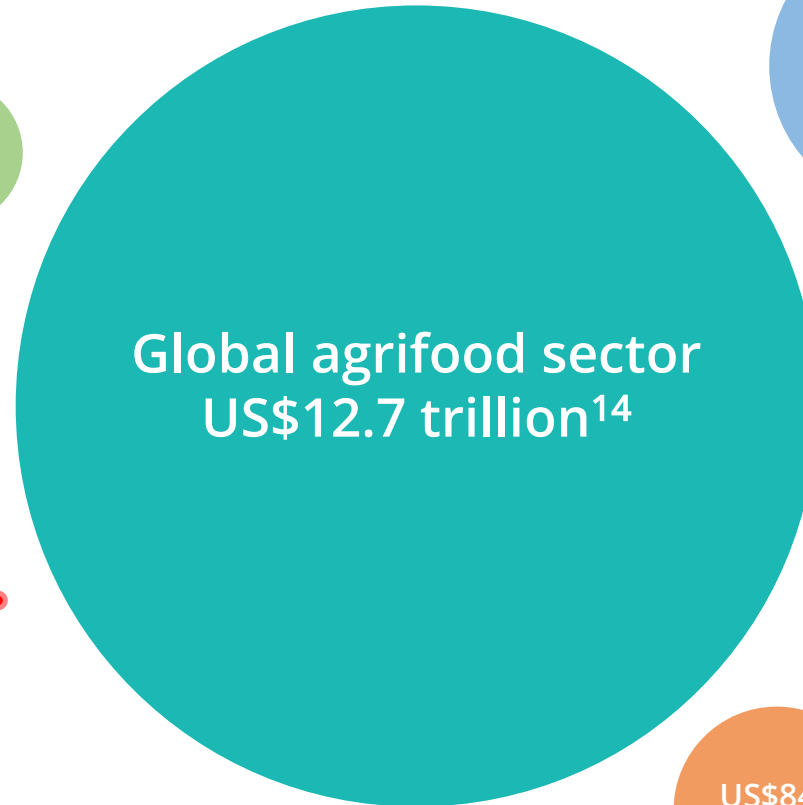
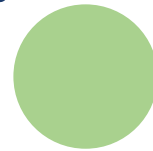
Climate finance

US\$905 billion¹²

Remittances

US\$842 billion¹³

Agricultural support



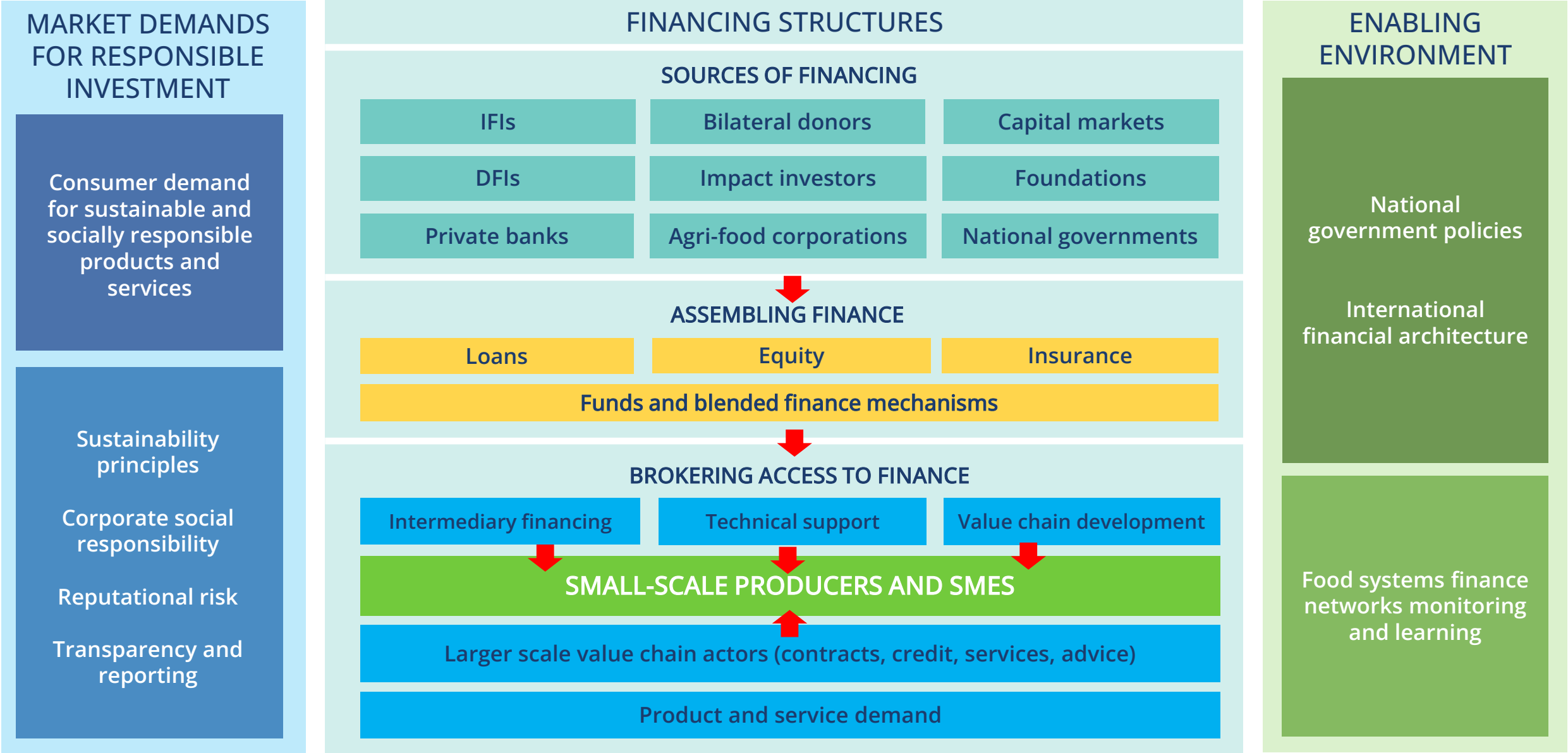
Innovative financing

Financing mechanisms

- Pooled donor/FI/private finance funds
- Bonds
- Impact investing
- Loans / concessional loans
- Equity investment
- Guarantees
- First loss
- Insurance
- Technical assistance
- Supply chain finance

**Innovative
and blended
financing**

Emerging ecosystem of innovative finance for food systems



In a nutshell

1

Shift the narrative

2

Mitigate risk

3

Coordinate, coordinate, coordinate

References for costs of transforming food systems

- 1 There are substantial variations in estimated costs of transforming food systems for improved nutrition, livelihoods, sustainability and climate adaptation. These range from US\$24 billion for climate adaption to nearly US\$1 trillion for the costs associated with enabling all people to afford a healthy diet. Based on these estimates, US\$400 billion/year is a mid-range value that would presumably enable substation progress on food systems transformation.
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4. FAO, IFAD, UNICEF, WFP and WHO. 2013. *The State of Food Security and Nutrition in the World 2013. Food systems for better nutrition*. Rome, FAO. <https://www.fao.org/4/i3300e/i3300e.pdf>
(There are a range of studies assessing the cost of malnutrition in all its forms to overall GDP at national and global levels. The 2013 assessment by FAO (State of Food and Agriculture) of 5% of Global GDP is used here and adjusted to 2023 Global GDP of US\$106 trillion.)
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GDPRD Food Systems Databases

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